

“MANTRA GERALDTON” OVERVIEW

FORESHORE DRIVE, GERALDTON, WA

Dynamic Capital Growth Potential

This is your opportunity to invest in one of Western Australia’s most attractive Regional Hubs just an hour’s flight North of Perth.

Extracts from “City of Greater Geraldton” Website Community Profile:-

“Geraldton, the regional capital of The Coral Coast , is currently in the midst of a massive economic expansion and has significant capacity for further growth. Land availability is good, housing prices are affordable and existing infrastructure is well-established supporting a rapidly growing population

As the regional service centre for the entire Mid-West region, business and employment opportunities are many and diverse.

From fishing to tourism, mining to agriculture, small business to government roles and a comprehensive range of tertiary service industries, people from all walks of life are attracted to Geraldton’s climate of opportunity

Being a central point between the resource rich Pilbara, the growing Kimberley region and the State’s capital city of Perth provides the Mid West with a host of different economic opportunities - all of which the region intends to capitalise on.

There is also a host of large-scale infrastructure projects expected to commence in the near future. These projects are diverse in nature and will provide both short and long term employment opportunities in the region.

Cutting edge science and technology will complement mining activity in the region and bring a variety of economic, training and education opportunities for its residents

The vision is for Geraldton to be a city that is built around a rich fabric of diversity, attractive to people from all walks of life.

It will become a vibrant economic, cultural and social hub in its own right but will also still be the idyllic seaside city with glorious beaches that people recognise as Geraldton.”

Access to Geraldton is easy with daily flights to and from Perth (1 hour duration) out of Geraldton Airport.

From an investor's perspective, there is boundless potential in Geraldton. So there is an excellent opportunity here for the canny investor to identify and invest in Geraldton now – with the potential to reap exceptional rewards later.

And “**Mantra Geraldton**” is ideally placed to take advantage of this vibrant growth region – and so offers the investor the potential to enjoy substantial capital growth over the years ahead..

Location

“**Mantra Geraldton**” is beautifully located right on the Batavia Marina....absolute Ocean Frontage.

Everything is within a 5 minute walk including a multitude of Cafes & Restaurants, a choice of pristine sheltered beaches ideal for snorkelling etc and Geraldton's CBD with 2 large shopping centres (including Coles & Woolies) within a short stroll.

Other attractions include:-

- Scuba diving - 700m
- Sand dunes for those with 4wd experience
- Western Australian Museum - 160m
- Art galleries - 550m
- Batavia long boat replica
- Old Geraldton Goal - 550m
- Leaning trees - 1km
- HMAS Sydney Memorial - 1.2km
- Victoria Hospital - 1.4km
- Race track when races are held - 7.5km
- Greenough river walk trail - 12.2km
- Chapman Valley Lavender Farm – 15km
- Historic Abrolhos Islands - 60km off coast
- Mullewa Wildflower Show - August annually

As the old Real Estate saying goes “**Mantra Geraldton**” certainly has “Location, Location, Location.”

Completion Time :- The Development was completed and opened for business in September 2013.

About the Operator – The Mantra Group

Mantra Group is a leading Australian accommodation operator with the second largest network of hotels, resorts and serviced apartment properties in Australia (by total room number). Mantra Group has a total portfolio of 135+ properties and over 22,000+ rooms across Australia, New Zealand and in Indonesia.

Properties in Mantra Group's portfolio range from luxury retreats and coastal resorts to serviced apartments in CBD and key leisure destinations, under its four key brands: Art Series, Peppers, Mantra and BreakFree.

Mantra Group has a team of approximately 5500+ team members who carry out its core functions including operations, sales marketing and distribution, portfolio and asset management, information technology and corporate activities.

Fast About the Property

This Development has been designed by the award winning firm of architects “Zuideveld Marchant Hur” who are renowned for their striking modernistic designs and flow-through features.

Within this Batavia Marina Development there is a combination of Owner Occupier Apartments (South Wing) and Short-Term Stay Apartments (North Wing) run by The Mantra Group.

The Property is split into 2 Wings:-

The North Wing incorporates the Apartments leased back to the Mantra Group – containing a total of 25 fully self-contained and furnished 2 Bedroom + 2 Bathroom spacious, beautifully conceived Apartments (Levels 1 – 3.)

Each “Mantra” Apartment has a fully secured underground carspace on title.

Each Purchase Price includes a fully comprehensive furniture package plus one designated carspace on title.

The South Wing incorporates the Owner Occupier Apartments which are also luxurious, top of the range Apartments. In the Owner Occupier South Wing there are a total of 24 Apartments over 4 Levels

Both the North Wing and the South Wing are side-by-side and face right onto to the Marina itself.

Apertaining to the Mantra Investment Apartments

All of the Apartments are prestigious and stylish and have been meticulously designed to convey a feeling of openness and modernity. All apartments have reverse cycle air-conditioning and include an elegantly crafted furniture package.

Each apartment is fully equipped with a contemporary Galley Kitchen and top of the range appliances, separate laundry facilities including washing machine and dryer, the latest fittings and fixtures (incl flat-screen TV's & fast Internet connections & Foxtel).

Each Apartment has been designed to feel like “home from home” with everything provided and fully serviced – an no extra charge or Management Fee.

Each purchase price is **FULLY INCLUSIVE** of all these features.

About this investment opportunity

The Investor purchases their Apartment on an individually strata titled basis so that they are The Owner and The Landlord.

The Owner/Landlord then agrees to lease back their Apartment to Mantra Geraldton who then become your Tenant.

Mantra Geraldton will then offer each Owner an initial 5 Year Lease Back (commencing August 2018 – August 2023.)

Thereafter there will be another 5 Year Lease Option expiring in August 2028....ie a potential total of 10 years lease back on your Apartment (with further options likely to be negotiated.)

During this 10 year period, your rental is secured by Mantra Geraldton who will pay you the agreed Rental (approx 9% of the Purchase Price) every month **IN FULL** regardless of occupancy...Hence you will Nil vacancy periods and 100% occupancy for the life of each lease option. Mantra takes full control over the running of your Apartment and will take care of all daily repairs and maintenance of your Apartment (at their expense.)

Your Apartment will be fully cleaned and serviced on a regular basis with no cost to you and **NO** Management Fees.....There will be absolutely no tenant issues or loss of rent for the life of each lease option.

Rental Calculation

The Rental Calculation is very straightforward. It will be calculated at approx 9% of the Purchase Price.

For Example Aptmt 38 has a Purchase Price of \$419,000 x 9.054% Rental Yield = \$37,936 Rental Income divided by 52 weeks = **\$730 per week**.

Out of the \$37,936 Annual Rental the following will be deducted:-
Water + Council + Strata Levies (\$9,938 per annum) + Land Tax (\$95) per annum = \$10,029 (Total Annual Outgoings to The Landlord/Owner)

Total Rental income on Unit 38 = \$37,936 less Outgoings of \$10,029 = Nett income \$27,907 per annum (\$536 pw) = **6.66% Nett in the hand Yield** after all Outgoings.

Peace of Mind

The Rental will be secured by The Mantra Group under a contractual Lease.

The Rental will be fixed for the full potential 10 year Term giving the Owner 100% certainty of income for potentially the next 10 years.

So it is rather like having an Interest Bearing Deposit with a Bank giving an income stream of 6.60% (Nett) but unlike an IBD, you also have the potential of receiving attractive Capital Appreciation on your asset.

And unlike other Lease Back arrangements with some other Serviced Apartment Management Groups, here you have **NO** Rental Reviews (which can give the investor considerable distress if at Rent Review Time the rental dramatically drops.)

Your rental will be paid every month automatically regardless of occupancy - A **“Set & Forget” Investment** - giving you that most valuable of commodities ...**Peace of Mind**.

Options once The Lease Terms have expired

All 5 of the Apartments for sale are zoned for residential usage providing the investor with 3 separate options after the lease terms have expired in August 2028:-

Option No 1: They can revert back to a simple Owner Occupier status – so that The Owner has the option of living in their own Apartment as, for example, a Holiday Apartment or perhaps even as a place to retire to on the beautiful Coral Coast.

Option No 2: You can run your Apartment yourself as a traditional investment property and appoint your own Property Manager and source your own Tenants.

Option No 3: It is more than likely that Mantra Geraldton will offer you a new set of Lease Options. Should this transpire, it will then be entirely up to you as whether you wish to accept a new set of lease options or decline (and revert to one of the options outlined above.)

Availability

5 very attractive 2 Bedroom + 2 Bathroom Apartments + Carspace have just become available to the Property Investment Co on an exclusive basis:-

Apartment 33

Fully Furnished 2 x Bedroom + 2 Bathroom Apartment + Carspace (City View) = **\$369,000**

Rental = \$36,933. Total Outgoings to Landlord = \$9,009. Gross Yield 10.00% & Nett Yield 7.57%

Apartment 35

Fully Furnished 2 x Bedroom + 2 Bathroom Apartment + Carspace (Ocean View) = **\$424,000**

Rental = \$38,164. Total Outgoings to Landlord = \$10,259. Gross Yield 9.00% & Nett Yield 6.58%

Apartment 38

Fully Furnished 2 x Bedroom + 2 Bathroom Apartment + Carspace (Ocean View) = **\$419,000**

Rental = \$37,938. Total Outgoings to Landlord = \$10,029. Gross Yield 9.05% & Nett Yield 6.66%

Apartment 43

Fully Furnished 2 x Bedroom + 2 Bathroom Apartment + Carspace (Ocean View) = **\$424,000**

Rental = \$38,198. Total Outgoings to Landlord = \$10,293. Gross Yield 9.00% & Nett Yield 6.58%

Apartment 44

Fully Furnished 2 x Bedroom + 2 Bathroom Apartment + Carspace (Ocean View) = **\$424,000**

Rental = \$38,198. Total Outgoings to Landlord = \$10,293. Gross Yield 9.00% & Nett Yield 6.58%

Management Fees payable by The Owner:- **NIL FOR EACH AND EVERY LEASE PERIOD.**

What Our Company (The Property Investment Company) can do for you as an Investor :-

Our Company offers the investor a "One Stop" all inclusive service.

So we are able to assist you in finding the right type of investment loan at highly competitive rates; organise the conveyancing for you at discounted rates and ensure that you are fully claiming all the tax deductions that you are entitled to on your property in order to effectively maximise your tax advantages and investment structure.

So you can either leave everything to us to put your total investment package together for you in a cost effective and time efficient way.

Or you can pick and choose those areas that perhaps you might like to attend to yourself. However there are no extra costs involved if you decide to let us arrange everything for you – it's all part of the "One Stop" service that we are pleased to offer you since we get remunerated by The Vendor (and not by you).

Initial Holding Deposit required :- \$1,000. This is fully refundable and will hold a selected apartment **WITHOUT OBLIGATION** for a period of 21 days.

After which time you can either exchange contracts or have your Holding Deposit refunded in full should you not wish to proceed with your purchase.

5% Exchange of Contrcats

Should you wish to proceed with purchasing an **"Mantra Geraldton"** Apartment, we have managed to come to an arrangement with The Vendors whereby they will accept just a 5% Deposit to exchange contracts (rather than the customary full 10% of the purchase price.)

The balance remaining will be required at Settlement Time.

Tax Deductions & Negative Gearing :-

These **"Mantra Geraldton" Apartments** will provide excellent ongoing Tax Deductions (providing an investor is eligible to claim the tax deductions inherent within this development).

Depending on your taxable status and individual circumstances your **"Mantra Geraldton"** Apartment may provide you with an attractive **CASH FLOW POSITIVE** income....even though you may have borrowed the full 100% of the Purchase Price + Costs.

However please be advised that a Real Estate Agent can only provide advice of a general nature and each potential investor's circumstances may vary. So if you require specific investment advice, it is recommended that you contact a professional investment adviser – such as a financial planner or an accountant.

Self Managed Super Funds

The **"Mantra Geraldton"** Apartments will make an ideal investment for a Self Managed Super Fund. With its "Lease Back" provision, it fully qualifies under the SMSF strict legislation that your investment property must be held at "Arm's Length" within your SMSF.

Also a Self Managed Super Fund is legally able to borrow to purchase an investment property.

A **"Mantra Geraldton"** Apartment will provide the Super Fund with a secured income stream of **9% Gross** under the "Lease Back" Provisions.

Your SMSF is also able to claim Tax Deductions (if applicable) and your **"Mantra Geraldton" Apartment** has excellent potential to gain capital appreciation....without the daily vicissitudes that can affect Share Market investments etc.

Summation :-

One of the main factors that can contribute to capital appreciation on an investment property is its location. And the location of “**Mantra Geraldton**” right on the Batavia Marina is “par excellence” - with every conceivable amenity within walking distance.

We believe that “**Mantra Geraldton**”, due to its prime location within one of Western Australia’s strongest performing Regional Hubs combined with its all-round appeal, has the potential to deliver to the Investor attractive capital appreciation over the years ahead.

Whilst at the same time the secure automatic rental income each month combined with low running costs also affords the investor that precious commodity – **Peace of Mind.**

This is a “**Worry Free - Set & Forget**” Investment Opportunity not buffeted by the uncertainties of the Share Market - **with Absolutely No Vacancy Periods**....a simple and straightforward investment proposition.

This is a strictly limited investment offering.

We do believe that these Apartments will be snapped up very quickly by Investors - so I would respectfully advise if an Apartment at “**Mantra Geraldton**” is of interest, please contact me at your earliest convenience so as not to lose out on this very attractive investment opportunity.

For more information.

For more information or an opportunity to discuss this investment opportunity in more detail, please contact Maurice Watson on (02) 9328 0022 or Freecall 1800 – 770 – 114

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