

DAVID B. DICKSON

28 November 2003

Independent Pricing and Regulatory Tribunal of NSW
PO BOX Q290
Queen Victoria Building Post Office
SYDNEY NSW 1230

Dear Sir

Re: LEASE OF 130 SQ METRES AT
(address deleted) DATED: 23 SEPTEMBER 1982

I am 70 years of age, working part time and one could say in the twilight of my years. I have been the owner of land and a small waterfront lease at the above address since September 1975. My current lease from the Waterways commenced in 1982 and is now holding over on an annual basis at \$2200 a year and I wish to make a number of points:

- 1) There is no access to the leased land other than by water
- 2) I am required to maintain the leasehold improvements at my own expense, which is considerable on an ongoing basis, and if the lease is not renewed I ~~am~~ required to remove whatsoever is on the leased land, a huge impost for me should the lease not be renewed.
- 3) There was considerable consultation in December 1992 with regard to waterfront leasehold rentals. Both meetings were attended by me at the rowing club near Henley and The Royal Motor Yacht Club at Rose Bay.
- 4) I have absolutely no security in the tenure of my leased land other than annually and am getting concerned that my lease may not be renewed.
- 5) I have no rights to assign the lease if I sell my property nor do I have rights to sublet, mortgage or share possession of the lease with any other party.
- 6) It is absurd to equate the value of the leasehold land on a per square metre basis with the remainder of my property which has public access from the street along its full street frontage.

I am paying rates and taxes on the aggregate land area of both freehold and leasehold property, as shown on my notice from the Valuer General. This is effectively "double dipping" rates and taxes. The Waterways have not increased the rental since the public meeting in December 1992 but I am now looking at a potential 500%+ increase should the proposed method of valuation for the lease be adopted. To suggest that 6% is a realistic return on any residential property in Sydney and especially in the eastern suburbs clearly smacks of ignorance on behalf of Waterways.

I am still practising as a Chartered Accountant and work on a part time basis and assure you that somewhere between 1% and 1.25% might be achievable, if you can find a tenant. *for a waterfront property.*

If I were offered a lease for more than one year (holding over) for say 40 or 50 years, it would give me an opportunity to amortise the improvements over that time and give some security to a purchaser should I choose to sell which I may be forced to do if there is a substantial increase in lease payments thrust upon me without consultation of any sort whatsoever.

I would be happy to have CPI added to the next annual rental payment which I consider fair and reasonable but to arbitrarily assess huge increases in non transferable leases of one year only with no security of tenure for land which you cannot access shows appalling mismanagement and forethought by Waterways.

The consultation meetings which were held in December 1992 were, I felt, fruitful and in the interests of both lessee and lessor. This time I have been given no opportunity other than writing this hasty note to express my concern publicly perhaps in unison with others of this forthcoming unjust impost.

Yours faithfully


DAVID B DICKSON