

Standing Committee on Finance and Public Administration

ANSWER TO QUESTION ON NOTICE

Finance and Administration Portfolio

Department of Finance and Administration

Budget Estimates Hearing – May 2007

Question: F39

Outcome 2, Output 2.2.1 Property Management

Topic: TGA Building Symonston ACT – How was the sale managed in 2002 and rental arrangements.

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Senator Sherry asked:

The role of the department in the sale of the TGA building in Symonston 2002; I have a few questions on that. How was the sale managed?

There might be some information that officers have about the rental arrangements of the building, which would be a more current issue.

Answer:

The Department of Finance and Administration was responsible for management of the sale of the Therapeutic Goods Administration (TGA) complex at Symonston, ACT in 2002. A public tender process was undertaken utilising the services of a Commercial Real Estate Agent.

TGA entered into a 15 year lease with a 5 year option with the new owner on 21 June 2002. The lease will expire on 30 June 2017.

The tenant is responsible for payment of rent, Statutory Outgoings (general rates, land tax, water and excess water rates) and a portion of the Landlord's management and insurance expenses.

Structured rent reviews occur on 1 July each year. Market rent reviews are conducted every three years.