

28 March 2014

The Hon. Gladys Berejiklian MP
Minister for Transport
Level 35 Governor Macquarie Tower
1 Farrer Place
Sydney NSW 2000

Dear Minister

Urgent: Light Rail Home Acquisitions

I write on behalf of Olivia Gardens owners whose apartments are being purchased by Transport for NSW (TfNSW) for the CBD and South East Light Rail Project. A number of owners and their advocates report that TfNSW is not treating owners fairly. Concerns identified in this letter are in addition to those I submitted in questions to you in Parliament on 19 March.

Constituents tell me that TfNSW takes an excessive amount of time to execute an agreement after an owner accepts an offer. They say TfNSW takes over three weeks to deliver agreements and it takes a further six weeks to pay the money once signed and returned. My constituents say that this is unreasonable, does not comply with standard practice for residential sales in Sydney and causes financial burden, particularly with meeting bridging costs including deposits for new homes.

I understand owners can stay in their home for eight weeks after settlement but if owners need to stay beyond this period, TfNSW withholds a bond of 10 per cent of purchase price and charges market rent. My constituents argue that market rent is too high given it is based on rent values under a residential tenancy lease whereas they occupy the property under an inferior licence with strict conditions. They say they are already losing because the withheld bond incurs no interest.

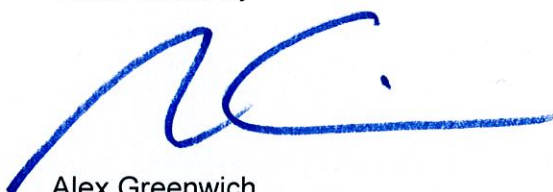
Constituents tell me that TfNSW includes a requirement for owners to indemnify TfNSW for months after settlement, even though they are no longer in possession of the apartment and have no control over matters. This seems unfair and absurd.

My constituents say their entitlement to compensation for surplus value owed to the Owners Corporation is unclear. I understand this could include spare land that can be developed following light rail completion, or resale of newly installed solar panels and balustrades on common property. I share constituents' concern that TfNSW should guarantee that it will pay monies from surplus value to dispossessed owners.

This is a difficult time for owners. Court decisions require compulsory acquisitions to "achieve compensation on just terms for the dispossessed owner rather than the acquiring authority".

Could you please address my constituents' concerns, ensure they are treated fairly and do not suffer a loss and inform me what action you will take?

Yours sincerely



Alex Greenwich
Member for Sydney

