



17 August 2017

**Phillip Ransom**

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Dear Phil

**RE: South Tower, Martin Place | Metro Development**

Thank you for providing preliminary plans on South Tower Office development proposed for Martin Place. We are delighted to provide our brief high level thoughts as to the leaseability of the floor plate design and size and how it would be received by tenants in the market.

Our view is that the South Tower buildings side core configuration and floor plate size will offer small efficient tenancies for single and part floor prospects that are seeking to be located close to the major corporates, banks, IT and legal firms on Martin Place. However experience indicates that once these tenants require more than a single floor or perhaps a maximum of two floors, it is likely they will seek an alternative building with a bigger floor plate which provides them with operational and cost efficiency benefits.

We would expect that the achievable rents for the South Tower would be in line with those rents achieved in neighbouring buildings of a similar quality, grade and age. We have identified below other examples of buildings in the area with similar floor plates albeit of different age, quality and scale.

There has been a number of refurbished / new A Grade larger floor plated buildings on Martin Place and surrounds that have entertained subdivisions in the order of 350sq m – 450 sq m (20 Martin Place, 32 Martin Place and 9 Castlereagh Street) that again supports the fact that there is sound demand for that size of business in that precinct.



**1 Castlereagh Street,  
Sydney**  
Typical Floor - 550sq m



**25 Bligh Street,  
Sydney**  
Typical Floor - 560 sq m



**2 Bulletin Place,  
Sydney**  
Typical floor - 330sq m

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**92 Pitt Street,  
Sydney**  
Typical Floor - 320sq m



**68 Pitt Street,  
Sydney**  
Typical Floor - 550sq m



**6-10 O'Connell Street,  
Sydney**  
Typical Floor - 630sq m

In light of the above we are confident that there would be tenant demand for the floor plate of the proposed office development.

Yours sincerely  
**Savills (NSW) Pty Ltd**

A handwritten signature in black ink, appearing to read 'Rob Dickins'.

**Rob Dickins  
National Head  
Office Leasing**