

INFORMATION MEMORANDUM

# ASX Income with Future Development Potential

Expressions of Interest

Closing Thursday 14th November 3pm

660-662 Burwood Road, Hawthorn



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# Property Overview

We know the best buys are when you go against the tide, especially when you look at the fundamentals.

660-662 Burwood Road Hawthorn fundamentals include:

- \ ASX listed tenant who pays land tax
- \ 5 year lease with no option – that creates opportunities
- \ Fairly large reinstatement required by tenant at lease expiry
- \ Great use for existing building – personal and wine storage business
- \ Nearly 2,100sqm\* of Commercial 1 zoned land in Hawthorn
- \ Over 38 metres of street frontage – plus rear laneway

So simply you are buying land with ASX listed income.

Whether you are a developer or owner occupier, this 5 year lease provides you an opportunity to purchase, receive income and plan your ongoing use with a 5 year time frame. We suspect the income (including the outgoings) will cover most/all the holding costs for that 5 year period, which is rather unique.

Gorman Commercial and Nichols Crowder will be seeking written Expressions of Interest closing Thursday 14th November at 3pm.

We now drill down into further detail.



# Location Hawthorn 3122

Hawthorn's historic charm attracts residents and businesses alike to this prestigious area. This demographic is fundamental for both the existing and future use of 660-662 Burwood Road Hawthorn.

Featuring some of Melbourne's top schools, and campuses for Swinburne University and Melbourne University, along with beautiful parklands, it's an aspirational residential location. The close proximity of Auburn and Camberwell only adds to its charm and amenity.

This underlying strength attracts high calibre businesses, including Melbourne's leading retail and showroom brands.

Main thoroughfares including Glenferrie Road, Camberwell Road, Camberwell Junction and Burwood Road are the main commercial precincts.

Excellent public transport services via train and tram, add to its accessibility. Popular cafés, restaurants, Lido cinema & Rivoli Cinemas, Hawthorn Aquatic Centre and parklands make the area one of the most liveable.



Top schools,  
Melbourne &  
Swinburne Universities



Bulky goods precinct  
along Burwood Hwy



Glenferrie Road  
and Camberwell  
Junction nearby



Trains & trams  
enhance  
connectivity

8KM TO  
MELBOURNE  
CBD



CENTRAL GARDENS  
PLAYGROUND



AUBURN  
TRAIN STATION

AUBURN ROAD

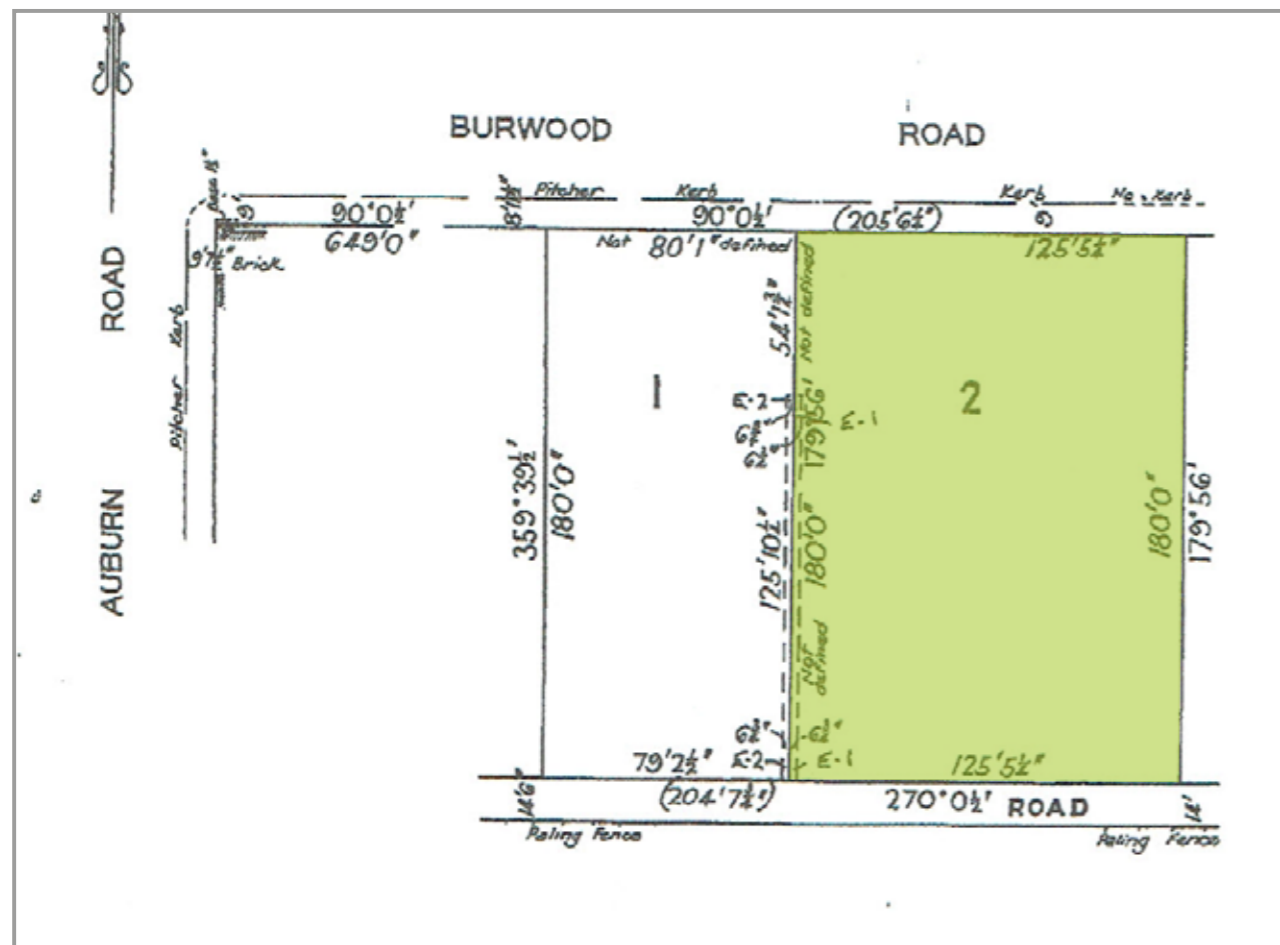
RUSSELLS PLACE

BURWOOD ROAD



# Land Particulars

Title	Volume 8917 Folio 994 Lot 2 on Plan of Subdivision PS94203
Total Land Area	2,097 square metres (approx.)
Frontages	<ul style="list-style-type: none"> <li>\ Burwood Road: 38.24 metres (approx.)</li> <li>\ Russells Place: 38.24 metres (approx.) (rear laneway is 4.42 metres wide)</li> </ul>
Side Depths	54.86 metres (approx.)
Zoning	Commercial 1 zone - Boroondara



## Planning

Design & Development Overlay – Schedule 17 (DDO17)

\ Burwood/Camberwell Rd Commercial Corridor (Area 3) – Height & Setback Requirements:

- Maximum Street Wall Height: 11 metres
- Minimum Upper Storey Setback: 5 metres
- Maximum Overall Building Height: 14.5 metres

\ Other Overlays:

- Environmental Audit Overlay
- Parking Overlay – Precinct 1

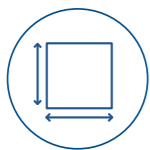
Please note: the whole of Burwood Rd (south side) has the EAO, so this is not site specific.

# Building Particulars

Erected on the land was originally a two (2) level office/showroom with a warehouse at the rear and a large yard area for car parking and loading/unloading. This has more recently been converted into a personal and wine storage facility, which also includes a two level internal structure within the warehouse.

## Building areas:

- \ Original building area: 2,035sqm\*
- \ Office: 275sqm\*
- \ Office/showroom: 300sqm\*
- \ Tenant constructed
- \ Warehouse: 1,460sqm\*
- \ First floor: 1,460sqm\*



Existing building area:  
3,495sqm (approx.)

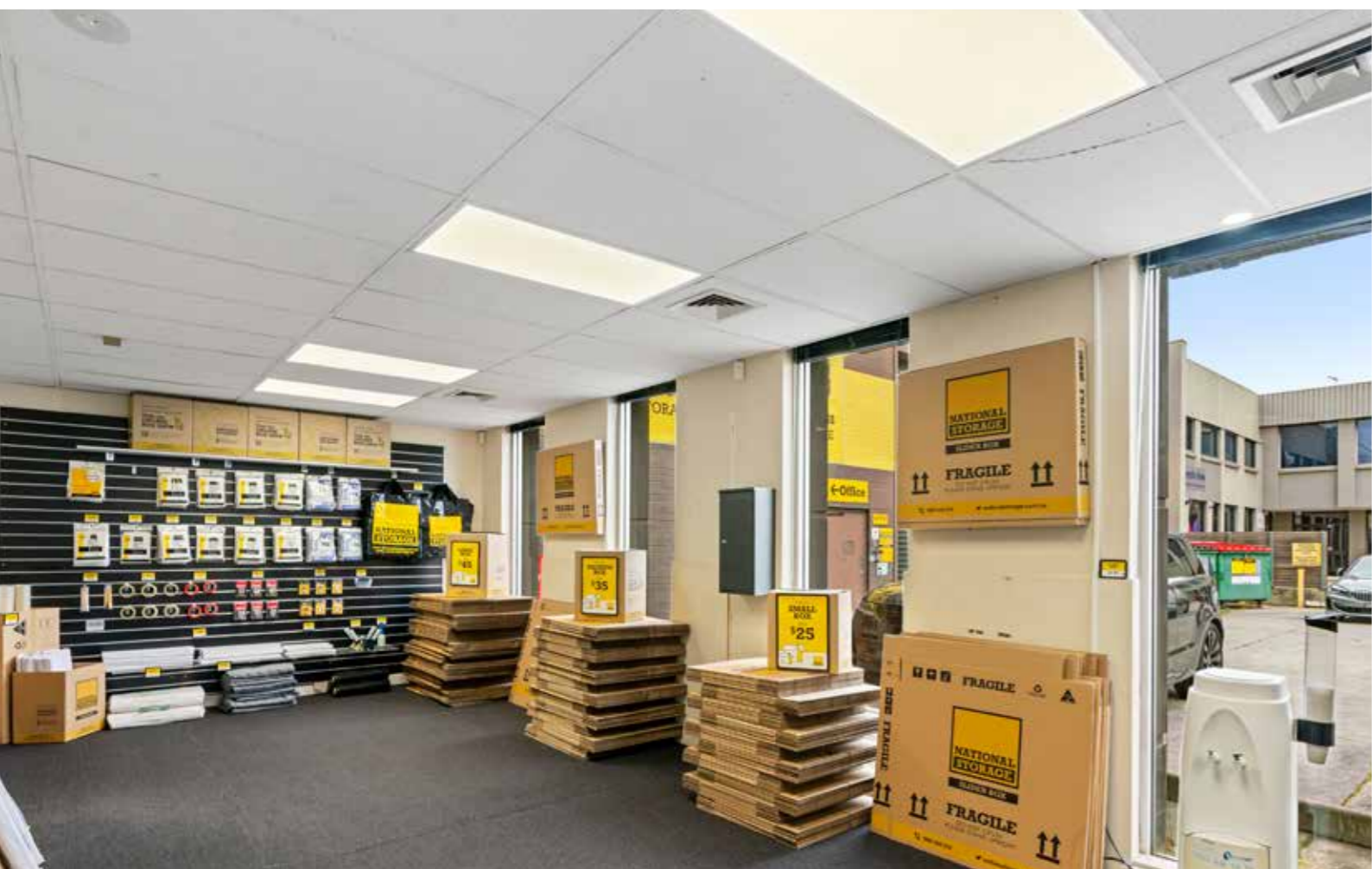


The building includes  
tenant fitout



Loading & onsite car  
parking to the front







# About the Tenant

## National Storage

<https://nationalstorage.com.au/>

- \ NSR (ASX)
- \ Founded in 2000, National Storage has over 200 stores throughout Australia and New Zealand
- \ First publicly listed independent, internally managed and fully integrated owner and operator of self-storage centres in Australia
- \ Demand for self-storage facilities has seen a generational shift, gen-Z users are one of the larger occupiers due to changing housing trends. A strong residential market has seen many occupiers needing to reduce their household footprint due to increased rents and values, as a result having less space for belongings and general "stuff". Remote working is another contributing factor to the need to free up space and store goods as well as the monetisation of hobbies with an increase in sale of goods on online platforms, which may require storage.
- \ Baby boomers are another major user of self-storage facilities, with downsizers more inclined to hold furniture, heirlooms, and antiques when moving for far longer than any other age group. Furthermore, the storage of boats, vehicles and other luxury items like wine are often reserved for self-storage facilities which are specially designed to control temperatures and omit light which may impact the product.

# Tenancy Particulars

Trading as	National Storage (Operations) Pty Ltd
Lease term	5 years (renewed from 1/12/2024)
Option period	Nil
Expiry date	30/11/29
Current Rental (per annum)	\$583,557 per annum
Renewed Rental (from 1/12/2024)	The renewed rental from 1 December 2024 has not yet been agreed, however as per clause 23 it cannot decrease
Rent Reviews	4% per annum
Outgoings	Outgoings are all paid by lessee (including Land Tax)
GST	Payable by the tenant in addition to the rent
Bond	Equivalent to 6 months rental plus GST
Key Lease Clauses	<ul style="list-style-type: none"> <li>\ Clause 23 – The lease does not fall under the Retail leases Act, and land tax is payable by the tenant</li> <li>\ Clause 23(a) – The rental cannot reduce</li> <li>\ Clause 22 – Tenant reinstatement</li> </ul>
Current outgoings payable by tenant (per annum)	<ul style="list-style-type: none"> <li>\ Land Tax: \$132,350</li> <li>\ Council Rates: \$16,040</li> <li>\ Water Rates: \$611.47</li> </ul>



# Reinstatement Works

The landlord has provided an Indicative Cost Estimate for the Reinstatement Works of any Modification and Alteration Works carried out by the tenant back to the original pre-lease conditions at the end of the lease for the property. The letter has been prepared by AJL Consulting and have estimated indicative cost in the order of \$3,267,878 + GST.

We note the above is based on today's costs and further consultant advice would see the estimated escalated value at lease expiry (December 2029) to be closer to \$3,900,000.

Copies of the consultant letters can be provided upon request.

*Disclaimer: These figures are indicative estimates only. Prospective buyers should seek their own independent advice.*

# Our values Your potential

We believe the property has some unique attributes but purchasers should make their own enquiries with regard to this.

All suggestions below are subject to Council approval (STCA).

## Idea 1 - Owner Occupation

Whether you are in the personal storage industry or a major retailer, to have a store positioned on a prominent main road in Hawthorn amongst an impressive demographic is unique, and we suspect you may reuse the existing building in 5 years time.

## Idea 2 - Re-develop

- The options are wide and varied and include, aged care, student housing, residential apartments, build for rent or office building.
- The fact is residential availability needs to be solved and we need to build a lot more and you can safely assume the market will be very different in 5 years.

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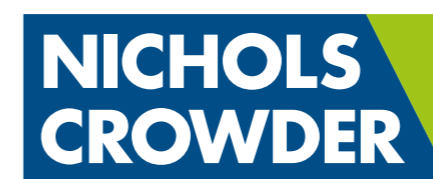




# Terms of sale

Deposit	10% of the purchase price
Settlement	60/90 days from day of sale
Method of Sale	Expressions of Interest Thursday 14th November 3pm EOI Form available from Agents upon request
GST	Sold as a going concern
Additional Information (Available Upon Request)	<ul style="list-style-type: none"> <li>\ Contract of Sale</li> <li>\ Vendor Statement</li> <li>\ Due Diligence Pack</li> <li>\ Cost Estimate for Reinstatement Works</li> </ul>
Inspections	We look forward to inspecting the property with you. Persons entering the property will be asked to obey instructions from the Estate Agency representatives.
Open For Inspections	By appointment only

# Contact Agents



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