

HVWRP ACQUISITION POLICY

Revised June 2005

INTRODUCTION

The purpose of this policy is to establish guidelines for LandCorp to purchase property within the Hope Valley Wattleup Redevelopment Project area (the “redevelopment area”).

PRINCIPLES

- Fair, equitable and transparent dealing with landowners based on a fair market price in all instances
- Consistently apply the provisions of the *Hope Valley Wattleup Redevelopment Act 2000* (the “Act”) and the State Government’s commitments in dealings with landowners
- Provision for rural hardship conditions
- Management of the acquisition program on a basis consistent with available funding
- Valuations reflecting the highest and best use.
- Comparable sales evidence based on non-government sales to be utilised in ascertaining “market value”
- Arbitration being an option available to all vendors as a means of resolving valuation disputes. Arbitrators to be appointed by the President of the Australian Property Institute and operate within the Institute’s guidelines for arbitration.

TOWNSHIP ACQUISITION PROCESS

1. Vendors approaching LandCorp for purchase will receive an information pack detailing the acquisition process..
2. LandCorp will commission a valuer from its panel of valuers to undertake a market valuation of the subject property. The vendor/s may obtain their own market valuation advice, as per the brief in the information pack, with LandCorp reimbursing the cost up to \$1,000. Should the vendor/s elect not to pursue their own valuation advice, LandCorp may provide a second valuer from its panel of valuers at no cost to the vendor/s.
3. Upon receipt of the valuation reports and if the two valuations are within a 10% price range of each other, approval will be sought from LandCorp to make an offer based on the average of the two valuations. If the vendor/s declines to accept the offer to purchase, the vendor/s may elect for arbitration as a means of resolving the dispute (clause 5). Should the vendor/s not elect for arbitration, clause 6 will apply.
4. In the event of the two valuations differing by more than 10%, a meeting between the valuers will be convened to attempt to reach an agreement of the market value. If agreement is reached, approval will be sought from LandCorp to make a revised offer to the vendor/s.

5. If an agreement at the meeting between the valuers is not achieved, the vendor/s may elect for arbitration to resolve the valuation dispute. The arbitrator's decision will be final and binding to both parties with settlement 30 days from the arbitration decision. The terms and conditions of arbitration are provided in the information pack received when applying for LandCorp to purchase the property.
6. Should the vendor/s not elect arbitration, then an offer to purchase based on LandCorp's valuation advice will be presented and be valid for 30 days.

HARDSHIP

Offers for rural properties will be acquired subject to demonstration of hardship and available funding.

LandCorp undertakes to purchase rural properties where owners can provide evidence of genuine hardship. Applications will be assessed on individual merit subject to documentary evidence provided by professional third party opinion stating continued ownership of the property and/or occupation of the existing residence would cause demonstrable and conspicuous hardship.

Hardship purchases are conditional on funding availability and the completion of an environmental assessment clearing the property of any contamination.

A relocation allowance is not applicable to rural purchases.

Upon approval to proceed with the hardship application, the guidelines stated in the above "township acquisition process" will apply.

RELOCATION GRANT

State Cabinet determination of 2 April 2001 allows LandCorp to make a one-off payment to owners of residential properties within the townships of Hope Valley and Wattleup with a Relocation Grant calculated as follows:

- On properties where settlement occurs up to 30 June 2001, \$9,000;
- On properties where settlement occurs during the period 1 July 2001 to 30 June 2002, \$9,500; and
- On properties where settlement occurs after 30 June 2002, \$10,000
- On properties where settlement occurs after 1 June 2004, \$12,000
- On properties where settlement occurs after 1 July 2005, \$20,000
- On properties where settlement occurs after 1 July 2007, \$12,000

The Relocation Grant does not form part of the purchase price and is paid once settlement has occurred.

The Relocation Grant is not payable to deceased estates, vacant land, rural hardship purchases or commercial purchases.