



INLAND PACIFIC
PROPERTY GROUP PTY LTD
INDEPENDENT VALUERS & CONSULTANTS

Bellingen Shire Council

Final Report 2015

1st November 2015

Executive Summary

LGA Overview

Bellingen Shire Local Government Area

Bellingen Shire comprises an area of approximately 1,604 square kilometres on the Mid North Coast of New South Wales between Sydney and Brisbane. It is bounded to the north by the Coffs Harbour City Local Government Area (LGA), to the south by Nambucca Shire and to the west by the Armidale Dumaresq and Clarence Valley Local Government Areas. The current population of the Shire is approximately 13,032 people (2014 - Australian Bureau of Statistics).

Bellingen Shire is topographically divided into two primary areas with the western portion comprising the more elevated undulating hills and valleys of the Dorrigo plateau, and the eastern portion dominated by the Bellingen and Kalang River coastal flood plains.

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

The Bellingen Local Government Area comprises Residential, Rural, Commercial, Industrial, Environmental, Recreational, Special Activities, Infrastructure and Waterways zones.

6,093 properties were valued at the Base Date of 1 July 2015, and valuations are reflective of the property market at that time. Previous Notices of Valuation were issued to owners for the Base Date 1 July 2013. The Bellingen Shire property market has experienced increases in value levels across several sectors. However, the majority of property value levels remained relatively steady.

Bellingen Shire attracts a wide range of purchasers to the area, which is based on the eclectic alternative lifestyle history of the area, as well as the productive rural environment close to the coast and the Regional Centre of Coffs Harbour.

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

Properties Valued and Total Land Value							
Zone	Zone Code	Number of Entries	2015 Total Land Value (\$)	Prior Annual Valuation (2014) (\$)	% Change	Prior Local Government Valuation (2013) (\$)	% Change
Residential	R1 & R5	3,774	767,944,381	689,890,605	11.3	686,046,115	11.9
Rural	RU1, RU2, RU3 & RU4	1,628	645,821,510	604,785,130	6.8	624,886,530	3.4
Commercial	B1 & B2	180	43,870,540	41,913,000	4.7	41,673,900	5.3
Industrial	IN1	52	8,796,400	8,674,400	1.4	8,209,600	7.1
Special Uses	SP1 & SP2	7	1,735,000	1,735,000	0.0	1,735,000	0.0
Environmental	E1, E2, E3 & E4	331	114,183,940	100,585,750	13.5	101,253,050	12.8
Recreation	RE1 & RE2	114	14,686,530	14,786,530	-0.7	14,761,530	-0.5
Waterway	W2	7	53,600	55,180	-2.9	50,830	5.4
Total		6,093	1,597,091,901	1,462,425,595	9.2	1,478,616,555	8.0

State & Local Government legislation for LGA

Bellingen Local Environmental Plan 2010 was gazetted on the 6th August 2010. Since then there has been six (6) minor Amendments to the Plan.

The Bellingen Local Government area is governed by the Bellingen Local Environmental Plan 2010. The plan is based on the standardised Local Environmental Plan (LEP) prescribed by the New South Wales Legislation.

Market Overview and Sales of Particular Interest

Inland Pacific Property Group have undertaken significant analysis of the Bellingen District property market to provide an accurate and reliable basis of valuation. 189 sales have been analysed to enable the establishment and verification of land values as at 1 July 2015. These analysed sales also support the grading and relativity of land values across components. Analysed sales reports are provided to Land and Property Information on a progressive basis throughout the year. The added value of improvements are also analysed to enable the accurate deduction of land values. Inland Pacific Property Group valuers undertake this process utilising the paired Sales Approach.

In analysing sales before or after 1 July it may be necessary to adjust the contract price to reflect market movements. In the Bellingen District this year sale and resale properties and median sales trends indicated that the prevailing market has generally shown only slight increases in overall terms. Analysis of these data sets coupled with the interpretation of the current market conditions by Inland Pacific Property Group valuers indicated that the majority of sales analysed would require no significant adjustment of analysed land value levels to reflect market movements to the Base Date.

Significant Issues and Developments

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

Significant Value Changes

Summary of Valuation Changes to Residential Land

Changes since Previous General Valuation (2013)

The main residential sectors to experience increases in value levels since the last General Valuation in 2013 have been the town of Bellingen and the village of Fernmount. However, these changes have primarily occurred in the last twelve months, rather than between 2013 and 2014. From the prior General Valuation to 2014, residential value levels remained relatively static.

Changes since previous Valuation Year (2014)

The main change since the previous Valuation Year has been a uniform increase in residential value levels in the town of Bellingen. This increase became evident from around mid-February 2015 and has remained consistent for the majority of recorded sales since that time. This change has been via a decreased sales volume from the previous year, with diminishing supply likely to be a contributing factor to the value increase. Currently demand is still strong, however, recent increases in some lending rates may temper potential purchaser's considerations.

Another sector to experience changes in value levels is the village of Fernmount. This village does not have regular annual growth, but is located closer to the Regional Centre of Coffs Harbour than the town of Bellingen, and is experiencing some "flow-on" effect from the increases in that larger town. Value levels here have been traditionally at lower levels than Bellingen or other larger residential locations in this LGA.

The increases in the residential area of Bellingen and Fernmount have been up to around 20% over the prior year's value levels.

Summary of Valuation Changes to Rural Land

Changes since previous General Valuation (2013)

The main changes in value that have occurred in the rural sector of Bellingen Shire since the last General valuation in 2013, have actually occurred in the last twelve months, rather from 2013. From the last General valuation to 2014, rural value levels remained relatively static.

Changes since previous Valuation Year (2014)

All rural property in the Bellinger Valley, from the foothills of the Dorrigo Plateau to the coast, has experienced increases in value in the last twelve months, since the previous valuation year. The main reasons for these increases include historically low interest rate levels, the general desirability of this region given its conducive climate and productive soils, the relatively low level of supply of property, the close proximity of the Regional Centre of Coffs Harbour and the eclectic nature of the Shire based upon its support of alternative lifestyles.

The increases recorded have generally been in the order of 10% with isolated areas showing increases of up to 20%, primarily in the coastal homesite, hobby farm and larger grazing sectors. This has been supported by a slightly reduced volume of reliable sales from the previous year.

Summary of Valuation Changes to Commercial Land

Changes since previous General Valuation (2013)

There has only been relatively small, incremental increases in value experienced in the commercial sectors within this LGA since the last General valuation. There are three main commercial sectors in this LGA being Bellinger, Dorrigo and Urunga, and in each location value levels as well as contributing features and attributes differ.

Changes since previous Valuation Year (2014)

From the prior valuation year there have only been relatively small, incremental changes in the commercial lands within this LGA. These changes have been increases of between 3% and 8%, and have been supported by a slightly increased level of reliable sales volume between 2014 and 2015.

The commercial areas in this LGA are proportionally less developed than the within the surrounding LGA's of Coffs Harbour and Nambucca.

Summary of Valuation Changes to Industrial Land

Changes since previous General Valuation (2013)

There are three distinct Industrial sectors within this LGA being at Dorrigo, Raleigh and Urunga, with the two latter sectors being closely located and similarly aligned in terms of development and values.

There have been only slight changes in value levels across industrial precincts since the last General valuation. There have been very few reliable sale recorded over the last two years, which is reflective of the limited demand in this sector. Over the period 2013 – 2014 there were three reliable sales in the Raleigh Industrial Estate each of which indicated a modest increase in value levels. Subsequent verification of values in the Raleigh and nearby Urunga Industrial areas confirmed the slight value increases.

Changes since previous Valuation Year (2014)

There has been no significant changes in value of property within the Dorrigo Industrial sector since the prior valuation year. There has been no recorded sales from this precinct in the last twelve months, with the last reliable sale occurring in December 2013. This sale property has had some development after it was purchased by a local meat producer, who has constructed a series of cool-rooms on site. Otherwise, development and demand for this sector is static.

There have been no reported sales and no significant value movements in the Raleigh and Urunga Industrial areas over the past year. Current demand is static and rental vacancies remains comparatively low. This is characteristic of the area where a traditionally limited supply of property satisfies an equally limited demand.

Bellingen Shire Council

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Disclaimer – Purpose of this Report

The purpose of this report is to describe the process and considerations for the 1 July 2015 Valuation of Bellingen LGA. The report has been produced on behalf of the Valuer General.

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

Land values must have regard to the 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 used worldwide for rating and taxing purposes to deliver valuations within an acceptable market range.

Town planning, land use and other market information contained in this report has been compiled based on enquiries undertaken during the valuation process. Third parties should make their own inquiries into these details and should not rely on the contents of this report.

The Valuer General disclaims any liability to any person who acts or omits to act on the basis of the information contained in this report.

More information on the valuation process is available from the Land and Property Information website at www.lpi.nsw.gov.au/valuation.

LGA Overview

Location of the District

Bellingen Shire comprises an area of approximately 1,604 square kilometres on the Mid North Coast of New South Wales between Sydney and Brisbane. It is bounded to the north by the Coffs Harbour City Local Government Area (LGA), to the south by Nambucca Shire and to the west by the Armidale Dumaresq and Clarence Valley Local Government Areas. The current population of the Shire is approximately 13,032 people (2014 - Australian Bureau of Statistics).

Bellingen Shire is topographically divided into two primary areas with the western portion comprising the more elevated undulating hills and valleys of the Dorrigo plateau, and the eastern portion dominated by the Bellinger Valley coastal flood plain.

For thousands of years, the Bellinger Valley was inhabited by the Gumbaynggir aboriginal people. The territory of the Gumbaynggir extended from Stuart's Point in the south, across the Dorrigo plateau, to Grafton in the north.

The Bellinger Valley was home to two particular tribes within this nation: The Yellow Rock tribe was able to live a settled lifestyle around the estuary at Urunga, due to the abundance of resources in the area. They would often invite neighbouring tribes to share the resources. These gatherings were also an opportunity to trade and to celebrate. The Upper Bellinger tribe migrated between the valley and the plateau. The extensive mountain ridges were used as their roads according to the relevant seasons and availability of food sources. Tribal boundaries were strictly observed and the Gumbaynggir survived on the supply of resources within their territory. Only abundant foods were hunted and known fauna breeding grounds were treated as sacred.

The Dorrigo Plateau was formed 19 million of years ago by a large volcano located at Ebor. The resultant lava flow covered the area in what are now rich volcanic soils. This area was opened up much later than the coastal areas of the Bellinger Valley, and was originally used as a major source of cedar timber. As the cedar supply diminished other valuable timber was then harvested. This process cleared vast areas of the plateau which was then utilised for stock grazing purposes as the timber industry declined. These strong grazing roots are continued today throughout the LGA.

The Bellinger Valley was initially regarded as wild and inhospitable given the restrictive river mouth and vast rainforest areas. Eventually though, in 1841 a small survey team was sent from Kempsey to discover more about this rich area. This party traversed the valley along both major rivers; the Bellinger and Kalang and later returned to Kempsey to report their discovery. After that, colonisation of the area began.

Principal Towns

The principal towns within the Bellinger LGA are Bellingen, Dorrigo and Urunga. There are a number of villages scattered throughout the Shire including Fernmount, North Dorrigo, Mylestom, Raleigh and Repton. Additionally, there are small rural communities at Bostobrick, Brierfield, Deervale, Fernbrook, Megan and Thora.

Bellingen is located centrally within the LGA and is dissected, roughly in half, by the Bellinger River. The two residential areas comprising the town are north and south of the river. Bellingen has a population of approximately 4,000 people and is the largest urban environment in the LGA. It includes a historic commercial area, Police Station, Court House, Fire Station and Hospital. There is a Primary and separate High School also located within the urban environs of the town.

The town of Dorrigo is located on the Dorrigo Plateau, which is located in the western part of the LGA. This town has a more older and sedate feel than Bellingen, and has an approximate population of 1,200 people. It has a relatively large commercial and industrial precinct. Generally residential development in this town is older than that situated in Bellingen and Urunga. On the outskirts of the town is a site that is owned by the Dorrigo Steam Railway which houses approximately 65 carriages and locomotives dating back to 1855.

Urunga is a small coastal village situated at the confluence of the Bellinger and Kalang Rivers. The town has a population of approximately 3,000 people with a comparatively high proportion of retirees. The local economy is primarily based on tourism but has an expanding residential profile largely influenced by its lower value base and a reduced commuting time to the Regional Centre of Coffs Harbour (approximately 25 Km to the north) following recent Pacific Highway upgrades. At present, the Pacific Highway bisects the township however a bypass is under construction. Development in the town is dominated by older style single residences with a limited quantity of medium density residential units.

Mylestom, Repton and Raleigh are small residential/tourist villages situated on the coastal plain north of Urunga. Mylestom adjoins North Beach and has a particular tourism base while Repton and Raleigh are more small residentially based enclaves catering to local residents.

The villages of Fernmount and North Dorrigo are located away from the coast and are historic remnants of former settlement times. They offer basic services with no operating commercial development. Residential development could best be described as slow to develop in these villages. However, sales regularly occur in both, and the population of each is not considered to be in decline.

Main Industries

Major industries within the Shire include tourism, timber and primary industries such as beef cattle, dairying and legume crops.

The tourism industry is mainly focussed around the coast and the coastal villages. This is at the Mylestom and Urunga localities. However, the Waterfall Way is a major arterial road through the LGA, and the main road from the New England area of New South Wales to the coast. It carries a relatively high traffic volume including tourists which use this road to visit areas such as Dorrigo and Bellingen.

Primary industries are another export from this LGA, and are based upon the high productive nature of most spoils throughout this LGA. These soils coupled with relatively high rainfall and a mild climate mean the Bellinger LGA is highly desired by rural producers. Predominantly these are cattle based, but in the last few years producers of legume crops such as potatoes and beans have also sought to secure property in the LGA, mainly on the Dorrigo Plateau.

The timber industry is primarily based around the large tracts of State Forest land in this LGA. It is regularly logged by private contractors under Forest NSW guidelines. Most of this land is relatively remote and difficult to access; being in the upper reaches of remote valley's.

Significant Retail Centres

There are three main retail centres in this LGA; at Bellingen Dorrigo and Urunga. Each of these centres is subject to localised features and conditions, which makes each one “independent” from each other. The Bellingen and Dorrigo centres have older, historic buildings, whilst the Urunga centre is more modern.

Bellingen has the strongest commercial centre in the Shire and comprises an eclectic mix of traditional retail outlets as well as boutique cafes, art and craft galleries and specialty stores complementary to the alternative lifestyle common amongst residents of the area. It is essentially a strip retail centre extending along Hyde Street, generally between Hill Street and Oak Street. Most buildings in this area range between fifty to over one hundred years old, and the whole Bellingen CBD has a local “heritage” notation.

The Dorrigo commercial precinct is typical of smaller country towns and is centred on the town square at the intersection of Hickory Street and Cudgery Street. It contains a basic level of retail services including two small supermarkets, newsagency, butcher, bakery, take-away food outlets, hotels, real estate agencies, several specialty stores and a full service Post Office as well as a motor vehicle dealership and various agricultural product suppliers.

Urunga commercial centre is generally bounded by Morgo Street, Bonville Street, Newry Street and Bellingen Street. Development generally comprises a mix of older style and more modern single level retail shops, typically with 6.0 to 10.0 metre frontages and includes two small supermarkets, newsagency, butcher, bakery, take-away food outlets, hotels, real estate agencies, various specialty stores and a full service Post Office

Urunga and Bellingen in particular are popular tourist destinations and as such many town businesses are heavily reliant on tourism and derive a significant proportion of their income from this source.

Type of Residential Development

Residential development within Bellingen Shire is primarily contained within the coastal influenced settlements of Urunga and Bellingen and the inland township of Dorrigo. A high proportion of development in these centres comprises privately owned single residences that vary in size, quality, style and construction. Additionally, there are a small number of medium density residential developments, within Urunga and Bellingen townships. The coastal areas have numerous single residences and tourist parks available for holiday accommodation in places such as Mylestom, Repton and Urunga. The township of Dorrigo almost exclusively contains privately owned single residences.

Bellingen’s residential development comprises an even mix of older, Federation style homes, newer conventional designed homes as well as houses of eclectic design features and construction. Residential development in Dorrigo is dominated by older homes from the 1900’s onwards, with a relatively small percentage, approximately less than 20%, being modern conventionally designed and constructed homes. Residential development in villages throughout the LGA is also dominated by older designed and constructed houses.

Urunga township originally developed as a small coastal fishing village and much of the residential development, particularly around the town centre reflects a basic, older style of construction typical of such foundation. Over time the town has evolved and development has expanded concentrically to the west and south. The newest development is within the Bellingen Keys Estate (established late 1990’s) situated off the Pacific Highway at the southern entry to the township. Residences here are of a more substantial, modern style.

The higher end of the Urunga residential market is represented by a number of prestige riverfront allotments situated along Morgo Street, Vernon Street, Old Punt, Rosedale Drive and Burrawong Parade.

A limited quantity of smaller scale medium density residential unit development also exists, particular around the fringes of the town centre.

Urunga, Bellingen and Dorrigo all have full utility service availability including a reticulated town water supply, reticulated sewerage and telecommunication services. The Bellingen Shire also has an extensive range of Government services including two State High Schools (Bellingen and Dorrigo), six State Primary Schools, emergency services including Police, NSW Fire Brigade, Rural Fire Service, SES and Ambulance, two Hospitals (Bellingen and Dorrigo), Council Chambers and administrative office's for various Government Agencies.

Additional community based facilities available within the Shire include various denominational churches, four private primary schools, child care centres, various aged care facilities, sporting clubs, recreational playing fields, parks and reserves, public swimming pools, tennis and squash courts.

State & Local Government Legislation for LGA

Bellingen Local Environmental Plan 2010 was gazetted on the 6th August 2010. Since then there has been six (6) minor Amendments to the Plan.

The Bellingen Local Government Area is governed by the Bellingen Local Environmental Plan 2010. The plan is based on the standardised Local Environmental Plan (LEP) prescribed by the New South Wales Legislation.

The Plan aims to make local environmental planning provisions for land in the Bellingen local Government Area in accordance with the relevant standard environmental planning instrument under Section 33A of the Act.

Bellingen Council has development controls including the Bellingen Shire Development Control Plan 2010 that affects the subdivision and erection of dwellings which impacts on land values. These include;

Zone	Minimum Allotment Size
Residential	600m ² (R1)
	1 Hectare (R5)
Rural	70 Hectares (RU1)
	70 Hectares (RU2)
	70 Hectares (RU3)
	40 Hectares (RU4)
Business	Council consent required
Industrial	Council consent required

Market Overview & Sales of Particular Interest

Residential

Bellingen LGA contains a number of coastal and inland towns and villages, with the majority of development based around Bellingen and the coastal plain. Residential development in this LGA is generally of older construction and design, although this is changing as time passes. The majority of residential properties are single dwellings located in the town and villages throughout the LGA. There is also a significant number of houses situated in rural zones. Density residential development across the LGA is minimal with a small number of properties in Bellingen and Dorrigo, and a slightly greater amount in Urunga. However, this type of development is still considered at low levels compared to surrounding, more intensively developed LGA's.

Bellingen's residential development is a broad mix of older, conventional designs and eclectic designed houses, both of older and newer construction. There is very little newly subdivided residential vacant land in the town and as such newer homes represent a minimal proportion of the market. There is essentially only three areas where vacant sites are still located and of these only one comprises conventional, modern designed homes. The other two have modern homes, but they are of unusual design features in keeping with the town's alternative lifestyle outlook.

In February 2015 a marked increase in value levels was noted within the urban area of Bellingen leading to an approximate 20% increase in value levels over the last year. This increase is not attributed to any single event or feature, but rather a culmination of factors contributing to increased value levels. These include; historically low interest rates resulting in a greater level of willingness to commit by potential purchasers, a relatively limited lack of supply of residential property in Bellingen itself due to a small number of vacant sites within the town, and the traditional keenly desired nature of Bellingen, and the LGA in general. However, there has not been a corresponding significant increase in the sales volume in-conjunction with this value level increase, rather, sales volume over the last twelve months is slightly less than the prior period. The increase in value levels within Bellingen township has been uniform across all residential property and is not related to one location or property standard. Due to this increase, a higher number of sales have been analysed to ensure the integrity of the values when applying the value level increases. This has resulted in approximately 50% of the total reliable sales volume being analysed by Inland Pacific Property Group.

Residential development in Dorrigo also has modern, conventional designed homes at a minimum. This is also due to there being only two small subdivisions having residential vacant land. The majority of residential development in this town is older, established homes, generally built between the 1900's and the early 1980's.

Dorrigo has experienced no changes in residential value levels during the last twelve months. There has been a very slight increase in the amount of reliable sales evidence recorded in this time, however, it has been at prior value levels. Traditionally, increases in residential areas on the lower coastal plain of this LGA are felt in this town on the Plateau at a later date, and there has been some recent indications that value levels may experience some upward pressure in the coming twelve months in Dorrigo.

Urunga, being an older, well established residential locality, has very little remaining vacant land available for new development. Accordingly, the vast majority of sales analysed are of improved properties. Analysis of these sales has shown a consistent increase in values in the order of 5% across most classifications of property, although some prime riverfront properties on Newry Island and in the Bellinger Keys Estate have shown a slightly higher increases ranging up to around 10% over the preceding 12 months.

Across all areas the value levels adopted are well supported by both vacant and improved sales analysis.

Villages

There are a number of villages scattered throughout the LGA which include; Fernmount, North Dorrigo, Mylestom, Raleigh and Repton. Additionally, there are small rural communities at Bostobrick, Brierfield, Deervale, Fernbrook, Megan and Thora.

Value levels in most village areas have also generally experienced incremental, or no, value changes in the last twelve months. An exception to this has been the village of Fernmount, which has seen value levels rise along similar lines to the nearby town of Bellingen. Fernmount is located close to the regional centre of Coffs Harbour and has a prior, relatively low value base, and these two features are considered to be the driving force behind the increases in the last twelve months. Sales volume in this village has slightly decreased from the prior period. The location of this village close to Bellingen, and closer to Coffs Harbour and the coast than Bellingen, are attributing features to the increased value level market.

The coastal influenced villages of Raleigh, Repton and Mylestom are fully development with very little, if any, vacant allotments available for development. Consequently, the analysis of improved sales forms the basis of valuation assessments for the 2015 Valuation Program in these localities. Analysis of these sales has shown a consistent increase in values in the range of 5% to 10% with the higher level being most typical in the coastal village of Mylestom.

Commercial

The Bellingen LGA comprises approximately 180 commercially zoned property across two commercial zones. These properties are divided into three main commercial precincts; in Bellingen, Dorrigo and Urunga. Each of these precincts is different from the other, and geographical locations are far enough away from each other that neither of the precincts can be described as relying on another. The Bellingen commercial precinct is the largest in the LGA, followed by the Dorrigo and then Urunga precincts.

Traditionally the commercial market in this LGA could be described as quiet. There are rarely more than ten sales across the three main commercial precincts in any given year. This low sales volume does not translate to low levels of demand, rather, demand is considered consistently high for quality property, but supply is always lacking. There has been a similar amount of sales volume recorded in the last twelve months as the prior period. However, once again there has been no reliable sales recorded in the Urunga precinct, from which the last reliable sale occurred in 2006. During the last twelve months reliable, recorded sales evidence for these precincts was roughly, equally divided between Dorrigo and Bellingen.

Sales evidence in the last two years has indicated no change in value levels in these areas.

Industrial

There are three distinct Industrial sectors within this LGA being at Dorrigo, Raleigh and Urunga, with the two latter sectors being closely located and similarly aligned in terms of development and values.

There have been no reported sales and no significant value movements in the Raleigh and Urunga Industrial areas over the past year. Current demand is static and rental vacancies remains comparatively low. This is characteristic of the area where a traditionally limited supply of property satisfies an equally limited demand.

The Dorrigo industrial area was “created” when the current LEP was gazetted. This rezoned most of the land from Residential to Industrial in this precinct, however, these sites have had industrial usage for many years. There is traditionally very little annual development for this type of property at Dorrigo. Demand is considered to be at low levels with little prospect of this situation changing in the short term. The most recent development has been over a property that was sold in 2013 where the local purchaser, a meat producer, has recently constructed a cool-room on site, otherwise there has been no change to this area in the last twelve months, and there has been no recorded sales of this land during this time.

Rural Locations within the LGA

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

The LGA has two distinct rural areas; the Dorrigo Plateau and the lower, coastal flood plain. They are separated by vast tracts of State Forest and National Park generally over steep timbered lands.

The Dorrigo Plateau was created from successive basaltic lava flows from a prehistoric shield volcano at Ebor. This Plateau has prime basalt soils in a relatively narrow area generally bordered by the Nymboida River in the west and north, and the Escarpment edge itself in the east and south. The Plateau is generally 1,200 metres above sea level and annual rainfall ranges between 1,500 to 2,500 millimetres. The Plateau is well known for its productive soils, good rainfall and relatively mild climate. The Plateau is approximately twenty kilometres north-west from Bellingen, and sixty kilometres south-west from Coffs Harbour.

Land form across the Plateau varies, but it is generally undulating and is predominantly cleared with remnant rainforest and dry sclerophyll forests remaining. Given the relatively high rainfall there are many creeks traversing the Plateau, joining with the main rivers in the area which include the Bielsdown, Little Murray and Nymboida. The Plateau is actually a catchment for the Clarence River at Grafton, and not for the closer coastal area to the east.

The most common land use is cattle grazing and potatoes. Other land uses include dairying and other legume crops.

The Dorrigo Plateau has a high level of demand in the rural market place. It has gone through significant value changes in the last ten years. During this time rural value levels have generally either increased or remained static and are driven by beef commodity prices to a large degree. These changes have largely been due to an influx of rural producers from other areas that require land for cattle fattening in a more reliable climate. The relatively constant level of demand ensures there are regular recorded transactions for larger rural property on the Plateau. The last twelve months is no different with fifteen recorded rural sales, which is a slight increase on the prior period. However, these recent sales have not indicated value level increases and the rural market has undergone a further period of stabilisation in the last twelve months.

This has been the trend in the last few years, before which there were some relatively large increases in the rural market. It is expected there may be value level increases in the short term if the current beef market continues to improve.

The Lower Coastal Plain of the Bellingen LGA is an area dominated by two rivers flowing through it; the Bellinger and Kalang. Both these rivers start in the upper reaches of two valleys at the base of the Dorrigo Plateau. They run to the east and eventually meet at Urunga where they also join the Pacific Ocean. These rivers have formed reasonably gently undulating flood plains which are bordered by low, timbered hills and ridges. This flood plain area is relatively intensively subdivided, mainly cleared and dominated by cattle grazing.

The rural market across the Lower Coastal Plain is not so reliant on rural commodity prices as the Dorrigo Plateau, and is more influenced by the plain's proximity to large centres such as Coffs Harbour and Nambucca Heads as well as local beaches, that is there are external features assisting the rural market in this area. There are very few viable farms in this area, with owners generally having supplementary income. Given the influencing factors, this area could be expected to have more volatile value levels than the Dorrigo Plateau, however, over the last ten years rural values in this area have not increased or decreased significantly. Generally values have been on an incremental upward trend. This is expected to continue in the short term given the desirable features of this sector.

In the last twelve months there has been a slight decrease in the number of sales recorded for this sector. However, this has occurred at higher levels of demand, resulting in some value level increases. Supply for these types of property can be described as steady but lacking somewhat.

Significant Issues and Developments

Significant Developments – From Prior to Current Annual Valuation

Below is a summary of significant development applications. These are for developments permissible within the current zoning, therefore no special consideration is required.

- 2015/DA-00066. Subdivision - four additional lots. 35 Gordon Street, Raleigh. Decision pending.

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

- 2013/CC-00019. Subdivision for five additional lots. 197 North Bank Road, Bellingen. Approved 17/6/2013.
- 2014/CC-00092. Construction of a Medical Centre and Seniors Housing. 8 Tyringham Road, Dorrigo. Approved 17/10/2014.
- 2014/DA-00129. Subdivision to create 223 lots and associated works. 8138 Pacific Highway, Urunga. Decision pending.

Significant Value Changes

Significant Value Changes – From Prior to Current Annual Valuation

Since the last Base Date in 2014 there have been value level increases experienced in all rural property types on the Lower Coastal Plain of the Bellingen LGA, as well as in the town of Bellingen and village of Fernmount. These increases are due to the regions continued popularity with purchasers, good productive land, and the relative closeness to Coffs Harbour and local beaches.

These increases are summarised as follows;

- Rural zoned lands increased by between 10 and 20% depending on location and rural zoning type.
- The town of Bellingen experienced a uniform increase of 20%.
- The village of Fernmount experienced an increase just over 20%, largely due to the prior, relatively low value base, and the village's easy access and proximity to Bellingen and Coffs Harbour.

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

The only changes to value levels between the prior base date in 2014 and the current Local Government Rating Valuations was a 10% reduction to rural hobby farms and larger rural holdings of 10% on the Lower Coastal Plain.

Overview of the Quality Assurance Process

LPI has been provided with a detailed Valuation Analysis Report, which details the Quality Assurance Process of Inland Pacific Property Group Contractors and outlines the Verification process, and certifies that Land Values meet all Statistical Measures and Component Data Analysis. In addition, a Quality Statement and lists of high value and high risk properties, is also provided in the Valuation Analysis Report. Checks have been undertaken to ensure that all properties have been valued, land values are consistent with each other, land value bases' have been correctly determined, and all concessions and allowances have been supplied. Additionally, properties that had land values amended through the objection or re-ascertainment process were individually examined to reconcile surrounding land values and ensure accuracy of the grading of surrounding land values. Benchmarks and Reference Benchmarks are core elements of the quality assurance processes and are identified and individually valued in accordance with the Rating and Taxing Procedures Manual 6.2.2. Worksheets have been maintained on all properties where calculations are required. We have also ensured that adjustments and assumptions within the market analysis have been based on market evidence and have been fully documented and rationalised.

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