



PLAIN ENGLISH GUIDE

Bill Thompson
Ph. (02) 6927 3106
Mob. (0427) 273106

Can a Road Permit Be Purchased?

Potential purchasers of rural properties that have road enclosure permits attached to them should seek legal advice with regard to those permits. Applications may be made to purchase the land contained within an enclosure permit which would result in no future rent having to be paid to the Crown and prevent costly fencing of the Crown road (which may have to happen if no application is made to close the road).

If a farmer wished to purchase a Crown road, the following will apply:

- farmers are able to amalgamate enclosure permits so that only one application for conversion needs to be made;
- the total cost of the application has been reduced to just under \$2,000.00 instead of the usual fee, which could have been in excess of \$5,000.00;
- in addition to the fees, farmers will have to pay the value of the land. This value will now be no more than the valuation used to determine local council rates and the value of any improvements on the land will not be taken into account. The value may be reduced where the land is affected by easements, covenants or poor terrain. The Department has indicated that it is expected that photographic evidence of affectations on the land will be sufficient, rather than it being necessary to go to the expense of arranging an independent valuation;
- the purchase price can be paid by three equal annual instalments;
- applications to purchase must be made by **30 June 2010** in order to take advantage of the reduced fees offer; and
- if an application was submitted prior to 10 June 2006, no further rental will be payable pending finalisation of the application.

If a farmer does *not* want to purchase the lands contained within the enclosure permit the following will apply:

- the NSW Government has agreed to accept a maximum of \$350.00 for a three-year permit. It is intended that these arrangements will be reviewed at the end of the three years; and
- farmers can elect to cancel their permit and fence the Crown road out of their property. The problem with this option is that fencing could be expensive, and unused roads could be a harbour for pests and weeds.