



# The North Harris Trust

## Croft Sale Policy

The North Harris Trust recognises the right of a tenant crofter to purchase their croft, however the Trust may refuse to sell a croft to an absentee tenant on a case-by-case basis, taking into account if and when the Crofting Commission is considering terminating the tenancy.

Presently, the standard annual rent for all crofts in Trust ownership is £10 p.a. This sum includes the annual rental due for any associated grazings share and any non-contiguous apportionment(s) as well as for the croft itself.

The sale price of a croft is set at a sum of 15 times the annual rent, and the annual rent can be reviewed for this purpose. The standard Trust policy for rent review at point of sale is to increase the croft rent to £50 p.a. and any element attributable to an associated grazings share and each non-contiguous apportionment to £10 p.a.

This results in a standard sale price of £750. As crofters have no right to purchase land associated with grazings shares or non-contiguous apportionments, the annual rental for these will continue at £10 p.a. after the croft has been bought.

In addition, the Trust charges an administrative fee of £400 to cover expenses associated with the purchase. The Trust also expects the buyer to cover its associated legal fees.

When a tenant does not agree with these standard conditions of sale, and agreement cannot be reached, the Land Court can be asked to decide on terms. In this case the Trust will submit this policy as its standard practice and accept the Land Court decision.

A 10-year claw-back will be imposed on any croft sale as standard. This will result in 50% of the market value of land associated with any sale or part sale of the croft within the subsequent 10 years being payable to the North Harris Trust. There is an exception to the claw-back where the purchaser is a family member of the crofter (as defined by the Crofters Act 1993), and in these cases the family member would also enter into a claw-back arrangement.

Other burdens and conditions, such as pre-emption, may be imposed on the croft by the Trust in its position as a Rural Housing Body.