



Final Report 2015
Wentworth Shire – District 255
Base Date 1 July 2015

LG
ValuationServices



Maps



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Executive Summary

LGA Overview

Wentworth Shire is situated in the south west of the Riverina part of the South West Region of NSW, approximately 580 kilometres north of Melbourne, approximately 400 kilometres north east of Adelaide and 1,040 kilometres south west of Sydney. Wentworth Shire occupies an area of approximately 26,269 square kilometres. It has a population of approximately 6,609 (2011) which includes the towns of Wentworth, Buronga, Gol Gol, Dareton and Pooncarie. The Shire's major arterials include the Sturt and the Silver City Highways.

The Wentworth Shire is a region of great diversity. It now offers an opportunity to escape and experience an introduction to Outback Australia.

The township of Wentworth is a small border town in the far south west of the state. It is situated at the junction of the Darling and Murray Rivers. The border with the state of South Australia lies approximately 100 kilometres to the west. Historically Wentworth was one of Australia's busiest ports during the paddle steamer era of the late 1800's.

4,012 properties were valued at the base date of 1 July 2015, and values are reflective of the property market at that time. The Wentworth Shire property market has remained steady across all sectors with many experiencing a slight increase in values. The Wentworth Shire LGA is a well-regarded rural locality due to its proximity to major rivers, soils quality and climate.

Valuation changes in the local government area and percentage changes between the council valuation years of 1 July 2014 and 1 July 2015 are as follows;

Number of properties valued this year and total land value in dollars

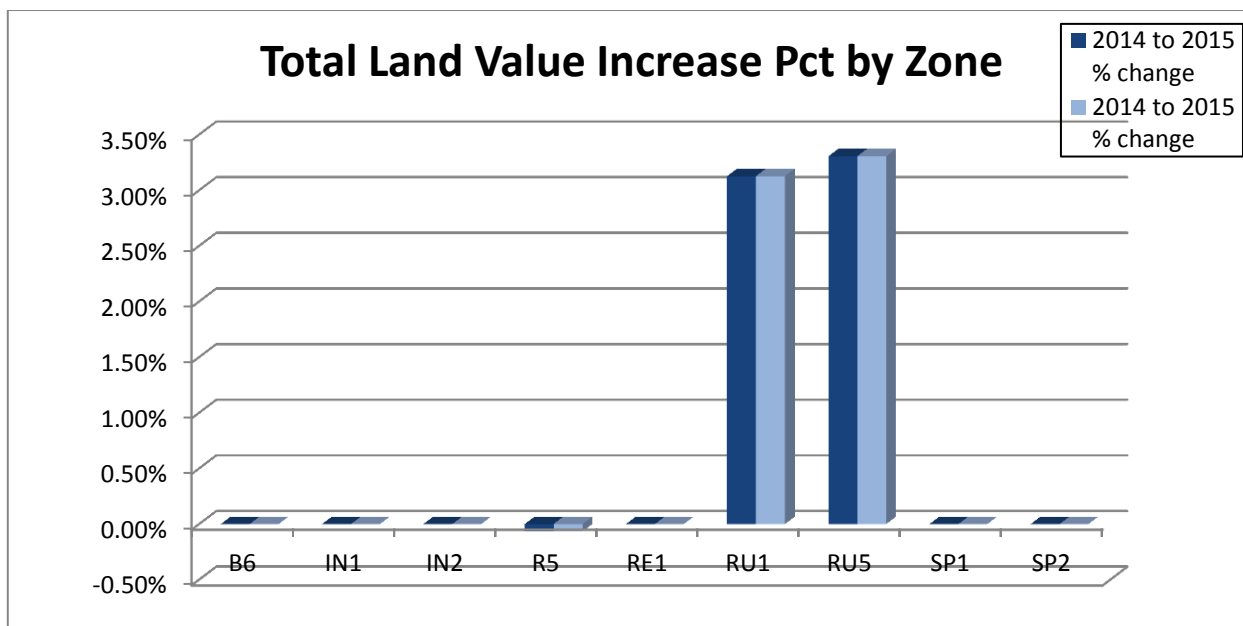
Zone	Zone Code	No. of entries	2015 Total Land Value	Prior Annual Valuation (2014)	2014 to 2015 % change	Prior Local Government Valuation (2014)	2014 to 2015 % change
B6 Total	B6	7	\$1,623,500	\$1,623,500	0.00%	\$1,623,500	0.00%
IN1 Total	IN1	50	\$7,431,700	\$7,431,690	0.00%	\$7,431,690	0.00%
IN2 Total	IN2	14	\$336,700	\$336,700	0.00%	\$336,700	0.00%
R5 Total	R5	171	\$37,595,800	\$37,620,790	-0.07%	\$37,620,790	-0.07%
RE1 Total	RE1	10	\$474,500	\$474,500	0.00%	\$474,500	0.00%
RU1 Total	RU1	1,795	\$276,589,450	\$268,201,115	3.13%	\$268,201,115	3.13%
RU5 Total	RU5	1,951	\$167,369,860	\$162,014,930	3.31%	\$162,014,930	3.31%
SP1 Total	SP1	8	\$226,800	\$226,800	0.00%	\$226,800	0.00%
SP2 Total	SP2	6	\$305,600	\$305,600	0.00%	\$305,600	0.00%
Grand Total		4,012	\$491,953,910	\$478,235,625	2.87%	\$478,235,625	2.87%

Total Land Value at General Valuation 1 July 2015 = \$ 491,953,910

Total Land Value Based Date 1 July 2014 = \$ 478,235,625

Percentage change from 1 July 2014 to 1 July 2015 = 2.87 %

Percentage change from 1 July 2014 to 1 July 2015 = 2.87 %



State and local government legislation for Wentworth Shire

The Wentworth Local Environmental Plan 2011 (Wentworth LEP 2011) is a legal planning Instrument approved by the Minister for Planning that imposes the legal framework for the making of decisions by Wentworth Shire Council in respect to land use development. The LEP contains mandatory local environmental planning provisions for land use in the Wentworth local government area and aims to balance environmental, social and economic considerations for the benefit of future generations. The Wentworth LEP sets out Council’s vision and seeks to implement this by way of objectives, policies, zoning land use tables and zoning maps.

Local government has been given prime responsibility for local planning and heritage conservation within their council area through the Environmental Plans and subsequent development control practices. The Shire Council is currently revising the local planning scheme. The new comprehensive Local Environmental Plan should incorporate the appropriate standard heritage conservation clauses as issued by the New South Wales Department of Planning.

State and local government legislation for LGA

Zone Code	Zone Name	Number of Current Properties
B6	Enterprise Corridor	7
IN1	General Industrial	50
IN2	Light Industrial	14
R5	Large Lot Residential	171
RE1	Public Recreation	10
RU1	Primary Production	1,795
RU5	Village	1,951
SP1	Special Activities	8
SP2	Infrastructure	6
Total		4,012

General LGA Overview

Location of the District

The Wentworth Shire covers an area of 2,616,926 hectares and has a population of 6,609 (2011) and is situated 1,040 kilometres from Sydney, 580 kilometres from Melbourne and 400 kilometres from Adelaide. Wentworth Shire is bordered by Balranald to its east, Central Darling and Broken Hill Shires to its north.

The southern boundary (along the Murray River) has the greatest population density in the townships of Wentworth, Dareton, Buronga and Gol Gol.

The Wentworth Shire is considered the gateway to Outback NSW. Mildura situated on the Victorian side is the nearest and biggest commercial city.

Wentworth

Wentworth was declared a town in 1859.

The shire's administration centre is here and it enjoys a village feel and the heritage town drive or walk can be enjoyed by all. The Port of Wentworth offers more than just a great meeting place.

In the 1890's there were 92 paddle steamers working the Darling and between 1860 and 1930 Wentworth was the busiest inland river port in Australia with over 450 craft using it in a year.

In the 2011 census there were 1,248 people living in Wentworth.

Dareton

Dareton is a town in the far west of NSW. The town is located on the Silver City Highway, 1,025 kilometres west of the state capital, Sydney and 20 kilometres from the regional centre, Mildura, across the border in Victoria. Part of the Wentworth local government area, at the 2011 census, Dareton had a population of 516.

Located on the Murray River, the town is at the heart of the Coomealla Irrigation Area. Dareton was once home to an Aboriginal mission; this is now a residential area for Aboriginal people.

Gol Gol

Gol Gol is a small town in the far western region of New South Wales, Australia in the Wentworth Shire. It is situated on the banks of the Murray River, in the Sunraysia region. Gol Gol currently has a population of about 700 people. Within the township there is a hotel, garage, general store, primary school and pre-school.

Buronga

Buronga operates largely as a satellite suburb of the regional centre of Mildura. In 2011, the town had a population of 1,132 people.

Main Industries

The major industry of the area is irrigated horticulture with the primary crops being citrus, vegetables and grapes.

Tourism to the Outback has invigorated these south western Riverina towns.

Where once there were major agricultural stations, the properties are smaller now and rely on irrigation to support their crops and livestock.

Investment in irrigated based horticulture and the wine industry has driven industry growth and employment in the Wentworth Shire over the past decade.

While agriculture still remains the largest employment sector of the shire, these numbers are decreasing. Growth areas for employment now include mining (sand) and manufacturing (wineries and food).

Dareton today is a producer of grapes and dried fruit. It boasts a championship golf course and is a popular location for fishing and camping.

General Rural Overview

Activity in the Southern Riverina property market, which has been relatively subdued in recent years, has improved over the past 12 months. Prior to this period the market in this region had generally struggled following the drought.

For a time following the drought, primary producers were focusing on paying down debt incurred during the drought and in some cases replenishing stock numbers and/or fodder supplies.

During this period, some of the less efficient farmers were forced, or made the decision, to sell up. Given demand was low, prices reduced slightly in accordance.

More recently, good seasonal conditions and high cattle and commodity prices appear to be improving primary producer optimism and influencing reasonable demand for Southern Riverina rural properties.

This has resulted in farmers in certain districts looking to expand and increasing demand.

Cropping and Grazing

The market for good quality cropping and grazing land in southern NSW has enjoyed a strong 2 years, with sound commodity prices, low interest rates driving competition for such holdings. Most competition has been observed to be between expansionist neighbours, who continue to seek additional economies of scale from their existing investment in plant and equipment. High quality cropping country is now at record levels through much of central and southern NSW, and similarly, high quality sheep country (as well as country versatile enough to run cattle) is also very strongly traded.

Opportunities for new entrants through this region are limited, due to few holdings of sufficient size to immediately be a viable stand-alone operation, being offered to the market.

Therefore, whilst values for well-located holdings of reliable country have strengthened appreciably, the very dry start to the 2015 summer creating moderate market enthusiasm, and upward price pressure for the next 6 months.

Viticulture

There is a significant disparity between operating conditions for cool climate vineyards relative to warm inland vineyards. The Winemakers Federation 2016 Vintage Report showed that 33% of cool climate production was profitable, and a total of 57% of production was better than breakeven, compared to only 1% of warm inland production being profitable, and only 8% being better than breakeven.

The negative sentiment associated with the viticulture and wine industry generally clearly should lie more with warm inland holdings than cool climate holdings in this region, but the overall pessimism has still impacted on all viticultural holdings to some extent or another.

Nonetheless, the 2016 Vintage report concluded;

There are positive indicators for the Australian wine industry with a 5% increase in average winegrape price and an increase in volume and value of wine exports reported for 2014-2015. This is despite the winegrape crush remaining relatively unchanged this vintage, a modest 1% increase in overall unprofitable production and yet-to-be realised structural shifts that could see further sustained upside potential across numerous indicators.

Looking at Wine Australia's export approvals data, there are some signs that Australia's export performance has strengthened, with growth in volume and value in 2014-2015 – the first time we've seen an increase in total value since 2006-2007. The majority of exporters recorded growth and the number of products (SKUs) exported hit a record 17,562. Growth is strongest at the highest price points and contributed to the average value of bottled exports hitting its highest level since 2004.

Market Overview and Sales of Particular Interest

Significant issues and developments

- There are a number of new and developing subdivisions between Buronga and Gol Gol that are providing good quality housing within close proximity to Mildura. Also a new subdivision (Carbonie Street, River Drive and West Road) with Murray River frontage has been very popular with only two blocks remaining for sale.
- Proposed Development and Rezoning – Part of Riverton Farm, North of Wentworth on the Darling River. Proposed 24 lot subdivision requiring rezoning from Rural RU1 to R5 – Large Lot Residential. Council has endorsed the proposal and forwarded to The Department of Planning and Infrastructure for approval.

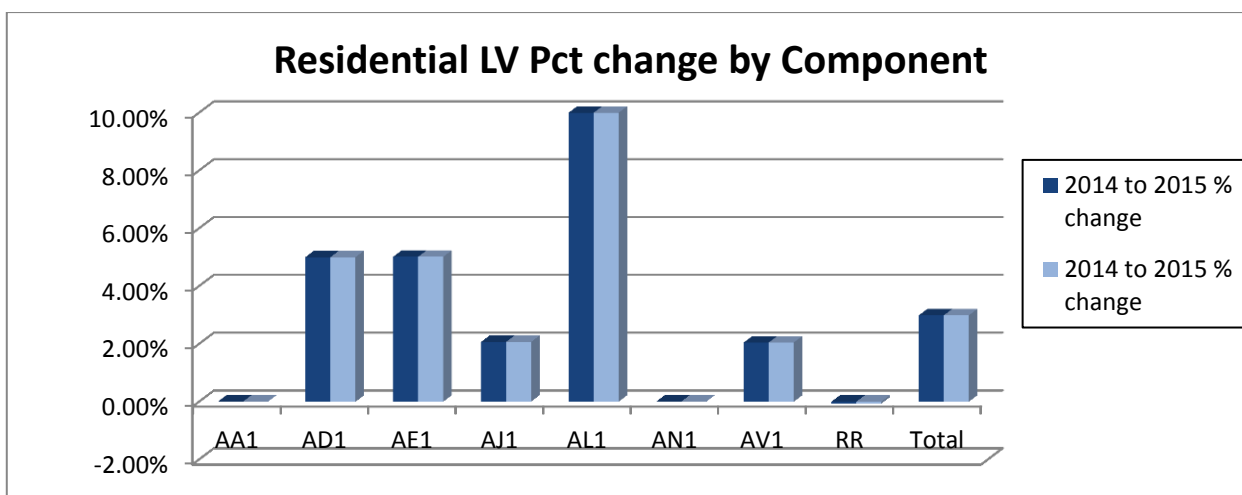
Significant value changes

- Overall Change – Changes have been minimal throughout the shire.
- There has been an increase in land value of lifestyle properties with Murray River frontage in adjoining shires but this is yet to be reflected in Wentworth Shire.

Summary of valuation changes to residential land

- Residential – residential sales across all towns has been steady in recent times. Pooncarie and Dareton have seen no significant change to values. Buronga and Gol Gol, have risen slightly due to their proximity to the Murray River, affordability and retirees/investors.
- Wentworth Township has seen some positive growth of between 5% - 10%. This is due to a number of sales that have occurred in Darling and Cadell Streets with Darling River frontage or views. This market is generally very tightly held and thinly traded.

Code	Component	No. of entries	2015 Total Land Value	Prior Annual Valuation (2014)	2014 to 2015 % change	Prior Local Government Valuation (2014)	2014 to 2015 % change
AA1	BURONGA - RESIDENTIAL	396	\$24,602,780	\$24,602,760	0.00%	\$24,602,760	0.00%
AD1	BURONGA/GOL GOL - RIVER FRONTAGE	99	\$50,033,600	\$47,648,900	5.00%	\$47,648,900	5.00%
AE1	WENTWORTH - RIVER FRONTAGE	100	\$14,560,700	\$13,865,200	5.02%	\$13,865,200	5.02%
AJ1	DARETON	235	\$2,769,200	\$2,713,190	2.06%	\$2,713,190	2.06%
AL1	WENTWORTH - RESIDENTIAL	456	\$16,317,100	\$14,833,960	10.00%	\$14,833,960	10.00%
AN1	POONCARIE	71	\$1,046,300	\$1,046,270	0.00%	\$1,046,270	0.00%
AV1	GOL GOL	376	\$36,623,820	\$35,888,510	2.05%	\$35,888,510	2.05%
RR	LARGE LOT RESIDENTIAL - BURONGA, GOL GOL, DARETON	171	\$37,595,800	\$37,620,790	-0.07%	\$37,620,790	-0.07%
Total		1,904	\$183,549,300	\$178,219,580	2.99%	\$178,219,580	2.99%

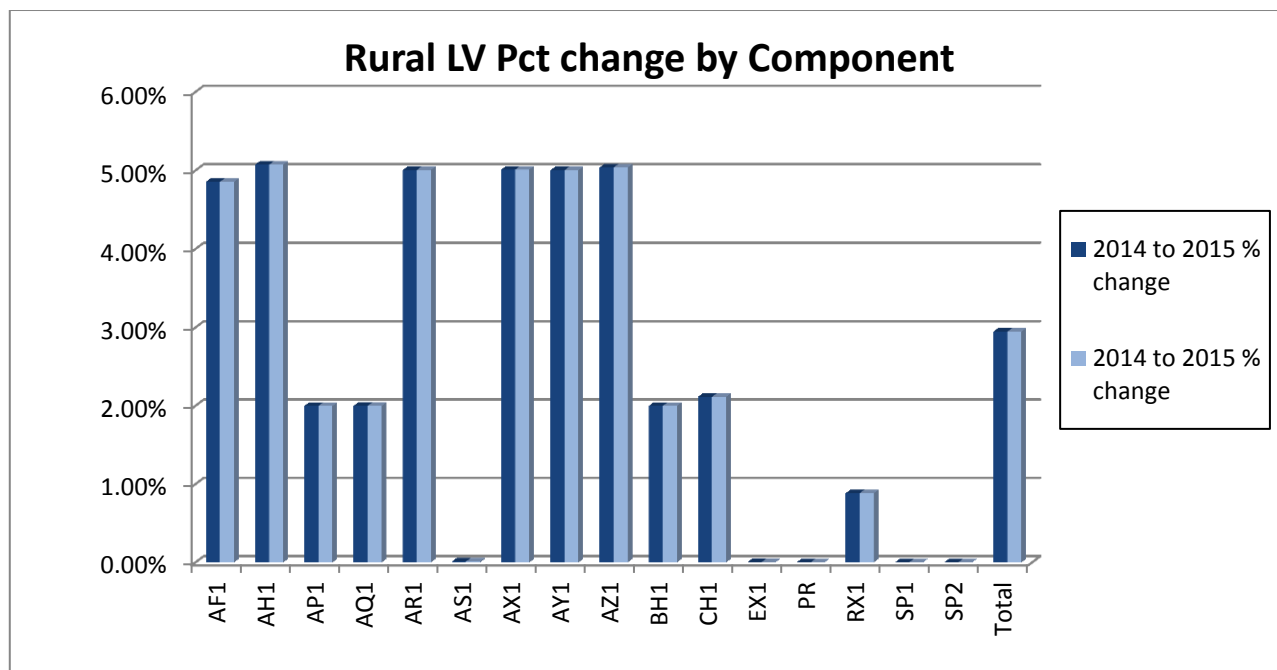


Summary of valuation changes to rural land

- Rural – The rural market has remained steady as a result of improved seasonal and economic conditions. Irrigation properties and horticultural blocks at Gol Gol, Dareton and Buronga have all remained steady. Dryland cropping has also remained steady. Overall broad acre rural properties have experienced a slight increase between 2% - 5% over the past 12 months.
- Analysed sales from adjoining shires of Balranald and Central Darling also indicate that an increase of between 2 - 5 % in required across all rural enterprises.

- Rural Residential – This trend has been consistent across lifestyle/hobby farms with slight increased demand for these properties indicating an increase of between 2% - 5% percent generally.
- The market for small ex-horticulture/viticulture block has increased with a number of analysed sales indicating an increase of approximately 5% generally. The properties have not been purchased for farming pursuits and in some cases the trees or vines have been removed.

Code	Component Name	No. of entries	2015 Total Land Value	Prior Annual Valuation (2014)	2014 to 2015 % change	Prior Local Government Valuation (2014)	2014 to 2015 % change
AF1	RURAL FARMLETS & RETREATS (DARLING / MURRAY RVR.)	222	\$39,705,100	\$37,866,370	4.86%	\$37,866,370	4.86%
AH1	HORTICULTURE (COOMEALLA)	239	\$13,798,300	\$13,131,910	5.07%	\$13,131,910	5.07%
AP1	BROADACRE GRAZING	104	\$46,949,600	\$46,029,505	2.00%	\$46,029,505	2.00%
AQ1	BROADACRE IRRIGATION/CROPPING/GRAZING	87	\$58,246,300	\$57,104,600	2.00%	\$57,104,600	2.00%
AR1	MURRAY RIVER HOMESITES/HORTICULTURE /FARMLETS	145	\$53,420,700	\$50,873,810	5.01%	\$50,873,810	5.01%
AS1	HORTICULTURE (POMONA/ELLERSLIE) - OFF RVR.	86	\$2,894,500	\$2,894,140	0.01%	\$2,894,140	0.01%
AX1	RURAL HOMESITES - BURONGA/GOL GOL/T.CLIFFS	43	\$4,056,700	\$3,863,100	5.01%	\$3,863,100	5.01%
AY1	RURAL HOMESITES - COOMEALLA	126	\$2,652,900	\$2,526,500	5.00%	\$2,526,500	5.00%
AZ1	RURAL HOMESITES - CURLWAA/WENTWORTH	94	\$2,945,800	\$2,804,500	5.04%	\$2,804,500	5.04%
BH1	HORTICULTURE (BURONGA, GOL GOL, MOURQUONG)	191	\$26,655,070	\$26,132,670	2.00%	\$26,132,670	2.00%
CH1	HORTICULTURE (CURLWAA)	129	\$5,782,900	\$5,663,110	2.12%	\$5,663,110	2.12%
EX1	URBAN EXCEPTIONS	162	\$15,434,160	\$15,433,940	0.00%	\$15,433,940	0.00%
PR	PUBLIC RECREATION	10	\$474,500	\$474,500	0.00%	\$474,500	0.00%
RX1	RURAL EXCEPTIONS	329	\$19,481,580	\$19,310,900	0.88%	\$19,310,900	0.88%
SP1	DARETON ABORIGINAL COMMUNITY	8	\$226,800	\$226,800	0.00%	\$226,800	0.00%
SP2	INFRASTRUCTURE/ROADS/C EMETERY	6	\$305,600	\$305,600	0.00%	\$305,600	0.00%
Total		1,981	\$293,030,510	\$284,641,955	2.95%	\$284,641,955	2.95%



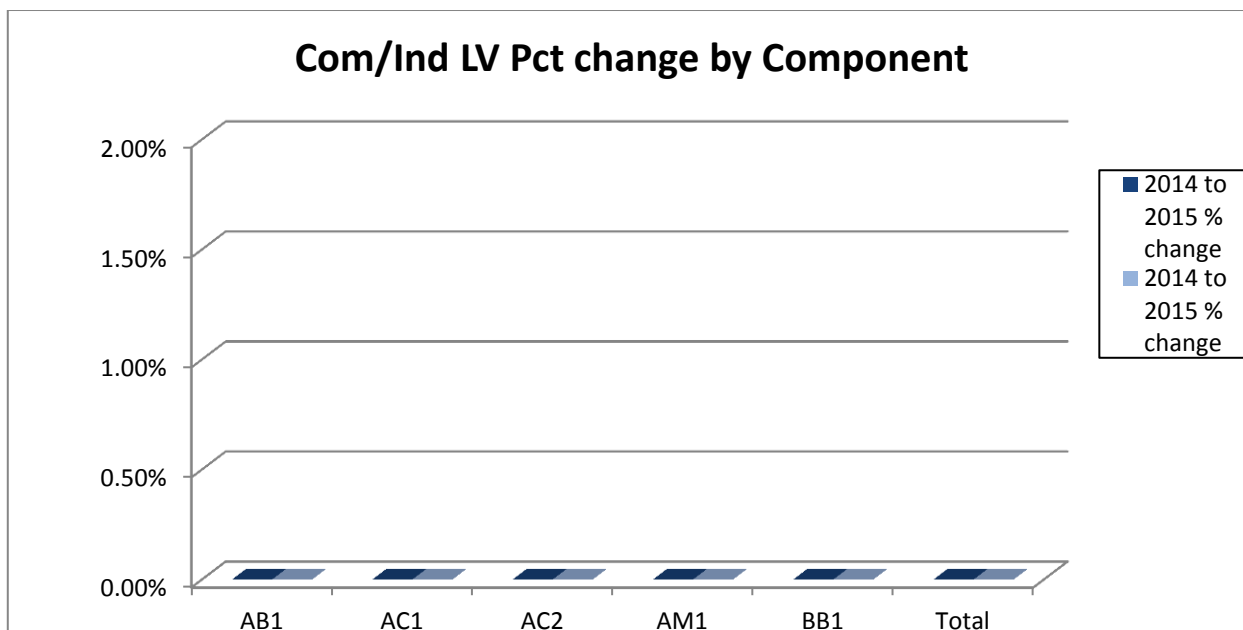
Summary of valuation changes to commercial land

- Commercial – The commercial in Wentworth Shire has shown no change to land values since the previous revaluation.
- Mildura is the main provider for retail and services within the Sunraysia region.

Summary of valuation changes to industrial land

- Industrial – No industrial sales have occurred since the previous revaluation. The market for industrial properties/blocks has remained flat. The majority of industrial properties being owner occupied.

Code	Component Name	No. of entries	2015 Total Land Value	Prior Annual Valuation (2014)	2014 to 2015 % change	Prior Local Government Valuation (2014)	2014 to 2015 % change
AB1	BURONGA - BUSINESS	20	\$4,697,700	\$4,697,700	0.00%	\$4,697,700	0.00%
AC1	GENERAL INDUSTRIAL - BURONGA/WENTWORTH	50	\$7,431,700	\$7,431,690	0.00%	\$7,431,690	0.00%
AC2	LIGHT INDUSTRIAL - COOMEALLA	14	\$336,700	\$336,700	0.00%	\$336,700	0.00%
AM1	WENTWORTH - BUSINESS	36	\$1,284,500	\$1,284,500	0.00%	\$1,284,500	0.00%
BB1	BURONGA - BUSINESS	7	\$1,623,500	\$1,623,500	0.00%	\$1,623,500	0.00%
Total		84	\$15,374,100	\$15,374,090	0.00%	\$15,374,090	0.00%



Evidence of Statistical Checks (COD, MVP, PRD) and Comparison of Average Value Changes (COACV)

Zone Code	Zone Name	Number of Current Properties	Number of Market Sales	COD	MVP	PRD	COACV
B6	Enterprise Corridor	7	0				
IN1	General Industrial	50	0				
IN2	Light Industrial	14	0				
R5	Large Lot Residential	171	2	1.27	96.20	1.00	0.02
RE1	Public Recreation	10	0				
RU1	Primary Production	1787	11	11.48	87.36	1.00	0.97
RU5	Village	1951	59	7.94	90.29	1.02	-1.04
SP1	Special Activities	8	0				
SP2	Infrastructure	6	0				

a) Coefficient of Dispersion (COD)

The COD is used to measure the uniformity of land values relative to prices (sales). The COD is a measure of the accuracy of the grading within a zone, component or group of properties. Therefore if value levels are inconsistent the variation between those values and the sales evidence used will be outside the required parameter.

b) Mean Value Price Ratio (MVP)

The MVP measures the accuracy of values relative to sales price. It is calculated by dividing, in each instance where there is an analysed sale of land, the land value by the adjusted land value at the valuation date, aggregating the results and dividing the total by the number of analysed sales, then expressing the result as a percentage.

c) Price Related Differential (PRD)

The PRD measures the vertical equity of valuations, which is the extent to which high and low valued properties are assessed uniformly relative to the sales data. A low PRD indicates the valuations are progressive, that is high valued properties, are over-valued in relation to low valued properties, whereas a high PRD indicates the values are regressive, that is high valued properties are under-valued relative to low valued properties.

Overview of Quality Assurance Process

LG Valuation Services has been provided with a detailed Valuation Analysis Report from NSW LPI, which details the Quality Assurance Process of Contractors and outlines the Verification process and certifies that Land Values meet all Statistical Measures and Component Data Analysis. In addition, a Quality Statement and lists of high value and high risk properties will also be provided in the Valuation Analysis Report. Checks have been undertaken to ensure that all properties have been valued, land values are consistent with each other, land value basis' have been correctly determined and all concessions and allowances have been supplied. Additionally, properties that had land values amended through the objection or re-ascertainment process will be individually examined to reconcile surrounding land values and ensure accuracy of the grading of surrounding land values. Benchmarks and Reference Benchmarks are core elements of the quality assurance processes and are identified and individually valued in accordance with the Rating and Taxing Procedures Manual Version 6.6.2.

1 July 2015 Quality Statement

Quality Check	Yes/No
All properties have been valued.	Yes
The land values are consistent with each other.	Yes
The land value basis has been correctly determined and recorded for each land value.	Yes
All statutory concession valuations and allowances have been supplied, including: Allowances for profitable expenditure on and off the land under Section 14L of the Valuation of Land Act Subdividers allowances under Section 14T of the Valuation of Land Act Heritage Values under Section 125 of the Heritage Act Mixed Development and Mixed Use Apportionment Factors under Sections 14X and 14BBA of the Valuation of Land Act Coal Allowances under Section 14F(4) of the Valuation of Land Act Unutilised value allowances under Section 62K of the Land Tax Management Act	Yes
All land value apportionments have been provided and calculations are correct.	Yes
Land values for those properties that have considerably higher values in relation to the average for a land use and land values of high risk properties have been reviewed and are correct. For example, regional shopping centres, large scale industrial and unit developments, large rural properties etc. The review procedures are to be provided if requested.	Yes
Land values that result in substantial changes in valuation parities or unusually large value variations from the last valuations issued for either land tax or council rating have been checked and are correct.	Yes

A broad range of market evidence has been analysed and provided in the market report as required by the Contract.	Yes
Adjustments and assumptions within the market analysis have been based on market evidence and have been fully documented and rationalised.	Yes
Analysed sale properties where the sales ratio does not lie within the range 0.85 to 1.00 have been reviewed and an explanation provided as to why the current land value should be adopted.	Yes
A Zone/Component code integrity check has been made.	Yes
The current and proposed planning controls that affect the valuations have been taken into account.	Yes
Where the land value of a property has been amended on objection or re-ascertainment, the alignment of values with surrounding properties, or properties of a similar property type, has been checked.	Yes
Statistical checks and Component Data Tables have been prepared, reviewed and anomalies or results outside the specified parameters have been rationalised and reported.	Yes
All land values are able to be supported by market evidence	Yes
Worksheets have been maintained on all properties where calculations are required. <i>Additional Worksheets will be required to satisfy the requirements in the contract</i>	No
The annual verification program requirements, including percentages of properties verified per risk rating, has been completed and correct risk codes have been applied.	Yes
Where applicable, all internal quality assurance processes identified within Part D of the contract (Tender Response) have been undertaken	Yes

I certify that the above information is an accurate account of the activities undertaken, reviews completed and quality control checks in place for Wentworth Shire.

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12 November 2015

Disclaimer – Purpose of this Report

The purpose of this report is to describe the process and considerations for the 1 July 2015 Valuation of Wentworth Shire. The report has been produced on behalf of the Valuer General.

The land values have been specifically made for rating and taxing purposes. Land values produced as part of this process should not be used for any other purpose without the specific agreement of the Valuer General.

Land values must have regard to specific requirements and assumptions in rating and taxing legislation. Consequently these valuation may vary from market levels.

The land values have been determined using a methodology prescribed by the Rating and Taxing Valuation Procedures Manual. The manual allows mass valuation methodologies that involve assessing large numbers of properties as a group to be utilised where appropriate. Mass valuation methodologies are by their nature likely to be less accurate than individually assessed valuations, however are utilised worldwide for rating and taxing purposes to deliver valuations within an acceptable market range.

Town planning, land use and other market information contained in this report has been compiled based on enquires undertaken during the valuation process. Third parties should make their own inquiries into these details and should not rely on the contents of this report.

The Valuer General disclaims any liability to any person who acts or omits to act on the basis of the information contained in this report.

More information on the valuation process is available from the Land and Property Information website at www.lpi.nsw.gov.au/valuation.