



ASPECT

PROPERTY CONSULTANTS

Final Report

CABONNE LGA
Contract 993731
Base Date July 2015

1. Executive Summary

1.1. LGA Overview

Cabonne LGA is located in the Central West region of New South Wales; Molong is the main centre in the LGA and is located about 300 kilometres west of Sydney and 30km north west of Orange. Cabonne LGA is bounded by the Dubbo, Narromine, Wellington and Mid Western LGAs to the north, the Bathurst LGA to the east, Cowra and Blayney LGAs to the south and the Parkes and Forbes LGAs to the west.

Cabonne LGA has a population of approximately 12,821 people according to the 2011 Census of which the majority live in Molong and Canowindra. The LGA has a number of smaller villages including Borenore, Cudal, Cumnock, Eugowra, Manildra, Mullion Creek and Yeoval.

1.2. Number of Properties Valued This Year and the Total Land Value in Dollars

The Cabonne Local Government Area (LGA) comprises Residential, Rural, Commercial, Industrial, Infrastructure, Environmental, Forestry and both Public and Private Recreation zones.

7,257 properties were valued at the Base Date of 1 July 2015, and valuations are reflective of the property market at that time. Previous Notices of Valuation were issued to owners for the Base Date of 1 July 2011. In general terms the Cabonne LGA property market has remained relatively stable across most sectors with a slight increase in values experienced in rural values in the last 12 months.

Valuation changes in the Local Government Area and percentage changes between the Council Valuation years of 1 July 2011 and 1 July 2015 and the Land Tax Valuation year of 1 July 2014 are as follows:

| Zone | Zone Code | Number of Entries | 2015 Total Land Value | Prior Land Value (2014) | % Change | Prior Local Government Valuation (2011) | % Change |
|----------------|-----------|-------------------|------------------------|-------------------------|--------------|---|--------------|
| Commercial | B2, B5 | 161 | \$8,041,890 | \$7,751,930 | 3.74% | \$7,646,030 | 5.18% |
| Environmental | E1, E2 | 14 | \$3,580,930 | \$3,503,930 | 2.20% | \$3,651,930 | -1.94% |
| Industrial | IN1, IN2 | 59 | \$5,417,980 | \$5,225,880 | 4.71% | \$5,092,480 | 6.39% |
| Residential | R1, R5 | 2,164 | \$193,985,860 | \$193,446,140 | 0.28% | \$179,365,120 | 8.15% |
| Recreation | RE1, RE2 | 36 | \$5,791,000 | \$5,791,000 | 0.00% | \$5,839,000 | -0.82% |
| Rural | RU1, RU2 | 3,587 | \$1,430,388,634 | \$1,405,225,274 | 1.79% | \$1,439,149,254 | -0.61% |
| Forestry | RU3 | 9 | \$5,601,000 | \$5,601,000 | 0.00% | \$5,893,000 | -4.96% |
| Village | RU5 | 1,186 | \$35,027,140 | \$34,389,190 | 1.86% | \$33,733,890 | 3.83% |
| Infrastructure | SP2 | 32 | \$1,417,900 | \$1,417,900 | 0.00% | \$1,417,900 | 0.00% |
| Total | | 7,257 | \$1,690,203,534 | \$1,663,249,444 | 0.45% | \$1,682,685,804 | 1.62% |

1.3. State & Local Government Legislation for LGA

The Cabonne Local Environmental Plan 2012 gazetted 18 January 2013. There have been 4 amendments made to the current LEP since the previous valuation, they are:

| | | |
|-------------|-------|---|
| 2014 | (670) | Cabonne Local Environmental Plan 2012 (Amendment No 1). LW 17.10.2014. Date of commencement, on publication on LW, cl 2. |
| 2015 | (6) | Cabonne Local Environmental Plan 2012 (Amendment No 2). LW 16.1.2015. Date of commencement, on publication on LW, cl 2. |
| | (340) | Cabonne Local Environmental Plan 2012 (Amendment No 3). LW 26.6.2015. Date of commencement, on publication on LW, cl 2. |
| | No 15 | <u>Statute Law (Miscellaneous Provisions) Act 2015</u> . Assented to 29.6.2015. Date of commencement of Sch 3, 15.7.2015, sec 2 (3). |

The Cabonne Local Government Area is governed by the Cabonne Local Environmental Plan 2012 (LEP). The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales Legislation.

1.4. Market Overview and Sales of Particular Interest

Aspect Property Consultants have undertaken significant analysis of the Cabonne district property market to provide an accurate and reliable basis of valuation. 203 market indicator sales have been analysed to enable the establishment and verification of land values as at 1 July 2015. These analysed sales also support the value levels adopted across components. Analysed sales reports are provided to Land and Property Information on a consistent basis throughout the year. The added value of improvements are also analysed to enable the accurate deduction of land values. Aspect Property Consultants undertakes this process using the Paired Sales Approach and the Replacement Cost Approach.

In analysing sales before or after 1 July it is necessary to adjust the contract price in terms of market movement. In the Cabonne LGA there have numerous re-sales of properties; they generally indicate stable land values with only certain rural residential areas showing an increase over the period. Rural properties have remained relatively stable throughout the year. The Molong commercial market has seen an increase over the period while Canowindra has remained stable. Values generally remain stable since last years base date and feasibility studies that were carried out also reflected this.

Examples of analysed sales and re-sales,

- Residential:
 - PID 1214426 – 11/6/2014 (\$140,000), 3/7/2015 (\$160,000). Indicates an increase in value levels for the village of Cumnock.
 - PID 1214987 – 4/11/2011 (\$325,000), 8/5/2015 (\$350,000). Indicates values have remained relatively stable in the village of Cargo.
 - PID 1215496 – 25/1/2012 (\$280,000), 22/6/2015 (\$267,500). Indicates values have remained relatively stable in Canowindra.
 - PID 1216313 – 12/10/2012 (\$182,000), 8/9/2015 (\$175,000). Indicates values have remained relatively stable in the Cudal village.
 - PID 1216555 – 27/10/2011 (\$106,000), 14/5/2015 (\$106,000). Indicates values have remained stable in the Eugowra village.
 - PID 1217265 – 26/10/2011 (\$150,000), 8/4/2015 (\$150,000). Indicates values have remained stable in the Manildra village.
 - PID 1217978 – 5/7/2012 (\$315,000), 15/6/2015 (\$295,000). Indicates values have remained relatively stable in Molong.
 - PID 3184639 – 26/2/2014 (\$60,000), 12/12/2014 (\$60,000). Indicates values have remained stable in the village of Cargo.

- Rural residential:
 - PID 1213796 – 11/11/2011 (\$635,000), 11/4/2015 (\$700,000). Vacant land re-sale which indicates an increase in rural residential properties in the Borenore locality.
 - PID 1215317 – 22/11/2013 (\$52,500), 8/4/2015 (\$55,000). Indicates values have remained relatively stable in the Moorbel locality.
 - PID 1219227 – 23/1/2014 (\$41,000), 12/2/2015 (\$45,000). Indicates values have remained relatively stable in the Toogong locality.
 - PID 3115964 – 12/8/2011 (\$188,000), 14/5/2015 (\$205,000). Indicates values have increased in the Windera locality over the period.
 - PID 3450632 – 15/3/2013 (\$267,500), 14/4/2015 (\$295,000). Indicates values have increased in the Spring Hill locality.
 - PID 3499315 – 14/9/2012 (\$130,000), 27/8/2015 (\$152,000). Indicates values have increased in the Lower Lewis Ponds locality.

- Rural:
 - PID 3754801 – 17/1/2014 (\$2,500,000), 6/2/2015 (\$2,450,000). Indicates values have remained stable in the Waldegrave locality.

1.5. Significant Issues and Developments

There have not been any significant developments or applications for developments outside of those that are permissible under the current zoning and therefore no special consideration is required.

1.6. Significant Value Changes

Summary of Valuation Changes to Residential Land

Changes since Previous General Valuation (2011)

The Cabonne residential market involves Molong, Canowindra and many other smaller villages. Molong and Canowindra, and their surrounding rural residential areas, have seen increases over the period whilst most village locations have generally remained stable with some growth in specific villages throughout the district since the last General Valuation in 2011. The Molong residential market has seen a 17% increase over the 4 year period, while Canowindra has seen less growth of approximately 6%. Cumnock and Cargo have seen the largest increases in village locations, (20% and 8.5% respectively), with Manildra seeing a slower increase of 4%. Rural residential areas have also remained stable with the exception of Cudal (10%), Windera (17%) and Spring Hill (5.5%) all increasing in land value whilst Mullion Creek saw a decrease over the period (-6.93%).

Changes since Previous Valuation Year (2014)

Sales volumes have remained stable over the last twelve months, as have land values throughout the majority of residential areas in Molong, Canowindra and village locations.

The village of Cumnock appears to be growing in popularity due to its proximity to Molong and Dubbo and saw an increase of 20% over the period. Canowindra and Spring Hill rural residential areas also saw increases for the period; however Cudal and Mullion Creeks values dropped.

Summary of Valuation Changes to Rural Land

Changes since Previous General Valuation (2011)

The Cabonne LGA is a well regarded rural locality due to its good quality grazing properties, cultivation country as well as alluvial flats and irrigation properties on the Belubula River, the area is also located within close proximity to Orange. The most common rural land use in the Cabonne LGA is grazing and cultivation as well as a significant number of smaller rural home sites and hobby farms.

The broad acre rural property market has been generally stable since the last general valuation, with components seeing varying movements over the four year period ranging from -6.64% to 4.42%. Lifestyle/hobby farms, rural-residential and rural retreat holdings throughout the LGA have also generally remained stable with components seeing varying movements over the four year period ranging from -2.33% to 1.71%.

Demand for rural holdings is predominantly from existing owners, or from nearby LGAs, looking to expand. If strong commodity prices, cattle prices and a lower Australian dollar continue as they are, demand will increase and will likely reflect in increased values in the future.

Changes since Previous Valuation Year (2014)

The rural property market over the past 12 months has remained predominantly stable for the majority of the Cabonne LGA. The broad acre components saw varying movements over the 12 month period ranging from -0.90% to 4.89%. The Lifestyle/hobby farms, rural-residential and rural retreat components saw varying movements over the 12 month period ranging from 0% to 1.66%.

Summary of Valuation Changes to Commercial Land

Changes since Previous General Valuation (2011)

The Cabonne LGA commercial market has recorded approximately 30 sales since January 2011. The sales indicate a generally stable market in Canowindra; however the Molong commercial sector has seen an increase of approximately 8%, which was caused by an increased demand from both investors and owner-occupiers in the town. The sales are split relatively evenly over both Canowindra and Molong. The B5 component in Molong shows a large percentage decrease (15.15%) over the period however there is only 1 property in the component, so the percentage is not reflective of the broader commercial market in Molong.

Changes since Previous Valuation Year (2014)

The Cabonne LGA commercial market has recorded approximately 8 sales since the 2014 base date, which is marginally more than the previous base date. The sales indicate a relatively stable market in Canowindra, while Molong has seen an increase of 6.49% for the period. 6 of the sales occurred in Molong, with 2 sales in Canowindra. The higher number of sales in Molong is caused by the increased demand of both investors and owner-occupiers and is directly reflected in the increase in values over the period.

Summary of Valuation Changes to Industrial Land

Changes since Previous General Valuation (2011)

The Cabonne LGA industrial market had approximately 10 sales since January 2011. The Cabonne LGA has 3 industrially zoned areas being in Molong, Canowindra and Manildra. Although the transactions have been limited they have shown increases in both Molong and Canowindra, while Manildra has remained stable. The majority of the sales occurred in Molong with 3 sales in Canowindra and 1 in Manildra for the period. Demand for industrial properties in the Cabonne LGA is very limited, which is met with limited supply.

Changes since Previous Valuation Year (2014)

The Cabonne LGA industrial market has recorded 3 industrial sales during the 2015 base date. The 2 sales which occurred in Molong suggested an increase of approximately 10%, while the sale in Manildra indicated stable value levels. The lack of any sales in Canowindra is reflected in the stable values over the period.

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2. Disclaimer – Purpose of Report

The purpose of this report is to describe the process and considerations for the 1 July 2015 general valuation of the Cabonne LGA. 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 valuations 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 enquiries 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

Liability limited by a scheme approved under Professional Standards Legislation.

3. LGA Overview

3.1. Location of the District

Cabonne LGA is located in the Central West region of New South Wales, Molong is the main centre in the LGA and is located about 300 kilometres west of Sydney and 30km north west of Orange. Cabonne LGA is bounded by the Dubbo, Narromine, Wellington and Mid Western LGAs to the north, the Bathurst LGA to the east, Cowra and Blayney LGAs to the south and the Parkes and Forbes LGAs to the west.

Cabonne LGA has a population of approximately 12,821 people according to the 2011 Census of which the majority live in Molong and Canowindra. The LGA has a number of smaller villages including Borenore, Cudal, Cumnock, Eugowra, Manildra, Mullion Creek and Yeoval.

The Cabonne LGA is predominantly rural in terms of employment, employing approximately 20% of the Cabonne population, although there is substantial mining activity in the south east of the LGA with Cadia mine being a large employer within the LGA, and accounting for a large portion (45%) of the Gross Regional Profit.

3.2. Principal Towns

Molong

Molong is the principal town in the Cabonne LGA and is a farming and administrative centre with a population of 1,629 (2011) located in the Central West region of New South Wales. It is situated on the Mitchell Highway about 300km west of Sydney and 30 km north west of Orange.

Canowindra

Canowindra is located in the southern portion of the LGA within the Central West region NSW approximately 320km west of Sydney, 60km west of Orange and 30km north of Cowra. At the 2011 Census the village had a population of 1,424 people. The entire village is classified by the National Trust and the village centre has cobbled, bluestone bordered streets.

3.3. Main Industries

The Cabonne LGA is predominantly rural in terms of employment, employing approximately 20% of the Cabonne population, although there is substantial mining activity in the south east of the LGA with Cadia mine being a large employer within the LGA, and accounting for a large portion (45%) of the Gross Regional Profit.

3.4. Significant Retail Centres

The Molong and Canowindra Central Business Districts provide the main service centres for the Cabonne LGA, however they have limited retail development with the majority of the population utilising Orange, while others may use Dubbo, Cowra or even Forbes.

3.5. Type of Residential Development

The Cabonne LGA contains mostly rural and residential properties, with the majority of the development located in and around Molong, Canowindra and the rural residential areas within close proximity to Orange. A smaller amount of residential development is located in Borenore, Cudal, Cumnock, Eugowra, Manildra, Mullion Creek and Yeoval villages.

The Cabonne region encompasses several types of residential developments. The majority of residential properties in the region are single residential dwellings located in towns or villages followed by a large number of such dwellings located in rural location on both hobby and larger farms. Molong and Canowindra have a very small number of residential unit developments and townhouse style properties.

4. State & Local Government Legislation for the Cabonne

LGA

The Cabonne Local Environmental Plan 2012 gazetted 18 January 2013. There have been 4 amendments made to the current LEP since the previous valuation, they are:

| | | |
|-------------|----------|--|
| 2014 | (670) | Cabonne Local Environmental Plan 2012 (Amendment No 1). LW 17.10.2014. Date of commencement, on publication on LW, cl 2. |
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| | No 15 | <u>Statute Law (Miscellaneous Provisions) Act 2015</u> . Assented to 29.6.2015. Date of commencement of Sch 3, 15.7.2015, sec 2 (3). |

The Cabonne Local Government Area is governed by the Cabonne Local Environmental Plan 2012 (LEP). The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales Legislation.

The plan aims to make local environmental planning provisions for land in the Cabonne Local Government Area in accordance with the relevant standard environmental planning instrument under section 33A of the Act.

Cabonne Council has a number of Development Control Plans (DCPs) in place that affect the subdivision and erection of dwellings which impacts on land values. Cabonne Council is currently in the process of preparing a new Development Control Plan (DCP) that will apply to development across the Cabonne LGA.

The DCPs currently enforced included:

- West Canowindra Rural Small Holdings
- Weemelah Rural Small Holdings
- Longs Corner Road Rural Small Holdings
- General Rural Zones
- Rural Small Holdings
- North Street Canowindra Industrial
- North Molong Industry
- Strathnook Lane Rural Small Holdings
- Flood Prone Lane in Molong
- Advertising Signage in Conservation Areas (Molong and Canowindra)
- Relocatable and Transportable Homes
- Interim Guidelines for Development of Flood Prone Land in Eugowra

5. Market Overview & Sales of Particular Interest

Residential and Villages

The Cabonne LGA contains mostly rural and residential properties, with the majority of the development located in and around Molong, Canowindra and the rural residential areas within close proximity to Orange. A smaller amount of residential development is located in Borenore, Cudal, Cumnock, Eugowra, Manildra, Mullion Creek and Yeoval villages.

The Cabonne region encompasses several types of residential developments. The majority of residential properties in the region are single residential dwellings located in towns or villages followed by a large number of such dwellings located in rural location on both hobby and larger farms. Molong and Canowindra have a very small number of residential unit developments and townhouse style properties.

The Cabonne residential market involves Molong, Canowindra and many other smaller villages. Molong and Canowindra, including their surrounding rural residential areas, have seen increases over the period whilst most village locations have generally remained stable with some growth in specific villages throughout the district since the last General Valuation in 2011. The Molong residential market has seen a 17% increase over the 4 year period, while Canowindra has seen less growth of approximately 6%. Cumnock (20%) and Cargo (8.5%) have seen the largest increases in village locations due to their proximity to major centres (Dubbo and Orange respectively), with Manildra seeing a slower increase of 4%. Rural residential areas have also remained stable with the exception of Cudal (10%), Windera (17%) and Spring Hill (5.5%) all increasing in land value whilst Mullion Creek saw a decrease over the period (-6.93%).

Cabonne residential values are supported by employment from predominantly the rural sector, employing approximately 20% of the Cabonne population, as well as the substantial mining activity in the south east of the LGA with Cadia accounting for a large portion (45%) of the Gross Regional Profit. The Cabonne LGA attracts numerous commuters which utilise the area as a base for commuting to the adjoining Orange and Dubbo LGA's.

Commercial

The Cabonne LGA commercial market has recorded approximately 30 sales since January 2011. The sales indicate a generally stable market in Canowindra; however the Molong commercial sector has seen an increase of approximately 8% over the four year period, most of which occurred in the last 12 months. This has been the flow on effect caused by an increased demand from both investors and owner-occupiers in the town. The sales are split relatively evenly over both Canowindra and Molong since the prior general valuation, however in recent times Molong has seen a greater amount of sales activity. The B5 component in Molong shows a large percentage decrease (15.15%) over the period however there is only 1 property in the component, so the percentage is not reflective of the broader commercial market in Molong.

Industrial

The Cabonne LGA industrial market had approximately 10 sales since January 2011. The Cabonne LGA has 3 industrially zoned areas being in Molong, Canowindra and Manildra. Although the transactions have been limited, since the prior general valuation they have shown increases in both Molong and Canowindra, while Manildra has remained stable. The majority of the sales occurred in Molong with 3 sales in Canowindra and 1 in Manildra for the period. Demand for industrial properties in the Cabonne LGA is very limited, which is met with limited supply.

Rural Locations within the LGA

Land values vary throughout the LGA according to land form, location, access and soil types. The following explains the general descriptions of some localities within the Cabonne LGA.

The Cabonne LGA is a well regarded rural locality due to its good quality grazing properties, cultivation country as well as alluvial flats and irrigation properties on the Belubula River, the area is also located within close proximity to Orange. The most common rural land use in the Cabonne LGA is grazing and cultivation as well as a significant number of smaller rural home sites and hobby farms.

The broad acre rural property market has been generally stable since the last general valuation, with components seeing varying movements over the four year period ranging from -6.64% to 4.42%. Lifestyle/hobby farms, rural-residential and rural retreat holdings throughout the LGA have also generally remained stable with components seeing varying movements over the four year period ranging from -2.33% to 1.71%. The rural property market has also seen little market movement over the past 12 months for the majority of the Cabonne LGA. The broad acre components saw varying movements over the 12 month period ranging from -0.90% to 4.89%. The Lifestyle/hobby farms, rural-residential and rural retreat components saw varying movements over the 12 month period ranging from 0% to 1.66%.

Demand for rural holdings is predominantly from existing owners, or from nearby LGAs, looking to expand. If strong commodity prices, cattle prices and a lower Australian dollar continue as they are, demand will increase and will likely reflect in increased values in the future.

6. Significant Issues and Developments

Significant Developments – From Prior to Current Annual Valuation

Below is a summary of significant Development Applications. Most of these Development Applications are for developments permissible within the current zoning therefore no special consideration is required. As the Cabonne LGA is made up of smaller towns with no large regional centre new substantial developments are uncommon.

New developments/issues in discussion or underway include:

- Central Western NSW has seen an increase in local sales without the intervention of an agent due to recent conditions, strong commodity prices and low interest rates. Many farmers are looking to expand and in some cases are approaching neighbour's to purchase or are accepting neighbour's asking prices to buy.
- The Cabonne council is against a LGA amalgamation and wants to remain a stand alone council. They have draft a submission a 'Fit for Future' document for the State Government and are calling on the local population to provide feedback.
- Approval in November 2014 a self storage unit complex was approved at 15 Kolonga Road, Molong.
- Approval for a new medical centre in Canowindra was announced in mid to late 2014.
- There is a proposal for a new dam on the Belubula River at the Cranky Rock locality located approximately 10km east of Canowindra. The new proposal follows a rejected dam at Needles Gap. The dam has been met with a mixture of support and opposition and its future still remains uncertain at this stage.
- Newcrest gained approval to expand the Cadia East processing plant. The plant has had it's upper limit of gold and copper processing increased by 5 million tonnes per annum from 27 to 32.

Significant Developments – From Prior to Current Local Government Council Rating Valuation

New developments/issues in discussion or underway include:

- The Cabonne Local Environmental Plan 2012 gazetted 18 January 2013.
- Cabonne Council budgeted nearly \$12.2 million upgrading the LGA roads in 2012. Council spent approximately \$12.192 million on road projects including \$1.5 million on the construction of new bridges.

- Canowindra-Industrial Estate Stage 1 was release in 2012 – The development is situated on approximately 50 acres, the Canowindra Industrial Estate is strategically positioned with frontage to North Street. The development first stage comprised 15 half acre blocks.
- There have been a number of smaller rural residential subdivisions surrounding Molong and Canowindra since the prior general valuation, these blocks usually sell slow due to an over supply of vacant land for the demand in the market. Cabonne Council often offer incentives to early purchasers in the developments to get them established, such as cash-back and Telstra credits.
- The first land has been rezoned for 2ha lifestyle properties north east of Orange adjoin the Clifton Grove Estate, the 24 ha property on the Lower Lewis ponds road has been earmarked for rezoning since 2008. More land in the vicinity is also proposed for rezoning.

7. Significant Value Changes

Significant Value Changes – From Prior to Current Annual Valuation

There have been 3 components which have received significant factors since the prior base date:

- The Molong industrial component received a 10% factor increase in line with market evidence of the sales analysed at the current base date.
- The Cumnock village received a 20% factor increase in line with the market evidence as interest continues to grow around the village due to its proximity to Molong and Dubbo.
- The village of Mullion Creek received a 10% factor decrease in line with evidence suggesting a decrease in demand for the area.

All other components have not seen any significant value changes from the prior to current Annual Valuation. Value changes have occurred more consistently over the past 4 years since the previous General Valuation as outlined below.

Significant Value Changes – From Prior to Current Local Government Council Rating Valuation

Since the last General Valuation in 2011, most values have generally been stable with only small increases or decreases. This follows the same overall trend from the previous valuation year and supports that the current market levels are generally static.

Various properties in certain areas within the LGA have overall increased and decreased at differing rates, these are listed below:

- Industrial properties in both Molong (explained above) and Canowindra have seen an increase in land values of approximately 10%.
- The B5 component in Molong has decreased by 15% over the period. The component consists of 1 property which sold in the 2012 and 2013 base dates and was decreased in line with the analysis over the subject.
- The Molong residential component has seen a large increase over the period of approximately 18%, which was caused by a gradual increase in values each year as the town rises in popularity due to its close proximity to Orange.
- The Cumnock village received a 20% factor increase in line with the market evidence as interest continues to grow around the village due to its proximity to Molong and Dubbo.

- Cudal rural residential saw an increase of approximately 10% over the four year period; this has been due to some new subdivisions creating more sales over the period compared to the relative stable history of the village.
- The Windera rural residential Estate located within close proximity to Orange has seen an increase of over 20% since the prior general valuation. This has been due to consistent vacant market evidence each year suggesting increasing popularity and demand for the estate.

8. Overview of the Quality Assurance Process

LPI has been provided with a detailed Valuation Analysis Report, which details the Quality Assurance Process of Aspect Property Consultants 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 is also 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 bases have been correctly determined and all concessions and allowances have been supplied. Additionally, properties that had land values amended through the objection or reascertainment process were 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 6.6.1. Worksheets have been maintained on all properties where calculations are required. We have also ensured that adjustments and assumptions within the market analysis have been based on market evidence and have been fully documented and rationalised.

9. Author

Report Prepared by:



Christopher C. Attenborough
Registered Valuer 4012 FAPI, CPV
B.Com (Land Economy)
Contract Services Manager
Aspect Property Consultants