

Guide sheet – application to purchase Crown land or an interest in Crown land

CROWN LANDS ACT 1976

GENERAL INFORMATION

Crown land sold by application is generally parcels that cannot be sold by a public process due usually to subminimal lot size and/or access issues. See [Purchasing, Leasing or Licencing Crown land](#) on the Property Services (PS) webpage for further information.

PS manages the application process and Crown land sold by this process is generally adhered to an adjoining private property title.

PS is located within the Department of Primary Industries, Parks, Water and Environment.

Purchasing Crown land is a five-stage process.

1. Preliminary review;
2. Detailed investigation;
3. Technical assessment and approval to sell;
4. Setting of a purchase price; and
5. Contract preparation.

You are responsible for supplying the evidence to support your application and are responsible for all costs associated with the application. You may engage a solicitor to act on your behalf at any stage of the process and these costs will be your responsibility.

APPLICATION

To start the purchase process, you must lodge an [application form](#) with PS.

You must also pay an application fee at the same time – if the fee is not paid, the application will not be considered.

PURCHASE COSTS

In addition to the land purchase price, the following purchase costs that are incurred will have to be paid by you.

- Processing your application;
- Setting a value of the land (valuation);
- Surveying the land
- Legal costs for the preparation of the sale contract, conveyancing and finalising the sale process (through the Office of the Crown Solicitor, OCS).

You will be required to pay all Purchase Costs at the time of contract preparation (Stage 5). As a guide, minimum costs would be in the order of \$6,000 (these estimated costs will be reduced if on-ground survey is not required).

An estimate of the Purchase Costs will be provided to you after investigation of your application (Stage 2).

Please note that in some circumstances the Purchase Costs will exceed the actual value of the Crown land that you have applied to purchase.

SURVEYING THE LAND

The status of the land is confirmed before on-ground survey work by a registered land surveyor is completed. Survey work is needed to create most title plans and to determine the exact location, size and dimensions of the land.



CONVEYANCING CHARGES

You will be responsible for Conveyancing Charges associated with the sale such as stamp duty (see www.sro.tas.gov.au for information) and filing fees at the [Lands Titles Office](#).

You must pay these conveyancing charges during Stage 5, when you have confirmed that you agree to purchase the Crown land and pay the Purchase Price.

Also, payment of any Purchase Costs in excess of the monies collected from you will be sought at Stage 5.

Please note that the transaction will not be completed until the Conveyancing Charges and Purchase Price are paid by you.

PURCHASE PRICE

The *Crown Lands Act 1976* is very specific that the Minister cannot sell Crown land or grant an interest in Crown land for less than the reserve price.

The reserve price is generally based on the market value of the land.

The Director-General of Lands sets the reserve price and must have regard to the cost of any improvements, the value of trees which may have a commercial or industrial use, and any expenses incurred in the sale of the Crown land and providing title to the land.

The Purchase Price is the reserve price. In addition, GST may be applicable to the Purchase Price.

YOUR OWN COSTS

You will be responsible for your own legal costs, costs to produce the title, obtaining your mortgagee's consent (if applicable) together with any other costs incurred during the sale process. Sometimes, not all costs are known in the early assessment stages.

STAGES OF THE APPLICATION PROCESS

There are five (5) stages in the application process. In Stage 2 and Stage 4 you will be asked whether you wish to proceed with your application. These decision points are shaded.

Stage 1 - Preliminary Review

- 1.1 You submit your application form and application fee. As a first step, PS will check your application to ensure you have provided all the necessary information and fees. PS cannot review an incomplete application.
- 1.2 **If the application is accepted**, you will then be advised in writing that the application is to proceed and initial assessment of the status of the land will be carried out.
- 1.3 **If the application is not accepted** (or if you withdraw during Stage 1), you will be advised in writing and the Application Fee will be refunded to you unless the initial assessment of the status of the land has already been completed.

You may be asked to provide additional information or clarify an aspect of the application at any stage of the process. The type of information that may be required includes an aboriginal heritage assessment; a natural values assessment; an environmental impact statement; a public benefits assessment; and maps and plans.

CONTACT DETAILS

Property Services Message Service (03) 6169 9015
(leave a message and calls will be returned within two business days)

Email: PropertyServices@parks.tas.gov.au

Fax: (03) 6173 0226



Stage 2 – Investigation

- 2.1 If your application proceeds to Stage 2, PS will seek comment from your local council. If applicable, your neighbours will be contacted. Also, an on-ground inspection may be conducted. PS will also review available records to ensure that there are no apparent issues that would prevent the sale from proceeding.
- 2.2 If there are matters that become apparent from council and/or neighbour comments, inspection or records, then PS will suspend your application until the issue is resolved. If the issue cannot be resolved, your application will be declined.
- 2.3 **(DECISION POINT)**. If your application is acceptable to this point, you will be advised in writing and provided with a market valuation for the Crown land (or interest) and an estimate of the Purchase Costs. You will be required to confirm that you wish to continue with your application. On receipt of your confirmation, PS will continue to process your application.

At Stage 2 in the process, PS do not know the final cost of the survey for your specific application and an estimate is included in the Purchase Costs, which is based on an average of survey work that has been conducted over a variety of previous sales of Crown land.

The actual final cost of your specific survey may be either lower or higher than the average cost.

- 2.4 **If the application is declined** (or you withdraw from the process), you will be advised in writing and the Application Fee will not be refunded to you.

Stage 3 – Technical Assessment and Approval

- 3.1 Depending on what is found during the investigation at Stage 2, your application may require further assessment and/or an in-depth evaluation of the values on the land. You may be asked to provide additional information or to clarify an aspect of your application.
- 3.2 Your application will then be forwarded to the Minister (or his delegate) with a recommendation to sell or not to sell the Crown land.
- 3.3 **If your application is approved**, you will be advised in writing.
- 3.4 **If your application is not approved**, you will be informed of the decision and the reason why. You will also be advised if there are any options other than sale available to you (such as a licence or lease).

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Stage 4 – Reserve Price

- 4.1 The Crown land will be valued and a reserve price determined.
- 4.2 **(DECISION POINT)**. You will be advised of the Purchase Price and Purchase Costs that need to be recovered. We will ask you to confirm if you wish to proceed. If you decide to proceed, PS will seek some more information from you to establish a sale contract with you.
- 4.3 From this point forward in the process, your contact is with the Office of the Crown Solicitor who acts for the Crown in preparing the legal documentation. You are strongly encouraged to engage a solicitor at this stage. Please note that you will be responsible for your own legal costs together with any other costs incurred to ensure the sale occurs.

Stage 5 – Contract and Completion

- 5.1 PS will instruct the Office of the Crown Solicitor to progress the sale of the Crown land.
- 5.2 The Office of Crown Solicitor will prepare the necessary contract and recover from you the Purchase Price and Purchase Costs, together with any Conveyancing Charges required to complete the matter.
- 5.3 PS will obtain a title plan, which is forwarded to the Office of the Crown Solicitor. The OSG ensures that the survey plan can achieve title and this service is covered by the Survey Administration Fee.
- 5.4 The Office of the Crown Solicitor will contact you or your solicitor throughout this stage as required.
- 5.5 If you withdraw during Stage 5, the Purchase Costs that have been expended will not be refunded.

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