



Riverside Centre
123 Eagle Street
Brisbane QLD 4000
Australia
Tel +61 7 3852 2280
Fax +61 7 3852 2281
cushmanwakefield.com.au

6 August 2021

Mark Muller
GM & JJ Muller Properties Pty Ltd
C/- 35 Southgate Avenue
CANNON HILL QLD 4170

Via Email: mark@activemedialsupplies.com.au

Dear Mark,

RE: APPRAISAL – 1&2/35 SOUTHGATE AVENUE, CANNON HILL QLD 4170

We are pleased to provide the following market appraisal for your asset. This appraisal provides a brief opinion as to the likely lease/sale price if the property was offered to the open market. The estimated ranges are based on a combination of analysis including; comparable property transactions, size and quality of the property, and current activity in the commercial property market.

Property Summary

Address:	35 Southgate Avenue, Cannon Hill
Lot & RP	Lots 1 & 2 on SP191431
Land area	2,055sqm
Building Area:	Unit 1: 989sqm 502sqm Office and amenities over two levels 487sqm Clear-span warehouse Unit 2: 355sqm 355sqm Warehouse & office Total = 1,344sqm
Description:	35 Southgate Avenue, Cannon Hill was originally built in 2004 with 989sqm office/warehouse, then in 2008 an additional 355sqm office/warehouse was built at the rear. The total building area is 1,344sqm. The front of the building houses approx. 502sqm of office/showroom with the remainder of the building being utilised as warehouse with small office in the rear tenancy. The building is constructed of concrete tilt panel and has 14 onsite car parking spaces. The warehouse area is accessed via container height roller shutters.

Preliminary Appraisal

Considering the property is currently two strata tilted offerings they are currently being utilised by the one occupier and have therefore based our assessment on the building as a whole.

Area	Size
Office/Amenities	502sqm
Warehouse	842sqm
Total	1,344sqm

Lease Appraisal

Area	Rate psqm	Annual Rental
1,344sqm	\$180/sqm	\$241,920pa Net
	\$190/sqm	\$255,360pa Net
	\$200/sqm	\$268,800pa Net

This provides a range between \$240,000pa - \$270,000pa + Outgoings + GST

Fair market rental = \$255,000pa + Outgoings + GST

Sale Appraisal – Yield

Fair market rental	Yield	Price
\$255,000pa	5.5%	\$4,636,000
	5.75%	\$4,434,000
	6.0%	\$4,250,000

This provides a range between \$4,250,000 - \$4,650,000

Sale Appraisal –Vacant Possession

Building area	Rate psqm	Price
1,344sqm	\$3,000/sqm	\$4,032,000
	\$3,100/sqm	\$4,166,000
	\$3,200/sqm	\$4,300,000

This provides a range between \$4,000,000 - \$4,300,000

Overall, the property should achieve a sale between \$4,000,000 to \$4,500,000 however given the current economic climate and high interest in purchasing commercial real estate these estimates may be exceeded with formal on market campaign.

Recent Lease evidence

Address	Total area	Annual Rental	Rate psqm	Lease date
30 Miller Street, Murarrie	1,389sqm (612sqm office + 777sqm warehouse)	\$190,000pa + Outs + GST	\$147/sqm	April 2021
1/62 Borthwick Avenue, Murarrie	989sqm (300sqm office + 689sqm warehouse)	\$178,020pa + Outs + GST	\$180/sqm	Sept 2021
49 Canberra Street, Hemmant	736qm (449sqm office + 287sqm warehouse)	\$125,000pa + Outs + GST	\$170/sqm	June 2021

Recent Sale Evidence

Address	Total area	Sale Price	Rate psqm	Sale date
69 Southgate Avenue, Cannon Hill	1184sqm (1,000sqm office + 184sqm warehouse)	\$3,720,000	\$3,142/sqm	June 2021
16 Cavendish Road, Coorparoo	623sqm (273sqm office + 350sqm warehouse)	\$1,870,000	\$3,001/sqm	July 2021
43 Dunhill Crescent, Morningside	1560sqm	\$4,450,000 6.29% - Yield	\$2,853/sqm	June 2021
23 Enterprise Place, Tingalpa	1,422sqm (500sqm office + 922sqm warehouse)	\$4,000,000	\$2,813/sqm	May 2021

Summary

Cushman & Wakefield is pleased to offer our summary of the asset. Please note that this is NOT a formal valuation nor should it be considered as such; it represents our opinion of market worth if the property were to be offered to the open market for lease today. Furthermore, it relies on information obtained from you, we have not conducted formal due diligence and we reserve the right to update our forecasted range accounting for any changes to the property particulars.

We trust the above correspondence is of assistance to you. We welcome the opportunity to provide additional information at your request. We look forward to discussing these recommendations and would be excited at the opportunity to work with you on this matter.

Yours Faithfully,



Cameron Heim

Manager - Industrial

0404 265 336

cameron.heim@cushwake.com