

STARSHOTS

GLAMOUR PHOTOGRAPHY

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Further submission to the inquiry into The Market for Retail Tenancy Leases in Australia

Further to our submission dated 23rd July 2008, and having read the Draft Report, we submit the following additional points to the Inquiry

1. It appears that the Commission is of the opinion that further legislation of retail leases is not necessary.
2. A Code of Conduct in relation to Casual mall Leasing Sites currently exists, and from our experience, appears to be effective. It also operates on a national basis. A similar code in relation to retail leases would also have national application and would get around the problem of State Governments not being able to agree on all issues.
3. We detail below a number of items which we would prefer to have included in a Code of Conduct.
 - a) All shopping centres to furnish tenants with monthly sales by segment by the 20th of the month following. This would enable tenants to compare their sales performance with that of others in the Centre
 - b) Shopping centres to provide tenants with a minimum of 3 approved contractors from which to obtain quotes for attention to air-conditioning, fire sprinkler work and hoarding erection in the case of new fit-outs or refurbishments. Currently, in some centres, tenants are simply handed an invoice by landlords with instructions for it to be paid before the work will commence.
 - c) Shopping centre leases to be lodged for registration within 2 months of receipt of the correctly executed document from the tenant.
 - d) Landlords to justify their rental renewal 'asking' price if more than 10% higher than the rent payable within 6 months of the lease expiry.

Our view is that each of the above points are simply giving the tenant a 'fair go' at operating a profitable business and do not, at the same time, disadvantage landlords in any way.

NOTE – Just yesterday, a shopping centre leasing executive would not divulge the centre's MAT and MAT sales for the past 3 years due to it being 'confidential information'. At the same time, he was after a 25% rent and 52% marketing fund increase!