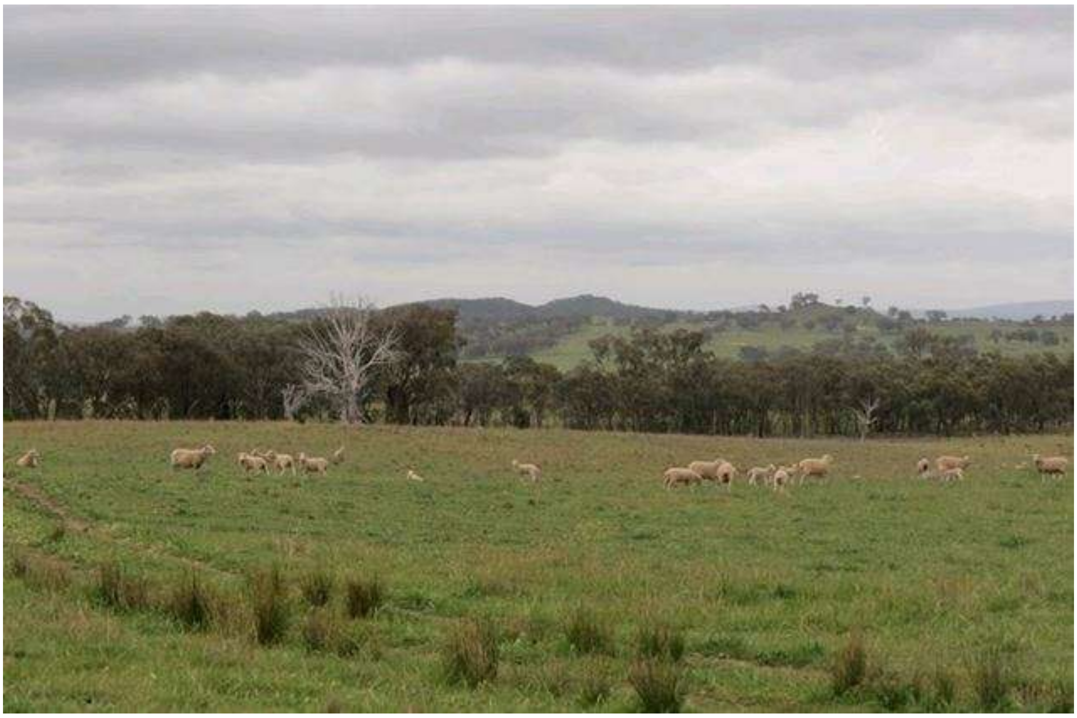
Final Report



Rural Landscape – Stuart Town District, South of Wellington NSW

2015 Base Date

Wellington LGA

Contract No. 1415045-3

Final Report 2015

Under Rating & Taxing Procedure Manual 6.6.2

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1.0 Executive Summary

1.1 LGA Overview

Wellington Local Government Area

The Wellington Council area is located in the central west of New South Wales, the LGA has a total population of 9,200incorporating the towns of Wellington, located 360km north west of Sydney with a population of 4,600 and the villages Geurie, approximately 375km north west of Sydney with a population of around 450; Stuart Town (pop. 500), Mumbil (pop. 420), North Yeoval (pop. 300), Elong Elong (pop. 220), Dripstone and Euchareena (pop. 315). Rural areas make up the balance of the LGA population. The Local Government Area (LGA) is adjoined by four other LGAs – Dubbo City Council to the north west, Warrumbungle shire council to the north east, Mid-Western Regional council to the east and Cabonne Shire Council to the west.

The LGA is home to a range of attractions including the Wellington Caves, Mount Arthur Reserve, Japanese Gardens and The Burrendong Dam.

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

The Wellington Council local government area comprises residential, rural, commercial, industrial, infrastructure, environmental and public recreation zones.

4,755 properties were valued at the base date of 1 July 2015, and valuations are reflective of the property market at that time. The Wellington property market has generally remained steady across most sectors with the Residential and E1, E2, & E3 Environmental sectors experiencing a slight decrease in values. The Wellington LGA is a highly regarded rural locality due to its temperate climate, elevation, soil quality and location close to the Transport facilities.

Valuation changes in the local government area and percentage changes between the Annual Valuation years of 1 July 2014 of 1 July 2015 are as follows:

Zone	Zone Code	No. of Entries	2015 Total Land Value	Prior Annual Valuation (2014)	% Change
Residential	R1, R2, R5	1,993	74,249,470	77,859,540	-4.64%
Rural	RU1, RU3, RU4	1,668	486,295,200	486,851,785	-0.11%
Commercial	B2, B6	246	10,494,930	10,494,330	-0.01%
Village	RU5	451	16,653,310	16,653,310	0.00%
Industrial	IN1, IN2	23	1,423,400	1,435,400	-0.84%
Infrastructure	SP2, SP3	38	2,446,700	2,446,700	0.00%
Environmental	E1, E2, E3	314	17,452,430	18,345,110	-4.87%
Public Recreation	RE1, RE2	22	1,836,000	1,836,000	0.00%
Total		**4,755**	**610,851,440**	**615,922,175**	**-0.82%**

1.2 State & Local Government Legislation for LGA

The Wellington local government area is governed by the Wellington Local Environmental Plan 2012 (LEP). The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales legislation.

Wellington Local Environmental Plan 2012 was gazetted 23 November 2012. There have been 2 Amendments to the LEP since the previous valuation.

- **Amendment No. 4** – gazetted 17 July 2015; relates to the Boundary changes between lots in certain rural, residential and environment protection zones. The objective of this clause is to permit the boundary between 2 or more lots to be altered in certain circumstances to give landowners a greater opportunity to achieve the objectives for development in a zone.
- **Amendment No. 5** – gazetted 2 October 2015; This Plan applies to land formerly part of a GrainCorp Limited site, being Lot 1, DP 819164, 4090 Golden Highway, and Elong Elong. The land was rezoned from SP2 to RU1.

1.3 Market Overview and Sales of Particular Interest

Opteon (Western NSW) Pty Ltd (Opteon) as Valuation Contractors to LPI has undertaken significant analysis of the Wellington district property market to provide an accurate and reliable basis of valuation. 174 sales have been analysed to enable the establishment and verification of land values as at 1 July 2015 in accordance with our Project Management Plan. 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 accurate land values to be deduced from analysed improved sales. Opteon 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 Wellington district this year sales and resales of properties indicated little variance in values throughout the year with only slight decrease from 1 July 2014 to 30 June 2015 for properties zoned Residential and Environmental. Rural properties also had a small variation in values throughout the year.

1.4 Significant Issues and Developments

The Department of Planning and Environment has granted development consent on 30 August 2013 for the Bodangora wind farm regarding thirty three turbines. Further modifications have been submitted to and approved by the NSW Department of Planning and Infrastructure modifying the size of the turbine blades, this determination was made on the 13 October 2015. Further development / construction is yet to commence.

1.5 Significant Value Changes

Summary of Valuation Changes to Residential Land

Changes since previous valuation year (2014)

The residential market in Wellington has softened since the previous valuation year with a -4.64% change in total value of the residential zoned properties in the LGA. Market activity in Wellington has slowed. For the 2015 base year it recorded 94 market sales compared to 2014 which experienced 106 sales. All residential components of the Wellington market experienced a decline in demand whilst the level of supply was stable, this lead to a 0.95 factor being applied to all residential components. The components previously experienced steady values in the 2014 base year.

Summary of Valuation Changes to Rural Land

Changes since previous valuation year (2014)

The broad acre rural property market has remained relatively flat over the past 12 months, experiencing a -0.11% change in the total value of properties in the RU1, RU3 and RU4 components. This trend has been consistent across lifestyle grazing/hobby farms, rural-residential and rural retreat holdings throughout the LGA. However Hobby/lifestyle properties in the vicinity of Yeoval saw a factor of 1.05 being applied together with properties within the Geurie village which also experienced similar market movements.

Several rural components experienced a slight decrease in land value over the 2015 base year. These components included sites with dwelling entitlements less than 100ha within 10km of Wellington, the village of Mumbil and Wellington R5 zoned properties, all of which had a 0.95 factor applied

In the hobby farm market there were 55 market indicator sales which occurred within the Rural Zoned areas of Wellington for the period 1 July 2014 to 30 June 2015 for properties under 100ha. Of the recorded sales 39 were analysed and it was found that there was no distinct trend in relation to increases or decreases of value in the eastern, western, southern or northern areas of the LGA.

Summary of Valuation Changes to Commercial Land

Changes since previous valuation year (2014)

The Wellington commercial market has remained steady for the 2015 valuation year with a -0.01% change in total value from the 2014 base year for commercially zoned properties. The commercial market which is comprised of 246 properties experienced 13 sales. All of these sales were analysed and we determined that there has been no significant change to the commercial market.

Summary of Valuation Changes to Industrial Land

Changes since previous valuation year (2014)

The industrial market has remained relatively flat since the previous valuation year with a -0.84% change in total land value of the industrially zoned properties. The industrial market which comprises 23 properties is divided into two zones IN1 and IN2. The Wellington industrial market experienced 4 sales. All of these sales were analysed to determine that there was no significant change to the IN2 market with IN1 zoned properties experiencing a 5% decrease in land value. There is both a limited supply and limited demand for industrial properties in the Wellington LGA, as Dubbo dominates this market in the north of the LGA and Orange to the South.

2.0 Disclaimer – Purpose of this Report

The purpose of this report is to describe the process and considerations for the 1 July 2015 Valuation of Wellington 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 have 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.

3.0 LGA Overview

3.1 Location of the District

The Wellington Council area is located in the central west of New South Wales. The LGA has a total population of 9,200 and incorporates the towns of Wellington, located 360 km north west of Sydney with a population of 4,600 as well as the villages of Geurie, approximately 375 km north west of Sydney with a population of around 450 and smaller villages of Stuart Town (pop. 500), Mumbil (pop. 420), North Yeoval (pop. 300), Elong Elong (pop. 220), Dripstone and Euchareena (pop. 315). Rural areas make up the balance of the LGA population. The Local Government Area (LGA) is adjoined by four other LGAs – Dubbo City Council to the north west, Warrumbungle Shire Council to the north east, Mid-Western Regional Council to the east and Cabonne Shire Council to the west.

3.2 Principal Towns and Villages

Wellington

Wellington is situated on the Mitchell Highway at the junction of Bell and Macquarie Rivers approximately 368 kilometres north west of Sydney. Orange is situated about 100 kilometres to the south east, whilst Dubbo is situated approximately 50 kilometres to the north. The town acts as a service centre for the surrounding farming and pastoral districts producing wheat, cattle, sheep, and wool and to a lesser extent market gardening. Local tourist attractions include Wellington Caves and Burrendong Dam.

Villages

Geurie is a rural town situated approximately 22 kilometres north west of Wellington with a population of around 500. It has a local shop, Hotel, Fuel Station, and Newsagent and provides basic services to the town and farming community.

Stuart Town is a small settlement situated about 61 kilometres north of Orange and about 34 kilometres from Wellington on the Central Tablelands of New South Wales. The village serves as a dormitory for the surrounding rural community. The village is serviced by a hotel, general store, Post Office, Police Station and public school.

Mumbil is a small settlement situated approximately 28 kilometres south west of Wellington in the Central Western Slopes District of New South Wales. Lake Burrendong Dam and recreation area is situated approximately 8 kilometres to the north.

North Yeoval is the northern part of a rural town situated approximately 36 kilometres south west of Wellington with a population of around 210. It has a small local shopping centre, Hotel, Fuel Station, Yeoval Central; School (K-12) and Newsagent that provides basic services to the town and farming community. Southern Yeoval, that land being south of Buckinbah Creek is located within the Cabonne Shire.

Elong Elong is a rural town situated approximately 64 kilometres north of Wellington with a population of around 220. It has a small local shop, Hotel, Fuel Station, Post office, Newsagent and Rural Trading Store that provides basic services to the town and farming community.

Dripstone is a small settlement situated approximately 28 kilometres south west of Wellington in the Central Western Slopes District of New South Wales. Lake Burrendong Dam and recreation area is situated approximately 8 kilometres to the north.

Euchareena is a small rural settlement located about 40 kilometres north of Orange on the Main Western Railway Line. It has a small local shopping centre, hotel, fuel station, primary school and Community Health Centre that provides basic services to the town and farming community. Services are limited to town water, garbage collection, telephone and electricity.

3.3 Main Industries

Wellington is the major town in the Wellington LGA and provides basic services to the surrounding area. The main industries in Wellington are based around the agricultural sector and provision of services to this industry, such as Agrow Plow and John Deere Chesterfield. Wellington also acquired a Correctional Centre which opened in September 2007. Wellington Correctional Centre is a maximum security prison and originally housed approximately 500 inmates which have recently been increased to 600.

3.4 Significant Retail Centres

The main retail area in Wellington is located along the Mitchel Highway, bounded by Maughan Street and Whiteley Street. It comprises mostly traditional strip retail development. A reasonable range of retail and commercial facilities are provided in the town of Wellington together with both a Woolworths and Cole's supermarkets.

3.5 Type of Residential Development

The Wellington Council LGA contains a number of rural settlements including Geurie, Stuart Town, North Yeoval, Elong Elong, Mumbil, Dripstone and Arthurville with the majority of development located in and around Wellington.

The Wellington Council region encompasses several types of residential developments. The majority of residential properties in the region are single residential dwellings located in Wellington. Wellington has a number of small residential land developments mainly located in Montefiores on the northern periphery of the town.

4.0 State and Local Government Legislation for LGA

Wellington Local Environmental Plan 2012 was gazetted 23 of November 2012. There have been 2 Amendments to the LEP since the previous valuation.

- **Amendment No. 4** – gazetted 17 July 2015; relates to the Boundary changes between lots in certain rural, residential and environment protection zones. The objective of this clause is to permit the boundary between 2 or more lots to be altered in certain circumstances to give landowners a greater opportunity to achieve the objectives for development in a zone.
- **Amendment No. 5** – gazetted 2 October 2015; This Plan applies to land formerly part of a GrainCorp Limited site, being Lot 1, DP 819164, 4090 Golden Highway, and Elong Elong. The land was rezoned from SP2 to RU1.

The Wellington Local Government Area is governed by the Wellington 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 Wellington Council Local Government Area in accordance with the relevant standard environmental planning instrument under Section 33A of the Act.

Wellington Council also has Development Controls including the Wellington Development Control Plan 2013 that affects the subdivision and erection of dwellings which impacts on land values. These include:

Zone	Minimum allotment size
Residential	R1 min lot size requirements are 600m R2 min lot size requirements are 600m R5 min lot size requirements are 1ha
Rural	RU1 min lot size requirements are 400ha RU3 min lot size requirements are 400ha RU4 min lot size requirements are 25ha
Commercial	B2 No minimum lot size B6 No minimum lot size
Village	RU5 min lot size requirements are 4,000m
Industrial	IN1 No minimum lot size IN2 No minimum lot size
Infrastructure	SP2 No minimum lot size set SP3 No minimum lot size
Environmental	E1 No minimum lot size E2 No minimum lot size E3 min lot size requirements are 2,000m
Public Recreation	RE1 No minimum lot size RE2 No minimum lot size

5.0 Market Overview and Sales of Particular Interest

5.1 Residential

The Wellington LGA contains a number of rural settlements including Geurie, Stuart Town, North Yeoval, Elong Elong, Mumbil, Dripstone and Arthurville with the majority of development located in and around the Wellington town area. The Wellington Council region encompasses predominantly improved residential properties with purchase prices reflective of the age, style and condition of the dwelling and any ancillary ground improvements. The majority of residential properties in the region are single residential dwellings located in Wellington and Geurie, followed by a number of small number of dwellings located in villages and rural locations on both hobby and larger farms.

Wellington, Mumbil and Geurie all have full utility services available including a reticulated town water supply, reticulated sewerage and telecommunication services. Wellington Council also has a range of Government services emergency services including Police, NSW Fire Brigade, Rural Fire Service, SES and ambulance, hospitals (Wellington Hospital) and council chambers. Additional community based facilities available within the LGA include various denominational churches, a public schools, child care centres, various aged care facilities, sporting clubs, recreational playing fields, parks and reserves and public swimming pools.

The residential market in Wellington has softened since the previous valuation year with a -4.64% change in total value of the residential zoned properties in the LGA. Market activity in Wellington has slowed, for the 2015 base year it recorded 94 market sales compared to 2014 which experienced 106 sales. All residential components of the Wellington market experienced a decline in demand whilst the level of supply was stable, this lead to a 0.95 factor being applied to all residential components. The components previously experienced no change in the 2014 base year. The average sale price and lot size for vacant residential properties during 2015 was $52,000 for a 1,455m² allotment.

Sales of vacant residential properties within Wellington included a sale of 2,023m² allotment in Palmer Street that sold in March for $50,000, a sale the sale of 1,024m² allotment in King Street that sold in December for $60,000 and a vacant 2,023m² allotment in Warne Street that sold in April for $35,000.

The past 12 months has seen limited residential sales over the region, including both vacant and improved sales in the residential components. The predominant sale type was improved residential properties with purchase prices generally reflective of the age, style and condition of the dwelling and any ancillary ground improvements. The average sale price and lot size for residential properties during 2015 comprising $165,000 for a 966m² allotment.

Sales of improved residential properties within Wellington include a sale of 735.8m² allotment in Simpson Street improved with a 3 bedroom 1 bathroom circa 1950's brick veneer and tile single level dwelling that sold in September 2014 for $150,000. The sale of a 1,550m² allotment in Whiteley Street improved with a 5 bedroom 2 bathroom circa 1900's brick and corrugated iron single level dwelling that sold in July for $310,000. Also the sale of 531.1m² allotment in Pierce Street improved with a 3 bedroom 1 bathroom circa 1960's asbestos cement and colorbond single level dwelling that sold in August 2014 for $140,000. The sale of a 1,372m² allotment in Gisborne Street improved with a 4 bedroom 2 bathroom circa 1920's brick and corrugated metal single level dwelling that sold in October 2014 for $215,000.

Building approval of residential development in the Wellington Shire Council LGA has largely been steady. There are a number of suitable vacant blocks in a newer residential area of Montefiores available for development.

The value levels adopted are supported by both vacant and improved sales analyses.

5.2 Villages

There are a 451 Properties located in various villages within the Wellington LGA.

The Wellington LGA village markets have generally remained stable in the last twelve months. The main villages of Geurie, Stuart Town, Elong Elong, Dripstone and Euchareena have been in-line with this trend. The one exception was the village of Mumbil which experienced a 5% decrease in land values.

The past 12 months has seen 21 residential sales over the region, including both vacant and improved sales in the residential components. The predominant sale type was improved residential properties with purchase prices generally reflective of the age, style and condition of the dwelling and any ancillary ground improvements.

The Village market has effectively been flat since the previous valuation year with no change in total value of the village zoned properties. The village market which comprises of 451 properties experienced 30 market sales. 23 sales were analysed in the RU5 market to determine that in all RU5 components market demand and supply are in equilibrium resulting in no substantial variation in the value of land.

Sales indicative of various villages in the Wellington Council include a sale of a 4,047m² allotment, Fitzroy Street in Geurie Street improved with a 4 bedroom and 2 bathroom circa 1915 weatherboard and Colorbond single level dwelling that sold in January 2015 for $380,000. The sale of a 3,693m² allotment, 30 Wellington Street in Stuart Town improved with a 1 bedroom and 1 bathroom circa 1930 timber panel and corrugated metal single level cottage that sold in May 2015 for $35,000 and a sale of 898m² allotment, 16 Bonada Street in Mumbil improved with a 3 bedroom and 1 bathroom circa 1950 asbestos cement and corrugated metal single level dwelling that sold in May 2015 for $93,000 and a sale of 2,023m² vacant allotment in Elong Elong that sold in February 2015 for $7,000.

Geurie experienced 19 residential sales recorded from 01/07/2014 with prices for improved residential properties ranging from $75,000 for a 3 bedroom 2 bathroom circa 1900 detached single storey asbestos cement and corrugated metal dwelling to $340,000 for a 3 bedroom 2 bathroom circa 1950 detached renovated single storey weatherboard and corrugated metal dwelling.

Stuart Town had 8 residential sales recorded from 01/07/2014. The single improved residential property sale realised $220,000 on 27 May 2015 and comprises a 4,615m² allotment improved with a 3 bedroom 1 bathroom circa 2005 detached single storey hardiplank and corrugated metal dwelling.

North Yeoval had 2 residential sales recorded from 01/07/2014. The single improved residential property sale realised $252,500 on 17 September 2014and comprises a 1.19ha allotment improved with a 5 bedroom 2 bathroom circa 1940 detached single storey brick and Colorbond dwelling.

5.3 Commercial

The Wellington LGA comprises approximately 246 commercial zoned properties predominantly located in Wellington. The main retail area in Wellington is located along the Mitchel Highway, bounded by Maughan Street and Whiteley Street. It comprises mostly strip retail development. A reasonable range of retail and commercial facilities are provided in the town of Wellington together both a Woolworths and Cole's supermarket.

The Wellington commercial market has remained steady for the 2015 valuation year with a -0.01% change in total value from the 2014 base year for commercially zoned properties. The commercial market which comprises 246 properties experienced 13 sales, all these sales were analysed and we determined that there has been no significant change to the commercial market.

Typical sales of commercial properties within Wellington include a sale of 594m² allotment at 69 Lee Street which was improved with a circa 1970 detached single storey brick and corrugated metal clad shop that sold in May 2015 for $65,000. The sale of a 343.4m² allotment at 82 Percy Street which was improved with a circa 1910 detached two storey brick and corrugated metal clad office that sold in August 2014 for $160,000. The sale of a 151m² allotment at 5 Nanima Street which was improved with a circa 1930 attached single storey brick and corrugated metal clad shop that sold in January 2015 for $85,000. The sale of a 1,691m² allotment at 6 Bank Street which was improved with two corrugated metal workshops that sold in March 2015 for $130,000.

Value levels adopted are supported by analysis of the improved sales.

5.4 Industrial

Wellington comprises a range of light industrial to heavy industrial industries servicing the surrounding agriculture industry. The Wellington Council LGA comprises approximately 23 industrial zoned properties predominantly located in Wellington town.

The industrial market has remained relatively flat since the previous valuation year with a -0.84% overall change in total land value of the industrially zoned properties. The industrial market which comprises 23 properties which is divided into two zones, IN1 and IN2. The Wellington industrial market experienced 4 sales, all of the sales were analysed to determine that there has been no significant change to the IN2 market with IN1 zoned properties experiencing a 5% decrease in land value. There is both a limited supply and limited demand for industrial properties in the Wellington LGA, as Dubbo dominates this market in the north of the LGA and Orange to the South.

Typical sales of industrial properties within Wellington are indicated with the sale of 1.712ha allotment at 134 Thornton Street which was improved with a large Corrugated iron clad workshop and several corrugated iron clad outbuilding and offices that sold in December 2014 for $456,500. The sale of a 1.541ha vacant allotment in Thornton Street that sold in January 2015 for $38,500 and a sale of 7.631ha improved allotment at 31 Samuel Street which was improved with a 3 bedroom 1 bathroom circa 1950 detached single storey vinyl and Colorbond dwelling that sold in February 2015 for $195,000.

Value levels adopted are supported by both vacant and improved sales analysis.

5.5 Rural locations within the LGA

The Wellington Shire Council LGA comprises approximately 1,668 RU1, RU3 and RU4 zoned properties. The Wellington Shire Council experienced 21 market indicator sales in excess of 100ha occurred within the broad acre rural market for the period 1 July 2014 to 1 July 2015 compared to 18 in the preceding base year. The Wellington Shire Council LGA is a highly regarded rural locality due to its climate, elevation, and range of soil quality. The most common rural land use in the Wellington Shire Council LGA is large scale grazing and farming enterprises in addition to a significant number of smaller rural home sites and hobby farms. The broad acre rural property market has experienced steady demand with value levels remaining relatively flat in the majority of components. Rural zoned properties in sites within 10 km of Wellington that are less than 100ha decreased in land value by 5% from the previous base year alongside with R5 zoned land in Wellington and the village of Mumbil. Typical Rural land sales within various areas in the Wellington Council for properties in excess of 100ha include:

Bakers Swamp "Oakville" 1064 Gowan Green Rd 190.6ha C/D 10/04/2015 $550,000 **$1,050 P/ha**
An improved, mixed farming property with surrounding development comprises mostly rural land. The land is irregular in shape and is mostly undulating to hilly. The property is dissected by Bell River. The land is cleared to remnant timber. The property comprises mostly good grazing land. Soils are mostly Nanima. The subject property is identified as a Heritage Item. Analysis of the sale indices a rate of $1,050/ha for 190.6ha of cleared grazing land.

Ponto "Maybrook", 648 River Rd 307.9ha C/D 15/06/2015 $1,154,000 **$2,779 P/ha**
rural mixed irrigation property with surrounding development comprises mostly other mixed irrigation properties. There are no environmental constraints apparent. The property has river access which is an appealing feature. Landscapes comprise mostly medium to heavy chocolate river loam flats. The land is mostly level to undulating. The land has been cleared to remnant timber comprising kurrajong, cedars and river rums. The land has rural views. Analysis of the sale indices a rate of $2,779/ha for the cleared Irrigation land (307.9ha).

Euchareena "Rocky", 1122 Rockies Rd 709.9ha C/D 20/01/2015 $685,000 **$492 P/ha**
an irregular shaped improved mixed farming property with surrounding development comprises mostly other grazing properties. The land is steep. The land is moderately timbered. The property has limited suitability to grazing. There are no environmental constraints apparent. The land has rural views. Access is via a rough gravel road. Analysis of the sale indices a rate of $650/ha for the cleared cultivation land (510ha) and $100/ha for the green timber country (200ha).

Rural sales have been transacted across the whole LGA in all rural components. Rural values for all property class have remand steady over this time. Increased prices for cattle over the 12 month period is only starting to increase in demand of broad acre rural property in the Wellington Council LGA. The preceding twelve month period has seen a stabilisation in the number of recorded, reliable sales for this property class.

Hobby Farm/Lifestyle/Rural Residential

This trend has been consistent across lifestyle grazing/hobby farms, rural-residential and rural retreat holdings throughout the LGA. 41 market indicator sales occurred within the RU1, RU3 and RU4 Zones which had an area a less than 100ha for the period 1 July 2014 to 1 September 2015. The preceding twelve month period has seen a stabilisation in the number of recorded, reliable sales for this property class. Analysis of sales indicates a reduction in value of 5% in the two components.

Typical sale price of hobby farms within Wellington Shire Council are indicated by the sale of 4.9278ha allotment at 39 Tremain Drive, North Yeoval which was improved with a 5 bedroom 1 bathroom circa 1980 detached brick veneer and colorbond dwelling that sold in October 2014 for $200,000 and a sale of a 39.92ha holding at 6026 Burrendong Way near Stuart Town which was improved with a 3 bedroom 1 bathroom circa 1950 detached weatherboard and corrugated metal dwelling that sold in January for $220,000. As well as a sale of a 69.48ha vacant allotment on the golden Highway at Ballimore sold July 2015 for $155,000. The sale of a 78.63ha allotment at 3047 Mitchell Highway, Geurie which was improved with a 3 bedroom 1 bathroom circa 1990 detached brick and Colorbond dwelling that sold in July 2015 for $488,000 and also a sale of a 46.28ha vacant allotment on the Cobbora Road at Elong Elong that sold in December 2014 for $79,870.

The value levels adopted are supported by both vacant and improved sales analysis.

6.0 Significant Issues and Developments

6.1 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.

New residential developments in discussion or underway include:

- The Department of Planning and Environment has granted development consent on 30 August 2013 for the Bodangora wind farm regarding thirty three turbines. Further modifications have been submitted to and approved by the NSW Department of Planning and Infrastructure modifying the size of the turbine blades, this determination was made on the 13 October 2015.
- Approval for a 38 lot residential subdivision "One Tree Hill" on Goolma Road on the northern outskirt of Montefiores. The development is aimed at creating 37 large lot residential sites averaging just over 1ha. The development is still in the planning phase.

7.0 Significant value changes

7.1 Significant value changes – from prior to current annual valuation

Since the last annual valuation in 2014, village values have generally been stable with the land values remaining largely unchanged. This follows the same overall trend from the previous valuation year and supports that the current market levels are generally static.

Properties in certain areas within the LGA have overall increased and decreased at differing rates:

- All components in the Wellington residential (R1 & R2) market experienced a decrease in land values by 5%
- IN1 zoned land in Wellington experienced a 5% decrease in land value.
- Properties in the environmental management rural market and Wellington town flood affected (minimum lot size 2000sqm) market experienced a decrease of 5%
- Rural zoned properties in sites within 10km of Wellington that are less than 100ha decreased in land value by 5% from the previous base year alongside with R5 zoned land in Wellington and the village of Mumbil.
- Geurie village (RRG) and hobby / lifestyle properties in Yeoval (RVP) experienced a 5% increase in the value of land.

8.0 Overview of the Quality Assurance Process

LPI has been provided with a detailed valuation analysis report, which details the quality assurance process of Opteon Contractor and outlines that 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 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.

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