

Final Report 2015

Palerang LGA 540

Date: 17 November 2015

FINAL REPORT PALERANG LGA 2015

EXECUTIVE SUMMARY

LOCAL GOVERNMENT AREA OVERVIEW

Palerang Local Government Area

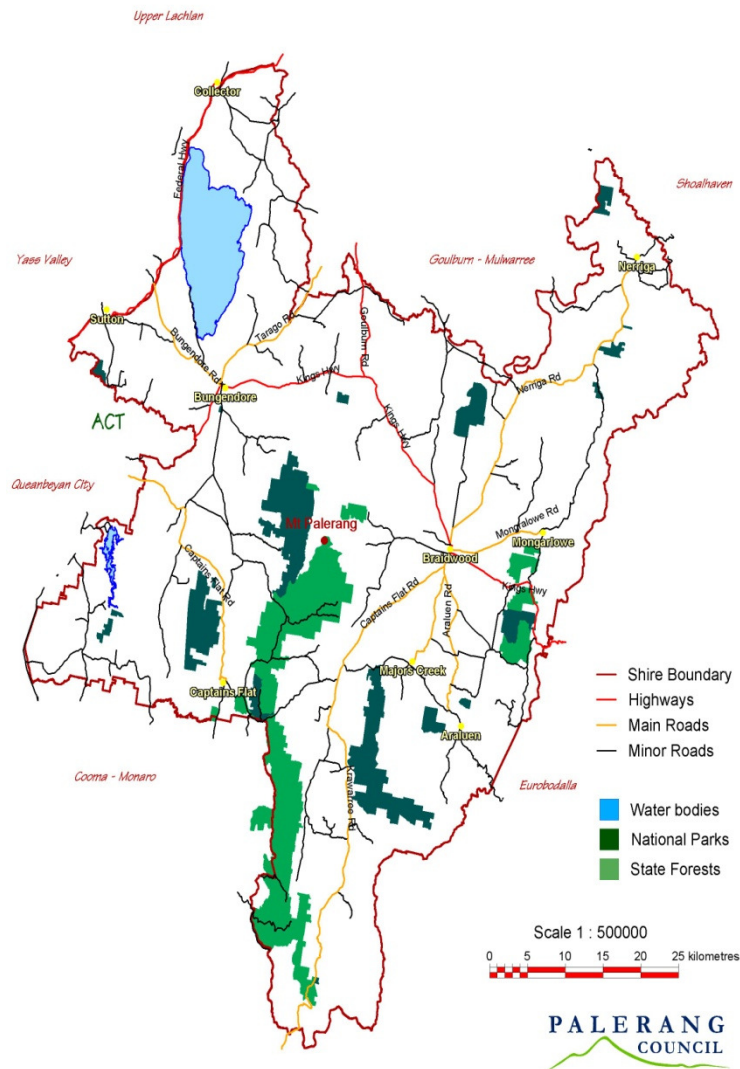
The Palerang Local Government area adjoins the Australian Capital Territory as well as seven NSW LGA's comprising Yass Valley, and Queanbeyan City to the West, Eurobodulla Shire to the East, Shoalhaven to the Northeast, Goulburn-Mulwaree and Upper Lachlan to the North and Cooma-Monaro to the South. Morton, Budawang, Monga and Deua National Parks are located in the eastern portion, separating Palerang from the South Coast. Tallaganda State Forest and National Park is located South of Bungendore. The LGA covers an area of 5143 square km, and has a population of 14,835 (2011 census). The topography is variable with valleys of flat to undulating arable lands running north/south alternating with steeper grazing slopes and bush covered hills.

Palerang is predominantly a rural district as well as accommodating Canberra based workers. Farming is an important sector within the District although small holdings and hobby farms dominate in terms of numbers. Rural subdivision has resulted in many of the larger farm holdings being reduced in size. Productive farms make up a small fraction of the total property sales occurring.

Palerang is a popular district with easy access to Canberra and Queanbeyan and to a lesser extent Goulburn, Sydney and the NSW South Coast. Batemans Bay is accessible via the Kings Highway, while Shoalhaven can be accessed via Nerriga Road. Land development within the district in the past has followed the traditional pattern of subdivision of farmland into rural/residential blocks and hobby farms with rural-residential subdivisions near Queanbeyan and the ACT. Conversion of farmland to rural-residential blocks has generally been limited to the poorer land comprising bush covered slate and shale hills in locations such as Bywong, Wamboin, Carwoola, Royalla and Burra. Residential subdivisions have been developed at Bungendore and to a lesser extent Braidwood.

Owing to Palerang's varied geography, a number of sub-markets exist and market behaviour tends to vary between property types depending on location, land size, vegetative cover, river frontage, road access, etc.

Palerang District Map



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

The Palerang Local Government Area comprises Residential, Rural, Environmental, Commercial, Industrial, Infrastructure and Public Recreation zones. 7,984 properties

were valued as at the Base Date of 1 July 2015 with notices of valuation being sent to land owners. The land valuations are reflective of the property market as at the Base Date. Previous Notices of Valuation were issued to owners for the Base Date of 1 July 2012. The Palerang District property market has remained steady across all sectors with many experiencing a slight increase in values.

The Palerang District is a popular rural locality due to its proximity to Canberra, temperate climate, regular and in some places high rainfall, elevation, soil quality and proximity to the NSW South Coast and National Parks. Land is also moderately priced in the more remote locations.

Value changes for the Palerang Local Government Area for the period between Local Government Revaluations (1 July 2012 to 1 July 2015) and Land Tax Revaluations (1 July 2014 to 1 July 2015) are as follows:

Properties Valued and Total Land Value							
Zone	Zone Code	Number of Entries	2015 Total LG Land Value	2014 Total LT Land Value	% Change	Prior Local Government Valuation (2012)	% Change
Residential	R1, R2, R5, RU5	2,245	453,115,860	448,673,700	0.99	445,024,670	1.82
Rural	RU1	3,064	1,078,613,683	1,083,498,593	-0.45	1,047,953,420	2.93
Commercial	B2, B4	167	45,678,600	42,740,200	4.43	40,888,500	11.72
Industrial	IN2	34	12,846,500	12,846,500	0.00	12,326,000	4.22
Infrastructure	SP1, SP2	74	9,265,250	10,492,350	-11.7	10,189,990	-9.07
Environmental	E1, E2, E3, E4	2,340	924,271,017	915,053,707	1.01	912,603,265	1.28
Public Recreation	RE1, RE2	46	6,557,400	9,695,500	-32.37	9,526,300	-31.17
Total		7,970	2,530,348,310	2,524,000,550	0.25	2,478,512,145	2.09

STATE & LOCAL GOVERNMENT LEGISLATION FOR PALERANG LGA

The Palerang Local Government Area is covered by the Palerang Local Environmental Plan 2014 (LEP) which was gazetted on 19 September 2014. There have been only minor amendments to the LEP since the previous valuation. The plan is based on the standardised Local Environmental Plan prescribed by New South Wales Legislation.

MARKET OVERVIEW AND SALES OF PARTICULAR INTEREST

QV Australia have undertaken significant analysis of the Palerang property market to provide an accurate and reliable basis of valuation. 245 sales have been analysed to enable the establishment and verification of land values as at 1 July 2015. These analysed sales also support the relativities within and across components. Sales analysis reports are provided to Land and Property Information on a monthly basis throughout the year. Comparisons of vacant sales and improved sales are also made to ensure the added value of improvements are accurately deducted to determine residual land values. QV Australia 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 Palerang District this year sales and resales of properties indicated little variance in values throughout the year with nil to minimal movement from July 2014 to 1 July 2015 for properties zoned residential. Rural properties had a very slight increase in values throughout the year.

One rural sale of particular interest comprised a 1,251ha grazing property at Lake George which sold for \$5.0M and included a Windfarm lease for 12 wind turbines sites.

SIGNIFICANT ISSUES AND DEVELOPMENTS

- Canberra and Queanbeyan based employees continue to be the major buyers of small rural properties within commuting distance of Canberra. Palerang differs from many rural LGA's in southeast NSW in that demand for properties near Canberra is influenced by the strength of the ACT economy and its growing population. Properties within commuting distance of

Canberra tend to be bought by ACT based workers and business people. The release of vacant residential sites in Canberra is controlled by the ACT Government. In contrast to 10 years ago when the supply of vacant land in Canberra was constrained, in recent years a relatively large amount of land has been developed and made available for new low-rise residential housing, especially at Molonglo and Gungahlin together with new high-rise apartment buildings in Belconnen and around the Civic Centre (Canberra CBD). Additionally, there have been new residential subdivisions to the south of Canberra at Googong and Tralee in Queanbeyan City. The construction of high rise apartment blocks has resulted in a surplus of units and apartments available for sale and for rent, mainly in the northern suburbs and in western Canberra at Molonglo. The surplus of certain types of property in areas of Canberra has had a steadying effect on price growth in the wider Canberra area and the rural areas bordering Canberra.

- In the more remote parts of Palerang District, outside of Canberra commuting range, the trend has been for higher priced block values remaining static while cheaper blocks have increased off a low base. Bush blocks in the more remote areas away from Canberra are usually purchased by Canberra, Sydney and South Coast buyers for use as rural retreats, however, demand for these blocks ebbs and flows as they can often be difficult to sell due to the limited demand.
- The effects of Climate Change will continue to be a challenge for farmers in the area in terms of hotter, drier summers. Rainfall varies within the District with the Western portion being a higher rainfall area, however, the higher altitude can result in limited grass growth during the winter. Araluen is south of Braidwood and being at a lower altitude is warmer while at the same time receiving higher rainfall.
- Over the next 25 years the population of Palerang is projected to grow by 69 per cent. Recent growth in the village of Bungendore has seen many larger blocks of land (1-2ha) being subdivided into 800m² residential sites.
- Approval was received in February 2012 from the Land and Environment Court for Unity Mining (previously Cortona Resources) to develop the Dargues Reef Gold Mine, which is located 60km east of Canberra, near Majors Creek. Gold production was scheduled to commence in 2014. Work on the mine has been halted since November 2013 due to falling world gold

prices. A re-start date is unknown at this stage. The current gold price is around \$1,100 to \$1,200USD, down from a high of \$1,800USD in 2012.

SIGNIFICANT VALUE CHANGES

Summary of Valuation Changes to Residential Land

Changes since previous General Valuation (2012)

Growth has been minimal in most residential locations of the market since the last General Valuation in 2012, with a slight increase in values occurring in Braidwood Township. No change to values in Bungendore Village. Values in the smaller outlying villages indicated moderate increases in values, albeit off low bases.

Changes since previous Valuation Year (2014)

Sales volumes have remained static over the last twelve months with residential values generally remaining stable over the past year, apart from properties in Braidwood where values increased by 2.7% and Majors Creek by 8%. The majority of the residential sales occurred in Bungendore township and demand remained steady overall. It remains to be seen as to how the ACT economy will fare over the next 6 months, and the effect this will have on prices in Palerang in the near future.

Summary of Valuation Changes to Rural Land

Changes since previous General Valuation (2012)

The Palerang LGA is a highly regarded rural locality due to its proximity to Canberra, temperate climate, elevation, soil quality, location close to the coast and its reliable rainfall.

The most common rural land use in terms of land area is rural grazing with rural home sites and hobby farms predominating in terms of the number of properties.

The broad acre rural property market has experienced increases of approximately 6% since the last general valuation. This trend has been consistent across lifestyle grazing/hobby farms, rural-residential and rural retreat holdings throughout the LGA.

Improved wool and lamb prices has seen a steady increase in demand for broad acre rural property in the area. House price increases in Canberra and associated flow-on effects together with steady demand for rural-lifestyle properties has resulted in slight price growth for rural-residential and hobby farm properties. The preceding twelve month period has seen a steady number of recorded, reliable sales for all property classes. Rural values have steadily increased over this time. There was a slight slow-down in the rural-residential market during 2014 as a result of a reduction in Government spending and job insecurity within the Public Sector in Canberra, however, the market recovered in 2015.

Changes since previous General Valuation (2012)

For the period between Local Government revaluations, Farmlets and Grazing properties around Braidwood reduced by 14%, Krawaree to Majors Creek by 11% and those north of Bungendore increased by 21%. Hobby Farms around Krawaree and Captains Flat increased by 10% and at Currawang by 11%.

The majority of Rural Homesites experienced almost no change while Rural Homesites at Royalla increased by 10% and around Braidwood by 15% and at Mongarlowe by 9%.

Changes since previous Valuation Year (2014)

In the past 12 months Rural property values overall have showed little increase, although within this trend some locations have increased by up to 10% and some have reduced by up to 10%. Farmlets and Grazing Properties around Currawang increased by 10% and Krawaree to Captains Flat by 8%. Those in the vicinity of Nerriga reduced by 10% and Braidwood by 8%.

Public Reserves reduced in value by 34%.

Summary of Valuation Changes to Commercial Land

Changes since previous General Valuation (2012)

The Palerang LGA commercial market has a relatively small number of properties overall, spread within the villages of Bungendore and Braidwood. Bungendore commercial values increased by 19% over this period. Braidwood commercial is split between two

zones being B2 (Braidwood commercial) and B4 (Braidwood mixed use commercial). B2 zoned properties increased by 1%, whilst the B4 zoned property values increased by 5%.

Changes since previous Valuation Year (2014)

The Palerang LGA commercial market had only four sales over the past 12 months. The sales indicate a slight increase in values in Bungendore and no change to values in Braidwood, where demand for such property is limited. The majority of the sales occurred in Bungendore.

Summary of Valuation Changes to Industrial Land

Changes since previous General Valuation (2012)

Palerang LGA has an insignificant industrial market with only 34 properties based in Bungendore Village. A slight increase in values occurred over this period.

Changes since previous Valuation Year (2014)

There were no industrial sales in the Palerang industrial market over the past 12 months, As per the adjacent Queanbeyan industrial market there was no change to value levels in the Palerang LGA.

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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 Palerang 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 v6.6.2. 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

The Palerang Council area borders the Australian Capital Territory and six NSW LGA's. Yass Valley, and Queanbeyan are located to the West, Cooma-Monaro to the South, Goulburn-Mulwaree and Upper Lachlan to the North, Eurobodulla Shire to the East, and Shoalhaven to the Northeast. Morton, Budawang, Monga and Deua National Parks are located to the East, separating Palerang from the South Coast. Tallaganda State Forest and National Park is located south of Bungendore. The LGA covers an area of 5143 square km, and has a population of 14, 835 (2011 census). The topography includes undulating arable lands in the valleys alternating with steeper grazing slopes and bush covered hills, generally running in a north-south direction.

Due to its location close to Canberra, a significant amount of income flows into the Palerang Council area from employment within the Federal Departments and Agencies and their associated service industries in Canberra. As a result, property prices tend to be more resilient to economic downturns than in the other rural-based LGA's.

PRINCIPAL TOWNS

The local government area of the Palerang Council comprises the towns of Bungendore and Braidwood, the outlying villages and hamlets of Araluen, Captains Flat, Mongarlowe, Majors Creek and Nerriga.

Bungendore

Bungendore is a small town located approximately 38 km east of Canberra on the Kings Highway, and is the main centre for the LGA. It has a population of 2,754 (2011 census). The town has become a popular tourist centre for visitors to/from Canberra, and some portions of the town have heritage protection. Bungendore contains a central commercial area featuring a small supermarket, a pub, cafes, art galleries, bank, specialty stores and real estate agencies. There is a small industrial precinct located south of the town centre. The Town has a primary school and police station. In recent years the Bungendore residential area has expanded and the development of the Headquarters

for the Defence Joint Operations Command – HQJOC west of Bungendore has been completed. Newer housing areas have been developed to the north and south of the town within areas such as Elmslea Estate. The key attraction of Bungendore is the ability to live in rural surroundings with country atmosphere and the benefit of being close to Canberra to enjoy the amenities of a large city.

Braidwood

Braidwood (2011 pop. 1,498) is a Heritage listed town and is located on the Kings Highway linking Canberra to Batemans Bay, approx 91km east of Canberra and 48km SE of Bungendore. Braidwood is located near the Shoalhaven River. The town is a popular rest stop for travellers from Canberra on their way to the coast, and many of its Victorian era buildings and architecture provide for an interesting scenic and cultural experience. The highway runs through the central commercial area which features a variety of retail stores and specialty shops. Braidwood is popular for tourism, particularly that entailing overnight accommodation, although this tends to fluctuate depending on special events, such as weddings. The town has two schools with one covering schooling to year 12.

Villages and hamlets within the district in descending order of size include Captains Flat, Majors Creek, Araluen, Mongarlowe and Nerriga.

Captains Flat

Captains Flat (pop. 743) is a small village located to the south of Queanbeyan and approximately 60kms south of Canberra. The town was formed in the 1890's as a result of mining for gold, silver, lead, zinc, copper and iron pyrites in the hills surrounding the upper reaches of the Molonglo River. Mining ceased in the 1960s. The village tends to be somewhat isolated with the closest amenities and services located at Queanbeyan.

Majors Creek

Majors Creek Village (pop. 220) is a former goldmining village located 16 km south of Braidwood. The village is quite sprawling and has a pub and a church. The Dargues Reef Gold mine is located north of the village. Mining for gold was due to commence in 2014 but has been put on hold as a result of the declining price of gold over the past

two years. When in full operation, the mine is expected to provide numerous employment opportunities in the area.

Araluen

Araluen (pop. 293 including rural surrounds) is a hamlet located 26km south of Braidwood. It lies in the valley of Araluen Creek, that joins the Deua River at roughly the midpoint in its course and is at relatively low altitude (160m) compared to Braidwood (700m). Services are limited to the local Araluen pub.

Mongarlowe

Mongarlowe (pop 50) is a hamlet located 14km east of Braidwood and is situated on the Mongarlowe River. It dates back to the mid 1800s when there was a gold rush in the area. The closest services and schooling are located at Braidwood. It is close to Monga State Forest and Budawang National Park.

Nerriga

Nerriga (pop 367) is a hamlet located 53km NE of Braidwood and is mid-way between Braidwood and Nowra Road. It is handy to the Shoalhaven River and Bungonia Recreation area. Services are limited to the local Nerriga Hotel.

MAIN INDUSTRIES

Palerang is a predominately rural based LGA. Economic activities include sheep and cattle farming, forestry, sand and gravel mining, wind farms and outdoor recreation. Nearby economic activities within the ACT include Federal Government and political centres. Due to its location close to Canberra, a significant amount of income flows into the Palerang Council area from employment within the Federal Departments and Agencies and their associated service industries. As a result, property prices tend to be

more resilient to economic downturns than in the other rural-based LGA's. The majority of the working population in Bungendore and surrounding rural-residential locales such as Wamboin, Bywong, Hoskinstown and Royalla commute to Canberra for work. Some people from Braidwood also commute to Canberra each day for work, despite the commute being over an hour each way or approx 180km round trip.

Bungendore has a very small industrial precinct with only 34 properties in total.

SIGNIFICANT RETAIL CENTRES

Both Bungendore and Braidwood have small commercial centres, with Braidwood's commercial centre servicing the township itself and also the outlying rural areas. Braidwood has a small supermarket, a service station, numerous cafes, art galleries, a vet, pub and a small hospital.

The majority of the working population in Bungendore are employed in Canberra, and tend to utilise the services and facilities that Canberra provides. Bungendore has a small retail precinct mainly catering to tourism together with a minor supermarket, a pub and a bank.

TYPE OF RESIDENTIAL DEVELOPMENT

Palerang LGA features a number of towns, villages and hamlets scattered across the district. The majority of development is centered around Bungendore, and to a lesser extent Braidwood. The majority of residential properties in the region are single residential dwellings located in towns or villages followed by a large number rural-residential properties located in the rural locations of Burra, Royalla, Carwoola, Wamboin and Bywong. Bungendore and Braidwood have very few townhouse style developments, with this type of property making up only 1.5% of the overall number of private dwellings in the LGA. Separate private residences make up 94.9% of occupied dwellings.

Bungendore township features a mix of cottage, bungalow and more modern style dwellings. The newer residential area known as 'Elmslea Estate' is located 1 km north of the township. It covers an area of approximately 90 ha. This estate has been developed over the past 12 years with the latest and final stage having just been released. The

Estate features generally good to above average quality housing with many contemporary style dwellings within the latest land release areas. The appealing nature of this estate is its larger sized blocks as well as its relatively close proximity to Canberra and Queanbeyan City.

Braidwood features a mix of residential dwellings dating from the early 1800s through to the 2000s. There are a limited number of post 2000 dwellings, located mainly in two small subdivisions to the SW and southern fringes of the township.

The following information is sourced from the 2011 census:

Dwelling Type	Palerang LGA	%	New South Wales	%
Occupied private dwellings	4,848	86.3	2,471,299	90.3
Unoccupied private dwellings	771	13.7	265,338	9.7

Of occupied private dwellings in the LGA:

- 14.2% of private dwellings are rented.
- 45.8% are owned with a mortgage.
- 37.8% are owned outright.

STATE & LOCAL GOVERNMENT LEGISLATION FOR LGA

The Palerang Local Environmental Plan was gazetted on 19 September 2014 with minor amendments since the previous valuation. The Palerang Local Government Area is governed by the Palerang Environmental Plan (LEP) 2014. 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 Palernag Local Government Area in accordance with the relevant standard environmental planning instrument under section 33A of the Act.

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Palerang Council has development controls within the LEP that affect the subdivision and erection of dwellings which impacts on land values. These include:

Zone	Typical Minimum Allotment Size
R2	850m ²
R5	5ha
E4	6ha
B1, B2, B3, IN1, IN2, IN3	By Council Consent
RU1	40 or 80ha depending on location

MARKET OVERVIEW & SALES OF PARTICULAR INTEREST

RESIDENTIAL

Demand for Bungendore residential sites has remained static throughout the review period (2014-2015). There has been an average volume of vacant land sales in the village, with most sales occurring in the Bungendore Meadows Estate (off Trucking Yard Lane to the south), and Elmslea Estate to the northern fringe of the village. There was no change to 2014 values for Bungendore residential properties, whilst over the period 2012-2015, values decreased very slightly by 1.14%.

Some of the larger blocks in Bungendore Village have been subdivided in the recent past, whilst many others are in the process of having development applications reviewed by the local Council. The larger R2 zoned blocks recorded a 1.42% increase to 2014 values, whilst over the period 2012-2015 these blocks recorded a 0.96% overall increase.

There was steady demand for lots within the town of Braidwood over the review period, with sales indicating a 2.7% increase to 2014 levels, and a 7.35% increase to overall values over the period 2012-2015.

VILLAGES

There are a small number of residential dwellings located in various villages and hamlets within the LGA.

Since the last General Valuation in 2012, village values have increased moderately, apart from Nerriga (17 properties) which recorded no change. The increase in values came off relatively low base levels in general.

The past 12 months has seen widespread village sales over the region (apart from Nerriga), including both vacant and improved sales in the village 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 sales volume in Braidwood and Araluen had increased slightly from that of 12 months ago.

Araluen had a 4% increase and Majors Creek sales indicated an 8% increase to 2014 levels. Both of these increases are off relatively low base levels. Captains Flat Village indicated a 0.86% increase over 2014 value levels. A relatively good volume of sales occurred within the villages over the past 12 months.

Over the period 2012-2015 Araluen had a 10% increase, Majors Creek had an 11.9% increase and Captains Flat had a 9.7% increase in values. Mongarlowe values increased by 7.83%.

COMMERCIAL

The Palerang LGA has a reasonably small commercial sector and comprises 166 commercial zoned properties located in Bungendore and Braidwood. A limited number of commercial sales occurred over the period 2012-2015, split fairly evenly between the two townships.

Bungendore commercial values increased by 19% over the period 2012-2015. Braidwood commercial is split between two zones being B2 (Braidwood commercial) and B4 (Braidwood mixed use commercial). Both the B2 and B4 zoned properties increased in value slightly. There is currently limited demand for Braidwood commercial property, mainly due to its distance from Canberra, whilst Bungendore remains more of a viable market due to its growing population base. A recent proposal has been put forward for a 2200m² IGA supermarket in Bungendore, which is still in the planning stage.

INDUSTRIAL

The only significant industrial area in Palerang District is in Bungendore. There were no sales over the review period 2014/2015. No change to 2014 value levels, in line with industrial sales in nearby Queanbeyan. There are only 26 properties in this component. Over the period 2012-2015 there was a slight increase in values of 4.2%.

RURAL

Palerang District has a significant farming community based around sheep and cattle production. The majority of rural sales are of rural-residential blocks, hobby farms & retreat blocks. The sale of larger production blocks are more infrequent.

Southeast NSW experienced 10 years of drought in the period up until 2010. The Eastern portion of Palerang tends to get slightly more rainfall due to its proximity to the Coast. While in recent years there has generally been good winter rainfall, the threat of an extended El Nino period is always a possibility. Due to the high altitude, grass growth is generally limited to early Spring and late Autumn, given the hot, dry summers and cold winters.

Sales volumes during the period were at a reasonable level across most components except for larger farm holdings. One arms-length sale of a grazing block occurred during the review period demonstrating the tightly held nature of the farming community and dampened demand arising from the after-effects of the global economic crisis. Farm sales in other Southeast NSW Council areas has assisted to provide evidence of the market trend of static value levels.

134 rural-residential and rural property sales relevant to the revaluation date of 1 July 2015 were analysed. Values generally remained static or showed a slight increase over 2014 levels. Hobby Farms in some areas showed increases due to the flow on from rural-residential value increases. This contrasts with values for Rural Homesites in the more remote Eastern parts of the District which reduced. Values for Grazing blocks were static apart from those in the NW of the District which showed a slight increase after having been reduced previously. Values for farmlets were generally static throughout the District.

In addition to general valuation movement, changes in values took place for some properties as a part of fine tuning of values.

A number of sub-markets operate in Palerang District, for instance rural/residential and hobby-farm sites close to Canberra and Queanbeyan being an extension of the residential markets in both those cities, as well as the influence of residential uses in Bungendore and Braidwood overflowing into the surrounding rural areas by way of rural/residential blocks, followed by retreat blocks in the more remote locations away from the towns.

In carrying out the revaluation, consideration was given to market value trends in adjoining districts when valuing the larger grazing properties.

RURAL LOCATIONS WITHIN THE LGA

Land values vary throughout the LGA according to landform, location, access and soil types. The landforms within the Palerang District are variable with open valleys interspersed with bush covered hills. Soils vary from granite based through to clay and slate/shale. The better farmland is located in the Bungendore valley and in the vicinity of Braidwood as well as along Cooma Rd and Araluen Rd. Large areas of the LGA are remote and have unsealed road access.

Rural land to the east of Bungendore is subdivisible to 40 ha while that near Canberra has an 80ha minimum.

The following are general descriptions of some localities within the Palerang LGA:

Bywong/Wamboin/Carwoola

Properties in these locations generally comprise Rural-Residential blocks on hilly plateau land to the east of Canberra. Generally a mix of open pasture and bush on thin soils over slate and shale. Environmental zoned land, handily located to Canberra. Some elevated E3 zoned land on the escarpment with views overlooking the Bungendore valley.

Royalla

Similar to Bywong and Carwoola although comprising open pasture land south of Queanbeyan. Handy to Canberra via the Monaro Highway or Old Cooma Rd.

Hoskintown/Bungendore/Currawang

A mix of open farmland with bush covered hills comprising farmlets and grazing properties. Popular for farming as handy to both Bungendore and Canberra. Sand quarries located at the southern end of Lake George near Bungendore and Wind Farms on the rolling hills on the eastern side of Lake George.

Mulloon/Manar/Mount Fairy/Boro

West of Bungendore but still within commuting distance of Canberra. Variable cover and soil types.

Captains Flat/Harolds Cross

Generally isolated with unsealed road access

Braidwood/Mongarlowe/Majors Creek/Araluen/Reidsdale

Farmland/grazing around Braidwood, good access to schooling, etc and having higher rainfall.

Krawaree/Hereford Hall/Jembaicumbene

Generally remote farmland south of Braidwood. Sealed road access via Cooma Rd with unsealed side roads.

Charleys Forest/Nerriga

Located north and west of Braidwood, generally remote with unsealed road access. Bush covered recreational blocks near the National Parks and Shoalhaven River

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.

There are no new residential developments in discussion or underway since the last Annual Revaluation:

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

New residential developments in discussion or underway include:

- 15 lot residential subdivision on Trucking Yard Lane. Lot sizes ranging from 900m² to 1500m². Full town services.
- 20 lot rural-residential subdivision located at Bywong- Newington Rd, approved May 2015. Significant Value Changes

SIGNIFICANT VALUE CHANGES – FROM PRIOR TO CURRENT ANNUAL VALUATION

There have not been any significant value changes from the prior to current Annual Valuation.

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

There have been few significant value changes from the prior to current Local Government Annual Valuation. Values have generally been static over the past 3 years since the previous General Valuation with the exception of the following:

- Zoning changes resulting from the new LEP in 2014 resulted in a few properties on the periphery of the towns and villages having an increase or decrease in the minimum lot size allowable with a corresponding change in value.
- Some previously Rural zoned properties were re-zoned Recreation with a substantial reduction in value.
- Farmland values in the vicinity of Bungendore which were previously at lower levels experienced a moderate increase due to their proximity to Canberra.

OVERVIEW OF THE QUALITY ASSURANCE PROCESS

LPI has been provided with a detailed Valuation Analysis Report, which details the Quality Assurance Process of QV Australia 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 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.

AUTHOR

Report Prepared by:

A handwritten signature in black ink, appearing to read 'K Williams'.

Keith Williams
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