

Compulsory Acquisition

5 Common Questions Answered

1. *How is my compensation assessed?*

You are entitled to receive compensation assessed on the following grounds:

- the market value of the interest on the date of acquisition;
- any special value to you on the date of acquisition;
- any loss attributable to severance;
- any loss attributable to disturbance; and
- any legal, valuation or other professional expenses necessarily incurred by you by reason of the acquisition of the interest

2. *Am I entitled to have my legal, accounting and valuation costs paid by the acquiring authority?*

All reasonable legal, accounting and valuation costs incurred by you as a result of the compulsory acquisition, and prior to any legal proceedings being initiated, are generally paid by the acquiring authority.

3. *What is Solatium?*

The amount of compensation payable to you may be increased by up to 10% of the market value of the interest in the land acquired, by way of Solatium. Such amount is determined by taking consideration all intangible and non-pecuniary disadvantages resulting from the acquisition including the inconvenience suffered by you, your age, the amount of years you were in possession of the interest in the land etc.

4. *Do I receive compensation for existing use of the land or the highest and best use?*

You are entitled to have such interest valued on a highest and best use as opposed to an existing use.

For example, if your land that has been compulsory acquired is currently occupied as a single dwelling residence but you could reasonably show that you could obtain planning and building permits to proceed with developing your land into three (3) level residential apartments or subdivide it into lots then you would be entitled to seek compensation on the value of the land having regard to the ability to proceed with such development as opposed to the market value of the property in its existing use.

5. *When should I seek legal advice?*

Upon receiving any written or oral communication from an acquiring authority you should immediately seek legal advice from a competent solicitor that has experience in this niche area of law.