

- It is understood that the Glenloch lessee may seek compensation for their rural lease conversion based on a greater valuation than a normal rural lease conversion.
- This is because the Territory Plan has already been changed to allow residential development on part of their lease.
- However, their lease restricts use of the land to rural purposes, and this cannot be changed without a change to the lease purpose clause.
-
-
-
- It should be noted that the possibility of the lessee being successful in achieving compensation based on a valuation for residential development is considered to be small.

Speculative Value – per CBRE report on Glenloch

- Vacant possession of the property is readily available.
- Zoning of the property remains as per the Territory Plan.
- A third party may attempt to develop the property in some capacity and vary the purpose clause that it may be used for purposes under the current zoning of the Territory plan.
- Any third party developer would still have the task of varying the Crown Lease and obtaining development approval for any alternate use of the property.
- Noting the risk to the developer of not successfully changing the purpose clause of the Crown lease and obtaining development approval.
- Statutory charges including a CUC provided for in the Planning and Development Act 2007 would apply.
- That 'Glenloch' is within the Future Urban Area and that the structure plan under the Territory Plan applies to it.
- That the structure plan applying to 'Glenloch' was provided for in the Territory Plan simultaneously with the residential zoning of 'Glenloch'.

000217

Sparke, Chris

From: Sparke, Chris
Sent: Tuesday, 7 September 2010 3:39 PM
To: Ding, Brendan
Subject: Legal Advice update - Glenloch Land

Hi Brendan,

Do you know when the legal advice from Phillip Walker and Claire Carnell regarding the above land will be delivered? George Tomlins is asking where it is up to.

Regards

Chris Sparke
Project Manager | Project Facilitation
Department of Land & Property Services
Level 2 Telstra House, 490 Northbourne Avenue, Dickson ACT 2602
Phone: 02 6205 2404

Part 6 Compensation for compulsory acquisition of interests in land

Division 6.1 Entitlement to compensation

42 Entitlement to compensation

A person from whom an interest in land is acquired by compulsory process is entitled to be paid compensation by the Executive in accordance with this part in respect of the acquisition.

43 Mortgagees may waive rights in respect of mortgage interests

- (1) The mortgagee under a mortgage may, by written notice given to the Executive, waive the mortgagee's right to any compensation under this Act in respect of the acquisition of a mortgage interest.
- (2) The Executive may, by written notice given to a mortgagee from whom a mortgage interest has, or may have been, acquired by compulsory process, require the mortgagee, at his or her option—
 - (a) to make a claim under division 6.4; or
 - (b) to waive the right to compensation.
- (3) If a mortgagee does not, within 30 days after a notice is given to the mortgagee or such further period as the Executive, by writing, allows, make a claim for compensation, the mortgagee shall be deemed to have waived the right to compensation in respect of the acquisition of the mortgage interest.
- (4) A mortgagee who waives the right to compensation in respect of the acquisition of a mortgage interest—
 - (a) is debarred from recovering any compensation from the Executive, the Territory or the Commonwealth in respect of the acquisition; but
 - (b) retains, in respect of the mortgage debt, any rights and remedies that the mortgagee may have—
 - (i) against the mortgagor; or
 - (ii) in respect of any interest in land that is still subject to the mortgage.

Division 6.2 Amount of compensation—interests other than mortgage interests

44 Division 6.2 does not apply in relation to acquisition of mortgage interests

This division does not apply in relation to the acquisition of a mortgage interest.

Amount of compensation—general principles

- (1) The amount of compensation to which a person is entitled under this part in respect of the acquisition of an interest in land is such amount as, having regard to all relevant matters, will justly compensate the person for the acquisition.
- (2) In assessing the amount of compensation to which the person is entitled, regard shall be had to all relevant matters, including—
 - (a) except in a case to which paragraph (b) applies—
 - (i) the market value of the interest on the day of the acquisition; and
 - (ii) the value, on the day of the acquisition, of any financial advantage, additional to market value, to the person incidental to the person's ownership of the interest; and
 - (iii) any reduction in the market value of any other interest in land held by the person that is caused by the severance by the acquisition of the acquired interest from the other interest; and
 - (iv) where the acquisition has the effect of severing the acquired interest from another interest—any increase or decrease in the market value of the interest still held by the person resulting from the nature of, or the carrying out of, the purpose for which the acquired interest was acquired; and
 - (b) if—
 - (i) the interest acquired from the person did not previously exist as such in relation to the land; and
 - (ii) the person's interest in the land was diminished, but not extinguished, by the acquisition; andthe loss suffered by the person because of the diminution of the person's interest in the land; and
 - (c) any loss, injury or damage suffered, or expense reasonably incurred, by the person that was, having regard to all relevant considerations, including any circumstances peculiar to the person, suffered or incurred by the person as a direct, natural and reasonable consequence of—
 - (i) the acquisition of the interest; or
 - (ii) the making or giving of the pre-acquisition declaration or certificate under section 21 in relation to the acquisition of the interest;other than any such loss, injury, damage or expense in respect of which compensation is payable under part 7; and

- (d) subject to section 50, if the interest is limited as to time or may be terminated by another person—the likelihood of the continuation or renewal of the interest and the likely terms and conditions on which any continuation or renewal would be granted; and
- (e) any legal or other professional costs reasonably incurred by the person in relation to the acquisition, including the costs of—
 - (i) obtaining advice in relation to the acquisition, the entitlement of the person to compensation or the amount of compensation; and
 - (ii) executing, producing or surrendering such documents, and making out and providing such abstracts and attested copies, as the chief executive or a person authorised under the *Government Solicitor Act 1989*, section 5 (4) requires.

46 **Meaning of *market value* in div 6.2**

For this division, the *market value* of an interest in land at a particular time is the amount that would have been paid for the interest if it had been sold at that time by a willing but not anxious seller to a willing but not anxious buyer.

47 **Special provision where market value determined on basis of potential of land**

Where the market value of an interest in land acquired by compulsory process is assessed upon the basis that the land had potential to be used for a purpose other than the purpose for which it was used at the time of acquisition, compensation shall not be allowed in respect of any loss or damage that would necessarily have been suffered, or expense that would necessarily have been incurred, in realising that potential.

48 **No general market for interest acquired**

- (1) This section applies where—
 - (a) an interest in land (the *old land*) is acquired from a person by compulsory process; and
 - (b) immediately before the acquisition, the person was using the old land, or intended to use the old land, for a purpose other than the carrying on of a business; and
 - (c) but for the acquisition, the land would have been, or would have continued to be, used for that purpose; and
 - (d) at the time of the acquisition, there was no general demand or market for land used for that purpose; and
 - (e) the person has acquired, or intends to acquire, another interest in other land (the *new land*) in substitution for the acquired interest and intends to use the new land for the same purpose.
- (2) The market value of the acquired interest on the day of acquisition shall be taken to be the greater of—

- (a) the amount that, apart from this section, would be the market value (if any) of that interest on that day; and
 - (b) the net acquisition cost, in relation to the interest in the new land.
- (3) The net acquisition cost, in relation to the interest in the new land, is the amount calculated in accordance with the formula:

$$CA + E - FI$$

where:

CA means the amount of the cost, or the likely cost, to the person of the acquisition of the interest in the new land.

E means the amount of the expenses and losses incurred, or likely to be incurred, by the person as a result of, or incidental to, ceasing to use the old land and commencing to use the new land for the same purpose.

FI means the present value of any real and substantial saving in recurring costs (relating to land or an interest in land) gained by the person as a result of the relocation.

49 Interest affected by planning restriction

- (1) This section applies where—
- (a) an interest in land is acquired from a person by compulsory process; and
 - (b) immediately before the acquisition, a planning instrument was in force having the effect of limiting or restricting the permissible use of the land to use for a purpose of a public nature; and
 - (c) the planning instrument was made to meet the needs of an acquiring authority; and
 - (d) the planning instrument was not in force in relation to the land at the time the person acquired the interest.
- (2) In determining the amount of compensation to which the person is entitled in respect of the acquisition of the interest—
- (a) the limitation or restriction on the use of the land imposed by the planning instrument shall be disregarded; and
 - (b) it shall be assumed that the land was subject only to such limitations and restrictions as would have been likely if there had been no proposal to limit or restrict the use of the land to use for the purpose permitted by the planning instrument; and
 - (c) the amount of any compensation paid or payable to the person in consequence of the planning instrument shall be deducted from the compensation to which the person would otherwise be entitled.

Matters to be disregarded in assessing compensation

- (1) In assessing compensation, there shall be disregarded—

- (a) any special suitability or adaptability of the relevant land for a purpose for which it could only be used pursuant to a power conferred by or under law, or for which it could only be used by a government or public authority; and
 - (b) any increase in the value of the land caused by its use in a manner, or for a purpose, contrary to law; and
 - (c) any increase or decrease in the value of the land caused by the carrying out of, or the proposal to carry out, the purpose for which the interest was acquired; and
 - (d) any increase in the value of the land caused by the carrying out, after a copy of the pre-acquisition declaration or certificate under section 21 in relation to the acquisition of the interest was given to the person, of any improvements to the land, unless the improvements were carried out with the written approval of the planning and land authority; and
 - (e) for an acquisition of land the subject of a rural lease granted for a term shorter than 21 years—the possibility of a further lease being granted in relation to the land under the *Planning and Development Act 2007*, section 254.
- (2) In this section:
rural lease—see the *Planning and Development Act 2007*, section 234.

51 Acquisition of dwelling

- (1) This section applies where—
- (a) an interest in land is acquired from a person by compulsory process; and
 - (b) the interest entitled the person to occupy a dwelling on the land; and
 - (c) immediately before the acquisition the person was occupying the dwelling as his or her principal place of residence; and
 - (d) because of the acquisition, the person has ceased to be entitled to occupy the dwelling as his or her principal place of residence.
- (2) The amount of compensation to which the person is entitled in respect of the acquisition is the sum of \$15 000 (or that amount as indexed by section 105) and the greater of the following amounts:
- (a) the amount of compensation to which the person would, apart from this section, be entitled;
 - (b) the aggregate of the costs to the person of acquiring a reasonably equivalent interest in land that entitles the person to occupation of a reasonably equivalent dwelling.

52 Interest subject to mortgage

- (1) This section applies where—

- (a) an interest in land is acquired from a person (the *owner*) by compulsory process; and
 - (b) immediately before the acquisition, the interest was subject to 1 or more mortgages.
- (2) As a general rule, the compensation to which the owner is entitled in respect of the acquisition shall be determined as if the interest had not been subject to any mortgage.
- (3) If compensation is payable under this part to a mortgagee, the compensation payable to the owner is reduced by so much of the compensation payable to the mortgagee as represents the amount calculated according to section 54 (1) (a).
- (4) If a mortgagee waives the right to compensation in respect of the acquisition of a mortgage interest, the compensation to which the owner would otherwise be entitled is increased by such amount as the owner should justly receive as compensation in respect of interest upon the mortgage debt accruing from the time of the acquisition, or in respect of any other liability to the mortgagee.

Division 6.3 Amount of compensation—mortgage interests

53 Interpretation for div 6.3

- (1) For this division, money shall be taken to have been due to a mortgagee under, or to have been secured by, a mortgage at the time of acquisition of a mortgage interest only to the extent that, at that time—
- (a) the right of the mortgagee to recover the money secured by the mortgage was not barred by a law relating to the limitation of actions; or
 - (b) the mortgagee was entitled to recover money secured by the mortgage by exercising a power of sale of, or other remedy in relation to, the interest in land subject to the mortgage.
- (2) For this division, the interest due to the mortgagee under a mortgage at a particular time is the interest that would be payable to the mortgagee if the mortgage were discharged at that time, other than so much (if any) of that interest as represents—
- (a) costs of reinvesting the principal under the mortgage; or
 - (b) a loss, or possible loss, of interest on the reinvestment of the principal under the mortgage.

54 Amount of compensation

- (1) The amount of compensation to which a mortgagee is entitled under this part in respect of the acquisition of a mortgage interest under a mortgage (the *relevant mortgage*) is an amount equal to the sum of—
- (a) so much of the sum of—

- (i) the amount of the principal secured by the relevant mortgage at the time of acquisition of the mortgage interest; and
- (ii) the amount of any interest, costs or charges due to the mortgagee under the relevant mortgage at that time;

as does not exceed the amount of compensation payable under this Act to the mortgagor in respect of the acquisition of the interest in land that was subject to the relevant mortgage; and

- (b) any legal or other professional costs reasonably incurred by the mortgagee in relation to the acquisition of the mortgage interest, including costs of—
 - (i) obtaining advice in relation to the acquisition, the entitlement of the mortgagee to compensation or the amount of compensation; and
 - (ii) executing, producing or surrendering such documents, and making out and providing such abstracts and attested copies, as the chief executive or a person authorised under the *Government Solicitor Act 1989*, section 5 (4) requires.

(2) For subsection (1), if—

- (a) the relevant mortgage was the only mortgage over the interest in land immediately before the acquisition; or
- (b) there were 2 or more mortgages over the interest in land immediately before the acquisition and the relevant mortgage had, at that time, priority over the other mortgage or mortgages;

the compensation payable to the mortgagor in respect of the acquisition of the interest in land shall be taken to be the compensation that would have been payable to the mortgagor if there had been no mortgage over the interest.

(3) For subsection (1), if—

- (a) there were 2 or more mortgages over the interest in land immediately before the acquisition; and
- (b) the relevant mortgage did not have, at that time, priority over the other mortgage or mortgages;

the compensation payable to the mortgagor in respect of the acquisition of the interest in land shall be taken to be the compensation that would have been payable to the mortgagor if there had been no mortgage over the interest, reduced by the principal secured at the time of the acquisition by, and the interest, costs and charges due at that time under, a mortgage or mortgages having priority over the relevant mortgage.

55 Particulars of mortgages may be required

- (1) The Executive may, by written notice require a person from whom an interest in land, other than a mortgage interest, has been acquired by

compulsory process, to provide the Executive with the following particulars:

- (a) whether the interest was, immediately before the acquisition, subject to any mortgages;
 - (b) in relation to each mortgage (if any) to which the interest was, immediately before its acquisition, subject—
 - (i) the name and address of the mortgagee; and
 - (ii) the amount of principal secured by the mortgage at the time of the acquisition of the interest; and
 - (iii) the amount of interest, costs and charges due under the mortgage at that time.
- (2) If the person fails to provide the Executive with the particulars within 30 days after the giving of the notice, or such further period as the Executive by writing, allows, the Executive may agree with any person claiming to be a mortgagee of the interest in land as to the amounts due under the mortgage and the firstmentioned person is debarred from disputing the correctness of any amounts so agreed.

From: Luchetti, Christine
Sent: Tuesday, 31 August 2010 10:44 AM
To: Ding, Brendan; 'STEVEN.FLANNERY@CBRE.COM.AU'; Sparke, Chris; Tomlins, George
Subject: Glenloch

Hi All

I refer to Friday's meeting and to the discussions relating to the withdrawal of the Glenloch lease (Lessee's Neville and Hazel Stuart).

The lease provides for the discharge amount to be paid to the Authority should the lessee seek to assign, transfer or part with possession the whole or any part of the premises within ten years from 5 May 2003. Section 287 of the *Planning and Development Act 2007* does not allow subdivision or consolidation during the holding period. The holding period being the ten year period during which the discharge amount is payable.

Further, the Structure Plan for Molonglo and North-Weston States:

3. PROHIBITED DEVELOPMENT

For the purposes of s136(2) of the *Planning and Development Act 2007*, development by an entity is not prohibited provided that the land on which the development is proposed was transferred to the entity by a Territory authority for the purpose of land development.'

The Structure Plan provides the Future Urban Area (FUA) overlay. At this stage it is a overlay and not a specific zoning. Until such times as the Structure Plan is adopted, this involves estate planning, and the area of land given a specific zoning can a Development Application (DA) be lodged.

Therefore, from my understanding of the situation, should the Stuart's lodge a DA today to vary or subdivide their rural lease ACTPLA would be unable to accept it.

In addition to the above, I'm aware that the Stuart's have previously sought to enter into a joint venture partnership with the Territory to develop their lease. These proposals were not supported as the Territory sought to preserve its right to resume rural leases to prevent land speculation and will not enter into an arrangement which would deliver financial gains to rural lessees from the conversion of their Territory leases.

Regards

Christine Luchetti
Manager, Project Facilitation
☎6205 4866 ☎6205 4835
web: www.laps.act.gov.au

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Australian Capital Territory

**Land (Planning and Environment)
(Further Rural Lease Grant Conditions)
Determination 2003 (No 1)***

Disallowable instrument DI 2003 - 323

made under the

**Land (Planning and Environment) Act 1991, section 171A(2) (Grant
of further rural lease)**

I REVOKE instruments DI2003-254 and DI2003-294 made under section 171A(2) and DETERMINE that Attachment A sets out the conditions that apply to the grant of a further rural lease under section 171A.

Simon Corbell MLA
Minister for Planning

10 December 2003

*Name amended under Legislation Act 2001 s 60

Authorised by the ACT Parliamentary Counsel—also accessible at www.legislation.act.gov.au

THIS IS PAGE ONE OF FOUR OF ATTACHMENT A OF DI 2003-323

Interpretation

In this Instrument:

“*Land Management Agreement*” means an agreement that complies with section 186C of the *Land (Planning and Environment) Act 1991*;

“*Territory owned improvement*” means any improvements on the land to which subparagraph 173(2)(a)(i) or (ii) applies at the date of surrender of the existing lease; and

“*Lanyon Bowl Area*” means the area described in the National Capital Plan under Appendix B and shown in Figure 27.

The Planning and Land Authority, on behalf of the Executive shall grant a further rural lease subject to the following conditions:

1. The maximum term of a further lease of land shall not exceed the maximum term for a lease of that land specified in the Maximum Rural Lease Term Plan set out in Schedule 1.
2. A further lease shall be a lease for rural purposes and shall limit the number of dwellings on the land to existing *approved* dwellings.
3. Subject to paragraphs 4 and 5, a further lease shall not be granted for a term of 21 years or more unless:
 - (a) for a lease where an amount condition applies in accordance with Schedule 2:
 - (i) subject to paragraph 16, for a lease other than a lease identified by the legend in Schedule 4, the lessee has paid to the Planning and Land Authority an amount determined in accordance with the relevant formulae in Schedule 3;
 - and

Minister initials SC

Date 10/12/03

THIS IS PAGE TWO OF FOUR OF ATTACHMENT A OF DI 2003-323

- (ii) for a lease of land identified by the legend in Schedule 4 the lessee has paid to the Planning and Land Authority an amount determined in accordance with Schedule 5;
 - (b) for a lease where an amount condition in accordance with Schedule 2 does not apply – the market value; and
 - (c) the lessee purchases all Territory owned improvements (except timber treatment) for the amount determined by the Planning and Land Authority.
- 4. Where the further lease is to be granted to a lessee in relation to an existing lease granted under section 161 or section 171A at market value, any subsequent further lease shall be granted without payment of a further premium.
- 5. Where the further lease is to be granted to a lessee in relation to an existing lease granted under section 171A after payment of an amount worked out in the application of an amount condition, any subsequent further lease shall be granted on the basis of an amount condition of nil.
- 6. Where a further lease specified in paragraph 3 is to be granted, the lessee must nominate how the amounts determined under subparagraphs (a), (b) and (c) of paragraph 3 will be paid. The amounts determined may be paid as:
 - (a) a lump sum; or
 - (b) in quarterly instalments in advance over a period of 30 years at a fixed interest rate of 8% per annum on reducing balances; or
 - (c) a partial lump sum discharge of the values determined in accordance with subparagraphs (a), (b) and (c) of paragraph 3, together with quarterly instalments on the remaining balance over 30 years at a fixed interest rate of 8% per annum on reducing balances.

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THIS IS PAGE THREE OF FOUR OF ATTACHMENT A OF DI 2003-323

7. Where a further lease is for a term less than 21 years, the rent payable for the further lease shall be determined as follows:
 - (a) for a lease where an amount condition applies in accordance with Schedule 2 and subject to paragraph 16: The rent payable shall be in accordance with the relevant formulae in Schedule 6, and shall apply from the date of commencement of the lease; or
 - (b) for a lease where an amount condition in accordance with Schedule 2 does not apply: The rent payable shall be 5% of the market value of any Territory owned residence, 3% of the market value of any other Territory owned improvements, and 3% of the market value of the land, tenure adjusted. The market value shall be subject to triennial review.
8. Subject to paragraph 9, a further lease shall not be granted unless a Land Management Agreement has been signed by the Planning and Land Authority and the lessee.
9. Paragraph 8 does not apply to a lease of land identified by hatching in Schedule 7.
10. A further lease shall not be granted until any discharge amount determined in accordance with section 186B, 186D, and either section 186E or section 186F, as relevant, has been paid for the existing lease.
11. The grant date of the first lease of the land granted after 15 December 1999 shall be taken to be the commencement date of the holding period for any further lease of the land.
12. If a further lease includes:
 - (a) public land; or
 - (b) land that lies within an area described in Schedule 1 as having a maximum lease term of 20 years, but not including public land in a lease where all or part of the lease lies in the Lanyon Bowl area, the further lease granted shall be subject to a provision allowing for the withdrawal of all or part of that land from the lease by the Planning and Land Authority.

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THIS IS PAGE FOUR OF FOUR OF ATTACHMENT A OF DI 2003-323

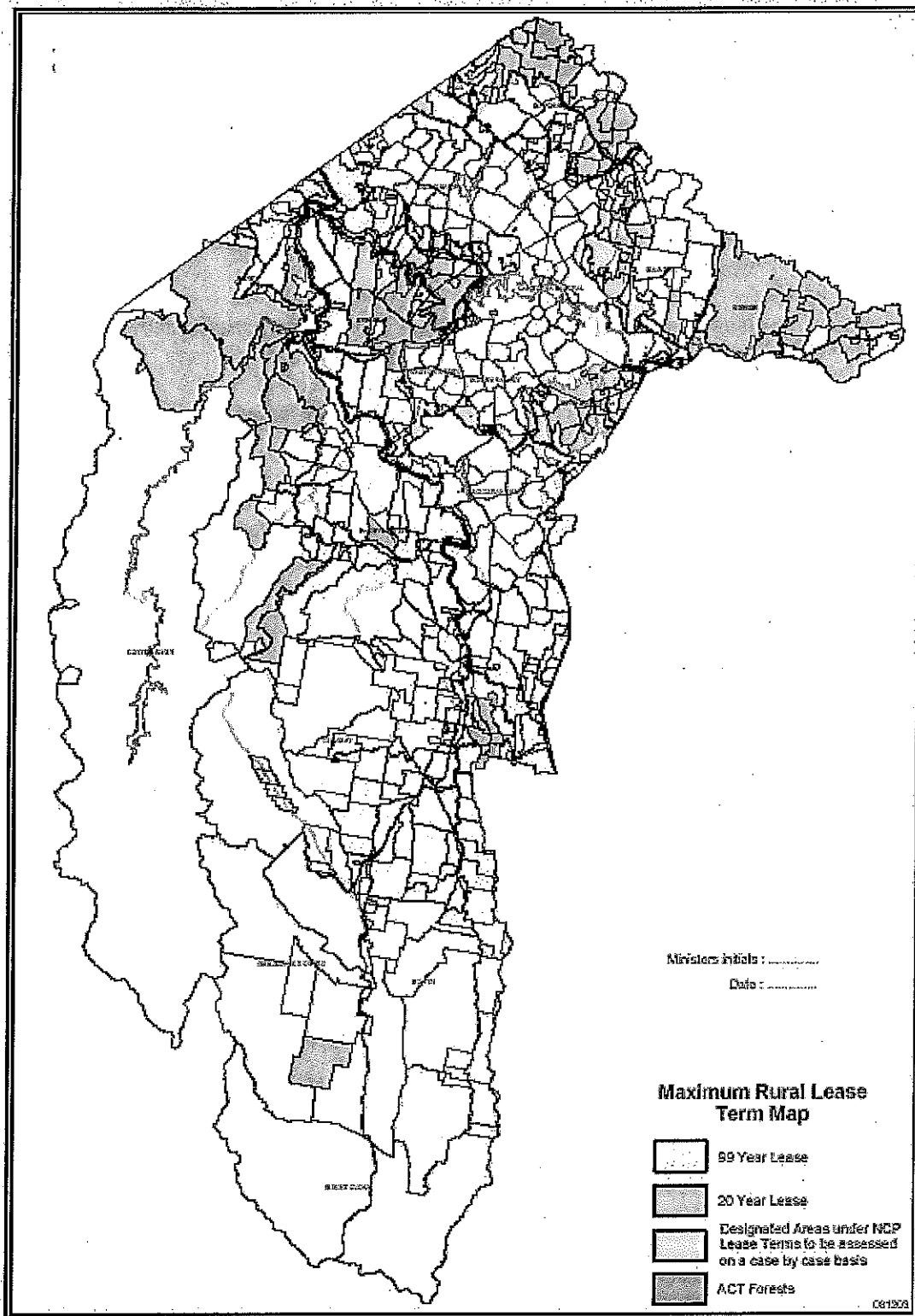
13. If a further lease includes:

- (a) public land in a lease where all or part of the lease lies in the Lanyon Bowl area; or
- (b) land that is identified as having high conservation value and is, or will be, subject to the preparation of an Action Plan under the *Nature Conservation Act 1980*; or
- (c) land in respect of which an Action Plan has been prepared or approved, and which identifies this land for reservation; or
- (d) land which has been identified as potentially being required for future public purposes,

the further lease granted may be subject to a provision relating to the withdrawal of all or part of that land from the lease by the Planning and Land Authority.

- 14. A further lease shall not be granted until all monies, other than rent, due under the existing lease have been paid.
- 15. The Planning and Land Authority will not purchase timber treatment from lessees who currently own it.
- 16. Where paragraphs 3(a)(i) or 7(a) apply, and where the lessee is offered a lease subject to a condition to consolidate land from existing leases, the component of the amount payable attributable to any right to a residence shall not be more than that payable as if separate leases had been granted for the land.
- 17. This instrument does not affect any offer or grant of a further rural lease under any other instrument made prior to the date of commencement of this instrument.

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Date 10/12/03



Minister initials SC
Date 10/12/03

THIS IS PAGE ONE OF TWO OF SCHEDULE 2 OF DI 2003-323

ELIGIBILITY FOR PAYMENT TO BE BASED ON AN AMOUNT CONDITION

1. An amount condition applies to an application for the grant of a further lease made on or before:
 - (i) for land within Region 1: 30 June 2004;
 - (ii) for land within Region 2: 30 June 2004;
 - (iii) for land within Region 3: 30 June 2005; or
 - (iii) for land in other regions of the ACT: 30 June 2004.

2. Notwithstanding paragraph 1, an amount condition ceases to apply if an offer of a further lease is not accepted and executed by the lessee by a date 3 months after the date of a letter of offer for the grant of a further lease.

Region 1 means the land listed as follows:

<u>District/ Division</u>	<u>Block</u>
Belconnen	All, excluding Blocks 50, and 1329
Booth	All
Coree	All, excluding Block 65
Fyshwick	Block 3 Section 52, Block 6 Section 59, Block 8 Section 59, Block 3 Section 73 and Block 1 Section 78 only
Kowen	All
Majura	Blocks 55, 56, 57, 60 and 513 only
Paddys River	All
Stromlo	All
Tennent	All
Tuggeranong	All
Weston Creek	All

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THIS IS PAGE TWO OF TWO OF SCHEDULE 2 OF DI 2003-323

Region 2 means the land listed as follows:

<u>District/ Division</u>	<u>Block</u>
Belconnen	Block 50 only
Coree	Block 65 only
Gungahlin	All
Hall	Block 8 Section 23 only
Majura	All, excluding Blocks 55, 56, 57, 60 and 513
Symonston	Block 1 Section 103, Block 5 Section 103, Block 7 Section 103 and Block 8 Section 103 only

Region 3 means the land listed as follows:

<u>District/ Division</u>	<u>Block</u>
Hume	All
Jerrabomberra	All
Symonston	All, excluding Block 1 Section 103, Block 5 Section 103, Block 7 Section 103 and Block 8 Section 103 only

Minister initials SC
Date 10/12/03

THIS IS PAGE ONE OF THREE OF SCHEDULE 3 OF DI 2003-323**LAND VALUE PAYMENT FORMULAE FOR RURAL LEASES***Definitions*

“DSE” means Dry Sheep Equivalent

“ha” means hectares

“value” means a value determined by the Planning and Land Authority

Formula 1

- (i) Subject to (ii) and (iii), for areas greater than 16 ha inclusive of the right for a principal residence:
- | | |
|---|---|
| • more than 16 ha and no more than 80 ha | \$190 per DSE less 15% for
ACT factors = \$162/DSE |
| • more than 80 ha and no more than 600 ha | \$160 per DSE less 15% for
ACT factors = \$136/DSE |
| • more than 600 ha and no more than 1000 ha | \$150 per DSE less 15% for
ACT factors = \$128/DSE |
| • more than 1000 ha | \$130 per DSE less 15% for
ACT factors = \$110/DSE |
- (ii) Where there is no right to a residence, the scheduled values shall be reduced by 7.5%;
- (iii) For the second and each additional dwelling, an additional amount of \$16,615 per dwelling is added.

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Date 10/12/03

THIS IS PAGE TWO OF THREE OF SCHEDULE 3 OF DI 2003-323

Formula 2

For leases of 16 hectares or less not containing the right to a residence, excluding leases in Pialligo and all other leases in areas other than those within a "broadacre" or "rural" designation under the Territory Plan:

$$\text{\$235/DSE less 15\% for ACT factors} = \text{\$200/DSE}$$

Formula 3

For leases of 16 hectares or less containing a right to one residence (adjusted for ACT factors), excluding leases in Pialligo and all other leases in areas other than those within a "broadacre" or "rural" designation under the Territory Plan:

- (i) subject to (iii), up to 8 ha \$2,500 per annum capitalised at 6% over 99 years less 15% = \$37,400;
- (ii) subject to (iii), from 8 ha to 16 ha \$3,000 per annum capitalised at 6% over 99 years less 15% = \$42,400;
- (iii) for the second and each additional dwelling, an additional amount of \$16,615 per dwelling is payable.

Formula 4

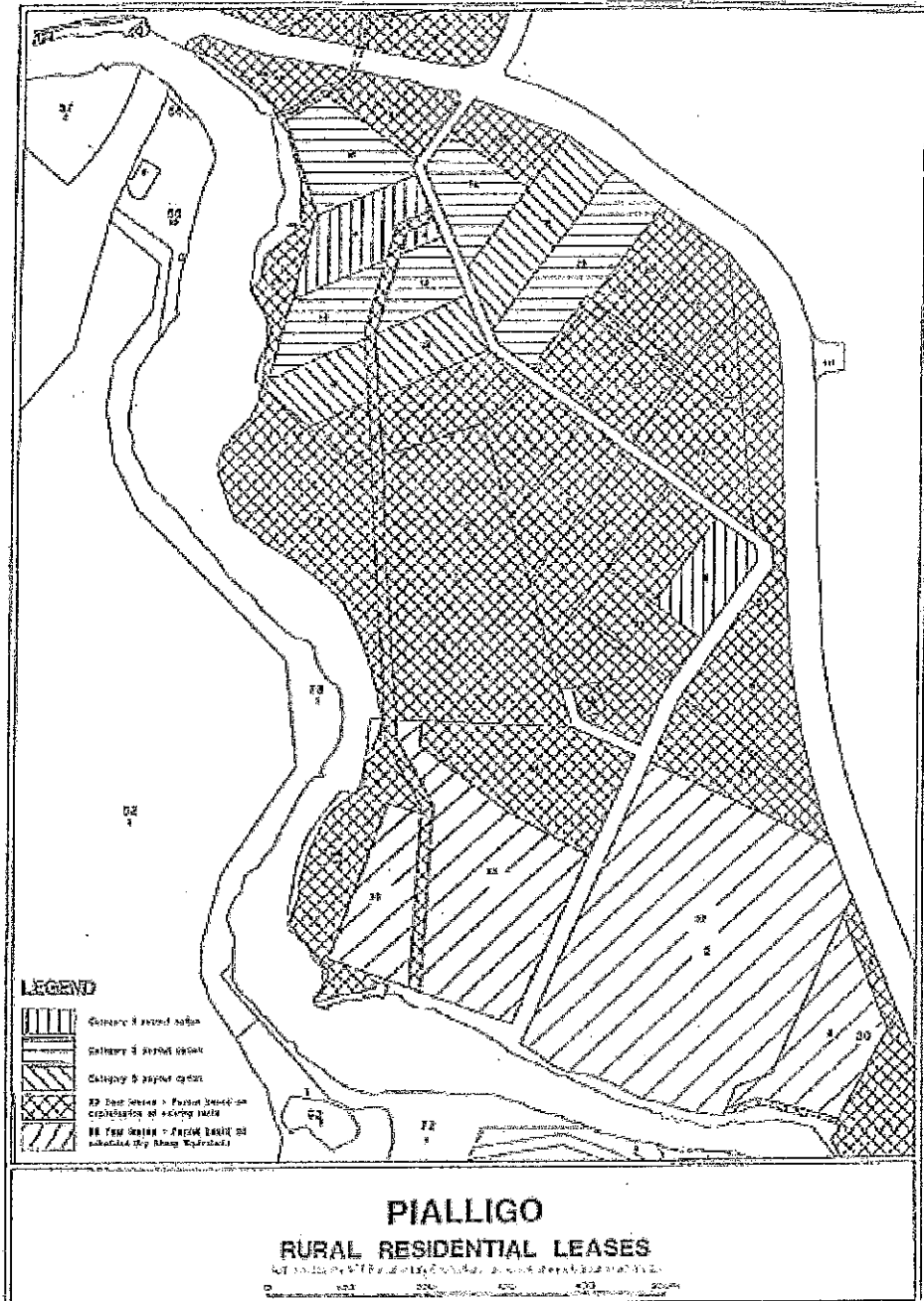
For leases under 16 ha and not within a "broadacre" or "rural" designation under the Territory Plan, the existing rent capitalised over 99 years at 6% pa less a 15% deduction for ACT factors.

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THIS IS PAGE THREE OF THREE OF SCHEDULE 3 OF DI 2003-323***Formula 5***

- (i) Subject to (ii) and (iii), the added land value for a horse agistment and related activities is a sliding scale based on the percentage of a property's carrying capacity used for horses as follows:
- If 0% to 20% of total equivalent carrying capacity are horses – add 10% to primary production value;
 - If more than 20% but not more than 50% of total equivalent carrying capacity are horses – add 20% to primary production value;
 - If more than 50% of total equivalent carrying capacity are horses – add 30% to primary production value;
- (ii) For all leases of 16 ha or less, the addition of 30% to the DSE rate, or capitalised site value, as appropriate;
- (iii) The portion of the property used for primary production purposes will be calculated by applying the scheduled dry sheep area value.

Minister initials SC
Date 10/12/03



Minister initials SC
Date 10/12/03

THIS IS PAGE ONE OF ONE OF SCHEDULE 5 OF DI 2003-323

LAND VALUE PAYMENT FORMULAE FOR RURAL LEASES

Leases which include non-primary production commercial lease purpose clauses

- (i) Subject to (ii), the amount to be paid for further leases with wholly non-primary production commercial purposes, or a combination of primary production and commercial purposes, in accordance with the following Categories listed in Schedule 4 is:

Category 1 \$97 750

Category 2 \$86 250

Category 3 \$80 500

- (ii) Lessees who are required to complete a Land Management Agreement shall receive a 15% discount on the amount to be paid.

99 year leases with payment based on existing rents capitalised

- (i) Subject to (ii), the amount to be paid for rural leases shown in Schedule 4 as being based on existing rents capitalised is:

Existing rents capitalised over 99 years at a rate of 6% pa.

- (ii) Lessees who are required to complete a Land Management Agreement shall receive a 15% discount on the amount to be paid.

99 year leases with payment based on Dry Sheep Equivalent value

The amount to be paid for leases listed in Schedule 4 as being based on Dry Sheep Equivalent value is:

Payment in accordance with the relevant formula in Schedule 3.

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LAND RENT FORMULAE FOR RURAL LEASES LESS THAN 21 YEARS

Definitions

“DSE” means Dry Sheep Equivalent

“ha” means hectares

“value” means a value determined by the Planning and Land Authority

Formula 1

- (i) Subject to (ii) and (iii), for rural leases of more than 16 ha, which contain the right to a principal residence:
- | | |
|--|--|
| • more than 16 ha but not more than 80 ha | \$190 per DSE less 15% for ACT factors = \$162/DSE |
| • more than 80 ha but not more than 600 ha | \$160 per DSE less 15% for ACT factors = \$136/DSE |
| • more than 600 ha but not more than 1000 ha | \$150 per DSE less 15% for ACT factors = \$128/DSE |
| • more than 1000 ha | \$130 per DSE less 15% for ACT factors = \$110/DSE |
- (ii) where the lease does not contain the right to a residence, the scheduled values be reduced by 7.5%;
- (iii) for the second and each additional dwelling, an amount of \$16,615 per dwelling is added (representing an annual rent of \$1,000 capitalised at 6% over 99 years).

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THIS IS PAGE TWO OF THREE OF SCHEDULE 6 OF DI 2003-323***Formula 2***

For leases of greater than 16 ha, annual rent will be charged at 3% of the land value derived from the scheduled DSE values in Formula 1 and Formula 7, plus an annual rent of 3% will be charged for the value of any Territory owned farm buildings and residences on the lease (excluding fencing, water and pasture improvements).

Formula 3

Subject to Formula 7, for leases of 16 ha or less not containing the right for a residence, excluding leases in Pialligo and all other leases in areas other than those within a "broadacre" or "rural" designation under the Territory Plan:

$$\$235/\text{DSE less } 15\% \text{ for ACT factors} = \$200/\text{DSE}$$

Formula 4

- (i) Subject to (ii) and Formula 7, for leases of 16 ha or less with a right to one residence (adjusted for ACT factors), excluding Pialligo and all other leases other than those designated "broadacre" or "rural" in the Territory Plan:
- up to 8 ha, \$2,500 per annum capitalised at 6% over 99 years, less 15% = \$37,400
 - 8 to 16 ha, \$3,000 per annum capitalised at 6% over 99 years, less 15% = \$42,400
- (ii) For the second and each additional dwelling, an amount of \$16,615 per dwelling is added (representing an annual rent of \$1,000 capitalised at 6% over 99 years).

Formula 5

Subject to Formula 7, for leases under 16 ha and not within a "broadacre" or "rural" designation under the Territory Plan, the existing rent capitalised over 99 years at 6% pa less a 15% deduction for ACT factors.

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Formula 6

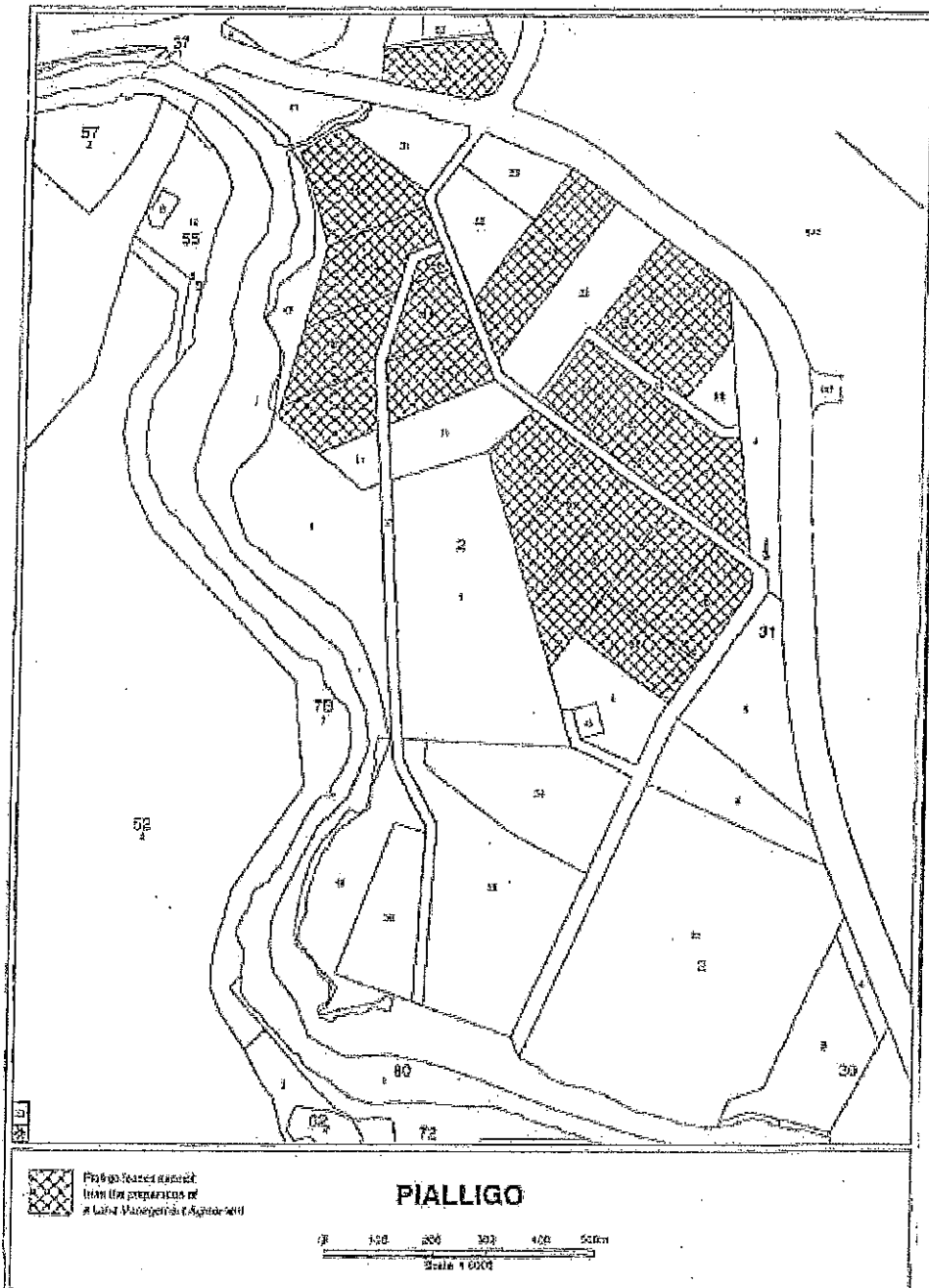
For leases of 16 ha or less, the annual rent is 3% of the land value derived from application of Formula 3, Formula 4 or Formula 5, as applicable, and of Formula 7; PLUS an annual rent of 3 % of the value of any Territory owned farm buildings and residences (exclusive of fencing, water and pasture improvements).

Formula 7

- (i) The added land value for a horse agistment and related activities is a sliding scale, based on the percentage of a property's carrying capacity used for horses, as follows:
- If 0% to 20% of total equivalent carrying capacity are horses – add 10% to primary production value;
 - If more than 20% but not more than 50% of total equivalent carrying capacity are horses – add 20% to primary production value;
 - If more than 50% of total equivalent carrying capacity are horses – add 30% to primary production value.
- (ii) For those leases of 16 ha or less, with or without the right to a residence, the application of 30% to the DSE rate or capitalised site value as appropriate;
- (iii) The portion of the property used for primary production purposes will be calculated by applying the scheduled dry sheep area value.

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Date 10/12/03

