

# Cooma-Monaro Shire

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Final Report 2015

Date: 22 October 2015

## EXECUTIVE SUMMARY

### LGA OVERVIEW

#### **Cooma-Monaro Local Government Area**

The Cooma-Monaro Shire Council area is located in the south east region of NSW. The Shire comprises a land area of approximately 5229 square kilometres comprising undulating to hilly rural grazing land, timbered lifestyle areas and retreat bushland. The Local Government Area (LGA) is adjoined by four other LGAs – Palerang to the north, Tumut and Snowy River to the west, Bombala to the south and Bega Valley to the east.

The main economic activities in the Shire include sheep and cattle grazing plus the “provision” of hobby farms / rural home sites in the Cooma area for the Cooma market, in the Michelago area (ie the northern part of the Shire) for the Canberra market and at various other locations including along the Murrumbidgee River and at the southeast periphery near Nimmitabel. These rural/ residential blocks and bush retreats cater for a number of sub markets and demand tends to ebb and flow.

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

The Cooma-Monaro LGA comprises Residential, Rural, Commercial, Industrial, Infrastructure/Special Purposes, Environmental and Public Recreation zones.

5,388 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 Snowy River LGA property market generally has remained static across all sectors with various minor fluctuations.

Valuation changes in the Local Government Area and percentage changes between the Council Valuation years of 1 July 2013 and 1 July 2015 and the Land Tax Valuation year of 1 July 2014 are as follows:

Properties Valued and Total Land Value							
Zone	Zone Code	Number of Entries	2015 Total Land Value \$	Prior Annual Valuation (2014) \$	% Change	Prior Local Government Valuation (2013) \$	% Change
Residential	(R1, R2, RU5)	3225	263,239,230	262,585,540	+0.25	268,236,500	-2.11
Rural	(RU1, R5)	2357	450,468,440	450,582,840	-0.02	448,771,140	+0.40
Commercial	(B1, B2)	342	60,337,710	60,128,110	+0.35	60,155,910	-0.05
Industrial	(IN1)	90	10,709,700	10,709,700	0	10,707,700	+0.02
Infrastructure	(SP1, SP2, SP3)	39	3,233,580	3,233,580	0	3,232,580	+0.03
Environmental	(E1, E2, E3)	148	35,814,320	35,818,320	-0.01	35,631,720	+0.52
Public Recreation	(RE1, RE2)	66	6,145,100	6,215,100	-1.13	6,215,100	0
Total		6267	829,948,040	829,273,190	+0.08	832,950,650	-0.44

## STATE & LOCAL GOVERNMENT LEGISLATION FOR LGA

Cooma-Monaro Local Environmental Plan 2013 gazetted 25 October 2013.

The Cooma-Monaro Local Government Area is governed by the Cooma-Monaro Local Environmental Plan 2013 (LEP). 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 Cooma-Monaro LGA property market to provide an accurate and reliable basis of valuation. A total of 132 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 Cooma-Monaro LGA this year sales and resales of properties indicated little variance in values throughout the year with only slight movement from August 2014 to 1 July 2015 for properties zoned residential. Rural properties apart from minor fluctuations remained constant.

## SIGNIFICANT ISSUES AND DEVELOPMENTS

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

There have been approvals for subdivisions:-

PID 482682	1 Ryrie St Michelago	Staged subdivision	21 lots	Approved 30/09/2014
PID 3271522	Burra Rd Burra	Staged subdivision	40 lots	Approved 01/01/2015

General issues of significance:-

- The Boco Rock Wind Farm owned by The Wind Prospect Group, is now completed and in operation.
- Supply of housing stock and vacant residential lots on the market continues to generally outstrip demand. Limited interest from investors. Very few employment opportunities currently exist in Cooma.
- Farming occupies a large part of the district and is an important part of the regional economy. Climate change and its influence on seasonal variation will continue to impact on the profitability of farming in the district.
- Hobby farms and rural home sites are continuing to expand into current farm land in the northern part of the District, and the influence of Canberra buyers on demand and price level will continue into the future. This is to some extent reversing population decline in selective areas.

## SIGNIFICANT VALUE CHANGES

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

#### **Changes since previous General Valuation (2013)**

There has been a small decrease to residential values over the review period centred primarily in Cooma town values while the Village values have remained static.

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

There has been a small increase in total values centred on a slight firming in the Cooma town market with Village values remaining static. The number of sales has increased slightly in the period.

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

#### **Changes since previous General Valuation (2013)**

Rural values have essentially remained steady over the period with firm demand for good quality grazing land across the LGA. Values vary substantially based on the wide variation of land type from arable granite and basalt grazing to rough, rocky timbered grazing and bush retreats. There has a small increase on total value largely as a result of verification adjustments to correct relativities in values.

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

Values have overall remained steady at 2014 levels of value.

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

#### **Changes since previous General Valuation (2013)**

There has been very limited sales of commercial land in the LGA with the bulk of properties located in Cooma town centre. Values have remained steady over the period.

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

As above there is limited sales evidence to indicate any significant market movement. Business activity in Cooma appears to be steady with traders and retail premises servicing the local and tourism trade.

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

#### **Changes since previous General Valuation (2013)**

There has been limited sales evidence with values remaining steady over the period.

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

There has been limited sales evidence with values remaining steady over the period.

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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 Cooma-Monaro 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)



## LGA OVERVIEW

### LOCATION OF THE DISTRICT

The Cooma-Monaro Shire area is located in the south-east region of NSW. Cooma-Monaro LGA comprises a land area of approximately 5229 square kilometres that includes undulating rural grazing land, timbered lifestyle areas and retreat bushland. Cooma is the main centre of activity, with a population of 6664. Cooma's location makes it a popular base and rest stop for travelers en-route to the nearby ski-fields and recreational areas of the Snowy Mountains and lakes.

### PRINCIPAL TOWNS

#### **Cooma**

Cooma is the main centre of activity, with a population of 6664. It is located 115 km south of Canberra and 63 km east of Jindabyne. Cooma's location makes it a popular base and rest stop for travelers en-route to the nearby ski-fields and recreational areas of the Snowy Mountains and lakes. The town comprises hotels, hospital, commercial clubs, primary and secondary schools, retail and service premises.

In 1949 the town became the headquarters of The Snowy Mountains Scheme, a large hydro-electric scheme that was completed in 1974, taking water from the eastern slopes of the Australian Alps for use in hydro-electric power generation and irrigation in the Murrumbidgee and Murray valleys.

#### **Bredbo**

Bredbo is a small township on the Monaro Highway between Cooma and Canberra with a population of 200. There is a hotel, primary school and several business premises.

#### **Nimmitabel**

Nimmitabel is a small township between Cooma and Bombala. The town has a hotel, primary school and several retail stores and services the surrounding rural community and highway trade.

#### **Michelago**

Michelago is a village on the Monaro Highway between Bredbo and Canberra. There is a primary school and general store. The market in the area is centred on Canberra lifestyle buyers rather than Cooma influences.

## Numeralla

Numeralla is a village 20 km east of Cooma. There is a primary school but no store or other facilities.

## MAIN INDUSTRIES

Cooma is the main township in the Monaro region servicing the rural sector largely based on wool and cattle growing, large permanent population and tourist trade. The Snowy Hydro Authority has headquarters in Cooma, together with various State government agencies. The main employers in the LGA include:-

- Monbeef – meat processing & packaging
- Various engineering firms
- Cooma saleyards
- Retail and small service firms
- Ski and recreation hire businesses
- Shire administrative centre and depot

## SIGNIFICANT RETAIL CENTRES

The Cooma town centre is the primary retail centre in the LGA. The centre contains 3 supermarkets, various restaurants and cafes, 5 hotels, large hardware store, service clubs and various specialty stores.

## TYPE OF RESIDENTIAL DEVELOPMENT

Cooma comprises a busy country town servicing a significant permanent population, the surrounding agricultural and Snowy Hydro industries and major tourist infrastructure. The town originates from grazing and settlement in the early 19<sup>th</sup> century with steady growth following. There are various Heritage precincts centred on Lambie Street and around the inner town centre with many designated premises.

Cooma North and Cooma East were developed in the early 1950s by the Hydro Authority for worker housing; construction is modest fibro cement and timber clad with some undergoing upgrading in recent years.

Construction ranges from modest 1950/60s timber and brick veneer to, better quality 1970/1990s BV homes. Zalka Heights is a modern estate in south-east Cooma developed 15-20 years ago with good quality housing on elevated blocks. There are several small infill estates with near new housing of good to average quality.

Bredbo, Nimmitabel and villages comprise generally modest to average housing with very limited new development, apart from Michelago where there has been a number of new, good quality homes completed, likely from lifestyle changers from the Canberra market.

## STATE & LOCAL GOVERNMENT LEGISLATION FOR LGA

Cooma-Monaro Local Environmental Plan 2012 gazetted 25 October 2013.

The Cooma-Monaro Local Government Area is governed by the Cooma-Monaro Local Environmental Plan 2013 (LEP). The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales Legislation.

These include:

Zone	Minimum Allotment Size
R1, R2	600m <sup>2</sup>
R5	2 ha
B1, B2, B3, B4, B5, IN1	By Council Consent
RU1, RU3	40 ha
RU5	By Council Consent
E1, E2, E3, E4	40 ha

## MARKET OVERVIEW & SALES OF PARTICULAR INTEREST

### RESIDENTIAL

The market in Cooma appears to be steady with a steady number of sales in the 2015 period. The number of sales in zones R1, R2 & R5 has increased from 121 in 2014 to 132 in 2015. There has been some minor fluctuation, however, the market overall has been constant and a factor of 1.0 has been adopted.

A sample of residential sales is shown below:-

PROPERTY	LAND m <sup>2</sup>	SALE DATE	ALV \$	LV 2014 \$	FACTOR
147 Commissioner St Cooma	996	10/12/2014	109,275	109,000	1.00
102 Bombala St Cooma	885	25/09/2014	90,000	88,300	1.02
26 Mittagang St Cooma	3628	21/07/2014	135,000	135,000	1.00
28 Blairgowrie Ave Cooma	664	25/03/2015	66,200	65,800	1.01
59 Hawkins St Cooma	1587	12/03/2015	85,200	85,000	1.00
7 Hill St Cooma	2024	02/02/2015	98,800	98,800	1.00

The relatively weak economic climate which is mirrored in many regional areas, has been a major factor leading generally to limited levels of demand for vacant land and housing in Cooma.

There were limited vacant land sales across Cooma township in general. An analysis of improved sales was undertaken in those areas where no vacant land sales occurred.

The limited overall demand can be attributed to the following factors:

- The after-effects of the global financial crisis contributed to levels of consumer confidence and investor demand still remaining low in many regional areas. Adding to the decreased levels of confidence was the Federal election in 2013, which saw a change in Government. Many of the recent budgetary measures have led to further uncertainty in the general economy. The recent change in Prime Ministership may add further to this uncertainty.
- Specifically, Cooma has no existing major industry to attract new residents to the area. The economy centres predominately around the retail trade, agriculture and tourism (being the winter ski season and to a lesser extent summer alpine activities). A poor ski season can affect the township negatively, with reduced retail trade and a reduction in income from tourism related accommodation stays (there are numerous motels in the township).

The influence of Canberra lifestyle purchasers remains steady in the last year notwithstanding some fluctuations in the Canberra market. Government sector job cuts over the past two years created uncertainty in the economy and house prices suffered as a result during this period. Mass redundancies are now complete in this sector, and they are also no longer subject to the two-year hiring freeze which had been imposed. Consumer optimism has improved in the ACT, and this has flowed through to increased activity in the housing market, and an increase in housing loans. The Canberra market in general is currently in the upward or recovering phase of the property cycle, however within this phase there is still some volatility.

## VILLAGES

There is limited sales evidence in the other villages; the market has shown some fluctuations but appears to be stagnant overall and a factor of 1.000 has been adopted. The number of sales in zone RU5 has decreased slightly from 26 in 2014 to 19 in 2015.

A sample of village sales is shown below:-

PROPERTY	LAND m2	SALE DATE	ALV \$	LV 2014 \$	FACTOR
12 Bransby St Bredbo	2023	25/11/2014	102,950	100,000	1.03
5 Braidwood St Bredbo	1.684 ha	14/10/2014	131,775	131,000	1.01
100 Ryrie St Michelago	1511	08/10/2014	134,000	130,000	1.03
43 Wolfe St Nimmitabel	1012	26/02/2015	23,600	23,200	1.02

## COMMERCIAL

Commercial properties are centred in Cooma township. There are 5 Business components based on the B1 to B5 zones with a total of 342 properties. There are 2 main commercial areas, Cooma retail centre and abutting secondary business and service premises, with mixed commercial premises extending along the Monaro Highway; there is a smaller secondary commercial precinct on the Snowy Mountain Highway in the Lambie St area.

There has been 12 sales in the sector with no indication of a change warranted to 2014 levels of value. This is an increase from 7 sales in 2014.

A sample of commercial sales is shown below:-

PROPERTY	LAND M2	SALE DATE	ALV \$	LV 2014 \$	FACTOR
225A Sharp St Cooma	280	27/05/2014	125,600	125,000	1.05
30 Bombala St Cooma	1159	19/12/2014	152,500	151,000	1.01
25 Bombala St Cooma	488	29/06/2015	200,000	199,000	1.01

## INDUSTRIAL

Cooma-Monaro has 90 industrial valuations located mainly at Polo Flat on the north periphery of Cooma. The market was very quiet with limited demand for property and values appeared static at 2014 levels of value.

There has been only 2 sales in the sector with no indication of a change warranted to 2014 levels of value.

## RURAL

Demand for larger rural grazing properties continues to be primarily from adjoining and neighbouring landholders increasing their scale of operations. This demand is centred on the better quality land and soil types. There is very limited sales evidence of good quality grazing land with the majority of sales of larger holdings comprising bushland/retreat lands.

The majority of rural sales are in the 100ha to 300ha range comprising poorer quality timbered grazing to bushland. They are mostly purchased as lifestyle/retreat properties not based on primary production potential.

A sample of rural sales is shown below:-

PROPERTY	LAND Ha	SALE DATE	ALV \$	LV 2014 \$	FACTOR
Badja Rd Countegany	606.9	09/2014	195,000	240,000	0.81
1180 Old Bega Rd Steeple Flat	507.9	01/2015	176,125	175,000	1.01
37 Coffeys Rd Michelago	496.6	12/2014	797,850	750,000	1.06
325 Higgins Rd Greenlands	366.6	03/2015	214,500	214,000	1.00
Stewartfield Rd Bolaro	189.8	10/2014	163,500	163,000	1.00
2341 Monaro Hwy Chakola	153.8	12/2014	326,650	326,000	1.00
Peak View Rd Peak View	132.3	10/2014	140,000	140,000	1.00

Sales of rural homesites and lifestyle properties comprise a major component of the market in the LGA. Demand appears to steady with values generally static at 2014 levels of value. A sample of rural/lifestyle sales are shown below:-

PROPERTY	LAND Ha	SALE DATE	ALV \$	LV 2014 \$	FACTOR
Snowy Mountains Hwy Dairymans P	10.12	09/2014	150,000	150,000	1.00
5403 Monaro Hwy Nimmitabel	24.79	05/2015	76,600	75,600	1.01
Bobeyan Rd Shannons Flat	31.59	11/2014	80,150	79,200	1.01
121 Capanana Rd Bredbo	57.1	02/2015	165,300	165,000	1.00

## RURAL LOCATIONS WITHIN THE LGA

Land values vary throughout the LGA according to land form, location, access and soil types. The following are general descriptions and land values of some localities within the Cooma-Monaro LGA:

LOCALITY	LAND TYPE	AREA Ha	2015 \$/H	2015 LV \$	2014 LV \$
Jerangle, Anembo, Peak View	Grazing & lifestyle properties in the north-west sector of the LGA. Undulating to hilly, clear to timbered, bush retreats; granite & basalt soils, some surface stone. Some influence from Canberra buyers in the lifestyle market. Sample PID – Jerangle Rd, Jerangle. Fragmented grazing/lifestyle between Bredbo & Captains Flat, part undulating native grassland, part bush hills. 360H clear, 742H bush hills.	360 742	1203 400	730,000	730,000
Countegany, Numeralla, Badja	Grazing & lifestyle properties to the east of Cooma. Undulating to hilly, granite & basalt soils, clear to timbered grazing, to bush retreats, Demand for lifestyle properties but at the lower value range. Sample PID – Tuross Rd Countegany. Grazing property to the east of Cooma, mostly undulating clear to light timbered grazing, small portion of bush	1589	812	1,290,000	1,295,000
Springfield, Nimmitabel, Holts Flat, Ando	Grazing property to the south of Cooma & west of Nimmitabel. Generally larger broad-acre clear native grassland, undulating to low hills, granite soils. Sample PID – Springfield Rd Springfield. Grazing property south-west of Nimmitabel, undulating clear native grassland	927	706	655,000	655,000



Yaouk	Undulating to hilly, timbered grazing to bush retreats, granite & basalt soils, more remote from town services. Demand for lifestyle properties at the lower value range. Sample PID – Yaouk Rd Yaouk. Grazing & lifestyle/retreat property in the north-west sector of, remote & rough bush hills	469	264	124,000	124,000
Shannons Flat, Murrumbucca	Undulating to hilly, clear to timbered grazing, to bush/lifestyle. Granite & shale soils, some surface stone. Lifestyle values in the higher range influenced by Cooma buyers. Sample PID – Jones Plain Rd Shannons Flat. Grazing property north of Cooma undulating clear grazing, scattered bush patches.	532	846	450,000	450,000
Rose Valley, Chakola, Bunyan	Grazing & lifestyle property to the north-east of Cooma. Mix of larger broad-acre clear grazing, arable flats & rough timbered lifestyle. Undulating to hilly, granite & shale soils, some surface stone. Lifestyle values in the higher range influenced by Cooma buyers. Sample PID – Rose Valley Rd. Grazing property to the north of Cooma, undulating clear grazing, scattered light timber, bush patch	377.4	1052	397,000	397,000

## SIGNIFICANT ISSUES AND DEVELOPMENTS

### SIGNIFICANT DEVELOPMENTS – FROM PRIOR TO CURRENT ANNUAL VALUATION

Development application details are downloaded from the Shire web site and noted in QVAIS. There appears to have been no approvals of regional significance in the period.

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

Development application details are downloaded from the Shire web site and noted in QVAIS.

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.

There have been approvals for subdivisions:-

PID 482682	1 Ryrie St Michelago	Staged subdivision	21 lots	Approved 30/09/2014
PID 3271522	Burra Rd Burra	Staged subdivision	40 lots	Approved 01/01/2015

General items of significance:-

- Cooma-Monaro LEP 2013- The new LEP necessitated the reorganisation of all components, consistent with the new zonings. Some new components were created due to the diversity of new zones under the LEP. Very few value changes were required, as a result of the new LEP and the resultant change to zonings. In general, the majority of changes under a new LEP tend to come from those properties which are rezoned medium or high density residential, or from small holdings which are rezoned to then have subdivision potential. Cooma does not have any medium or high density zones. There is limited demand in Cooma for further subdivision of blocks, regardless of zone.
- The Boco Rock Wind Farm owned by The Wind Prospect Group, is now completed and in operation. The wind farm is located 10 kilometres SW of Nimmitabel. The wind farm will provide renewable power for 40,000 homes across NSW.

## SIGNIFICANT VALUE CHANGES

### SIGNIFICANT VALUE CHANGES – FROM PRIOR TO CURRENT ANNUAL VALUATION

There has been a small increase in total values centred on a slight firming in the Cooma town market with Village values remaining static. The number of sales has increased slightly in the period.

There have been minor alterations to values identified in verification to correct relativities between particular properties.

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

There has been a small decrease to residential values over the review period centred primarily in Cooma town values while the Village values have remained static

There have been minor alterations to values identified in verification to correct relativities between particular properties.

## OVERVIEW OF THE QUALITY ASSURANCE PROCESS

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

Keith Williams  
AAPI CPV  
Contract Services Manager  
Date 22 October 2015