

29 May 2018

Mr R McDermott
Manager Financial Services/CFO
City of Karratha
PO Box 219
KARRATHA WA 6714

Dear Sir

Re: **DIFFERENTIAL RATES**
Assessment No: A71374

With reference to your letter of 9 May I would like to strongly object to the differential rates model which has been applied to Unit 2, 1009 Coolawanyah Road, Karratha Industrial Estate WA6.

- This unit only has an area of 114 sq mtrs and was built in 1990 (28 years old)
- Approximately four years ago the property was generating a rental of \$800 per week including outgoings.
- At present I am only receiving \$200 per week plus outgoings which is a 60% decrease. I feel that I am very fortunate to get this rent as there are another four similar premises in the complex which are currently vacant. Increasing rates at this period of time is just forcing owners to the wall as there is no possibility of a reasonable sale.
- As the rates are determined by the GRV of commercial properties, I am at a loss to understand how you can justify an increase of 9.61% in the rates. This is far above the general 2% differential rate increase mentioned in your letter.
- I understand that the rate increase is in order for you to maintain your level of service. However, there is no opportunity for **me** to increase income in a similar way.

As a pensioner, I am under enough financial pressure to generate the income for all the costs involved in maintaining the property without having the added pressure of a rate increase and possible bank foreclosure.

I feel that I have been treated very unfairly in your valuation and hope that you can re-evaluate the premises and reconsider your rate proposal for the property.

Yours Faithfully

Peter Fornasiero
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