

Those closest to sky rail may not be biggest losers

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Domain Reporter

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An artist's impression of what sky rail could look like. Photo: Supplied

Home owners tempted to take advantage of the state government's voluntary acquisition scheme for those affected by the proposed sky rail in Melbourne's south-east may be priced out of their suburb because of already discounted property values.

Neighbouring homes backing onto the train line may also not be immune to falls in values.

The government **announced on Tuesday** residents of about 130 homes backing onto the elevated sections of the \$1.6 billion Caulfield-Dandenong sky-rail project can apply to have their properties voluntarily purchased at an unaffected market value.



An artist's impression of the Victorian government's \$1.6 billion sky rail along the Cranbourne-Pakeham line.

Photo: Supplied

Roger Batrouney, group leader of compulsory acquisition at Slater and Gordon, said residents who received compensation when their homes were acquired for the Regional Rail Link in Footscray could not afford to relocate in the same area because the valuation of their property included a deduction based on the proximity, noise and dust from the railway line at the back of their home.

“A lot of them ended up moving out to Sunshine, ... so it's not always the perfect solution to the problem that the authority might represent it as,” he said.

Experts say infrastructure projects could also impact properties not in the immediate area.



An artist's impression of the elevated rail line as it passes through Murumbeena. Photo: Supplied

Australian Property Institute spokesman and Urbis director Nicholas Moore said when the majority of homes on the northside of Buckley Street in Footscray were compulsorily acquired for the Regional Rail Link, properties across the street were exposed to a train line once the acquired homes were demolished.

The landscape and environment changed as a consequence of the project, but home owners across the street had no grounds for compensation, he said.

Footscray-based Sweeney Estate Agents' Darren Dean said those homes decreased in value after they lost their buffer – the northside homes that had “absorbed” the views of the train line.

“The market in the last three years has boomed, so [properties] have all grown accordingly with market increase, but those properties are still 10 per cent behind what they would have been if the houses were there,” he said.

Local residents living near the Caulfield to Dandenong level crossing removal project would be able to apply for a package of works including more trees and plants and raising of fences “to reduce the visual impact” of the elevated sections of the project. They could also apply to install a gate in their back fence to “enjoy the new parkland the project would create”.

But Wakelin Property Advisory's Jarrod McCabe said properties across the road, or nearby, may suffer just as much as those abutting the railway depending on how the landscaping program nullifies the visual and noise aspects of the elevated railway.

Paul Osborne, of Secret Agent Buyers Advocates, said property owners on the fringe of the homes eligible to be voluntarily purchased will not have the option of being bought out, but they might find a decreased valuation on their home if they chose to sell while the infrastructure project was being built.

Homes further away from the project, without the potential “visual pollution” of the elevated rail, would

reap the benefits upon completion, and are expected to increase in value, he said.

Professor Richard Reed, of Deakin University, said properties were built on perception; a property close to the waterfront would have a much higher value than one that was one house away, and it also worked in reverse.

“Anything that people don’t want to be near; power lines, main road, elevated roads – if someone can actually see it from the backyard – it will decrease the value of the property,” he said.

A voluntary acquisition scheme was last offered when the East West Link was announced.

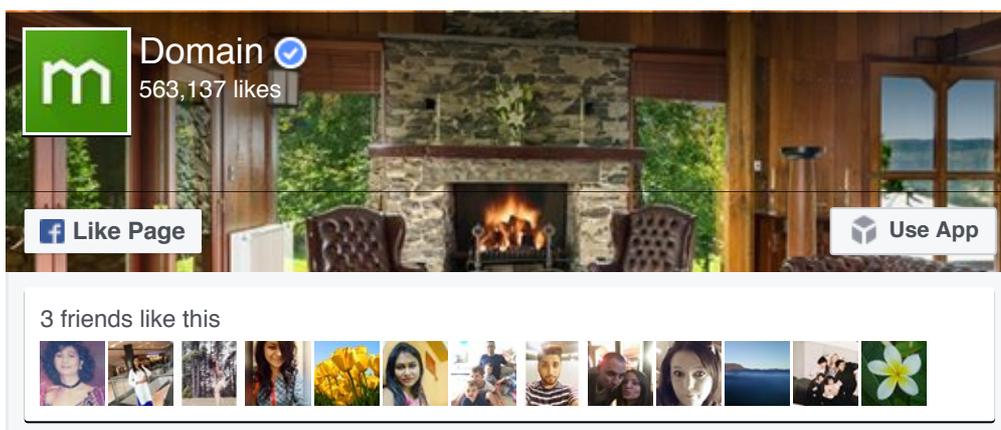
Mr Batrouney said it was a similar process to a compulsory acquisition, but residents were unable to appeal to the Victorian Civil and Administrative Tribunal if an agreement on price was not reached.

Residents on the Cranbourne-Pakeham line have until June 2017 to apply for the buyback scheme, which includes related costs such as legal, valuation and moving expenses, and stamp duty.



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