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NSW LAND VALUE INCREASES BY MORE THAN 11 PER CENT

The value of land in NSW has increased by more than 11 per cent, exceeding \$1.12 trillion according to new figures released by NSW Valuer General, Simon Gilkes.

“Almost 2.5 million residential, rural, business and industrial land values for properties in NSW were assessed,” Mr Gilkes said.

“Property sales are the most important factor considered when determining land values and valuers analysed over 43,000 property sales across NSW as at 1 July 2014.

“Overall residential land values for NSW increased by 13.12 per cent in the 12 months to 1 July 2014, compared to a 3.21 per cent increase for the year to 1 July 2013.”

Mr Gilkes said the valuations have pushed a further four Sydney local government areas (LGAs) into the \$1 million plus category for median residential land value.

Waverley, Hunters Hill, Willoughby and Manly have joined Mosman and Woollahra, with median increases of \$986,000 to \$1.12 million, \$966,000 to \$1.09 million, \$788,000 to \$1.08 million and \$885,000 to \$1.05 million respectively.

“The biggest overall market trend has seen increases for land values predominantly occur in the Sydney basin,” Mr Gilkes said.

Sydney LGAs experiencing the highest increases in median residential land value were Willoughby (37%), Bankstown (29.4%), Hornsby (25.3%), The Hills Shire (24.4%), Canterbury (21.4%), Marrickville (19.9%), Warringah (19%) and Manly (18.6%).

A number of regional LGAs also performed strongly including Gilgandra (an increase of 30%), Coonamble (20%), Oberon (20%), Dubbo (19.4%), Newcastle (10.4%), Bathurst Regional (9.6%), Wyong (9.6%) and Kiama (9.5%).

A total of 22 LGAs in the state experienced a decrease in median residential land values for the 12-month period, with the largest decrease experienced in Cobar with the median residential land value dropping by 10 per cent.

Over the coming weeks more than 882,000 Notices of Valuations will be sent to ratepayers in 45 LGAs, showing the value of residential, rural, business and industrial properties based on market conditions as at 1 July 2014.

Mr Gilkes said the latest land values will help 45 local councils determine the amount of council rates landholders pay.

“While important, valuations are only one of the factors councils use to determine each landholder’s rating liability,” he said.

“Increases or decreases in land values do not necessarily lead to similar increases or decreases in rates.”

Mr Gilkes said the land values were prepared by valuers contracted from 17 firms across the state.

“The values are then subject to rigorous quality assurance including statistical testing by the University of Western Sydney,” he said.

“For 1 July 2014 residential land values in more than 94 per cent of LGAs met or exceeded internationally recognised measures of consistency and accuracy.

“We are also improving our information to the community and making it easier for landholders to raise concerns and understand how their issues are being addressed.”

Landholders concerned about their Notice of Valuation can have it independently reviewed by lodging an objection.

Approximately 0.1 per cent of Notices of Valuation required amendment following the 2013 valuations.

Visit www.valuergeneral.nsw.gov.au or call 1800 110 038 to:

- get a list of sales considered when valuing land in your area
- access typical land values in your area
- find other land values in NSW
- find out more about the valuation system
- find out how to lodge an objection.

ADDITIONAL INFORMATION:

Key trends for land valuations: 1 July 2013 to 1 July 2014

Sydney metropolitan residential land

Woollahra has overtaken Mosman, becoming the LGA with the highest median residential land value of \$1.4 million (a 13.8% increase from 2013).

Mosman median land value stands at \$1.39 million, followed by Waverley (\$1.12m), Hunters Hill (\$1.09m), Willoughby (\$1.08m) and Manly (\$1.05).

There were five metropolitan LGAs that experienced growth in residential median land values greater than 20 per cent during the previous 12 month period.

- Willoughby \$1.08m (37%)
- Bankstown \$519,000 (29.4%)
- Hornsby \$554,000 (25.3%)
- The Hills Shire \$504,000 (24.4%)
- Canterbury \$538,000 (21.4%)

Despite median land values for Mosman being the second highest in the state, Mosman recorded the slowest growth among Sydney metropolitan LGAs of 6.9 per cent.

North Sydney and Ryde were the only other LGAs that recorded growth of less than 10 per cent (9.6% and 9.2% respectively).

No metropolitan LGAs recorded negative growth.

Regional residential land - major non-metropolitan centres

The major non-metropolitan centres showing the highest residential median land values were Newcastle (\$255,000) and Wollongong (\$248,000).

Newcastle recorded the greatest growth in median residential land values over the 12 month period at 10.4 per cent, followed by Wyong with growth of 9.1 per cent.

Regional residential land - inland

LGAs close to Canberra had the highest median land values of inland centres, with Queanbeyan (\$266,000) the highest followed by Yass Valley (\$172,000).

The inland LGAs recording the greatest growth in median residential land values were:

- Gilgandra \$19,500 (30%)
- Coonamble \$25,200 (20%)
- Oberon \$81,600 (20%)
- Dubbo \$113,000 (19.45%).

Six inland LGAs experienced negative growth of five per cent or more in median residential land values:

- Cobar \$23,200 (-10%)
- Broken Hill \$17,600 (-9.7%)
- Tumut \$66,500 (-6.5%)
- Guyra \$53,400 (-6%)
- Moree Plains \$36,900 (-5.1%)
- Griffith \$79,500 (-5%)

The lowest median land value in the state is in Central Darling at \$1,200.

Regional residential land - coastal

After several years of limited or no growth in median land values, coastal residential land in a number of centres increased in value.

The highest median coastal residential land value was in Kiama (\$334,000, up 9.5%), followed by Byron (\$328,000, up 8.3%).

Further from the major population centres parts of the south coast (Shoalhaven and Eurobodalla) and the mid-north coast (Bellingen, Nambucca, Clarence Valley) showed no change in their median residential land values while Kempsey (-0.88%) and Richmond Valley (-5.09%) experienced negative growth.

Business and industrial land

The total business land value for NSW is now \$98.08 billion, an increase of 12.44 per cent from the previous 12-month period.

Industrial land values increased by 2.67 per cent to \$36.3 billion for the same period.

Rural (including Lifestyle and Hobby Farm)

The total rural land value for NSW is now \$99.9 billion, an increase of 3.13 per cent from the previous 12-month period.

Background

The valuations being released are as at 1 July 2014 and are based on relevant land and property sales data from this time. Land value is the value of the land only and does not include the value of the home or other improvements to the land. Landholders will receive a leaflet with their Notice of Valuation explaining the valuation process.

The Valuer General is an independent statutory officer appointed by the Governor of NSW to oversee the valuation system. The Valuer General is responsible for providing fair and consistent land values for rating and taxing purposes.

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