

### Overview: 2005 land valuations

A snapshot of the 2005 NSW median residential sale prices (see below graph) shows the property market has begun to flatten out following the property market boom of recent years.

The analysis of sales prices of similar properties is the most significant factor considered in the valuation process with current land values reflecting the property market as at 1 July 2005.

Land values have shown varying movements across the state reflecting differing demand within urban, rural, coastal and inland locations.

These variations also reflect zoning classifications such as residential, rural and commercial.

Changes in analysis and methodology have improved the accuracy of the latest land valuations in line with the Valuer General's commitment to high standards of service.

Information showing land values in a range of localities can be accessed by visiting the Department of Lands website at [www.lands.nsw.gov.au](http://www.lands.nsw.gov.au).

Alternatively, you can phone our toll free number **1800 110 038**.

### Councils use land values to set rates

Every 3-4 years, the Valuer General provides your council with the area's land values which they use to calculate rates for local residents.

Councils calculate and distribute rates in one of three ways.

- Entirely on the land value of the property.
- A combination of the land value of the property and a fixed amount per property.
- Entirely on the land value but subject to a minimum amount.

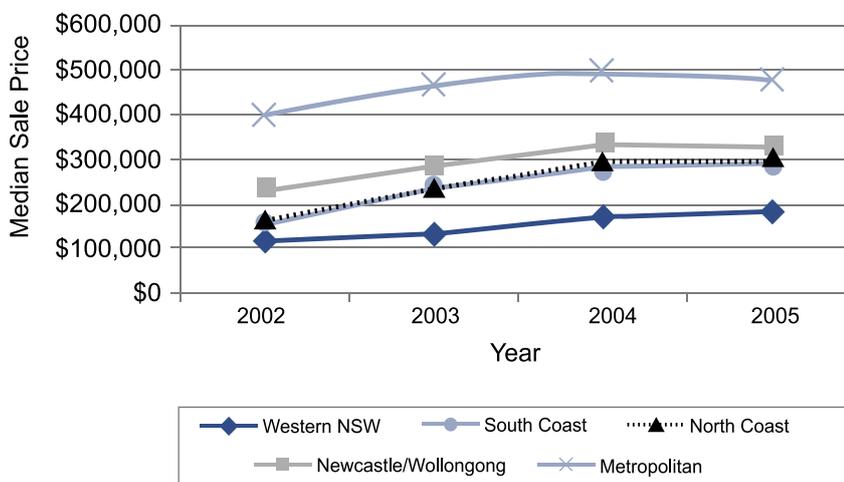
Fluctuations in values don't necessarily lead to similar rates changes. Rates depend on each council's rating structure and the limits to increases set by the NSW Government.

When councils receive new values for rating purposes, the Valuer General also provides the area's landowners with a Notice of Valuation informing them of the new land value.

If you lodge an objection to the value on your Notice of Valuation you must still pay your rates while your objection is being considered. Should your land value be amended, the Valuer General will advise the council and your rates will be adjusted.

### What's happening with the market in your region?

Median Residential Sale Prices By Region



### Accessing valuations online

To improve access to valuation information, you can view your land value and a local general valuation sales report through the NSW Department of Lands website, [www.lands.nsw.gov.au](http://www.lands.nsw.gov.au).

Landowners can access their current land value free of charge by following an online registration process. Other online searches incur a fee of \$8.25.

Land value searches can also be obtained from any Land and Property Information valuation office for \$10.30 per property.

General valuation sales reports provide a list of property sales used by an independent contract valuer in preparing the valuations for a locality.

The report can be accessed free of charge through our website or by calling

**1800 110 038**.

# Valuing land at the highest practical use

**The *Valuation of Land Act 1916* requires that land must be valued in relation to its highest practical use.**

An example of this may be land that has a single level home built on it, but zoning permits development of a two-level home that would provide a superior view to that of the existing dwelling. In this scenario the land must be valued as having the potential for the superior view.

Another example is where development on a parcel of land exceeds current zoning and planning restrictions. In this case valuers must take the higher existing use into consideration when determining land value.

If the current zoning for the land permits a residential house, but an existing block of units is built on the land, the land may be valued based on its current use as a unit site, if that value is higher than its value as a house site.



## Factors that affect land value

When considering the value of your land, it is important to remember that many factors are taken into account in the valuation process.

Land values cannot be compared by solely calculating the dollar value of your property per square metre or the average value of land in your area.

While land size is an important element in the valuation process, valuers also consider factors such as land shape, topography, views, public amenities, surrounding development and constraints on use such as zoning.

It is also important to know that when a site allows one dwelling to be erected, any land in

excess of what is required for a house site tends to become relatively less valuable, so while the total value increases, the rate per square metre declines.

More information on the valuation process can be found at [www.lands.nsw.gov.au](http://www.lands.nsw.gov.au) or by phoning our toll free number **1800 110 038**.

## Visit our website

Want to find out more about land value issues? Visit our website [www.lands.nsw.gov.au](http://www.lands.nsw.gov.au) for more about:

- land valuation process
- types of valuations
- objecting to your valuation
- land valuation contractors
- land values and sales information
- land values and water rights.

## 2007 land tax

**The NSW Government has announced that from 2007 individual land tax assessments will be based on a 3-year rolling average of land values.**

**If you own a NSW investment property you may be liable for land tax. To find out more visit the Office of State Revenue website, [www.osr.nsw.gov.au](http://www.osr.nsw.gov.au) or phone 1300 139 816.**

## Contact details

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## Review adds accuracy to land values



The Valuer General has commenced a 5-year review of all NSW land values which has already produced an improvement in the consistency and accuracy of land values.

What began as a review of two council areas in 2004 has now, after a recommendation from the NSW Ombudsman, expanded into a detailed review of the 2.4 million land values across the state.

Independent professional valuation contractors, in conjunction with Department of Lands staff, are responsible for undertaking this comprehensive review.