

2015

**RICHMOND VALLEY FINAL REPORT AND PROPOSED LAND  
VALUE LEVELS FOR DEPARTMENT OF LANDS LOCAL  
GOVERNMENT AREA RICHMOND VALLEY (151)**

BERNADETTE GRACE

SOUTHERN CROSS VALUATION SERVICES

1/11/2015

# Executive Summary

Richmond Valley L.G.A. DISTRICT 151 – Base Date 1<sup>ST</sup> JULY 2015

## **Richmond Valley Overview**

The Richmond Valley Council area is located in the far north coast of New South Wales and stretches some 85 kilometres from the coastline inland to the foothills of the Great Dividing Range. Overall the Shire is a rural based district encompassing a total of 24,551 square kilometres, with a population total of 23,115 (Estimated residential population as at 30<sup>th</sup> June 2010 – sourced from Australian Bureau of Statistics – there have been no updates for 2015).

## **Number of properties valued this year & the total land value in dollars**

There are approximately 10,192 properties recorded on the Register of Land Values within the Richmond Valley Shire Local Government Area (L.G.A.), the new valuations have resulted in an overall increase of around 3% in the total Land Value of the L.G.A. This total has increased from approximately \$1,512M at the prior Annual Valuation 01-07-2014 to \$1,579M to the current Base Date review of 01-07-2015. This represents about a 3% increase in overall values.

Please note all figures & percentages listed are approximates.

## **Richmond Valley 2015 Annual Valuation**

<b>Zone</b>	<b>Zone Codes</b>	<b>Number of Entries</b>	<b>2015 Total Land Value</b>	<b>Prior Local Government Valuation (2014)</b>	<b>% Change</b>
Residential	R1, R5, RU5	6468	800,864,850	763,078,420	5.0%
Rural	RU1, RU3	3168	675,754,140	653,322,660	3.5%
Commercial	B1, B2, B3	318	51,864,230	45,777,600	13.0%
Industrial	IN1	173	29,278,200	29,278,200	0%
Infrastructure	SP2	9	1,487,750	1,475,300	0.5%
Environmental	E1, E2, E3	17	8,531,700	7,321,700	16.5%
Public Recreation	RE1, RE2	39	11,972,700	11,972,700	0%
<b>Total</b>		<b>10,192</b>	<b>\$1,579,753,570</b>	<b>\$1,512,226,580</b>	<b>3%</b>

## **State & Local Government Legislation for LGA**

The Richmond Valley Local Environmental Plan 2012 (RVLEP 2012) has received final approval and commenced from its notification on the NSW Legislation website on 23 December 2011. It replaces all local environmental plans that previously applied to the Local Government Area. Council's Development Control Plans are also amended as a consequence, including the introduction of new clearing controls in the residential zones.

There has been 1 amendment to the 2012 LEP since October 2014. This amendment has been identified & investigated with no major alterations to value levels at this time.

## **Market Overview and Sales of Particular Interest**

Southern Cross Valuation Services has 1 contractor who has undertaken significant analysis of the Richmond Valley district property market to provide an accurate and reliable basis of valuation. Approximately 344 sales have been analysed to enable the establishment and verification of land values as at 1<sup>st</sup> July 2015. These analysed sales also support the grading 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. The Paired Sales Approach and the Replacement Cost Approach has been used widely throughout our programme.

In analysing sales prior & after the base date 1/7/2015, care has been taken to adjust the price where needed in be in line with market movements. The commercial sector is back up to 2012 value levels.

## **Significant Issues and Developments**

Evans Head Village residential subdivision

6 vacant residential blocks located on the corner of Cedar Street and School Lane were sold within 2 hours of going on the market in early October according to First National Real Estate.

Iron Gates residential subdivision

Development Application lodged in December 2014 with Richmond Valley Council requesting further information relating to submissions received opposing the development, State issues relating to ecological and regional cultural & heritage matters and bushfire compliance. An amended development application is in the process of being submitted with a slightly reduced number of blocks. This will need to be re advertised and submitted to the Joint Regional Planning Panel and a decision will likely be made late December 2015 or February 2016. Block sizes range from 600 sqmt to 800sqmt.

Casino Sale Yards

Plans are in place to upgrade the sale yards to meet animal welfare standards with a canopy to be erected providing shade to stock.

## Northern Co-operative Meat Company

A schedule of works is being undertaken by this locally based company with the cold chain management facility valued at \$12million being built now.

Settler's Estate.

Richmond Valley has released the final stage of this subdivision with blocks selling well over the past year.

## Evans Head Highway Workers Camp

Preliminary discussions have been held with the Richmond Valley Council for a proposed 5 year temporary camp site for highway workers. Pre construction works are currently being undertaken along the proposed new highway with actual construction anticipated to commence in September 2016. Worker's camps are speculative only and development of them is not associated with any highway delivery partner.

## **Significant Value Changes**

### **Summary of Valuation Changes to Residential Land**

#### **Changes since previous Valuation Year (2014)**

Residential & Village land values overall have shown an increase of about 3%, with some areas having no changes, and other village lots seeing increases of between 5 – 10% . Casino residential has seen an overall increase of about 5 % with Evans Head having an increase of 7% -10% depending on ability for block to be developed for multiple units or having water views and access to shops. Woodburn, Broadwater and Coraki values have remained static.

### **Summary of Valuation Changes to Rural Land**

#### **Changes since previous Valuation Year (2014)**

Rural holdings overall a little softer to residential showing 3% increases in land values. Smaller home site & hobby farms showing 5% increases. Values of rural home sites have been static. Dry grazing properties show an increase of 5% throughout the district, similar to movement of home sites/hobby farms.

### **Summary of Valuation Changes to Commercial Land**

#### **Changes since previous Valuation Year (2014)**

Richmond Valley commercial market movement has seen values rise between 25-30% in the B3 zone - Casino prime and fringe commercial districts, with no changes to values in remaining commercial land in Evans Head, South Casino & neighborhood Centres (B1 & B2). This has shown an overall rise in values of 13%.

### **Summary of Valuation Changes to Industrial Land**

#### **Changes since previous Valuation Year (2014)**

Industrial sales have been very minimal with only 14 sales throughout the year. Similar to the commercial precinct the sales indicate a stable market with no changes in land values. The main interest has been in Casino and Evans Head. Two industrial blocks situated side by side were purchased in Casino for hangar development and an industrial shed was purchased in Evans

Head for honey production. These particular sales manifest that a premium will be paid by a special interest purchaser.

REPORT

PREPARED BY:

A handwritten signature in cursive script, appearing to read "B Grace".

Bernadette Grace LLB A.A.P.I. (Val)

Registered Valuer No. 2886

Senior Valuer

SOUTHERN CROSS VALUATION SERVICES

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## **Disclaimer – Purpose of this Report**

The purpose of this report is to describe the process and considerations for the 1 July 2015 Valuation of Richmond Valley 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](http://www.lpi.nsw.gov.au/valuation).

# General Overview

The Richmond Valley Council area is located on the north coast of New South Wales and stretches some 85 kilometres from the coastline inland to the foothills of the Great Dividing Range. Overall the Shire is a rural based district encompassing a total of 24,551 square kilometres, with a population total of 23,115 (Estimated residential population at 30<sup>th</sup> June 2010 – sourced from Australian Bureau of Statistics)

Richmond Valley LGA shares its boundaries with the Ballina, Lismore, Kyogle and Clarence Valley Local Government Areas.

The area's urban population predominates in Casino Township. Additionally there is the coastal Villages of Evans Head, Woodburn and Broadwater/Rileys Hill on the Pacific Highway and in Coraki upstream of Woodburn on the Richmond River.

The LGA has an attractive rural aspect centred on the Richmond River with a diverse natural environment and includes some sensitive wetland areas. The LGA has large tracts of state forests, national parks and nature reserves, which occupy approximately 30% of the total area.

There are six main urban centres, the largest being Casino and Evans Head, with approximate populations of 11,949 and 2,100 people respectively. Coraki is the next largest town with approximately 1,840 residents. Broadwater with 460 residents, Woodburn 520, and Rappville 260; the smaller villages are situated in the rural districts and provide minor service facilities to the surrounding localities.



## Casino

### *Location & General Profile*

Casino town straddles the Richmond River where the picnic spots and weirs are a drawcard for tourists. In this region the town is the hub of all the major east/west and north/south transport routes, as the Bruxner Highway passes through to link the northern tablelands with Lismore, while the Summerland Way connects with Kyogle, Brisbane and Grafton.





Casino is the commercial service centre of the Shire providing support for the surrounding rural hinterland. The beef industry is a major contributor with all facets of the industry being represented within the Shire as the major industry employer. The abattoirs, meat processing and cattle sales are all a major part of the industry.

### *Main Industries*

Casino is the commercial service centre of the Shire providing support for the surrounding rural hinterland. The beef industry is a major contributor with all facets of the industry being represented within the Shire as the major industry employer. The abattoirs, meat processing and cattle sales are all a major part of the industry.

## Evans Head

### *Location & General Profile*

Located on the shores of the Pacific Ocean, Evans Head is the eastern town of the Shire. According to the Richmond Valley Council, almost 30 per cent of those living in the area are over the age of 55, with 139 residents over the age of 90. The town is surrounded by national parks and the coastline has long sandy beaches, river estuary and headland. Open sea fishing and the surrounding National park areas make Evans Head a popular holiday destination. There is generally a high demand for real estate in this hamlet.



## Other Significant towns

### *Broadwater*

The site of one of the early settlements on the Richmond River, Broadwater is a small village with its economy centered around the sugar mill which is located right in the heart of the village.

The planning for a new sewer disposal system with individual pumps at each property has added renewed interest in real estate in this Village.

### *Coraki*

Coraki adjoins an open stretch of the Richmond River with the main commercial buildings located opposite the river. Sugar and beef cattle are the main rural activity while ti-tree plantations and soy beans are increasingly popular crops in this locality. The dramatic drop in the price of ti-tree oil over recent years has discouraged further expansion of this industry but high mulch prices have steadied interest.

### *Rappville*

The village of Rappville is quite small, with the main purpose of servicing some of the local timber and beef industry property holdings in the adjoining hinterland. The village is 20kms south of Casino just off the Summerland Way between Grafton & Casino.

### *Woodburn*

Situated on the Pacific Highway on the banks of the Richmond River, Woodburn provides a welcome stopping place for travelers. The town is an excellent focal point for many water sports, including skiing, sailing, swimming or a spot of fishing along the river banks. The CBD caters for the passing tourists and general provisions for the local community.



## Main Industries

Dairying dominated the early farming of the shire but today much of the land has been turned over to raising beef cattle. Casino is a major regional centre for Beef cattle production with the abattoir being located on the Western periphery of the town. This is a major employer in the town and Casino is sensitive to the “beef” economy.

The Richmond Valley/Casino district was first pioneered overland from the Clarence River district in search of the 'red gold' or cedar trees. Closer to the coast sugar cane has become a major industry with the Mill at Broadwater. There is presently a proposal for an electricity co-generation plant utilising the sugar cane waste to add electricity back into the main electrical grid. The proposal by the Sugar Milling Co-op to establish the Electricity Co-generation Plant at Broadwater has been implemented with significant Government backing with an injection of over ten million dollars in grants. Overall the scheme had been expected to be a great boost to the economy with added employment and the predominant use of cane trash as a renewable energy source. The plant was planned to supply power for up to one third of Richmond Valley's electricity production, however, as the plant was designed for sugar beet, not sugar cane, they have only been able to run at half speed and therefore have not been able to supply the expected power to the community and the plant construction costs were greater than expected. To date, good prices for sugar have supported the mill but there has not been a fall in the number of properties producing cane in Richmond Valley with most of the cane farms being located in the Ballina Shire.

Soya Beans & fishing are also prevalent in the district. Ti-tree plantations have been established in recent years but returns have dropped dramatically reducing the number of operators in the District.

The areas' natural features (rich soils, temperate to sub-tropical climate and high rainfall) culminate to provide an ideal environment that accommodates a variety of agricultural and horticultural pursuits. Because of the areas' ability to support and sustain a variety of rural activities, council management of its natural resources has a strong agricultural focus. There is currently a review of planning for Prime Agricultural land being completed in the Valley.

## Significant Retail Centres

Casino is the commercial hub of the Shire providing commercial services to the surrounding rural hinterland. The beef industry is a major contributor to the economy with all facets of the industry represented in the Shire as a major employer. Evans Head, Woodburn and Coraki also have small commercial centres. Evans Head commercial area has been improved with appropriate aesthetic and landscaping improvements to the main street.

## Type of Residential Development

All of the townships are predominantly single residential development. Medium density development has been increasing in demand in Evans Head due to its increased demand as a retirement location and the increasing property values. There has been a recent interest in small medium density developments in Evans Head. Casino too has had a slight increase in its medium density demand. The smaller villages are essentially single residential with a lack of demand for density development.

# Richmond Valley Plan

## Effects of state and local government legislation town planning and zoning instruments

### *Richmond Valley LEP 2011*

#### **A. Significant alterations to planning instruments over the period of review**

There have been no significant amendments to the LEP during the period of review.

#### **B. Impact on the Real Estate Market**

N/A

#### **C. Impact on proposed value levels**

N/A

### *Significant alterations to planning instruments over the period of review*

#### **2013**

- (383) Richmond Valley Local Environmental Plan 2012 (Amendment No 1). LW 12.7.2013.  
Date of commencement, on publication on LW, cl 2.
- (668) Richmond Valley Local Environmental Plan 2012 (Amendment No 2). LW 29.11.2013.  
Date of commencement, on publication on LW, cl 2.  
Proposed amendment to Richmond Valley LEP 2012 Schedule 4 Classification and reclassification of public land to reclassify the Casino Sports Stadium site at Canterbury Street Casino, from Community to Operational Land.
- No 111 [Statute Law \(Miscellaneous Provisions\) Act \(No 2\) 2013](#). Assented to 3.12.2013.  
Date of commencement of Sch 3.27, 10.1.2014, Sch 3.27.

- 2014** (135) Richmond Valley Local Environmental Plan 2012 (Amendment No 3). LW 21.3.2014.  
Date of commencement, on publication on LW, cl 2.
- (155) Richmond Valley Local Environmental Plan 2012 (Amendment No 5). LW 28.3.2014.  
Date of commencement, on publication on LW, cl 2.
- Planning Proposal to amend Richmond Valley LEP 2012 to include Educational Establishments as a land use permitted with development consent in the Land Use Table for Zone RU1 Primary Production.
- (365) Richmond Valley Local Environmental Plan 2012 (Amendment No 4). LW 13.6.2014.  
Date of commencement, on publication on LW, cl 2  
The proposal is to rezone a 20 ha parcel of land at Reardons Lane, Swan Bay, from RU1 Primary Production to R5 Large Lot Residential under

Richmond Valley LEP 2012.

- No 33 [Statute Law \(Miscellaneous Provisions\) Act 2014](#). Assented to 24.6.2014.  
Date of commencement of Sch 2.36, 14.7.2014, Sch 2.36.
- (513) Standard Instrument (Local Environmental Plans) Amendment Order 2014.  
LW 15.8.2014.  
Date of commencement, on publication on LW, cl 2.<sup>1</sup>

**2015** No 15 [Statute Law \(Miscellaneous Provisions\) Act 2015](#). Assented to  
29.6.2015.  
Date of commencement of Sch 3, 15.7.2015, sec 2 (3).

### *Impact on the Real Estate Market & Impact on proposed value levels*

The 2011 LEP does not appear to have had an impact on the market in general. There has been a notable increase in sales of vacant residential lots in the past year with the Richmond Valley Council's Settler's Estate selling well. New quality project homes continue to be built in the estate. There has been an increase in interest from small developers in Evans Head for construction of units on larger blocks close to the village and beaches.

## **Significant changes in the use or development of property**

N/A

## **Significant Value Changes**

The following are typical land values as at 1<sup>st</sup> July 2014 & 2015 for an average property:

### *Residential*

From 2014-2015

With the new LEP 2012, R1 now includes Evans Head as well as Casino totaling 6468 entries, the period 2014 to 2015 has seen a 5% overall increase in residential values. This includes all the villages which are zoned residential. This shows a \$22.43M increase over the 12month period values \$653.32M for 2014 to \$675.75M for 2015.

<b>Locality</b>	<b>Area</b>	<b>2014</b>	<b>2015</b>
Residential property in <b>Casino</b>	809 m <sup>2</sup>	\$85,000	\$90,000
Residential property in <b>Evans Hd</b>	764m <sup>2</sup>	\$185,000	\$195,000
Density property <b>Evans Head</b>	809 m <sup>2</sup>	\$245,000	\$260,000
Residential property in <b>Coraki</b>	1037 m <sup>2</sup>	\$73,000	\$73,000

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### *Rural*

Overall, there has been a 3.5% increase in land values within the RU1 primary production zoning. With 3168 entries property values have increased from \$653.32M in 2014 to \$675.75M in 2015, a \$22.43M difference in the Richmond Valley Shire in the past year.

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<b>Locality</b>	<b>Area</b>	<b>2014</b>	<b>2015</b>
Small rural homesite near <b>Casino</b>	2.0 ha	\$109,000	\$114,000
Small rural homesite near <b>the Coast</b>	1.5	\$117,000	\$122,000
Rural grazing property	50 ha	\$207,000	\$217,000

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### *Industrial*

The values of the 173 Industrial zoned allotments throughout the Richmond Valley have remained static over the past year.

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<b>Locality</b>	<b>Area</b>	<b>2014</b>	<b>2015</b>
Industrial property in <b>Casino</b>	2116 m <sup>2</sup>	\$100,000	\$100,000
Industrial property in <b>Evans Hd</b>	1125 m <sup>2</sup>	\$147,000	\$147,000

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### *Commercial*

With 318 entries in the commercial areas there has been a 13% increase in overall values over the past year. Increases of 25-30% in the B3 Casino prime and fringe commercial district, with no change to values in remaining commercial land in Evans Head, South Casino & neighborhood Centres (B1 & B2).

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<b>Locality</b>	<b>Area</b>	<b>2014</b>	<b>2015</b>
Prime Commercial property in <b>Casino</b>	499m <sup>2</sup>	\$65,000	\$85,000
Fringe Commercial property in <b>Evans</b>	1012 m <sup>2</sup>	\$294,000	\$294,000

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## Overview of the Quality assurance processes

LPI has been provided with a detailed Valuation Analysis Report, which details the Quality Assurance Process of Southern Cross Valuation Services 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 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 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 6.6.2. 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.

### Tables & reports

All tables & reports have been generated in the VAR & delivered to our Contract Manager.

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SOUTHERN CROSS VALUATION SERVICES

DATE: 1 November 2015

