

SALE OF INDUSTRIAL LAND

RED HILL INDUSTRIAL ESTATE

ES270



NARRANDERA SHIRE COUNCIL POLICY

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SALE OF INDUSTRIAL LAND RED HILL INDUSTRIAL ESTATE



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| Policy No: | ES270 |
| Policy Title: | Sale of Industrial Land Red Hill Industrial Estate |
| Department Responsible: | Executive Services |
| Minute No: | 18/207 |
| MagiQ No: | 9160 |
| Next Review Date: | December 2019 |

Objective

1. To provide a clear sales and pricing policy for allotments at Red Hill Industrial Estate, aimed at encouraging sustainable industry development
2. To maintain an opportunity to negotiate requests for financial assistance.

Policy Statement

Narrandera Shire Council recognises the importance of available stocks of industrial land to meet the needs of expanding and new industry.

Council is committed to encouraging responsible development that will generate employment growth for the residents of the Shire, which is appropriate and sustainable.

This policy relates to Council owned industrial land at Red Hill Industrial Estate, zoned . IN1 General Industrial.

The Council and its employees will respect the commercial interests of potential buyers by treating all industrial land enquiries as 'commercial in confidence'.

The Council is responsible for determining the selling price guidelines, financial assistance offers, and release of further staged subdivisions.

Valuing, Listing and Selling Allotments

Allotments are valued 'per block' according to the pricing structure below determining that prices be calculated on the area (in square metres) of each respective parcel of land being sold.

The market value of parcels of land will be based on the evidence of recent sales and other market conditions and these will be used to determine if an offer to purchase is reasonable.

The 'per block' value is according to the market value as determined by a qualified land valuer from time to time..

Real Estate Agents may sell Council owned industrial land under the terms of their usual contract and commission arrangements. Agents must agree to a memorandum of understanding, which will entail that the agent provides guidance to buyers on how to obtain planning advice on development proposals, and also include principles of effective communication between the agency and Council on potential buyers and information about the market.

Council reserves the right as Vendor to sell land direct to a prospective purchaser.

1. That each sale is supported by Resolution of Council.
2. Real Estate Agents may market the Sale of Council lands covered by this policy on terms and conditions as contained in a Sales Inspection Report and Selling Agency Agreement between the agent and Council.

Pricing Guidelines

The price listed with real estate agents will be the price determined in Council's adopted pricing schedule. The General Manager has the authority to coordinate with Real Estate Agents and buyers on the sale of land according to the pricing schedule determined by Council and will submit to Council any reasonable offers to purchase Council owned land. The General Manager will also undertake continual price review with real estate agents and land valuers in line with market movements, with a report to be submitted to Council as required, reflecting any market changes on the pricing structure.

Real Estate Commissions

The policy recommends that any land listed for sale with Licensed Real Estate Agents under this policy is described in an industry accepted Agency Agreement that sets out the Agent's terms and conditions of listing the land as well as any commissions fees or other charges relating to the promotion and sale of the land.

Any agreement with a real estate agent will be on the terms and conditions as agreed between the parties as set out in the Agency Agreement.

Requests for Financial Assistance

All requests for financial assistance are to be forwarded to Council for determination. Requests for financial assistance are to be supported in writing by the proponent, evidencing the need for the required assistance.

Consideration for financial assistance will be based on:

- The merits of the business development proposal
- Council's financial ability to provide such assistance
- Whether the proposed assistance can be provided by another government agency
- Evidence that the proponent requires financial support.

Pricing Structure – as at February 2014

Estate lot pricing structure, effective as at February 2014

| Lot Size | Price per Square Metre |
|------------------|------------------------|
| Up to 3800 m | \$15.00 |
| 3801m to 5800m | \$12.50 |
| 5801m to 7800m | \$10.00 |
| 7801m to 9800m | \$8.75 |
| 9801m to 18000m | \$8.00 |
| 18001m to 35000m | \$7.50 |
| More than 35000m | \$5.00 |

All prices shown above require **GST to be added**

Memorandum of Understanding

The following memorandum of understanding will be agreed with listing real estate agents:

MEMORANDUM OF UNDERSTANDING

REAL ESTATE AGREEMENT TO SELL INDUSTRIAL LAND

The memorandum represents an agreement by the Agent and Narrandera Shire Council to openly and honestly communicate with each other on the details of enquiries made in respect to properties listed by the Agent on behalf of Narrandera Shire Council.

The intent of industrial land sales is to foster employment opportunities. It is therefore in the interest of Narrandera Shire Council and the community that it represents, that land is sold to industry developers with their understanding that their development proposal is appropriate to the land zoning, that the proposal does not conflict with the provisions of the Local Environment Plan and that there may be additional regulatory requirements imposed depending on the type of development.

The Agent is to assist prospective industry and land developers in minimising their development risks by referring them to Narrandera Shire Council's Planning Department to receive advice on the development application process and regulatory requirements, before entering into a contract for sale.

General Manager _____ Agent _____

Variation

Council reserves the right to review, vary or revoke this policy.

Policy History

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| Adopted | 17 February 1998 |
| Amended | 24 July 2007 |
| Reviewed and Amended | 26 May 2009 |
| Amended | 8 December 2009 |
| Reviewed | 6 February 2014 |
| Adopted | 18 February 2014 |
| Adopted | 18 September 2018 |



Signed: General Manager

Date: 18 September 2018