

24th November, 2003.

Review of Rental for Domestic Waterfront Tenancies in NSW
Independent Pricing and Regulatory Tribunal
P.O. Box Q290
QVB Post Office NSW 1230

Dear Sirs,

I am writing to object against the formula that is proposed for calculating the rentals for waterfront tenancies on crown land in NSW.

My concerns are as follows:

1. Waterfront land is already super taxed due to land tax. This is also collected by the State Government and it is not fair to tax this component through a large increase in rental for waterfront amenities.
2. A realistic investment return from residential properties should be made. The 6% mentioned is unrealistic in residential real estate. A more realistic figure is 1.5%.
3. The formula that discounts the rate at 50% is arbitrary and since there will be an approximate 1000% increase in annual rentals, the percentage discount should be gradually introduced over a 5 or 10 year period.

I appreciate that the issues are complex and specialised but any formula that results in a 10 fold increase would seem unfair.

Yours faithfully,

LEO PINCZEWSKI