

13<sup>th</sup> February 2012



The Hon. Brad Hazzard  
Minister for Planning and Infrastructure  
Governor Macquarie Tower  
Level 33, 1 Farrer Place  
SYDNEY NSW 2000

Dear Minister,

**RE: Cutting of the Heavy Rail Line through Newcastle CBD**

Our company has redeveloped several sites in Hunter Street, Newcastle. McCloy Group purchased these sites on the basis we felt certain the previous Labour State Government would proceed with removing the heavy rail line through Newcastle's CBD and the major GPT Group project would also proceed.

We have four current projects on hold until a decision is made on the heavy rail line. These projects include a ten million dollar revitalization of the Lucky Country Hotel which has been shut and dormant for the last three years, the development of a six million dollar project on a vacant site in Bolton Street, a two million dollar redevelopment of the facade of the Telstra Civic Building opposite Newcastle City Council offices and a four million dollar project with the redevelopment of the Blackwood site Hannell Street Wickham.

The rail line decision will also underpin the success of other buildings we already have developed where street access from Hunter Street to the Harbour is currently not possible.

For the future, our company has no further desire to add to its property portfolio whilst the current heavy rail line is in place.

Yours sincerely,

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**JEFF MCCLOY**  
Chairman