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Final Report
Local Government Area of
Liverpool Plains (301)

BASE DATE: 1 JULY 2015

GOVAL PTY LTD

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TABLE OF CONTENTS

1.	EXECUTIVE SUMMARY	4
1.1.	SHIRE 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.	Business.....	4
1.3.4.	Industrial.....	4
1.3.5.	Rural/Residential	5
1.3.6.	Hobby Farm Market	5
1.3.7.	Rural	5
1.4.	QUALIFICATIONS	5
2.	SHIRE OVERVIEW	6
2.1.	LOCATION	6
2.2.	TOWNS.....	6
2.3.	INDUSTRY.....	7
2.4.	SIGNIFICANT RETAIL CENTRES	7
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	8
2.6.	RESIDENTIAL DEVELOPMENT.....	8
2.7.	NUMBER OF VALUATIONS	8
3.	LEGISLATION CHANGES / DETAILS	9
3.1.	TOWN PLANNING.....	9
4.	SIGNIFICANT ISSUES / DEVELOPMENTS	10
4.1.	GENERAL OVERVIEW	10
4.2.	DEVELOPMENT APPLICATIONS	11
5.	ADDED VALUE OF IMPROVEMENTS	12
5.1.	OVERVIEW.....	12
5.1.1.	Paired Sales Approach.....	12
5.1.2.	Replacement Cost Approach	12
5.2.	SCHEDULE OF PAIRED SALES.....	13
5.2.1.	Paired Sale 1	14
5.2.2.	Paired Sale 2	15
5.3.	ADOPTED RESIDENTIAL ADDED VALUE / COST GUIDE	17
6.	MAIN FEATURES OF THE MARKET & SIGNIFICANT SALES	18
6.1.	MARKET ACTIVITY AND DRIVERS.....	18
6.1.1.	Residential	18

LIVERPOOL PLAINS 2015
GOVVAL Pty Ltd

6.1.2. Business.....18

6.1.3. Industrial.....18

6.1.4. Rural/Residential18

6.1.5. Hobby Farm Market.....18

6.2. SIGNIFICANT SALES.....19

6.3. SUMMARY OF TYPICAL VALUES:19

7. VERIFIED LAND VALUES.....20

7.1. RISK RATING BASIS20

7.2. COMPONENT BASIS.....20

8. OBJECTION & REASCERTAINMENT.....21

8.1. METHOD FOR REASCERTAINMENTS.....21

8.2. METHOD FOR OBJECTIONS.....21

9. STATISTICAL ANALYSIS21

9.1. OVERVIEW.....21

10. SIGNIFICANT VALUE CHANGES22

10.1. CHANGES FROM PREVIOUS YEAR22

10.2. CHANGES FROM LAST GVAL22

11. QUALITY ASSURANCE23

11.1. OVERVIEW.....23

12. DISCLAIMER24

EXECUTIVE SUMMARY

1.1. SHIRE OVERVIEW

The Liverpool Plains Shire is located on the northern side of the Liverpool Ranges. The Liverpool Plains economy is primarily rurally based, although there is mining within the local area. The Liverpool Plains area is regarded as some of the richest black soil in Australia.

1.2. VALUATION SUMMARY

Item	Number
Properties valued this year	4,452
Last local government base date	2013
Total value of properties valued 2013	\$1,431,162,150
Total value of properties valued 2014	\$1,451,812,760
Total value of properties valued 2015	\$1,450,417,120
% Change from 2014 to 2015	0.10 % decrease

1.3. SUMMARY OF CHANGE IN VALUES

1.3.1. Overall Change

There has been a slight decrease of 0.10% for the Liverpool Plains Shire from 2014 to 2015 land values. This is a \$1,395,640 decrease across the Shire which has occurred due to the verification of components and isolated value changes.

1.3.2. Residential

The Quirindi market has been static over the last few years with no detectable movement either way. Sales volumes are similar to slightly less compared to previous years with agents reporting a spasmodic but stable property market.

The Werris Creek market has remained static this year similar to the Quirindi residential market. We are seeing a similar number of transactions with value levels remaining steady. The villages of Currabubula, Willow Tree and Wallabadah essentially have similar value levels for a typical smaller block at somewhere between \$20,000 and \$25,000 which hasn't changed from the prior levels.

The smaller villages such as Blackville, Warra, Carroona, Spring Ridge, Ardglan and Premer always have limited sales evidence with improvements tending to be of an inferior nature compared to the larger villages. The villages have remained static with a factor of 1.0 considered appropriate.

1.3.3. Business

The Quirindi commercial market has indicated static values over the last few years, generally led by owner/occupiers with there being a low level of vacancy. Limited sales evidence this year is making it difficult to give reason for any adjustment.

The Werris Creek commercial market, like the Quirindi market, has had limited sales with no evidence to support an adjustment of values either way. Typically, the values in the Werris Creek commercial are in line with the residential market.

1.3.4. Industrial

The market for industrial property in the Liverpool Plains district is limited with sales evidence for the 2015 base date year indicating static values.

1.3.5. Rural/Residential

Limited sales for the last 12 months with no evidence to suggest any movement in this market.

1.3.6. Hobby Farm Market

The hobby farm market remains slightly active. The market for medium to larger hobby farms remains steady, with no increase evident in values. The existing holding clause has been abolished and landowners will have only a 5 year sunset clause from the gazettal of the last LEP to exercise this right.

1.3.7. Rural

The black soil cultivation country has had few sales, similar compared to previous years with value levels remaining static. The land value for the better black soil country ranges from about \$3,200 to \$5,500 per hectare, depending on location and the quality of the land. The premier properties continue to sell well in this market.

Grazing country in the Liverpool Plains shire has remained static as with the other rural categories across the shire with properties being tightly held and agents reporting longer selling periods. Value levels for grazing country this year have indicated a levelling in values.

Mixed farming which contains areas of both cultivation and grazing has remained static this year with limited sales activity, as with the rest of the shire. Purchasers are cautious at the moment with value levels not looking to be increased in the near future.


Seasonal conditions have improved across the shire for the 2015 Base Date year with strengthening commodity prices.

1.4. QUALIFICATIONS

The executive summary is to be read in conjunction with the valuation information supplied in the following report.



Tom Donoghue
Senior Valuer
GOVVAL PTY LIMITED



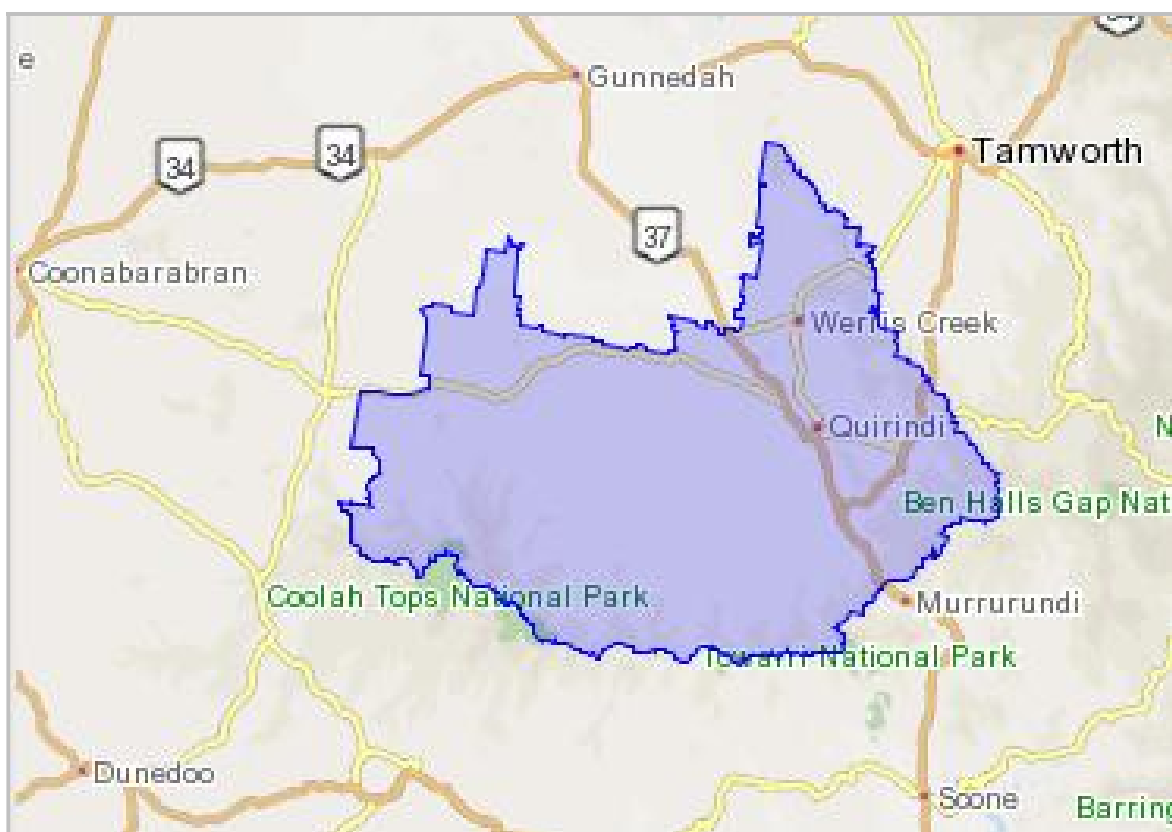
Christina Deans
Contract Services Manager
GOVVAL PTY LIMITED

28th October 2015

2. SHIRE OVERVIEW

2.1. LOCATION

Located 320 kilometres to the northwest of Sydney within the North West Slopes & Plains. Liverpool Plains Shire extends from the top of the Great Dividing Range just north of Murrurundi to Currabubula and west across the Liverpool Plains to the villages of Premer and Mt. Parry.



(Source: ABS 2011 Census QuickStats)

2.2. TOWNS

The Shire is centred on the town of Quirindi which has a population of approximately 3,000 people. The Shire has the Kamilaroi Highway cutting it from East to West along with the New England Highway from North to South. The total Shire population is 7,900.

Other towns in the Shire include Werris Creek and villages comprising Currabubula, Wallabadah, Willow Tree, Ardglenn, Carroona, Spring Ridge, Blackville, Premer and Walhollow.

Quirindi

Quirindi is the hub of the Liverpool Plains Shire. It is located a short distance off the New England Highway, 354 kilometres north of Sydney and 63 kilometres south-west of Tamworth.

Werris Creek

Werris Creek is located 20 kilometres north-east of Quirindi and was Australia's first railway town. The population of Werris Creek is approximately 1,500.

Wallabadah

Wallabadah is located 15 kilometres east from Quirindi. This little township on the New England Highway began to develop in the 1850s although progress stopped when the rail went to its neighbour Quirindi in 1877. Population of around 250.

Willow Tree

Willow Tree is located 18 kilometres south of Wallabadah on the New England Highway. Population of 250.

2.3. INDUSTRY

The Liverpool Plains economy is primarily rurally based, although there is mining and a large timber mill. Agriculture is the main land use in the shire. There is some substantial grazing, mixed farming and irrigation property spread across the Shire with summer and winter crops grown equally as well. Main crops are cotton towards the Breeza Plain, wheat/barley, oats, sorghum, sunflowers and pulse crops. The Liverpool Plains Shire comprises some heavy rich black soil plains contrasted with some basalt ranges.

We also note the expansion of the Coal Mining industry with the Werris Creek mine expanding and the exploration licence granted to BHP Billiton at Caroon and Shenhua Watermark (located further north into the Gunnedah Shire near the village of Breeza).

2.4. SIGNIFICANT RETAIL CENTRES

Being only a smaller rural shire, Liverpool Plains contains no significant retail centres.

2.5. PROPERTY TYPES

2.5.1. Residential

Quirindi has gradually developed to the north of the town with the older areas combining 400 – 4,000m² blocks, with the 1960's and early 1970's development featuring 700 – 900 m² blocks. The better areas of town have blocks in excess of 1,000 m², although the newer residential areas are featuring blocks closer to 800 m².

2.5.2. Commercial

Commercial/Business orientated blocks are limited to the main CBD and areas close by. Blocks are generally 400 – 600 m² and shops range between 100 – 300 m² in size.

2.5.3. Industrial

Industrial blocks range from around 2,000 m² to close to 5ha. There is little in the way of good industrial land.

2.5.4. Rural Residential

There are 2 distinct styles of rural residential, the first being the smaller rural residential close to town which are predominantly 1.2ha – 2ha reflecting the 1.2ha minimum size requirement in the R5 zone. The other is the larger hobby farm market comprising of 2 – 40 hectares with this sector popular due to limited supply.

2.5.5. Rural

The prime first class heavy soil farming country has also been aggregated and although the majority of the blocks were in the region of 400ha the majority of holdings have now been aggregated to form a number of these 400ha parcels. There are significant numbers of lighter soil blocks in the 250ha plus mark with many of these used as more serious hobby farms.

2.6. RESIDENTIAL DEVELOPMENT

Limited residential estates have been developed in the Liverpool Plains Shire over the last 5 years with the major one being the Morning View Estate in Quirindi. All 42 allotments have been sold selling from 2006 through to 2010. The developer is awaiting some more positive press in the mining sector locally before they develop a further 50 plus residential allotments.

An englobo parcel of land on the Gaspard Road on the Eastern fringe of Quirindi is yet to be developed. This property has received DA approval last year for approximately 170 residential allotments. The estate will be known as Seven Hills Estate.

The costs associated with residential development and the value return on residential land within the Liverpool Plains is tight therefore residential development is limited and not actively undertaken at this time. The developer who was responsible for the Morning View Estate (as mentioned above) is also connected with a building company with the ability to make a level of profit from the sales of house and land packages.

2.7. NUMBER OF VALUATIONS

Liverpool Plains comprises the following break-up of valuations (as at 18th September 2015):-

Zoning	Number of Properties
B2- Local Centre	128
B4- Mixed Use	54
E1 - National Parks and Nature Reserves	1
E3- Environmental Management	5
E4 - Environmental Living	4
IN1- General Industrial	35
IN2- Light Industrial	17
R1- General Residential	1,922
R5- Large Lot Residential	210
RE1- Public Recreation	5
RE2- Private Recreation	5
RU1- Primary Production	1,572
RU5- Village	475
SP1 – Special Activities	9
SP2- Infrastructure	10
Total Entries	4,452

3. LEGISLATION CHANGES / DETAILS

3.1. TOWN PLANNING

Local Government Headquarters:	Quirindi
Inquires made of Council:	Tom Donoghue in October 2015.
Planning Instrument:	Liverpool Plains LEP 2011

The Liverpool Plains LEP 2011 was gazette on the 9th December 2011. The plan took over from the Quirindi Local Environmental Plan 1991, Parry Local Environmental Plan 1987, the Murrurundi Local Environmental Plan 1991 and the Gunnedah Local Environmental Plan 1998. They have been the key tools that have shaped growth in the Shire as they set out where housing, commercial and industrial development can occur, provide for rural and agricultural activity and protect areas with special environmental values.

Generally, the changes have been minimal across the shire. The old Murrurundi Shire had a minimum lot size for rural subdivision to 40 hectares. This has been increased to fit with the whole of the shire with designated areas zoned for rural residential subdivision surrounding villages.

The business and industrial zones have remained similar to the previous zones. As have most of the residential zones throughout the shire. There is a sprinkling of properties in and around Quirindi that have changed from a rural zone to a residential zone. Their values have been looked at closely with some changes made to bring into line. The village zones have essentially remained the same.

There has been an Amendment No. 3 to the Liverpool Plains LEP effective from the 10th October 2014. This has affected a number of properties along Whittaker Street moving them from a R1-General Residential Zone to a B4-Mixed Use Zone. Includes PID's 1879912, 1879918, 1879919 and 1879920. A single entry being PID 3402025, 5 Allnutt Street in Quirindi has also been changed from R1 to a B4 Zone. There is an isolated spot re-zoning change along Centre Street towards the North of Quirindi. Includes PID's 1878665, 1878666, 1878667, 1878668 and 1878669. Zoning has changed from R1 General Residential to an IN2 Light Industrial zone. All properties with a zoning change have been verified this year with some slight value adjustments.

Any additional information considered relevant to the valuation process that may impact on value levels within the District will be advised to the LPI on an ongoing basis as part of a monthly progress report.

4. SIGNIFICANT ISSUES / DEVELOPMENTS

4.1. GENERAL OVERVIEW

The 2015 Base Date year has been static indicating similar trends compared to previous years with the main divers in our market, namely rural and mining remaining steady.

Werris Creek coal mine, which is owned by Whitehaven, remains functional and a major employer in the district. The mine is expected to have a further lifespan of twenty years with production of up to 2.5Mtpa.

Liverpool Plains Shire Council has recently been assessed as being “not fit” for the future by the NSW State Government through an IPART assessment. Announcing that the projected population growth of the shire over 15 years is insufficient and will not provide a robust revenue base to leverage off into the future and meet all of the requirements of the community. It has been suggested that an amalgamation with another shire could be a reasonable solution, with Gunnedah Shire being the logical choice. This has been strongly objected to by the community, councillors and local government. It has been taken back to the state government for review.

Securing \$4,825,000 of state government funding has allows the Willow Tree Water Pipeline to be completed. The pipeline taps into the original line on the edge of Quirindi and runs adjacent to the Kamilaroi Highway through to Willow Tree.

Additional local government projects completed in the last 12 months include:

- Construction of Moreduval Lane (Stage 1 @ \$283,000)
- Sealing of Fortune Street Quirindi (\$40,000)
- Sealing of Hill Street Werris Creek (\$40,000)
- Sealing of Coach Street Wallabadah (\$49,000)
- Sealing of Britton Ave Quirindi (\$60,000)
- Sealing of Callagahans Lane Quirindi (\$140,000)
- Bell Park Quirindi path extension (\$82,000)
- Construction of the Quipolly Dam casting wharf (\$50,000)

Work is underway on the following:

- Re-alignment of Lowes Creek Road (\$173,000)
- Sealing of Maitland Street Currabubula (\$50,000)
- Sealing of Railway Street Currabubula (\$85,000)
- Gap Road reconstruction (\$804,000)
- Harrisons Plains Road construction (\$245,000)
- Sealing of Arnold Street Spring Ridge (\$60,000)
- Coonabarabran Road repairs (\$165,000)
- Further works on Moreduval Lane (\$548,000)
- Kerb and gutter repairs (\$80,000)
- Whittaker Street Bridge repairs (estimates being prepared)
- Quirindi Racecourse pathway (\$234,000)
- Culvert and causeway construction throughout the shire (\$230,000)
- Re-sheeting program (\$483,000)
- Heavy pathing program (\$391,000)
- And re-sealing program (\$776,000)

4.2. DEVELOPMENT APPLICATIONS

Liverpool Plains Shire Council have been difficult to work with this year and have said they will only provide information at an hourly rate of \$82/hour.

Based on the information available from the website, there have been 103 DA/CDC approvals determined for the 2015 financial year. This is a similar to last financial year with 105 determined with 111 in the 2012/13 year but an increase from 86 in the 2011/12 year.

5. ADDED VALUE OF IMPROVEMENTS

5.1. OVERVIEW

Improved sales are deduced to establish the land value by deducting the added value of improvements, from the sales price, to arrive at a value as a vacant allotment.

In doing so, we have documented an allowance for the added value of the improvements and/or where appropriate, documented where the improvement have no added value and why this is so e.g. limited function, fair condition etc.

In determining the added value of improvements, whilst the preferred approach is through the use of paired sales analysis, due to the restricted/ low volume of sales of vacant land, in some circumstances we have had to adopt a cost based approach.

5.1.1. Paired Sales Approach

This approach is used where vacant land sales have been insufficient quantity to negate any possibility of a scarcity factor. The land value demonstrated by vacant land sales has been taken from the sale price of improved properties to determine the market's perception of added value for improvements. In turn, the resulting analysis is then applied to other improved sales to illustrate the residual land value.

5.1.2. Replacement Cost Approach

This method has been largely used in our analysis of sales, due to the limited volume of vacant land sales, for use in the paired sales analysis.

This approach is based on the principle that an informed purchaser would pay no more, or no less than the cost to reproduce the property for sale.

These costs are based on buildings of a similar nature to the subject and expressed as a rate/m². Additionally, value judgments concerning improved properties have been made to account for the age, condition and functional obsolescence of any existing improvements.

Sources of Added Value/ Cost Information have been sourced from a number of areas including:

- Rawlinsons Australian Construction Handbook which provides an average cost range of building prices updated quarterly.
- Current market data collected from "To Be Erected" valuations undertaken throughout the year.
- Data from suppliers and contractors.
- Information gleaned from actual costs provided to the firm for valuation purposes.
- Additionally in some circumstances where an improvement is not material, a nominal value has been applied (as opposed to a rate/m²), with this rate again depending on the improvements age, quality and condition.
- In terms of rural improvements:
 - The cost of rural improvements is sourced on property inspections and the base data is also checked with manufacturers and retailers and updated on a regular basis.
 - We have already a significant number of basic rural costing, which have been sourced and stored as a data file. These costings have been updated and added to this year.

- In terms of plant and equipment:
 - Auctions/Clearing sales conducted by this firm.
 - Valuations completed by this firm.

5.2. SCHEDULE OF PAIRED SALES

This approach has been used to analyse the market allowance for the added value of improvements and applied to improved sales to show the residual land value. Unfortunately due to the nature of sales, paired sales estimates are limited. This is mainly attributed to the lack of vacant land sales within the district.

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5.2.1. Paired Sale 1

Address	3 SNAPE ST, QUIRINDI 2343, AID 131107, PID 1879802		
CD: 2014-12-11	PP: 60,000	Area: 965.1 m²	
Sale summary	<p>Vacant residential land located approximately 1.2 kilometres north of the Quirindi CBD. Surrounding development comprises of improved residential dwellings. The subject property is located at the entrance to the new 'Faversham Heights' estate.</p> <p>Services include town water, overhead power, sewer, telephone, street lighting, garbage and postal services. Snape Street is bitumen sealed, kerbed and guttered and provides sound vehicular access.</p> <p>Triangular shaped corner allotment sloping up from the road comprising of chocolate brown soils. Site is cleared and provides a sound building site. Standard residential views.</p> <p>Zoned R1 - General Residential under the Liverpool Plains LEP 2011. No known environmental or development constraints.</p> <p>Sold in an open market transaction by a local agent.</p> <p>Sale has indicated that the previous land value is high and out of line in isolation. This entry has been reduced to bring into line. Surrounding values within this estate have been looked at also.</p>		
Calculations	Sale price	60,000	
	<i>Less</i>		
	Fencing (Colorbond on western boundary)	1,500	
	Analysed LV	58,500	
	Analysed Rate	60.62/m ²	
Address	10 CROMARTY ST, QUIRINDI 2343, AID 132144, PID 1878803		
CD: 20-Mar-2015	PP: 311,500	Area: 980 m²	
Sale summary	<p>Improved residential dwelling that is located approximately 850 metres northwest of Quirindi's CBD, in a locality which is considered to be a good residential area. The surrounding development comprises of medium to larger sized residential dwellings, constructed in the 1950's to 1970's era with some more recent construction evident.</p> <p>Located on Cromarty Street which is a bitumen sealed street with kerb and guttering, which allows for sound vehicular access. There is town water, sewer, power, telephone, street lighting, waste removal and postal services. Residential views to the east overlooking Quirindi.</p> <p>Sloping regular shaped inside allotment situated slightly above road level, with no obvious drainage problems. The property is zoned R1 - General Residential under the Liverpool Plains LEP 2011. Nil environmental constraints or contamination issues are known.</p> <p>Improved with a circa 1960's split level brick veneer and tile four bedroom, two bathroom dwelling with attached double lock up garage under the first floor. Home features split system air conditioning and a front and rear patio area. Other improvements include a two garden sheds, outdoor gazebo and detached workshed. Established lawns and gardens and concrete driveway. Property has Colorbond fencing.</p> <p>Open market transaction sold by local agents Julie Green Real Estate. Analysed sale supports current land value.</p>		
Calculations	Sale price	311,500	
	<i>Less</i>		
	Dwelling (Brick veneer and tile)	170 m ² @ 1,100/m ²	187,000
	Outdoor area	38 m ² @ 450/m ²	17,100
	Garage	40 m ² @ 500/m ²	20,000
	Workshed	25 m ² @ 200/m ²	5,000
	Gazebo		5,000
	Ground improvements		12,000
	Garden sheds		2,500
	Analysed LV		62,900
Analysed Rate		64.18/m ²	
Comments	<p>3 Snape Street is located within one of the better residential areas of Quirindi about 1.1 kilometres to the north of Quirindi's CBD. The sale of 10 Cromarty Street is a well maintained but dated circa 1960's brick veneer and tile dwelling with a main living area of 170m². The sale of this property has indicated an analysed rate of \$1,100 per/m² for the main living area. The rate reflects the age, condition and size of the home.</p> <p>3 Snape Street is a slightly smaller allotment indicating a rate of \$61/m². 10 Cromarty Street indicates a slightly higher rate of \$64/m². Overall similar.</p>		

LIVERPOOL PLAINS 2015

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5.2.2. Paired Sale 2

Address	3 SNAPE ST, QUIRINDI 2343, AID 131107, PID 1879802		
CD: 2014-12-11	PP: 60,000	Area: 965.1 m²	
Sale summary	<p>Vacant residential land located approximately 1.2 kilometres north of the Quirindi CBD. Surrounding development comprises of improved residential dwellings. The subject property is located at the entrance to the new 'Faversham Heights' estate.</p> <p>Services include town water, overhead power, sewer, telephone, street lighting, garbage and postal services. Snape Street is bitumen sealed, kerbed and guttered and provides sound vehicular access.</p> <p>Triangular shaped corner allotment sloping up from the road comprising of chocolate brown soils. Site is cleared and provides a sound building site. Standard residential views.</p> <p>Zoned R1 - General Residential under the Liverpool Plains LEP 2011. No known environmental or development constraints.</p> <p>Sold in an open market transaction by a local agent.</p> <p>Sale has indicated that the previous land value is high and out of line in isolation. This entry has been reduced to bring into line. Surrounding values within this estate have been looked at also.</p>		
Calculations	Sale price	60,000	
	<i>Less</i>		
	Fencing (Colorbond on western boundary)	1,500	
	Analysed LV	58,500	
	Analysed Rate	60.62/m ²	
Address	13 PETER COOTE ST, QUIRINDI 2343, AID 131119, PID 3326180		
CD: 2014-11-20	PP: 263,000	Area: 900 m²	
Sale summary	<p>Property improved with a circa 2008, four bedroom, two bathroom dwelling of brick veneer and tile construction. Located in a cul-de-sac in a subdivision completed approximately ten years ago. Surrounding development consists of similar dwellings with an undeveloped parcel of land owned by the developer, located in close proximity. Subject property is in the Northern residential area of Quirindi and adjacent to the Werris Creek Road.</p> <p>Peter Coote Street is bitumen sealed, kerbed and guttered and provides sound vehicular access. Services include power, sewer, town water, street lighting, telephone, post and waste removal.</p> <p>Irregular shaped allotment in a cul-de-sac located at road level. Chocolate to black reactive soil block with standard residential views.</p> <p>Zoned R1 - General residential under the Liverpool Plains LEP 2011. No know environmental or development constraints.</p> <p>Sold in an open market transaction by Ray White Real Estate.</p> <p>Property previously sold in April 2012 for \$285,000. There has been some buyer resistance within this subdivision, due to the structural movement taking place within many surrounding homes. The decrease in price achieved for the current sale support this buyer reluctance. We have altered the values across this subdivision with most allotments having a land value reduction of approximately \$10,000 from the previous LV. This analysed sale and the sale of PID 1879802 supports the reduction.</p>		
Calculations	Sale price	263,000	
	<i>Less</i>		
	Dwelling (Brick veneer & tile)	170 m ² @ 1,025/m ²	174,250
	Garage	36 m ² @ 400/m ²	14,400
	Fencing		2,500
	Landscaping and ground improvements		6,000
	Analysed LV	65,850	
	Analysed Rate	73.17/m ²	
Comments	<p>3 Snape Street is located within one of the better residential areas of Quirindi about 1.1 kilometres to the north of Quirindi's CBD. The sale of 13 Peter Coote Street is a circa 2008 brick veneer and tile dwelling with a main living area of 170m². The sale of this property has indicated an analysed rate of \$1,025 per/m² for the main living area. The rate reflects the age, condition and size of the home.</p> <p>3 Snape Street is a slightly larger allotment indicating a rate of \$61/m². 13 Peter Coote Street indicates a higher rate of \$73/m². Peter Coote Street is considered slightly superior.</p>		

LIVERPOOL PLAINS 2015

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5.2.3 Paired Sale 3

Address	32 JAEGER AVE, GUNNEDAH 2380, AID 131767, PID 1850597		
CD: 2015-02-20	PP: 45,000	Area: 676 m²	
Sale summary	<p>Gently sloping vacant residential regular shaped red to brown clay soil allotment located at road level providing a sound building site with no obvious drainage problems. Allotment is located 2 kilometres south west of the CBD of Gunnedah. Surrounding development comprises of similar sized allotments with dwellings of fibrous plaster and weatherboard dwellings, interspersed with some brick developments. The property has access off the bitumen sealed Jaeger Avenue and all town services connected including town water, telephone, power, sewer, street lighting and garbage collection.</p> <p>Previously improved with a dwelling that had been burnt down in the last 2 years. Considered a lower socio economic area with higher crime rates in Gunnedah.</p> <p>Zoned R2 Low Density Residential under the Gunnedah LEP 2012. Single residential use is permitted. No known environmental or development constraints.</p> <p>We have applied a sale adjustment of \$1,000 for the cleanup of the site with damaged fencing minor building material still on site. With adjustment made, sale supports the current land value. No details on the sale conditions, assume conducted privately.</p>		
Calculations	Sale price	45,000	
	Less		
	<i>Plus sale adjustments</i>		
	Clean up cost with damaged fencing	1,000	
	Analysed LV	46,000	
Analysed Rate	68.05/m ²		
Address	42 JAEGER AVE, GUNNEDAH 2380, AID 132135, PID 1850600		
CD: 2014-09-25	PP: 170,000	Area: 714.5 m²	
Sale summary	<p>Gently sloping improved irregular shaped corner residential allotment with red to brown clay soils located at road level providing a sound building site with no obvious drainage problems. Allotment is located 2 kilometres south west of the CBD of Gunnedah. Surrounding development comprises of similar sized allotments with dwellings of fibrous plaster and weatherboard dwellings, interspersed with some brick veneer dwelling. The property has access off the bitumen sealed Heiler Street and all town services connected including town water, telephone, power, sewer, street lighting and garbage collection. Considered a lower socio economic area with higher crime rates in Gunnedah.</p> <p>Zoned R2 Low Density Residential under the Gunnedah LEP 2012. Single residential use is permitted. No known environmental or development constraints.</p> <p>Property improved with a circa 1950's 3 bedroom single bathroom brick veneer and tile dwelling with attached double lock up garage and attached entertaining area. Home features evaporative air conditioning and split system air conditioning. Property has a concrete driveway and steel mesh fencing. Established lawns.</p> <p>Property sold in an open market transaction by Ewing real estate. Sale supports current land value.</p>		
Calculations	Sale price	170,000	
	Less		
	Dwelling (Brick veneer and tile)	107 m ² @ 900/m ²	96,300
	Double lock up garage	44 m ² @ 250/m ²	11,000
	Outdoor entertaining area	36 m ² @ 200/m ²	7,200
	Ground improvements (Concrete driveway, fencing and lawns)		10,000
	Analysed LV	45,500	
	Analysed Rate	63.68/m ²	
Comments	<p>32 Jaeger Ave is located within a lower socio economic residential area about 2 kilometres to the south of Gunnedah. The sale of 42 Jaeger Avenue is an older circa 1950's brick veneer and tile dwelling with a main living area of 107m². The sale of this property has indicates an analysed rate of \$900 per/m² for the main living area with the home presenting in average condition. The rate reflects the smaller size of the home.</p> <p>32 Jaeger Ave is a slightly smaller allotment indicating a rate of \$68/m². 42 Jaeger Ave indicates a slightly lessor rate of \$64/m². Overall similar on a block value basis.</p>		

LIVERPOOL PLAINS 2015

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5.3. ADOPTED RESIDENTIAL ADDED VALUE / COST GUIDE

From an analysis of market data of building quotes and paired sales along with reference to Rawlinsons Australian Construction Handbook, the following table illustrates a summary of the average range of costs for different construction types by age.

Residential Added Value Guide						
Age	Construction	Condition	Size		Added Value	
2000-2015	Brick / Brick Veneer	Basic - Prestige	90	350	\$ 1,000	\$ 3,840
1980-2000	Brick / Brick Veneer	Basic - Prestige	90	350	\$ 850	\$ 1,350
1960-1980	Brick / Brick Veneer	Basic - Prestige	90	350	\$ 750	\$ 1,250
2000-2015	Weatherboard/Iron	Basic - Prestige	90	350	\$ 1,100	\$ 2,660
1980-2000	Weatherboard /Iron	Basic - Prestige	90	350	\$ 1,000	\$ 1,250
1960-1980	Weatherboard /Iron	Basic - Prestige	90	350	\$ 800	\$ 1,250
1940-1960	Weatherboard /Iron	Basic - Prestige	90	350	\$ 700	\$ 1,500
1900-1940	Weatherboard /Iron	Basic - Prestige	90	350	\$ 500	\$ 1,250
2000-2015	Fibro/Iron	Basic - Prestige	90	350	\$ 1,000	\$ 1,250
1980-2000	Fibro/Iron	Basic - Prestige	90	350	\$ 900	\$ 1,150
1960-1980	Fibro/Iron	Basic - Prestige	90	350	\$ 750	\$ 1,150
1940-1960	Fibro/Iron	Basic - Prestige	90	350	\$ 650	\$ 1,150
1900-1940	Fibro/Iron	Basic - Prestige	90	350	\$ 550	\$ 1,150

6. MAIN FEATURES OF THE MARKET & SIGNIFICANT SALES

6.1. MARKET ACTIVITY AND DRIVERS

6.1.1. Residential

The Quirindi market has been static for the last 5 to 6 years with no detectable movement from the peak back in 2009. There have been similar sale numbers to last year with agents reporting mixed demand however values are maintaining. The Quirindi market is generally a localised market and has been slightly affected by the slower than anticipated mining influence that was predicted to take place this year and early into next year. Shenhua Watermark at Breeza and BHP at Caroonna are both moving slowly towards starting their respective coal mines. When these projects do eventuate, they should have a positive influence on the local property market.

The Werris Creek market has remained static this year similar to the Quirindi property market. We are seeing a similar number of transactions with value levels remaining similar to last year. The villages of Currabubula, Willow Tree and Wallabadah essentially have similar value levels with a typical smaller block at somewhere between \$20,000 and \$25,000 with little change from the prior levels.

The smaller villages such as Ardglen, Blackville, Warra, Caroonna, Spring Ridge and Premer always have limited sales evidence with improvements tending to be of an inferior nature compared to the larger villages. The villages have remained static with a factor of 1.0 considered appropriate.

6.1.2. Business

The Quirindi commercial market has indicated static values over the last few years, generally led by owner/occupiers with there being a low level of vacancy. Limited sales evidence this year is making it difficult to give reason for any adjustment.

The Werris Creek commercial market like the Quirindi market has had limited sales with no evidence to adjust values either way. Typically, the values in the Werris Creek commercial are in line with the residential market.

6.1.3. Industrial

The market for industrial property in the Liverpool Plains is limited with the sales evidence for the 2014 base date year indicating static values.

6.1.4. Rural/Residential

Limited sales for the last 12 months with no evidence to suggest any movement in this market.

6.1.5. Hobby Farm Market

The hobby farm market remains slightly active. The market for medium to larger hobby farms remains steady, with no increase evident in values. The existing holding clause has been abolished and landowners will have only a 5 year sunset clause to exercise this right from the gazettal of the 2011 LEP.

LIVERPOOL PLAINS 2015

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6.2. SIGNIFICANT SALES

There have only been 9 confirmed arm's length sales above \$1,000,000 for the 2015 Base Date year which is similar for the same period last year. All of these sales are of rural properties with one of them being purchased by a company owned by Gerry Harvey. The mine related purchasers and overseas money has steadied with little to no activity from these dominate buyers from the past.

6.3. SUMMARY OF TYPICAL VALUES:

Component	Property & Type	Median Value
AWT	Residential Willow Tree	\$25,200
AWC	Residential Werris Creek	\$36,000
AQW	Residential Quirindi West	\$55,900
IND	Industrial Quirindi & Werris Creek	\$14/m ²
BQU	Quirindi Business	\$90/m ²
RBS	Black soil slopes and plains	\$4,000/ha
RMF	Rural Mixed Farming and Grazing	\$2,900/ha
RGR	Rural Grazing	\$1,750/ha

LIVERPOOL PLAINS 2015

GOVVAL Pty Ltd

7. VERIFIED LAND VALUES

7.1. 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		0	0
1	CONTAMN		1	1
1	ENGLOBO		2	2
1	MINE		2	2
1	HIGHVALU		32	32
1	BENCHMRK		97	97
1	OBJECT		2	2
1	ANLYSALE		115	115
			251	251
				100%
2	COMMERCE		162	44
2	INDUSTRY		33	6
2	RURAL		994	545
2	HERITAGE		55	26
2	LVBASIS		124	14
2	ALLOWNCE		16	16
			1391	651
				46.8%
3	RESIDENT		2804	982
3	OPNSPACE		7	6
			2811	988
				35.1%

7.2. COMPONENT BASIS

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

Code	Zone	Description	Review Date
AQW	R1	QUIRINDI RESIDENTIAL – WESTERN SIDE OF RAILWAY LINE	13-03-15
BMU	B4	QUIRINDI BUSINESS MIXED USE	31-03-15
RLG	RU1	RURAL LAKE GORAN	18-05-15
RFL	RU1	RURAL FARMLETS OVER 10 HECTARES	31-05-15
RMF	RU1	RURAL MIXED FARMING AND GRAZING	31-05-15
CCR	RU1	COAL MINES	24-07-15
PRI	RE2	PRIVATE RECREATION	24-07-15
RLL	R5	LARGER LOT RESIDENTIAL	24-07-15
SPA	SP1	SPECIAL ACTIVITIES	24-07-15
SPB	SP2	INFRASTRUCTURE	24-07-15
MNS	RU1	MINES	28-08-15

8. OBJECTION & REASCERTAINMENT

8.1. 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.

Our methodology used is demonstrated below, whereby a selected number of properties both within the towns and villages, have been used to support the vacant land sales.

8.2. 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.

9. STATISTICAL ANALYSIS

9.1. 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 within the statistical requirements as set out in the procedures manual.

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

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. All zones are within the statistical requirements.

10. SIGNIFICANT VALUE CHANGES

10.1. CHANGES FROM PREVIOUS YEAR

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

PID	COMMENTS
3273202	Value has been reduced from \$70,000 to \$35,000 after verification. Subject properties previous LV high and out of line with surrounding entries. See supportive sales evidence of the superior PID's 1879802 and 3418202.
3273203	Value has been reduced from \$70,000 to \$35,000 after verification. Subject properties previous LV high and out of line with surrounding entries. See supportive sales evidence of the superior PID's 1879802 and 3418202.
3273204	Value has been reduced from \$70,000 to \$35,000 after verification. Subject properties previous LV high and out of line with surrounding entries. See supportive sales evidence of the superior PID's 1879802 and 3418202.
3273205	Value has been reduced from \$70,000 to \$35,000 after verification. Subject properties previous LV high and out of line with surrounding entries. See supportive sales evidence of the superior PID's 1879802 and 3418202.
3273206	Value has been reduced from \$70,000 to \$35,000 after verification. Subject properties previous LV high and out of line with surrounding entries. See supportive sales evidence of the superior PID's 1879802 and 3418202.
3273207	Value has been reduced from \$70,000 to \$35,000 after verification. Subject properties previous LV high and out of line with surrounding entries. See supportive sales evidence of the superior PID's 1879802 and 3418202.
3279128	Value has been reduced from \$70,000 to \$38,000 after verification. Subject properties previous LV high and out of line with surrounding entries. See supportive sales evidence of the superior PID's 1879802 and 3418202.
3322127	Value has been increased from \$34,900 to \$50,000 after verification. Subject properties previous LV low and out of line with surrounding entries. See supportive sales evidence of PID's 1879802 and 3418202.
3326146	Increase in value after verification. Site is owned by council and is currently parkland. Does hold a dwelling entitlement under the current zoning. Value has been increased to reflect highest and best use. Supportive sales evidence of PID 1879802.
1873711	Drop in LV due to no building entitlement after verification. Property is heavily timbered. Supported by the sale of PID 2653127.
1879727	Increase to LV after verification. Previous land value too low. See sales along Ray Carter Drive to support value and the sales of PID 3079331 and 3079330.
3349848	Increase in land value after verification. Previous land value too low. Increased from \$154,000 to \$230,000. Supportive sales include PID's 3482499 and 3781754.

10.2. CHANGES FROM LAST GVAL

It is not a General Valuation year for this LGA.

11. QUALITY ASSURANCE

11.1. 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

12.DISCLAIMER

The purpose of this report is to describe the process and considerations for the 1 July 2015 General Valuation of Liverpool Plains. 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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28th October 2015