

Hawkesbury LGA

Final Report 2015

Date: 26th
November
2015

EXECUTIVE SUMMARY

LGA OVERVIEW

Hawkesbury Local Government Area

Located in the Hawkesbury River Valley, the Hawkesbury Local Government Area is located towards the outer north west of the Sydney metropolitan area. It is located about 50 kilometres and approximately one hour's drive from the Sydney central business district.

Hawkesbury City Council is the largest local government area in metropolitan NSW. It covers an area of 2,793 square kilometres and has an estimated population of 65,114, with a population density of .23 persons per hectare. It is divided by four river valleys and contains fertile flood plains and wetlands, undulating hills, timbered ridges, steep gorges and towering escarpments. The Hawkesbury is made up of many small townships and localities. Hawkesbury is predominantly comprised of national and state parks, with some residential, commercial, industrial and military land use (RAAF Base at Richmond). Some 70% of the LGA is National Park.

Hawkesbury City is served by Bells Line of Road, Singleton Road, Wollombi Road, Richmond-Blacktown Road, and the main western railway line.

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

The Hawkesbury Local Government Area comprises Residential, Rural, Commercial, Industrial, Infrastructure, Environmental and Public Recreation zones.

23,988 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 issued to owners for the Base Date of 1 July 2014. The Hawkesbury property market has varied across all sectors with the residential and rural residential market experiencing good growth over the past 12 months, particularly in the Sydney Basin, rural properties experiencing a slight increase in values whilst out lying and isolated areas have been steady with some declines evident. The Hawkesbury LGA is a highly regarded rural locality due to its variation in climate, elevation, and soil quality, which allows a wide range of Agricultural/Horticultural pursuits, and its location close to the

Metropolitan area of Sydney. Purchasers are attracted to the facilities of the regional centre and its country lifestyle.

Valuation changes in the Local Government Area and percentage changes between the previous General Valuation year of 1 July 2014 and 1 July 2015 are as follows:

Properties Valued and Total Land Value					
Zone	Zone Code	Number of Entries	2015 Total Land Value	Prior Local Government Valuation (2014) and valuing year	% Change
Residential	(R1, R2, R3, R5)	12871	\$4,235,802,250	\$3,639,354,060	16.39
Rural	(RU1, RU2, RU3, RU4, RU5, W1)	8732	\$4,902,532,360	\$4,148,011,250	18.19
Commercial	(B1, B2, B3, B4, B5)	446	\$292,849,620	\$274,422,000	6.72
Industrial	(IN1, IN2)	396	\$275,874,520	\$260,416,320	5.94
Infrastructure	(SP1, SP2)	88	\$115,407,000	\$114,686,600	0.63
Environmental	(E1, E4)	1301	\$436,724,250	\$434,117,550	0.60
Public Recreation	(RE1, RE2)	154	\$42,557,450	\$42,172,450	-0.90
Total		23988	\$10,301,362,450	\$8,913,565,230	15.57

STATE & LOCAL GOVERNMENT LEGISLATION FOR LGA

Throughout the year we have monitored and considered the affects State and Local Legislation have had on Values and Value Relationships compared to Prior Value Levels.

We consider that over the year there has been a minimal impact on Values and Value Relationships compared to Prior Value Levels.

TOWN PLANNING AND ZONING

The LGA land use is controlled by the Hawkesbury Local Environmental Plan 2012 as amended (the LEP) - Hawkesbury Local Environmental Plan 2012 commenced on 21 September 2012. It contains a written statement and a series of maps, which applies to land within the LGA. With The LEP setting out general land use definitions and controls, more specific controls relating differing localities and specific property.

The Hawkesbury LEP 2012 uses zonings in order to determine permissible land uses and development potential of various locations. The LEP outlines the permissible development standards, with the minimum boundary setback and height requirements for each locality as set out in the Hawkesbury Development Control Plan (DCP).

The Hawkesbury 2012 comprises twenty four zones, as follows:

Land use zones

The land use zones under this Plan are as follows:

Rural Zones

- RU1 Primary Production
- RU2 Rural Landscape
- RU4 Primary Production Small Lots
- RU5 Village

Residential Zones

- R1 General Residential
- R2 Low Density Residential
- R3 Medium Density Residential
- R5 Large Lot Residential

Business Zones

- B1 Neighbourhood Centre
- B2 Local Centre
- B5 Business Development
- B6 Enterprise Corridor

Industrial Zones

- IN1 General Industrial
- IN2 Light Industrial

Special Purpose Zones

- SP1 Special Activities
- SP2 Infrastructure

Recreation Zones

- RE1 Public Recreation
- RE2 Private Recreation

Environment Protection Zones

- E1 National Parks and Nature Reserves
- E2 Environmental Conservation

E3 Environmental Management

E4 Environmental Living

Waterway Zones

W1 Natural Waterways

W2 Recreational Waterways

The specific controls including minimum lot size, floor space ratio and height of buildings are provided via detailed individual maps specific to each locality.

The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales Legislation.

MARKET OVERVIEW AND SALES OF PARTICULAR INTEREST

QVA Contractors have undertaken significant analysis of the Hawkesbury district property market to provide an accurate and reliable basis of valuation. 519 number of sales have been analysed to enable the establishment and verification of land values as at 1 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. QVA Contractors 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 Hawkesbury District this year sales and resales of properties indicated little variance in values throughout the year with slight to moderate increases in value throughout the year for properties zoned residential. Rural properties also had a very slight increase in values throughout the year. As a result of this increase in values, the contract price analysed land value has been adjusted 1.0%/month for all analysed residential sales up to the base date 1 July, 2015.

Increases in residential property has been evident particularly east of the Hawkesbury River, Richmond, Windsor, Bligh Park and Mcgraths Hill, and in well established residential communities including Pitt Town, North Richmond and Kurrajong Heights. Outer lying residential localities, generally isolated and having bush fire or flooding issues, remained steady or reduced slightly in value depending on the impact of the adverse issue.

The rural property market has experienced a small to moderate increase generally since the last valuation. This trend has been inconsistent across the LGA. Richmond, Windsor and Kurrajong localities have seen increases of 8% - 10% whilst Freemans Reach and Lower Portland have experienced 1% - 2% increases with the corridor along the Putty Road being steady to softening values.

Rental and commercial rental Analysis demonstrated increases in values since last year and feasibility studies that were carried out also reflected this.

Business and industrial property value variances were dependent on the location/market activity of the precinct. Established precincts with good transportation nodes and a robust or developing residential catchment area, such as, McGraths Hill/Mulgrave Business Park are performing well and experiencing moderate growth levels. Conversely, small business catchments in remote localities have remained mostly unchanged.

SIGNIFICANT ISSUES AND DEVELOPMENTS

Two urban release areas were gazetted in the period of 2014 – 2015, being Red Bank @ North Richmond and Jacaranda Ponds, Glossodia.

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.

SIGNIFICANT VALUE CHANGES

Summary of Valuation Changes to Residential Land

Changes since previous General Valuation (2014)

Growth has been evident in most residential locations of the market since the 2014 General Valuation. Residential land value has increased from 2014 of \$3,639,354,000 to Land Tax Valuation 2015 of \$4,235,802,100 an increase of 15.57%. Larger residential towns and well established suburbs such as Richmond, Hobartville, North Richmond, Windsor, Bligh Park and McGraths Hill, showed moderate to strong increases. The recently developed area of Pitt Town also experienced strong growth of up to 20%. Residential vacant land supplies in the Hawkesbury are somewhat restricted with the 'Vermont Estate' Pitt Town residential release area being well sought after. Isolated vacant sites in the Bowen Mountain, Bilpin and Kurrajong localities, together with the Wisemans Ferry, Lower and Central Macdonald and St Albans areas are selling, albeit at reduced prices due to the high costs associated with obtaining development approvals.

Summary of Valuation Changes to Rural Land

Changes since previous General Valuation (2014)

The rural land in the Hawkesbury LGA comprises largely of rural lifestyle/hobby blocks. The bulk of the occupied land is conveniently located to towns and it also adjoins the western periphery of the Sydney metro area. The farm land along the river flats of the Hawkesbury River from Richmond to Wilberforce consist mainly irrigable turf farms and equestrian properties whilst beef and grazing properties are located to the west of the Hawkesbury. Rural land along the Bells Line of Road support various horticultural/orchard properties and these are intermingled with rural lifestyle/hobby blocks. Given the amount of cleared land on the larger sized properties, most are regarded as uneconomic. There are a limited number of properties along the Hawkesbury that have a water licence for irrigation.

The rural property market has experienced an increase of 1% - 8% since the last general valuation. This trend has been relatively consistent across the LGA. Component GBB – Oakville to Cattai including the suburbs of Oakville, Pitt Town and Vineyard being an area that lies west of Boundary Road, north of Windsor Road and east of Pitt Town Road is an area that has shown strong growth of up to 50% to 100% as a result of the North West Growth Centre release area, east of Boundary Road in Box Hill – The Hills LGA.

Summary of Valuation Changes to Commercial Land

Changes since previous General Valuation (2014)

The Hawkesbury LGA commercial market had approximately 30 sales throughout BD 2014. The sales indicate a relatively stable market with some variance in land values dependent on location. The majority of the sales occurred within Windsor town centre, which makes up the largest commercial area in the LGA. 10 commercial sales occurred off George St in Windsor all of which showed slight increases in commercial land values. In contrast, there was no sales activity to the remote local centres, as such, land values remained relatively unchanged.

Summary of Valuation Changes to Industrial Land

Changes since previous General Valuation (2014)

There have been a fair number of industrial sales at 19 in the Hawkesbury LGA industrial market, with the sales contracted showing values have increased moderately in the major precincts and IN1 General Industrial zones; conversely the IN2 Light Industry zones have had limited sales activity and have remained unchanged since the 2014 base date. The Hawkesbury industrial market is buoyed by a number of residential growth areas in Pitt Town, North Richmond and

nearby areas north of Rouse Hill in the Hills Shire. Shortages in supply of industrial land is also contributing to increased demand. Overall, since the last annual valuation in 2014 there has been a moderate increase in industrial land values in general.

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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 Hawkesbury 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

LGA OVERVIEW

LOCATION OF THE DISTRICT

Located in the Hawkesbury River Valley, the Hawkesbury Local Government Area is located towards the outer north west of the Sydney metropolitan area. It is located about 50 kilometres and approximately one hour's drive from the Sydney central business district.

Hawkesbury City Council is the largest local government area in metropolitan NSW. It covers an area of 2,793 square kilometres and has an estimated population of 65,114, with a population density of .23 persons per hectare. It is divided by four river valleys and contains fertile flood plains and wetlands, undulating hills, timbered ridges, steep gorges and towering escarpments. The Hawkesbury is made up of many small townships and localities. Hawkesbury City is predominantly comprised of national and state parks, with some residential, commercial, industrial and military land use (RAAF Base at Richmond). Some 70% of the LGA is National Park.

Hawkesbury City is served by Bells Line of Road, Singleton Road, Wollombi Road, Richmond-Blacktown Road, and the main western railway line.

PRINCIPAL TOWNS

In 1810, Governor Macquarie established five towns in the area - Windsor, Richmond, Wilberforce, Pitt Town and Castlereagh. In 1843, the Windsor District Council was proclaimed the second council in NSW. In 1906, Colo Shire Council was established which covered mainly rural areas of the Hawkesbury area. In 1981 Colo Shire and Windsor Municipal Councils were amalgamated to become Hawkesbury Shire Council. At that time, there was a population of 37,750. By 1989, when Hawkesbury became a City, this had grown to over 50,000. Now, more than 65,000 people live in this area, and within the major centres of Windsor, Richmond and North Richmond. The Hawkesbury is bound by the following surrounding council areas:

- Southern boundary (Blue Mountain, Penrith, Blacktown Councils)
- Eastern boundary (The Hills Shire, Hornsby and Gosford Councils)
- Northern boundary (Cessnock and Singleton Councils)
- Western boundary (Lithgow Council)

Perrys Crossing, Pitt Town, Pitt Town Bottoms, Putty, Richmond, Richmond Lowlands, Sackville, St Albans, Scheyville, South Windsor, Ten Mile Hollow, Tennyson, The Devils Wilderness, The Slopes, Upper Colo, Upper Macdonald, Vineyard, Webbs Creek, Wheeny Creek, Wilberforce, Windsor, Windsor Downs, Wisemans Ferry, Womerah, Wrights Creek, Yarramundi.

MAIN INDUSTRIES

The majority of industrial development in the Hawkesbury LGA is located in Mulgrave and South Windsor. The largest industry according to the 2011 census is Manufacturing. Other industrial precincts within the Hawkesbury LGA include areas of Richmond, North Richmond and Wilberforce.

SIGNIFICANT RETAIL CENTRES

The largest commercial/retail centres in the Hawkesbury LGA are located in Richmond (Richmond Market Place) and Windsor (Riverview Shopping Centre & Windsor Market Place) which provides the LGA with a large variety of retail shopping categories. There is also a developing large format retail precinct within the McGrath's Hill/Mulgrave Business Park with exposure to Windsor Rd.

TYPE OF RESIDENTIAL DEVELOPMENT

Hawkesbury comprises predominantly low density residential development, however some localities, such as Bligh Park, Claredon, Hobartville, McGraths Hill, Richmond, Windsor, South Windsor and Windsor Downs include the integration of low and medium density accommodation. The LGA also has some smaller rural lifestyle areas (mainly in the north and west). There are also a number of active urban release areas comprising of significant masterplanned residential subdivisions in Pitt Town, Grose Vale and most recently Glossodia.

STATE & LOCAL GOVERNMENT LEGISLATION FOR LGA

Throughout the year we have monitored and considered the affects State and Local Legislation have had on Values and Value Relationships compared to Prior Value Levels.

We consider that over the year there has been a minimal impact on Values and Value Relationships compared to Prior Value Levels.

The LGA land use is controlled by the Hawkesbury Local Environmental Plan 2012 as amended (the LEP) - Hawkesbury Local Environmental Plan 2012 commenced on 21 September 2012. It contains a written statement and a series of maps, which applies to land within the LGA. With The LEP setting out general land use definitions and controls, more specific controls relating differing localities and specific property.

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The Hawkesbury 2012 comprises twenty four zones, as follows:

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Industrial Zones

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Special Purpose Zones

- SP1 Special Activities
- SP2 Infrastructure

Recreation Zones

- RE1 Public Recreation
- RE2 Private Recreation

Environment Protection Zones

- E1 National Parks and Nature Reserves
- E2 Environmental Conservation
- E3 Environmental Management
- E4 Environmental Living

Waterway Zones

- W1 Natural Waterways
- W2 Recreational Waterways

The specific controls including minimum lot size, floor space ratio and height of buildings are provided via detailed individual maps specific to each locality.

Zones	Minimum Lot Size
Residential	450m ²
Business	By Council Consent
Industrial	By Council Consent

National Parks	By National Parks Consent
Rural	0.4ha
Open Space	By Council Consent

MARKET OVERVIEW & SALES OF PARTICULAR INTEREST

RESIDENTIAL

The Hawkesbury LGA contains a number of villages and rural settlements, with the majority of development being located in and around the larger villages of North Richmond, Richmond, Windsor and Mcgraths Hill.

The Hawkesbury 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 locations on predominantly rural lifestyle/hobby farms. The Hawkesbury has a small number of low to medium density residential unit developments and townhouse style properties located close to developed areas.

Approximately 26.9% of properties in the region are fully owned, 36.6% are owned with a mortgage, 29.6% are renting and 6.9% are tenure of other types.

A high proportion of development in these centres comprises privately owned single residences that vary in size, quality, style and construction. Additionally, there are a relatively small number of medium density residential developments within the Hawkesbury LGA.

The Hawkesbury LGA has a significant number of tourist accommodation and food services due to one of the main industries being tourism with the Hawkesbury River and the regions rich heritage with European settlement dating back to 1794. Other significant industries in the Hawkesbury region include health care, education and training, professional services, public administration and safety, manufacturing and construction.

The majority of the Hawkesbury LGA towns and villages has full utility service available including a reticulated town water supply, reticulated sewerage and telecommunication services.

Hawkesbury LGA also has an extensive range of Government services including public and private primary, secondary and tertiary education establishments, emergency services including Police, NSW Fire Brigade, Rural Fire Service, SES and Ambulance, Hospitals, Council Chambers and administrative offices for various Government Agencies.

Additional community based facilities available within the LGA include various denominational churches, child care centres, various aged care facilities, libraries, sporting clubs, recreational playing fields, parks and reserves, public swimming pools, tennis courts and golf courses.

Sales volumes have increased in the last twelve months with residential values generally showing slight to moderate increases in most areas over the past year. This has seen an increase in total reliable, market sales volume for residential property in the Hawkesbury LGA. This level of sales activity has been fairly consistent throughout the year. Generally, the more established areas of the Hawkesbury LGA continue to show demand and value increases while smaller remote villages and locations remain static.

Hawkesbury residential values are supported by stable employment from major employers in the public sector and tourism industries and also supported by the surrounding rural and metropolitan communities.

Since the last General Valuation in 2014 values have generally increased across the Hawkesbury LGA. Some smaller village locations have remained static or have seen slight decreases.

The past 12 months has seen widespread 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 table below features sales in the Hawkesbury LGA which are of particular interest due to their development or potential for future development.

PIDs	Address	Sale Date	Sale Price	Comments
3508055	52 Macquarie St, Windsor	02/12/2014	\$2,310,000	Regular inside site, below road position, having a north westerly aspect being positioned on the south eastern side of Macquarie Street 127m south west with its intersection with Ross Street. Macquarie St is the main access into Windsor from the south being a 4 lane wide road carrying a large volume of traffic flow. Tar sealed, kerbed and guttered. All services connected.

				<p>Dev Consent No DA0302/09B issued 22/05/2014 for a single residential flat building comprising of 24 units (18 x 2 bed, 6 x 1 bed) and 39 parking spaces.</p> <p>The site was originally a Caltex service station site that was remediated between 2000 and 2009. Initial DA was for 16 units and 28 car parking spaces DA 0302/09 approved as "Deferred Commencement" 30/07/2010.</p> <p>Property is zoned R1 General Residential Under Hawkesbury LEP 2012. Previous issues regarding remediation of the service station site has complied with councils requirements.</p> <p>Majority of the land is above the 17.3m AHD 1:100 flood level. 20% has been adopted as an appropriate discount for the DA as the DA process was in place from 1999 when approval was granted for demolition of the service station and remedial work.</p> <p>Analysis reflect \$77,000/unit site.</p>
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VILLAGES

Isolated vacant sites in the Bowen Mountain, Bilpin and Kurrajong localities, together with the Wisemans Ferry, Lower and Central Macdonald and St Albans areas are selling, albeit at reduced prices due to the high costs associated with obtaining development approvals.

Since the last General Valuation in 2014, village values have generally increased with the land values increasing at a slower rate to the established towns.

The past 12 months has seen widespread 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 distinct trend appears to be greater increases of value in the southern portion of the LGA.

COMMERCIAL

Hawkesbury LGA comprises approximately 445 commercial zoned properties predominantly located in the suburbs of Windsor and Richmond. The Hawkesbury LGA commercial market had approximately 28 sales throughout BD 2014. The sales indicate a relatively stable market with some variance in land values dependent upon location and zone. The majority of the sales occurred in the Windsor retail sectors and included a number of vacant and tenanted

investments supported by rental and sales analysis. Most of the Hawkesbury LGA commercial sectors experienced slight increases since the 2014 base date, which is mostly reflective of movements within the major retail centres in Richmond & Windsor, including a developing bulky goods retail centre to commercial zoned sections within Mulgrave. The large format retail sector in general has recorded a substantial decline in vacancy rates on the back of increased turnover in the household goods category, resulting from a strong housing market. The exception being outlying commercial centres with small local residential catchment areas, which have shown no change to values.

Sale of Interest:

Address	Sale Date	Sales Price	Comments
32 Industry Rd Vineyard (Mulgrave)	24/02/2014 – 30/01/2015	\$3,120,000	B5 zoned vacant land at 1ha located within the prominent McGraths Hill/Mulgrave business park. The property has exposure to Windsor Rd and adjoins a large format centre. Enquiries with council town planning found that a pre-lodgement meeting was held on 7/15 over a proposal to construct a vehicle sales or hire premises and repair station.

INDUSTRIAL

The Hawkesbury LGA contains two prominent industrial precincts comprising of 269 properties out of 396 IN1 & IN2 zoned areas. The first being in, South Windsor, situated around Argyle St and is mostly located to the southern edge of Windsor central. The second major industrial precinct is the McGrath's Hill/Mulgrave business park. The precinct is centred around Groves Ave to the eastern side of Windsor Rd in Mulgrave. A broad range of uses from light industrial to heavy industrial are carried out in both precincts with the Mulgrave precinct including a retail component with exposure to Windsor Rd.

There have been a fair number of industrial sales in the Hawkesbury LGA industrial market, with the sales contracted showing little variances and that values have increased moderately in the major precincts and IN1 General Industrial zones. Conversely, the IN2 Light Industry zones have had limited sales activity and have remained unchanged since the 2014 base date. The Hawkesbury industrial market is buoyed by a number of residential growth areas in Pitt Town, North Richmond and nearby areas north of Rouse Hill in the Hills Shire. Shortages in supply of

industrial land is also contributing to increased demand. Overall, since the last annual valuation in 2014 there has been a moderate increase in industrial land values in general.

Sale of Interest:

Address	Sale Date	Sales Price	Comments
26 Fairey Rd Windsor	24/10/2014	\$4,200,000	IN1 zoned property located within the prominent Windsor industrial precinct. The property is a rare (>2ha) lot with large open hardstand area. The last industrial zoned sale to occur within the LGA of greater than 2 hectares was 2011.

RURAL

The rural property market has experienced an increase of 1% - 8% since the last general valuation. This trend has been relatively consistent across the LGA. Component GBB – Oakville to Cattai including the suburbs of Oakville, Pitt Town and Vineyard being an area that lies west of Boundary Road, north of Windsor Road and east of Pitt Town Road is an area that has shown strong growth of up to 50% to 100% as a result of the North West Priority Growth Area, east of Boundary Road in Box Hill – The Hills LGA. In detail they are:

The Box Hill & Box Hill Industrial Precincts are two of the Second Release Precincts in the North West Priority Growth Area and were rezoned for urban development on 5 April 2013. The Precincts will deliver capacity for approximately 9,600 new homes for over 29,700 residents. When fully developed the Precincts will also feature a new town centre and 3 village centres, 133 hectares of employment land, 50 hectares of open space and recreation areas, upgrades to major roads, new primary and high schools.

The Gables Box Hill development covers 330 hectare and will comprise over 4,000 dwellings, a primary school, two sports fields, 5.5 hectare town centre and 4 hectare lake. The development is encompassed by Maguires Road to the north, Old Pitt Town Road to the south, Janpieter Road to the east and Boundary Road to the west, is within a 10 minute commute to the future Rouse Hill train station on the North West Rail Link which is due for completion in 2019. On the 22 & 23 August 2015, 159 of 165 land lots released were sold in one weekend for more than 95 million. Although final approval for the Gables Box Hill development won't be till sometime in 2016.

The rural land in the Hawkesbury LGA comprises primarily rural lifestyle/hobby blocks with a reasonable proportion being less than 2.5 hectares in size. The area is handily located to Sydney metro. The larger parcels of farm land generally carry beef but most are regarded as being uneconomic given their size. These larger blocks are intermingled with rural lifestyle/hobby blocks. There are a limited number of horticultural/turf farm properties.

Rural properties have generally seen good increases in the 2015 valuation year, with turnover of rural properties remaining steady with good buyer interest. The rural properties increased on average by 18.19% over the last year which has been distorted by the GBB component. Properties located further out saw lower increases with properties to the central and northern areas remaining relatively static or having slight falls.

RURAL LOCATIONS WITHIN THE LGA

Land values vary throughout the LGA according to location, contour and cover. The following are general descriptions of some localities within Hawkesbury LGA:

Lower Hawkesbury: Yarramundi/Richmond/Wilberforce/Windsor/Pitt Town/Oakville

These localities are on the southern portion of the LGA. Contour is variable ranging from flat, flood liable river flats to undulating land that is predominantly cleared in pasture with some hill land, much of which is in bush. Property types are nearly all rural lifestyle block being less than 2.5 hectares in size. These properties have higher land values than those other areas located further afield. Land values for 2.0ha rural/residential in the Oakville/Pitt Town/Maraylya precincts have increased in value and demand as a result of the Box Hill Residential and industrial release area adjoining to the east.

Central Hawkesbury: Colo /Lower Portland/Sackville

A rural locality where subdivision is taking place of the larger lots, which are often being in excess of 10 hectares in size. Land is generally more broken and topography varies from river and creek flats rising to steeply undulating timbered country and ridges. Land values are at a lower level compared to values of properties in closer proximity to the service centres of Windsor and Richmond.

Upper Hawkesbury: St Albans/Central Macdonald

These properties are located further from Sydney proper and are generally close to Hawkesbury and Macdonald Rivers with some fronting it. Land is generally undulating to hill with various cover but some river flats in certain parts. Properties in these areas are generally at lower levels than Portland and Sacville, although those on the river sell at a premium.

Bells Line of Road/Kurrajong/Bilpin/Grose Vale

This area is located 2 hours drive west of Sydney CBD. Properties are easily accessed via Bell Line of Road, which is a good tar sealed road running north west from Richmond to Lithgow. Land form varies from undulating to hill land, with properties being in pasture or timbered with natural bush or a combination of both. Some properties provide panoramic views of the countryside which includes large areas of National Park in bush. These properties have limited local services with no shopping facilities to talk of.

Putty Road Corridore/Upper Colo/Mile Ridge

This area is also located 2 hours drive north west of Sydney CBD. Properties are easily accessed via the Putty Road, which is a good tar sealed road running north from Windsor to Cessnock. Land form varies from undulating to hill land, with properties being in pasture or timbered with natural bush or a combination of both. Some properties provide panoramic views of the countryside which includes large areas of National Park in bush. These properties have limited local services with no shopping facilities to talk of.

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.

New residential developments in discussion or underway include:

- A recent urban land release area gazetted on 11 Apr 2014 (Amendment No 6) to HLEP 2012. Redbank at North Richmond is a planning proposal to rezone and develop englobo parcels known as Lot 271 DP 1156792, 98 Grose Vale Road, North Richmond; Lot 272 DP 1156792, 96 Grose Vale Road, North Richmond; Lot 273 DP 1156792, 26 Arthur Phillip Drive, North Richmond; and Lot 274 DP 1156792, 28 Arthur Phillip Drive, North Richmond. The site presents the opportunity to provide approximately 1,400 residential dwellings within the timeframe of the Metropolitan Plan, Subregional Strategy and Hawkesbury Residential Land Strategy. The site as a whole would contribute approximately 32% of the housing target that has been set for the LGA by the State government. Development of the land is anticipated to commence in Q1, 2015. This development commenced in mid 2015 with an initial subdivision of land for 239 lots approved in March 2015. Civil works commenced in early July 2015.
- Jacaranda Ponds will be the Hawkesbury's newest masterplanned rural residential community. Set in the picturesque, rural suburb of Glossodia and with lots ranging in size from 1000m² up to 4000m², it will be home to approximately 580 families. Construction at Jacaranda Ponds is due to commence in 2016.
- Windsor Bridge Replacement Project – this major project is to replace the existing bridge crossing of the Hawkesbury River at Windsor with a new two lane bridge (one lane in each direction) with wide shoulders and a shared pedestrian and cycle path on the western side, located 35 metres downstream of the existing Windsor bridge. The project also includes realignment of Bridge Street, upgrading of adjacent intersections and approach roads, reconfiguration and landscaping of Thompson Square, and removal of the existing Windsor bridge. This project has been assessed as State Significant

Infrastructure. Determined on 20/12/2013, construction yet to commence and is currently under local protest.

Particular attention was made to properties recently sold with development applications to demo existing improvements and to redevelop the land. There were no major issues affecting values compared to prior value levels, due to market forces or local developments over the year.

SIGNIFICANT DEVELOPMENTS – FROM PRIOR TO CURRENT LOCAL GOVERNMENT COUNCIL RATING VALUATION

Local Government Valuation completed 2014

Please see "Issues and Developments" above.

SIGNIFICANT VALUE CHANGES

SIGNIFICANT VALUE CHANGES – FROM PRIOR TO CURRENT ANNUAL VALUATION

Component GBB – Oakville to Cattai including the suburbs of Oakville, Pitt Town and Vineyard being an area that lies west of Boundary Road, north of Windsor Road and east of Pitt Town Road is an area that has shown strong growth of up to 50% to 100% as a result of the North West Priority Growth Area, east of Boundary Road in Box Hill – The Hills LGA. In detail, they are:

The Box Hill & Box Hill Industrial Precincts are two of the Second Release Precincts in the North West Priority Growth Area and were rezoned for urban development on 5 April 2013. The Precincts will deliver capacity for approximately 9,600 new homes for over 29,700 residents. When fully developed the Precincts will also feature a new town centre and 3 village centres, 133 hectares of employment land, 50 hectares of open space and recreation areas, upgrades to major roads, new primary and high schools.

The Gables Box Hill development covers 330 hectare and will comprise over 4,000 dwellings, a primary school, two sports fields, 5.5 hectare town centre and 4 hectare lake. The development is encompassed by Maguires Road to the north, Old Pitt Town Road to the south, Janpieter Road to the east and Boundary Road to the west, is within a 10 minute commute to the future Rouse Hill train station on the North West Rail Link which is due for completion in 2019. On the 22 & 23 August 2015, 159 of 165 land lots released were sold in one weekend for more than 95 million. Although final approval for the Gables Box Hill development won't be till sometime in 2016.

Windsor Riverview Shopping Centre, 227 George St, Windsor, was increased by 49% over the component factor of 1.04 for the current annual valuation. This was based on a comparison of new and historic sales evidence of shopping centres. Two sales considered were shopping centres located at 61-63 Water Gum Dr, Jordan Springs (a vacant site sale and resale), and the Cranebrook Shopping Centre at Laycock St and Borrowdale Rd, Cranebrook, sold with intention to refurbish and extend existing centre. These sales and other sales considered identified that there was an undervaluation of the subject property.

32 Industry Rd, Vineyard was increased by 65% over the component factor 1.08. A vacant land sale that settled in 2015. The increase was also supported by historic sales over other properties in the same precinct. This sale was used to regrade a number of properties in the same B5 zone with direct exposure to the arterial Windsor Rd.

SIGNIFICANT VALUE CHANGES – FROM PRIOR TO CURRENT LOCAL GOVERNMENT
COUNCIL RATING VALUATION

Local Government Valuation completed 2014

Please see "Significant Value Changes" above.

OVERVIEW OF THE QUALITY ASSURANCE PROCESS

LPI has been provided with a detailed Valuation Analysis Report, which details the Quality Assurance Process of QVA 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 basis' 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 6.2.2. 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.

AUTHOR

Report Prepared by:

A handwritten signature in black ink, appearing to read 'N. Robinson'.

Nigel Robinson
Contract Services Manager
Registered Valuer 7189
Quotable Value Australia
26th November 2015

A handwritten signature in black ink, appearing to read 'Therone Russell'.

Therone Russell
Senior Valuer
Registered Valuer No. 26104
Quotable Value Australia
26th November 2015

APPENDICES

APPENDIX 1: DISTRICT DETAILS REPORT 2014 – 2015

Please note 2014 was also the previous general valuation year so a separate District Details Report for changes from the previous general valuation has not been provided.

District Details Report

District Code: 219 Report Type: LT

District code: 219 Zone: B1

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
CAA - VILLAGES - COMMERCIAL LANDS	1.014	\$20,337,900	41	\$20,709,200	1.82	16
CFF - NEIGHBOURHOOD COMMERCIAL	1.03	\$30,071,480	70	\$32,322,760	7.48	28
		\$50,409,380	111	\$53,031,960	5.20	44

District code: 219 Zone: B2

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
CHH - RICHMOND COMMERCIAL	1.04	\$85,140,320	122	\$88,705,060	4.18	122
CNN - WINDSOR COMMERCIAL	1.039	\$79,396,000	156	\$84,845,000	6.86	28
		\$164,536,320	278	\$173,550,060	5.48	150

District code: 219 Zone: B5

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
CMW - MULGRAVE WINDSOR ROAD- BUSINESS DEVELOPMENT	1.08	\$30,480,300	36	\$36,408,600	19.44	36
CNR - NORTH RICHMOND & CLARENDON- BUSINESS DEVELOPMENT	1.01	\$10,803,000	11	\$10,905,000	0.94	6
		\$41,283,300	47	\$47,313,600	14.61	42

District code: 219 Zone: B6

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
CAM - MULGRAVE COMMERCIAL	1.042	\$18,193,000	10	\$18,954,000	4.18	4
		\$18,193,000	10	\$18,954,000	4.18	4

District code: 219 Zone: E1

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
NAA - NATIONAL PARKS	1	\$8,297,700	14	\$8,297,700	0.00	3
		\$8,297,700	14	\$8,297,700	0.00	3

District code: 219 Zone: E4

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
EJV - YARRAMUNDI - ENVIRO LIVING	1	\$01,213,100	112	\$00,309,100	-1.48	15
EPY - BOWEN MOUNTAIN TO KURRAJONG HEIGHTS - ENVIRO LIVING	1.04	\$124,046,100	330	\$129,119,800	4.09	330
PGA - MOUNTAIN LAGOON - ENVIRO LIVING	1	\$27,045,000	66	\$26,660,000	-1.43	7
PNA - LOWER PORTLAND TO FERNANCES - ENVIRO LIVING	1	\$127,719,760	491	\$126,631,730	-0.86	49
QZZ - ALONG COLO RIVER - ENVIRO LIVING	1	\$85,795,890	288	\$85,705,860	-0.11	31
		\$425,819,850	1287	\$428,426,550	0.61	432

District code: 219 Zone: IN1

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
FAA - SOUTH WINDSOR - GENERAL INDUSTRIAL	1.07	\$120,687,200	164	\$128,223,000	6.24	164
FGA - MULGRAVE - GENERAL INDUSTRIAL	1.085	\$78,552,000	105	\$85,208,000	8.47	13
FLW - WILBERFORCE - GENERAL INDUSTRIAL	1.09	\$10,215,000	32	\$11,457,400	12.16	9
		\$209,454,200	301	\$224,888,400	7.37	186

District code: 219 Zone: IN2

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
FAB - WINDSOR & MULGRAVE - LIGHT INDUSTRIAL	1	\$20,884,120	39	\$20,884,120	0.00	7
FNR - NORTH RICHMOND - LIGHT INDUSTRIAL	1	\$19,065,000	24	\$19,065,000	0.00	4

FRI - RICHMOND - LIGHT INDUSTRIAL	1	\$11,013,000	32	\$11,037,000	0.21	6
		\$50,962,120	95	\$50,988,120	0.05	17

District code: 219 Zone: R1

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
AQB - RICHMOND - GENERAL RESIDENTIAL	1.18	\$46,419,000	156	\$54,766,000	17.98	13
BBB - WINDSOR & SOUTH WINDSOR- GENERAL RESIDENTIAL	1.14	\$22,611,000	81	\$26,594,000	17.61	14
		\$69,030,000	237	\$81,360,000	17.86	27

District code: 219 Zone: R2

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
AAA - AGNES BANKS	1.12	\$30,742,700	123	\$34,476,100	12.14	116
ABB - GLOSSODIA	1.1	\$240,686,000	360	\$264,606,000	9.93	29
ADD - KURMOND	1.054	\$13,232,000	52	\$13,941,000	5.35	7
AEK - KURRAJONG VILLAGE	1.06	\$130,251,430	375	\$138,116,760	6.03	359
AFF - KURRAJONG HEIGHTS	1.19	\$68,225,000	314	\$79,481,000	16.49	298
AGH - MACGRATHS HILL	1.19	\$211,061,000	335	\$251,245,000	19.03	16
AKK - NORTH RICHMOND	1.1	\$292,981,000	394	\$322,946,000	10.22	872
ANN - PITT TOWN	1.199	\$236,718,000	345	\$289,232,000	22.18	178
AQQ - RICHMOND	1.1	\$289,731,710	388	\$318,597,230	9.96	28
AUA - SOUTH WINDSOR	1.18	\$358,879,000	1524	\$423,470,000	17.99	28
AYA - BLIGH PARK	1.200	\$260,208,700	1106	\$313,631,620	20.01	21
BBA - WINDSOR	1.17	\$132,049,600	467	\$154,499,290	17.00	20
BCC - WILBERFORCE	1.08	\$168,111,200	579	\$181,803,000	8.02	24
		\$2,431,967,430	8801	\$2,785,744,900	14.55	1996

District code: 219 Zone: R3

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
AKA - RICHMOND MEDIUM DENSITY RESIDENTIAL	1.1	\$82,415,900	273	\$90,644,800	9.98	16
AQA - RICHMOND - MEDIUM DENSITY RESIDENTIAL	1.3	\$371,441,300	1469	\$482,458,700	29.88	59
AUB - SOUTH RICHMOND - MEDIUM DENSITY RESIDENTIAL	1.1	\$91,295,540	387	\$100,401,790	9.97	16
AYB - BLIGH PARK - MEDIUM DENSITY RESIDENTIAL	1.12	\$197,578,990	943	\$221,229,570	11.97	25
BAB - WINDSOR - MEDIUM DENSITY RESIDENTIAL	1.1	\$37,664,200	102	\$41,419,500	9.97	7
		\$780,395,930	3074	\$936,154,360	19.96	123

District code: 219 Zone: R5

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
ANA - PITT TOWN ESTATE - LARGE LOT	1.33	\$133,865,900	197	\$189,742,190	41.74	68
JPR - NEPEAN PARK ESTATE - LARGE LOT	1.08	\$54,677,000	153	\$58,052,000	6.17	36
RGA - WINDSOR DOWNS ESTATE - LARGE LOT	1.09	\$169,417,800	359	\$184,748,800	9.04	351
		\$357,960,700	709	\$432,542,990	20.84	455

District code: 219 Zone: RE1

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
ZAA - PUBLIC RECREATION	1	\$34,071,550	137	\$33,686,550	-1.13	5
		\$34,071,550	137	\$33,686,550	-1.13	5

District code: 219 Zone: RE2

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
ZAZ - PRIVATE RECREATION	1	\$8,485,900	17	\$8,485,900	0.00	5
		\$8,485,900	17	\$8,485,900	0.00	5

District code: 219 Zone: RU1

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
GEE - LAND BETWEEN RICHMOND & WINDSOR ROADS - RURAL	1.109	\$60,719,090	97	\$65,209,210	7.39	9
RGP - NORTH RICHMOND TO WILBERFORCE - RURAL	1.08	\$468,468,970	810	\$495,125,530	7.99	47
RGQ - KURRAJONG - RURAL	1.08	\$158,603,600	269	\$171,274,100	7.98	33
RJV - YARRAMUNDI - RURAL	1	\$22,340,000	38	\$22,340,000	0.00	5
RQL - WILBERFORCE TO EAST KURRAJONG - RURAL	1.02	\$341,519,340	686	\$343,589,310	0.60	55
		\$1,041,651,000	1900	\$1,097,538,150	5.37	149

District code: 219 Zone: RU2

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
PAA - LOWLANDS (AGNES BANKS-PITT TOWN BOTTOMS) - RURAL LANDSCAPE	1.1	\$234,970,650	272	\$256,844,170	9.30	95
PGG - BILPIN - RURAL LANDSCAPE	1	\$150,190,060	402	\$150,887,060	0.46	30
RQJ - FREEMANS REACH AND WILBERFORCE FARM LAND - RURAL LANDSCAPE	1.03	\$54,986,570	115	\$56,621,550	2.97	24
RQM - TERRACE ROAD TO PUTTY ROAD - NON FARM LAND	1	\$79,611,630	156	\$79,611,630	0.00	19
RQU - SACKVILLE TO LOWER PORTLAND - RURAL LANDSCAPE	1.02	\$60,055,270	135	\$61,232,420	1.96	18
RUP - NORTH RICHMOND-FREEMANS REACH (TERRACE RD) - RURAL LANDSCAPE	1.03	\$53,077,420	117	\$54,658,520	2.97	6
RWE - WILBERFORCE TO EBENEZER - RURAL LANDSCAPE	1.04	\$178,300,250	334	\$185,391,760	3.97	18
		\$811,191,850	1531	\$845,247,110	4.20	210

District code: 219 Zone: RU4

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
GBB - OAKVILLE TO CATTAI - RURAL SMALL	1.5	\$845,010,920	1467	\$1,415,171,560	67.47	1467
GDD - WINDSOR TO VINEYARD - SOUTH OF WINDSOR ROAD - RURAL SMALL	1.056	\$58,502,890	126	\$66,674,050	13.96	9

OGG - SOUTH WINDSOR TO CLARENDON - RURAL SMALL	1	\$37,709,800	61	\$37,737,800	-0.14	10
GLL - AGNES BANKS - RURAL SMALL	1.17	\$17,198,900	29	\$20,131,300	17.06	11
RPP - KURRAJONG TO EAST KURRAJONG - RURAL SMALL	1.06	\$703,808,100	1593	\$744,588,600	5.79	68
RUQ - BOWEN MOUNTAIN TO NORTH RICHMOND - RURAL SMALL	1.08	\$348,419,460	715	\$376,290,860	7.99	40
		\$2,010,727,870	3991	\$2,680,593,870	32.32	1605

District code: 219 Zone: RU5

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
PBB - BOWEN MOUNTAIN VILLAGE	1.02	\$121,533,400	564	\$123,002,100	1.20	38
PFF - FREEMANS REACH VILLAGE	1.08	\$79,377,600	318	\$85,651,000	7.90	14
PMM - ST ALBANS VILLAGE	1.08	\$45,897,530	273	\$49,518,030	7.88	33
PXX - EBENEZER VILLAGE	1.088	\$37,632,000	155	\$40,982,000	8.90	12
		\$204,440,530	1310	\$299,153,130	5.17	97

District code: 219 Zone: SP1

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
SDD - CHURCH AND COMMUNITY SITES	1	\$45,802,600	19	\$46,063,000	0.56	6
STT - RICHMOND RAAF	1	\$31,790,000	2	\$31,790,000	0.00	2
		\$77,592,600	21	\$77,853,000	0.34	8

District code: 219 Zone: SP2

Component	Factor	2014 Land Value	Properties Valued	2015 Land Value	Change	Verified Properties
GMM - SEWERAGE TREATMENT, DUMPS, AND DRAINS	1	\$36,110,000	65	\$36,570,000	1.27	65
SRR - RAILWAY LANDS	1	\$984,000	2	\$984,000	0.00	2
		\$37,094,000	67	\$37,554,000	1.24	67

*Grand Total	\$8,913,565,230	23988	\$10,301,362,450	15.57	5625
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*Note: New Land Value is based on Primary Factor/Secondary Factor and Handcrafted Values