

AMP Capital responses to questions on notice

Hearing - 28 May 2018

1. Are there measures that the NSW Government could take that would support the space at 7 Macquarie Place to continue to have music played there?

Following the operators of The Basement surrendering their lease, AMP Capital has been seeking informal and formal expressions of interest to lease the space, including from a number of live music, food and beverage operators.

An application has been made to retain the full hotel liquor licence for the premises, which would facilitate a new live music operation if it were successful in the expression of interest campaign.

It is important to note that the premises at 7 Macquarie Place Sydney are not located in a lockout zone so the lockout laws do not impact the premises itself.

2. Has AMP Capital received any offers from music operators to continue music operating in this space?

A formal campaign seeking expressions of interest in the premises from live music, food and beverage operators was recently conducted and concluded on 10 July 2018.

AMP Capital has received expressions of interest from 8 operators, 7 of which have proposed the continued use of the space (or part thereof) for live music. Details of the expressions of interest received are commercial in confidence.

We will be considering all expressions of interest received for the space in order to prepare a recommendation.

3. How much property (by floor space) does AMP Capital manage in NSW?

AMP Capital manages approximately 800,000 square metres of shopping centre, office and industrial property on behalf of a number of different investor clients.

4. Have changes in the regulatory environment, including the lockout laws, impacted on the viability of the space at 7 Macquarie Place as a music venue?

The premises at 7 Macquarie Place Sydney are not located in a lockout zone so the lockout laws do not impact the premises itself. The broader impacts of market forces and changes in the regulatory environment on live music venues, and the resultant economic feasibility of such venues, are questions for the operators in the industry. As property managers, we are unable to comment on these matters.

5. What directions have AMP Capital been given by the owners of the space in relation to the leasing of the space?

The owner supported the formal expression of interest campaign to lease the space previously occupied by The Basement. That campaign sought expressions of interest in the space from live music, food and beverage operators and concluded on 10 July 2018. The

owner has advised AMP Capital that it is open to considering expressions of interest for all potential uses of the premises, including from live music operators.

6. Has consideration been given to donating the space to allow music to continue?

AMP Capital is not the owner of the venue but is the property manager for the building, it is therefore not AMP Capital's space to donate.

7. Has consideration been given to lowering the rental on the space to allow music to continue?

It's too soon to discuss rent given that the leasing campaign has only just concluded. We will be considering all expressions of interest received for the space in order to prepare a recommendation.