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Final Report

Local Government Area of Tamworth (666)

BASE DATE: 1 JULY 2015

GOVAL PTY LTD

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TABLE OF CONTENTS

1.	EXECUTIVE SUMMARY	4
1.1.	COUNCIL OVERVIEW	4
1.2.	VALUATION SUMMARY.....	4
1.3.	SUMMARY OF CHANGE IN VALUES	4
1.3.1.	Overall Change	4
1.3.2.	Residential	4
1.3.3.	Commercial.....	5
1.3.4.	Industrial.....	5
1.3.5.	Rural Residential	5
1.3.6.	Rural.....	5
1.4.	QUALIFICATIONS	5
2.	SHIRE OVERVIEW.....	6
2.1.	LOCATION	6
2.2.	TOWNS.....	6
2.3.	INDUSTRY.....	6
2.4.	SIGNIFICANT RETAIL CENTRES	6
2.5.	PROPERTY TYPES	7
2.5.1.	RESIDENTIAL	7
2.5.2.	COMMERCIAL	7
2.5.3.	INDUSTRIAL	7
2.5.4.	RURAL RESIDENTIAL.....	7
2.5.5.	RURAL	7
2.6.	RESIDENTIAL DEVELOPMENT	8
2.7.	NUMBER OF VALUATIONS	8
3.	LEGISLATION CHANGES / DETAILS.....	9
3.1.	TOWN PLANNING	9
3.2.	SIGNIFICANT CHANGES	9
4.	SIGNIFICANT ISSUES/DEVELOPMENTS	10
4.1.	GENERAL OVERVIEW	10
4.2.	DEVELOPMENT APPLICATIONS	10
5.	MAIN FEATURES OF THE MARKET & SIGNIFICANT SALES	11
5.1.	MARKET ACTIVITY AND DRIVERS.....	11

5.2.	SUMMARY OF TYPICAL VALUES.....	11
6.	VERIFIED LAND VALUES.....	12
6.1.	RISK RATING BASIS.....	12
6.2.	COMPONENT BASIS.....	12
7.	OBJECTION & REASCERTAINMENT.....	14
7.1.	METHOD FOR REASCERTAINMENTS.....	14
7.2.	METHOD FOR OBJECTIONS.....	14
8.	STATISTICAL ANALYSIS.....	14
8.1.	OVERVIEW.....	14
9.	SIGNIFICANT VALUE CHANGES.....	16
9.1.	CHANGES FROM PREVIOUS YEAR.....	16
9.2.	CHANGES FROM LAST GVAL.....	19
10.	QUALITY ASSURANCE.....	20
10.1.	OVERVIEW.....	20
11.	DISCLAIMER.....	21

1. EXECUTIVE SUMMARY

1.1. COUNCIL OVERVIEW

Tamworth is the main regional retail and administrative centre for the North and North West area of NSW with retail, office, developing residential-rural farmlet areas and a strong industrial sector. The district comprises 9,893 square kilometres, housing approximately 56,292 residents with 24,232 dwellings (ABS). A majority of the population live in the larger urban centre of Tamworth while the remaining residents reside in smaller towns or on rural properties.

Tamworth is a hub for transport linkages with two major highways, jet standard airport and rail networks. Economic activity is based on serving the surrounding regional area which is underpinned by health care, community services, retail trade, manufacturing, education and mining. There are currently over 5,500 registered businesses in the Tamworth Regional Council area. Although not directly adjacent to the mining activity, Tamworth is benefiting from the mining developments in the Quirindi, Gunnedah and Narrabri locations.

1.2. VALUATION SUMMARY

Item	Number
Properties valued this year	26,796
Last local government base date	2013
Total value of properties valued 2014	\$4,278,914,350
Total value of properties valued 2015	\$4,320,827,900
% Change from 2014 to 2015	1.00% (approximately)

1.3. SUMMARY OF CHANGE IN VALUES

1.3.1. Overall Change

There was an overall increase of almost 1.00% in land values equating to an increase of nearly \$42,000,000. This is mainly attributed to changes to R1, R5 & IN1 zones, with some residential, large lot residential and industrial zoned areas experiencing slight gains.

1.3.2. Residential

Apart from some isolated pockets, residential values across all districts have steadied over the last 12 months. Although demand remains strong for vacant residential land in and around Tamworth, sales evidence indicates no significant movement away from 2014 value levels. However, Kootingal and Moonbi made significant gains in comparison with increases in land values of up to 10% and 15%, respectively. Larger residential blocks within the Hills Plains district, located north of Tamworth, also increased by up to 8%. Nevertheless, sales analysed during the course of the year have supported a mainly stable market, overall, compared with 2014.

On the contrary, the residential tenancy market weakened for the first time in about 4 years. Real Estate Professionals are reporting significant rises in vacancy factors compared with the low rates of 1.00% seen in recent years. The increase in rental supply has resulted in a slight decline in rental prices with higher priced rental properties affected the most.

1.3.3. Commercial

The commercial market within Tamworth City has remained static throughout 2015, which has been supported by more recent sales evidence and the analysis of commercial rental agreements. Analysis indicated a retention of prior land value levels for the majority of commercial areas within Tamworth. However, adjustments were required for a small portion of properties within specific commercial localities. These land values were assessed individually and increased in-line with sales evidence, which indicated a higher level of desirability for properties within these locations compared with other areas. Factors that contributed to this increased buyer interest included pending re-zoning amendments, improved public infrastructure and new popular private development.

1.3.4. Industrial

The industrial market in Tamworth throughout 2015 has remained relatively slow in terms of sales turnover. However, land values have increased slightly in some localities while others have remained static. For example, most of the sales in the general Taminda and Glen Artney/Goddards Lane industrial areas indicated modest increases overall while the remaining Tamworth industrial areas remained generally stable.

1.3.5. Rural Residential

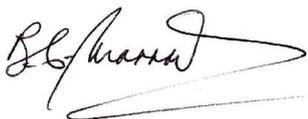
Demand remains steady for small vacant rural residential sites within close proximity to Tamworth with value levels remaining stable to slightly increasing depending on locality.

1.3.6. Rural

The rural property market has again been slow through 2014-2015 for all land categories within the Tamworth Regional Council area. The value levels for dryland properties are firm with irrigation properties having remained stable. The rural property market is still quite slow due to extended periodic dry weather conditions returning and lack of available finance to rural property purchasers. A rise in rural commodity prices have assisted in giving confidence to purchasers through 2015. The low water storage levels for irrigation from Chaffey, Keepit & Split Rock Dams have improved through 2015. The lack of water was also impacting on Tamworth City and surrounding rural towns.

1.4. QUALIFICATIONS

The executive summary is to be read in conjunction with the valuation information supplied in the following report together with the VAR Quality Control Report and Benchmark Report.



Bruce Sharrock
Senior Valuer
GOVVAL PTY LIMITED



Matthew Spencer
Valuer
GOVVAL PTY LIMITED



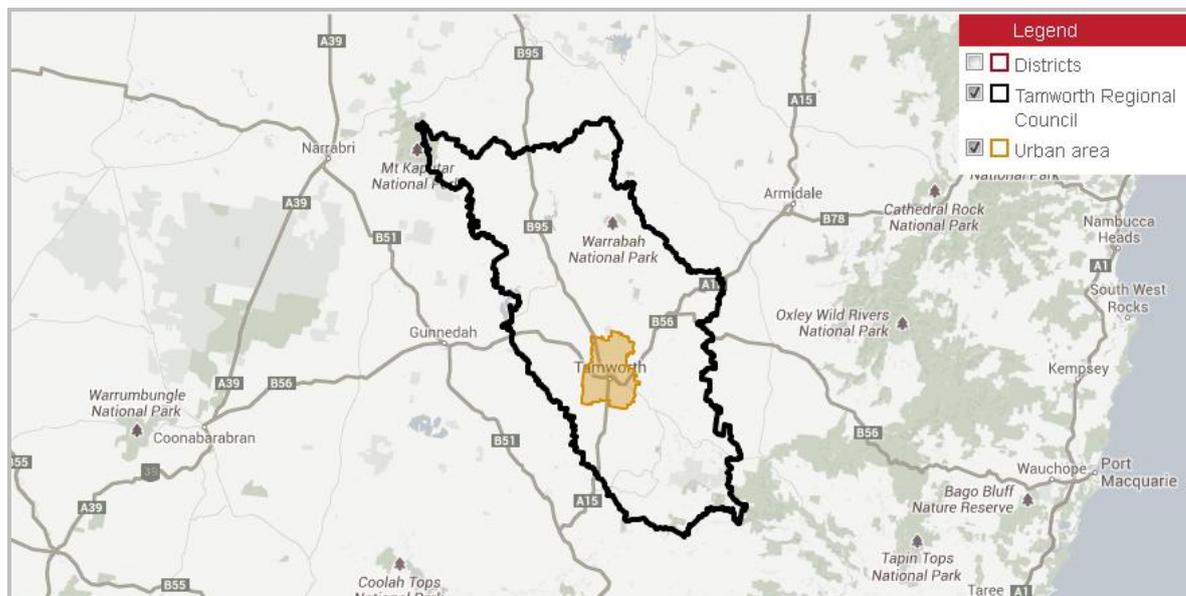
Lucy Bates
Contract Services Manager
GOVVAL PTY LIMITED

13th November 2015

2. SHIRE OVERVIEW

2.1. LOCATION

The Tamworth Regional Council Local Government Area is located some 400 kilometres north west of Sydney on the North Western Slopes & Plains. The district is bounded by Gwydir, Uralla, Walcha, Upper Hunter, Liverpool Plains, Gunnedah and Narrabri Shires.



(Source: Tamworth Regional Council Community Profile)

2.2. TOWNS

The Council area includes the City of Tamworth, towns of Kootingal-Moonbi, Manilla, Barraba and Nundle and several villages of Attunga, Bendemeer, Dungowan, Duri, Somerton, Woolbrook and Woolomin.

The Tamworth urban area consists of approximately 70% of the population (39,000 residents) with the remaining 30% (17,000 residents) living in smaller towns or on rural properties.

2.3. INDUSTRY

The main industries in the Council area are farming, grazing, irrigation, tourism and industrial associated with the value adding of agricultural products and coal mining.

2.4. SIGNIFICANT RETAIL CENTRES

Tamworth has six (6) major shopping developments, including Tamworth Shopping World, Tamworth City Plaza, Centrepont and the new recently opened Woolworths/Dan Murphy Eastpoint supermarket development.

2.5. PROPERTY TYPES

The Tamworth Regional area encompasses approximately 9,893 square kilometres with a majority of the land used for agricultural purposes.

2.5.1. RESIDENTIAL

Residential subdivisions have grown significantly since 2003 and continue to be developed, offering fully serviced Lots varying in size from about 600m² to 2000m². Average prices within new Tamworth residential subdivisions typically range from \$100,000 to \$135,000.

2.5.2. COMMERCIAL

The new Eastpoint Woolworths/Dan Murphy complex is the only new substantial development within these components during 2014 – 2015 with rental levels and vacancies remaining substantially unchanged since BD 2014. Business is still difficult with retail traders indicating that trading overall has remained subdued. Any slight increments in rentals, e.g. CPI in some cases have not been passed on or have been eroded by increases in outgoings. A new football stadium was completed at West Leagues Club through the year and a substantial new motel/conference centre is underway at the same location.

The \$30 million Australian Equine & Livestock Events Centre completed in 2008 is still being well patronised by big name events including the annual NCHA Futurity which is held in November of each year.

Commercial development is static in outlying smaller towns and villages.

2.5.3. INDUSTRIAL

Vacant Industrial sites are in short supply within the main Taminda – Gunnedah Road industrial area. Interest is still being shown in a site fronting Goddard Lane, opposite the Glen Artney industrial estate but no further development to date. Several vacant, land sites have recently been sold within Armstrong Street at 'Glen Artney' where values are showing a small increase.

2.5.4. RURAL RESIDENTIAL

There are numerous establishing rural residential subdivisions surrounding Tamworth City, which vary in size from 4000 m² to about 10 ha.

2.5.5. RURAL

Smaller lucerne irrigation properties fronting the Peel, Cockburn and Namoi-Manilla River systems are still slow to be traded on the current market due to adverse market conditions, together with the adoption of the Peel Valley Water Sharing Plan and ongoing saga of the MDBA. With little water available for irrigation on river frontage properties, demand is not expected to increase for irrigation properties in the foreseeable future.

Mixed farming country to the south, east and west of Tamworth is in limited demand with prices being paid having levelled out. Dry drought like conditions were adding to reduced demand for these type properties with many properties de-stocking to varying levels. The demand for grazing country for cattle in the high altitude Niangala – Walcha areas has increased in demand through 2015 due to improved seasonal conditions and a substantial increase in cattle and fat lamb commodity prices. Few properties are being traded although land advertisements have increased in numbers.

2.6. RESIDENTIAL DEVELOPMENT

Several developing and completed Tamworth residential subdivisions have emerged during 2015. The new Lampada residential estate, which is located within Calala, continues to grow with two more stages released since 2014.

Stage three of the new residential estate known as 'Bellefields', which is located within North Tamworth, is currently under development with all blocks within stage two now having been sold.

Hibbards, which is a major land and house developer, has suffered delays in gaining approval to develop a new residential estate within North Tamworth. The proposed subdivision is located off Daruka Road and, if approved, would consist of 72 residential blocks.

Also, the 5th Stage of the 'Windmill Hill' estate, located off Browns Lane, is now registered with most blocks sold and new homes under construction. Furthermore, subdivision works are now complete for Stage 1 of the new "Curlew Estate", which is located in Oxley Vale.

2.7. NUMBER OF VALUATIONS

Tamworth comprises the following break-up of valuations (as at 04/11/2015):

Zone		Num Props
B1	Neighbourhood Centre	29
B2	Local Centre	97
B3	Commercial Core	373
B4	Mixed Use	263
B5	Business Development	22
B7	Business Park	1
E1	National Parks and Nature Reserves	4
E3	Environmental Management	66
IN1	General Industrial	488
IN3	Heavy Industrial	56
R1	General Residential	16,222
R2	Low Density Residential	774
R5	Large Lot Residential	1,977
RE1	Public Recreation	212
RE2	Private Recreation	21
RU1	Primary Production	3,139
RU3	Forestry	1
RU4	Rural Small Holdings	1,250
RU5	Village	1,708
RU6	Transition	12
SP1	Special Activities	43
SP2	Infrastructure	10
SP3	Tourist	12
Total		26,780

3. LEGISLATION CHANGES / DETAILS

3.1. TOWN PLANNING

The Tamworth Regional Council Local Environmental Plan 2010 provides a broad zoning framework for the area – B1 Neighbourhood Centre; B2 Local Centre; B3 Commercial Core; B4 Mixed Use; B5 Business Development; B7 Business Park; E1 National Parks and Nature Reserves; E2 Environmental Conservation; E3 Environmental Management; IN1 General Industrial; IN3 Heavy Industrial; R1 General Residential; R2 Low Density Residential; R5 large Lot Residential; RE1 Public Recreation; RE2 Private Recreation; RU1 Primary Production; RU3 Forestry; RU4 Primary Production Small Lots; RU5 Village; RU6 Transition; SP1 Special Activities; SP2 Infrastructure., SP3 Tourist.

3.2. SIGNIFICANT CHANGES

Tamworth Regional Council LEP 2010 was gazetted in 2011 with a number of rezoning amendments implemented. In addition to standard planning controls (SEPP, LEP and DCP) Tamworth Regional Council currently have a number of strategies in place.

Amendment No.4 (approved 6th December 2013) has had the greatest impact on rural holdings with the removal of the sunset clause and the reinstatement of building entitlements under old planning provisions for holdings created before the amalgamation.

Dwelling entitlements for Lots with areas of less than the new LEP zoning are still creating significant difficulties in valuing these type properties.

4. SIGNIFICANT ISSUES/DEVELOPMENTS

4.1. GENERAL OVERVIEW

Significant developments during 2014 - 2015 include:

- (i) The completion of the \$260 million dollar rebuild of the Tamworth Base Hospital, which was finished in 2015
- (ii) The completion of a new 4600m² retail building, which accommodates a Woolworths Supermarket and Dan Murphy's liquor store, at a stated cost of \$17 million dollars. This development, prior to commencement, was on sold to the Chinese development company Everich International Pty Ltd at a reported price of \$30 million as complete
- (iii) Although a new \$25 million Masters hardware centre was approved by Council this year, Masters have put the development on hold due to poor profit results
- (iv) Allied Mills, which is a grain processing facility, has been approved for a \$13 million upgrade to its factory situated in Marius Street, Tamworth
- (v) Approval has been granted for the development and construction of the Tamworth Business and Lifestyle Park worth \$5.5 million. Construction on the new industrial park has now begun and is well advanced under a Community Title basis.

4.2. DEVELOPMENT APPLICATIONS

The following is a summary regarding recent development activity in the Tamworth Regional area. Development Application Data was received by the Tamworth Regional Council on 6th November 2015 and is said to be the most up to date information available at this time.

During the 2014 – 2015 financial year, there were approximately 484 applications approved by the Tamworth Regional Council, having an estimated cost of a little over \$200 million. These included approximately 200 new house/dual occupation construction certificates. Other development approvals included more minor works such residential alternations, residential additions and sheds. Overall, development approvals have been on par with the 2013-2014 financial year.

5. MAIN FEATURES OF THE MARKET & SIGNIFICANT SALES

5.1. MARKET ACTIVITY AND DRIVERS

Both the vacant residential and improved residential markets of Tamworth remain steady. There is medium to strong demand for houses within the range of \$200,000 to \$350,000. Within this range, agents are competing for a share of the limited supply. Market activity for houses above \$450,000 is still slow with extended selling times often required to make a sale. In this market range, astute buyers seek the best presented properties.

Market activity remains strong for vacant residential land in Tamworth, with residential areas on the fringe of the City continuing to expand. Many new homes continue to be built in Calala, North Tamworth, Hillvue and the Hills Plain area.

Tamworth commercial property rental levels and vacancies have remained similar to 2014 with business remaining difficult. Overall, trading has remained subdued. As mentioned before, any slight increments in rentals, eg CPI, have not been passed on or have been eroded by increases in outgoings. There are several long term commercial retail shop vacancies in the Fitzroy and White Streets section of the CBD due to relocation and cessation of businesses. In light of these findings, generally, a factor of 1.00 was adopted across the commercial components. Adjustments to Land Values were also made in some areas to better correlate values and align them to current developments.

Although the industrial market in Tamworth remains relatively slow in terms of sales turnover, land values within some major localities have increased slightly. For example, sales evidence indicates that land values in the general Taminda and Glen Artney/Goddards Lane industrial areas have increased by up to 5%.

The rural residential market continues to be mixed. There is still a shortage of small vacant land farmlet blocks in close proximity to Tamworth. Although these type properties have shown a small increase in land value due to demand outstripping supply, the larger rural farmlet property market has remained static overall.

As indicated by sales evidence, values for broad acre properties have remained static during the past 12 months and a factor of 1.00 was adopted. As mentioned before, the rural market has been very slow for virtually all land categories. The rural market is now operating under good seasonal to dry weather conditions however still lacks available finance to rural property purchasers.

5.2. SUMMARY OF TYPICAL VALUES

Component Code	Property & Type	Median Value
AAH	Hillvue Area - Residential	\$102,000
AWT	West Tamworth - Residential	\$114,000
AET	East Tamworth – Residential	\$132,500
AOV	Oxley Vale - Residential	\$82,500
CCA	Dampier Street – Industrial	\$184,000
BBA	Peel Street – Commercial	\$402,000
AZK	Village Kootingal – Residential	\$67,900
RRC	Irrigation – Rural	\$8,500/ha
RGA	Cultivation – Rural	\$3,500/ha

6. VERIFIED LAND VALUES

6.1. RISK RATING BASIS

Details of numbers and percentages of properties verified in each risk rating have been provided in the following table:

Code	Description	No.	Ver	%
1	SHOPPING		3	3
1	CONTAMN		2	2
1	ENGLOBO		24	24
1	MINE		4	4
1	HIGHVALU		26	26
1	BENCHMRK		263	263
1	OBJECT		4	4
1	ANLYSALE		626	626
			952	952
				100%
2	COMMERCE		737	132
2	INDUSTRY		488	117
2	RURAL		3081	975
2	HERITAGE		323	129
2	LVBASIS		434	114
2	ALLOWNCE		141	95
			5204	1562
				30%
3	RESIDENT		20312	4683
3	OPNSPACE		310	260
			20622	4943
				24%

6.2. COMPONENT BASIS

The following list is of components reviewed as part of the annual program:

Code	Zone	Description	Review Date
SHB	SP2	INFRASTRUCTURE - ALL WITHIN SHIRE	1-Jul-15
RHC	RU1	RURAL - MAINLY < 70 HA - WEST & SOUTH OF TAMWORTH	30-Jun-15
RHH	RU1	RURAL - MAINLY < 70 HA - DUNGOWAN, NUNDLE, HANGING ROCK	29-Jun-15
AZY	RU5	VILLAGES OF ATTUNGA, DURI, SOMERTON & WOOLBROOK	15-Jun-15
AZL	R5	RESIDENTIAL - LARGE LOTS - NUNDLE & HANGING ROCK	14-Jun-15
AZM	RU5	VILLAGE - MOONBI	14-Jun-15
AZJ	RU5	RESIDENTIAL - BARRABA	13-Jun-15
RRG	RU1	RURAL - GRAZING NORTH & EAST - ATTUNGA, BENDEMEER,	29-May-15
AAP	R1	RESIDENTIAL - CALALA	5-May-15
AAR	R1	RESIDENTIAL - ARMIDALE RD AREA	4-May-15
AMS	R1	RESIDENTIAL ZONE - MOTEL SITES	30-Apr-15
AAV	R1	RESIDENTIAL - LARGE BLOCKS - FRONTING SYDNEY ROAD	29-Apr-15
AFE	R2	RESIDENTIAL - LOW DEN - ENGLOBO - FOREST HILLS, MOORE CK, WE	27-Apr-15
ARH	R5	RESIDENTIAL - LARGE LOTS - SOUTH OF TAMWORTH	24-Apr-15
EEA	E3	ENVIRONMENTAL MANAGEMENT NORTH & EAST OF TAMWORTH	25-Mar-15
ENA	E1	NATIONAL PARKS	19-Feb-15
SPA	SP3	TOURIST - EQUINE & RACECOURSE PRECINCTS	16-Feb-15
SPB	RE2	PRIVATE RECREATION - ALL WITHIN SHIRE	16-Feb-15
SPP	RE1	PUBLIC RECREATION - ALL IN SHIRE - INCLS MANILLA & KOOTINGAL	16-Feb-15
THP	RU6	TRANSITION - BUFFER AROUND NORTH TAM WASTE DEPOT	16-Feb-15

TAMWORTH REGIONAL COUNCIL 2015
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Code	Zone	Description	Review Date
CCD	IN1	INDUSTRIAL - BRIDGE ST AREA	7-Jan-15
CCF	IN1	INDUSTRIAL - NEMINGHA AREA	7-Jan-15
CCG	IN3	INDUSTRIAL - GODDARDS LANE/WESTDALE AREA	7-Jan-15
CKC	IN1	INDUSTRIAL - KOOTINGAL AREA	7-Jan-15
CZU	IN1	INDUSTRIAL-MANILLA	7-Jan-15
SBP	SP1	AIRPORT LANDS - ALL ZONED SPECIAL ACTIVITIES	7-Jan-15
BKB	B2	BUSINESS - KOOTINGAL	5-Jan-15
BZB	B2	BUSINESS - MANILLA	5-Jan-15
BZG	RU5	BUSINESS - BARRABA BUSINESS AREA (VILLAGE ZONE)	5-Jan-15
AHT	R5	RESIDENTIAL - LARGE LOTS - KOOTINGAL/MOONBI & GENERALLY EA	1-Dec-14
AZK	R1	RESIDENTIAL - KOOTINGAL VILLAGE	21-Nov-14
AZC	R1	RESIDENTIAL - MANILLA - FLOOD FREE	20-Nov-14

7. OBJECTION & REASCERTAINMENT

7.1. METHOD FOR REASCERTAINMENTS

Reascertainment will apply where values of either an individual or a cluster of parcels appear to be out of line with surrounding values. In the case of minor differences it will be adjusted within the next valuation program however in case of major errors details of the properties including a commentary as to why such re-ascertainment is needed be forward to the District Valuer for approval.

7.2. METHOD FOR OBJECTIONS

Objections are identified by Govval when supplementary downloads are conducted. Land values amended on objection are identified with a Land Value Authority of 35B. Valuers have access to Valnet 2i where the objection reports can be obtained. When objections are identified, they are reviewed to determine their effect on land values including the grading and consistency with surrounding or similar properties. As part of the review process, holdings identified as having incorrect values are reascertained with correct values applied.

8. STATISTICAL ANALYSIS

8.1. OVERVIEW

A full statistical analysis is provided in the VAR Quality Control Report. The first of the checks is the co-efficient of dispersion (COD). This is used to measure the uniformity of land values relative to prices. In accordance with the standard of 0.15, all zones are to be within the statistical requirements as set out in the procedures manual. Those properties affecting this result include:

IN1 Zone

PID's 2762660 and 2758962

These property sales are yet to be analysed as they arrived late in the program.

PID 2759067

This is an interrelated Strata sale and is not suitable for analysis. It should not have been included in the statistics.

Zone B5

PID 3831624

This sale was part of a multi-sale and was incorrectly marked. It should have been ticked as Multi or Partial sale. See sale of PID 3831623 for full analysis.

The second statistical measure is the mean price ratio. This measures the accuracy of values relative to sale price. The MPV standard is between 85% and 100% and in accordance with this, all zones are to be within the statistical requirements as set out in the procedures manual. Those properties affecting this result include:

Zone R5

PID 3861297

Sale was a family related sale and was incorrectly marked.

Zone IN1

PID's 2762660 & 2758962

These are new improved industrial property sales that arrived late in the program. These sales were not included in the previous download and have yet to be analysed.

Zone B5

PID 3831624

This is part of a multi-sale that was not marked appropriately and should have not been included in the statistics. See sale of PID 3831623 for full analysis.

The third statistical measure is the price related differential (PRD) that measures the vertical equity of valuations i.e.: the extent to which high and low value properties are assessed uniformly relative to the sales data. The standard for PRD is a result between 0.98 and 1.03. Those properties affecting this result include:

Zone B5

The B5 zone comprises 22 properties in total; all being situated within the BBR Component. The variance in the B5 zoning is due to the significant handcrafting of a handful of properties located within a pocket of land that has been recently rezoned Business. The reliable sales analysed within this component, however, have been unaffected by the rezoning and have indicated more static Land Values compared to those handcrafted.

Zone IN1

PID's 2762660 and 2758962

These are new sales that have settled since values were set and are yet to be analysed.

PID 2759067

This an interrelated Strata sale and is not suitable for analysis. It should not have been included in the statistics.

Zone R5

The variance is due to a handful of sales which arrived late in the program and have yet to be analysed.

Zone RU5

The variance is to do with the significant handcrafting undertaken in the AZM Component (Moonbi) in line with a range of sales evidence. An upward trend has developed for Land Values within the inner four sections of the Village area of Moonbi with factors from analysed sales ranging from 1.28 to 1.35. Sales outside these four sections of the Village of Moonbi have shown no increase in values with factors of 1.00 and 1.04 recorded.

9. SIGNIFICANT VALUE CHANGES

9.1. CHANGES FROM PREVIOUS YEAR

Summary of significant value changes which fall 40% outside of the actual factor variation of the component factor.

PID	Comments
2761235	A residential improved property was purchased to construct a new medical centre building. The existing residence was totally gutted and fitted out as a medical practice building, which is now leased to Peel Health Care. The Land Value has been reassessed to reflect the new higher existing commercial use.
3140777	Individually hand-crafted. This land comprises 3 lots (have 2 ha ea) Lots 1 & 2 are adjoining and lot 3 is separated by a narrow strip of land being PID 3140776. Lot 1 & lot 3 both have cottages. LV should be say 3 x \$130,000. \$390,000 less say 25% as \$300,000
1863413	Individually hand-crafted. A steeper residential site within Manilla. It is becoming increasing apparent that the grading for this area has changed. Although the area in which this property is situated is an above average location of Manilla, which has been reflected in the land value to date, the cost to build on steeper terrain has increased significantly over the last few years. Values have now been downgraded within the immediate area to factor in extra buildings costs. Adopt \$50,000, which is supported by Sale ID's: 140341, 140679 & 140740.
1863415	Individually hand-crafted. A steeper residential site within Manilla. It is becoming increasing apparent that the grading for this area has changed. Although the area in which this property is situated is an above average location of Manilla, which has been reflected in the land value to date, the cost to build on steeper terrain has increased significantly over the last few years. Values have now been downgraded within the immediate area to factor in extra buildings costs. Adopt \$50,000, which is supported by Sale ID's: 140341, 140679 & 140740.
1863419	Individually hand-crafted. A steeper residential site within Manilla. It is becoming increasing apparent that the grading for this area has changed. Although the area in which this property is situated is an above average location of Manilla, which has been reflected in the land value to date, the cost to build on steeper terrain has increased significantly over the last few years. Values have now been downgraded within the immediate area to factor in extra buildings costs. Adopt \$50,000, which is supported by Sale ID's: 140341, 140679 & 140740.
1863420	Individually hand-crafted. A steeper residential site within Manilla. It is becoming increasing apparent that the grading for this area has changed. Although the area in which this property is situated is an above average location of Manilla, which has been reflected in the land value to date, the cost to build on steeper terrain has increased significantly over the last few years. Values have now been downgraded within the immediate area to factor in extra buildings costs. Adopt \$50,000, which is supported by Sale ID's: 140341, 140679 & 140740.
1863421	Individually hand-crafted. A steeper residential site within Manilla. It is becoming increasing apparent that the grading for this area has changed. Although the area in which this property is situated is an above average location of Manilla, which has been reflected in the land value to date, the cost to build on steeper terrain has increased significantly over the last few years. Values have now been downgraded within the immediate area to factor in extra buildings costs. Adopt \$50,000, which is supported by Sale ID's: 140341, 140679 & 140740.
1863422	Individually hand-crafted. A steeper residential site within Manilla. It is becoming increasing apparent that the grading for this area has changed. Although the area in which this property is situated is an above average location of Manilla, which has been reflected in the land value to date, the cost to build on steeper terrain has increased significantly over the last few years. Values have now been downgraded within the immediate area to factor in extra buildings costs. Adopt \$50,000, which is supported by Sale ID's: 140341, 140679 & 140740.

TAMWORTH REGIONAL COUNCIL 2015

GOVVAL Pty Ltd

- 3215703 Individually hand-crafted. A steeper residential site within Manilla. It is becoming increasing apparent that the grading for this area has changed. Although the area in which this property is situated is an above average location of Manilla, which has been reflected in the land value to date, the cost to build on steeper terrain has increased significantly over the last few years. Values have now been downgraded within the immediate area to factor in extra buildings costs. Adopt \$50,000, which is supported by Sale ID's: 140341, 140679 & 140740.
- 3485310 Individually verified. The 2014 Land Value has been increased to bring in-line with adjoining properties, which is the same market value adopted for the majority of similar sites within this street.
- 3611568 Individually hand-crafted. A steeper residential site within Manilla. It is becoming increasing apparent that the grading for this area has changed. Although the area in which this property is situated is an above average location of Manilla, which has been reflected in the land value to date, the cost to build on steeper terrain has increased significantly over the last few years. Values have now been downgraded within the immediate area to factor in extra buildings costs. Adopt \$90,000, which is supported by Sale ID's: 140341, 140679 & 140740.
- 2766790 Multi-Property Sale (Non-market). See Sale No 144901 for sale analysis.
- 2756925 LTV increased following sales in Burgmanns Lane since 01/07/2013. New Land Value - 40 ha x 20,000 \$800,000 - which is supported by sales 141269, 142788, 143572 & 144618.
- 2756927 LTV increased following sales in Burgmanns Lane since 01/07/2013. This property sold C. 26/06/2014 PP \$775,000 with an analysed LV of \$745,000. New Land Value 01/07/2014 - 33.12 ha x \$20,000 Adopt \$675,000 - which is supported by sales 141269, 142788, 143572.
- 2761143 This property is used for a Church and is within the South Tamworth Rural Lands Master Plan under which it is proposed to be rezoned Business in approximately 12 months. Access is presently obtained from the highway, but will be enhanced if a proposed new roundabout is constructed on Craigends Lane. This roundabout was also identified in the recently exhibited Draft Tamworth Regional Infrastructure Strategy. The LV has been amended, and besides the above, also has reference to the following sales: Sale 143563. 355 Goonoo Goonoo Rd. 4154.5m2. 15/4/14. DLV \$239,000 = \$57/m2. Comp CCG: Sale 142572. 54 Goddard La, Glen Artney. 9501m2. DLV \$520,000 = \$54.73/m2. Comp AEN: Sale 139144. 55 Bylong Rd. 7000m2. 20/9/13. DLV \$155,000 = \$22/m2. Adopt 17300m2 @ \$23/m2 = \$398,000
- 2761144 This property is used for Radio 2TM and an insurance Co and is within the South Tamworth Rural Lands Master Plan under which it is proposed to be rezoned Business in approximately 12 months. Access is presently obtained from the highway, but will be enhanced if a proposed new roundabout is constructed on the cor of Craigends Lane. This roundabout was also identified in the recently exhibited Draft Tamworth Regional Infrastructure Strategy. The LV has been amended, and besides the above, also has reference to the following sales: Sale 143563. 355 Goonoo Goonoo Rd. 4154.5m2. 15/4/14. DLV \$239,000 = \$57/m2. Comp CCG: Sale 142572. 54 Goddard La, Glen Artney. 9501m2. DLV \$520,000 = \$54.73/m2. Comp AEN: Sale 139144. 55 Bylong Rd. 7000m2. 20/9/13. DLV \$155,000 = \$22/m2. Adopt 12140m2 @ \$30/m2 = \$364,000
- 2761145 This property is used for Prime TV studio and is within the South Tamworth Rural Lands Master Plan under which it is proposed to be rezoned Business in approximately 12 months. Access is presently obtained from the highway, but will be enhanced if a proposed new roundabout is constructed on the cor of Craigends Lane. This roundabout was also identified in the recently exhibited Draft Tamworth Regional Infrastructure Strategy. The LV has been amended, and besides the above, also has reference to the following sales: Sale 143563. 355 Goonoo Goonoo Rd. 4154.5m2. 15/4/14. DLV \$239,000 = \$57/m2. Comp CCG: Sale 142572. 54 Goddard La, Glen Artney. 9501m2. DLV \$520,000 = \$54.73/m2. Comp AEN: Sale 139144. 55 Bylong Rd. 7000m2. 20/9/13. DLV \$155,000 = \$22/m2. Adopt 13340m2 @ \$30/m2 = \$400,000
- 2761146 This property is vacant and is within the South Tamworth Rural Lands Master Plan under which it is proposed to be rezoned Business in approximately 12 months. There is formed access into the property but this could be enhanced if a proposed new roundabout is

- constructed on the cor of Craigends Lane. This roundabout was also identified in the recently exhibited Draft Tamworth Regional Infrastructure Strategy. The property has been on the market for some time for \$1,121,000 = \$150/m² but access and awaiting rezoning to business is obviously deterring prospective purchasers. It also adjoins the active units in the adjoining TransGRid substation. The LV has been amended, and besides the above, also has reference to the following sales: Sale 143563. 355 Goonoo Goonoo Rd. 4154.5m². 15/4/14. DLV \$239,000 = \$57/m². Comp CCG: Sale 142572. 54 Goddard La, Glen Artney. 9501m². DLV \$520,000 = \$54.73/m². Comp AEN: Sale 139144. 55 Bylong Rd. 7000m². 20/9/13. DLV \$155,000 = \$22/m². Adopt 7474m² @ \$40/m² = \$300,000 (Minimum)
- 2761147 This is TransGrids 128kV Substation which is fed from their 330kV Substation 5km to the east. It is presently undergoing major reconstruction works which includes the active units in the substation and the administrative and depot buildings. It is proposed to acquire an additional 3.9 Ha at the rear from Crowe to enable re-routing of transmission lines and future expansion. It is not included in the South Tamworth Rural Lands Master Plan but will probably end up being zoned SP2 Infrastructure based on its present use. It is a large site with a long 392 metre frontage to Gonoo Goonoo Rd. Note the following sales: Sale 141269. Lot 102 Burgmanns La. 8.511 Ha. 20/12/13. DLV \$285,000 = \$33,486/ha (\$3.34/m²) Little potential Sale 144618. Lot 12 Burgmanns La. 33.12 Ha. 26/6/14. DLV \$745,000 = \$22,494/ha (\$2.25/m²) Has large lot rural / res potential adjoining Kingswood. Sale 142788. Cor Burgmanns La & Goonoo Goonoo Rd. 41.32 Ha. 31/10/13. DLV \$1,300,000 = \$31.462/ha (= \$3.15/m²) Purchased for harness racing track Having regard to the capital values of the above adopt LV of \$600,000 = \$83,588/ha (\$8.36/M²) Refer also to the full: Sale 143563. 355 Goonoo Goonoo Rd. 4154.5m². 15/4/14. DLV \$239,000 = \$57/m². Nearby. Zoned resid but little potential Comp CCG: Sale 142572. 54 Goddard La, Glen Artney. 9501m². DLV \$520,000 = \$54.73/m². Industrial site at Glen Artney Again the capital values would support a minimum of \$600,000 on the subject
- 3028014 The western half (35 Ha) of this property is within the South Tamworth Rural Lands Master Plan under which 20 Ha is proposed to be rezoned Business and in approximately 12 months, and a further 15 Ha is identified for future large lot residential. It is doubtful if the Business zone will eventuate in the short term. Due to its location and long elongated nature and surrounding properties with better potential, the value of this property is rural plus a premium to allow for some more intensive future potential. The following sales also have reference: Sale 141269. Lot 102 Burgmanns La. 8.511 Ha. 20/12/13. DLV \$285,000 = \$33,486/ha (\$3.34/m²) Has large lot rural / res potential adjoining Kingswood. Sale 142788. Cor Burgmanns La & Goonoo Goonoo Rd. 41.32 Ha. 31/10/13. DLV \$1,300,000 = \$31.462/ha (= \$3.15 Purchased for harness racing track BD 7/14 LV 35 Ha West. Rural \$25,000/ha = \$875,000 40 Ha East. Rural @ 1,000/ha = \$440,000 Total \$1,315,000
- 3115894 LTV increased following sales in Burgmanns Lane since 01/07/2013 - see sales 141269, 143572 & 144618. Sale of this property to Harness Racing NSW C. 31/10/2013 PP \$1,350,000 with an analysed LV of \$1,300,000, subject to DA and change of zoning to SP3 Tourist. The change of zoning will take some time to come through. The LV will be reassessed when the zoning is changed to SP3 Tourist. New Land Value - 40 ha x \$25,000 = \$1,000,000
- 3434388 The western half of this property is within the South Tamworth Rural Lands Master Plan under which it is proposed to be rezoned Business in approximately 12 months. A proposed roundabout on the cor of Craigends La would enhance access but it is not known when it is likely to be constructed. The land is currently used for grazing and contains an unoccupied cottage with access from Goonoo Goonoo Rd. The owners were offered \$4,725,000 (= \$135/m²) for 35,000m² site for a Masters Store. However this is not proceeding. Note that a T L Easement would have cost \$1m to relocate to enable development. The following sale provides the best evidence: Sale 142788. Cor Burgmanns La & Goonoo Goonoo Rd. 41.32 Ha. 31/10/13. DLV \$1,300,000 = \$31,462/ha. Purchased for harness racing track. Subject: 24 Ha proposed business @ \$50,000/ha = \$1,200,000 24 Ha rural @ \$10,000/ha = \$240,000 Total \$1,440,000 = Av \$30,000/ha This is approx the same as the sale. However allow 20% for uncertainties with rezoning and access. \$1,440,000 x 80% = \$1,150,000
- 3434389 The western 46 Ha of this property is within the South Tamworth Rural Lands Master Plan under which 42 Ha is proposed to be rezoned Business in approximately 12 months, and a

further 4 Ha is identified for future large lot residential which may or may not eventuate. The remainder of the property will remain rural. 6.7 Ha on the west has a 416 m frontage to Goonoo Goonoo Rd and has ready immediate access from a new roundabout on the cor of Goonoo Goonoo Rd and Jack Smyth Rd. This land could be developed immediately within the bounds of the RU4 zoning, although its value will be greatly enhanced when rezoned business which is expected within 12 months. Note the full sale: Sale 142788. Cor Burgmanns La & Goonoo Goonoo Rd. 41.32 Ha. 31/10/13. DLV \$1,300,000 = \$31,462/ha. Purchased for harness racing track. BD 7/14 LV on Subject: 46 Ha proposed business & large lot res @ \$35,000/Ha = \$1,610,000 116 Ha rural @ \$7,500/Ha = \$870,000 Total \$2,480,000 Allow 10% for uncertainties with rezoning. As \$2,230,000

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This area is at the eastern end of The Trails subdivision and is not being developed for rural / res subdn. It could be, or could be developed for a purpose ancillary to the Equine Centre eg motel or accommodation, or it could be sold to the Council for an extension to the Equine Centre or sporting fields. Note that in the Draft Tamworth Regional Infrastructure Strategy this general area has been identified for a new Showground, Aquatic additions to the Sports Dome, new Stadium, and Water Play Park Facility. These will all require additional land. Note following Council purchase: Sale 143572. 377 Burgmanns La. 10.31 Ha. 25/2/14. Price \$800,000 which included old bldgs which add little value - maybe \$200,000. DLV \$600,000. 7/14 LV: Adopt \$500,000 = \$72,100 / Ha (\$7.21/m²)

9.2. CHANGES FROM LAST GVAL

It is not a General Valuation year for this LGA.

10. QUALITY ASSURANCE

10.1. OVERVIEW

In addition to statistical and data analysis the following quality control checks have been carried out to ensure quality is achieved in valuations and reporting.

Quality Control Checks	
All properties have been valued	Yes
The land values are consistent with each other	Yes
The land value basis has been correctly determined and recorded for each land value	Yes
All statutory concession valuations and allowances have been supplied, including:	Yes
- Allowances for profitable expenditure on and off the land under Section 14L of the Valuation of Land Act	Yes
- Subdividers allowances under Section 14T of the Valuation of Land Act	Yes
- Heritage Values under Section 125 of the Heritage Act	Yes
- Mixed Development and Mixed Use Apportionment Factors under Sections 14X and 14BBA of the Valuation of Land Act	Yes
- Coal Allowances under Section 14F(4) of the Valuation of Land Act	Yes
- Unutilised value allowances under Section 62K of the Land Tax Management Act	Yes
All land value apportionments have been provided and calculations are correct	Yes
Land values for those properties that have considerably higher values in relation to the average for a land use and land values of high risk properties have been reviewed and are correct. For example, regional shopping centres, large scale industrial and unit developments, large rural properties etc. The review procedures are to be provided if requested	Yes
Land values that result in substantial changes in valuation parities or unusually large value variations from the last valuations issued for either land tax or council rating have been checked and are correct	Yes
A broad range of market evidence has been analysed and provided in the market report as required by the Contract	Yes
Adjustments and assumptions within the market analysis have been based on market evidence and have been fully documented and rationalised	Yes
Analysed sale properties where the sales ratio does not lie within the range 0.85 to 1.00 have been reviewed and an explanation provided as to why the current land value should be adopted	Yes
A zone/Component code integrity check has been made.	Yes
The current and proposed planning controls that affect the valuations have been taken into account	Yes
Where the land value of a property has been amended on objection or reascertainment, the alignment of values with surrounding properties, or properties of a similar property type, has been checked	Yes
Statistical checks and Component Data Tables have been prepared, reviewed and anomalies or results outside the specified parameters have been rationalised and reported	Yes
Land values have been compared to adjusted land values for analysed sales and anomalies have been addressed	Yes
Land values have been compared to all sale prices and anomalies have been addressed	Yes
Worksheets have been maintained on all properties where calculations are required	Yes

11. DISCLAIMER

The purpose of this report is to describe the process and considerations for the 1 July 2014 General Valuation of the Tamworth Regional Council rating year. The report has been produced on behalf of the Valuer General.

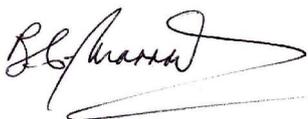
The land values have been specifically made for rating and taxing purposes. Land values produced as part of this process should not be used for any other purpose without the specific agreement of the Valuer General.

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.



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13th November 2015