

Property Summary Ipswich

<https://www.realcommercial.com.au/property-retail-qld-ipswich-502733486>

Property Summary Table- Ipswich	
Property Location	106 BRISBANE STREET, IPSWICH - QLD
Property Type	Strata Offices, Retail, Mixed Tenancy
Tenant	<p>2 Tenants</p> <p>1. Money3 Lower Level- Short term Lending - National Tenant- Been here 5 years https://www.money3.com.au/view-branch.html?branch=ipswich</p> <p>Has 2 guarantors - individuals and the company</p> <p>2. Hairdresser & Beautician Upper Level- been there 1 year</p>
Land size	282 sqm
Property Size	<p>2 story office</p> <p>Lower level 160 sqm</p> <p>Upper level 126 sqm</p>
Property Includes	air conditioning, 2 allocated car parks at rear
Zoning	PR - CBD Primary Retail

Lease Term	<p>Tenant 1. Lower Level Gross \$32,085 3 x 3 year lease - commenced 22-10-13 (in the middle of their 2nd option)- find out if intend to stay for longer No rental increases (See separate option Letter and Amendment) Security Bond of 2 months rent.</p> <p>Tenant 2. Upper Level \$10,400 Gross 1 x 1 year lease with 4% increases - Commenced 1-8-16 (near end of 2nd 1 yr option on lease) find out if intend to take up another lease. (could be an opportunity to get a longer lease... also check market rates and see if can raise a little more than the 4%)</p> <p>Tenants to service the air conditioners twice each year... otherwise the tenant is responsible for replacement of the air-conditioning unit.</p>
Rent Gross / Net	<p>Gross total \$32,085 + \$10,400 = \$42,485</p> <p>Net Total \$42,485 - \$10,920 = \$31,565</p>
Lease Details	See above
Options Available	See above
Outgoings	<p>Landlord pays Council & Water Rates: Approx \$2100 per quarter (Total cost between both tenants, paid by owner) \$8400</p> <p>Insurance: Approx \$630 per quarter (Total cost between both tenants, paid by owner) \$2520</p> <p>Freehold building- no body corporate</p> <p>Total outgoings: \$10,920</p>
Insurance	Landlord pays

Method of Sale	Sale price
Agent	Les Svensson M: 0409 270 056 Wraywhiteipswich.com.au
Net Rent	\$31,565
Sale Price	Initially \$647,500- Dropped to \$595,000
% Return Net	5.3%
Offer Price at 8.5%	\$371,350
Offer Price at 8%	\$394,560
Offer Price at 7.5%	\$420,860
Offer Price at 7%	\$450,900
Offer Price at 6.5%	\$485,600
Offer Price at 6.0%	\$526,080
Offer Price at 5.5%	\$573,900

More Information:

Ideally located adjacent to the Ipswich City Mall where a major redevelopment has commenced

Walk to Rail, Retail outlets, Ipswich City Council, Hospital, Ipswich Court House, Police headquarters, State authorities, Medical centres

2 storey building in the heart of Ipswich, future development potential

The bottom property could be used as a retail space as well as office.

Street frontage and business signage and foot traffic

QUESTION TO ASK:

Guarantors for Hairdresser?

Bonds?

Common areas cleaning- who takes care of this and who pays? OR are there separate entrances and access?

Past Sold Prices:

May 2005 \$380,000

Growth Potential:

<https://www.realestate.com.au/invest/house-in-ipswich,+qld+4305>

Annual residential growth at 2.4%

Assume 1.5% less for commercial so 0.9%

Purchase Price		\$595,000
@ 0.9% growth (x 1.009)	\$603,925	Year 1
Increase 0.9% (x 1.009)	\$612,983.875	Year 2
Increase 3.7% (x 1.009)	\$704,931.45625	Year 3
Increase 3.7% (x 1.009)	\$715,505.42809375	Year 4
Increase 3.7% (x 1.009)	\$726,238.009515156	Year 5

Still great growth potential. If at 5.3% return in 5 years that rent would be \$38,490 per annum.

Opportunity New Lease:

To secure a new lease with Hairdresser and make it Net rent + Outgoings. Later on, opportunity to secure the second tenant on a Net + Outgoings lease.

Great location in Ipswich's CBD

