



**LEGISLATIVE ASSEMBLY FOR THE AUSTRALIAN CAPITAL
TERRITORY**

STANDING COMMITTEE ON PUBLIC ACCOUNTS

(Reference: [Inquiry into Auditor-General's Report No 8 of 2018: Assembly of rural land west of Canberra](#))

Members:

MRS V DUNNE (Chair)
MS T CHEYNE (Deputy Chair)
MS B CODY
MS N LAWDER

**TRANSCRIPT OF EVIDENCE
CANBERRA**

WEDNESDAY, 5 FEBRUARY 2020

Hearings of 5 February 2020, held in connection with the Standing Committee on Public Accounts' inquiry by the into Auditor-General Report No 8 of 2018: *Assembly of rural land west of Canberra*, were originally held *in-camera* and so the transcript was a private document of the Committee.

In meetings of 22 and 29 July 2020 the Committee resolved that transparency, and its effort to prepare and table of the report, were best served by the Committee authorising the transcript's publication. It has not been altered in any way other than to change its status from a private to a public document of the Committee.

Secretary to the committee:
Dr B Lloyd (Ph: 620 50137)

By authority of the Legislative Assembly for the Australian Capital Territory

Submissions, answers to questions on notice and other documents, including requests for clarification of the transcript of evidence, relevant to this inquiry that have been authorised for publication by the committee may be obtained from the Legislative Assembly website.

WITNESSES

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Privilege statement

The Assembly has authorised the recording, broadcasting and re-broadcasting of these proceedings.

All witnesses making submissions or giving evidence to committees of the Legislative Assembly for the ACT are protected by parliamentary privilege.

“Parliamentary privilege” means the special rights and immunities which belong to the Assembly, its committees and its members. These rights and immunities enable committees to operate effectively, and enable those involved in committee processes to do so without obstruction, or fear of prosecution.

Witnesses must tell the truth: giving false or misleading evidence will be treated as a serious matter, and may be considered a contempt of the Assembly.

While the Committee prefers to hear all evidence in public, it may take evidence in-camera if requested. Confidential evidence will be recorded and kept securely. It is within the power of the committee at a later date to publish or present all or part of that evidence to the Assembly; but any decision to publish or present in-camera evidence will not be taken without consulting with the person who gave the evidence.

Amended 20 May 2013

The committee met in camera at 9.35 am.

THE FORMER OWNER OF FAIRVALE

THE CHAIR: Good morning, and welcome to this in-camera hearing of the Standing Committee on Public Accounts inquiry into Auditor-General's report No 8 of 2018—*Assembly of rural land west of Canberra*. Today we are hearing from the former owner of Fairvale. I will note that the witness has asked that she be referred to as the former owner of Fairvale.

I want to touch briefly on a few procedural matters. In the standing orders of the Assembly, standing order 229C provides that a committee may conduct proceedings via the hearing of witnesses for the taking of evidence either in public or in private. Private hearings are also referred to as in-camera hearings. Standing order 277(p) provides that a person shall not, without the authority of the Assembly or a committee, publish or disclose any proceedings in private session of the Assembly or a committee or any report of such proceedings.

Standing order 264A(h) provides that, before giving any evidence in private session, a witness shall be informed of whether it is the intention of the committee to publish or present to the Assembly all or part of that evidence, that it is within the power of the committee to do so, and that the Assembly has the authority to order the production and publication of undisclosed evidence. In fulfilment of this requirement I wish to advise that in this case the committee will deliberate on whether to publish all or part of the evidence provided today and may resolve to publish it in part by referring to it in the committee report.

The former owner of Fairvale, you will have been given a copy of the privilege statement, which is the pink laminated sheet in front of you. Have you had an opportunity to read the sheet, and could you indicate that you understand the privilege implications?

The former owner of Fairvale: Yes, I have read it, and I do understand.

THE CHAIR: Thank you for appearing today. We will go straight to questions. As the former owner of Fairvale, you have a privileged insight into part of the committee's inquiry, as the committee is inquiring into the acquisition by the Land Development Agency of certain blocks of land, and one of them was part of what had formerly been part of your property. Could you give the committee some background about the property which was known as Fairvale, which was one consolidated block? What did you do on the property and what led you to open discussions with the Land Development Agency about their acquisition of the property?

The former owner of Fairvale: That is a big question.

THE CHAIR: You can take your time.

The former owner of Fairvale: On the block I ran a rural enterprise. I am a veterinarian. I ran a beef cattle stud. I am really passionate about the land. It is red

gum and yellow box grassy woodland. We stocked it very lightly, planted an enormous number of trees and did a huge amount of weed control, hopefully to pass it on to somebody else that would also manage it in the same way. Generally, I sold bulls and replacement heifers. I spent most of my time doing weed work and bringing the place back from the pretty ordinary place it was when I bought it.

THE CHAIR: Which was when?

The former owner of Fairvale: That was in 1997. One of the biggest problems we had was that we had a six-kilometre frontage with the Murrumbidgee River corridor, and the weeds coming out of there were just horrendous. An enormous amount of after-tax money was paid in removing, controlling and fixing that problem, and grazing it very lightly. Obviously, the enterprise was mainly beef cattle management. We did have a pile of sheep, but they all cooked in the 2003 fire.

In 2003 the property copped the initial brunt of those tornadoes that came across from the Bullen Range, plus the fire from the top. We were virtually incinerated. Thinking that the place was always going to remain as a rural enterprise, we rebuilt it, which cost millions. All the fences, all the sheds—everything—was really redone. That is what I did there. The rest of my family lived an urban life. I did the work—loved it. That is the history of what I did there.

THE CHAIR: What was the nature of the lease that you had over the land?

The former owner of Fairvale: When the 99-year leases came out, I took it up straightaway, in 2001. I made a lot of inquiries to make sure that it would stay in that spatial plan, as part of Tourist Drive 5, and not ever be acquired. I took out the lease. I did the same thing after the 2003 bushfires, when it was obviously going to cost an enormous amount of money to rebuild infrastructure. I did not know until 2015 that the ACT government had any desire to reclaim or use that land for any other purpose.

THE CHAIR: You have told the story about acquiring the land and revivifying it after the fires. Did you lose all of the buildings and assets, or did you manage to save anything during the fire?

The former owner of Fairvale: We saved the house. The old homestead, which was built in 1940, was partially burnt and we rebuilt it. The fire got in the back door and cooked everything. We managed to save the shearing shed, which was from 1940, built from timber on the place, which I consider to be the biggest thing historically. Everything else—all of the sheds, machinery, hay sheds, machines and sheep—burnt. I saved most of the cattle.

THE CHAIR: I think you intimated that after the 2003 fires you made further inquiries as to what the government's plans were for that land—

The former owner of Fairvale: Yes.

THE CHAIR: before you recommitted to rebuilding?

The former owner of Fairvale: Yes.

THE CHAIR: At that stage there was not, to your knowledge, discussion about future urban land use?

The former owner of Fairvale: No.

THE CHAIR: Going forward to 2015, was it in about 2015 that the property was sold?

The former owner of Fairvale: Yes.

THE CHAIR: What happened in that process?

The former owner of Fairvale: I decided, for a couple of reasons, that I could not keep killing myself on the place. My children did not want the property and I had a bit of a problem with the only employee that I had. I thought that maybe I should sell it. I thought, “How am I going to do this?” I chose some valuers to see what it was worth and how I would do this. I had three valuations—called three people in. At that stage the only people that knew that I was even contemplating selling were those three valuers, my husband, my two kids, a good friend and my brother in Sydney—and the employee, who was horrified. Nobody knew, but I went ahead and thought, “How do I do this? How do you actually sell a property like this?”

When I chose an agent, which I did very early, on 2 July, I chose an agent because it would be on an expression of interest basis, not an auction. I did not want a clearing sale. I chose that agent because another agent had said, “We had no idea this sort of quality place existed. I can sell it to the Chinese.” I said, “No way.” I chose a local agent from Yass and signed an agreement with him that he would be the sales agent.

At the time we were approached by Colliers, initially. We had a marketing plan. Photographs had not been taken. There were no advertisements out. We thought we needed a building inspection. All of this had been planned for weeks later, but the agent was contacted by Colliers and PRD realty for a meeting. All of the photographs and all the rest of it suddenly became defunct. As soon as I knew that there was an interest from the ACT government, I was absolutely horrified. I thought, “I can’t sell it anywhere else because some other nice farmer that’s passionate about the land may want to have some sort of succession plan for his children. The property is obviously going to be resumed and it’s going to be kerbed and guttered. So let’s get rid of it as fast as we can.”

THE CHAIR: You were, independent of anything that was going on in government, planning to divest yourself of the property, and you started that process?

The former owner of Fairvale: Yes.

THE CHAIR: During that process, in the early stages, your agent was contacted by Colliers?

The former owner of Fairvale: He was contacted by Anthony Harris, who apparently is PRD realty, and Paul Powderly. He was rung on 28 July. My agent rang

me on the night of 28 July and said, “People have rung. They have an interest in the property. I’m having a meeting with them tomorrow. We’ll see how that turns out.” They contacted him up-front. They knew he was the agent because one of the other valuers, David Nolan from Webster Nolan in Sydney, had been the second valuer that I had called in. He came in on the 15th of the 6th, I think. He is the person that said he was going to sell it to the Chinese. He was blown away by the place and said he had no idea there was such a quality place in Canberra. I looked at his marketing plan and thought, “I don’t want to sell to the Chinese.” He was in Sydney and it was all going to be complicated. I let him know that I was not going to put him on as sales agent. I subsequently put on Col Medway at Landmark Harcourts, I think they are called—

THE CHAIR: This is the Yass agent?

The former owner of Fairvale: Yes, the Yass agent—on the 2nd. On the 4th or the 5th—it was a Saturday or a Sunday night—David Nolan from Webster Nolan rang me at home at about 7 o’clock at night and said, “I have a deal for you that you will be blown away by. You will not be able to pass up on this deal. The deal will be in the order of my valuation. You can stay on the property for as long as you want. It will be quick. Before I go any further—and you’re going to be delighted because you can stay there for nothing—you haven’t signed another agent, have you?” I said, “Yes, I have. Two days ago I did sign, and I let you know that I wasn’t going”—and he said, “Oh, no. You’re kidding.” So that was the end of that.

My assumption is that the only way that anyone from Colliers, PRD realty or anybody could have known about this would have been because he talked to somebody, and they jumped in. I understand that the ACT government did not want to purchase any properties that went on to the open market. We had not even put ours on the market; nobody knew. They wanted to jump in earlier. We were subsequently told by Paul Powderly, at a meeting on the 4th in the Colliers office, that the—

THE CHAIR: The 4th of?

The former owner of Fairvale: August. We were called to a meeting and we were told by him that David Dawes and he had an interest in buying the property—there was a strategic interest—and that the government would offer 10 per cent over market price to purchase the property up-front so that it did not go to auction and so that they were not on the open market. He also said I could stay there for as long as I wanted. It would cost something like \$1 per year to stay there. But it was important that this was done before the property went to auction, expression of interest or whatever else.

THE CHAIR: Could I ask—sorry, members, I am just trying to get the chronology—when did the valuer from Knight Frank become involved? You said you had three valuations. Was that one of the three valuations?

The former owner of Fairvale: No, no. I had three valuations. One was dreadful and the report was terrible and it took me days to fix it. I will not go into details. Then there was David Nolan—no, the first one was Col Medway, which was in May. The second one—

THE CHAIR: So he is the Yass agent?

The former owner of Fairvale: He is the Yass agent. The second one was David Nolan from Webster Nolan in Sydney. The third one was a person called Dennis Lovell, who runs a specific valuation service or something out of Hall. His was terrible. He subsequently revised it and I thought, “Well, hang on, what am I going to accept for this property? I have got probably a reasonable one.” Although the Yass agent did say—and it says in his report—“This is not a valuation. I don’t know what we can sell this for, but I have to do it on pure market values for a rural property. I’ve depreciated it because of X and Y, but here’s my figure.”

Then I had David Nolan’s one, which was what I thought it was worth. Then I had this third one, which I thought, “Whoa,” and I disagreed with him and he suddenly put another three-quarters of a million on it. I thought, “Now I am all over the show. What am I going to do?” I thought, “Just for my own personal thing, maybe I need a fourth valuer, because I need to get this right. If I am going to accept something, I need to know what is fair and reasonable.”

So I contacted a few rural people in the ACT that I know quite well and said, “Who did you use? You sold that property. What did you do?” It is hard in the ACT to get somebody that even knows how to open and close a rural gate. Two people said to me that the director of Knight Frank had been and valued their place. They thought he was very good. He obviously knew his way around a rural block. I thought, “That sounds okay,” from two people whom I trusted. So I rang him and asked him some time—quite a bit later—could he please come and give me a valuation.

THE CHAIR: Was this before you had signed an agent’s contract with Mr Medway?

The former owner of Fairvale: No, it was after, long after. I signed the agent contract with Landmark Harcourts on 2 July, and the director of Knight Frank came in a personal capacity to value the place on the 31st of the 7th, so that is 30 days after.

THE CHAIR: Okay. But that was roughly about the same time that Colliers and PRD were getting in contact with your agent?

The former owner of Fairvale: Colliers and PRD got in contact with the agent before the director of Knight Frank came to the property. Look, I am going to say his name, because it is too hard for me otherwise. They first rang Col Medway on 28 July 2015. They then had a meeting with him on the 29th. Col and I talked about everything. He rang me and said, “Whoa, this is what’s happened. We’ve got these people here.” We had to go to a meeting at Colliers on 4 August, a few days later—I think it was a Monday—in the Colliers office.

The director of Knight Frank came on the 31st. So we have the 28th, the 29th, then the director of Knight Frank came in a personal capacity on the 31st. I did not even tell him that there had been any expression of interest. He did not know.

THE CHAIR: When did you get Mr Flannery, the director of Knight Frank, to come? Was it before Colliers contacted your agent or was it after?

The former owner of Fairvale: No; way after.

THE CHAIR: Okay. I know that he came after Colliers had contacted you.

The former owner of Fairvale: Yes. When did I ask him to come?

THE CHAIR: When did you ask him to come?

The former owner of Fairvale: Probably it was about six days before he came. He said he could not come for five or six days.

THE CHAIR: So you had arranged for him to come and do a valuation?

The former owner of Fairvale: Yes.

THE CHAIR: Prior to Colliers contacting your agent?

The former owner of Fairvale: No, after.

THE CHAIR: Sorry?

The former owner of Fairvale: Colliers—

THE CHAIR: You said that Colliers contacted your agent on 28 July.

The former owner of Fairvale: Yes, it probably was. Yes. I beg your pardon.

THE CHAIR: So a little bit before that, but in the interim between that contact between Colliers and your agent and the meeting between Colliers and your agent, Mr Flannery came and did the valuation?

The former owner of Fairvale: Yes.

THE CHAIR: But you said to him, “Just value it.” You did not bother to give him any background that there was a possible offer on the table?

The former owner of Fairvale: No, I did not mention anything.

MS LAWDER: Earlier, a couple of questions ago, you said the director from Knight Frank came out to give you a valuation. You said in a personal capacity?

THE CHAIR: Yes, you said he came in his personal capacity.

The former owner of Fairvale: Yes, I just—I was—

MS LAWDER: So you did not ask Knight Frank?

The former owner of Fairvale: No.

MS LAWDER: Right, right.

The former owner of Fairvale: No, I just heard that this particular person had done some other rural blocks, and both people whom I trusted said he was very good.

THE CHAIR: So you contacted him personally, rather than, “Hello, Knight Frank”?

The former owner of Fairvale: No, no. I had been given his number by other rural lessees.

THE CHAIR: Right.

MS LAWDER: So your understanding was that he was personally doing it and you would not get a bill or something from Knight Frank?

The former owner of Fairvale: Well, I do not know.

MS LAWDER: You would engage with Knight Frank if you went with them or—

The former owner of Fairvale: Well, I do not know how that works. I wanted the director of Knight Frank to come and do the valuation. Where the bill was going to come from, I do not know. I guess I had not thought about it. I just wanted his opinion.

THE CHAIR: So you specifically sought his opinion, on the advice of other people?

The former owner of Fairvale: Yes.

MS CHEYNE: And they were other rural landholders—

The former owner of Fairvale: Yes.

MS CHEYNE: who had sold?

The former owner of Fairvale: Yes.

MS CHEYNE: Okay.

THE CHAIR: Sorry, this is quite protracted, but I think it is actually very important. He came and gave you a valuation. The evidence indicates that very soon after that—and his own evidence—he came to you and made an offer that he was interested in purchasing the block himself, but he did not want all of it. Is that the case?

The former owner of Fairvale: That is the case. He did a very thorough valuation, the same as David Nolan had done. He said he would have a report to me in a few days. He then came back, I think the following day, rang and said, “Can I come and talk to you?” He asked me did I really want to sell this place and it was absolutely wonderful, blah, blah, blah. I still at that time did not tell him that there had been interest or contact from the government or Colliers. He asked me a pile of questions. I burst into tears. It does not matter.

He then asked—I think it was about the 2nd of the 8th—could he come and see me again and he said that he was interested. I said, “Well, we have a problem because,

actually, the government has expressed an interest.” I think it was about the 4th or something that he said that he really wanted to buy a portion of the property. I said, “I do not think that is even possible; you cannot subdivide ACT rural blocks.” He said, “If there was some way of doing it, would I be happy to.” I said something to the effect, “Well, I don’t know how on earth you’d do that, number one. Number two, I need this place sold and it sounds like there’s an offer from the government.” He needed to contact Col Medway about this because I didn’t do anything without an agent being involved.

Yes, it was a few days later he came back to me, talked me through, asked me if the deal was the same—whatever the deal was—but if it could be subdivided and he could buy a portion, would that be acceptable to me. Yes, that is how it worked, I think.

THE CHAIR: I presume that you said that it would be acceptable to you?

The former owner of Fairvale: I said, “Well, I wouldn’t know how on earth you would ever be able to do that.” He said, if he asked some questions and if it worked, would I be happy to? I said, “On the condition that it does not hold up the sale of this place. The problem is if it gets complicated.” At this stage, I was pretty stressed about the whole thing. I needed out. Once I knew the government was going to kerb and gutter it, I did not want anything to complicate things.

A fair bit of conversation went backwards and forwards. In subsequent times David Dawes contacted me and said, “Everything is going to be fine. It will all go through all the same. The price will be the same. It’s pretty simple.” It was not. This sounds silly, and people have asked me before, but why did I allow the place to be sold in two separate sections and cause all this chaos?

I was guaranteed that it would all go through very quickly. It did not matter, the price would remain the same and it would be split, blah, blah, blah. It seemed to me, when I thought about it, that it would be a good idea if it was not going to cause a problem because, firstly, the director of Knight Frank was passionate about the place and the land and trees and he came from a farming family, which impressed me.

Secondly, I was the one that ran the place. I was the one that had to get rid of all the cattle, all the machines, clean everything up. He was interested in taking 35, I think, of my cows with young calves at foot—some of the young ones that could go on, so they were not going to have to be disposed of or killed. After 20-something years of doing embryo and AI programs and breeding a really quite lovely herd, that was impressive.

Thirdly, I was paranoid that, if the government did buy it, there are so many hoons that race up and down the Cotter Road and burn cars. I knew that old shearing shed that we nearly killed ourselves trying to save in the fire would go up like a packet of crackers when some idiots on the road came in and decided to light it or have a barbecue underneath it and I thought it might live a bit longer. Fourthly, he wanted to purchase some of the machinery on the place, so it meant I did not have to try and find buyers for the backhoe and for a whole lot of stuff I had to personally sell; there was a lot that he was happy to buy.

I thought this could work out really well. I never wanted to have a clearing sale. They were the reasons I agreed to sell it in two parts. The most important one was that I had been guaranteed that the price would remain the same, the processes would be really simple and it could all go through quite quickly, and so I agreed to it.

THE CHAIR: Were you involved in any way with the processes of surrendering your lease and dividing the lease and reissuing the leases, or were you just an observer of that process?

The former owner of Fairvale: No, I was not an observer. I have an entire file. I ended up keeping notes because there were so many conversations going on with a person called Tom Gordon, and David Dawes and David Dawes's secretary. At this stage, obviously, I had to get a solicitor. He was backwards and forwards to Brendan Ding.

THE CHAIR: Brendan Ding is from the Government Solicitor's Office?

The former owner of Fairvale: The Government Solicitor, yes. I was constantly on the phone with Tom Gordon saying, "Excuse me, but what is the process and why hasn't this thing moved?" Then David Dawes would ring me at night. Then I would ring back saying, "I'm not very happy." There is a whole folder of all these conversations that went on and on. Probably every second day I was involved in the conversations.

It also got very complicated because the director of Knight Frank subsequently went overseas for—I do not know—10 days or something. Col Medway, the agent, also disappeared. In the middle of all this, in this period, the director of Knight Frank and the Land Development Agency were trying to work out what portion of the block the director of Knight Frank was going to be able to purchase: where the lines were going to be, how much acreage was involved. Maps went backwards and forwards. Somebody would put a line on and then they were sent to me. I would say, "That is really stupid. You can't put a fence line down there. It's going to fall over. There's a huge drainage line that comes off the hill above us and the fence won't stand up there. You'll have to move it here."

Everybody was away, so I did an enormous amount of work with maps and everything else. Then, thank heavens, people came home. Then there was a lot of disagreement about where these lines should be. It was always going to be about one-third of the total acreage going to the director of Knight Frank and two-thirds going to the ACT government, the Land Development Agency, or whatever. But there was weeks and weeks of map poring and me redrawing where the line was going to be. It was always going to be about here somewhere—but where? That was a ridiculous amount of time.

THE CHAIR: Going back to the threshold question of effectively splitting the blocks, were you involved in that decision-making? You said that you were open to it if it did not delay.

The former owner of Fairvale: Yes.

THE CHAIR: Did you indicate that that was what you wanted?

The former owner of Fairvale: No.

THE CHAIR: Because it has been—

The former owner of Fairvale: I was happy for it to happen if it did not delay, but, no, I did not even think it was possible.

THE CHAIR: It has been characterised to the committee by other witnesses that the LDA purchased the block they did because that was the only block that was for sale.

The former owner of Fairvale: That is totally incorrect. The whole block was for sale.

THE CHAIR: The whole block was for sale?

The former owner of Fairvale: ASAP. Then some people decided that it could be subdivided or could be part surrendered and the other part have a new lease and sold, and that this was fine and it would all happen quite quickly.

THE CHAIR: Yes.

The former owner of Fairvale: No.

THE CHAIR: You have sent to the committee secretary—members, it is in the committee papers at page 17—a copy of a letter from Brendan Ding from the Government Solicitor’s Office to Tom Gordon about this. It says that the owner of the property “is open to the prospect of divesting herself of the desired part”—which seemed to be referring to the part of the crown lease that the LDA wanted to acquire—“and she had no objection to a third party acquiring the other part, the remainder of the block”. Is that a reasonable characterisation?

The former owner of Fairvale: Well, I suppose it is in the end, because when I was assured that it would not delay the sale of the whole place, and I looked to see that at least part of it might survive a little longer without being trashed, then, yes, I was happy for that to happen once I had been given the assurances that it would not delay the sale. I thought, “Instead of surrendering it as one block, maybe this will let something there go on a little longer; it is not going to hold up anything up.”

THE CHAIR: Did anyone from the ACT government, from the LDA or the Government Solicitor’s Office, talk with you about the process? And did you in any way approve that process?

The former owner of Fairvale: Once it had been decided that it could be—you cannot really say subdivided—part surrendered and part new block and then sold, and David Dawes had assured me that this was all possible and would be rapid and the price would be the same, then, yes, I contacted David Dawes and he put me on to Tom Gordon. Then I had innumerable conversations with Tom Gordon. I said, “How

does this happen? What have we got to do to get this rolling and done?” I spoke with him a lot, probably every second or every third day. He gave me more information. Then he said he was going to find out the process and we would get this done quickly. The idea of quick—they do not know what that word means. After one of my queries, he forwarded on to me the advice from Brendan Ding’s office.

MS CHEYNE: At any point did you feel that what was happening was unfair or going to put you in a negative outcome or situation? Both you and the director of Knight Frank have said that there were periods where it was stressful. It looked as though they were going to do a delayed settlement with the director and then they went back to the three-way negotiations. I understand that that was stressful, but was there any point where you were concerned that you were going to get, for lack of a better word, dudded?

The former owner of Fairvale: I guess I am naive and silly. No, I did not feel I was going to get dudded. I became very concerned that this process that I had been guaranteed was going to happen quickly was turning out to be a nightmare. I did not believe that I was going to be dudded. The solicitor that I employed was wonderful. So too was the agent. So too was my accountant. I talked to all of them and they said, “This has to go through like this so that you’re not holding the bunny.” Emails were sent backwards and forwards saying, “Can you guarantee?” They sort of knew more about it than me. They were making sure that things were coexistent and this would all happen. So, no, I did not feel as though I was going to be dudded.

MS CHEYNE: And the price was always fair and consistent?

The former owner of Fairvale: The price never altered. Colliers came in up-front and offered \$5.45 million or whatever it is. They said it was four million nine hundred and something, and then an extra 500 or whatever for improvements. They said it had to happen that way. They offered that up-front, I think on the 13th of the 8th, after their talk with Col Medway and after our discussion in the Colliers office. They just came through and put this offer in. They said that that offer had been made—it was \$5.45 million or whatever—and they said that they had to keep the bulk price under \$5 million; otherwise it had to go to the Chief Minister. So they would put that down for 95 or whatever, and then they would give a separate 500,000 or whatever it was for improvements, which meant that it did not have to go to a minister.

THE CHAIR: Colliers told you that?

The former owner of Fairvale: Yes. Paul Powderly told us that in the office. No, he did not say that on the figures; he did not use the figures in the Colliers meeting on the 4th of the 8th. He said, “We will offer you a fair and reasonable price for it. If it’s over \$5 million, it has to go to the Chief Minister to approve it and the price we offer you will have an increase over a valuation,” which was over David Nolan’s valuation, “so we encourage you to sell to us and don’t go on the open market.” When the offer came through on the 13th of the 8th, it was for four point whatever, plus an extra 500,000 or whatever for the improvements, which kept it under the \$5 million up-front.

THE CHAIR: When you settled, did you receive money from the LDA and the

principal of Knight Frank or did it all come in one cheque?

The former owner of Fairvale: No, it did not come in one cheque. Finally—finally—the LDA, months later, paid for the surrender of the property. That took innumerable phone calls from me to David Dawes.

THE CHAIR: So you surrendered the whole property to the territory?

The former owner of Fairvale: No, no.

THE CHAIR: Sorry.

The former owner of Fairvale: In the middle of all this, it turned out that there had to be another survey done, which I did not know about, and all sorts of other things. A new block and section number had to be set up, which took months. Far out. Eventually the surrender was done but nothing came through. I kept contacting David Dawes and saying, “Look, I’ve found somewhere else to buy. I need this money. What’s going on?” They paid me for the surrendered portion. I had already then been granted, or was still getting, a lease granted on a new block and section, a new block number for the other portion. Then the sale to the director of Knight Frank went through much later. So I was paid in two sections.

THE CHAIR: So what you were guaranteed, that it would all go through together and it would be painless, was not the case? It did not go through together?

The former owner of Fairvale: No.

THE CHAIR: And so—

The former owner of Fairvale: Well, I don’t—

THE CHAIR: Did you at any time surrender the lease over the whole block 491 or whatever it was?

The former owner of Fairvale: That is a very interesting question.

THE CHAIR: Did you surrender all of block 491?

The former owner of Fairvale: I think I must have had to surrender the whole lease and then—

THE CHAIR: Because you could not have—

The former owner of Fairvale: No.

THE CHAIR: They could not have issued two leases.

The former owner of Fairvale: No, it must have. That is interesting.

THE CHAIR: Could you check?

The former owner of Fairvale: I must have surrendered the lease, because otherwise how on earth did they put a new lease up on a specific portion of the place?

THE CHAIR: Could you check, from your records, whether you surrendered the whole lease? I can't imagine any other way of doing it.

The former owner of Fairvale: I can't either.

THE CHAIR: Could you just check? And, if so, when?

The former owner of Fairvale: Yes.

THE CHAIR: Thank you. And then the bit that the LDA acquired, which is block 516, I think—they settled on that when?

The former owner of Fairvale: Can you just wait one moment?

THE CHAIR: Sure, absolutely. So when did the LDA settle on block 516, the new block that they acquired?

The former owner of Fairvale: I would have to look at my—

THE CHAIR: Could you check and perhaps get back to Dr Lloyd with that?

The former owner of Fairvale: Yes.

THE CHAIR: And then when did the principal of Knight Frank settle on the block that he acquired, block 517?

The former owner of Fairvale: Can I get the exact dates?

THE CHAIR: Yes, absolutely. But the bottom line was that between those two settlements you received the amount of money that was offered to you in those meetings with Colliers back in early August?

The former owner of Fairvale: What was the first part of that question?

THE CHAIR: The combined sale of those two blocks did result in you receiving the amount of money.

The former owner of Fairvale: Exactly.

THE CHAIR: Okay.

The former owner of Fairvale: Exactly the same.

THE CHAIR: Yes, okay.

MS LAWDER: So in case this jogs your memory a little—

The former owner of Fairvale: Good luck to you.

MS LAWDER: I think, according to the document from Brendan Ding, the recommendation or the conclusion was that for the LDA to get their desired part you would surrender it and the remainder, which is what the director of Knight Frank purchased, would be granted a new crown lease.

The former owner of Fairvale: Yes, that is right. Definitely a new crown lease.

MS LAWDER: I wanted to go back to the valuations. I think we got to the point where you said you got four valuations.

The former owner of Fairvale: All up, yes.

MS LAWDER: Did you have to pay for those valuations?

The former owner of Fairvale: Yes. Interestingly, I do not think I paid the Landmark Harcourts valuation because I subsequently took him on as the agent and then we went through what it would cost and blah, blah, blah. I certainly paid David Nolan and certainly Dennis Lovell. That was a pain. He would not even release it until I had paid him, and I had to correct it. And, no, in the end I did not pay—so two I did not pay and two I did.

MS LAWDER: From what I can see, the Suburban Land Agency advised the Auditor-General that on 10 August 2015—and I think you mentioned you met with the director on 2 August and maybe then on the 6th—

The former owner of Fairvale: And then the 4th and then there was—yes.

MS LAWDER: Somewhere—

The former owner of Fairvale: Yes, yes.

MS LAWDER: So the LDA was advised that Knight Frank had been engaged by the owner—not the director, but Knight Frank.

The former owner of Fairvale: Sorry?

MS LAWDER: The LDA was told that Knight Frank had been engaged by you to provide valuation services and the director of Knight Frank and the former LDA CEO met on 10 August. So obviously that plan about whether the rural lease could be split was already—

The former owner of Fairvale: I think so. I think it was before that, but that is probably a bit subjective. I think on 10 August there was a meeting between Col Medway, the director of Knight Frank, Paul Powderly and David Dawes. I was not there.

MS LAWDER: Yes.

The former owner of Fairvale: I can quickly check that. Yes: “10th of the 8th, had a meeting at 2.15 with director of Knight Frank, Col Medway, David Dawes and Paul Powderly.” So that is correct. I was not there.

MS LAWDER: Sure. So that would have been relayed to you in a phone call with one of those people or—

The former owner of Fairvale: Yes, all of them, I think. Col Medway and the director of Knight Frank both said they had had a meeting and they were sorting through. Yes.

MS LAWDER: Okay. Also, the Suburban Land Agency—which is what the LDA has kind of become nowadays; the LDA does not exist anymore—

The former owner of Fairvale: No, I know. Okay.

MS LAWDER: The Suburban Land Agency has advised us through the Auditor-General that the landowner had obtained an independent market valuation. Yes, you actually got four.

The former owner of Fairvale: Yes.

MS LAWDER: The negotiated price was \$4.9 million, plus \$500,000 for improvements. On the first reading of that, it implies to me that the landowner had sought that value?

The former owner of Fairvale: No. That is not correct. They came in with that offer.

MS LAWDER: So you did not—

The former owner of Fairvale: How did they get that figure? I know where they got it.

THE CHAIR: You did not negotiate?

The former owner of Fairvale: No.

THE CHAIR: You said, “Thank you very much.”

MS LAWDER: You sort of took their advice that it was easier for them to split it into—

The former owner of Fairvale: Well, that was probably the value I thought it was going to go for—around five. One person was correct in that.

MS LAWDER: So how that got made up did not really matter?

The former owner of Fairvale: No, and at that stage you could not sell it to anyone else when you knew it was going to get kerbed and guttered. No. There was no

negotiation. They came in with that offer and I just went, “Whoa, how did they get that figure? I don’t know.”

MS LAWDER: Did you get a hard copy or were you sent by email a valuation report from Knight Frank?

The former owner of Fairvale: Yes, I did.

MS LAWDER: A final or a draft?

The former owner of Fairvale: I think it is a final. It is here with me.

MS LAWDER: Okay. The Audit Office—

The former owner of Fairvale: He put that in two or three days after I met with him.

MS LAWDER: Okay. That is it for me.

THE CHAIR: In the audit report did you have much discussion with the Audit Office as a witness?

The former owner of Fairvale: I certainly did.

THE CHAIR: What sorts of discussions? You were a witness You handed over documents and the like to the Audit Office, did you—or what happened?

The former owner of Fairvale: Is this an appropriate time to—

THE CHAIR: This is a hearing into the Auditor-General’s report on this, so yes.

The former owner of Fairvale: I am absolutely appalled by the processes and the reporting by the Auditor-General. I cannot say that more strongly. I thought they would be unbiased, I thought they would be impartial and I thought they would be truthful in their reporting. They were not. I gave them every fact. I had all substantiated evidence with me in case they needed it—every fact—and they chose to ignore some very important ones. By doing that they ended up with the wrong conclusion.

THE CHAIR: What do you think they ignored?

The former owner of Fairvale: They ignored all the earlier stuff, all the earlier reports to me about the valuations and my process, and they focused on the director of Knight Frank—for whatever reason, I do not know. All the draft reports that came through to me were just not correct. I saw them on the 31st of the 8th 2017. That was a very long interview, which is fine; it did not worry me. But for 10 whole months, documents, drafts or redrafts or whatever came backwards and forwards and backwards and forwards and I was horrified at what was in there.

First of all there was a pile of errors, which I could not believe they would make. Then there seemed to be ambiguities through it. You could read this and think, “No.”

Then there were, “We can assume that.” If they had put the facts in in the first place, they could not assume that. They could not have done so. During this process, as you all know, I was forbidden to speak to anybody about this. I could not speak about it to my husband, my daughter, my friend, anybody. You have to do it yourself and you are sworn. I took the oath that I would not speak to anyone.

Anyway, this went backwards, forwards, backwards, forwards. How many times did I ring them, talk to them, say, “That is not correct. Go back to my original witness statement or whatever it is”? They said, “You’ve been absolutely marvellous. You’ve never once contradicted yourself.” I said, “Why won’t you write it in as it is?”

At the end of June 2018 they finally said, “You’re not going to sign this, are you?” I said, “No, I’m not.” They said, “We’re going to give you a paragraph and see if you’re happy with this.” They wrote a new paragraph for me: “Do you accept this?” I looked at the paragraph. It was one sentence and I thought, “Yep, that would stand up in court.” That is one sentence. It was supposed to replace 2.88 or something but it turned out it was supposed to be 2.96(a). I signed off on it. All good.

What did they do? I did not realise until after I saw the video of your committee hearing with Maxine Cooper and Jonathan Brown that they forgot to put it in the report, whereupon I exploded and contacted Maxine Cooper. I subsequently got an apology, “Sorry, we forgot. We’ll send a corrigendum.” They forgot, after all of this.

There are also other sections where they said—and it is in the report and it contradicts itself—that I instituted things with the government to sell the property. I did not. Part of it says I did not; another part says I did. Page 172 or something or other says I did; I initiated discussion. It was all over the newspapers. They said it in the video hearing. I subsequently got an apology from Maxine Cooper about that.

This is very subjective, but I honestly believe the Auditor-General had an ulterior motive to which I am not privy. If it is not that then they were totally incompetent. They are definitely not. There is some agenda going on there. I had to spend 10 months, day after day, trying to get the facts straight. I just want it factually correct; that is all I want. Anyway, I no longer have any trust or any confidence whatsoever in the integrity or the independence of the ACT Auditor-General. I will go to jail before I go there again.

I do not think it is right that one person is just trying to get the facts down—I do not care whether I kill somebody; I will accept it. But when everything is skewed and when information is left out and when I am constantly saying, “Don’t you understand? That is not the way it happened; he was not my agent; he did not influence the price,” I bashed my head against a brick wall for 10 whole months. Then, when we finally got it sorted, they forgot to put it in the report. I am sorry but it is not good enough.

THE CHAIR: The corrigendum says adding a new paragraph 2.96(a) after 2.96 and before 2.97:

The former owner of Fairvale advised on 1 May 2018 that prior to receiving the Director, Knight Frank Valuations Canberra’s valuation on 3 August 2015 they

had received three other valuations from three different valuers and that:

...the main valuation that [the vendor] was relying upon and was cognisant of during this period was a valuation from [a valuer other than the Director, Knight Frank Valuations Canberra] which was in the order of \$5 million.

The former owner of Fairvale: That is correct. That is a simple sentence, and that is the way it was.

THE CHAIR: Could I assume that that was the valuation from the person who became your agent?

The former owner of Fairvale: No, that was not.

THE CHAIR: It was not?

The former owner of Fairvale: That was the valuation from—

MS CHEYNE: No. It says “a valuer other than the director”.

The former owner of Fairvale: That valuation came from David Nolan, who was the—

THE CHAIR: The guy that you specifically did not take on?

The former owner of Fairvale: Yes. This corrigendum, this new paragraph, 2.96(a), says, “The former owner of Fairvale advised on 1 May 2018.” I advised right at the front, 31 August 2017. I fought about that for 10 whole months. You have not seen all the paperwork that goes backwards and forwards from the Auditor-General’s Office—blah, blah. All of them—I do not know why; if he had done something that I knew was wrong I would bomb too—were saying that the director of Knight Frank was my agent, it was his valuation that influenced the sale of the place and influenced the price. That is not correct. That is what they kept saying.

THE CHAIR: You had come to the view that the property was worth in the ballpark of \$5 million before you went to the director of Knight Frank?

The former owner of Fairvale: Yes.

THE CHAIR: Would it be fair to say that when you went to Knight Frank you were looking for a verification or otherwise of that \$5 million mark?

The former owner of Fairvale: Yes, I probably was because I stupidly had always thought it was worth about that. When one valuation came in at that I thought, “Yep, that’s pretty cool.” Then I had other ones that were lower and I thought, “Maybe I need another one.” But by the time the director of Knight Frank got there to do his first valuation—I had never met him before—Colliers or PRD had already contacted the agent with his figure.

THE CHAIR: This has been quite a lengthy hearing. Thank you very much for your forbearance and for your clarity. You will receive a draft *Hansard* of this through

Dr Lloyd. Can you go through it? If there are things which are ambiguous or that you think need clarification can you raise them with Dr Lloyd? There are a couple of issues that you took notes on that you would come back, through Dr Lloyd, to give the committee some specific dates. We will conclude the hearing today. Thank you very much for your attendance.

The former owner of Fairvale: May I ask one question?

THE CHAIR: Yes.

The former owner of Fairvale: When you send a transcript of what has happened, I am sure it will say exactly what I said. I cannot really say, "I actually meant it this way," can I?

THE CHAIR: No. When you read it, sometimes you think you have said something and it might look ambiguous on paper.

The former owner of Fairvale: I can clarify it?

THE CHAIR: You can clarify that by writing to the committee via Dr Lloyd and saying, "Perhaps I should have said more there."

The former owner of Fairvale: I did not understand that.

THE CHAIR: It is not actually changing the transcript because *Hansard* is *Hansard* and—

The former owner of Fairvale: Yes. If I said it, I said it.

THE CHAIR: Yes, but the thing is: if you look at it and you think that might be misinterpreted or that is ambiguous you can elaborate on it.

The former owner of Fairvale: Thank you. Now I understand.

The committee adjourned at 10.31 am.