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Providing finance for Woolloomooloo project

A prospectus, aimed at raising \$1.13 million to finance projects which in turn will provide working capital for Regional Landholdings Ltd's proposed \$400 million development of Woolloomooloo, has been lodged by the company.

The company is offering 3,766,667 fully paid 10c shares at a 20c premium. At present the company has an issued capital of 5,233,333 ordinary 10c shares.

The funds raised will be invested outside Woolloomooloo to generate a cash flow, Mr S. Londish, chairman of Regional Landholdings said at a press conference yesterday.

Regional Landholdings has the major share in the recently announced Woolloomooloo redevelopment scheme.

A subsidiary, Regional Investments Pty Ltd, has a 50 per cent interest with Associated Securities Ltd in Gateway Development Pty Ltd and a 47 per cent interest in Davlon (Woolloomooloo) Pty Ltd.

Regional Investment's interest in Gateway and Davlon is shown in its balance sheet at September 30, 1971 as being \$3,230,000. The directors of Regional Landholdings consider this a realistic figure.

This valuation was based on vacant possession on a floor-space/plot ratio for commercial development of 10 to 1.

The land held by Gateway in the Woolloomooloo

area totals 264,327 square feet while Davlon holds 56,310 square feet.

Regional Investments directly owns 58,186 square feet in the Woolloomooloo area but no up to date valuation is provided for this land.

The value of the land was indicated by Mr Londish when he said that the Astor Hotel site with a plot ratio of no more than 7 to 1 brought between \$75 to \$80 a square foot.

Regional Landholdings paid a dividend of 5 per cent in the year ended June 30, 1971 but in view of the projects in hand directors consider that it would not be in the best interest of the company to declare another dividend before 1973.

A "healthy" dividend is hoped for in 1973, Mr Londish said. Asked to specify a rate he said he hoped it would be better than 5 per cent.

Mr Londish says a Euro-dollar loan of \$3 million is being arranged to retire the short term mortgage of \$2,736,729

The prospectus also shows that Mr Londish's personal company, Davlon Consultants Pty Ltd, has agreed to provide advisory and managerial services to Regional Landholdings for one year for \$50,000.



Real estate tycoon Mr Sidney Londish.