Question: **AET 338-342**

Topic: **Building Lease Costs (ASIC)**

Written: **5 March 2014**

Senator LUDWIG asked:

338. What has been the total cost of building leases for the agency / department since September 7, 2013?

339. Please provide a detailed list of each building that is currently leased. Please detail by:

   a. Date the lease agreement is active from.
   b. Date the lease agreement ends.
   c. Is the lease expected to be renewed? If not, why not?
   d. Location of the building (City and state).
   e. Cost of the lease.

340. Please provide a detailed list of each building that had a lease that was not renewed since September 7, 2013. Please detail by:

   a. Date from which the lease agreement was active.
   b. Date the lease agreement ended.
   c. Why was the lease not renewed?
   d. Location of the building (City and state).
   e. Cost of the lease.
   f. Why the building was necessary for the operations of the agency / department.

341. Please provide a detailed list of each building that is expected to be leased in the next 12 months. Please detail by:

   a. Date the lease agreement is expected to become active.
   b. Date the lease agreement is expected to end.
   c. Expected location of the building (City and state).
   d. Expected cost of the lease.
   i. Has this cost been allocated into the budget?
   e. Why the building is necessary for the operations of the agency / department.

342. For each building owned or leased by the department:

   a. What is the current occupancy rate for the building?
   b. If the rate is less than 100%, detail what the remaining being used for.

Answer:

338. From 7 September 2013 to 28 February 2014, the total lease expenses were $15,219,375.65.

339. See table attached.

a. Lease start date	b. Lease end date	c. Renewed yes/no *	d. Location	e. Cost of Lease
1/04/2010	31/03/2020	*	100 Market Street Sydney	$ 8,220,168.60
1/05/2006	31/10/2016	no - relocating to reduced space	120 Collins Street Melbourne	$ 2,584,107.28
1/09/2004	5/09/2014	no - colocating into 120 Collins Street	L15 -31 Queen Street Melbourne	
1/09/2005	31/08/2018	*	14-22 Grey Street Traralgon	$ 1,834,015.12
1/09/2012	31/08/2015	*	Unit 17 23-31 Eastern Rd Traralgon	$ 8,498.82
1/04/2010	31/03/2021	*	240 Queen Street Brisbane	$ 1,094,720.64
1/07/2012	30/06/2015	no- will relocate to reduced space	66 St Georges Terrace Perth	$ 811,335.99
1/08/2008	31/07/2018	*	100 Pirie Street Adelaide	$ 323,266.62
1/10/2011	30/09/2021	*	14 Childers Street Canberra	$ 117,345.26
1/12/2009	30/11/2019	*	70 Collins Street Hobart	$ 167,043.51
1/01/2007	31/12/2016	no - will seek to colocate with another agency	L7 - 24 Mitchell Street Darwin	$ 58,873.81

Cost of Lease:

Lease cost based upon base rent and outgoings apportioned over the tenancy NLA from 1 Sept 2013 - 28 Feb 2014

Excludes GST and sublease income if applicable

* Lease expiry horizon is too far out to determine if ASIC will renew its lease or seek alternate accommodation

340.   Nil.

341. New lease in next 12 months

a. Proposed Lease start date	b. Proposed Lease end date	c. Location	d. Cost of Lease	d(i). Allocated to budget (yes or no)	e. Office purpose
1/06/2014	31/05/2029	120 Collins Street Melbourne	$ 112,962,000.00	yes	The terms of the ASIC Act require ASIC to establish an office in each State and Territory that 'adequately serves the needs of business communities' in those areas. In this regard all ASIC offices are located in the CBD area

Lease cost based upon base rent and outgoings apportioned over the full term of the tenancy

342.   ASIC leases floor space in several buildings across capital cities. The only exception is in Traralgon where ASIC is the only occupant of a purpose built building.

Senate Standing Committee on Economics

ANSWERS TO QUESTIONS ON NOTICE

Treasury Portfolio

Additional Estimates

26 February 2014