



GENERAL MANAGER'S SUPPLEMENTARY REPORT

8th August 2006

GM11	PURCHASE OF LOT 1 ELRINGTON LANE
SUPP	FILE: T6-06-163 COPY 674 AVB

SUMMARY:

To advise Council of an offer received to purchase Lot 1 DP 709221.



DESCRIPTION:

Council has been negotiating the sale of the road reserve adjoining the Tattersail's Hotel and Elringtons for inclusion in the "Coles Development". A valuation has been received from the Department of Commerce ([Appendix E](#)) in the sum of \$80,000 to \$100,000.

Parmac Property Group the developer of the site has offered an amount of \$40,000. Parmac have also advised that the development site is now owned by Perpetual Trustee Company in its capacity as custodian of the MFS Diversified Trust. In considering their offer they ask that Council recognise the significance of the new shopping centre to the future of Kempsey.

I do not believe that the ratepayers should subsidise the developer who undoubtedly has made a substantial profit.

REPORT IMPLICATIONS:

- ***Environmental***

Nil

- ***Social***

Nil

- ***Economic (Financial)***

The proceeds of the sale will be transferred to a reserve and in accordance with the roads act be expended on roads

- *Policy or Statutory*

Nil

RECOMMENDATION:

That PARMAC be advised that Council is prepared to sell Lot 1, 709221 to the owner for \$80,000.

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A V Burgess
GENERAL MANAGER