

Resilient Homes Program

Fact Sheet – Home Buyback

Overview

As part of the Resilient Homes Program’s Home Buyback stream, the Northern Rivers Reconstruction Corporation (NRRC) will offer to purchase prioritised homes.

A payment package will be offered to the homeowner which considers market value of the property immediately prior to the February and March 2022 floods.

Prioritisation of homes

New flood mapping and analysis indicates specific areas across the Northern Rivers which pose the greatest risk to life in most floods and therefore will be the first priority for Home Buybacks.

Homes being prioritised for a Home Buyback are in areas with more frequent, high and fast floods. There is a severe risk of future flood damage and a high risk to life in these areas. This includes the greatest risk to life to both residents and emergency response agencies sent to rescue them.

Working with the funding currently available, the NRRC has prioritised Group A homes for Home Buyback as they are in areas where there is the greatest risk to life.

The NRRC is currently working within the budget guidelines of the Resilient Homes Program and will continue to deal with the Australian and NSW governments to consider further options for people in Group B homes for Home Buyback.

More information on the assessment and prioritisation process, as well as the guidelines for the Home Buyback streams, are available at nsw.gov.au/resilienthomesprogram

Process

Prioritised homeowners who have registered for the Resilient Homes Program, will be contacted by an NRRC representative who will provide guidance on the assessment and Home Buyback process as below. Prioritised homeowners who have registered for a Flood Property Assessment Program or Disaster Relief Grant after 4 September 2023 will need to complete a separate registration for the Resilient Homes Program to progress through the process.

Key steps	1	2	3	4	5
	NRRC contacts homeowner to: <ul style="list-style-type: none"> confirm homeowner details provide the Homeowner Information Form for completion book a property valuation discuss case management approach. 	Independent valuer/s inspect and assess the property and prepare a valuation report.	Valuation report(s) are reviewed by technical specialists and/or Valuation NSW.	NRRC assesses the application, including valuation report(s) completed for the property, and issues a letter of offer.	Homeowner considers the offer and, pending acceptance, the NRRC commences the process to purchase the property and transfer ownership.
Timing	Up to 4 weeks			Up to 10 weeks	

You will be supported the NRRC and a case worker throughout this process.

There are some actions you can take as this process unfolds.

Key steps	1	2	3	4	5
What homeowners can do to prepare	<ul style="list-style-type: none"> • Make a list of questions to ask. • Complete and sign the Homeowner Information Form and return to NRRC, along with requested supporting documentation, such as insurance details. 	<ul style="list-style-type: none"> • Keep a list of questions you still have and any outstanding documents you need assistance with. 	<ul style="list-style-type: none"> • Contact your NRRC case manager with any questions. 	<ul style="list-style-type: none"> • Contact your NRRC case manager with any questions. 	<ul style="list-style-type: none"> • Consider the NRRC's offer. • The NRRC recommends you seek independent legal and/or accounting advice before accepting the offer. • Be ready to sign the necessary documents if you would like to proceed.

Frequently Asked Questions

Prioritisation

Question	Answer
How do you prioritise homes for the Home Buyback stream?	<p>Homes being prioritised for a Home Buyback are in areas with more frequent, high and fast floods as shared in new flood mapping and analysis.</p> <p>There is a severe risk of future flood damage and a high risk to life in these areas. This includes the greatest risk to life to both residents and emergency response agencies sent to rescue them.</p> <p>“Severe risk” is based on factors including:</p> <ul style="list-style-type: none"> – the location of the home relative to the modelled future flood levels; – the extent of damage sustained during the February and March 2022 floods; – modelling which determines future flood hazard; and/or – emergency services flood planning, including the risk of isolation, and the availability and safety of escape routes. <p>For more, please refer to the Resilient Homes Program Guidelines available at nsw.gov.au/resilienthomesprogram.</p>
What if I don't want to sell my house?	<p>Participation in the Resilient Homes Program is voluntary. A homeowner is under no obligation to sell their property to the NRRC.</p> <p>However, if a homeowner decides not to participate in the program at this time, the NRRC cannot guarantee it will be able to make another offer.</p>
What if I want to have my home raised or retrofitted instead of a buyback?	<p>A homeowner does not have the ability to nominate a particular stream of their choosing.</p> <p>If a homeowner is assessed by the NRRC as being prioritised for the Home Buyback stream, the Home Raising or Retrofit streams are unavailable.</p> <p>If you disagree with the NRRC's decision based on the Resilient Homes Program guidelines, you can lodge an appeal.</p>

Process

Question	Answer
What kind of information do I have to gather to assist with the NRRC's initial assessment?	<p>You will be provided with a Homeowner Information Form, which will guide you through the information required to assist with the NRRC's assessment. This includes:</p> <ul style="list-style-type: none">– property damage caused by the February/March 2022 floods;– details and photos of the property pre and post flood event (if available);– insurance details (including status and detail of any claims);– individual circumstances (for more information on these circumstances, please refer to the Resilient Homes Program Guidelines); and– detail and evidence of any repair work already undertaken on the property since the floods. <p>We understand you may no longer have some of this information and you may need assistance in completing the form. We will be available to help guide you through this task.</p>
What will happen if I accept the Home Buyback offer?	<p>After you sign and return your letter of offer, the NRRC will issue the contract for sale. The standard process for transferring ownership of the property will then be carried out.</p> <p>A solicitor or conveyancer can assist you with this process, and the NRRC will pay their fees to a capped amount (see information under 'Valuation and payment package').</p> <p>Opportunity for delayed settlement may also be available. This means that, if you wish to stay in your property until you find alternative accommodation, and it is safe to do so, the NRRC will agree to a delayed settlement of usually up to one year.</p>
If I delay settlement, when will I receive the payment package?	<p>You will receive the full amount of your payment package at settlement. If you require part of the payment package to pay for a deposit on a property purchase prior to settlement, the NRRC may agree to release a portion of the payment package.</p> <p>You will need to agree to certain terms and conditions (that will form part of the contract for sale) to allow this to happen.</p>
How will land purchased under the Home Buyback stream be used in the future?	<p>Properties purchased through the Home Buyback stream will likely be re-zoned, or a restriction put in place, to remove the option of residential dwellings being constructed at a later date.</p> <p>The NRRC will work with local councils and the community to identify the most beneficial future use for the land acquired under the program, and how that land will be managed going forward.</p> <p>This is consistent with the findings of the Flood Inquiry which recommends the treatment of floodplains as assets.</p>
Can I take the house with me after selling the property to the NRRC?	<p>There may be opportunity for you to remove the house and relocate it to suitable land, with the agreement of the NRRC.</p>

Valuation and Payment Package

Question	Answer
<p>How will I be compensated if I am offered a Home Buyback?</p>	<p>The NRRC is proposing to pay prioritised homeowners a purchase price which considers market value of the property immediately before the February and March 2022 floods.</p> <p>The NRRC is proposing to offer a payment package which comprises:</p> <p>(a) compensation under the Land Acquisition (Just Terms Compensation) Act 1991 (Just Terms Act) (referred to as the Just Terms Payment), which is:</p> <p>(i) the market value of the property calculated at the date on which the sale contract is entered into (the current market value); and</p> <p>(ii) other types of compensation to which a homeowner may be entitled under the Just Terms Act;</p> <p>Plus (if applicable):</p> <p>(b) an additional grant to bring the total payment up to the market value of the property before the Flood Event (referred to as the Top Up Payment).</p>
<p>Will I be reimbursed for any independent advice that I receive as part of this process?</p>	<p>The NRRC is proposing to offer homeowners up to \$3,000 (inclusive of GST) for the payment of legal and accounting costs. This is additional to the Top Up Payment for which a homeowner may be eligible.</p> <p>Please note that the NRRC will require valid invoices from solicitors and/or accountants before any reimbursement will be made.</p>
<p>What does the independent valuer assess when valuing my property?</p>	<p>The NRRC will engage an independent valuer to assess:</p> <ul style="list-style-type: none"> – the market value of the property immediately before the Flood Event; – the current market value of the property; and – the other categories of compensation in the Just Terms Act which the homeowner may be owed.
<p>What assurances are in place to make sure the valuation is accurate?</p>	<p>The independent valuers will produce valuation reports, which will then be reviewed by technical specialists and/or Valuation NSW. A peer review report will then be provided to the NRRC, which will be considered when determining the Resilient Homes Program offer value.</p>
<p>My house is not there – it's been destroyed – how does this impact the valuation?</p>	<p>As the payment package will generally reflect the market value prior to the Flood Event, destruction of the house should not adversely affect the offer you are made.</p> <p>When completing the Homeowner Information Form, you will be prompted to supply information about the house which will assist the NRRC in assessing your application.</p>

Insurance and other personal matters

Question	Answer
I have taken a cash settlement from my insurer; will this affect the Home Buyback price?	Where home insurance payments are available, the value of that payment may be offset against the Top Up Payment under the Home Buyback stream.
If I accept a Home Buyback will the sale of my home affect my pension/tax?	<p>The sale of your property may have tax implications, as well as impact your social security benefits.</p> <p>The NRRC recommends you obtain independent accounting advice in this regard.</p> <p>The NRRC will pay for your fees, to a capped amount (see information under 'Valuation and payment package').</p> <p>The Financial Information Service at Services Australia can also help homeowners make informed financial decisions and understand the results of decisions in both the short and long term.</p> <p>Homeowners can contact the Financial Information Service free of charge on 13 2300.</p>

Access to new land and housing developments


Question	Answer
Will homeowners who accept a buyback offer be given priority access to new land and housing developments?	<p>In parallel to the Resilient Homes Program, the Resilient Land Program is designed to mitigate against possible housing pressures.</p> <p>A further \$100 million is available to support the delivery of housing in the Northern Rivers region.</p> <p>As part of the Resilient Land Program, Home Buyback homeowners will be prioritised in accessing new land and housing.</p> <p>The NRRC is consulting with the community, local governments, state government agencies, the development and construction industries, and other stakeholders to identify pathways to increase housing supply in the Northern Rivers region as quickly as possible.</p>

Appeals

Question	Answer
What if I disagree with the NRRC's assessment or offer?	<p>Homeowners can appeal to the Resilient Homes Program Appeals Panel where:</p> <ul style="list-style-type: none">– the NRRC determines that a homeowner is not eligible for the Resilient Homes Program;– a homeowner does not agree with the stream which the NRRC has assessed as the most appropriate;– homeowner disagrees with the amount of a buyback offer; or– homeowner disagrees with the scope of works proposed. <p>Further information on the appeals process is available at nsw.gov.au/resilienthomesprogram.</p>

For more information

 **Visit:** nsw.gov.au/resilienthomesprogram

 **Call:** 1800 844 085

 **Email:** resilienthomesprogram@nrcc.nsw.gov.au

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