

**We have recently been buying one bedroom units on the secondary market at heavily discounted prices for our clients.**

**These properties are only available to Australian citizens. Foreign buyers can not purchase secondary sale properties.**

**ORIGINAL PURCHASE DATE:** AUGUST 2013

**PRICE PAID:** \$400,000 (NEW)

**CURRENT CONSTRUCTION COST:**

\$392,500 (Source: Rider Levett Bucknall)  
(construction only, excluding land value, legal, marketing, professional fees and costs etc.) Land value estimated at \$130,000.

**DISCOUNT TARGET PRICE:** 22% \$312,000

**SALEABLE INTERNAL:** 50 SQ. M

**EXTERNAL:** 4 SQ. M

**ORIGINAL PRICE PER SQ. M:** \$8,000

**CURRENT NEW PRICE PER SQ. M:** \$9,500

**TARGET PRICE PER SQ. M:** \$6,240

**FLOOR:** MID FLOOR

**RENT:** HISTORICAL HIGHEST WEEKLY RENT  
\$430

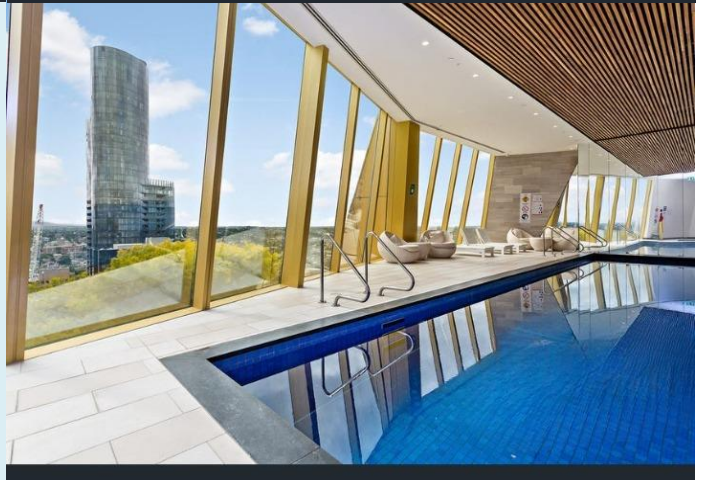
**HIGHEST YIELD ON TARGET PRICE:** 7.16%

**CURRENT ESTIMATED RENT:** \$380 pw **YIELD**

**ON CURRENT RENT:** 6.3%

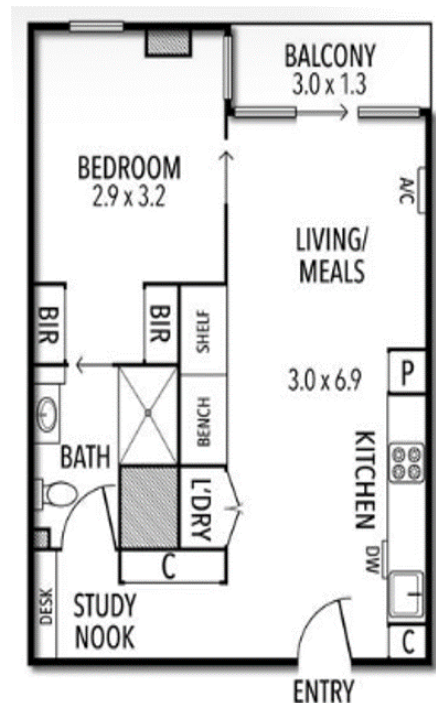
**TARGET RENT IN 24 MONTHS:** \$450 - \$480

**TARGET YIELD 24 MONTHS:** 7.5% - 8%



## **CENTRAL SOUTH YARRA APARTMENT**

**SALEABLE AREA APPROX 50  
SQ M. INTERNAL, 4 SQ. M  
EXTERNAL AREA. FINEST  
QUALITY FINISHES**





RESIDENTIAL

## Central South Yarra

**DEVELOPER:** Little Group

**ADDRESS:** 3 Yarra Street,  
South Yarra

**PROJECT TYPE:** Residential  
and ground-floor retail

**ARCHITECT:** Rothelowman

**INTERIORS:** Plus  
Architecture

**BUILDER:** Hickory Group

**STATUS:** Completed 2015

**OFF-PLAN SALES:** 2013

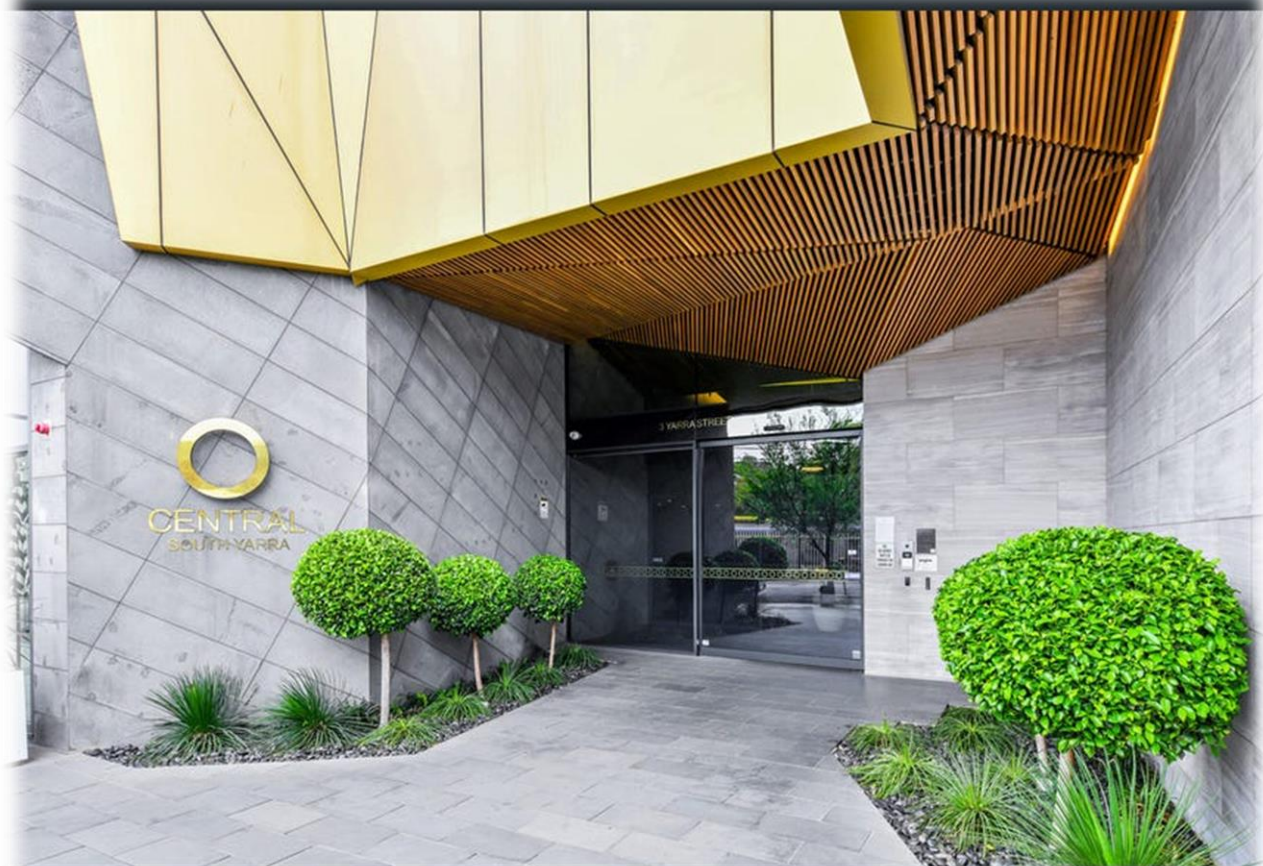
Central South Yarra features a striking façade by Rothelowman, with apartment interiors by Plus Architecture.

Each apartment maximizes the unparalleled views to the Melbourne CBD, Port Phillip Bay and the Dandenong Ranges.

Residents have exclusive access to over 600m<sup>2</sup> of resort inspired amenity in the residents' Rooftop Retreat high on level 30 with magnificent 360° views of Melbourne. The Rooftop Retreat includes two outdoor sky terraces, an incredible entertainment zone with lounge, dining room and kitchen, indoor heated pool, steam room and gymnasium.

From high quality apartment interiors to the magnificent residents' Rooftop Retreat, Central South Yarra delivers the ultimate luxury and convenience in Melbourne's most livable suburb.







## KEY FEATURES

*Open air-conditioned living space  
Kitchen complete with stainless steel Miele  
appliances, Smeg dishwasher and stone  
bench top.*

*Study area allowing you to work from home.*

*Build in wardrobes*

*Opulent bathroom features classic finishes  
throughout, ample storage, and a European Laundry.*

*Residents can enjoy a rooftop retreat with an outdoor sky terrace, lounge, kitchen, dining  
room and gym/pool. Idyllically positioned, a stroll to Chapel Street, Jam Factory, The Como,  
just 3.4km from the CBD and situated in the heart of South Yarra, you are within a short walk  
to trains, trams, and shops, cafes, the Yarra River and much more!*







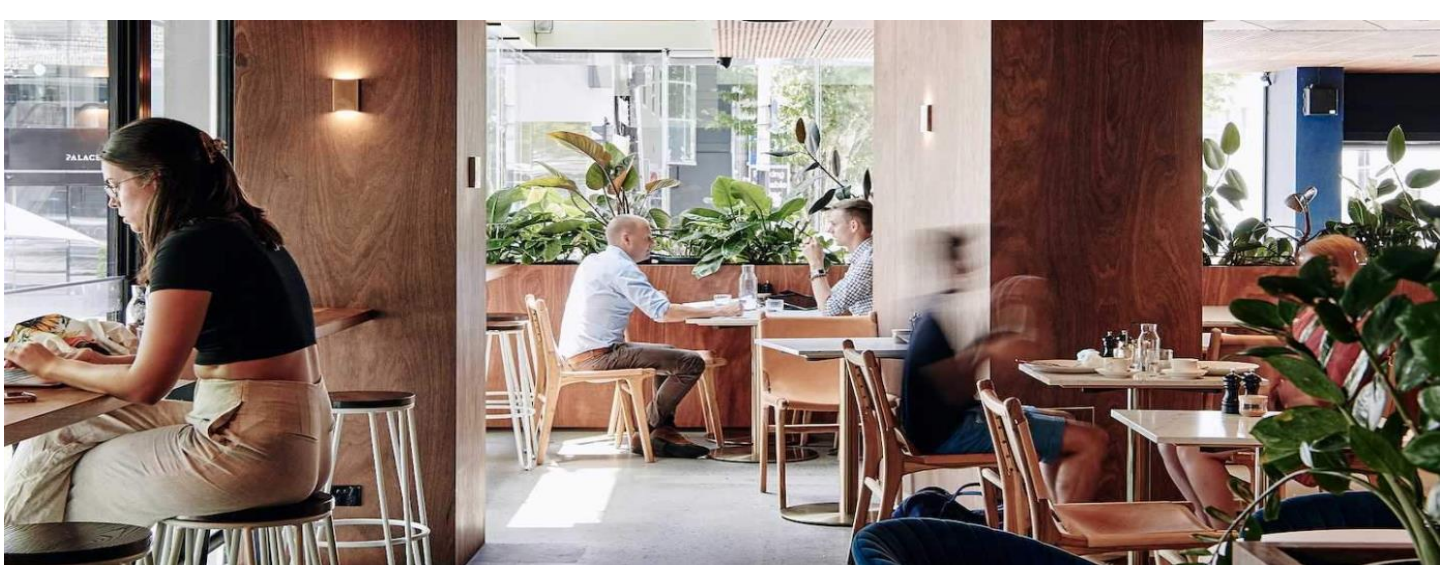
*Residents lounge*



Only four kilometres from the city, South Yarra has been one of Melbourne's most affluent suburbs since the 1840's.

No matter whether you're after a coffee to go or sophisticated sit-down dinner, there are several hundred dining options, bars and cafés to choose from in South Yarra.

There are parks and gardens galore, and transport options abound.



The South Yarra North demographic profile of residents based on the 2021 Census shows the following snapshot:

- The median age was 32.
- Median rent in 2021 was \$426 per week, and the most recent data for apartments shows the median rental in South Yarra at \$483 per week.
- In South Yarra nearly 50% of individuals aged 15 and over earned over \$1,500 a week, (significantly higher than the Victorian average) meaning a single person can easily afford to allocate 30% of their gross income to rent. (\$450 per week).
- Median household income is \$2,042 per week, meaning rents up to \$612 per week for couples is easily affordable.
- 44% of people are in a registered or de facto marriage, and 62% are aged between 20 and 39.
- 72% of residents paid over \$350 per week in rent, and 47% paid over \$450 per week.





All this data points toward a solid demand for rental accommodation from high-income earners looking for single-bedroom apartments as couples or by themselves.

## **BUYING STRATEGY, THE MARKET, AND OPPORTUNITIES.**

The potential buyer will engage leading international realtor, Michael Bentley, to act as their buyers advocate for them in the buying process.

Michael will find, select, research and then negotiate for the purchase of a high quality one bedroom apartment with the seller's agent with the aim being to achieve a successful purchase price around **20% BELOW the original selling prices 9 years ago.**

**And around 60% LESS than current new apartments.**

**And substantially below current construction cost.**

Effectively, if we are able to secure units at our desired prices, clients will be buying at **prices at 2008 levels.**

In addition, the target initial rental yield will be over 6%, with the aim to get it up to 8% within 18-24 months.

This could provide built in capital growth of up to 60% in 2 years, with an ROI of 200% on outlaid capital, before costs (deposit of 30%).

In any event buying at these prices will protect the downside and inflation proof your capital.

But time is of the essence as either the “bargains” will be snapped up, or buyers will withdraw from sale until the market improves, and as soon as interest rates reverse their upward trend buyers could flood back into the market.

Two leading developments have been targeted, ILK and CENTRAL SOUTH YARRA, by Award Winning developer Little Projects, with the finest of resort style amenities. Both projects are located in prime South Yarra locations, and both are high quality developments.

One bedroom apartments, with or without car parks will be the target purchase.

Approx 32% of all South Yarra North residents do not own a car, and 54% own a single car. From this, it is clear that there is good demand for properties without car parks, as well as with a car park.







Now, let's look at the numbers to gauge the investments financial appeal. Over the last 12 months, the rental vacancy rate for South Yarra has plummeted from 4.6% in July 2021 to a low 1.8% in July 2022.

To look at another way, in July 2021 there were 562 apartment in South Yarra for rent, in July 2022 there were just 252.

While asking prices for apartments in South Yarra have increased 2.1% over the last 12 months to June 2022, we will be looking at buying 20% below the original price.

Our strategy is to take advantage of the current negative press about falling prices, and rising interest rates, to secure bargain priced, inflation hedged, prime location real estate, by making offers at hugely deflated prices, as we are sure there will be distressed sellers who will be clearly keen to get these properties off their hands.

The gross average rental yield on all units currently sits at 4.6% in July 2022.

Our purchase strategy will be to get an initial rental yield of 6% + with the aim to be able to get it up to around 8% within 24 months based on current trends.



## Property market update: July 2022

Figures released by SQM Research reveal South Yarra apartment listings for sale in July 2022 remained stable over the previous month, but are down by 15% since November 2021, which was the all time record high.

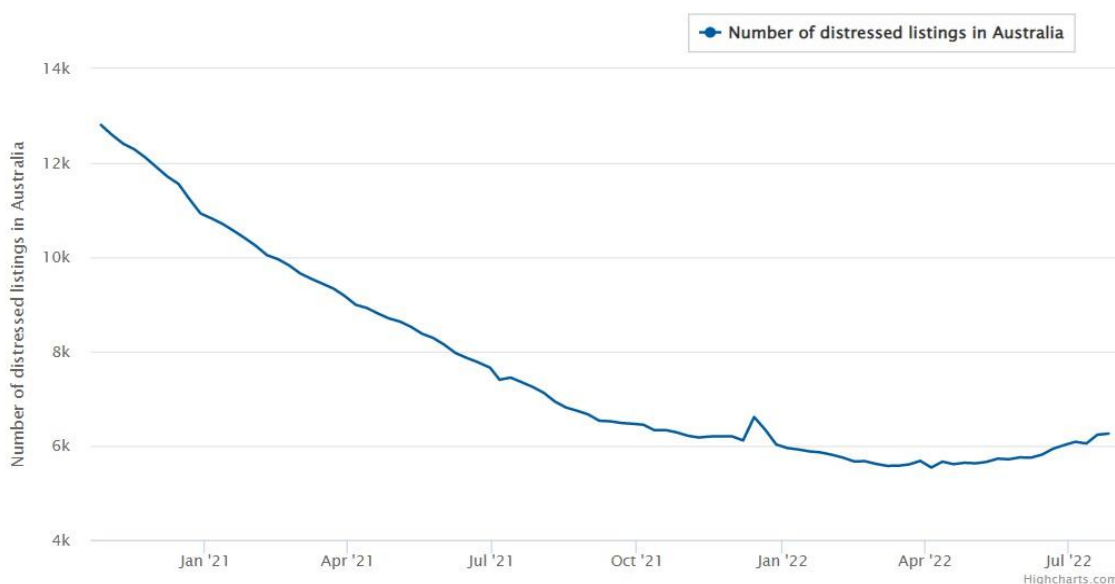
However most notably, listings between 31 days and 180 days remained stable over the past month, indicating that sales campaigns have been mostly successful for the month and year to date. Which indicates there is currently quite strong buyer demand in this area, contrary to the national housing decline. We anticipate strong competition at our offering prices.

To be successful, buyers will need to be ready to move quickly once an offer is accepted.

The number of distressed properties for sale throughout Australia has risen slightly in recent months, however, it should be noted that the rises in distressed activity is from an extraordinary low base. Just prior to Covid, there were some 15,000 properties selling under distressed conditions.

Number of distressed listings in Australia

Source: SQM Research





# WHY ONE BEDROOM?

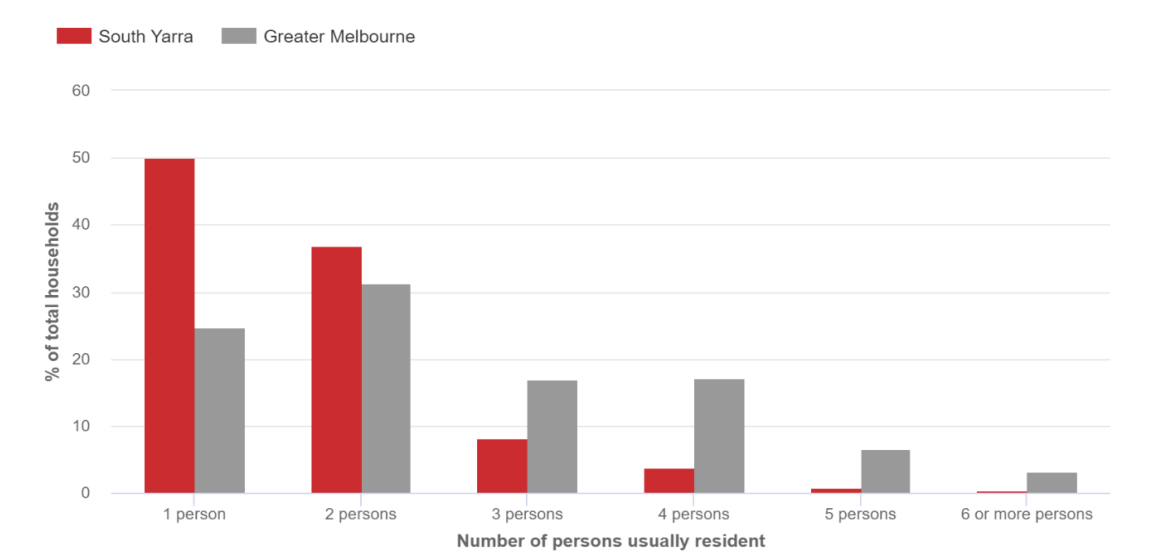
Many buyers feel they want to buy a two or even a three-bedroom apartment rather than a one-bedroom. However, there are some concrete reasons we have selected our target apartments to be one-bedroom.

In South Yarra, couples without children and singles are the majority.



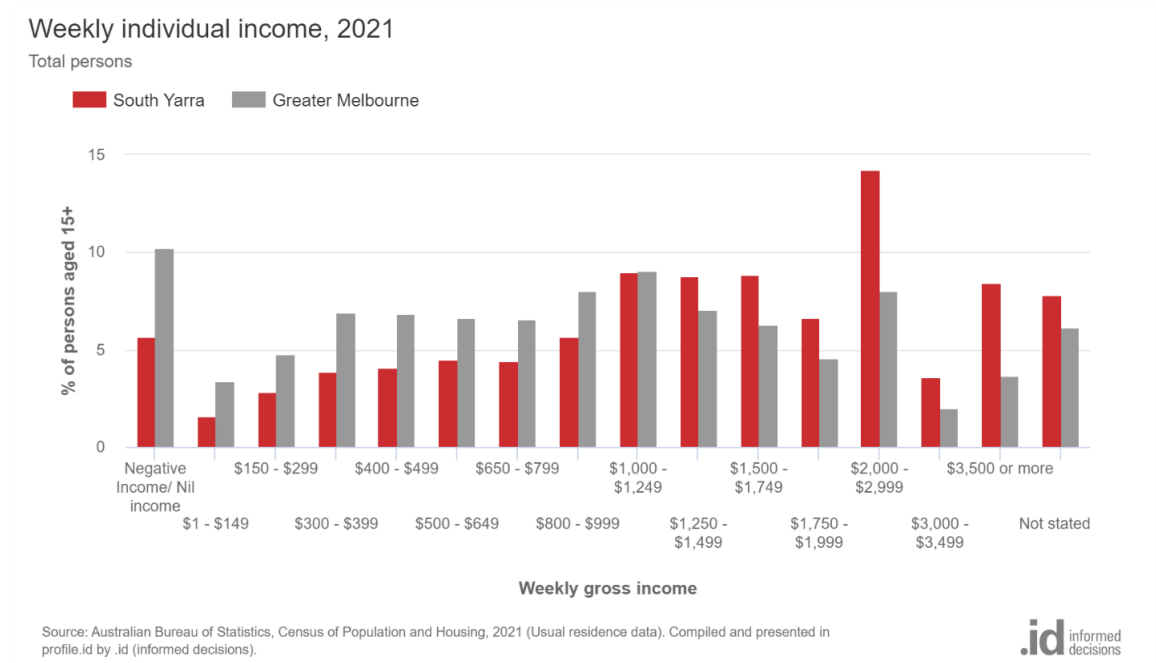
In 2021, 50% of households in South Yarra contained only one person, compared with 24.8% in Greater Melbourne, with the most dominant household size being 1 person per household.

Household size, 2021



In addition, 26% of residents in South Yarra earned an income of \$2,000 or more per week in 2021, far higher on average than Melbourne overall. Individual Income statistics are an indicator of socio-economic status.

That equates to potential rental affordability of \$600 per week per person. One-bedroom apartments are extremely affordable for singles, as well as couples without children.



To see the full list of reasons why we are suggesting one-bedroom apartments in this area, go to: - [www.citylifeprojects.net/southyarra](http://www.citylifeprojects.net/southyarra)







## Learn More

To understand this opportunity and to learn more, call or WhatsApp Michael Bentley on (852) 9031 9669.

We have recently been buying one bedroom units on the secondary market at heavily discounted prices for our clients.

While every investor is different, everyone wants a high yielding, trouble free quality investment property in a great location that offers strong potential for capital gains.

Exclusive time-sensitive opportunities exist now due to a unique set of circumstances.

We have secured for our clients stylish one bedroom apartments below replacement cost, below valuation, and at prices up to 20% below the ORIGINAL market price paid 9 years ago, and at 40% - 50% below the current median apartment price in South Yarra.

We are not acting as Estate Agents selling trying to get the highest price for a vendor, or selling developers old stock. We are acting for our client - the buyer - with the aim of securing the LOWEST possible price and bulding a long term relationship by 'delivering the promise'...

At this time, we have identified 6 units that we feel will meet our purchasing criteria in our two preferred buildings.

Michael Bentley will be personally inspecting each unit on behalf of buyers and making his recommendations accordingly. A one time fee for a successful acquisition will be a AU\$5,000 flat fee.

Just a reminder that these properties are only available to Australian citizens. Foreign buyers can not purchase secondary sale properties.

**PODCAST:** [www.citylifeprojects.net/podcast-southyarra](http://www.citylifeprojects.net/podcast-southyarra)

**LEARN MORE:** [www.citylifeprojects.net/southyarra](http://www.citylifeprojects.net/southyarra)

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