Submission in response to IPART Draft Report



Review of Rental Arrangements for Communication Towers on Crown Land

Public Version

September 2019

INTRODUCTION

- 1. Optus welcomes the opportunity to provide feedback to IPART in response to the draft report on the review of rental arrangements for communication towers on Crown land.
- 2. The draft report proposes a rent schedule that aligns with recent market rents for communication towers on private land¹. IPART utilises a "range of market evidence" including land rentals for commercial users of communication tower sites on private land and relevant land valuation.²
- 3. First and foremost, Optus is concerned that the draft report recommends a pricing approach that discriminates against carriers and as such, cannot be adopted by State agencies. The draft report does not contain sufficient evidence to explain how the use of market evidence is consistent with non-discrimination rules when recent court decisions have explicitly ruled against the use of market evidence to set carrier-specific rents on Crown land.
- 4. Optus, and industry, provided detailed reasons outlining that the use of market rent benchmarks to set Crown land rents is inconsistent with Commonwealth legislation. The draft report dismisses these concerns on the basis that non-carrier users of communications sites are charged in the same manner. Optus submits there appears to be little judicial support for the approach outlined in the draft report.
- 5. In order to set communication rentals on the basis of market rents, IPART needs to demonstrate that a "great majority of users of public spaces" are charged in the same manner.
- 6. Optus calls on IPART to provide evidence that market benchmarking is the basis on which Crown rents are set for the great majority of users of public spaces. Absent such evidence, the proposed approach in the draft report should not be finalised and IPART should reconsider its approach and adopt a methodology which can be implemented by State agencies.
- 7. Notwithstanding whether the methodology proposed by IPART is permissible under law, Optus further notes that there are material errors in the dataset used by IPART to set the rates, specifically IPART has:
 - (a) Not used recent rentals for communication towers for Sydney and High categories;
 - (b) Used inappropriate definitions for high and medium locations;
 - (c) Erred in the calculation of site size, leading to incorrect m2 pricing; and
 - (d) Erred in the calculation of small cells rents.

¹ IPART, Media Release, 8 July 2019.

² IPART, Public Hearing Transcript, p.2

IPART RATES CANNOT BE RELIED UPON

- 8. IPART has been tasked with providing advice on the appropriate rents that should be adopted for communications towers located on Crown land. A key aspect is for any advice to be implementable by State agencies. It is not clear, however, that the draft report has given sufficient thought to whether the proposed rates are legally enforceable.
- 9. Optus, the Mobile Carrier's Forum, infrastructure owners and other carriers, all advised IPART prior to the draft report that due regard needed to be had to legal requirements for state agencies to not discriminate against carriers when setting rents on Crown lands that is, to adopt rates which are applied to other occupiers of Crown land.
- 10. Optus advised that the issue whether rents on Crown lands can be set by reference to rents paid on private land has been directly addressed by the Federal Court. The Federal Court specifically rejected the legality of such an approach. That is, the use of private market benchmarks breaches the non-discrimination obligation in the *Telecommunications Act 1997* (Cth).
- 11. Notwithstanding this advice, the draft report utilised market rate data to set recommended rental rates on Crown land. This approach was confirmed in the public hearing with IPART stating that annual rents for communication tower sites on Crown land should reflect recent market rentals for similar sites on private land.³
- 12. Optus observes that little legal analysis or reasoning had been expressed by IPART during this process. As such, it remains difficult for interested parties to have a meaningful dialogue as IPART has not yet engaged on this very important issue.
- 13. To assist IPART, the relevant legal precedents are discussed in more detail below.

Market rates cannot be used to set Crown rates

- 14. The *Telecommunications Act 1997* states that a law of a State or Territory has no effect to the extent to which the law discriminates, or would have the effect (whether direct or indirect) of discriminating, against a particular carrier, against a particular class of carriers, or against carriers generally. This provision has been interpreted by both the High Court and the Federal Court. The Federal Court has stated that:
 - (a) Non-discrimination is broad and absolute. It does not allow an exception to the prohibition against the law of the State or Territory discriminating against carriers.⁵
 - (b) While individuals and corporations are allowed to discriminate against carriers, the Act expressly prohibits discrimination against carriers under State and Territory legislation. It is clear that the legislative intention is to treat individuals and corporations differently from State and Territory governments.⁶
 - (c) State and Territory governments charging carriers higher rents on the basis that carriers are charged more rent in the private market seems precisely the type of conduct that clause 44 is designed to prevent.⁷
- 15. As outlined previously to IPART by numerous interested parties, the effect of cl.44 is that is it not open to IPART to set market rents on the basis that carriers are charged more

³ IPART, 2019, Transcript Public Hearings, p.4

⁴ Schedule 3, cl.44

 $^{^{5}}$ Telstra v Queensland [2016] FCA 1213, para 142

⁶ Ibid., para. 146

⁷ Ibid., para. 147

rent in the private market. This would appear to rule the draft proposals invalid; and as a result, no State agency would be in a position to act on the recommended rates.

Relevant comparator

- 16. The draft report addresses the concerns of industry by stating that it is the 'view' of IPART "that any relevant comparator would make similar use (in nature and extent) of Crown land to the use made by carriers." And as such, the relevant comparison is between "treatment of carriers as lessees of communication towers and the treatment of other lessees of communication towers".
- 17. Optus submits that such a statement cannot be regarded as an accurate statement of the law, nor can it be supported by case law.
- 18. Optus observes that the draft report references the High Court decision in *Bayside City Council v Telstra Corporation Ltd*⁹ (Bayside) in relation to 'relevant comparator'. The draft report asserts that it is precedent to support its contention that broadcasters are the relevant comparators to carriers.
- 19. While we agree with IPART that the Bayside decision is instructive, the draft report appears to use an interesting interpretation of the case. It is particularly instructive as it relates to the ability of local councils in NSW under the Local Government Act (LGA) to charge carriers rental to locate infrastructure in public places. The High Court held that the provisions did discriminate against carriers as the Crown, water, electricity, and railways were exempt from charges.
- 20. The High Court noted that the LGA does not in terms, identify the kind of comparison that is appropriate for the purpose of considering whether a State law discriminates against carriers generally, but an examination of the Explanatory Memorandum is capable of assisting.¹⁰
- 21. The Explanatory Memorandum provides two clear examples that make clear that other utilities are the relevant comparator. Specifically:
 - (a) laws that impose a burden on facilities of a carrier that is not imposed on similar facilities (for example a tax on 'street furniture' which is in effect discriminatory against carriers because other bodies owning such equipment such as electricity authorities would be exempt from paying that tax);
 - (b) laws which have the effect of giving powers or immunities to a person or body in relation to the installation, maintenance or operation of a facility which do not apply to carriers generally (for example, where a public utility may rely on general land access powers given to that utility under State or Territory law to install telecommunication facilities without obtaining the approvals which would ordinarily be required for that activity under the law of that State or Territory);¹¹
- 22. The High Court relied on the above paragraphs to state that the relevant comparator intended by the LGA relates to public utilities that is, water, electricity, etc. Furthermore, the Court stated that a carrier may be "discriminated against even if some other person is treated equally unfavourably". The Court continued to note that if *many* other persons were also treated unfavourably, a question might arise whether it discriminates against carriers, but a "great majority of occupiers of public space in New

⁸ IPART, 2019, Draft Report, p.23

⁹ (2004) 216 CLR 5

¹⁰ Ibid., para. 42

¹¹ Telecommunication Bill 11996, Explanatory Memorandum Volume 3, p.27

¹² Bayside, para. 80

South Wales are exempt from local government charges" so the fact that one non-carrier category of use is also treated unfavourably "does not alter the fact that carriers are treated less favourably than most comparable entities." ¹³

- 23. It is in this context that we query the statement in the draft report that the relevant comparator are broadcasters who may also rent land for their towers. The fact that IPART can only point to one other non-carrier user as being subject to market-based rents, supports the case that the draft report breaches the non-discrimination obligations under the *Telecommunications Act 1997*. The absence of evidence that a "great majority of users of public spaces" are charged in a manner consistent with that proposed in the draft report, proves that the draft report breaches the obligations in the *Telecommunications Act 1997*.
- 24. The statement in the draft report appears to be inconsistent with legislative construction and the approach confirmed by the High Court.
- 25. Optus also directs IPART to the Telstra v Queensland case,¹⁴ where the relevant section in the Queensland regulation imposed a charging regime (based on the IPART approach) on carriers was deemed to be discriminatory. It is instructive to note the relevant provisions applied the same cost methodology to both carriers and broadcasters. In this case, the applicable leasing category applied to "relay or transmission of telephonic, **television**, **radio** or other electronic communication services for a non-community service activity".¹⁵ [emphasis added]
- 26. The Federal Court specifically rejected the use of market benchmarks to set rents for communications towers even though market benchmarking was also used for broadcasting tower leases.
- 27. It is clear from these case that there is no case law support for the view adopted by IPART in the draft report.

Reasons should be fully explained

- 28. The draft report addresses the concerns of industry in one paragraph, summarily dismissing these concerns. Optus submits that this level of analysis is not sufficient and gives rise to questions whether IPART has adequately put their mind to this issue.
- 29. Industry provided clear advice against this approach. As demonstrated through submissions and at the public hearings, there is a common understanding of the impact of the relevant Federal Court and High Court decisions on how cl.44 would apply to agencies setting rental rates for communications towers.
- 30. However, the draft report did not give sufficient consideration to these concerns. As such, Optus is limited in the information we can provide in addition to that provided prior to the draft report. In order to progress this matter, Optus requests that IPART provide a full explanation of its position on this issue and provide further opportunity to consult on its views.
- 31. If IPART has a different view, this view needs to be fully explained. Ultimately, any legal implications of this report will fall on agencies trying to implement the recommendations. In order to enable agencies to assess the legal risk of adopting IPART's recommendation, IPART should outline its position and explain clearly where *Bayside* and the *State of Queensland* cases do not apply to this inquiry.

¹³ Bayside, para. 81

¹⁴ Telstra Corporation Ltd v State of Queensland [2016] FCA 1213

¹⁵ Ibid., para.56

- 32. In order to set communication rentals on the basis of market rents, IPART needs to demonstrate that a "great majority of users of public spaces" are charged in the same manner. It is not clear on available evidence that this is the case.
- 33. Optus calls on IPART to provide evidence that market benchmarking is the basis on which Crown rents are set for the great majority of users of public spaces. Absent such evidence, the proposed approach in draft report should not be finalised and IPART should reconsider its approach and adopt a methodology which can be implemented by State agencies.

RECOMMENDED RATES ARE INCORRECT ON THE FACTS

- 34. Notwithstanding whether the methodology proposed by IPART is permissible under law, Optus further notes that there are material errors in the dataset used by IPART to set the rates.
- 35. These are outlined below.

Recommendation 2: proposed rents for primary users

- 36. Should IPART continue to use its published methodology to determine its new fee schedule, it should use data that is comparable and consistent with the Terms of Reference. We refer to "we consider recent rentals for commercial users of communication tower sites on private land are the best available indicator of efficient prices."
- 37. Optus submits that IPART has not used "recent rentals ... of communication tower sites on private land". We have analysed the published rental data used by IPART for the highest rental examples in the Sydney and High categories. This is discussed below.
- 38. The data is primarily rooftop macro installations **not** telecommunications towers on land; as such the data is not comparable as no land is occupied. The primary purpose of the building rooftop has as no alternative highest and best use, and therefore the opportunity cost is \$1.
- 39. Most of the data is for existing sites, not recent, new "greenfields" locations where a new negotiation would have been done on an arms-length basis. The lessee therefore is a "captive" or "unwilling" tenant in valuation terms, as referenced in *Spencer v The Commonwealth of Australia*. We disagree with the proposition that the recommended rents are consistent with *Spencer*, as outlined in Section 4.3 of the draft report. Carriers are reluctant to relocate infrastructure given the cost and time to do so. Carriers are continually adding sites to their network in high density, urban locations where, additionally, alternative locations are difficult to secure. Often a commercial decision is made in these circumstances to accept an "above market" rent to secure the site, to maintain network coverage.
- 40. In some cases, Optus has had working infrastructure in the locations noted for over 20 years. Often the commencing rents escalated annually at 5%, in some cases 7.5% per annum. At lease expiry these rents have escalated far in excess of the rents negotiated for new locations today.
- 41. We comment on the IPART "comparable" data table as follows:

6

¹⁶ IPART, draft report, p.19

¹⁷ (1907) 5 CLR 418

- (a) Of the 18 most expensive 2020-2021 rents, only 3 sites are communications towers on land.
- (b) The most expensive site is for a rooftop macro and an IBC in a commercial tower in the Sydney CBD. This lease commenced in March 2002 and so will expire in 2022. It was an expensive site to begin, and with annual escalations, is now around 4 times the current market rent, in Optus's opinion. Optus has already commenced negotiations, which if unsuccessful are likely to result in Optus seeking to relocate its rooftop installation. This lease is not a comparable, recent negotiation and should be excluded.
- (c) A similar scenario exists in the second most expensive site, at 275 George St Sydney. The lease commenced in 2003, expiring in 2021. This lease is not a comparable, recent negotiation and should be excluded.
- (d) One of these towers is in a "Low" Category location this site should be ignored. It is a former Optus owned tower now owned by Axicom, with all major carriers colocating on the structure. In Optus's case it has been present on the site since 1999. It is therefore not a comparable, recent negotiation and should be excluded.
- (e) 15 sites are rooftop macros (one of which is an IBC/DAS only) rooftop installations are not telecommunications towers on land.
- (f) Optus sites comprise most of this data (15). Our attached table shows the first date the site became "In Service", being the date the site was live on our network. 12 of these sites first entered the Optus network before 2010, the majority being in the late 1990's and early 2000's. We have previously described these rents typically escalated annual by a fixed 5%, resulting in current rents being substantially above what the telco market is prepared to pay for a new site today, negotiated on a competitive market basis. This data is not comparable and should be excluded.
- (g) Please refer to the attached spreadsheet which shows the data used by IPART in determining its recommended rent. A detailed comment on each entry is provided in the "Optus Comment" Column.
- (h) In Optus's opinion only one of the leases can be considered comparable (putting aside whether or not rooftop macro sites are comparable at all).
- 42. However, should IPART continue to use rooftop macro leases as the source of comparable data, we refer to the sworn valuation undertaken by IVPS Pty Ltd, attached, an experienced telecommunications valuer, which documents recent new, "greenfields" negotiations which are comparable. IVPS has sourced data from the 3 largest carriers, Telstra, Optus and VHA. Overall it has appraised a value of \$22,500 for a site in the Sydney category. This data is more recent and is more compelling, it has been negotiated on an arm's length basis, by a willing lessor and a willing lessee, not an anxious, captive tenant whose cost to relocate infrastructure is substantial, in both lost service to customers, and monetarily.
- 43. Included in the valuation report are 6 Optus sites. The table below summarises those registered leases. All are located in the "Sydney" location category. Copies of these registered leases can be provided on request, however the document registration numbers are included in the spreadsheet, and so are readily obtained via a Land Titles provider.

Figure 1 Optus comparable rents – Sydney category

Registration	ACMA Site	Post			Comm	Contract	Commencing
Number	ID Site Address	Code Renewal Rule	Tenure Type	Contract SubType	Date	End	Rent
AN566446V	9019368 1 RIVETT RD, NORTH RYDE	2113 15 years	ANNUAL LEASE	230 BUILDING - ROOFTOP BTS	15/12/2017	14/12/2032	25,000
AM553404L	9023289 HAROLD PARK PACEWAY, ROSS STREET, GLEBE	2037 3 further terms of 5 years each	ANNUAL LEASE	030 ROOFTOP LEASE	25/06/2016	24/06/2021	20,000
AN325589T	10000271 34-45 WENTWORTH AVENUE, SYDNEY	2000 20 years	ANNUAL LEASE	230 BUILDING - ROOFTOP BTS	11/05/2017	10/05/2037	20,000
AN67930X	10005589 61-101 PHILLIP STREET, SYDNEY	2000 17 years, 10 months, 6 days	LEASE	230 BUILDING - ROOFTOP BTS	29/08/2017	4/07/1935	20,000
AN679497W	10010127 104 ALICE STREET, NEWTOWN	2042 20 years	LEASE	230 BUILDING - ROOFTOP BTS	10/04/2018	9/04/2038	20,000
AN709035B	10011663 241-245 SYDNEY PARK ROAD, ERSKINEVILLE	2043 20 years	LEASE	230 BUILDING - ROOFTOP BTS	15/06/2018	14/06/2038	20,000

Source: Optus

- 44. Consequently, as demonstrated above, we disagree with the statement in Box 5. that "Rents that were negotiated prior to our last review (2013) were generally excluded from the sample". IPART has used outdated and incomparable data in totality to calculate the "Sydney" category rents. Any lease where the original occupation occurred before 2013 should be excluded from the analysis, particularly because there is sufficient data available that is more relevant and comparable according to the hierarchy of valuation evidence.
- 45. Further, it is Optus's view that only negotiations post-2016 reflect current rentals being agreed in the marketplace, given the rapidly changing environment wherein rentals are reducing. Additionally, IPART should only use rents at the commencement date of the lease as the reference, not the rent escalated to 2020-2021 the rent agreed at commencement reflects the "market", negotiated, rent agreed between the parties. As we have seen, fixed annual escalations at levels significantly higher than CPI has resulted in a distortion in rentals being paid where the lease has been in existence for some time.

Recommendation 3: location definitions for High and Medium locations

- 46. We agree with the submission made by the MCF, consistent with our previous submission, that rentals should be based on the unimproved value of land occupied by the telco. This removes the obvious distortions that result from the lack of granularity in using a small number of categories. For example, it makes no sense that the value of the land occupied in the Eastern suburbs of Sydney is the same as in the City of Parramatta Local Government Area.
- 47. However, putting that aside, should IPART decide not to use the unimproved land value occupied as the basis for rental determination, Optus agree with the submission made by Commercial Radio Australia that the "Sydney" category should be limited to the Sydney CBD only. This change affects only 32 Crown Lands licences, or 1.8% of the total number of current licences for the 3 CLAs.
- 48. There does not appear to be any explanation of the choice to use a population density of 1,800 people per square kilometre as the basis for setting the boundary of the "Sydney" category. Whilst not significant to the CLAs in terms of the number of locations, or the revenue received, the rental determination for this category has significant consequences for the telecommunications carriers. We, and others, have described the inappropriate use of the IPART determination by private landlords, councils, and in some cases, State Government departments located outside of NSW, often using the "Sydney" category rent as the upper bound in negotiations with carriers. This change would assist efforts in correcting the incorrect use of the Determination.
- 49. Optus does not agree with the arbitrary 12.5km radius around "medium" density townships. This does not reflect the underlying value of land. Optus has experienced incidences with licences issued by Forestry Corporation of NSW, for example, for installations in bushland, land which has no alternative commercial highest and best use, which would otherwise be located in a "Low" category area, but falls within the 12.5km

radius boundary, thereby artificially inflating the rent paid. On no basis could the vacant bushland be valued on the same commercial basis as the land within the township itself.

Recommendation 5: schedule of rents for new sites

- 50. Following the point above, because these sites are rooftop installations, which typically are designed with a number of antennas located towards the edge of the building, distributed around the circumference of the rooftop, plus a small cabin, the leased areas occupied are small when compared with tower installations on land. Many of these in the IPART table are around 25 square metres, with a number less than 10 square metres. This has resulted in the "average site area" quoted in the IPART report, being 30 square metres in the Sydney category, for a "communications tower on land" as being far too low. The average site area for a tower site should be the same as that shown in the High category, being 60 m². It makes no logical sense that the areas occupied would be any different given the built-up urban environment.
- 51. The consequence, we presume unintended, of the low median land size calculation such as in the Sydney category, could often be that the rent for a new site substantially exceeds the "grandfathered" rates set for existing sites, whose rents will be fixed to the IPART schedule. For example, a 50 m² site in Sydney would attract a rent of \$56,150 p.a., 66% greater than the fixed rent.
- 52. On our analysis, the average site area for rural locations in the Low category, is substantially smaller than typical installations. In our opinion the typical installations are 150 250 square metres but can be much greater. We therefore suggest, should IPART not determine the rents based on the unimproved value of land occupied, that the rental schedule be capped as the maximum payable.
- 53. Values are too high, the area occupied is too low. Since IPART has simply used one as the numerator and the other the denominator, the resultant rate per square metre calculation is excessive.

Recommendation 8: co-user charges

54. We agree however the rental should be determined at 6% of the unimproved land value.

Recommendation 10: minimum annual rent

55. Agreed, but the rental should be set at \$1.00 to reflect zero opportunity cost to the Crown for the co-user occupation wholly within the primary user's compound. Further, any minimum annual rent must be consistent with non-discrimination obligations – namely, that other utilities are subject to the same minimum annual rent obligations.

Recommendations 10 & 11: small cell rents

- 56. Optus supports the principle that rents for these sites should be based on the land they occupy only, consistent with the legal non-discrimination obligations.
- 57. However, as noted above, the issue is the excessive rate per m² calculations, particularly for the "Sydney" category. If applied by other land owners or managers, that land that will in most cases be occupied will be a light pole, or transmission pole located on a road reserve managed by a council or RMS. The commercial value of that land is questionable, given it cannot be sold, cannot be developed, such that its "highest and best use" as a road reserve.
- 58. Note the minimum rent of \$504 p.a. would always be charged, equating to a rate per m² in "High" category locations of \$787 per m2 not \$273 per m², assuming the ground cabinet occupies an area of 800mm x 800mm, or 0.64 square metres (the current Optus

- small cell design). The rent otherwise would be \$273 per m^2 x 0.64 m^2 = \$174 p.a. This is not acceptable, and we presume this is not intended. If the rate of \$273 per m2 is adopted, a small cell installation is "penalised" by 288%. Until the land area occupied exceeded 1.8 square metres the calculation does not normalise.
- 59. We would point out, in the majority of instances, these installations will fall under the definition of "Low Impact" within the Telecommunications Act. As such, it could be, that carriers utilise their statutory powers to deploy such assets, to occupy the land, in which case no annual rent is payable.
- 60. We would also argue that unless all other utility occupiers of land pay this minimum fee, then such a charge could be deemed to be discriminatory to carriers. If no land is being occupied, it would appear the minimum rent represents a fee for "air space". We argue that if no land is occupied, there is no need for a licence to be issued by the CLA the carrier would deal with the infrastructure owner only.

Recommendation 14: rents in national parks set higher

61. Optus does not support this recommendation. We agree with the MCF's view of this recommendation and refer IPART to their submission. The industry strongly disagrees with this recommendation.



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VALUATION REPORT

Review of IPART Sydney Zone NSW

Table of Contents

INSTRUCTIONS	3
PURPOSE OF VALUATION	
DATE OF INSPECTION	
DATE OF VALUATION	
LOCATION	
MARKET RENTAL EVIDENCE	7
MARKET COMMENTARY	22
VALUATION RATIONALE	22
VALUATION	23

INSTRUCTIONS:

We have been instructed by Bryan Ford, Property and Leasing Executive, on behalf of Optus to undertake a rental valuation of the proposed IPART Sydney Category as identified in the IPART Draft Report 2019. The review is to highlight the following points:

- Typical 4x5 year registered telecommunications land lease for private freehold land in NSW
- 2. Current NSW Crown Land schedule

PURPOSE OF VALUATION:

The valuation is required for submission to the IPART review.

DATE OF INSPECTION:

5th August 2019

DATE OF VALUATION:

5th August 2019

LOCATION:

As highlighted in the IPART Draft Report Schedule 2019 "Review of Rental Arrangements for Communication Towers on Crown Land" the Sydney Category under the IPART review is defined and includes the following locations:

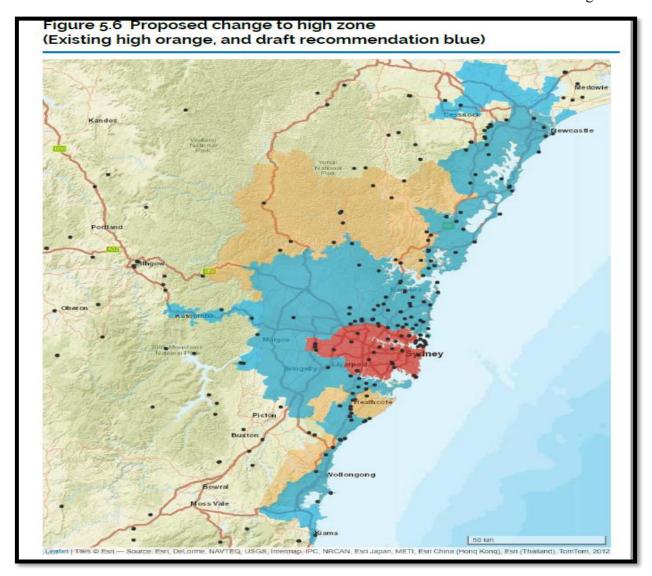
The following local council areas are defined as Sydney:

- Bayside (A)
- Burwood (A)
- Canada Bay (A)
- Canterbury-Bankstown (A)
- Cumberland (A)
- Fairfield (C)
- Georges River (A)
- Hunters Hill (A)
- Inner West (A)
- Lane Cove (A)
- Mosman (A)
- North Sydney (A)
- Parramatta (C)
- Randwick (C)
- Ryde (C)
- Strathfield (A)
- Sydney (C)
- Waverley (A)
- ▼ Willoughby (C)
- Woollahra (A)

The table below lists the latitude and longitude of the centre point of each Medium area.

Source IPART Draft Report Page 79 Appendices B

This is also further highlighted by Figure 5.6 on Page 36 of the IPART Draft document in red.



The IPART document also defines the various categories in more detail as listed below:

Draft recommendations

- 2 For existing sites, the land management agencies implement the schedule of rents for all primary users other than telephony service providers (SCAX) shown in Table 5.1, where rent per site varies by location.
- 3 Location definitions for High and Medium locations are refined. Locations are defined as:
 - Sydney: local council areas in metropolitan Sydney with a population density greater than 1,800 people per square kilometre (as listed in Appendix A)
 - High: ABS significant urban areas of Sydney (excluding local council areas included in the Sydney category above), Newcastle – Maitland, Wollongong, Central Coast and Morrisset – Cooranbong.
 - Medium: areas within 12.5 km of the centre of the urban centres and localities (UCLs) defined by the ABS as having a population of 10,000 or more based on the 2016 census (as listed in Appendix B).
 - Low: the rest of NSW.
- 4 The following services are included in the rents for new and existing primary users on Crown land:
 - All lessor costs of preparing and assessing lease applications
 - Use of existing tracks and roads at no additional cost. Where additional
 access roads are required the costs of building and maintaining these
 should be set with reference to a benchmark rate.

IPART Draft Report Page 40

MARKET RENTAL EVIDENCE SYDNEY IPART CATEGORY:

The following rentals are considered representative or provide a guide of current market rates at the date of valuation. We also note that new sites are generally indicative of the market as primary evidence as opposed to site lease renewals and in the hierarchy of evidence schedule as provided under the guidelines of the Australia Property Institute and the Royal Institute of Chartered Surveyors greenfield sites are considered primary evidence.

Rents:

1:

Address 33 Hope Street Ermington

Lessee Telstra

Lease Commencement 1 June 2020

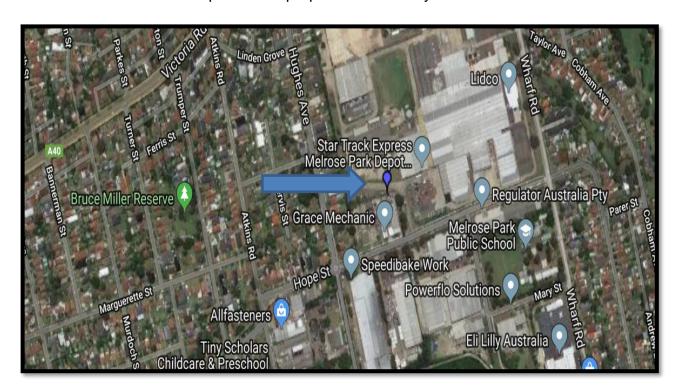
Term 20 years

Current Rent \$21,000 p.a.

Reviews 3% p.a.

Comments: Full CMTS site, cabin and pole in LGA of Parramatta \$12,000

p.a. below proposed amount by IPART. Lease Renewal.



Address 67 Bourke Rd Alexandria

Lessee Telstra

Lease Commencement 1 November 2018

Term 20 years

Current Rent \$25,000 p.a.

Reviews 3% p.a.

Comments: Full CMTS site, cabin and pole in LGA of Inner West \$8,000

p.a. below proposed amount by IPART. Greenfields site



Address 767 Horsley Drive Smithfield

Lessee Vodafone

Lease Commencement 1 February 2018

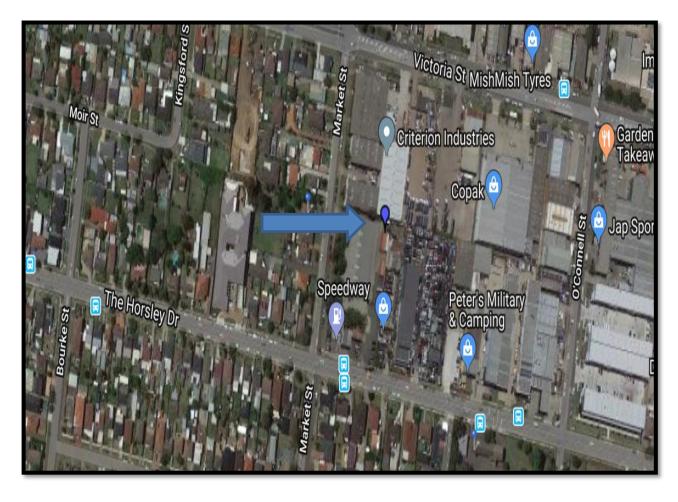
Term 5 years

Current Rent \$20,000 p.a.

Reviews 3% p.a.

Comments: Full CMTS site, cabin and pole in LGA of Fairfield \$13,000 p.a.

below proposed amount by IPART. Lease renewal.



Address 185 Briens Road Northmead

Lessee Telstra

Lease Commencement 1 January 2018

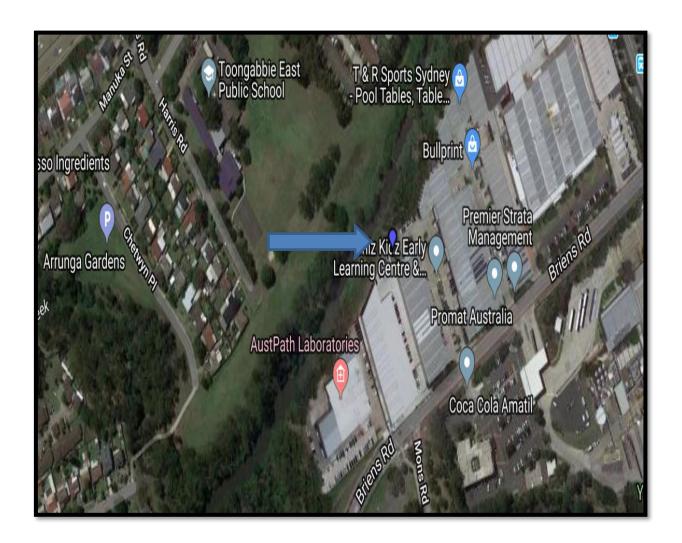
Term 5 years

Current Rent \$20,000 p.a.

Reviews 3% p.a.

Comments: Full CMTS site, cabin and pole in LGA of Parramtta \$13,000

p.a. below proposed amount by IPART. Lease renewal.



Address Ady Street Hunters Hill

Lessee Vodafone

Lease Commencement 16 February 2016

Term 20 years

Current Rent \$20,000 p.a.

Reviews 3% p.a.

Comments: Full CMTS site, cabin and pole in LGA of Parramatta \$13,000

p.a. below proposed amount by IPART. Lease renewal.



Rooftop Rentals:

1.

Address 1 Railway Parade Burwood

Lessee Telstra

Lease Commencement 1 April 2017

Term 20 years

Current Rent \$26,000 p.a.

Reviews 3% p.a.

Comments: Full rooftop facility in LGA of Inner West \$7,000 p.a. below

proposed amount by IPART. Lease renewal.



Address 128 Bunnerong Rd East Gardens

Lessee Telstra

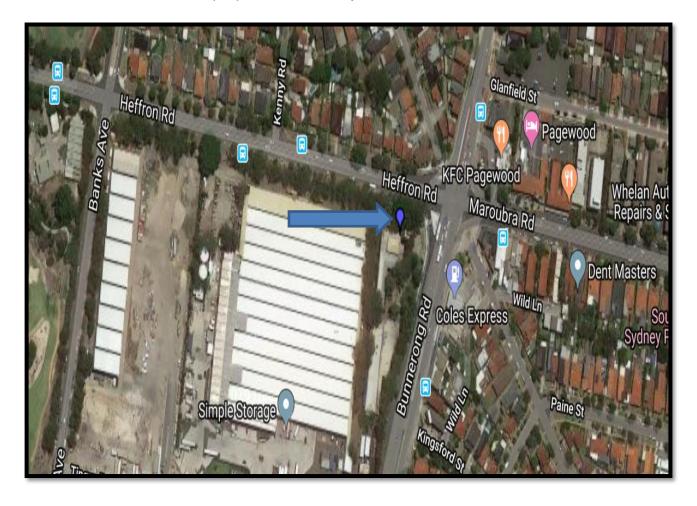
Lease Commencement 1 April 2019

Term 20 years

Current Rent \$22,500 p.a.

Reviews 3% p.a.

Comments: Full rooftop facility in LGA of Bayside \$11,000 p.a. below



Address 112 Talavera Road Macquarie Park

Lessee Telstra

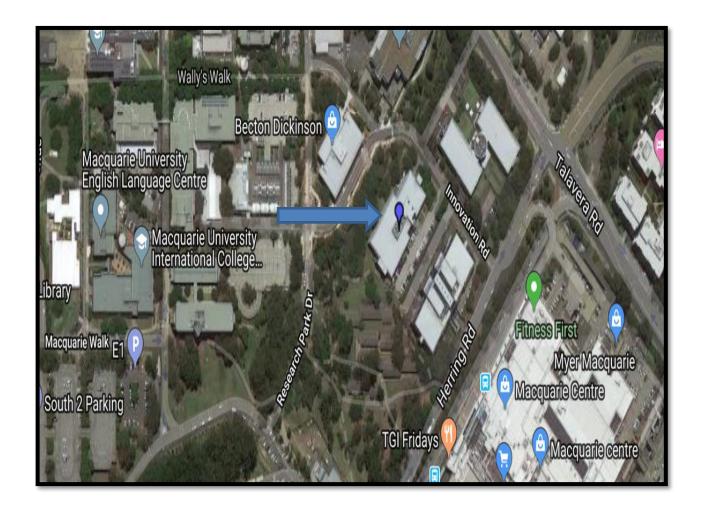
Lease Commencement 19 November 2018

Term 20 years

Current Rent \$22,000 p.a.

Reviews 3% p.a.

Comments: Full rooftop facility in LGA of Ryde \$11,000 p.a. below



Address 859 Bourke Street Waterloo

Lessee Telstra

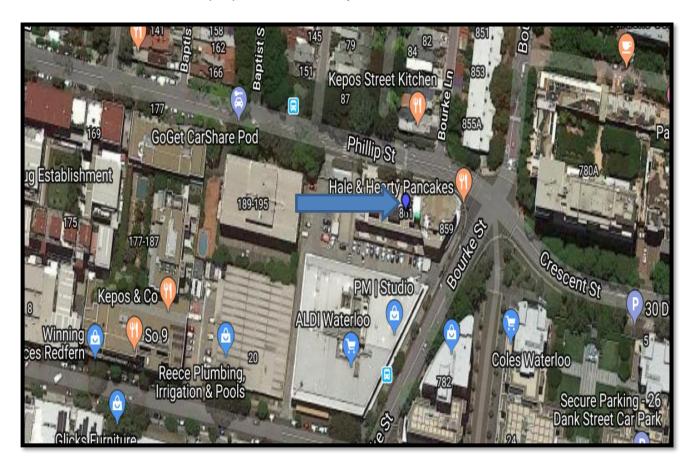
Lease Commencement 1 July 2018

Term 20 years

Current Rent 25,000 p.a.

Reviews 3% p.a.

Comments: Full rooftop facility in LGA of Sydney \$8,000 p.a. below



Address Minogue Crescent Forest Lodge

Lessee Optus

Lease Commencement 25 June 2016

Term 5 years

20,000 p.a. **Current Rent**

3% p.a. **Reviews**

Full rooftop facility in LGA of Sydney \$13,000 p.a. below proposed amount by IPART. Greenfields **Comments:**



Address 34 – 45 Wentworth Ave Sydney

Lessee Optus

Lease Commencement 11 may 2017

Term 20 years

Current Rent 20,000 p.a.

Reviews 3% p.a.

Comments: Full rooftop facility in LGA of Sydney \$13,000 p.a. below



Address 61 Philip Street Sydney

Lessee Optus

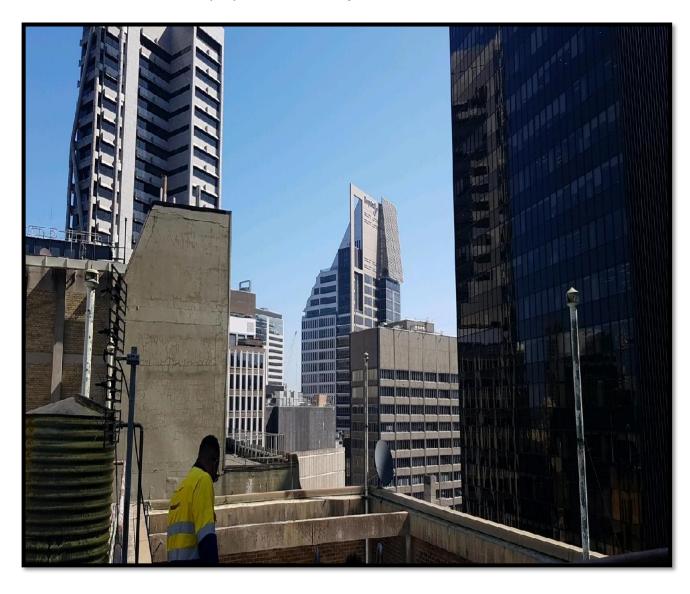
Lease Commencement 29 August 2017

Term 18 years (Approx).

Current Rent 20,600 p.a.

Reviews 3% p.a.

Comments: Full rooftop facility in LGA of Sydney \$12,000 p.a. below



Address 1 Rivett Road North Ryde

Lessee Optus

Lease Commencement 15 December 2017

Term 15 years

Current Rent 25,000 p.a.

Reviews 3% p.a.

Comments: Full rooftop facility in LGA of Ryde \$8,000 p.a. below proposed

amount by IPART. Greenfields



Address 104 Alice Street Newtown

Lessee Optus

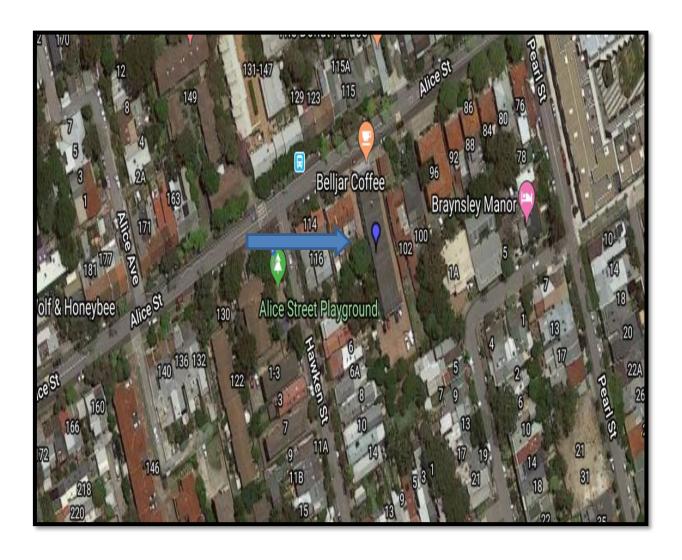
Lease Commencement 10 April 2018

Term 20 years

Current Rent 20,000 p.a.

Reviews 3% p.a.

Comments: Full rooftop facility in LGA of Sydney \$13,000 p.a. below



Address 241 Sydney Park Rd Erskinville

Lessee Optus

Lease Commencement 15 June 2018

Term 20 years

Current Rent 20,000 p.a.

Reviews 3% p.a.

Comments: Full rooftop facility in LGA of Sydney \$13,000 p.a. below



MARKET COMMENTARY:

The Telecommunications sector has experienced a major downturn in recent years with higher levels of competition, increased costs and a burgeoning network that has evolved as a direct result of increases in data requirements, especially in relation to smart phones. Revenues have basically plateaued, however, costs have escalated due to increases in network size and requirements.

In the early years of the mobile phone industry rents were struck at rates which reflected an over anxious lessee and, in many cases, an unwilling lessor. The requirement at the time for the main telecommunication providers was to provide the roll out of infrastructure at a rapid pace with little attention directed towards the detail of leasing deals or cost. Subsequently, 20 years on, the industry is renegotiating a major proportion of leases to rectify a legacy of an unrealistic escalation of rents at 5% or more p.a, whereby, the compound effect of these increases has created a false and unsustainable market. The resulting reduction in comparable rents demonstrate the re-setting of the telco market.

As the market has matured there has been a focus by all three carriers to reduce their rental costs and this has initially been addressed with the closure of the 3gis network in 2012, whereby, approximately 4,000 sites were closed and decommissioned. Many leases were terminated early into their 20 year term which basically highlights the risk to any prospective investor of the uncertainty of owning a site with telecommunications facilities present. Ongoing changes in technology, network grid patterns, etc, are likely to see further consolidation in the short term as roll out plans have been shelved and joint ventures or sharing sites are now common place.

VALUATION RATIONALE:

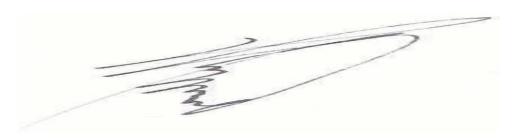
In reviewing the general evidence the rental range for the Sydney Category as specified by IPART shows a variation of around \$20,000 - \$25,000 p.a . Strong evidence is present in both the ground and rooftop rentals. It is noted the availability of ground rents are somewhat limited in this geographical location as these areas are heavily developed, whereby, there is a tendency to favour rooftop sites.

In regard to the greenfield sites, which take precedence in the "Hierarchy of Evidence", as noted earlier in the report, along with the considerations applied in the Spencer case it would appear the Sydney category is still way above the private market as demonstrated in the report.

In light of the above a mid- point of \$22,500 p.a. would be a suitable rate for the Sydney IPART Category. We further note IPART has identified in their July 2019 report that private market rents are significantly less than the current and proposed IPART rates.

VALUATION:

In accordance with the foregoing, it is considered that the market rent for CMTS telecommunication facilities within the IPART Sydney Category NSW as at 5th August 2019 is \$22,500 p.a. (Twenty Two Thousand Five Hundred Dollars per annum)



David Sullivan BBlec, AAPI, MRICS, CPP, CPV Director

The valuation is for the use of the party to whom it is addressed and for the purpose stated. No responsibility is accepted to any third party who may use or rely on the whole part of the contents of the valuation. Furthermore, neither the whole nor any part of this report may be included in any publication or document without prior consent.

The valuation is current as at the date of valuation only. The values assessed herein may change significantly, unexpectedly over a relatively short period (including as a result of general market movements or factors specific to the particular property). We do not accept liability for losses arising from such subsequent changes in value. We do not assume any responsibility or accept any liability where this valuation is relied upon after the expiration of three months from the date of valuation, or such earlier date if you become aware of any factors that have any effect on the valuation.

Liability Limited by a Scheme Under Professional Standards Legislation

Site Information from private net market analysis
This base does not be information from private than I set in the state of a confidential submission.
This take does not be information for each private than I set in the state of a confidential submission.
Copylight or sens, land areas, north a recesse and face test part 97 MIV Led Regalary Services on behalf of the State of NSW.

Asset 3. 2 and 3. Competent for based search face set. 2 and 3.

The state of the State of NSW.

as 1, 2 and 3 correspond to land areas for	MISSEN 1, 2 MISS 3.				Site information			Area	1			Ai	va 2		1		Area 3			Total	1	Lease Numbe	ır	
MA mber	s	kuburb Ad	ádress	First In Service Date	Longitud Latitude e E	IPART Density Elevation area	Lease start Year	Area Rent nitial incre ent (% pa	al ase Land à area(mi	Rent in 1 ²) \$2020-21	Lease start li Year n	Renitial in	ental crease Lar	nd Rent in a (m²) \$2020-21	Lease start Year	Initial rent	Area 3 Rental increase La (% pa) an	and F	tent in 2020-21	Total rent in Total lar \$2020-21 area (m²	nd		Lease 3	
mber WAld 580 Optus S5512/S8539 H1587 Optus S5501	Rooftop & IBC S Rooftop S	Suburb Sydney 403 Sydney (Wynyard) 275	G George Street Sydney 5 George Street	1/03/2002	-33.8702 151.2064 -33.8653 151.2072	21 Sydney 16 Sydney	2017 2016	65.486 5	arYe Area1	Rent1 202	LeaseStar F	tentRepor In	crPerYei Are	a2 Rent2 20	LeaseStar	r RentRepo	IncrPerYei An	rea3 F	0 0	TotalRent LandAres 79,599 72,198	aM2 Lease1 26 8610328 48 AB963734	Lease2	Lease3	OPTUS COMMENT Not comparable: Commenced in Mar 2002: expires Not comparable; Commenced in 17/11/2003; expires
330 Optus S1081	Rooftop P	Parramatta 17-	-21 Macquarie Street	26/03/2014	-33.8147 150.9994	12 Sydney	2014	41,579		34 58,506					á				0	58,506	34 6631427			Not comparable: Looks like TLS in occupation sind Not comparable: Optus has been in occupation sind by IPART this must refer to the Optus rooftop
90 Optus S1094 87 Optus S1178	Rooftop B TLS tower H	lotany 30 kelensburgh Cer	Sir Joseph Banks St Imetery Rd	23/04/1999	-33.9506 151.2031 -34.1987 150.9739	7 Sydney 299 High	2014 2014	35,948 6 46,058	.0% 2 CPI 39	23 54,053 97 51,283	2005	16,289	5.0%	375 33,864	2010	17,103	5.0%	2	0 27,859	113,005	23 6842190 773 AJ106906 9 AD774222	AC490495	6669425	by IPART this must refer to the Optus rooftop Not comparable: Optus on TLS lattice tower now of
87 Optus S1178 08 Telatra 94722 56 Optus - V S0549	Rooftop A Rooftop C	kelensburgh Cer isquith 385 Thatswood 754	imetery Rd 5 Pacific Hwy 4 Pacific Highway	2/04/2005	-34.1987 150.9739 -33.6880 151.1074 -33.7949 151.1780	299 High 181 High 106 Sydney	2008 2015	46,058 27,000 37,465	CPI 39 .0% .0%	97 51,283 9 50,913 9 50,206	2014	26,878	3.0%	27 32,094					0			AJ53370		Not comparable: Octus on TLS lattice tower now Not comparable: Lease commenced in 2008: 11 v Not comparable; VHA site; building rooftop macro
04 Optus - V S1874 18 Telstra 35419 87 VHA S0418	rooftop B	sella Vista 4-8 sella Vista 4-8	B Inglewood Place B Inglewood Place 5 Broadway HAYMARKET	1/07/2003	-33.7362 150.9583 -33.7360 150.9583 -33.8827 151.2035	87 High 85 High 18 Sydney	2015 2013 2014	34,207 5 32,578 5 31,184 5 31,184 5	.0% 2 .0% 2 .0% 2	26 45,840 25 45,840 21 43,879 28 43,879	2013	32,578	5.0%	34 45,840	2015	34,207	5.0%	26	45,840	45,840 137,521 43,879	26 AC243763 85 Al249031 21 7423068	AA657991	AC243763	Not comparable: same address as 205348 below TLS on site also: comments as above Not relevant or comparable: VHA site has decom
Optus - O S1080		Parramatta 106	6-108 Church St		-33.8191 151.0041	18 Sydney	2014		.0% 2	28 43,879					ó				0	43,879	28 8398592			Not comparable: Site is being shut down and dec Not comparable; Not recent data; Originally a TLS 2013 comparable?
6 TLS S6004 Optus S5520	Rooftop B Tower G	Bella Vista 29 Breenacre 158	- 31 Lexington Dr 8 Wangee Rd Greenacre	1/07/2016	-33.7336 150.9463 -33.9106 151.0686	82 High 30 High	2013 2015	30,000 4 31,184 5	.0% 3 .0%	35 41,057 8 39,800									0	41,057 39,800	35 Al19484 8 7639579			2013 comparable? Not comparable: Lease has been terminated and
Optus S1021	Tower C	Coolongolook 115	96 Willina Rd		-32.2170 152.3031	304 Low	2015		CPI 18	38,970					0				0		189 AK468669 and 59580	046		Not comparable; Avicom tower outside of Forster Octus owned tower in service since 1999:
4 Optus - O S0495	Rooftop W	Villoughby (North) 285	5 Penshurst Road	20/03/1998	-33.7939 151.1969	102 Sydney	2017		.0% 3	34 38,245	2012	27,026	5.0%	8 39,930	2012	1,980	5.0%	2	2,925	81,101	44 AN962252	5563733	7283735	Not comparable; Optus and TLS rooftop macro; si \$27K + 3%; but nevertheless not relevant given i
87 Optus - V S0217 164 Optus S2021 17 Optus S0995 175 Optus - O S8824	Rooftop V. Rooftop - TLS N DAS S Rooftop S	faucluse 7-9 Jownson West 12	Clarke St (Dover Heights)	15/09/1995	-33.8581 151.2830 -32.9275 151.7631	79 High 4 High 21 Sydney 22 Sydney 44 Medium 266 Medium 103 Sydney 40 High	2016	28,000 3 18,743 5 20,789 5 25,000 3 18,000 4 24,000 3 23,500 3	.0% .0% 1	9 32,460 12 32,056 1 29,252 30 27,836 12 27,318 50 26,644 31 26,609 50 26,449				9	9				0	32,460 32,056	9 AJ673885 12 AH509793			be acreed: is this lease Telstra? Onto motton commenced 18/2016 at \$23000 B
164 Optus S2021 17 Optus S0995 175 Optus - O S8824	DAS S Rooftop S	Sydney 86 Sydney 180	Steel St Goulburn St 9 Kent Street	1/06/2016 17/08/1999 22/01/2009	32.9275 151.7631 33.8782 151.2089 33.8632 151.2037 32.6657 151.7174 35.1575 147.3321 34.0244 150.7635	21 Sydney 22 Sydney	2010 2014 2015 2018 2011 2017	20,789 5 25,000	CDI 9	1 29,252 30 27,836				i					0	32,056 29,252 27,836 27,318 26,644 26,609	12 AH509793 1 8132254 30 AJ755281			2013 comeanable? Not commanable? Not commanable shadow have been terminated and Not companable. Advices moved custode of Foreign Codes control foreign in particle size of 1960 and 1
93 27 189 Optus S2657	S	SEAHAM Joyd SREGORY HILLS Car			-32.6657 151.7174 -35.1575 147.3321	44 Medium 266 Medium	2018 2011	25,000 3 18,000 4	.0% 11 .0% 6 .5% 3	12 27,318 50 26,644									0	27,318 26,644	112 AN674361 60 AH820190 31 AN146832			recent New Greenfields tower; 31.5 m2; this i
189 Optus 52657 480 161	R	louse Hill	intral Hills Drive (Currans Hill)	6/04/2018	-33.6742 150.9144 -33.6458 151.0448	40 High		23,500		50 26,449									0					recent New Greenments tower, 51.5 mz; trus t
302 48	C	BALSTON DRANGE Coffs Harbour			-33.2851 149.1248 -30.2885 153.1277	210 High 893 Medium 6 Medium	2017 2017 2016	22,000 3 20,159 3	.0% 5 .0% 6	52 25,324 57 24,040 70 23,370	2011	10,927	3.0%	30 14,685	á				0	25,324 24,040 38,055	52 AM634934 67 AN445698 100 AC451840	AF573996		
79	LI B	loyd koamhaa			-35.1498 147.3259 -30.3376 153.0600 -33.7949 151.1858	270 Medium 54 Medium 86 Sydney	2012 2015 2014	22,500 22,000 20,159 17,500 18,500 15,592	10% 4 15% 7 10% 3	46 22,168 77 21,972 30 21,939									0	22,168	46 AH303032 77 AM507102			
714 Optus S0853 781	DAS C	Chatswood Cha AKE HEIGHTS	natswood Chase S/centre	9/04/1999	-34.4812 150.8723	86 Sydney 51 High	2014 2017	15,592 5 20,000 3	.0% 3 .0% 4	30 21,939 40 21,855				0					0	21,939 21,855	30 7203976 40 AN702414 100 pending 60 AP31606			Not comparable: : DAS only not rooftoo macro: or
714 152 805	N N	Catherine fields MAROOTA			-34.0082 150.7675 -33.4673 151.0003	51 High 123 High 219 Low	2014	18,000 3	CPI 10	0 21,464 0 20,259				-					0	21,855 21,464 20,259	60 AP31606			
0061 858 436 57 9 0	Ñ W	RMIDALE MOONEY MOONEY VOY WOY			-33.5292 151.2014 -33.4956 151.2933	10 High 18 High	2016 2017 2018	18,000 3 18,000 3	10% 6	0 19,669 0 19,669					á				0	20,259 19,669 19,669	70 AK948953 60 AN157735 60 AN664396			
36 ;7		VOY WOY NOSS VALE Vest Haven			-34.5596 150.3740 -31.6370 152.7832	680 Medium 27 Low	2017 2015	18,000 3 16,000 3	.0% 7	73 19,669 70 19,003									0	19,669 19,003 29,831	73 AN204919 70 AK724265 134 AN181284			
) 	_ B	Nowna Out Macquarie ENFIELD 100 VILLIAMTOWN Nombowiee MARYVILLE JURIMBAH OREST GLEN	2-108 Liverpool Road	8/06/2017	33.4673 151.0003 90.5016 151.9058 93.5292 151.2014 93.4956 151.2033 94.5596 150.3740 15.8370 152.7832 94.5596 150.3740 15.8370 152.7832 95.9286 147.1012 95.2825 93.8878 151.1012 95.2826 148.2474 95.2828 148.2474 95.2828 148.2474 95.2828 151.5751 93.3448 151.3716 93.35431 151.2671 93.35431 151.2671	1,054 Madum 10 High 18 High 680 Madium 27 Low 339 Madium 14 Madium 41 Sydney 3 Madium 28 High 192 High 192 High 231 Madium 295 High 194 High 249 High 249 High 249 High 259 High 3 High 269 Low 3 High 84 High 84 High 84 Low 30 High	2017 2014 2016 2016 2017 2018 2017 2015 2017 2016 2016 2016 2017 2016 2016 2016 2016 2016 2016 2016 2016	20,000 18,750 18,000 18,000 18,000 18,000 18,000 18,000 18,000 18,000 18,000 18,000 16,000 15	0.0% 4 CPH 10 CPH 10 COP4 6 COP6 7 COP6 10 COP6 3 COP6 3 COP6 6 COP6 7	40 21,855 50 20,259 70 20,259 70 20,259 70 20,259 70 19,869 50 19,869 70 19,869 70 19,069 70 19,003 70 19,003 71 18,699 70 19,003 71 18,008 71 18,008	2016 2016	10,000 14,353	3.0%	30 11,255 10 16,638	3				0	29,831 34,820	134 AN181284 36 AB90812	AM433692 AM689246		
55 Optus S3070	Hoottop E W	VILLIAMTOWN	2-108 Liverpool Road	8/06/2017	-33.8878 151.1012 -32.8094 151.8419	3 Medium	2017	15,500	10% 4	18,008 11 17,445				-					0	34,820 18,008 17,445 17,389 16,883 16,883	36 AB30812 39 AM663853 41 AM438066 96 AM677257 60 AM792945 60 AM561560 60 AM574216 67 AM237025			This is a recent roomtoo macro deal so is represen
55 Optus S3070 13 9 23 06 42	M O	MARYVILLE DURIMBAH			-32.9135 151.7571 -33.3448 151.3716	2 Medium 28 High	2016 2016 2017	15,000 3 15,000 3	10% 6	10 16,883 10 16,883					á				0	16,883 16,883	60 AM792945 60 AM361560			
42 12 14	F	OREST GLEN Calga IOMERSBY			-33.5431 151.0111 -33.3954 151.2188	192 High 231 Medium	2017 2016	15,000 3 15,000 3	.0% 6	60 16,883 67 16,883					0				0	16,883 16,883	60 AM574216 67 AM223888			
46	M.	JENANGI E PARK			-33.3191 151.2671 -34.1004 150.7441	295 High 74 High	2016 2016	15,000 3 15,000 3	10% 6 10% 6	57 16,883 77 16,883									0	16,883 16,883 16,883	67 AM237025 77 AN708761			
25		MANGROVE MOUNTAIN Vickham innangrove			-33.3252 151.1730 -32.9192 151.7565 -33.6708 150.9568	269 High 3 High	2017 2016 2017	15,000 3 15,000 3	.0% 11 .0% 12 .5% 8	12 16,883 28 16,883					3				0	16,883 16,883 16,557	112 AM365421 128 AM311150 80 AM90697			
))	V.	falla SWANDALAN			-30.5906 152.9977 -33.1464 151.5801	20 Low 30 Hoh	2018 2016 2014	15,000 3 14,000 3 13,439 3	1.0% 11 1.0% 12 1.5% 8 1.0% 8 1.0% 7	88 16,391 70 16.230					á				0	16,391 16,230 16,047	88 AN170006 70 AK726939			
		trunkerville Ipper Orana			-32.9642 151.4801 -30.2964 153.0356 -33.3946 151.2967	139 Low 283 Medium	2014 2013	13,439 3	.0% 8 .0% 7 .0% 4 CPI 12 .0% 6	45 16,047 20 16.027					á				0	16,047	45 AB607601 120 AJ894252 and AJ894 60 AM223941	425		
3 07 6		Somersby Monda			-35.4943 149.9310	283 Medium 235 High 721 Low	2013 2016 2018	14,000 14,000 14,785	CPI 12 10% 6 10% 5 10% 6 15% 4	20 16,027 50 15,757 53 15,685				0	9				0	15 695	E2 AE222701			
3 13	G P	Blenroy MMLICO MLLFIELD			-36.0404 146.9190 -30.3653 153.0874 -32.8827 151.2628	240 Medium 19 Medium 175 Medium	2015 2018 2016	13,439 3 14,000 3 13,261 3	.0% 6 .5% 4	50 15,580 49 15,522 70 15,373	2015	9,839	3.0%	36 11,406	9				0	26,986 15,522 15,373	96 AB930826 49 AN709268 70 AK532803	AE678763		
i0 19	т.	AMWORTH Sumby Gumby			-31.0798 150.9415 -35.1285 147.4278	460 Medium 183 Medium	2016 2017 2016 2017	14,000 3 15,000 0 13,000 3	10% 7 10% 6 10% 15	78 15,298 57 15,000 50 14,632									0	15,373 15,298 15,000	78 AN496349 67 AN130859 150 AM883766			
	w K	VANDANDIÁN JULNURA			-35.0997 150.5064 -33.2531 151.2836		2017 2016	13,000 3	.0% 15	50 14,632 32 14,482					á				0	14,632	150 AM883766 82 AM544328			
	T	lana Glen Tuggerah			-30.1417 152.9951 -33.3004 151.4186	331 High 124 Low 5 High	2016 2009 2018	13,120 2 10,000 3 14,000 0	.5% 8 .0% 11	32 14,482 15 14,258 10 14,000	2012	8,000	3.0%	15 10,134					0	24,392 14,000	82 AM544328 130 AF2995 210 AN909761	AH948393		
6 78 27	M	ILLDALE IOUNT WHITE			-32.5352 151.6518 -33.4722 151.1922	338 Low 157 High 883 Medium	2016 2017 2016	12,000 3 13,000 2 12,000 3	.0% 12 .0% 6	26 13,911 30 13,796 36 13,506									0	13,911 13,796 13,506	126 AM589231 60 AN95421			
27 79 75	T.	DRANGE amworth ARGS			-33.2964 149.0999 -31.1040 150.9194 -32.7108 151.6021	883 Medium 395 Medium	2016	12,000	10% 6	66 13,506 16 13,506 49 13,246									0	13,506 13,506 13,246	66 AM920942 96 AM684360 49 AN425523			
122 1	15	SLINGTON Inna Bay			-32.9116 151.7422 -32.7698 152.0781	395 Medium 4 Medium 5 Medium 3 Medium	2017 2016 2017 2014	12,000 3 12,000 2 12,000 2 10,752 3	.0% 9 .5% 4 .5% 7 .0% 14 .0% 1 .0% 16	70 13,246 46 13,224	2014	10.751	3.0%	25 13,22	á				0	13,246 13,246 26,446	70 AN778479 171 AB227532	AB222607		
3 Optus 83204 80	TLS Monopole K	EMBLA GRANGE Print DARLINGTON POINT	inces Hwy		-34.4690 150.8289 -34.5491 145.7691	22 High 119 Low 87 Low	2017 2018 2016	12,000 12,000 11,593	10% 16 10% 6	10 13,113 50 13,113 50 13,048									0	13,113 13,113	10 AN157712 160 AN598351			
10 149	.II	troke UGIONG			-32.7535 151.0908 -34.8197 148.3198	87 Low 304 Low	2016 2017	11,593 3 12,000 2	.0% 6	50 13,048 71 12,734				9					0	13,048 12,734	60 AG737108 71 AN159402			
10 97 2	S M	OUTH BOWENFELS JURWILLUMBAH Oubbo			-33.5062 150.1107 -28.3345 153.3698 -32.2491 148.6404	304 Low 1,002 Low 24 Low	2017 2016 2017 2014	12,000 2 11,000 3 11,200 3	.0% 7 .0% 5	71 12,734 77 12,381 56 12,239 70 11,941				-					0	12,734 12,381 12,239 11,941	77 AN267192 56 AN486371 70 AN720380			
112 14	R.	lathurst EVEN OAKS			-33.4221 149.5588 -30.9980 152.9375	301 Medium 706 Low 2 Low 730 Medium	2016 2012	10,000 3 10,500 2 9,000 3	10% 7 15% 6 10% 14 15% 6 15% 6 CPI 8	11,841 57 11,880 43 11,743	2017	9,000	3.0%	14 10,130	2013	8,000	CPI	5	9,395	11,880	67 AM313881 162 AJ56366	AM577460	AJ287616	
92 1 4	В	ATHURST Congarinni Konville			-33.4166 149.5422 -30.6743 152.8519 -30.3514 153.0206	730 Medium 162 Low 79 Medium	2016 2013 2013	10,500 2 9,500 2	.5% 6	57 11,590 57 11,575	2012	10,800	3.0%	60 14,092	0				0	11,590	67 AM582545 127 AJ587753 86 AJ725872 and AJ7258			
4 59	v v	VOODBERRY			-32.7915 151.6736	79 Medium 9 Medium	2013 2016	10,000	CPI 8	36 11,448 57 11,314				9					0	11,448 11,314	86 Al725872 and Al7258 67 AN229426	888		
59 8 32	C	troke Chinderah SOUTH NOWRA			-32.7532 151.0915 -28.2472 153.5372	9 Modum 87 Low 2 Modum 12 Low 132 Modum 132 Modum 150 Low 150 Low 150 Low 150 Low 150 Low 150 Modum 7 Modum 2 Low 614 Modum 80 Low 614 Modum 80 Low 81 Modum 82 Modum 83 Modum 84 Modum 85 Modum 86 Modum 87 Modum 88 Modum 88 Modum 88 Modum 89 Modum 80 Modum	2016 2016 2017 2016 2016 2016 2014 2018 2018 2017 2017 2017	10,500 9,500 10,0	5.5% 6 CPI 8 CPI 9	57 11,590 57 11,590 57 11,590 57 11,590 58 57 11,575 58 57 11,575 58 57 11,575 59 59 59 59 59 59 59 59 59 59 59 59 59				-	3				0	11,314 11,314 11,255	67 AN229426 80 AK280610 60 AM663822 60 AN141491			
77 16	D F	OUNBAH AST KURRAJONG			-29.0825 153.3774 -33.5233 150.6997	12 Low 132 Medium	2016 2016 2016	10,000	10% 7	71 11,255 87 11,255					á				0	11,255 11,255	71 AM703525 87 AM392303			
3	N H	iorth Haven HOWLONG Slack Hill JEW ITALY JAR Herors Creek Griffith ALLINA YOODBURN			28.4921 150.5832 -29.0825 153.3774 -33.5233 150.6997 -31.6355 152.8089 -35.9796 146.6405 -32.8387 151.6258 -29.1103 153.2583 -33.1946 151.4638 -31.5822 152.7328	10 Low 150 Low	2014 2016	10,000	CPI 7	70 11,134 23 11,038									0	11,255 11,255 11,255 11,134 11,038 24,433	71 AM703525 87 AM392303 70 AJ761395 23 AM806841 113 AN153194 71 AM994569 77 AM753800 96 AM470381			
0	B N	Back Hill JEW ITALY			-32.8387 151.6258 -29.1103 153.2583	41 Medium 150 Low	2018 2017	10,000 3	CPI 7 :5% 2 :0% 3 :0% 7	33 10,927 71 10,927	2016	12,000	3.0%	80 13,50	3				0	24,433 10,927	113 AN153194 71 AM994569			
06 1777 1205 130 130 130 130 130 130 130 130 130 130	K H	IAR Herons Creek			-33.1946 151.4638 -31.5822 152.7328	50 High 18 Low	2017 2016	10,000	O% 7	77 10,927 16 10,898		9,274	3.0%	46 10,75	9				0	10,927 10,927 10,898	77 AM753800 96 AM470381			
9 74 49	B W	armen BALLINA VOODBURN			31.5822 152.7328 34.2768 146.0277 28.8420 153.5545 -29.0764 153.3447 30.2174 152.8894 -36.0416 146.9508 -38.6043 149.8508 -32.8135 151.8193	7 Medium 2 Low	2015 2017 2017 2013 2015 2016 2017 2014 2018	10,000 2	10% 6 10% 5 10% 12 CPI 6 15% 7 10% 6	55 10,612 20 10,612	2015	9,274	3.0%	46 10,75					0	10,898 21,503 10,612 10,612 10,612 10,569 10,183 10,130 9,934	109 AG364151 55 AM938275 120 AN490655	АМ40566	,	
11	D	OWANNA.			-30.2174 152.8894 -36.0416 146.9660	614 Medium 190 Medium	2013 2015	9,000	CPI 6	30 10,569 75 10.183					á				0	10,569	60 Al660838 and Al6608 75 AM293046 67 AM322147	839		
70 17	W	avington GREENDALE VILLIAMTOWN			-36.6043 149.8508 -32.8135 151.8193	80 Low 2 Medium	2016 2017	9,000 3	.0% 6	57 10,130 57 9,934				0	9				0	10,130 9,934	67 AN105836			
13	B N	Satiow XOWRA HILL XWAN VALE			-35.4893 148.1406 -34.9449 150.5970 -29.7820 151.4445	877 Low 68 Low 800 Low	2014 2016	7,790 S	.0% 15 .0% 6 .0% 15 CPI 6 .5% 10	50 9,581 50 9,567	2014	5,796	3.0%	27 7,121	2018	5,000	2.5%	21	5,384 0	22,094 9.567	198 AB789251 60 AM612902 153 AN613926	AF685297	AN813206	
,		IOVAN VALE Ionville Neroo Meadow			-30.3793 153.0369 -34.8112 150.5986	31 Medium 50 Medium 1,085 Low	2018 2013 2014 2016	8,000	CPI 6	53 9,551 57 9,395	2015	10,000	3.0%	77 11,59	2017	11,000	3.0%	104	12,020	9,561 33,008 9,278 9,201	153 AN613926 248 AJ47371 100 AJ203846 139 AM599035	AK494699	AN154363	
96	0	BERON			-33.6726 149.8250	1,085 Low 354 Hoh	2016	8,500	.0% 13	39 9,201 30 9,051					á				0	9,276 9,201 9,051	80 AK914178			
6 51 89	Ý	Sulnura YOUNG SROWTHER			-33.2257 151.2239 -34.3626 148.2770 -34.1141 148.5050	354 High 524 Low 369 Low	2016 2017 2017	8,000 S	.5% 8 .0% 5	56 9,004 57 9,004					ő				0	9,051 9,004 9,004	56 AM959937 67 AM993165			
5 65	V K	falla (ANDONA			-30.5668 152.9680 -36.7618 149.7720	85 Low 101 Low 837 Low	2014 2016 2017	7,500 2 8,000 2 8,000 3	.5% 8 .5% 6	80 8,915 87 8,831									0	8,915 8.831	80 AJ34493 67 AM544448			
3 35	н	VAMBOIN ILLVUE			-35.2152 149.3332 -31.9477 152.4785	837 Low 49 Medium	2017 2017	8,000 S	.0% 3	35 8,742 70 8,742				9					0	8,742 8,742	35 AM876100 70 AN452836			
29 65	c	VOOYUNG Colombatti /USWELLBROOK			-28.4771 153.5182 -30.9557 152.8696 -32.3279 150.9425	49 Medium 22 Low 28 Low 231 Medium	2017 2017 2016 2017	8,000 3 8,000 2 8,000 2	.0% 7 .0% 8	57 8,659 50 8,659									0	8,742 8,659 8,659 8,615	87 AM938449 160 AM706689 49 AN358643			
114 114 11	c	MUSWELLBROOK COOMA Grichela			-32.3279 150.9425 -36.2130 149.1366 -30.9816 152.9903	231 Medium 808 Low 1 Low	2017 2017 2017	8,000 2 8,000 2	.5% 4 :0% 6 CPI 6	49 8,615 54 8,490 53 8,453 00 8,441 53 8,405 77 8,305									0	8,615 8,490 8,453	49 AN358643 64 AN106009 63 Al980537			
19 52 S3084	monopole V	emon Tree VESTMEAD			-33.1481 151.3658 -33.5544 148.8990	45 High 607 Sydney 300 Low	2017 2018 2010	7,500 3 8,000 2 6,000 3	.0% 10 .5% 6	0,433 00 8,441 63 8,405									0	8 441	100 AN296493			This is actually a tower at South Cadia: s/be Lo
18	В	Saradine SUNNEDAH			-30.9520 149.0744 -30.9778 150.2516	300 Low 268 Low	2010 2017	6,000 7,500	10% 7	77 8,305 46 8,195	2013	3,200		16 3,75	3				0	8.195	63 AP55810 93 AF521593 46 AM780182 402 AK288736	Al661098		on as many mands at the lab
1	В	traidwood linjura (Cooma)			-35.4549 149.7694 -36.1819 149.0977	268 Low 783 Low 878 Low	2017 2015 2015	7,500 3 8,000 0 7,000 2	.0% 40 .0% 40	46 8,195 12 8,000 16 7,920 89 7,577 50 7,577 16 7,538									0	7.920	96 AJ942070			
140 072	S M	landigo //LUTTAMA Lalkite			-34.9223 146.6603 -34.7877 148.1103 -36.3338 148.6381	153 Low 280 Low 959 Low	2017 2016 2015	7,000 2 7,000 2 6,500 2	.0% 8 .0% 16 .5% 9	90 7,577 50 7,577									0	7,577 7,577 7,538	89 AM808036 160 AM760999 96 AJ911100			
	F	VANS HEAD			-36.3338 148.6381 -29.1042 153.4242 -36.4324 148.5978	959 Low 10 Low 1,076 Low 75 Low 680 Medium	2017	7,000 2 6,000 3	.5% 9 .0% 5 .0% 9 .5% 8	16 7,538 55 7,428 16 6,956 82 6,538 80 6,461									0	7,428	55 AN306275			
013						75 Low	2014	5,000	5% 8	82 6 538					11					0,200	00 41000004			
013 99 46 948	Ji N B	indabyne larooma serrima			-36.2459 150.1088 -34.4952 150.3213	680 Medium	2017	6,000 2	.5% 8	80 6,461					S				ő	6,461	80 AN176658			
195 50013 1999 846 12948 178 152 152	Ji N B Fi	indabyne larooma serrima Fishermans Beach Summa Cobargo			-36.2459 150.1088 -34.4952 150.3213 -30.8349 152.9932 -30.7113 152.9687 -36.3827 149.9065	680 Medium 10 Low 10 Low 151 Low	2014 2017 2012 2016 2016	7,000 6,000 5,500 6,000 5,000 5,000 4,286	.0% 5 .0% 9 .5% 8 .5% 8 .5% 6 .5% 6	80 6,461 80 6,092 80 5,657 29 4,286	2015	3,300		47 3,596					0	6,538 6,461 9,688 5,657 4,286	82 A698821 80 AN176658 107 Al118263 80 AK119095 229 Al125095	AK623847		

Le	ase 1	Lease 2 Lease2	Lease 3 Lease3	OPTUS COMMENT
	610328 B963734			Not comparable: Commenced in Mar 2002: expires 2022: Cotus expects the rent on renewal to at least halve Not comparable: Commenced in 17/11/2003: expires 2021:
E	B963734 631427			Not comparable: Looks like TLS in occupation since 2006 we took over their lease (suntirement)
	842190			Not comparable: Looks like TLS in occupation since 2006 we took over their lease (surrivocrant) Not comparable: Cybra has been in occupation since 1999; TLS are on Axicom monopole looks like only since 2018 but given start date of 2014 by IPART this manut refer to the Cybra rooftop IPART this manut refer to the Cybra rooftop
4	J106906 D774222	AC490495	6669425	
,	B676140	AJ53370		Not comparable: Lastae commenced in 2008: 11 values of the commenced in 2008: 11 values of the comparable comparable comparable (astae commenced in 2008: 11 values of the comparable (VHA site, building rooth) mentor, Optos in place since 24/2005 Not commanable: same address as a 205348 bollow: commenced in 2003 at \$20K; lease excises 2023, expect substantial reduction:
	C243763 I249031	AA657991	AC243763	
7	423068 398592			Not relevant or comparable: VHA site has decommissioned site and relocated; building rooftoo, in service since 2004: Not comparable: Site is being shut from and decommissioned commond 1999:
	119484			Not commanishe: Siles is bein's altur down and decommissioned: commerced 1999: Not comparable: Siles is bein's altur down and decommissioned: commerced 1999: Not comparable: Not recent date; Originally a TLS siles; new Optus lease from 1/7/2016 comm at \$27K + 3% escalations; TLS rooftop comm in 2013 commanishe?
АI 76	19484			
AK	468669 and 5958046			Not comparable. Assistant in a Central minimum and set also were described assistant on memerim and an and account acc
	N962252	5563733	7000705	Not comparable; Optus and TLS rooftop macro; since 20/3/1998; Optus is on hold over and new lease is being negotiated; HOTs exchanged for \$27K + 3%; but nevertheless not relevant given length of lease; if this is TLS data, still not relevant
		5563/33	7283735	Not comparable: Commanced 1995: leave expires 21/4/2000 - Only: introduct to decompletion and miscota unions accountable new terms can
A	J673885 H509793 132254 J755281			be amortied in this issues Telestra? Other endone commenced it (2000 first \$25000 first 44.4 x 5 see leasues: \$274' 2020 Not commander: excised in June 2015 has been there for since 1999, will be renecolated Not commander: excised in June 2015 has been there for since 1999, will be renecolated Not commander: Coherentary house, If 44', sub-bases to Optinic potters served at JuAN for ally, this is the VHA leasee
В	132254 1755281			Not comparable: expired in June 2019: has been there for since 1999, will be renegotiated. Not comparable: Observatory hotel: VHA, sub-loade to Ontics: Ontics served a LAAN for a IV-this is the VHA loade.
AN AN	820190 1146832			recent New Greenfields tower; 31.5 m2; this is comparable
AN	634934 445698 451840	AF573996		
		MF5/3996		
AM6 720	507102 3976			Not comparable: : DAS only not rooftop macro: on holdover
				CHARLES COMMON CO., MAY CHARLES CO.
AP3	ding 81606			
AK AN	948953 1157735			
AN	664396 204040			
Ar.	204919 724265 181284			
AB	90812	AM433692 AM689246		
ΔA.	1663853 M38066			This is a recent rooftoo macro deal so is representative of market rents currently being secured
AN	H38066 1677257 1792945			
44.0	E74216			
A	A223888 A237025 A708761			
AM	365421 311150 90697 170006			
An. AN	170006			
AK	726939			
A.	1894252 and AJ89425. A223941 7323701			
AF:	23701			
		AE678763		
AKS	32803			
AN	709268 532803 496349 130859			
AF	1544328 2995 909761	AH948393		
AN AN	95421 920942			
	684360 425523			
AM	779470			
AB AN	227532 157712	AB222607		
AN	598351 797109			
AN	159402			
ANL AN	159402 167192 186371			
ANI	720380			
AJ:	56366 582545	AM577460	AJ287616	
		AG987884		
417	25972 and AI725999			
AK	229426 280610 663822			
AM AM	703525 392303			
À	761395 761395 1806841			
AA.	1994569 1753800 1470381			
ÄÑ	470381			
AG AM	364151 039375	AM405669		
AN	490655 60838 and Al660839			
AM	293046			
ANI: AN1	122147 05836			
AB	105836 789251 1612902 613926	AF685297	AN813206	
ANE	13926			
		AK494699	AN154363	
ÃĀ.	203846 6599035			
aa.	914178 1959937			
	000405			
AN AN	/893165 34493 //544448 //876100			
AN AN	1876100 4452836			
AM	452836 1938449 1706689			
Alge	106009 80537			
AN	296493			
Ar AF	955810 9521593	Al661098		This is actually a tower at South Cadia: s/be Low category: 63 m2 ground lease

Optus Site	Registration	ACMA Site	IPART		Post			Comm	Contract	Commencing
ID	Number	ID Site Address	classification	State	Code Renewal Rule	Tenure Type	Contract SubType	Date	End	Rent
S2842	AN566446V	9019368 1 RIVETT RD, NORTH RYDE	Sydney	NSW	2113 15 years	ANNUAL LEASE	230 BUILDING - ROOF	OP BT: 15/12/2017	14/12/2032	25,000
S7051	AM553404L	9023289 HAROLD PARK PACEWAY, ROSS STREET, GLEBE	Sydney	NSW	2037 3 further terms of 5 years each	ANNUAL LEASE	030 ROOFTOP LEASE	25/06/2016	24/06/2021	20,000
S8629	AN325589T	10000271 34-45 WENTWORTH AVENUE, SYDNEY	Sydney	NSW	2000 20 years	ANNUAL LEASE	230 BUILDING - ROOF	OP BT: 11/05/2017	10/05/2037	20,000
S3073	AN67930X	10005589 61-101 PHILLIP STREET, SYDNEY	Sydney	NSW	2000 17 years, 10 months, 6 days	LEASE	230 BUILDING - ROOF	OP BT: 29/08/2017	4/07/1935	20,000
S8694	AN679497W	10010127 104 ALICE STREET, NEWTOWN	Sydney	NSW	2042 20 years	LEASE	230 BUILDING - ROOF	OP BT: 10/04/2018	9/04/2038	20,000
S3062	AN709035B	10011663 241-245 SYDNEY PARK ROAD, ERSKINEVILLE	Sydney	NSW	2043 20 years	LEASE	230 BUILDING - ROOF	OP BT: 15/06/2018	14/06/2038	20,000