

REDDESTONE WIND FARM ACTION GROUP

LANDHOLDER GUIDE No. 2

What Does a Neighbour Agreement Mean for Your Property?

Helping Landholders Make Informed Decisions

Why Should I Read This?

A Neighbour Agreement is more than just a piece of paper.

It is a legal agreement that may create rights and responsibilities for both you and the developer.

Before signing, it is important to understand not only what the agreement says today, but also what it could mean for your property in the future.

This guide highlights some of the questions every landholder should consider before making a decision.

Think Beyond Today

When considering any legal agreement, it is worth asking yourself:

"How could this affect my property in five, ten or twenty years?"

The agreement may continue for many years and, depending on its terms, may have implications beyond the initial planning or construction of the project.

Understanding the long-term implications is just as important as understanding any immediate benefits.

Your Property May Change

Many things can happen over time.

You may:

- decide to sell your property;
- transfer it to family members;
- refinance your loan;
- change your farming operation; or
- retire.

Before signing any agreement, consider asking how these types of changes might be affected.

Don't Assume Future Owners Are Unaffected

Some legal agreements may continue to have effect even after a property changes ownership.

This depends entirely on the wording of the agreement.

If you are unsure, ask your solicitor:

- Does this agreement affect future owners?
- Does it need to be disclosed if the property is sold?
- Are there any ongoing obligations?

These are important questions to understand before signing.

Confidentiality

Some agreements include confidentiality provisions.

If they do, make sure you understand:

- what information may be confidential;
- who you may discuss the agreement with;
- whether you can obtain legal and financial advice;
- whether you can discuss the agreement with your family.

Never assume you understand a confidentiality clause without obtaining advice.

Can the Agreement Be Changed?

Ask questions such as:

- Can the agreement be varied later?
- Can either party terminate it?
- What happens if the project changes?
- What happens if the project does not proceed?
- What happens if ownership of the wind farm changes?

Knowing how an agreement may end can be just as important as knowing how it begins.

Questions to Ask Your Solicitor

When meeting with your solicitor, consider asking:

- ✓ What rights am I giving away?
- ✓ What obligations am I accepting?
- ✓ Is anything unclear?
- ✓ Does this agreement affect future owners?
- ✓ Are there risks I should understand?
- ✓ Is there anything I should negotiate?
- ✓ Is there anything unusual about this agreement?

Remember, your solicitor works for **you**.

Questions to Ask Your Accountant

You may also wish to ask:

- Are there taxation implications?
- Could this affect Capital Gains Tax in the future?
- Are any payments treated as income?
- Should I keep particular records?

Your accountant can explain how the agreement may affect your individual circumstances.

Take Your Time

Signing a legal agreement is an important decision.

Do not feel rushed.

Take the time to:

- read every page;
- ask questions;
- obtain independent advice; and
- discuss the agreement with your family before making a decision.

A well-informed decision is usually a better decision.

Key Points to Remember

- ✓ Think about the long term.
 - ✓ Consider future ownership of your property.
 - ✓ Understand every clause.
 - ✓ Ask questions.
 - ✓ Seek independent legal and financial advice.
 - ✓ Never sign something you don't fully understand.
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Coming Next

Landholder Guide No. 3

Easements, Access and Property Rights

Our next guide explains easements, access arrangements, transmission infrastructure and the questions every landholder should ask before agreeing to any rights over their property.

Disclaimer

This guide has been prepared by the Reddestone Wind Farm Action Group as a general educational resource.

It is not legal, financial or taxation advice. Every agreement is different and landholders should obtain independent professional advice before signing any legal document.