

## **COSTS INVOLVED**

Each application must be accompanied by a \$1468 non-refundable processing fee at time of lodgement. Cheques are to be made payable to the Receiver of Territory Monies (RTM).

The applicant is also required to pay any other fees relating to the application (e.g. application fees for rezoning, subdivision and development consent, and title document registration fees).

The applicant is also responsible for the costs associated with the connection or upgrade of services such as water, electricity and sewerage.

There are no annual rental fees for the duration of the Crown lease, however, the developer is required to pay all rates, taxes and servicing bills that are due from time to time relating to the leased land.

If the lessee fails to abide by the conditions of the Crown lease a penalty rent will be invoked for the remaining term of the lease.

## **PROCESSING OF THE APPLICATION**

On receipt of the application, the proposal is assessed. If it meets the qualification criteria, the status and availability of the land is checked.

If the land is available, further investigation and consultation is carried out to determine planning, environmental and service authority requirements, and native title implications. This process also includes the Department providing an opportunity for the public to comment by advertising details of the proposed development in the local newspaper.

Upon careful consideration an offer of land together with a draft lease may then be forwarded to the applicant. Most offers are on the basis of a Crown lease term initially for the period of constructing the

proposed development. A Crown lease term is a form of title whereby a person or party leases land owned by the Crown. It is a lease containing conditions and covenants requiring development to be undertaken in accordance with the agreed development plan.

Once the development has been completed the Crown lease term converts to either an estate in fee simple / freehold title (freehold title is the highest form of estate in land and the nearest the law allows a real property owner to approach complete ownership for an unlimited duration); or a Crown lease in perpetuity which continues indefinitely, subject to compliance with certain conditions.

## **PURCHASE PRICE**

Crown land sold by direct sale for commercial purposes shall be sold at a purchase price as determined by the Minister for Lands, Planning and the Environment having regard to the current market value as assessed by the Valuer-General.

## **WHERE TO GET ADDITIONAL INFORMATION**

From the nearest regional office of the Department of Lands, Planning and the Environment:

**Darwin** 1<sup>st</sup> Floor, Arnhemica House, 16 Parap Rd, Parap, Ph: (08) 8999 6886

**Katherine** 1<sup>st</sup> Floor, Government Centre, First Street, Katherine, Ph: (08) 8973 8922

**Alice Springs** Ground Floor, Green Well Building, 50 Bath Street, Alice Springs, Ph: (08) 8951 9243

July 2014

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# **DIRECT SALE OF CROWN LAND INFORMATION BROCHURE**



Northern Territory Government

## WHEN CAN AN APPLICATION FOR A DIRECT SALE BE MADE?

A public competitive process (e.g. auction or expression of interest) is the usual method for the sale of Crown land for commercial, residential or agricultural purposes. These are used where possible to provide equitable opportunities for potential developers to purchase the land, which is allocated to the highest bidder.

Expressions of interest are usually only invited for strategically located or major development sites, valued at over \$1 million. For prime commercial sites, this is the preferred release process because the Government's land development objectives are specified at the time of advertisement.

A direct sale of Crown land for commercial development may be considered if:

- a) suitable land is not available on the private market or suitable land cannot readily be made available for normal competitive release by the Government; or
- b) the proposed development is site specific, and:
  - the proposed development is of a scale or of a nature which would make it of strategic economic and/or social benefit to the Northern Territory; or
  - the proposed development demonstrates initiative by providing a new and worthwhile facility in the area concerned; and/or
  - the Crown land is for consolidation with adjoining private land to form a larger development site.

Please note that submitting an application form does not automatically guarantee that the subject land will be granted. A thorough investigation process is undertaken to determine the following:

- that the applicant has the necessary financial and other relevant resources, including

- expertise, to complete the proposed development within a reasonable period of time;
- the proposed development is of a scale appropriate to the particular site;
- the proposed development is in accordance with land use planning principles and the Northern Territory Planning Scheme;
- the implications of native title have been addressed; and
- matters relating to the impact on the environment have been considered.

It is important to note that applications will NOT be accepted if the Government proposes to release the subject land by a public competitive process; or has been set aside for future purposes.

The grant of land can be a lengthy process (approximately 16 months or even longer if there are native title issues), and the timeframe for any application can vary substantially.

## BEFORE APPLYING THE APPLICANT SHOULD

1. Be sure that the proposal falls within the qualification criteria listed above;
2. Determine the source of finance and other resources necessary to complete the proposed development within a reasonable time frame; and
3. Discuss the proposal with a project officer of the Land Administration Division to ascertain if an application would be considered.

## HOW TO APPLY

Prepare an application and report which contains the information specified in this brochure and arrange an appointment with a project officer to lodge it at the appropriate regional area office (details overleaf).

## WHAT DETAILS NEED TO BE SUPPLIED?

The application must be accompanied by a report containing ALL of the following information:

- A brief summary detailing the applicant's experience in operating the type of development proposed;
- A copy of the company search detailing ABN and details on the Directors;
- Evidence of availability of finance to carry out, complete and maintain the development;
- An estimated construction program, including development period and total value of improvements proposed, number of stages and value of improvements at each stage, and estimated completion date of each stage;
- Plans showing the location of the proposed development and the subject site with respect to surrounding roads and land;
- A site plan at a scale of not less than 1:500 showing the following information with an indication of proposed staging of the development:
  - the north point, area of the existing parcel and boundary dimensions;
  - proposed buildings and their distance from the lot boundaries;
  - vehicle access points;
  - location of car parks and driveways;
  - landscape and open space areas including details of screening and/or fencing; and
  - the proximity of adjoining buildings and their use.
- Floor layout plan/s at a scale not less than 1:200 showing proposed building layout, room sizes and uses.

As much detail as possible needs to be supplied with the application, as this may avoid unnecessary delays.