



## Process for leasing of subsidised housing

***Legislative reforms introduced in 2008 provide for home ownership on Indigenous land by enabling trustees to grant 99 year leases for private residential purposes.***

***This fact sheet informs trustees about the key steps to follow when someone expresses interest in a 99 year lease for private residential purposes of land on which there is an existing dwelling.***

### **99 year leases for private residential purposes**

Trustees of Indigenous land can grant 99 year leases for private residential purposes over land they hold in trust, including dwellings located on this land.

The steps that trustees must take when an application for a 99 year lease for private residential purposes is lodged are outlined by the Department of the Environment and Resource Management in its manual for trustees.<sup>1</sup> These include particular steps to take where there is a dwelling on the land.

In summary, where there is an existing dwelling on the land, trustees must:

- confirm that the dwelling is subsidised and obtain approval from the Director-General of the Department of Communities to grant the lease
- arrange a valuation of the existing dwelling or request that the Department of Communities arrange the valuation on their behalf
- receive a lump sum payment from the lessee for the dwelling (and land) and use the proceeds from the dwelling to provide housing services for Indigenous people concerned with the land, and
- provide specified information to the Director-General of the Department of Communities following registration of a lease.

### **Confirm that the dwelling is subsidised and obtain approval to grant the lease**

In cases where there is an existing dwelling on the land, the trustee is required to provide written notice to the Director-General of the Department of Communities that an expression of interest has been made to lease the property and of the trustee's intention to grant the lease. This notice must specify the address or lot on plan of the property so that it can be identified.

Trustees should send this advice to the:

Home Ownership Contact Officer  
Northern Regional Office  
Department of Communities (Housing and Homelessness Services)  
PO Box 2556  
Cairns QLD 4870

<sup>1</sup> *Leasing Aboriginal Deed of Grant in Trust land in Local Government Areas: A Manual for Trustees*

Within 28 days of receiving this advice, the Director-General of the Department of Communities will write to the trustee confirming whether the dwelling located on the land has been used to provide subsidised housing for residential use.

The Director-General will also confirm whether the dwelling is available for purchase. In considering whether to give an approval, the Director-General must have regard to whether it would be more appropriate in the circumstances for the dwelling to continue to be used as social housing.

### **Valuation of the existing dwelling**

Where there is a subsidised dwelling on the land, the amount paid for the 99 year lease for private residential purposes will include a lump sum payment for lease of the land and the purchase of the dwelling.

To determine the amount to be paid for the dwelling, the dwelling must be valued by a certified practicing valuer using the depreciated replacement cost methodology.

The trustee can arrange for dwelling valuations or request the Department of Communities to arrange a valuation on their behalf.

To request the Department of Communities to arrange a valuation of a dwelling, the trustee should write to the Home Ownership Contact Officer.

The Department of Communities will pay the costs of dwelling valuations. Where the trustee has arranged for a dwelling valuation, the council should arrange for the valuer's invoice and a copy of the valuation report to be sent to the Home Ownership Contact Officer for payment.

### **Receive a lump sum payment from the lessee for the dwelling (and land) and use the proceeds from the sale of the dwelling for housing services for Indigenous people concerned with the land**

Trustees are required to use an amount equal to the proceeds of sale of a dwelling to provide housing services for Indigenous people concerned with the land. This will help ensure the ongoing provision of assistance to people with housing needs living in the community.

'Housing services' means:

- (a) providing housing to an individual for residential use
- (b) any of the following kinds of service –
  - (i) tenant advisory services
  - (ii) tenant advocacy services
  - (iii) home maintenance services
  - (iv) home modification services
  - (v) housing-related referral and information services.

Assistance agreements between the Department of Communities and Indigenous Councils may outline additional requirements regarding the use of these funds.

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**Provide information to the Department of Communities following registration of a lease where there is a dwelling on the land**

Where there is a dwelling on the land and an applicant accepts the terms and conditions of a 99 year lease for private residential purposes, the trustee must, within 28 days after the lease is executed and registered, write to the Director-General of the Department of Communities to:

- advise the date the lease was registered
- advise the names of the lessees, and
- provide evidence showing that an amount equal to the value of the dwelling and for the lease of the land was paid to the trustee.

Trustees should send this advice to the:

Home Ownership Contact Officer  
Northern Regional Office  
Department of Communities (Housing and Homelessness Services)  
PO Box 2556  
Cairns QLD 4870

For further assistance, contact the Home Ownership Contact Officer on (07) 4046 3000.

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