



16 May 2017

Mau Huynh
Director
Lumex Property Group Pty Ltd
PO BOX 20
Homebush West NSW 2140

Dear Mau Huynh,

We write to you regarding the sales and leasing campaign we conducted for the three retail tenancies at 8 Princess Street, Brighton-Le-Sands. We have been engaged by Lumex to assist in the sale or lease of the three tenancies for a period of 6 months, and have received minimal interest in the properties and recommended that the campaign be suspended. A brief summary of the campaign and an overview of the enquiries received is provided below.

As is standard practice for sales and leasing campaigns, a suite of mediums were adopted to market the tenancies. These mediums included:

- Online advertising (Real commercial, Commercial Real estate listing, company websites)
- Advertising in print media (the St George and Sutherland Shire Leader and the Sydney Morning Herald)
- E-flyer distribution
- Signboard at the site

In addition to the promotion of the tenancies through these mediums, I utilised the existing database available at Cushman and Wakefield and Colliers to distribute information regarding the tenancies. Through this database, a total of 6234 individuals were contacted by private email.

As a result of this campaign, sum 90 enquiries were received. These enquiries related to a number of potential uses, including offices, massage businesses and gymnasiums. These uses were not considered appropriate or desirable on the site for a number of reasons, including the lack of activation they would deliver and as such, these uses were discounted and the discussions with the respective tenants were not progressed to formal offers.

Overall, the sales and leasing campaign was conducted for a period of 6 months as set out above, limited interest was received in the tenancies and no suitable formal offers were provided. In light of the length of time dedicated to the campaign, and the lack of interest resulting from our efforts, it was my recommendation that the active campaign be ceased.

In my opinion, the tenancies are not located in a desirable position for non-residential uses which we believe are ordinarily suitable for such a site, such as a café or retail premise. The tenancies are removed from the core retail/commercial strip of Bay Street and Grand Parade, resulting in substantially less foot traffic which is unattractive to potential tenants. Furthermore, the context of the tenancies on Princess Street is largely residential, with limited attraction for non-residential uses due to concerns about noise impacts and potential complaints limiting or affecting operations.

I trust the above information is sufficient to demonstrate the campaign undertaken and lack of interest shown in the sale and lease of the tenancies.

Regards,


Peter Seeto
Director
Sales and Investments – Retail
Phone 0400 222 666