

## Perpetual Lease Extension

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### Issue

The NSW Minister for Lands, the Hon. Tony Kelly MLC, has announced a 3 month extension to the deadline for concessional arrangements for perpetual lease conversion to 30 June 2009.

### Background

On 6 July 2004 the Crown Lands Legislation Amendment (Budget) Bill 2004 introduced changes to the Crown Lands legislation to allow for a uniform minimum annual rent and for the establishment of special arrangements for the purchase of land held under a perpetual lease. Under the Crown Lands (Continued Tenures) Act 1989 a special purchase price of 3 per cent of the land value was established for the conversion. This offer applies only to perpetual leases which are not subject to redetermination of rent and where the rent is based on the statutory minimum (generally \$100 plus CPI) increases from 1 May 1990.

The changes to legislation discontinued the practice of allowing the purchase price of land to be paid by instalments. All these leaseholders should have received notice in late 2004 of the special purchase arrangements. Holders of perpetual leases had 2 years from the date of notice to apply for a conversion to freehold. This was extended in June 2006 for another 12 months extending the period to September 2007.

The holder of Perpetual Leases where the rent is re-determined (permissive occupancies), Term Leases (Conditional lease, Crown lease and Prickly-Pear leases held for a term of years) and Special Leases which are held in perpetuity may also lodge an application for conversion but the special purchase price is not applicable for these leases.

During February 2009, the Association wrote to the Minister for Lands requesting the extension as well as the waiving of future rent charges for land holders who have already made applications for the conversion. According to the Minister, there are still 2,000 people who either have not responded or have not applied for the conversion.

The Association urges all Members who have not submitted a conversion application to consider making an application.

Application forms for the conversion are available from the following link:

[http://www.lands.nsw.gov.au/media/lands/pdf/crown\\_land\\_forms/P07\\_06\\_027\\_form\\_final.pdf](http://www.lands.nsw.gov.au/media/lands/pdf/crown_land_forms/P07_06_027_form_final.pdf)