

PROPERTY APPRAISAL

128 Lytton Road

Bulimba QLD 4171



Prepared by Jay Jones & Jonathon Jones
Ray White Commercial TradeCoast

June 2018

Prepared for Ernest May
On behalf of EA & LE May Superannuation Fund

RayWhite.

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INTRODUCTION

Ray White Commercial TradeCoast is pleased to present the following Property Appraisal as requested by Ernest May, of EA & LE May Superannuation Fund for the property located at 128 Lytton Road, QLD 4171.

What Ray White Offers:

- Specialist & Experience Commercial, Retail and Industrial Sales Team
- Strategic databases established, upgraded and fully maintained over 12 years with both electric and direct mail including strong exposure into interstate markets
- Quality, cost effective and creative marketing components prepared by one of Australia's leading advertising firms Metropolis
- Expertise in the marketing of Retail, Industrial and Commercial properties throughout South East Queensland over the past 12 years.

We have reviewed the information provided and completed a roadside appraisal to determine the achievable sale potential for the subject property 128 Lytton Road, Bulimba QLD.

Thank you again for the opportunity and we look forward to discussing our appraisal in further detail with you.

Regards



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PROPERTY OVERVIEW

Address	128 Lytton Road, Bulimba QLD 4171
Lot Description	L26-28 RP130638
Local Authority	Brisbane City Council
Land Area	1140m ² *
Building Area	636m ² * Comprising 280m ² Office & 356m ² Warehouse
Zoning	Light Industry - Freehold
Title Reference	710890203

Property Description

The subject property is 1140m²* of land fronting Lytton Road in Bulimba. The property is improved with a 636m²* building constructed of Brick & Besser block in the year 1990.

A recent refurbishment of the office portion of the building has been completed providing 2 levels of high quality office comprising of:

- Approximately 9 offices
- Reception
- Waiting area
- Kitchen
- Board room
- Male & Female rest rooms
- Exercise room
- Shower facility
- Filing room

There is parking on the remaining land for approximately 16 cars with a loading bay and container height roller doors.

*approximately

COMPARABLE LEASES

Below is a list of properties that are relative to the subject property.

Address	Rent & Rate/SQM	Size sqm	Tenant	Terms
21 Godwin Street Bulimba	\$145,000 p.a. + GST \$322sqm gross + GST	450	TBH Group	10 + 5 + 5
3/59 Oxford Street Bulimba - Unit 1	\$64,970 p.a. + GST \$365sqm + outgoings + GST	178	General Mortgage	3 + 3
3/59 Oxford Street Bulimba - Unit 2	\$40,480p.a. + GST \$220sqm net + GST	184	Clear Construction	2 + 1
1/59 Oxford Street Bulimba	\$114,885 p.a. + GST \$333sqm net + GST	345	Inna Bliss Yoga	5 + 5
4/59 Oxford Street Bulimba	\$65,000s + Outgoings + GST \$249sqm net + GST	261	Clear Construction	3 + 3 + 3

RECENT COMPARABLE SALES

Below is a list of properties that are relative to the subject property.

Property 48 Orchard Street, Hawthorne

Land 405m²

Building 361m²

Yield 6.29%

Sold \$2.7m

Desc. Freestanding retail Investment

Date 12/12/2017



Property 838 Old Cleveland Road Carina

Land 1698m²

LAN 590m²

Yield 5%

Sold \$3.9m

Desc. 3 Retails shops + house

Date 30/1/2018

Settles



Property 9/462 Hawthorne Road Bulimba

Building 116m²

Yield 7.3%

Sold \$1.265m

Desc. Strata investment building

Date 19/12/2017



Property	36 Aquarium Avenue, Hemmant
Building	400m2
Land	773m2
Yield	6.4%
Sold	\$862,500
Desc.	Freestanding Industrial
Date	21/7/17



Property	L5 / 630-660 Wynnum Road, Morningside
Building	401m2
Land	n/a
Yield	7.25%
Sold	\$1.64m
Desc.	Strata ground floor retail premises
Date	4/8/15



Property	175 Riding Road, Balmoral
Building	273sqm
Land	445sqm
Yield	6.81%
Sold	\$2.72m
Desc.	Freestanding Retail Investment
Date	06/08/2015



Property	358 Riding Road, Balmoral
Building	167sqm
Land	812sqm
Yield	6.79%
Sold	\$2.1m
Desc.	Freestanding retail building with development potential
Date	16/3/2015



PROPERTY APPRAISAL

The subject property located at 128 Lytton Road, Bulimba has been assessed using sales evidence from comparable properties within surrounding suburbs.

Sale as a Leased Investment

Under the sale as a leased investment method, recent results in the market have shown that leased investments are yielding rates between approximately 6.3% -7.3%p.a. Based on these yields and taking into consideration the properties condition and location we believe the property would achieve between a **6.3-6.7%** yield. The value of the property is therefore calculated as follows:

Current market rent /m2 = \$230 - \$250/m2 Net + GST

Annual whole building rental \$146,280 - \$159,000 p.a Net + GST

Therefore,

$146,000 / 0.067 = \$2,179,104.40$

$159,000 / 0.063 = \$2,523,809.50$

Based on the sale of a leased investment method, these figures indicate an approximate sale range between **\$2,179,104.40 - \$2,523,809.50.**

DISCLAIMER

Brisbane Trade Coast Pty Ltd trading as Ray White Commercial TradeCoast "The Agent" has prepared this report as a means of adopting a starting point for an organised strategy for assessing the achievable sale price of this property. It is not a valuation or intended to be relied upon by any person as such (including in support of any financing application), and if professional valuation expertise is desired we should be instructed accordingly.

Of necessity all sale strategies involve strong elements of intuition and prediction and must be fluid and responsive to a variety of factors including:

- Economic cycling
- Financial market and borrowing cost fluctuations
- Demographic changes
- Alteration in public tastes and styles of stock for which demand is sustainable
- Oversupply of stock in region or market layer
- Impact of alteration of planning or other laws
- Competing / similar properties in the vicinity of the site
- Seasonal trends
- Delays in realisation due to (e.g.) building disputes
- Volatility of building costs.
- Investment demand
- Vacancy rates

"The Agent" reserves the right to revise pricing or any strategy at any time based on the need to meet market factors and expectations.

Price is suggested taking into account recent market evidence in the locality for more or less comparable properties (constructed or in course of construction). Any price mentioned in the advertisements does not take into account any applicable Goods and Services Tax ("GST").

Information and figures contained in this report have been obtained from various sources as noted throughout the report. We have not independently checked and verified any of the information we merely pass it on for your reference. We make no comment on and give no warranty as to the accuracy of the information contained in this report which does not constitute all or any part of any offer or contract. Zoning and land area details are as provided by RP Data and are subject to confirmation.

This property appraisal is provided as a preliminary opinion only. It does not represent a formal valuation and should not be relied upon or treated as such.

We advise that "The Agent", is not a Registered Valuer and strongly recommend you seek professional advice from a Registered Valuer.

We reserve the right to revise this submission subject to further investigation and assessment.



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