



PLAIN ENGLISH GUIDE

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Conversion of Perpetual Leaseholds (Lands excluding Western Lands Lease)

All holders of a perpetual lease have until **9 September 2009** to lodge an application for the purchase of land held under the lease (Form CL20) with the Department of Lands to convert from perpetual lease to freehold. The application fee is \$398.00 for one or more applications.

The advantage of lodging the application prior to the deadline is that the purchase price for applications to convert that are lodged *prior* to the deadline will be the lesser of the following:

- notified capital value as recorded by the Department; or
- 3% of land value as recorded in the Register of Land Values.

If an application to convert and purchase is not lodged by the deadline, the following will occur:

- for leasehold lands where there no application has been lodged, *market rental* will be payable in relation to the continued leasing of the lands. This is likely to result in *significant increases* in rent payable;
- the chance to purchase the land for a price of 3% of its value will be lost.

The processing of applications can be delayed if the land is environmentally sensitive, such as near a waterway and heavily treed. Holders should not be discouraged from lodging an application for fear that the application will not be accepted or even if an application has previously not been accepted.

The mere lodging of an application would ensure that the rental payable would not be more than the minimum rental, which is currently \$350.00. If an application has previously not been accepted, and no new application has been submitted since 10 September 2004, market rental would be payable for lease of the lands after the deadline. If a new application is now lodged and the application to convert was still refused, rental would then be set at the minimum rental which is currently \$350.00 per year.