

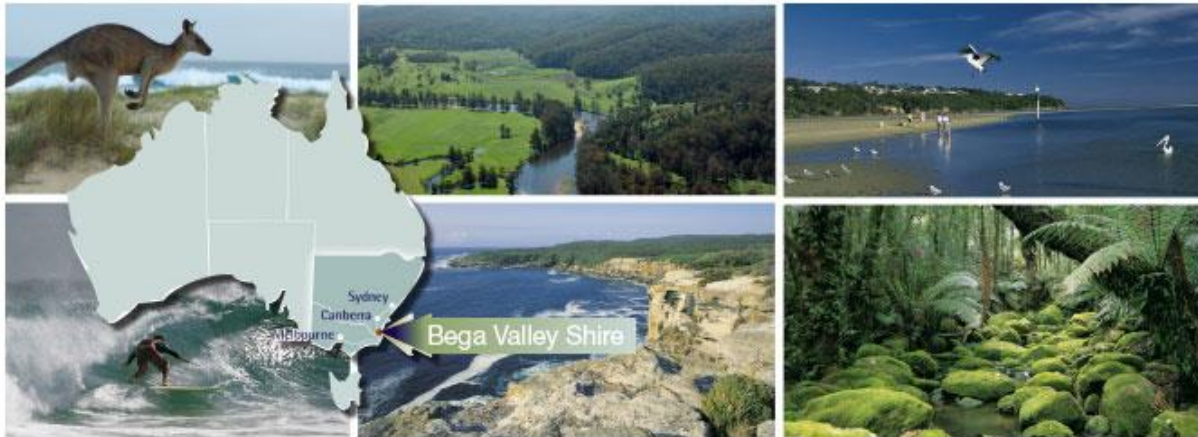


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Final Report
2015
Bega Valley Shire Council

FINAL REPORT 2015



BEGA VALLEY LGA – 2015 BASE DATE

Contract No. 8480887

Date 10 November 2015

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1.0 Executive Summary

1.1 LGA Overview

1.11 Bega Valley:

The Bega Valley Shire is the Local Government Area situated at the south-eastern fringe of coastal New South Wales. The Shire has a total area of 6,279 square kilometres making it the longest coastline of any local government area in NSW. The Bega Valley Shire comprises a diverse range of land use and class, ranging from popular residential & rural residential Coastal areas through to large scale Forestry, Agribusiness and vast National Parks. However, only 25% of this government area is rateable with the balance comprising National Parks and State Forests. The Bega Valley Shire is bordered by the Eurobodalla Shire to the north, the Tasman Sea to the east, Victoria to the south, and Bombala Council and Cooma-Monaro Shire to the west. Bega Valley Shire is located approximately 350 kilometres south of Sydney, 430 kilometres north-east of Melbourne, and 170 kilometres south-east of Canberra.

1.12 Number of Valuations:

The Bega Valley LGA comprises Residential, Rural, Commercial, Industrial, Infrastructure, Tourism, Environmental, Public & Private Recreational, Waterways, National Parks / Nature Reserves and Forestry zoned land.

Approximately 18,452 properties were valued at the Base Date of 1 July 2015. Valuations provided are reflective of the property market at that time.

1.13 Year of LGV:

The prior Base Date was 1st July 2012 and the current year is a LGV being 1st July 2015

1.14 Year of LTV:

Base Date 1st July 2015.

1.15 Total Land Value:

Properties Valued and Total Land Values							
Zone	Zone Code (s)	Number of Proeprties	BD 2015 Total Land Value	Prior Annual Valuation (2014)	% Change	Prior LGV (2012)	% Change
Residential	R2, R3, R5	9,635	\$ 1,627,351,000.00	\$ 1,570,457,350.00	3.62%	\$ 1,553,242,840.00	4.77%
Village	RU5	1,223	\$ 89,069,620.00	\$ 83,318,620.00	6.90%	\$ 83,379,630.00	6.82%
Rural	RU1, RU2, RU3, RU4	3,763	\$ 732,883,237.00	\$ 726,280,417.00	0.91%	\$ 717,259,253.00	2.18%
Commercial	B1, B2, B4	703	\$ 216,772,830.00	\$ 209,626,640.00	3.41%	\$ 208,323,330.00	4.06%
Industrial	IN1, IN2, IN4	252	\$ 51,135,370.00	\$ 51,082,270.00	0.10%	\$ 51,284,290.00	-0.29%
Infrastructure	SP1, SP2, SP3	155	\$ 37,946,970.00	\$ 37,946,970.00	0.00%	\$ 41,298,270.00	-8.11%
Environmental	E1, E2, E3, E4	2,280	\$ 470,801,670.00	\$ 458,296,810.00	2.73%	\$ 464,428,630.00	1.37%
Recreation	RE1, RE2	207	\$ 31,289,680.00	\$ 31,289,680.00	0.00%	\$ 32,155,780.00	-2.69%
Waterways	W1, W2, W3	60	\$ 1,608,000.00	\$ 1,608,000.00	0.00%	\$ 1,628,100.00	-1.23%
Deferred Mattered	A, B, O, P,R,S	174	\$ 50,172,570.00	\$ 50,026,870.00	0.29%	\$ 50,901,570.00	-1.43%
TOTALS		18,452	\$ 3,309,030,947.00	\$ 3,219,933,627.00	2.77%	\$ 3,203,901,693.00	3.28%

(Figures represented in the above table are as at 7/11/2015)

1.2 State & Local Government Legislation for the LGA

Bega Valley Shire Council's Local Environmental Plan 2013 was gazetted on the 2nd August 2013 which fundamentally replaced the Bega Valley Local Environmental Plan 2002. However, 174 properties were identified as 'Deferred Matters' and hence the Bega LEP 2002 will continue apply to those properties, up until the Department of Planning & Environment approved the planning proposals.

The Bega LEP 2013 has been four amendments to the LEP since the previous valuation. The current version is for 23 October 2015 to date.

On the 11 September 2013 the Bega Valley Development Control Plan 2013 (DCP 2013) came into effect. DCP 2013 covers the entire Bega Valley Shire Council Local Government Area and replaces all existing development control plans.

1.3 Market Overview and Sales of Particular Interest

The 2.77% positive change in valuation totals between Base Date 01/07/2014 and 01/07/2015 is attributed to a number of factors including the stabilisation and regained market confidence across the majority of property sectors, low interest rates and supply meeting demand.

On balance, the majority of property values continue to achieve prices within the expected range, however, as 2015 progressed small increases in values were noted and most evident in the residential, villages, small rural holding and commercial sectors. The industrial market is only small and has seen a relatively steady 12 months when reviewing the entire shire.

During the 2014/15 period the Bega Valley verification program has continued with our office completing the required verification as stipulated under the contract. Our research of sales throughout the year to assist our verification program has resulted in minimal large percentage movements throughout standard residential land values. Most standard residential components had less than 10% movement with the majority ranging between 0% and 5% adjustment.

Overall, those components that had sufficient sales to enable land values to be realigned with the market have been verified in most cases. Those components whereby there have been insufficient arm's length sales to accurately factor have had a conservative adjustment applied, or a factor of 1.00, to previously assigned values. It is anticipated that over time, as further sales become evident, land values can continue to be accurately aligned with rated values.

Opteon (South Coast NSW) Pty Ltd undertook significant analysis across all property sectors throughout the Bega Valley Shire. The following sales analysis has been completed between 01/09/2014 to 28/08/2015 to establish component movements, grading & verification of land values throughout the shire as at 1 July 2015;

Zone	Number of Sales Analysed
Residential	399
Village	63
Rural	127
Commerical	20
Industrial	8
Infrastructure	4
Environmental	69
Recreation	0
Waterways	0
Deferred Mattered	3
Total	693

The sales analysis completed by Opteon (South Coast NSW) Pty Ltd are delivered to Land and Property Information on a continuing basis throughout the contract year.

Sales analysed prior to or after 01/07/2015 can be adjusted to reflect market movement if required. Opteon (South Coast NSW) Pty Ltd decided not to adjust the analysed sales based on median price movements and the limited resales available.

While the analysis of vacant land remains the primary source of evidence utilised to gauge market movements and property values, in instances whereby vacant land sales are scarce and or at an oversupply, improved sales are analysed to provide a residual land value. Opteon (South Coast NSW) Pty Ltd undertakes this process by using the Paired Sales Approach. Examples of our paired sales analysis can be found in Section 8 of this report. It has proven that in the older more established suburbs, the older fibro clad dwellings are adding nearly the same value on a \$/m² basis as what the newly erected residences do in the more recently developed suburbs. Analysis of both the older and newer suburbs requires substantially different paired sales to assess the real value of the land. Similarly, cliff top/water front properties have similar values applied to improvements on a \$/m² basis irrespective of the construction age, quality or material.

1.4 Significant Issues and Development

There have not been any significant developments and or applications that would not normally be permissible under the applied land zonings. However matters of interest for land owners are as detailed as follows;

➤ **Deferred Matter Zonings:**

The Bega Valley Shire has identified approximately 174 properties under the new Bega Valley LEP 2013 as a “Deferred Matter”. During the course of the Draft LEP’s exhibition, Council had not made a final decision on the exact zoning of these properties. As a consequence of this, council resolved to defer the future zoning of these lands until a final decision has been made after consultation with the land owners and the public. In the interim, these properties will continue to fall under the zonings identified in the prior LEP. Due to these events these properties have been identified as a “Deferred Matter”. Council is aiming to have these finalised within 1-2 years.

➤ **Extension to Hillgrove House in Bega:**

The Bega District and Nursing Home has commenced its latest project to extend Hillgrove House. The facility, a full aged care facility, will undergo a three-stage renovation. Stage one will bring 47 new beds and upgrades to kitchen facilities to service residents of stage two.

➤ **Upgrades & New Management – Merimbula Airport:**

Bega Valley Shire Council has applied for state funding to upgrade Merimbula airport. The proposal was placed on a shortlist. Developers claim the major redevelopment of Canberra airport may influence travel routes to Merimbula and Moruya over the next 20 years, and provide a boost to tourism and business directly with Asian markets.

Bega Valley Shire Council invited three businesses to submit tenders for managing Merimbula Airport. The airport is currently under an operational lease that is being extended on a month by month basis. The tenders will not be discussed by council until November.

➤ **Plans for a New Commercial Precinct at Merimbula Proceeding:**

Development of Main Street Merimbula will include a service road behind Club Sapphire, and a new supermarket with an underground carpark located adjacent to the club. Construction of the service road is a vital component for developing the vacant site. The road will improve traffic conditions at Merimbula, such as providing additional parking spaces, increasing access and reducing heavy vehicle movements in Main Street.

➤ **New Bega Regional Hospital:**

Bega has been buoyed by the construction of the new Bega Regional Hospital which is nearing completion. With the completion approaching the demand for rental accommodation has eased which may lead to an easing in the residential market. Bega has had a succession of large infrastructure projects over the past 5 year period with the Sapphire Market Place, Bega Highway Bypass and the Hospital.

1.5 Significant Value Changes

1.51 Summary of Valuation Changes to Residential Land:

Changes since Previous General Valuation (2012):

Bega Valley Shire residential property is distributed across 6 main town locations and 12 villages. Each location provides its own unique attributes and the market for property is as varied as the locations themselves. Overall the residential property sector has seen a 4.77% positive change in valuation totals since the last GVAL year with this being attributed to a number of factors including the stabilisation and regained market confidence across the sector, low interest rates, supply meeting demand and Bega Valley Shire Council continuing to champion areas of growth and expansion; Bega, Merimbula, Tura Beach and Eden.

Pambula Beach is a beachside suburb that is typically tightly held and during the past 12-24 months has provided larger positive market fluctuation, this is attributed to the majority of market transactions within suburb exhibiting notable increases.

Changes since Previous Valuation Year (2014):

The majority of property values continue to achieve prices within the expected range; however, as 2015 progressed small increases in values were noted and were most evident in the residential, villages, small rural holding and commercial sectors. Sales volumes across the shire have increased during the past 12 months showing slight increases in property values.

Residential sales vary according to towns however the villages have been in good demand due to more affordable prices.

Bega has seen good increases in lower end property, partly driven by high demand for residential housing. Shortages have been caused by demand for workers on the Bega Hospital site; there was less movement in the higher price bracket, being over \$400,000 with limited demand. Vacant land prices have risen slightly in Bega partly due to limited supply with the majority of blocks in Glen Mia estate having been developed, however there are two new residential subdivisions in Bega under construction and recently selling off the plan.

Merimbula and Tura Beach sales have been steady, while Eden is slightly weaker.

Overall, residential & village values at the end of the 2014/15 financial year have provided a slight increase in total values when compared to commencement of the financial year. It was positive to see increased demand and a higher volume of sales continue throughout 2015.

1.52 Summary of Valuation Changes to Rural Land:

Changes since Previous General Valuation (2012):

Similar to Eurobodalla, the smaller rural home site properties close to a built up environment are trading moderately well particularly within close distance to Bega, Kalaru and Eden. The larger rural residential estates around Merimbula/Pambula including the Bald Hills location, continues to trade at take up rates and prices associated with softer market expectations. Improved properties in the Bega Shire trade more frequently than vacant land mainly due to development costs to both developers and home owners.

Small rural home site values remain steady with land values of between \$100,000 (for more isolated properties) through to \$220,000 plus for quality properties.

Changes since Previous Valuation Year (2014):

The rural market along the southern NSW coastline is divided into 2 distinct categories – “Lifestyle” and “Working” properties. “Lifestyle” properties generally comprise R5, E4 and smaller coastal positioned RU4 holdings. This part of the market continues to trade with a permanent part of the employed and retired population opting to reside close to suburbia with the benefits of a rural lifestyle.

Sales of Rural – larger rural (agricultural) properties have steadied with an improved economy and good farming conditions while rural residential property has been quite strong. This has coincided with a good level of supply and it appears that the market has reached equilibrium, with supply meeting demand and a steadying of prices. There is good demand for larger sized rural residential lots (say 10-20ha) which is due to the more limited supply available. The most discernible trend in the past 12 months is the reduction in selling periods.

The larger properties have seen a good increase in volume of sales with 21 genuine property transactions above 100ha selling across the Shire and 20 between 50ha and 100ha which is double the amount that transacted the previous year.

Rural small holdings properties have seen been pockets of growth and increasing demand attributing to the increase of 0.91% in property values for the 2-10 ha property sector for the shire. A total of 141 genuine market sales transacted during base date 2015.

1.53 Summary of Valuation Changes to Commercial Land:

Changes since Previous General Valuation (2012):

From 2000 to 2007 the tourism sector enjoyed steady growth particularly along the coast. Extensive development and positioning by developers was evident up until mid-2008; however, with limited access to funding and flailing consumer confidence, a large percentage of the proposals were placed on hold. The commercial property sector remained soft on the back of general poor performance which resulted in all major regional areas showing signs of increasing vacancy rates and decreased demand. The softening in demand was most noticeable in Eden and Bega townships. Eden experienced a lack of demand from tenants occasioning higher vacancy levels. This general loss of confidence with poor performing retail activity has seen virtually no new stock come on line in Eden.

Signs of improvement throughout BD 2014 and 2015 have shown a steady to slight increase in land values. Both Bega Valley and Eurobodalla Shires continue to display similar yields with the Bega Shire having a lower average rental base.

A number of large retail commercial developments within the greater Bega locale have been completed in recent times which have improved the general economic feeling within the shire. The projects include the Bega Regional Hospital site currently under construction, Tura Beach Woolworths site being complete several years ago, the Bega Woolworths Marketplace (some 30,000m² NLA) opening in 2012 as well as Woolworths Bermagui opening in late 2014. The Bega commercial market continues to be closely monitored to manage any negative effect the new Woolworths Marketplace has had on the rest of the market (i.e. an oversupply of commercial space), however at the present time it only appears to be minimal and counteracted by the positivity of the Bega Hospital development.

The hardest hit of the commercial precincts across the Bega Shire has been the Eden market. Market evidence has shown that due to a continuing downturn in tourism and increasing vacancies, market values have fallen over the past few years. Whilst a number of redevelopments have been mooted within the town centre, it is

anticipated that these projects will continue to be shelved due to limited demand and tightening fiscal constraints. The longer term outlook is that the Eden commercial sector will remain flat for some years to come until the marina and other potential developments commence.

Changes since Previous Valuation Year (2014):

The Bega Shire comprises approximately 703 commercial zoned properties predominantly located in Bega, Merimbula, Eden and Pambula with the smaller towns of Tathra and Bermagui adding to the mix. The Bega Valley commercial market has had approximately 17 sales throughout BD 2015 which have shown a steady to slight decrease in land values.

The falling values as a result of the GFC appear to have slowed with sufficient sales and leasing activity showing a steady market in general. In the entire shire there have been 12 business zoned/commercial use Freehold Torrens Title sales and 5 Strata sales in BD 2015. The highest price for a Freehold property was \$10,160,000 and a Strata property at \$975,000. The majority of the sales occurred within the Bega, Bermagui and Merimbula townships. A recent sale of note is the former school site in Eden which has recently been purchased by an overseas investor for \$2,000,000 for reported educational usage (this sale has not yet settled).

Commercial sales have been limited with strong yields evident for property with secure A grade tenants. Contrary to this is the lesser quality properties, including those with inferior leases or secondary locations, which are still facing lower levels of demand. Developers appear to have come back into the market since the GFC however they are mainly seeking bargains rather than pushing prices upwards.

1.54 Summary of Valuation Changes to Industrial Land:

Changes since Previous General Valuation (2012):

The industrial market is only small and has remained quiet with no appreciation in values evident and limited demand. There has been no movement in rentals and hence property values have generally remained steady with some minor movements in value in certain locations.

Changes since Previous Valuation Year (2014):

Approximately 252 industrial zoned properties are located in the Bega Valley shire. Most of these are in the key industrial areas at North Bega, Pambula, Bermagui and Eden. Activity remains limited with only 8 concluded arm's length sales across the Shire in BD 2015. The highest price achieved was \$550,000 for an industrial factory in Pambula. The majority of the sales that occurred were in Bermagui which is unusual as it is quite a small market.

Overall, Industrial property remains quiet with no appreciation in values evident and limited demand. There has been little to no movement in rentals which supports values remaining steady.

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2.0 Purpose of this Report – Disclaimer

The purpose of this report is to describe the process and considerations for the 1 July 2015 Valuation of Bega Valley Shire. 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.

3.0 LGA Overview

3.1 Location of the District

The Bega Valley Shire is the Local Government Area situated at the south-eastern fringe of coastal New South Wales. The Shire has a total area of 6,279 square kilometres making it the longest coastline of any local government area in NSW. The Bega Valley Shire comprises a diverse range of land use and class, ranging from popular residential & rural residential Coastal areas through to large scale Forestry, Agribusiness and vast National Parks. However, only 25% of this government area is rateable with the balance comprising National Parks and State Forests. The Bega Valley Shire is bordered by the Eurobodalla Shire to the north, the Tasman Sea to the east, Victoria to the south, and Bombala Council and Cooma-Monaro Shire to the west. Bega Valley Shire is located approximately 350 kilometres south of Sydney, 430 kilometres north-east of Melbourne, and 170 kilometres south-east of Canberra.

3.2 Principal Towns

Bega:

Bega is located on the far south coast of NSW and has a population of approx. 4,500, linked by the Princes Highway 420kms south of Sydney, 620kms northeast of Melbourne and 250kms southeast of Canberra. Main industries include dairy and tourism, with the Bega Cheese Factory located on the northern banks of the Bega River.

Merimbula:

Merimbula is a coastal town with an estimated population of 5,000 and is located around the shores of Merimbula Lake and nearby beaches. The town is a popular holiday destination throughout the holiday period, with the town boasting a large variety of holiday accommodation and public amenities to cater for tourism needs. Merimbula is situated some 32kms southeast of Bega and 24kms north of Eden.

Eden:

Eden is a small town centred around the tourism, fishing and logging industries, on the far south coast of NSW. It is surrounded by pristine beaches and nearby South East Forests National Parks.

3.3 Main Industries

The Bega Valley has developed a diverse range of industry and commerce across a large area. Primary industries were once the major contributors to the economy. However, the tourism sector, particularly eco-based, has resulted in a marked shift to an economy partly tied to tourism, retailing, retirement and service provision.

The Tourism sector is one of the largest contributors to the Bega Shire economy. Growth remains spasmodic across the shire with particular interest from visitors seeking eco-based activities. The vast area set aside as National Parks and State Forests as well as the numerous waterways, cool oceans and beaches allows for an almost unlimited array of outdoor activities for visitors. This compliments the built environment including the historic towns and villages along with a long rural heritage proudly displayed in various museums and heritage centres across the Shire.

The rural sector contributes to the overall mix of industry in the Bega Shire. It comprises a diverse range of activities including dairy and beef production, limited mixed grazing/farming, intensive agriculture, forestry and fishing.

There are currently three main areas zoned for industrial development including the North Bega industrial estate, Eden industrial area and South Pambula. There is small number of other isolated industrial areas scattered throughout the shire.

2011 Census

Industry	Number	Percentage
Agriculture, Forestry and Fishing	1,709	13.00%
Mining	43	0.30%
Manufacturing	1,189	9.00%
Electricity, Gas, Water and Waste Services	116	0.90%
Construction	1,150	8.70%
Wholesale Trade	270	2.00%
Retail Trade	1,626	12.40%
Accommodation and Food Services	1,205	9.20%
Transport, Postal and Warehousing	467	3.60%
Information Media and Telecommunications	168	1.30%
Financial and Insurance Services	192	1.50%
Rental, Hiring and Real Estate Services	162	1.20%
Professional, Scientific and Technical Services	462	3.50%
Administrative and Support Services	357	2.70%
Public Administration and Safety	793	6.00%
Education and Training	865	6.60%
Health Care and Social Assistance	1,515	11.50%
Arts and Recreation Services	271	2.10%
Other Services	598	4.50%
	13,158	100.00%

3.4 Significant Retail Centres

The main retail centre for the Bega Valley Shire is Bega providing adequate amenity and secure blue chip providers such as Woolworths, Big W, Dick Smith, Dan Murphy's and Target Country.

3.5 Type of Residential Development

The Bega Valley Shire comprises a diverse range of land use and land class, ranging from the popular residential and rural residential Coastal areas through to large scale Forestry, Agribusiness and vast National Parks. Located at the Far South Eastern corner of the State the Bega Shire comprises an area of approximately 6,279 square kilometres and is the largest coastal Council area in New South Wales. However, only 25% of this area is rateable with the balance comprising National Parks and State Forests.

The shire includes a mix of large working farms, small rural lifestyle holdings, low density single lot residential development and medium density unit developments. There is no high rise or high density development across any part of the shire. The medium density unit sites are isolated to coastal suburbs surrounding Merimbula as well as Tura Beach, Eden & Bermagui.

The rural sector comprises a diverse mix of property types ranging from rural residential estates, limited mixed farming, dairy and beef production and a number of specialised intensive producers. The dairy sector including the Bega Cheese Co-Op forms a significant part of the social fabric. The Bega Township in particular benefits from the economic flow on from the dairy industry. The 'Bega' brand further identifies the region from a tourism viewpoint.

4.0 State & Local Government Legislation for LGA

Bega Valley Shire Council's Local Environmental Plan 2013 was gazetted on the 2nd August 2013 which fundamentally replaced the Bega Valley Local Environmental Plan 2002. However, 174 properties were identified as 'Deferred Matters' and hence the Bega LEP 2002 will continue apply to these properties, up until the Department of Planning & Environment approved the planning proposals.

The Bega LEP 2013 has been four amendments to the LEP since the precious valuation. The current version is for 23 October 2015 to date.

On the 11 September 2013 the Bega Valley Development Control Plan 2013 (DCP 2013) came into effect. DCP 2013 covers the entire Bega Valley Shire Council Local Government Area and replaces all existing development control plans.

Principal development standards under part 4 of the Bega Valley LEP 2013 sets out the framework for minimum lot sizes within the Bega Valley LGA. This frameworks details minimum lots sizes under the LEP which in a limited number of zone areas are generally not restricted to the minimum lot sizes as detailed on the Lot Size Map. There are some exceptions to development standards under part 4.6 as outlined, however noted objectives and some of the key consents of this clause under the LEP are as follows:

1. Provide an appropriate degree of flexibility in applying certain development standards to particular development;
2. Achieve better outcomes for and from development by allowing flexibility in particular circumstances;
3. Development consent must not be granted for development that contravenes a development standard unless the consent authority has considered a written request from the applicant that seeks to justify the contravention of the development standard; and
4. Proposed development will be in the public interest because it is consistent with the objectives of the particular standard and the objectives for development within the zone in which the development is proposed to be carried out.

In addition to the above, sections within part 4 of the Bega valley LEP also outline objectives for minimum lot sizes in respect to lot averaging in subdivision, rural subdivision, community title schemes and planned residential density in certain zones.

4.1 Current Zonings

The zones adopted within the Bega Valley Local Environmental Plan 2013 are as follows;

RU1 Primary Production	SP1 Special Activities
RU2 Rural Landscape	SP2 Infrastructure
RU3 Forestry	SP3 Tourist
RU4 Primary Production Small Lots	RE1 Public Recreation
RU5 Village	RE2 Private Recreation
R2 Low Density Residential	E1 National Parks & Nature Reserves
R3 Medium Density Residential	E2 Environmental Conservation
R5 Large Lot Residential	E3 Environmental Management
B1 Neighbourhood Centre	E4 Environmental Living
B2 Local Centre	W1 Natural Waterways
B4 Mixed Use	W2 Recreational Waterways
IN1 General Industrial	W3 Working Waterways
IN2 Light Industrial	DM Deferred Matter
IN4 Working Waterfront	

5.0 Market Overview & Sales of Particular Interest

5.1 Residential

Bega Valley Shire residential property is distributed across 6 main town locations and 12 villages. Each location provides its own unique attributes and the market for property is as varied as the locations themselves. Overall the residential property sector has seen a 4.77% positive change in valuation totals since the last GVAL year with this being attributed to a number of factors including the stabilisation and regained market confidence across the sector, low interest rates, supply meeting demand and that the Bega Valley Shire Council continues to champion areas of growth and expansion; Bega, Merimbula, Tura Beach and Eden.

Pambula Beach is a beachside suburb that is typically tightly held and during the past 12-24 months has provided larger positive market fluctuation, this is attributed to the majority of market transactions within suburb exhibiting notable increases.

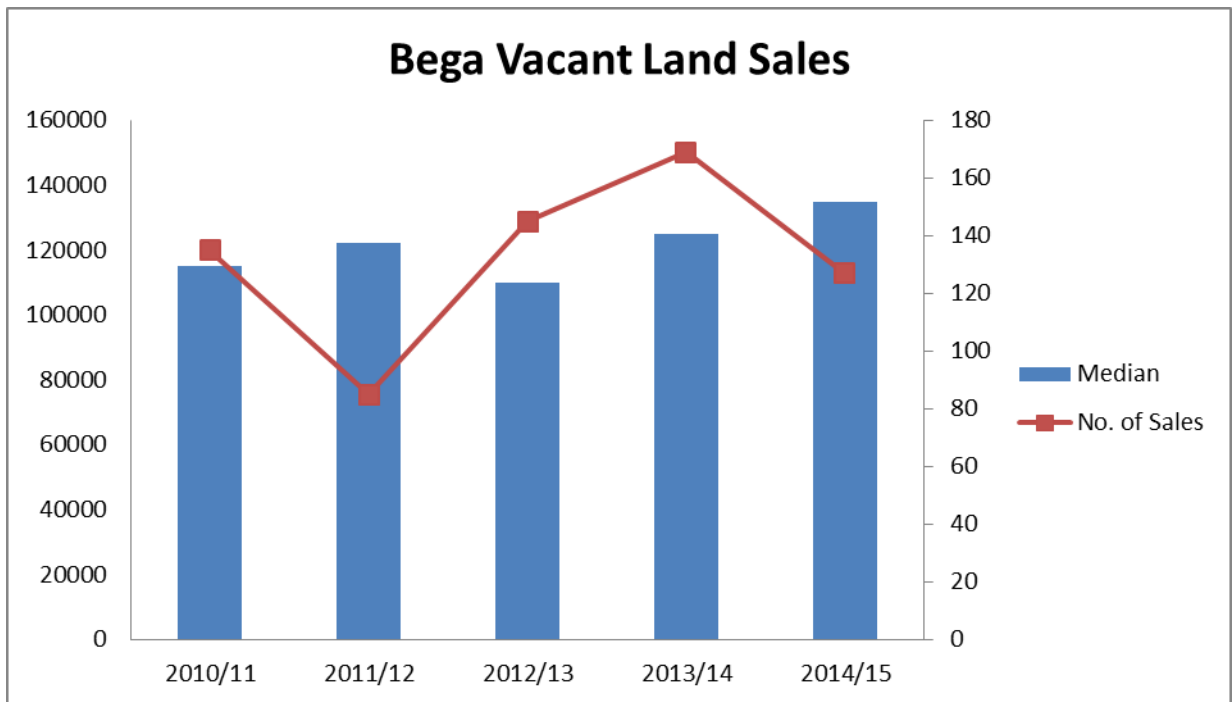
The majority of property values continue to achieve prices within the expected range; however as 2015 progressed small increases in values were noted and were most evident in the residential, villages, small rural holding and commercial sectors. Sales volumes across the shire have increased during the past 12 months supporting slight increases in property values.

Residential sales vary according to towns however Bega has seen good increases in lower end property, partly driven by high demand for residential housing with shortages caused by demand for workers on the Bega Hospital site although there was less movement in the higher price bracket; with housing over \$400,000 seeing limited demand. Vacant land prices have risen slightly in Bega partly due to limited supply with the majority of blocks in Glen Mia estate having been developed, however there are two new residential subdivisions in Bega under construction and recently selling off the plan.

Bega has been buoyed by the construction of the new Bega Regional Hospital which is nearing completion. With the approaching completion the demand for rental accommodation has eased which may lead to an easing in the residential market. Bega has had a succession of large infrastructure projects over the past 5 year period with the Sapphire Market Place, Bega Highway Bypass and the Regional Hospital. Merimbula and Tura Beach sales have been steady, while Eden is slightly weaker.

Overall, residential values for BD 2015 have provided a 3.62% increase in total values when compared to BD 2014. It was positive to see increased demand and a higher volume of sales continue throughout 2015. The below graph of vacant land sales (excluding commercial & industrial) demonstrates that the median price increased during the past 12 months however the volume has decreased slightly from 13/14 due to the limited supply. This has enabled the market to steady in BD 2015 with some slight increases across some areas.

(Note: All sales relied upon are genuine market transactions and exclude any non-arm's length transactions Searched Sales dates 01-09-2014 to 30-09-2015 and are of 1ha or less.)



The usual 'sale period' in the Bega Valley Shire is also a good barometer of performance with agents reporting increased volumes and shortened marketing periods in comparison to prior years. Lower valued properties continue to trade in accord with market take-up demand and at similar rates to the Eurobodalla Shire.

5.2 Villages

The Bega Valley Shire has nine Village townships which include Cobargo, Quaama, Bemboka, Candelo, Kalaru, Wolumla, Wyndham, Towamba and Wonboyn with approximately 1,223 properties in total.

Village land values provided a positive 6.90% increase, being the largest increase out of all property sectors for the year. This however, is not surprising considering villages have been in good demand due to the more affordable prices. The majority of sales transacting were improved and reflective of the age and quality of the dwelling / improvements.

5.3 Commercial & Industrial

The Bega Shire comprises approximately 703 commercial zoned properties predominantly located in Bega, Merimbula, Eden and Pambula with the smaller towns of Tathra and Bermagui adding to the mix. The Bega Valley commercial market has had approximately 17 sales throughout BD 2015 which have shown a steady to slight decrease in land values.

The falling values as a result of the GFC appear to have slowed with sufficient sales and leasing activity showing a steady market in general. In the entire shire there have been 12 business zoned/commercial use Freehold Torrens Title sales and 5 Strata sales in BD 2015. The highest price for a Freehold property was \$10,160,000 and a Strata property at \$975,000. The majority of the sales occurred within the Bega, Bermagui and Merimbula townships. A

recent sale of note is the former school site in Eden which has recently been purchased by an overseas investor for \$2,000,000 for reported educational usage (this sale has not yet settled).

Commercial sales have been limited with strong yields evident for property with secure A grade tenants. Contrary to this are the lesser quality properties, including those with inferior leases or secondary locations, which are still facing lower levels of demand. Developers appear to have come back into the market since the GFC however they are mainly seeking bargains rather than pushing prices upwards.

Typical well positioned industrial properties are currently returning around 7.0% to 9.0% with retail being between 6.0% and 8.0% subject to the quality and tenure of the tenancy, consumer confidence and market demand. Both the commercial and industrial markets are expected to remain mostly flat for the next 12 months with some possible increases in value, albeit only slight.

For the short term future, we expect to see limited demand for the development sector with those players being experienced developers that are well funded with high levels of equity and low levels of debt. These parties will be seeking bargains initially but the demand is expected to increase in the next few years. The outlook for the development sector over the next 2 – 3 years is steady with some potential for slight increases depending on the sales that occur.

Approximately 252 industrial zoned properties are located in the Bega Valley shire. Most of these are in the key industrial areas at North Bega, Pambula, Bermagui and Eden. Activity remains limited with only 8 concluded arm's length sales across the Shire in BD 2015. The highest price achieved was \$550,000 for an industrial factory in Pambula. The majority of the sales that occurred were in Bermagui which is unusual as it is quite a small market.

Overall, Industrial property remains quiet with no appreciation in values evident and limited demand. There has been little to no movement in rentals which supports values remaining steady.

5.4 Rural

Similar to Eurobodalla, the smaller rural home site properties close to a built up environment are trading moderately well particularly within close distance to Bega, Kalaru and Eden. The larger rural residential estates around Merimbula/Pambula including the Bald Hills location, continue to trade at take up rates and prices associated with softer market expectations. Improved properties in the Bega Shire trade more frequently than vacant land mainly due to development costs to both developers and home owners however building demand has increased over the past 12 months which is a positive sign.

Small rural home site values remain steady with land values of between \$100,000 (for more isolated properties) through to \$220,000 plus for quality properties.

The rural market along the southern NSW coastline is divided into 2 distinct categories – “Lifestyle” and “Working” properties. “Lifestyle” properties generally comprise R5, E4 and smaller coastal positioned RU4 holdings. This part of the market continues to trade with a permanent part of the employed and retired population opting to reside close to suburbia with the benefits of a rural lifestyle.

Sales of Rural – larger rural (agricultural) properties have steadied with an improved economy and good farming conditions while rural residential property has been quite strong. This has coincided with a good level of supply and it appears that the market has reached equilibrium, with supply meeting demand and a steadying of prices. There is good demand for larger sized rural residential lots (say 10-20ha) which is due to the more limited supply available. The most discernible trend in the past 12 months is the reduction in selling periods.

The larger properties have seen a good increase in volume of sales with 21 genuine property transactions above 100ha selling across the Shire and 20 between 50ha and 100ha which is twice the amount that transacted the previous year.

Rural small holdings properties have seen pockets of growth and increasing demand attributing to the increase of 0.91% in property values for the 2-10 ha property sector for the shire. A total of 141 genuine market sales transacted during base date 2015.

6.0 Significant Issues & Developments

6.1 Significant Issues – From Prior to Current Local Government Council Rating

Valuation:

On the back of policy guidelines issued by the Department of Urban Affairs and Planning and Transport, extensive research commissioned by the Bega Valley Council resulted in Bega being deemed the Regional Centre into the future. On this basis the Department suggests major developments outside of designated centres should be discouraged unless a clear 'net community benefit' can be established. Over recent times Council has produced a Planning Report looking at the repositioning of the Bega Town Centre into the future.

As part of the overall Shire study a Report has been prepared outlining the repositioning of Bega Town Centre. In short the report looks at the future development strategy that may best fit the future community needs and looks at ways to implement the strategy via development control plans and the recently gazetted Bega Valley LEP 2013.

In keeping with the overall strategies mentioned above, developers proposed the redevelopment of a number of sites including 4 proposed Woolworths developments (Tura Beach site now operational, Bega site now operational, Bermagui site now operational and Merimbula still at the planning stage). In addition to this it was proposed to redevelop the Central Motel/Target and Coles site at Bega (now operational); further light industrial/ Bulky goods retail development at Bega; and numerous infrastructure proposals including road realignment and the Bega bypass construction which is now complete.

The GFC created poor economic conditions resulting in tighter financing conditions and less demand for all property types seeing values decrease in 2011 and 2012. Property values began to steady in late 2013 with increased market activity and confidence. This positivity continued throughout 2014 and 2015 providing for the minor increase in total property values for the shire. 2010-2013 saw general decline in values flowing from the lagged effect of the GFC, fiscal policy, and flailing consumer confidence whilst the past two years has seen improved confidence and demand resulting in shorter selling periods, decreasing supply levels and slight increases in value.

The development market was the most affected by the GFC, and specifically the englobo residential and retirement village sectors. Slow take up rates, tighter financing conditions, increased construction costs and a poor economic outlook resulted in assigned values falling significantly since the previous Gval date. Whilst this market does appear to have turned the corner with some developers re-emerging, values are most definitely below pre-GFC levels and have not seen value increases as of yet.

6.2 Significant Developments – From Prior to Current Local Government Council Rating Valuation:

➤ **Deferred Matter Zonings:**

The Bega Valley Shire has identified approximately 174 properties under the new Bega Valley LEP 2013 as a “Deferred Matter”. During the course of the Draft LEP’s exhibition, Council had not made a final decision on the exact zoning of these properties. As a consequence of this, council resolved to defer the future zoning of these lands until a final decision has been made after consultation with the land owners and the public. In the interim, these properties will continue to fall under the zonings identified in the prior LEP. Due to these events these properties have been identified as a “Deferred Matter”. Council is aiming to have these finalised within 1-2 years.

➤ **Extension to Hillgrove House in Bega:**

The Bega District and Nursing Home has commenced its latest project to extend Hillgrove House. The facility, a full aged car facility, will undergo a three-stage renovation. Stage one will bring 47 new beds and upgrades to kitchen facilities to service residents of stage two.

➤ **Upgrades & New Management – Merimbula Airport:**

Bega Valley Shire Council has applied for state funding to upgrade Merimbula airport. The proposal was placed on a shortlist. Developers claim the major redevelopment of Canberra airport may influence travel routes to Merimbula and Moruya over the next 20 years, and provide a boost to tourism and business directly with Asian markets.

Bega Valley Shire Council invited three businesses to submit tenders for managing Merimbula Airport. The airport is currently under an operational lease that is being extended on a month by month basis.

➤ **Plans for a New Commercial Precinct at Merimbula Proceeding:**

Development of Main Street Merimbula will include a service road behind Club Sapphire, and a new supermarket with an underground carpark located adjacent to the club. Construction of the service road is a vital component for developing the vacant site. The road will improve traffic conditions at Merimbula, such as providing additional parking spaces, increasing access and reducing heavy vehicle movements in Main Street.

➤ **New Bega Regional Hospital:**

Bega has been buoyed by the construction of the new Bega Regional Hospital which is nearing completion. With the approaching completion the demand for rental accommodation has eased which may lead to an easing in the residential market. Bega has had a succession of large infrastructure projects over the past 5 year period with the Sapphire Market Place, Bega Highway Bypass and the Hospital.

➤ **2 x Bega Residential Subdivision:**

Firstly, a 33 Lot residential subdivision was approved and under construction at 144-150 Howard Avenue & East Street Bega. Secondly, a subdivision to create 25 allotments at Charlotte St, Bega. Charlotte St, Bega - Subdivision to create 25 allotments.

➤ **Lochiel Subdivision:**

Robinsons Rd, Lochiel - Staged 23 Lot Rural Residential Subdivision is underway.

7.0 Significant Value Changes

7.1 Significant Value Changes – From Prior to Current Annual Valuation

Land values that resulted in substantial changes in valuation parities or unusually large value variations from the last valuations have been checked and are correct, with 12 properties having a land value ratio of < 0.5 and > 2.00 can be found below with the relevant explanations. Value changes have occurred more consistently over the past year since the previous general valuation.

Zone	Component	PID	Contractor Comments
B4	BBH	390435	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
RU1	BUF	3296647	Subject property was verified for BD 2015 and subsequently reduced to be within market range based on new sales evidence and surrounding grading/values. New information and investigations note that the subject does not have a dwelling entitlement.
R2	BRV	393412	Subject was reduced based on a successful objection on the site.
RU2	BVB	406189	Subject decreased based on the sale of the subject.
B4	BBH	390976	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values. Property value appears to have been historically low,
RU2	BVD	404359	Subject property was reviewed and subsequently reduced following new information that site would be unlikely to have Dwelling Entitlement due to access/services.
RU1	BUF	3620070	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values. Property value appears to have been historically low.
B2	BBB	3535837	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
B4	BBH	390414	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.

B4	BBH	390670	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
RU1	BUG	404510	Subject increased based on the sale of the subject.
E4	BEJ	404531	Subject property was reviewed and subsequently increased based on a number of recent sales within the immediate area, including PID's 404587, 404532, 404531 & 404530.

7.2 Significant Value Changes – From Prior to Current Local Government Council Rating Valuation.

Property values began to steady in late 2013 with increased market activity and confidence. This positivity continued throughout 2014 & 2015 providing for the slight increase in total property values for the shire. The prior 2-3 year period saw general decline in values flowing from the lagged effect of the GFC, fiscal policy, and flailing consumer confidence.

Since the last General Valuation in 2012 and our research of sales throughout the 3 year period assisted our verification program resulting in minimal large percentage movements throughout standard residential land values. Most standard residential components had less than 10% movement with the majority ranging between 0% and 5% adjustment. The total percentage value change for residential properties was 4.77% from 2012 to 2015.

The Village land values provided a positive 6.90% increase, being the largest increase out of all property sectors for since the last GVAL. This is however, is not surprising considering villages have been in good demand due to the more affordable prices.

The falling values as a result of the GFC appear to have slowed with sufficient sales and leasing activity showing a steady market in general, Commercial sales have been limited with strong yields in evidence for property with secured tenants.

Overall, those components that had sufficient sales to enable land values to be realigned with the market have been verified in most cases. Those components whereby there have been insufficient arm's length sales to accurately factor have had a conservative adjustment applied, or a factor of 1.00, to previously assigned values. It is anticipated that over time, as further sales become evident, land values can continue to be accurately aligned with rated values.

Property values and total land value changes/percentages can be found in section 1.15 of this report.

Land values that resulted in substantial changes in valuation parities or unusually large value variations from the last valuations have been checked and are correct, with a land value ratio of < 0.5 and > 2.00 can be found below with the relevant explanations;

Zone	Component	PID	Contractor Comments
RU1	BUG	404510	Subject increased based on the sale of the subject.
RU1	BUF	3589387	The subject appears to have been previously overstated therefore the value for BD 2014 has been amended to grade in line with properties and sales that are of similar nature.
E2	BEB	396621	The subject appears to have been previously understated therefore the value for BD 2014 & BD 2015 was amended to grade in line with the values and sales of similar properties.
RU5	BZG	402144	The subject appears to have been previously overstated therefore the value has been amended to grade in line with the values and sales of similar properties. The subject site has also been on the market for an extended period of at \$45,000 and on inspection the valuer confirmed that the land has a gully running through the site making any future development difficult.
E4	BEJ	404531	Subject property was reviewed and subsequently increased based on a number of recent sales within the immediate area, including PID's 404587, 404532, 404531 & 404530.
SP1	BSA	392399	In light of the zoning change to SP1, the value was decreased to be within market parameters.
E3	BEC	3330322	In light of E2 & E3 zoning and available sales, the value was decreased to be within market parameters.
RU2	BVA	3494565	In light of objection on PID 407088 (adjoining property), the value was reduced to be within market parameters.
IN1	BIA	3522539	Subject value was increased in BD 2014 based as part of our verification plan and was further increased in BD 2015 based on the sale of the subject.
E1	BEA	406422	In light of the zoning change to E1, the value was decreased to be within market parameters.
RU5	BZF	401907	Subject value was increased in BD 2014 based as part of our verification plan and was further increased in BD 2015 based on the sale of the subject.
E4	BEK	393163	The subject property was verified as part of the 2014 programme and had its value dropped considerably as it is located in a flood liable area and also within the coast risk zone. Discussions with council indicated that development of this site would require numerous reports with no guarantee of a dwelling being permitted. In light of this information the property has been valued on the basis of no dwelling entitlement until such time as a DA is approved on the site.
RU1	BUA	393739	Subject was decreased based on the sale of the subject.
E2	BEB	3363575	In light of E2 zoning and available sales the value was decreased within market parameters.
SP2	BSB	3067695	The subject appeared to have been previously understated therefore the value for BD 2014 was amended to grade in line with the surrounding sales & assigned values.

IN1	BIA	391933	In light of the zoning change to IN1, the value was increased to be within market parameters.
SP2	BSB	406032	In light of the zoning to SP2, the assigned value was decreased to be within market parameters.
B4	BBH	390670	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
E1	BEA	406405	In light of the zoning of E1, the assigned value was decreased to be within market parameters.
E2	BEB	3040099	In light of the zoning of E2, the assigned value was decreased to be within market parameters.
R3	BMF	3077152	In light of the recent zoning change to R3 and E2, the assigned value was increased to be within market parameters.
B1	BBA	3555039	Subject value was decreased in BD 2014 based as part of our verification plan and was further decreased in BD 2015 based on the sale of the subject.
RE1	BOA	393731	In light of the zoning change to RE1, the value was decreased to be within market parameters.
IN2	BIE	391691	In light of the zoning change to IN2, the value was increased to be within market parameters.
B4	BBH	390506	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
RU5	BZC	392316	Property reviewed and appears that there has been an error in the historic value. Property appears to be a regular freehold residential site. Value increased based on sales evidence.
E2	BEB	398018	In light of the zoning change to E2 & RE1, the value was decreased to be within market parameters.
RU5	BZF	401835	The subject appears to have been previously understated therefore the value for BD 2014 has been amended to grade in line with the values and sales of similar properties. The BD 2015 value moved with the component factor providing a further increase.
E1	BEA	406404	The subject appears to have been previously overstated therefore the value was amended to grade in line with properties and sales that are of similar nature.
E2	BEB	2979626	In light of the zoning change to E2, the value was decreased to be within market parameters.
E2	BEB	3347147	The subject appears to have been previously overstated therefore the value was amended to grade in line with the surrounding sales & assigned values. This entire component was verified for BD 2014.
RE1	BOA	3083713	In light of the zoning change to RE1, the value was decreased to be within market parameters.
E1	BEA	405275	In light of E1 zoning and available sales the value was decreased within market parameters.
RU2	BVD	404359	Subject property was reviewed and subsequently reduced following new information that site would be unlikely to have Dwelling Entitlement due to access/services.

B4	BBH	390976	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values. Property value appears to have been historically low,
B4	BBH	390414	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
E4	BEK	393166	The subject appears to have been previously overstated therefore the value for BD 2014 has been amended to grade in line with the surrounding sales & assigned values. The valuer has taken into consideration the coastal risk and flooding when arriving at the new land value and despite being zoned for a dwelling it is unlikely to be approved.
SP2	BSB	398028	In light of the zoning change to SP2, the value was decreased to be within market parameters.
RU2	BVD	405658	The subject appears to have been previously overstated therefore the value for BD 2013 was amended to grade in line with the surrounding sales & assigned values.
E2	BEB	3454497	In light of E2 zoning and available sales the value was decreased within market parameters.
E2	BEB	408039	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
E2	BEB	3247332	In light of the zoning of E2, the assigned value was decreased within market parameters.
RU1	BUF	3620070	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values. Property value appears to have been historically low.
E2	BEB	408044	The subject appeared to have been previously overstated therefore the value for BD 2014 has been amended to grade in line with properties and sales that are of similar nature.
B4	BBI	403324	The subject appears to have been previously understated therefore the value for BD 2013 was amended to grade in line with the surrounding sales & assigned values. The property consists of both IN1 and B5 zonings.
B2	BBB	3535837	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
E1	BEA	406573	In light of E1 zoning and available sales the value was decreased within market parameters.
R2	BRY	398423	Subject was historically high and subsequently reduced in BD 2014 and again reduced in BD 2015 on verification. Consideration was given to the heritage and environmental constraints.
RU1	BUA	3334346	The subject appears to have been previously understated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
E1	BEA	3377977	In light of the zoning of E1, the assigned value was decreased within market parameters.

E2	BEB	2943075	In light of the zoning of E2, the assigned value was decreased within market parameters.
RU2	BVD	407895	The subject appeared to have been previously understated therefore the value for BD 2013 was amended to grade in line with the surrounding sales & assigned values.
B4	BBH	390504	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
RE1	BOA	408061	In light of the zoning change to RE1, the assigned value was decreased within market parameters.
RU5	BZF	401865	The subject appeared to have been previously understated therefore the value for BD 2014 was amended to grade in line with the values and sales of similar properties.
R	BDD	406793	The subject appeared to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature. The valuer has taken into consideration the environmental issues affecting the property and potential restrictions on development when arriving at the new land value.
W1	BWA	407444	The subject appeared to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
E2	BEB	3246942	The subject appeared to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
E2	BEB	3248953	The subject appeared to have been previously overstated therefore the value for BD 2014 was amended to grade in line with the surrounding sales & assigned values. This entire component was verified for BD 2014.
E2	BEB	3509376	In light of the zoning of E2, location and access, the assigned value was decreased to be within market parameters.
E1	BEA	404167	In light of the zoning of E1, the value was been decreased within market parameters.
E2	BEB	392921	The subject appeared to have been previously overstated therefore the value for BD 2014 was amended to grade in line with the surrounding sales & assigned values. This entire component was verified for BD 2014.
E2	BEB	3347184	In light of E2 zoning and available sales the value for BD 2013 was decreased within market parameters.
E2	BEB	406165	The subject appeared to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
B4	BBH	390436	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
E2	BEB	3496963	In light of E2 zoning and available sales the value for BD 2013 was decreased within market parameters.
R5	BLD	403335	Property appeared to have an error in the historic value. The value for BD 2014 was amended to grade in line with the surrounding sales & assigned values.

E2	BEB	404301	In light of the zoning of E2, the assigned was decreased to be within market parameters.
E2	BEB	406095	In light of the zoning of E2, the assigned was decreased to be within market parameters.
E1	BEA	407174	In light of the zoning of E1 and property location, the assigned value was decreased to be within market parameters.
E2	BEB	2870011	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with the surrounding sales & assigned values. This entire component was verified for BD 2014.
RU3	BXA	2883622	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
RU2	BVB	406189	In light of the sale of the subject the property value was reduced.
RU5	BZF	3311329	Property previously overstated. Valued reduced on verification. The property appears to have no legal access and therefore making any future development difficult.
SP3	BSC	2883123	In light of the zoning of SP3, E2 & RU1, the assigned value was decreased to be within market parameters.
E1	BEA	2928987	In light of the zoning change to E1, the assigned value was decreased to be within market parameters.
E2	BEB	408022	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with the surrounding sales & assigned values. This entire component was verified for BD 2014.
B4	BBH	390508	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
RE1	BOA	393824	The subject appears to have been previously understated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
SP3	BSC	407441	The subject appears to have been previously understated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
E2	BEB	396948	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
RU1	BUF	405787	In light of the sale of the subject and new information that the subject property does not have a dwelling entitlement the assigned land value for BD 2013 was reduced.
E2	BEB	408015	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with the surrounding sales & assigned values. This entire component was verified for BD 2014.
E2	BEB	408043	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
RU5	BZF	2942376	The subject appears to have been previously understated therefore the value for BD 2014 was amended to grade in line with the values and sales of similar properties.

E3	BEE	3377901	The subject appears to have been previously understated therefore the value for BD 2014 was amended to grade in line with properties of similar nature and the recent sale of PID 3377902.
E2	BEB	3401095	In light of the E2 zoning, location and access, the assigned value was decreased within market parameters.
E2	BEB	3270257	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
RE1	BOA	394171	In light of the zoning change to RE1, the assigned value was decreased within market parameters.
RU1	BUA	2895673	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
E2	BEB	3401105	In light of the zoning of E2, the assigned value was decreased to be within market parameters.
R2	BRN	3041092	Increase on verification for BD 2014. No viable residential use. Reviewed sales of closed roads to establish value.
E2	BEB	402688	The subject appears to have been previously understated therefore the value for BD 2014 was amended to grade in line with the values and sales of similar properties.
R2	BRD	392790	The subject appears to have been previously understated therefore the value for BD 2014 was amended to grade in line with properties of similar nature and the recent sales within the street of PID 392787 & 392791.
A	BDA	393367	Valued increased on verification. Property earmarked for R3 zoning and in light of the sale of PID 3634545 the value was increased within market parameters.
R3	BMI	393959	In light of the zoning change to R3, the assigned value has been decreased to be within market parameters.
R3	BMI	3400613	Property previously overstated. Valued reduced on verification. The property appears to have difficult access and an unfavourable contour hence making any future development difficult.
E2	BEB	406033	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
B4	BBH	390435	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
RU5	BZF	2856780	The subject property was increased based on the sale of the subject in 2014 and further increased with the component factor for 2015.
RU1	BUF	3296647	Subject property was verified for BD 2015 and subsequently reduced to be within market range based on new sales evidence and surrounding grading/values. New information and investigations note that the subject does not have a dwelling entitlement.
E3	BEE	3377902	The subject appears to have been previously understated therefore the value for BD 2014 was amended to grade in line with the sale of the subject and surrounding property values.

E1	BEA	2772811	In light of E1 zoning and available sales the value for BD 2013 was decreased within market parameters
E2	BEB	408012	In light of the zoning of E2, the assigned value was decreased to be within market parameters.
RU5	BZG	3621688	In light of the zoning change to RU5, the assigned value was increased within market parameters.
B2	BBC	3401124	Assigned land value for BD 2013 was increased due to a zoning change from 5(a) to B2.
B4	BBH	390505	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
B4	BBH	390507	Subject property was verified for BD 2015 and subsequently increased to be within market range based on new sales evidence and surrounding grading/values.
RU5	BZC	392263	Property previously overstated. Valued reduced on verification. No viable residential use. Reviewed sales of closed roads to establish value.
E2	BEB	3509380	The subject appears to have been previously understated therefore the value for BD 2013 was amended to grade in line with the surrounding sales & assigned values.
E2	BEB	3509378	The subject appears to have been previously understated therefore the value for BD 2013 was amended to grade in line with the surrounding sales & assigned values.
RU5	BZG	3112903	Property previously understated. Valued reduced on verification based on surrounding values and sales.
E3	BEE	3386933	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with properties and sales that are of similar nature.
E2	BEB	2883124	In light of the zoning change to E2, the assigned value was increased within market parameters.
IN2	BIE	391692	In light of the zoning change to IN2 and RE1, the assigned value was increased within market parameters.
B4	BBH	390377	In light of the zoning change to B4, the assigned value was increased within market parameters.
R2	BRD	392791	The subject appears to have been previously understated therefore the value for BD 2014 was amended to grade in line with properties of similar nature and the recent sales within the street of PID 392787 & 392791.
E2	BEB	2930518	The subject appears to have been previously overstated therefore the value for BD 2014 was amended to grade in line with the surrounding sales & assigned values. This entire component was verified for BD 2014.
E1	BEA	2823316	In light of the zoning change to E1, the assigned value was increased within market parameters.

8.0 Paired Sales Analysis

As part of the verification process, land values of both vacant and improved properties were analysed to the market. Samples of paired sales analysis are listed below;

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	Lot 1 COUNTY BOUNDARY RD, COBARGO
Sale Price	\$107,000
Area	3.681 ha
Contract Date	29/06/2015
Comments	The property comprises a slightly irregular shaped internal parcel which has a moderate slope that falls to the rear. It receives a northerly outlook to the street with good rural views and is level with the roadway. The property is located in a rural-residential area and has easy access via a dirt roadway. The property has standard rural services available. RU1 Primary Production zoning. Environmental issues: bushfire prone area.
<u>Improved Sale</u>	
Address	163 COUNTY BOUNDARY RD, COBARGO
Sale Price	\$335,000
Area	2.067 ha
Contract Date	17/04/2015
Comments	The property comprises a slightly irregular shaped internal parcel which has a moderate slope that is undulating throughout. It receives a NW outlook to the street with good rural views and is on the high side of the street. The property is located in a rural area and has easy access via a dirt roadway. The property has standard rural services available. RU1 Primary Production zoning. Environmental issues: bushfire prone area.
Description & Value of Improvements	The improvements comprise a c. 1960's conventional single storey dwelling of hardiplank and colorbond construction, including 4 bedrooms and 1 bathroom. The dwelling is in good condition internally and average condition externally. Property features a detached mud brick and colorbond studio, large detached double garage with workshop, good landscaping with established gardens, in-ground swimming pool, garden sheds, rain water tanks, gravel paths and paving, loose gravel driveway and rural fencing.
<u>Sale Price</u>	\$335,000
<u>Less Land Value</u>	\$107,000
<u>Less Improvement Values</u>	
Detached mud brick studio 70sqm	\$35,000
Detached triple garage with workshop 90sqm	\$30,000
Ancillary Improvements as noted above	\$30,000
<u>Deduced Value for House</u> 130 SQM	\$133,000
	\$1,023

Indicates a range of between \$900/m² and \$1,200/m² aa c. 1960's conventional single storey dwelling of hardiplank and colorbond construction in good condition internally & average condition externally.

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	25 GEORGE ST, BERMAGUI
Sale Price	\$175,000
Area	870 sqm
Contract Date	8/05/2015
Comments	The property comprises a regular shaped internal vacant parcel with dual street frontage which has a gentle slope that falls to the rear. It receives a SW outlook with low set tree filtered ocean views to the north east and is on the low side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services available. It is less than 1km to local schools and shops. R2 Low Density Residential zoning. Environmental issues: none readily apparent.
<u>Improved Sale</u>	
Address	18 GEORGE ST, BERMAGUI
Sale Price	\$438,000
Area	1012 sqm
Contract Date	19/03/2015
Comments	The property comprises a regular shaped internal parcel which has a gentle slope that falls to the rear. It receives a NE outlook to the street with elevated good ocean and river views to the rear and is on the high side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services. R2 Low Density Residential zoning. Environmental issues: none readily apparent.
Description & Value of Improvements	The improvements comprise a c. 1990's conventional renovated two storey dwelling of timber and colorbond construction, including 3 bedrooms and 2 bathrooms. The dwelling is in good condition internally and good condition externally. Property features attached double garage, decking/verandah, good landscaping, paved driveway and partial boundary fencing.
<u>Sale Price</u>	\$438,000
<u>Less Land Value</u>	\$175,000
<u>Less Improvement Values</u>	
Attached double garage (40sqm)	\$20,000
Verandah/decking area	\$10,000
Courtyard	\$9,000
Ancillary Improvements as noted above	\$20,000
<u>Dedcued Value for House</u>	
145 SQM	\$204,000
	\$1,407

Indicates a range of between \$1,200/m² and \$1,500/m² a c. 1990's conventional renovated two storey dwelling of timber and colorbond construction in good condition.

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	12 GIBBOKETON PL, WALLAGA LAKE
Sale Price	\$153,000
Area	5,000 sqm
Contract Date	17/03/2015
Comments	The property comprises an uncleared irregular shaped internal parcel which has a gentle to moderate slope that is undulating and has a gentle rise to the rear. It receives a NE outlook to the street with no significant views and is on the low side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services available. R2 Low Density Residential zoning. Environmental issues: bushfire prone area.
<u>Improved Sale</u>	
Address	10 GIBBOKETON PL, WALLAGA LAKE
Sale Price	\$458,000
Area	4,581
Contract Date	8/04/2015
Comments	The property comprises an irregular shaped internal parcel which has a gentle slope that rises to the rear. It receives a northerly outlook to the street with local views and is level with the roadway. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services available. R2 Low Density Residential zoning. Environmental issues: bushfire prone area.
Description & Value of Improvements	The improvements comprise a c. 1990's conventional single storey dwelling of brick and colorbond construction, including 3 bedrooms and 2 bathrooms. The dwelling is in good condition internally and good condition externally. Property features a detached double garage, covered front and rear verandahs, large detached colorbond shed, average landscaping with established gardens, concrete paving, bitumen driveway and post & wire boundary fencing.
<u>Sale Price</u>	\$458,000
<u>Less Land Value</u>	\$153,000
<u>Less Improvement Values</u>	
Detached double garage (40 sqm)	\$20,000
Covered Front & rear verandahs	\$5,000
Detached colorbond shed	\$40,000
Ancillary Improvements as noted above	\$20,000
<u>Deduced Value for House</u>	
200 SQM	\$220,000
	\$1,100

Indicates a range of between \$1,000/m² and \$1,300/m² a c. 1990's conventional single storey dwelling of brick and colorbond construction in good condition.

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	LOT 6 KAMERUKA LANE, CANDELO
Sale Price	\$82,000
Area	2.052 ha
Contract Date	2/06/2015
Comments	The property comprises a splay to front shaped internal parcel which has a moderate slope that falls to the rear. It receives an easterly outlook to the street with good rural and mountain views to the west and is on the low side of the street. The property is located in a rural area and has quiet road access via a dirt roadway. The property has standard rural services. It is over 10kms to local schools and shops of Bega. RU1 Primary Production zoning. Environmental issues: none readily apparent.
<u>Improved Sale</u>	
Address	352 KAMERUKA LANE, CANDELO
Sale Price	\$365,000
Area	2.154 ha
Contract Date	28/08/2014
Comments	The property comprises a regular shaped internal parcel which has a moderate slope that falls across the property. It receives a varying outlook with low set good mountain and rural views and is level with the roadway. The property is located in a rural area and has easy access via a bitumen roadway. The property has standard rural services. RU1 Primary Production zoning. Environmental issues: none readily apparent.
Description & Value of Improvements	The improvements comprise a c. 2000's contemporary single storey dwelling of hardiplank and colorbond roof construction, including 4 bedrooms and 2 bathrooms. The dwelling is in good condition internally and good condition externally. Property features detached single garage, verandah, good landscaping, dirt driveway and boundary, rural fencing.
<u>Sale Price</u>	\$365,000
<u>Less Land Value</u>	\$82,000
<u>Less Improvement Values</u>	
Front timber decking	\$14,000
Deatched single garage	\$12,000
Ancillary Improvements as noted above	\$30,000
<u>Dedcued Value for House</u>	
150 SQM	\$227,000
	\$1,513

Indicates a range of between \$1,300/m² and \$1,600/m² a c. 2000's contemporary single storey dwelling of hardiplank and colorbond roof construction in good condition.

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	6 KILLARNEY RD, TATHRA
Sale Price	\$188,000
Area	671.7 sqm
Contract Date	2/10/2014
Comments	The property comprises a slightly irregular shaped internal parcel which has a gentle slope that rises to the rear. It receives a NW outlook to the street with elevated bush views and is level with the roadway. The property is located in a residential area and has kerb and gutter access via a bitumen roadway. The property has standard residential services available. R2 Low Density Residential zoning. Environmental issues: bushfire prone area.
<u>Improved Sale</u>	
Address	12 KILLARNEY RD, TATHRA
Sale Price	\$352,500
Area	608.2 sqm
Contract Date	6/02/2015
Comments	The property comprises a slightly irregular shaped internal parcel which has a gentle slope that rises to the rear. It receives a NW outlook to the street with elevated limited bush views and is on the high side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services. Approximately 1-5kms to local schools and shops. R2 Low Density Residential zoning. Environmental issues: bushfire prone area.
Description & Value of Improvements	The improvements comprise a c. 1990's conventional single storey dwelling of hardiplank and metal construction (renovated), including 3 bedrooms and 1 bathrooms. The dwelling is in good condition internally and good condition externally. Property features detached double carport, good landscaping, concrete driveway and boundary fencing.
<u>Sale Price</u>	\$352,500
<u>Less Land Value</u>	\$188,000
<u>Less Improvement Values</u>	
Detached double carport	\$6,000
Ancillary Improvements as noted above	\$10,000
<u>Dedcued Value for House</u>	
130 SQM	\$148,500
	\$1,142

Indicates a range of between \$900/m2 and \$1,300/m2 a c. 1990's conventional single storey dwelling of hardiplank and metal construction (renovated) in good condition.

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	17 PHILIP ST, WOLUMLA
Sale Price	\$63,000
Area	1,012 sqm
Contract Date	12/12/2014
Comments	The property comprises a cleared regular shaped internal parcel which has a moderate slope that falls to the rear. It receives a SW outlook to the street with low set distant restricted rural views and is on the low side of the street. The property is located in a rural village area and has easy access via a bitumen roadway. The property has standard rural services available. RU5 Village zoning. Environmental issues: bushfire prone area.
<u>Improved Sale</u>	
Address	19 PHILIP ST, WOLUMLA
Sale Price	\$275,150
Area	1,012 sqm
Contract Date	20/03/2015
Comments	The property comprises a regular shaped internal parcel which has a gentle slope that falls to the rear with a moderate cross fall. It receives a SW outlook to the street with low set limited mountain and local views and is on the low side of the street. The property is located in a residential village area and has easy access via a bitumen roadway. The property has standard residential services. RU5 Village zoning. Environmental issues: none readily apparent.
Description & Value of Improvements	The improvements comprise a c. 2000's conventional single storey dwelling of hardiplank and colorbond construction, including 3 bedrooms and 2 bathrooms. The dwelling is in good condition internally and good condition externally. Property features detached double garage, front and rear timber deck verandahs, good landscaping, concrete driveway and partial boundary fencing.
<u>Sale Price</u>	\$275,150
<u>Less Land Value</u>	\$63,000
<u>Less Improvement Values</u>	
Detached double garage	\$18,000
Front & Rear decks/verandahs	\$16,000
Ancillary Improvements as noted above	\$15,000
<u>Deduced Value for House</u> 95 SQM	\$163,150
	\$1,717

Indicates a range of between \$1,500/m² and \$1,800/m² a c. 2000's conventional single storey dwelling of hardiplank and colorbond construction in good condition.

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	LOT B PRINCES HWY, SOUTH PAMBULA
Sale Price	\$116,000
Area	2,023 sqm
Contract Date	29/06/2015
Comments	The property comprises a regular shaped internal parcel which has a moderate slope that rises to the rear. It receives an easterly outlook to the street with elevated local district and rural views and is on the high side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services available. R2 Low Density Residential zoning. Environmental issues: busy road.
<u>Improved Sale</u>	
Address	77 PRINCES HWY, SOUTH PAMBULA
Sale Price	\$310,000
Area	4,172 sqm
Contract Date	5/09/2014
Comments	The property comprises a regular shaped internal parcel which has a gentle to moderate slope that rises to the rear. It receives a NE outlook to the street with elevated good local and district rural views and is on the low side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services. Approximately 1-5kms to local schools and shops. R2 Low Density Residential zoning. Environmental issues: none readily apparent.
Description & Value of Improvements	The improvements comprise a c. 1980's conventional single storey dwelling of brick and tile construction, including 3 bedrooms and 2 bathrooms. The dwelling is generally in original condition internally and average condition externally. Property features detached double garage, detached double carport and workshops, verandah, concrete paving, average landscaping, dirt driveway and boundary fencing.
<u>Sale Price</u>	\$310,000
<u>Less Land Value</u>	\$116,000
<u>Less Improvement Values</u>	
Verandah	\$7,000
Timber Decking	\$4,000
Garage	\$18,000
Carport & sheds	\$5,000
Ancillary Improvements as noted above	\$15,000
<u>Deduced Value for House</u>	
130 SQM	\$145,000
	\$1,115

Indicates a range of between \$900/m² and \$1,200/m² a c. 1980's conventional single storey dwelling of brick and tile construction in original/average condition.

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	52 BOURNDA CCT, TURA BEACH
Sale Price	\$167,500
Area	700 sqm
Contract Date	20/11/2014
Comments	The property comprises a partly cleared regular shaped internal parcel which has a moderate slope that falls across the property. It receives a SW outlook to the street with high set limited ocean views to the north east at the rear and is on the high side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services available. Approximately 1-5kms to local schools and shops. R2 Low Density Residential zoning. Environmental issues: None readily apparent.
<u>Improved Sale</u>	
Address	30 BOURNDA CCT, TURA BEACH
Sale Price	\$455,000
Area	684.9 sqm
Contract Date	14/11/2014
Comments	The property comprises a slightly irregular shaped internal parcel which has a moderate cross fall slope that rises to the rear. It receives a northerly outlook to the street with elevated good ocean views and is on the high side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services. Approximately 1-5kms to local schools and shops. R2 Low Density Residential zoning. Environmental issues: none readily apparent.
Description & Value of Improvements	The improvements comprise a c. 2000's contemporary two storey dwelling of timber and brick construction with metal roofing, including 3 bedrooms and 2 bathrooms. The dwelling is generally in good condition internally and good condition externally. Property features attached double garage, decking, paths and paving, good landscaping, exposed aggregate driveway and boundary fencing.
<u>Sale Price</u>	\$455,000
<u>Less Land Value</u>	\$167,500
<u>Less Improvement Values</u>	
Decking	\$9,000
Garage	\$25,000
Ancillary Improvements as noted above	\$20,000
<u>Deduced Value for House</u>	
150 SQM	\$233,500
	\$1,557

Indicates a range of between \$1,300/m² and \$1,600/m² a c. 2000's contemporary two storey dwelling of timber and brick construction with metal roofing in good condition.

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	15 BELLBIRD CRES, MERIMBULA
Sale Price	\$120,000
Area	1012 sqm
Contract Date	18/03/2015
Comments	The property comprises an uncleared irregular shaped internal parcel which has a steep slope that rises to the rear. It receives a SE outlook to the street with elevated limited ocean and lake views and is on the high side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services available. R2 Low Density Residential zoning. Environmental issues: none readily apparent.
<u>Improved Sale</u>	
Address	22 BELLBIRD CRES, MERIMBULA
Sale Price	\$470,000
Area	796 sqm
Contract Date	7/05/2015
Comments	The property comprises a regular shaped internal parcel which has a steep slope that falls to the rear. It receives a SE outlook with high set panoramic ocean and river views and is on the low side of the street. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services. R2 Low Density Residential zoning. Environmental issues: none readily apparent.
Description & Value of Improvements	The improvements comprise a c. late 2000's contemporary part two storey dwelling of metal, colorbond and metal deck roof construction, including 3 bedrooms and 2 bathrooms. The dwelling is in good condition internally and good condition externally. Property features detached double garage, detached workshop/shed, multiple balconies, good landscaping, external timber stairs, loose gravel driveway and partial fencing.
<u>Sale Price</u>	\$470,000
<u>Less Land Value</u>	\$120,000
<u>Less Improvement Values</u>	
Decking/balcony	\$18,000
Detached Garage	\$18,000
Detached workshop	\$5,000
Ancillary Improvements as noted above	\$20,000
<u>Deducted Value for House</u>	
170 SQM	\$289,000
	\$1,700

Indicates a range of between \$1,400/m² and \$1,800/m² a c. late 2000's contemporary part two storey dwelling of metal, colorbond and metal deck roof construction in good condition.

PAIRED SALES ANALYSIS	
<u>Vacant Land Sale</u>	
Address	70 CALLE CALLE ST, EDEN
Sale Price	\$162,000
Area	620.7 sqm
Contract Date	21/01/2015
Comments	The property comprises a regular shaped internal parcel which has a gentle slope that falls across the property. It receives a westerly outlook to the street front with elevated ocean views to the east and and mountain views to the north west and is on the low side of the road. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services. R2 Low Density zoning. Environmental issues: The property is located opposite the local primary school and would be at times subject to traffic & associated noise levels.
<u>Improved Sale</u>	
Address	19 CALLE CALLE ST, EDEN
Sale Price	\$345,000
Area	847 sqm
Contract Date	7/05/2015
Comments	The property comprises a regular shaped corner parcel which has a gentle slope that rises to the rear. It receives a NE outlook to the street with low set good, distant ocean and local views and is level with the roadway. The property is located in a residential area and has easy access via a bitumen roadway. The property has standard residential services. It is less than 1km to local schools and shops.R3 medium density zoning. Environmental issues: none readily apparent.
Description & Value of Improvements	The improvements comprise a c. 1970's conventional renovated single storey dwelling of fibro, weatherboard and metal construction, including 3 bedrooms and 1 bathrooms. The dwelling is in good condition internally and good condition externally. Property features attached single garage & store, carport under main residence, front porch/patio, good landscaping, concrete strip driveway and new boundary fencing.
<u>Sale Price</u>	\$345,000
<u>Less Land Value</u>	\$162,000
<u>Less Improvement Values</u>	
Underhouse storage	\$10,000
Front porch/patio area	\$6,000
Single carport	\$5,000
Ancillary Improvements as noted above	\$20,000
<u>Deduced Value for House</u>	
127 SQM	\$142,000
	\$1,118

Indicates a range of between \$1,000/m2 and \$1,300/m2 a c. 1970's conventional renovated single storey dwelling of fibro, weatherboard and metal construction in good condition.

9.0 Statistical Analysis

Throughout the past 12 months our office has continued to review and monitor relevant statistics within the market place. Many of these items were discussed in our Valuation Analysis Report providing feedback on statistical anomalies as well as error checking queries resulting from anomalies in values.

9.1 QRP

There are 62 components within Bega Valley Shire that have a QRP greater than 50% on either LV quantum or rate/area. All QRP's in the Bega Valley Shire have been reviewed with attention paid to those falling outside the 50% criteria. It is to be noted that all components in the Bega Valley Shire with QRP's greater than 50% can attribute their variations to the non-homogenous nature of the areas in which they are located.

The components in our area that are outside the 50% QRP have an overview completed prior to final values being uploaded to ensure the land values are correct. In addition to this, any sales within these components are thoroughly reviewed and checked. The extra emphasis placed on the analysis of these sales is because the land values in these components are often reliant on a small number of sales. The overview comprises:

1. Higher than normal critical checking of analyzed sales;
2. Extensive grading of properties surrounding sales;
3. Valmap thematic overlay checks on a \$/ha basis for rural properties and \$/lot basis for residential areas to ensure consistency; and
4. Valmap mapping & review of components to ensure properties are reflective of the component they are located in (ie checking zoning, site area, location etc).

9.2 COD

All components for BD 2015 fall within the statistical requirements in accordance with Procedures Manual 6.6.2. The standard required for COD is a result equal to or less than 10% for residential zones and 15% for all other zones.

9.3 MVP

All components for BD 2015 fall within the statistical requirements in accordance with Procedures Manual 6.6.2. The standard required for MVP is a result between 90% and 100%.

9.4 PRD

All components for BD 2015 fall within the statistical requirements in accordance with Procedures Manual 6.6.2. The standard required for PRD is a result between 0.98 and 1.03.

10.0 Overview of the Quality Assurance Process

Opteon (South Coast NSW) has a strong and focused commitment to providing quality in service provision. The following has been provided in addition to our Quality Statement in our Valuation Analysis Report.

- Verified Land Values fall within set Quality Assurance parameters.
- All Risk 1 properties have been thoroughly reviewed and verified to BD 2015.
- All properties where the land value has been amended on objection or re-ascertainment have been checked. Objection data made available to us has been confirmed and checked against future values for Base Date 01/07/2015.
- All statutory concession valuations and allowances have been supplied.
- Statistical analysis checks have been undertaken. Explanatory notes have been provided in the Valuation Analysis Report where required.
- Land values have been compared to sale prices and adjusted land values have been extrapolated. Anomalies have been addressed.

11.0 Author

Calvin Rogers is the author of this report.