SOUTHERN SKY REALTY

The Name You Can Trust

Information Memorandum

112 & 118 Churchill Street

Childers Qld 4660

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The Opportunity

Southern Sky Realty is pleased to present for Sale this fantastic tenanted investment opportunity at 112 – 118 Churchill Street, Childers. - 45 minutes to Bundaberg and Maryborough, 2.5 hours to
The property being offered for sale is a tenanted commercial building comprising two tenancies over 1,099m2* floor area on 2,168m2* allotment. Located in the heart of Childers with main street frontage, the buildings holds a national tenant on a secure lease and local tenant on long term lease.

Features Include:

- 1,099m2* total floor area – 349m2* + 750m2*
- 2,168m2* allotment – 1,574m2* + 594m2*
- Freestanding Building
- National Tenant – IGA on 10 year lease expiring August 2020
- Secure Local Tenant – Butcher on 5 year lease expiring March 2020
- Returning $310,866.60 nett per annum
- Air conditioning, rear roller door access to each building
- Main road frontage on busy corner intersection
- Concrete hardstand at rear
- 45 minutes to Bundaberg and Maryborough, 2.5 hours to Sunshine Coast, 3.5 hours to Brisbane.

*approx

Executive Summary

Subject Property	112 – 18 Churchill Street, Childers Q 4660
Property description	Freestanding Commercial buildings + land
Total Floor Area	1,099 m2* - 112 Churchill St - 349m2* + 118 Churchill St - 750m2*
Total Land Area	2,168m2* - 112 Churchill St - 594m2* + 118 Churchill St – 1,574m2*
Sale Price	**$4,450,000**
Return	**7.2%**
Method of Sale	Expressions of Interest
Outgoings	$23,015.20*
Lease Detail	Tenant 1 – Butcher Annual Net Rent - **$41,291.10** Term – 5 year expiring Mar 2020; 2 x 5 year options Increases – CPI annual + market review Tenant 2 – IGA Annual Net Rent - **$269,575.50** Term – 10 year expiring Aug 2020; 4 x 5 year options Increases – 4% annual + market review

Note:
Prospective buyers conduct due diligence investigations of the property strictly at their own expense and risk, and the Seller will have no liability in relation to such expenses. Consent by the Seller to the conduct by any potential buyer of due diligence activities or investigation will not in any circumstance be construed as a representation that the Seller will be exercising, or refraining from exercising its rights to deal with the property, or any representation that the Seller intends to contract with that potential buyer, or at all.

Tenancy & financial information is intended as a summary of the details supplied to our office and has been represented as accurately as possible. We recommend prospective purchasers make their own enquiries to gain a thorough understanding of the provisions of any lease contained within the Sale Contract or financial information required.

Property Overview

Address	112-118 Churchill Street, Childers
Real Property Details	Lot 2 on RP65443 and Lot 7 on RP213174
Title Reference	15931077 and 17070137
Local Authority	Bundaberg Regional Council
Floor Area	1,099 m2* - 112 Churchill St - 349m2* + 118 Churchill St - 750m2*
Land Area	2,168m2* - 112 Churchill St - 594m2* + 118 Churchill St – 1,574m2*
Services	Electricity, town water, sewerage & telephone services
Property Description	Freestanding Commercial Building + Land
Improvements	Style/Presentation – Modern commercial building Floor/Footings – Concrete Main Walls – Masonry block, brick & metal sheeting Roof/Ceiling – Metal deck Windows/Doors – Aluminium frame & glass/2 x roller door/metal gates
Access & Parking	The property is located on corner of Churchill St, McIlwraith St and Macrossan St – being bitumen sealed thoroughfares with curb & chanelling Triple driveway access to the site via Macrossan St. Ample complex parking at rear & street parking available.
Other	Air conditioning 2 x rear roller door access Glass frontage Signage allocations

*approximately

Financials

Estimated outgoings

Annual estimated outgoings for the most recent period as provided by the owner are:

Item	$ Per Annum
Council Rates	$14,648.70
Water Rates	$4,042.50
Insurance	$4,324.00
Recoverable Outgoing	**$15,845.95**

Estimated annual outgoings	**$7170.00**

Note:- Recoverable Outgoing equate to **$15,845.95**

Tenancy Details -

Childers Butchery are retail and bulk meat specialists servicing the Childers and surrounding townships. Family owned and operated from 6am to 5pm week days and Saturday until 11am. They provide locally sourced and grain fed products

Term	5 years
Commencement Date	1 April 2015
Expiry Date	31 March 2020
Options	2 x 5 years
Estimated Net Income	$48,342.10 per annum + GST
Recoverable Outgoings	100% - $7,051.23
Increases	CPI annually; Market Review at option
Comments	Gross floor area is 349m2* Bond- 3 months bond Current use – Butcher The property has approx. 2.9 years to run on its current term (as at July 2017)

*approximately

Tenancy Details -

IGA is a national network of independently owned stores (approx. 1400) which tailor their own ranges and brands. Proudly support Australian producers by stocking ranges of locally made products. Operating 7 days per week from 6 am to 8pm

Lessee	Bruce and Deb Investments Pty Ltd TA IGA Childers
Term	10 years
Commencement Date	4 August 2010
Expiry Date	3 August 2020
Options	4 x 5 years
Estimated Net Income	$278,370.50 per annum + GST
Recoverable Outgoings	Rates & Water - $8,794.72
Increases	4% annually; Market Review at option
Comments	Gross floor area is 750m2* Current use – Supermarket and Wholesale The property has approx. 3.1 years to run on its current term (as at July 2017)

*approximately

Location Particulars – Street Map

The property is located in the heart of Childers on the Bruce Highway leading north to Townsville and South to Brisbane. Childers is part of the Bundaberg Region - which is includes the Coral Coast regions.

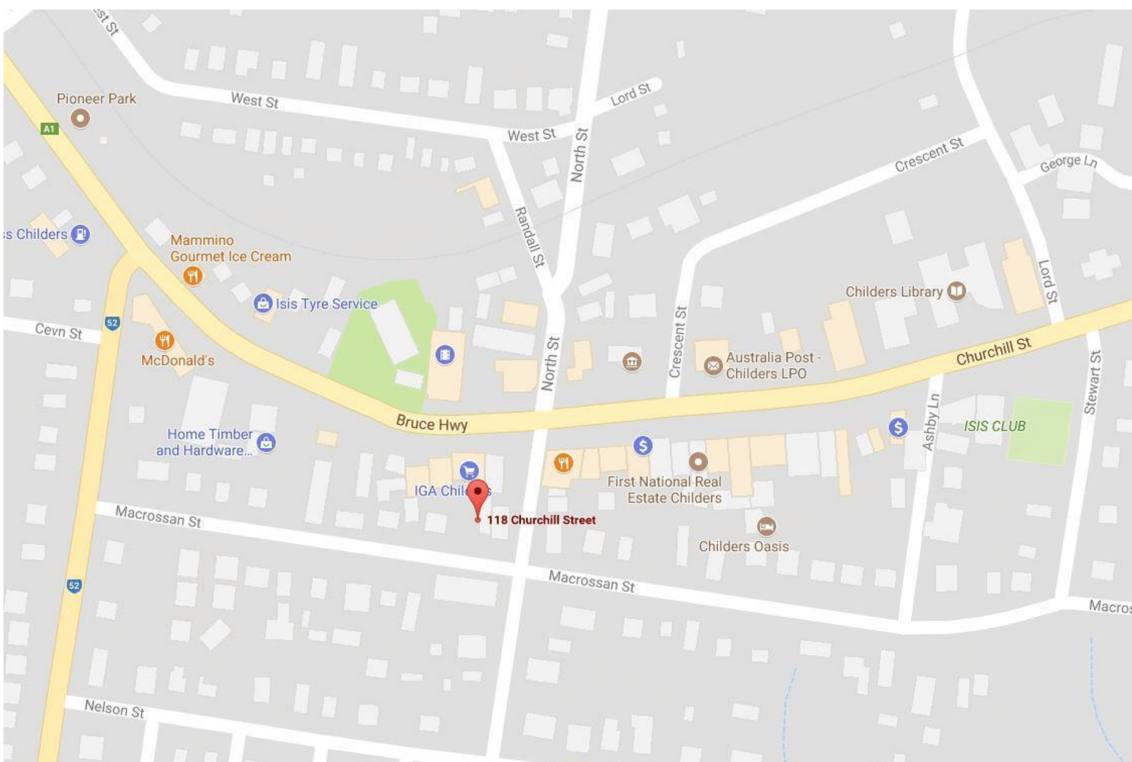
The Bundaberg and the Coral Coast Region is four hours drive north of Queensland's capital Brisbane, and is centred on the picturesque Burnett River. The area lays claim to the internationally renowned Southern Great Barrier Reef, Mon Repos Turtle Rookery, Bundaberg Rum and the famous aviator Bert Hinkler.

Business and industry in the Bundaberg region have a proven track record in responding positively to change and competition in the international marketplace. This success is founded in a continued commitment by all sectors to invest in world class infrastructure, intellectual capital and quality management systems, together with persistent research and development. The Bundaberg region has considerable investment potential in value adding industries due to the congenial mix of natural attractions, existing industry, raw produce, facilities and services.

Bundaberg Regional Council, Bundaberg Region Limited, Department of Tourism, Regional Development and Industry and the Port of Bundaberg work collaboratively to meet all business support and information needs.

For detailed region economic and demographic insights, view local authority website as below.

(Bundaberg Region Profile 2016 – http://www.bundaberg.qld.gov.au/discover/regional-overview)



Photos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Disclaimer

This information memorandum has been prepared by Southern Sky Realty and is solely for the information of potential purchasers to assist them in deciding whether to proceed with further investigation of the property.

The information will not form part of any offer or Contract, is intended as a guide only and has been compiled by us based on figures and information provided to us by outside sources that have not been independently verified.

Financial projections contained in the report represent best estimates and may be based on assumptions which, while reasonable, may not be correct. Potential investors should therefore satisfy themselves by inspection and by making their own inquiries (including of legal and financial advisors) as to the likely performance, profitability and suitability or otherwise of the property as an investment.

Annexure A – Tenancy Schedule

Tenancy Schedule for Childers						
Tenant	**Rental (Excluding GST)**		**Outgoings**	**LEASE TERM**	**OPTIONS**	**ANNUAL REVIEW**
IGA Childers	$	278,370.22	Paid by tenant except Landlord Insurance (see below)	4/08/2010 TO 3/8/2020	4 X 5YEARS	4% WITH MARKET ON OPTION
Childers Butchery	$	48,342.33	100% paid by tenant (see below)	1/4/2015 TO 31/03/2020	2X5 YEARS	CPI WITH MARKET ON OPTION
Total Annual Rent	**$**	**326,712.55**				

Outgoings Paid by Landlord		
LANDLORD INSURANCE FOR IGA (INCLUDING GST)	$	3,126.75
Land Tax	$	4,042.50
Outgoings Paid by Landlord	**$**	**7,169.25**
Outgoings Paid by Tenant		
Rates & water IGA	$	8,794.72
Rates & water Butcher	$	5,853.98
Landlord insurance paid by Butcher Tenant	$	1,197.25
Total Outgoings paid by Tenant	**$**	**15,845.95**