

# McGEES PERTH COMPENSATION PRESENTATION

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1

- In some cases you can never fully compensate someone who has an emotional attachment to a property.

## *Recent Main Roads Projects:*

- Graham Farmer Freeway: 120 properties part or wholly resumed: 6 writs issued to Main Roads.
- Forrest Highway: 61 properties part or wholly resumed: 17 writs issued to Main Roads.

## *Recent Main Roads Projects:*

- Great Eastern Highway (Rivervale to Redcliffe): 64 properties part or wholly resumed: 0 writs to date issued to Main Roads.
- Gateway Project (Kewdale): 62 properties part or wholly resumed: 0 writs to date issued to Main Roads.

# Owners

- Most acquiring authorities will meet with the owners 1<sup>st</sup> to introduce themselves and to explain the compensation process.
- Listen & talk to the owners. They are often a source of valuable information.

# Valuations

- Main Roads pay for two independent valuations for themselves plus a further valuation for the owner of the resumed property.
- Main Roads will make an offer based on their two valuations.

## *Valuation Instructions:*

- Having clear & correct instructions is important to a valuer as it gives us the guidance we require.
- The last thing a valuer wants to do is to provide a report that has very little relevance or use.

# *Valuation Instructions*

- What act do you want the valuer to complete the valuation in accordance with?
- What valuation date?
- Append a copy of a recent Certificate of Title Search of the property to an instruction.



# *Valuation Instructions*

- Append an acquisition plan completed by a licenced surveyor to the instruction.
- An acquisition plan with an aerial transposed over it is always helpful to a valuer.

## *Comparable Sales:*

- It is not uncommon for valuers to have differences in opinion when comparing sales to the subject.
- With some jobs there are a plethora of sales to rely on.
- In some jobs the perfect sale does not exist.

# *Other Valuation Methodologies to the Direct Comparison Approach:*

- Hypothetical or Static Approach
- Discounted Cashflow Approach
- Capitalisation of Income Approach

## *Expert Inputs:*

- A valuer is heavily reliant on external consultants such as planners, environmental specialists, civil engineers and business valuation professionals.
- A compensation value can be heavily influenced by town planning & environmental matters.

- A valuer should only quantify what is quantifiable as at the date of valuation.

# Conclusion

- Be patient. Some resumptions can take years to be resolved.