

PROPERTY ACQUISITION



FACT SHEET

NSW

ABOUT INLAND RAIL

Inland Rail is a once-in-a-generation project connecting regional Australia to domestic and international markets, transforming the way we move freight around the country.

It will complete the 'spine' of the national freight network between Melbourne and Brisbane via regional Victoria, New South Wales and Queensland.

This new 1,700km line is the largest freight rail infrastructure project in Australia. It will connect our farms, mines, cities and ports to global markets and will support Australia's four richest farming regions by providing supply chain benefits and substantial cost savings for producers.

ABOUT THIS FACT SHEET

This fact sheet is a general guide about the property acquisition approach ARTC will follow for Inland Rail in NSW. Property acquisition processes in New South Wales are guided by state laws and separate processes apply for the property acquisition in other states.

This is a guide only and should not be treated as legal or commercial advice.

WHEN WILL THE PROPERTY ACQUISITION PROCESS START?

ARTC will be acquiring land on behalf of the NSW Government in order to complete the Inland Rail route. As a corporation, ARTC can also acquire land in its own right, but cannot compulsorily acquire land.

The acquisition process will start when ARTC is certain about what land is required for the final rail corridor, the final corridor design and the amount of land needed.

If you are a landowner within the final rail corridor, ARTC's Property Team will contact you for a meeting to discuss the details.

WILL I BE ASSISTED THROUGH THE PROCESS?

ARTC will assist you through the acquisition process, with specialised Property Manager Acquisition (PMA) team members acting as your personal point of contact. A Transaction Manager will also assist by providing any technical assistance you may need.

HOW WILL I BE COMPENSATED?

If your land is acquired for Inland Rail, you will be entitled to claim compensation for the loss of the legal interest you hold in that property. Compensation is assessed by qualified local valuers who have experience in both rural valuation and compensation assessments.

A valuer will assess compensation in the same way for both acquisition by negotiated agreement or compulsory acquisition.

The aim of compensation is to place a landowner in a position equal to that before the acquisition. This means that along with market value, additional amounts may be payable to a landowner and/or legal interest holder under the NSW *Land Acquisition (Just Terms Compensation) Act 1991*.

For example, ARTC may have to pay additional amounts to a landowner if the remaining part of the property could potentially lessen in value due to the new rail infrastructure.

HOW WILL LAND BE ACQUIRED?

There are three ways in which land is acquired:

1. Acquisition by negotiated agreement.
2. Compulsory acquisition by negotiated agreement.
3. Compulsory acquisition.

We would prefer to reach a negotiated agreement with you first, rather than use the compulsory acquisition process.



PROPERTY ACQUISITION FOR INLAND RAIL

A STEP-BY-STEP GUIDE

1 ACQUISITION BY NEGOTIATED AGREEMENT

A negotiated outcome is our preferred approach. This involves ARTC and the landowner agreeing to the compensation amount and any other relevant terms and conditions within a strict, six-month time frame.

Once these terms are agreed, a contract of sale is entered into and compensation paid as specified in the agreed, legally binding agreement or contract.

Property acquisition process initiated by letter, following meeting with landowner

Claim for compensation from landowner received

Both parties agree to terms and conditions

Both parties enter a contract

Contracts are exchanged and compensation paid per contract conditions

DID YOU KNOW?

85% of acquisitions are mutually agreed between the owner and Acquiring Agency, without the need for compulsory acquisition.

Property Acquisition Information Guide, NSW Government

2 COMPULSORY ACQUISITION BY NEGOTIATED AGREEMENT

This is the same process as above, except that the mechanism of issuing a notice in the *NSW Government Gazette* is used to transfer the land rather than the use of a contract of sale.



3 COMPULSORY ACQUISITION

If it is not possible to reach an agreement with you, ARTC may initiate the process of acquiring part or all of your property through compulsory acquisition.

This involves the acquiring authority (in NSW this is Transport for NSW) commencing the compulsory acquisition process at the request of ARTC.

ARTC may request a compulsory process due to the following reasons.

- ▶ Negotiations about compensation have broken down and agreement cannot be reached within the required six-month timeframe needed for acquisition by agreement.
- ▶ A landowner could not be identified, or found, or the land is held as a deceased estate, or the owner has difficulty establishing proof of title.
- ▶ The landowner requests that the land be compulsorily acquired.
- ▶ The land is Crown land, state-owned land or a road reserve.

To comply with NSW legislation, the mandatory six-month negotiation period is considered to have commenced seven days after the date of the initial letter that opens the process. ARTC may choose to buy the land in its own name during the six-month negotiation process.

After the negotiation timeframe of six months has passed and a Preliminary Acquisition Notice has been issued, a notice is placed in the *NSW Government Gazette* and you are offered compensation as assessed by the Valuer General. You may accept the offer and payment is then made. You can also object to the offer of compensation, through the Land and Environment Court. You can continue to negotiate compensation until the notice is lodged in the gazette.

Property acquisition process initiated by letter, following meeting with landowner

Preliminary Acquisition Notice issued

A notice is placed in the *NSW Government Gazette*

The landowner claims compensation

Valuer General assesses compensation

Landowner accepts or rejects the offered compensation

Settlement or legal action



HOW WILL MY PROPERTY BE VALUED?

Value is assessed on many factors such as (but not limited to) location, legal land use, improvements to the land, size, and topography. Comparisons are made to other properties sold in the general area, where they show evidence of a genuine open market transaction. Market value can only be determined by professional valuers.

For compensation, the market value of your property in its current state is considered, **ignoring the proposed rail corridor**. A second valuation assesses what the property is worth in the open market after the land is acquired and the rail corridor and infrastructure have been constructed. The compensation paid is the difference between the two valuations.

WHAT IF I DISAGREE WITH THE COMPENSATION OFFERED?

Disagreement about compensation is usually a result of different approaches, facts and base assumptions used in the assessment process.

It is important that you obtain professional and independent advice relating to the compensation you are entitled to. While there is no obligation for you to accept ARTC's suggestions, ARTC can provide a list of regionally based valuers who are considered experienced and qualified.

Disagreements are always resolved in a professional manner, through a negotiation process. Both parties may obtain the assistance of their valuer if they choose.

You will be guided through this process by the ARTC Property Team representative.

WILL I BE REIMBURSED FOR USING INDEPENDENT CONSULTANTS?

If you engage an independent valuer and get legal help after the start of the acquisition process, any reasonable fees incurred for these services (that are a natural consequence resulting from the acquisition) will be refunded as part of the overall settlement package.

In some cases, additional specialist consultants may need to be engaged. Before any engagement, you must discuss the matter with your ARTC Property Team member.

If you engage legal assistance to help you challenge or negotiate the compensation, these costs remain your responsibility and will not be paid by ARTC unless an agreement is reached.

WHEN DO I NEED TO VACATE?

If part or all of your property is being acquired, then the date of access to the land will be stipulated in the legal agreement or in state legislation.

WHERE CAN I FIND MORE INFORMATION?

For more information about property acquisition law in NSW, please refer to the *Land Acquisition (Just Terms Compensation) Act 1991 No 22* or visit propertyacquisition.nsw.gov.au

WANT TO KNOW MORE?

ARTC is committed to working with landowners, communities, state and local governments as a vital part of our planning and consultation work, and we value your input. If you have any questions or comments about this fact sheet, please let us know.

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