

Shops 4 & 5, 38 Ryrie Street

Geelong, VIC



Shops 4 & 5 are located on the ground floor of the \$200 million+ Geelong Quarter development, comprise approximately 396 m² of premium health and wellness space in the heart of Geelong's CBD. Fully leased to a high-performing operator, the property offers income security and long-term capital growth potential, with future flexibility to accommodate multiple tenancies due to dual titles and wide street frontage.

This well-configured property spans two titles (the asset could be split into two smaller tenancies in future, for potentially higher rent) and features a broad Ryrie Street frontage. The internal layout is designed to support group training, with a 24-hour gym, change rooms, and advanced recovery facilities such as saunas and cryotherapy. Positioned within a landmark development alongside a 180-room Holiday Inn and 124 apartments, the space enjoys high visibility and foot traffic.

The asset generates a net income of approx \$198,455 (7% true net) with fixed annual rent increases of 3.00%, offering a strong rental growth profile. The 10-year lease structure and minimal landlord outgoings ensure a reliable and escalating income stream.

The sole tenant, Sweatshop.World, is a rapidly expanding boutique health and wellness operator with over 1,100 members across three sites in Victoria. The lease commenced in March 2024 and runs until March 2034, with one further 5-year option. Rethink recently purchased the rear asset in this building, also leased to Sweatshop (a more traditional gym).

Centrally located in Geelong's civic and cultural precinct, the property benefits from proximity to the \$140 million Geelong Arts Centre, Geelong Gallery (\$150 million upgrade planned), and GMHBA Stadium. The area is a priority growth zone under a Victorian Government framework aiming to triple local jobs and grow the population sixfold over 30 years. Geelong Train Station is just 400 m away, enhancing accessibility for members and visitors.

This purchase is expected to **benefit from the 50% regional commercial stamp duty concession** for commercial properties purchased in regional Victoria. Based on a purchase price of \$2,835,000, this concession translates to an **estimated \$84,000 upfront saving**.

Key Information

Investment Type	Retail
Purchase Price	\$2,835,000
Net Yield	7.0%

Key Highlights

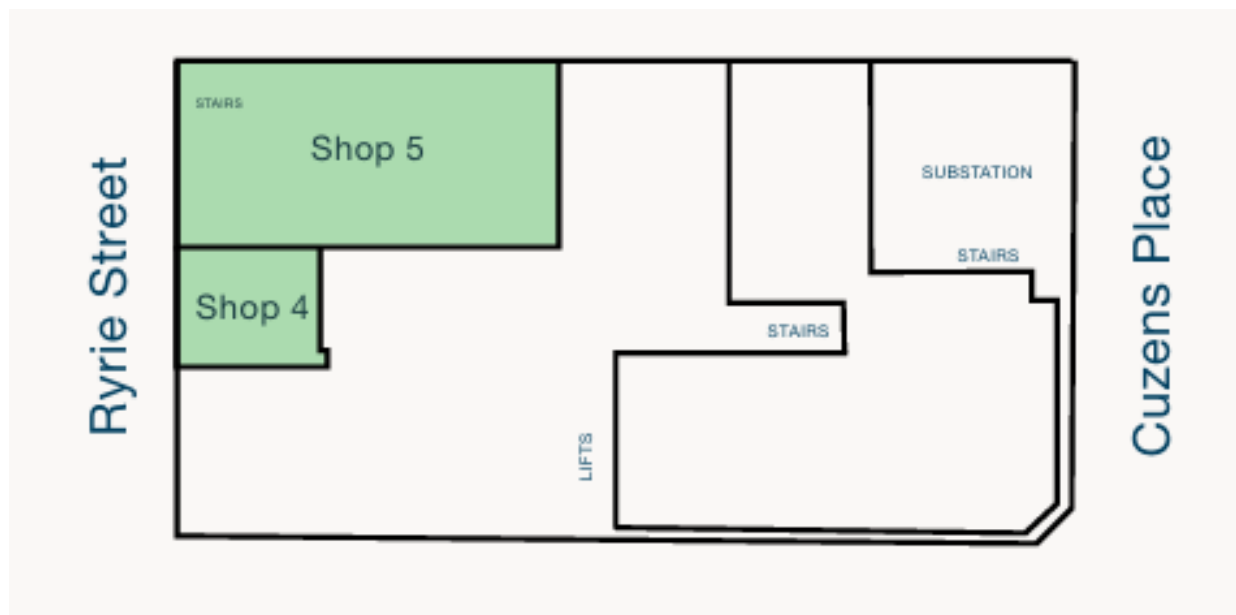
- Prime Geelong CBD location within the \$200m+ Geelong Quarter development
- Fully leased to Sweatshop.World on a 10-year net lease with 3% annual increases
- Net income of approx \$198,455 (Mar-25) with minimal landlord outgoings. Net return of 7% is expected to be substantially improved after tax, with strong depreciation benefits.
- Approx. 396 m² across two titles with wide Ryrie Street frontage
- High-performance health club tenant with 1,100+ members and multi-site presence
- Future re-leasing flexibility due to dual titles and adaptable layout
- Adjacent tenancies are leasing at higher rates (\$600/m²+)
- Proximity to Geelong Train Station (400 m*) and major civic upgrades
- Benefits from 50% stamp duty concession
- Surrounded by cultural, residential, and hospitality developments supporting foot traffic
- Located in Victoria's fastest growing and largest regional centre
- Secured at a substantial discount to the asking price

Important note on the tenant:

Verification that the tenant is performing very well in the location, due to due diligence and tenant conversation conducted on their adjoining rear gym (more traditional gym model supporting the hotel). The specific site has a growing 400 member base, with the annual revenue close to an impressive \$940,000.

Background Information

How old is the asset?	New
Vendors reason for selling?	Other
How many days the property has been on the market with the selling agents?	30
Is the property strata titled?	Yes
Are the seller & tenant related parties?	No
How long has the current tenant been on-site?	0 None
How long have they been in business overall?	5 None
Is the property in a flood zone?	No
Is this lease a leaseback arrangement?	No



Location Information

Geelong stands as Victoria's second-largest city and is experiencing remarkable growth as a thriving regional hub. Located just an hour from Melbourne, the city offers an appealing blend of urban amenities and coastal lifestyle.

The property enjoys an **unbeatable central position** in Geelong's CBD, situated at the intersection of Ryrie Street and Fenwick Street. This strategic location places it in the heart of the city's commercial and cultural precinct, directly opposite the Geelong Arts Centre which recently underwent a \$140m redevelopment.

The immediate area boasts an impressive array of amenities including:

- Geelong Gallery (slated for a \$150m redevelopment)

OUR PRESENT



Geelong is Victoria's second Capital City and one of the state's fastest growing areas.

Population: 276,116 (2022)

Growth of 5,340 over last year

Growth of 29,873 over last five years

Source: ABS (2023)



Geelong is the largest economy in regional Victoria, third largest in the state.

GRP (2021-22): \$17.6 billion

1 year growth: 10.3%

5 year average annual growth: 5.4%

Source: Economy ID (2023)



Geelong is booming

\$13.2 billion in major projects

Recently completed \$2.1b

Commenced \$3.6b

Approved \$2.3b

Proposed \$5.2b



Recently Completed Projects

Geelong Quarter (incl. Holiday Inn and Suites Geelong) (\$200 million)

Geelong Arts Centre redevelopment (\$140 million)

Spirit of Tasmania Terminal (\$135 million)

Charles Brownlow Retirement Village (\$100 million)

TOP INDUSTRIES



Contribution to Economy (\$b)

Healthcare \$2.2 (15%)

Construction \$2.1 (14%)

Manufacturing \$1.2 (9%)

Education and training \$1.2 (8%)

Retail trade \$1.1 (7%)



Top Exporting Industries (\$m)

Manufacturing \$2,171

Healthcare \$875

Wholesale trade \$745

Education \$569

Finance and insurance \$521



Contribution to Jobs (No.)

Healthcare 26,347 (19%)

Construction 15,515 (11%)

Retail trade 14,974 (11%)

Education and training 13,127 (10%)

Manufacturing 9,326 (7%)

Source: Economy ID (2023)



Important Exporters

Viva Energy

Herd Group

Golden Farms

Godfrey Hirst

Incitec Pivot

University Hospital Geelong

Deakin University

Source: Economy ID

VISITOR ECONOMY AND EVENTS



Geelong and the Bellarine Visitation

Visitors (YE September 2023): 6.3 million

Visitor nights (YE September 2023): 4.6 million

Visitor expenditure (2021-22): \$1.8 billion

Source: Tourism Research Australia (2023)

Major Events (2022-23)

Number of events: 18

Event visitors: 757,500

Economic impact: \$77.5 million



Economic Contribution of Visitor Economy and Events on the Geelong Economy

Direct contribution to GRP: \$265 million (1.8% of total)

Direct contribution to employment: 4,987 jobs (3.7% of total)

Source: Economy ID (2023)

CREATIVE INDUSTRIES



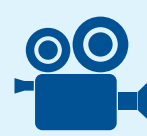
Geelong is Australia's first (and only) City of Design and a member of the UNESCO Creative City Network.

The Creative Industries are an evolving mix of sectors spanning arts, culture, screen, design, publishing, advertising and a range of professional services.

Direct contribution to GRP: \$691 million (4.7% of total)

Direct contribution to employment: 7,660 jobs (5.7% of total)

Source: Lucid Economics (2023)



Geelong has world-leading innovative talent across a variety of creative pursuits, from fashion and the arts to engineering and production.

- GMHBA Stadium (home to the Geelong Cats)
- Westfield Shopping Centre
- Holiday Inn hotel
- James & Malop Street dining precincts
- Geelong Train Station (just 400m away)

The broader region benefits from major employers including Deakin University, Barwon Health, WorkSafe & City of Geelong, ensuring a stable economic foundation. With government frameworks projecting significant population growth from 2,400 to 16,000 residents and job growth from 20,000 to 60,000 over the next 30 years, Geelong represents a sound investment location with strong future prospects.

Tenant Information

Sweatshop.World occupies the entire 396 sqm premises, operating a successful health and wellness facility focused on elevating individual performance.

As a proven operator with a history of trading success, Sweatshop.World has established itself as **one of Victoria's fastest growing boutique health clubs** with over 1,100 members. The business spans 3 locations throughout Melbourne and Geelong, offering:

- Group training sessions
- Open gym facilities
- Recovery services

The Geelong location is the most flexible of their three health clubs, featuring an open plan group training studio, separate gym for 24-hour use, and comprehensive recovery facilities including saunas, ice bath suites, and cryotherapy.

The tenant has committed to a **10-year lease term until March 2034** with one 5-year option, providing excellent tenant security for investors. The lease includes 3% annual reviews, ensuring steady income growth throughout the term.



Lease Commencement	20-Mar-24
Lease Expiry	19-Mar-34
Lease Length (Years)	10 years
Option(s)	1 x 5
Type of Rent	Net
Outgoings	Tenant pays all outgoings apart from land tax (\$0) and management fees (budgeted at \$6,000pa)
Rent	\$204,455
Annual rental increases	3%

Financial Overview

This investment presents an attractive financial opportunity with secure long-term income and impressive growth potential:

Current Annual Income: \$198,455 (after estimated management fees of \$6,000p.a.)

Lease Type: 10-year net lease until March 2034

Annual Reviews: 3% fixed increases

Options: 1 x 5 years

Adding further value is the **50% stamp duty concession** currently available to purchasers, representing significant savings on acquisition costs.

The dual-title nature of the property provides excellent flexibility for future leasing arrangements, potentially allowing for subdivision into multiple tenancies if desired.

Rent	\$204,455	
Total Rent / Income		\$204,455
Less Non-Recoverable Outgoings		
Land tax (estimate)	\$0	
Property Management (estimate)	\$6,000	
Total Non-Recoverable Outgoings		\$6,000
Net Income		\$198,455
Net Return		7%

[Rental Yield Calculator](#)

Rental Comparison

Shop 4&5, 38 Ryrie Street, Geelong – 396m2 - \$516/m2

Unit 107, 44 Ryrie Street, Geelong – 323m2 - \$412/m2 (rear of building)

Adjacent tenancy, 44 Ryrie Street, Geelong – 130m2 to 260m2 - \$600/m2

41 Gheringhap Street & 9 Downes Lane – 340m2 – TBC

Ground floor 23-31 Gheringhap Street – 372m2 - \$370/m2

Lot 2&3/88 Myers Street – 183m2 - \$497/m2

Lot 113, 18-20 Cavendish Street, Geelong – 66m2 - \$581/m2

Shop 7, 240 Pakington St, Geelong West – 43m2 - \$672/m2

Further supporting evidence was provided by the agent:

Also, in confidence we have attached the heads of agreement for the neighbouring shop which reflects \$615 per sqm.

These have not been accepted as there is a national medical group looking at taking all three shops for \$600 per sqm.

Based on the evidence, and importantly the neighbouring shops, we have comfort in the rental rate.

Offer to Purchase

Offer to Purchase	\$2,835,000
Initial Deposit	100000
Due Diligence	21
Finance Days	28
Settlement	21

More Images













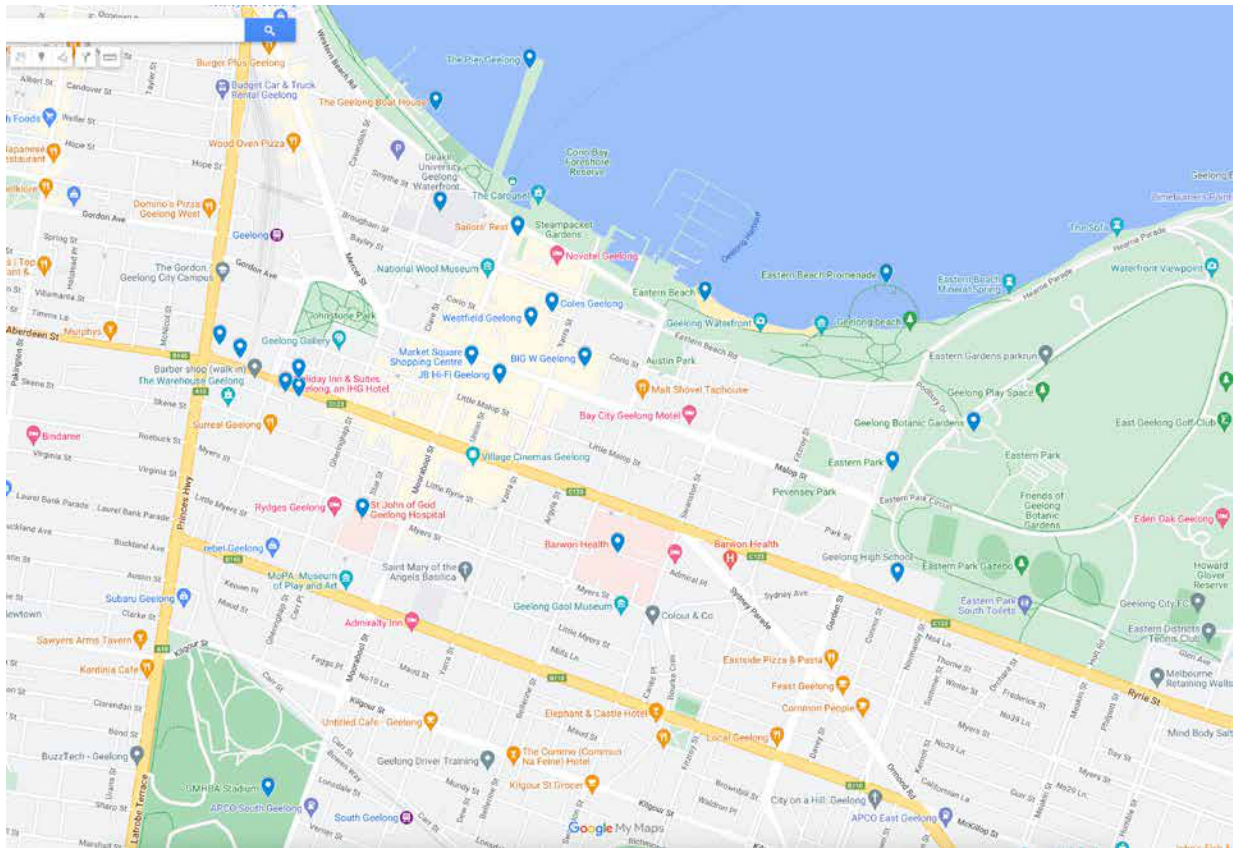














STATE GOVERNMENT 30-YEAR FRAMEWORK GOAL - CENTRAL GEELONG



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