

115 Hermans Road Burnett Heads 4670 QLD Australia

Presenting a strong performing off-market retail centre investment opportunity anchored by a 685 m2 IGA. The centre is further supported by a pharmacy, gym, GP clinic and Food & Beverage offerings.

The asset comprises a total land area of 4,000 square meters and a net lettable area of 1,133 square meters which gives site coverage of only 28% (future development potential).

Investing in this property offers the chance to generate a robust net income of \$259,231.65 per annum, with annual increases varying between 3% to 4%, depending on the lease agreement. This incredible investment opportunity ensures continuous growth.



Key Information

Investment Type	Multi-Tenanted
Purchase Price	\$3,988,000
Net Yield	6.5%
Property Market Status	Off Market



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Key Highlights

- 4,000 m2 of total land area
- 1,133 m2 of total net lettable area
- Off-market retail centre investment opportunity anchored by a 685 m2 IGA (60% of the total net lettable area)
- Centre is further supported by a pharmacy, gym, GP clinic and Food & Beverage offerings
- Site usage of only 28% - Future development potential (20m/ 5 storey height limit - STCA)
- Strong exposure - Dual street frontage

Background Information

How old is the asset?	2011
Vendors reason for selling?	Cashing Out
How many days the property has been on the market with the selling agents?	0
Is the property strata titled?	No
Are the seller & tenant related parties?	No
How long has the current tenant been on-site?	
How long have they been in business overall?	Months
Is the property in a flood zone?	No
Is this lease a leaseback arrangement?	No

Location Information

Bundaberg is one of Queensland's gracious coastal cities. Bundaberg is located 365 km north of Brisbane via the Bruce Highway on the Burnett River and it is 14 m above sea-level. It is located 13 km west from Bargara, the nearest coastal township.

It is considered the food bowl capital of Australia. The region is internationally recognised by iconic Australian brands such as Bundaberg Rum, Bundaberg Sugar and Bundaberg Brewed Drinks.

Bundaberg is building to become a leader in ag-tech, clean economy technology and development,



eco-tourism, and defence supply. The region also leverages its agricultural base to manufacture many advanced food and beverage products.

Tenant Information

IGA:

Website: IGA Supermarkets | Independent Grocers of Australia

IGA is a network of over 1,300 independent family-owned businesses that sit at the heart of local communities across Australia, giving back and supporting local producers, suppliers and charities wherever possible.

Burnett Heads Pharmacy:

Website: <https://www.facebook.com/BurnettHeadsQld/>

Growth Gyms Burnett Heads:

Website: Growth Gyms | Voted Best Gym Bundaberg | 302 Branyan Drive, Avoca QLD, Australia

GP Ultra Hub:

Website: Home - GP UltraHub

Visit state-of-the-art GP UltraHub medical centres for comprehensive GP services, dedicated to your well-being. Our expert team specializes occupational health ensuring your workplace safety.

Experience convenient telehealth consultations for remote care. Plus, trust us for reliable vaccine administration, safeguarding your health and community.

Willows At Burnett:

Paradise bakehouse Burnett Heads:

Website: <https://www.facebook.com/p/Paradise-Bakehouse-100067733330829/>

Financial Overview

Please see the attached

Rental Comparison

Please see the attached

Offer to Purchase



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Offer to Purchase	\$3,988,000
Initial Deposit	\$50,000
Due Diligence	28 days from contract execution days
Finance Days	28 days from contract execution days
Settlement	21 days from unconditional status days



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Disclaimer:

The depreciation figures provided are based on specific circumstances and may not accurately reflect your current financial situation. These figures are intended for informational purposes only and should not be construed as financial or tax advice. Individual financial situations can vary widely, and the applicability of these figures to your personal circumstances may differ. It is strongly recommended that you consult with your usual taxation adviser or a qualified financial professional/accountant to verify this information and obtain personalised advice tailored to your specific financial situation. Neither the provider of this information nor any of its affiliates shall be held liable for any decisions made based on this information without proper consultation with a professional adviser.



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Appendix

IGA Burnett Heads

Tenancy Schedule

Projected as at 31-Dec-24

Premises & Tenure Information							Review		Rental Information									
Shop/Suite Number	Trading Name	Lettable Area	Lease Term	Start Date	Expiry Date	Options Remaining	Base Rent as at 01-Jul-22	Adopted Review	Base Rent as at 31-Dec-24		Outgoings Recoveries 1		Gross Rent 3		Promotion Contribution	Next Review		
		m²	Yrs			Yrs	\$ p.a.	\$ p.a.	\$ p.a.	\$/m² p.a.	\$ p.a.	\$/m² p.a.	\$ p.a.	\$/m² p.a.	\$ p.a.	Date	Type	Structure
Majors																		
1	IGA Burnett Heads	685	5	04-Oct-20	05-Oct-25	2x5	124,087	-	124,087	181	-	-	124,087	181	-	4-Oct-25	Formula	Refer to Lease
Majors Total		685					124,087	-	124,087	181	-	-	124,087	181	-			
Specialties																		
2	Family Pharmacy	123	4	04-Oct-23	05-Oct-27	1x5	39,936	-	39,936	325	-	-	39,936	325	-	4-Oct-25	Fixed	4.00%
3	Growth Fitness	122	5	16-Oct-21	17-Oct-26	2x5	21,855	-	21,855	179	-	-	21,855	179	-	16-Oct-25	Fixed	3.00%
4	Outback Australia Health Services	73	2	31-Dec-22	01-Jan-25	2x3	28,000	-	28,000	384	3,245	44	31,245	428	-	31-Dec-25	Expiry	-
4a	Willow at Burnett	49	3	13-Oct-24	14-Oct-27	2x3	28,000	-	28,000	571	2,592	53	30,592	624	-	13-Oct-25	Fixed	3.50%
5	Paradise Bakery	81	5	10-Mar-24	11-Mar-29	2x5	30,000	-	30,000	370	-	-	30,000	370	-	10-Mar-25	Fixed	3.50%
ATM	Cardtronics	-	127	-	30-Sep-26	-	3,600	-	3,600	-	-	-	3,600	-	-	-	No Review	-
Specialties Total		448					151,391	-	151,391	338	5,837	13	157,227	351	-			
Total/Average Centre		1,133					275,478	#DIV/0!	275,478	243	5,837	5	281,314	248	-			

Outgoings:

	FY24 Budget	
	\$ pa.	\$/m² pa.
Statutory Expenses		
Municipal / Council Rates	7,906	6.98
Water & Sewerage Rates	5,825	5.14
Other Statutory Charges	6,336	5.59
Total Statutory Charges	20,067	17.71
Operating Expenses		
Insurance Premiums	12,818	11.31
Common Area Cleaning	9,360	8.26
Gardening / Landscaping	3,935	3.47
Total Operating Expenses	26,113	23.05
Total Statutory and Operating Expenses	46,180	40.76
Other Expenses		
Non-Recoverable Land Tax	4,331	3.82
Total Other Expenses	4,331	3.82
Total Expenditure	50,511	44.58

Net Income Summary:

	Area	Base Rent	Recoveries	Percentage Rent	Total
	m²	\$ pa.	\$ pa.	Year 1, \$ pa.	\$ pa.
Passing Income					
Majors	685	124,087	-	-	124,087
Specialties	448	151,391	5,837	-	157,227
Total Passing Rental Income	1,133	275,478	5,837	-	281,314
Other Income					
Service Reimbursements ect. (FY24 Budget)					12,161
Profit on Sale of Electricity (FY24 Budget)					29,910
Total Other Income					42,071
Gross Passing Income					323,385
Less Adopted Expenditure and Adjustments					
Statutory Expenses					20,067
Operating Expenses					26,113
Other Expenses					4,331
Total Expenditure and Adjustments					50,511
Total Passing Net Operating Income					272,874
Add Estimated Vacancy Income					
Estimated Potential Income from Vacancy	-				-
Estimated Income Potential from Vacancies	-				-
Estimated Fully Leased Net Operating Income	1,133				272,874

Rethink Investing has deducted \$13,642.35 from the presented net income as a buffer for property management etc.

Net Income: \$259,231.65*

Regarding the tenancies (Seller’s comments):

- **IGA Tenancy:** Yes, they will renew as the assignment was only done 6 months ago . The new operators have invested Circa \$600k on purchase of the business, and refurbishment/ restocking of the store. Since taking over T/O is up 30% on average.
- **Shop 4:** Outback Australia Health Services lease has expired, have they exercised their option? Outback Australia is the new tenant – fitout is complete and they are moving in.

Rental Comparisons: (29 Queen St, Bundaberg North QLD 4670 | Recently sold IGA anchored centre in the same region)

		Existing Lease Arrangements								Passing Rent						Market Rent			
Shop	Tenant Name	Renewal Type	Area m²	Term years	Start Date	Expiry Date	Remaining years	Options years	Next Review Date	Type	Base Rent \$ pa	\$/m²	Recoveries \$ pa	\$/m²	% Rent \$ pa	Gross Passing Rent \$ pa	\$/m²	Gross Market \$ pa	\$/m²
M1	IGA	Majors	2,626.0	10.0	1-Jan-24	31-Dec-33	9.42	2x5	1-Jan-25	3.00%	856,883	326	-	-	-	856,883	326	856,883	326
1	Australia Post	Specialties	136.0	10.0	1-Nov-21	31-Oct-31	7.25	1x5	1-Nov-24	3.50%	53,367	392	18,772	138	-	72,139	530	72,139	530
02-04A	Ramsay Pharmacy	Specialties	313.0	7.0	1-Apr-21	31-Mar-28	3.67	-	1-Apr-25	CPI	244,733	782	43,204	138	-	287,937	920	287,937	920
04B	Hughes Butchers	Specialties	92.0	5.0	9-Jul-21	8-Jul-26	1.94	-	9-Jul-25	4.00%	55,721	606	12,699	138	-	68,420	744	68,420	744
05A	KC's Fresh	Specialties	81.0	5.0	22-Nov-21	21-Nov-26	2.31	-	22-Nov-24	3.00%	46,881	579	11,181	138	-	58,062	717	58,062	717
05B	Sullivan Nicolaides	Specialties	78.0	16.0	20-Dec-10	19-Dec-26	2.39	-	20-Dec-24	4.00%	53,586	687	10,766	138	-	64,352	825	64,352	825
06A	North Bundy News	Specialties	78.0	10.0	12-Feb-20	11-Feb-30	5.53	-	12-Feb-25	4.00%	70,191	900	-	-	-	70,191	900	70,191	900
06B	Cutting Edge Hair & Beauty	Specialties	76.0	5.0	1-Oct-23	30-Sep-28	4.17	-	1-Oct-24	4.00%	40,026	527	10,490	138	-	50,516	665	50,516	665
7	Liquor Stax	Specialties	124.0	5.0	4-Dec-21	3-Dec-26	2.34	-	4-Dec-24	4.00%	98,419	794	17,116	138	-	115,535	932	115,535	932
8	Burnett Medical	Specialties	150.0	10.0	1-Feb-23	31-Jan-33	8.50	-	1-Feb-25	3.00%	57,938	386	20,705	138	-	78,642	524	78,642	524
9	Twin Sister Massage	Specialties	77.0	5.0	1-Sep-24	31-Aug-29	5.08	-	1-Sep-24	4.00%	30,681	398	10,628	138	-	41,310	536	41,310	536
10	North Bundaberg Vet	Specialties	215.0	7.0	1-Jun-20	31-May-27	2.83	-	1-Jun-25	CPI	127,867	595	-	-	-	127,867	595	127,867	595
Total			4,046.0								1,736,293	429	155,562	38	-	1,891,855	468	1,891,855	468