



CENTRAL COAST FINAL REPORT

2018

Prepared for:

Department of Finance, Services and Innovation
Valuation Services

November, 2018

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EXECUTIVE SUMMARY

The Central Coast Council Local Government Area (LGA) comprises 126,237 properties valued for the 2018 program.

Zone Totals

Zone	2018 LV	2017 LV	General LV	% change	Band	Trend
Residential	\$48,326,952,231	\$43,099,599,861	\$36,519,056,530	12.13	3	Strong increase
Commercial	\$1,664,368,510	\$1,502,553,720	\$1,419,463,890	10.77	3	Strong increase
Industrial	\$1,077,638,510	\$882,057,210	\$782,893,020	22.17	3	Strong increase
Rural	\$1,497,874,300	\$1,355,143,400	\$1,188,653,973	10.53	3	Strong increase
LGA	\$57,175,106,134	\$50,950,766,482	\$43,607,650,785	12.22	3	Strong increase

Component Exceptions

Zone code	Comp code	Comp description	Comp count	Comp calc count	% change	Band	Trend
B2	GBK	East Gosford B2	63	63	4.82	1	Slight increase
B2	GBM	Terrigal B2	62	62	3.39	1	Slight increase
B2	WBG	THE ENTRANCE B2	116	116	3.66	1	Slight increase
B5	GBX	Erina B5	80	80	3.94	1	Slight increase
IN2	WNJ	TUGGERAH IN2	171	171	46.74	5	Very strong increase
R1	WFB	BLUE BAY TOOWOON BAY (THE ENTRANCE) R1	544	544	4.69	1	Slight increase
R1	WFH	MARDI TUGGERAH R1	1155	1155	-.23	0	Steady
R1	WWB	SOUTH SHIRE WATERFRONT R1	61	61	-.02	0	Steady
R2	GGB	Lisarow east of rail R2	848	848	0	0	Steady
R2	GHB	Davistown R2	661	661	5	1	Slight increase
R2	GHW	Wamberal north of Ocean View Dr R2	805	805	4.91	1	Slight increase
R2	GWC	Woy Woy	162	162	.15	0	Steady
R2	GWO	Patonga	91	91	4.63	1	Slight increase
R2	WGL	MARDI R2	193	193	0	0	Steady
R2	WHK	THE ENTRANCE NORTH R2	78	78	-1.68	0	Steady
R2	WWR	NORAVILLE NORAH HEAD THE ENTRANCE NORTH BLUE BAY WATERFRONT	139	139	4.31	1	Slight increase
RU1	GRC	Kulnura Mangrove RU1	383	383	3.17	1	Slight increase

**General Overview** ↑**Trend – Strong increase**

There was a strong increase in land values in the Central Coast local government area between 2017 and 2018. The increase in land values was consistent across all market segments. The land value increases were largely driven by strong local demand and competition from out of area buyers, and affordability of land compared with the nearby Sydney market for similar property. Continuation of a strong supply and increase in new subdivision home sites in the Warnervale release area at the north end of the LGA. This location has very good accessibility to the M1. Increased residential unit development in and around Gosford CBD has provided a steady stream of new property to the market throughout the year. Continuing main road upgrades improving access and commuter times to Sydney and throughout the region. The Pacific Highway to Wyong Rd upgrade at Tuggerah was completed this year, with the upgrade through Lisarow to Ourimbah near complete. Road works in progress to further improve travel times and accessibility include the NorthConnex tunnel, and M1 widening between Kariong and Somersby, and Tuggerah to Doyalson.

Residential Overview ↑**Trend - Strong Increase**

There was a strong increase in residential land values across the Central Coast. Increases were driven by the commuting proximity to Sydney, with the relative affordability allowing owners and investors to move from Sydney to enter the market, placing competitive pressure on local buyers and supporting the increases in land values.

The development of land in new housing estates continued to provide a low base for entry level buyers, while there was high demand for a limited supply of homes for sale in established areas. All residential density development land values increased strongly. As a generalisation exceptions, of only steady to slight increase, have demonstrated a consistent strong increase for a number of preceding years in comparison to many locations. Their trend for 2018 suggesting their value increases having peaked.

Commercial Overview ↑**Trend - Strong Increase**

There was a strong increase in commercial land values in the Central Coast local government area. This can be supported with reference to continuing low interest rates, increased demand, improved returns and rents. This in comparison to the returns on investment in the greater Sydney market. Commercial investments being more affordable in this region than Sydney. State and Federal government support in the region, including infrastructure spending on roads, near completion of major capital works in building new Gosford hospital and government service relocation, tax office, have encouraged increased confidence in this market. Exceptions to the strong increase is limited to two high profile tourist destinations, Terrigal and The Entrance, and two local high profile retail locations Erina and East Gosford. The features consistent of this group has been, tightly held ownership, limited sales activity, consistent growth over a longer period, and as a generalisation historically strong value levels and returns, in comparison to the broader local market.

Industrial Overview ↑**Trend – Strong increase**

There was a strong increase in land values for industrial land in the Central Coast local government area, driven by low interest rates, increased demand, and improved returns and higher rents that continued to support the increased land values across this segment. This segment offers increased affordability over the Sydney market equivalent and good proximity to the major road link M1. There is a good supply of building land with good proximity to the main road network. The exception to the strong increase has been the very strong increase recorded in the Tuggerah location. Features of this location include proximity to M1 and local main road Pacific Highway, a centralised location within the Central Coast region. These features make the location highly accessible from within and from outside the region.

Rural Overview ↑**Trend - Strong Increase**

There was a strong increase in rural land values across the Central Coast local government area. This market segment was dominated by lifestyle rural-residential supply and demand. There was high demand and strong increases in land values for rural-residential land along the coastal strip and on Hawkesbury River, and for land for hobby farms, horses, poultry, orchards and market gardens. Accessibility to the Sydney–Newcastle freeway and value for money compared with the nearby Sydney market also increased demand for this type of property from out of area buyers. The exception to this trend has been the hinterland locations of Kulnura, Central Mangrove and Mangrove Mountain, where the trend has been for only a slight increase. These are held in a single component and comprise some of the most distant locations from M1 and coastal accessibility.



Disclaimer – Purpose of this Report

This report has been prepared on behalf of the Valuer General. The purpose of this report is to provide an overview of the valuation program for the 1 July 2018 valuation in the Local Government Area of the Central Coast.

To make a land valuation, regard must be had to the requirements and assumptions set out in rating and taxing legislation, such as the Valuation of Land Act 1916 (NSW). Land values are also determined by the rules set out in the “Rating and Taxing Valuation Procedures Manual”. The manual permits large numbers of properties to be assessed using mass valuation methodologies.

Although mass valuation methodologies may be less accurate than individually assessed land valuations, they are routinely used across the globe to deliver land valuations for rating and taxing purposes that are within an acceptable range of variation. Consequently, land valuations from the Valuer General may vary from an individually assessed market valuation for a parcel of land. All land valuations are, however, subject to a risk based verification process which ensures each parcel of land is individually reviewed periodically.

Whilst the content of this report has been prepared with all due care and skill, the Valuer General does not warrant that it is complete or free from error.

During the valuation process, information is compiled from third party sources, such as information relating to town planning, land use, zoning and other market related information. The Valuer General is not responsible for, and makes no warranty in relation to, the accuracy, currency, reliability or completeness of that information. Readers are directed to contact the source of the information.

The land values made in accordance with the valuation program have been made for rating and taxing purposes only, therefore, the land values should not be used for any other purpose. No reliance should be made on the contents of this report. To the extent permitted by law, the Valuer General disclaims all liability to any person(s) who relies on, or uses, any information contained in this report.

More information on the valuation process is available from the Valuer General’s website at www.valuergeneral.nsw.gov.au/land_values.



LGA Overview

Central Coast Local Government Area

Central Coast Council area comprises an area of 1,680 square kilometres. The regional area commences on the northern shore and entrance to Broken Bay, extending along the northern shore of the Hawkesbury River to Wisemans Ferry, on the Tasman Sea coastline north to Munmorah State Conservation area (south of Catherine Hill Bay), inland to the southern shore of Lake Macquarie, continuing inland to include the Olney State Forest, to Bucketty on George Downes Dr (the southern extreme of the Hunter Valley region) then south through the McPherson State Forest returning to Hawkesbury River.

Approximately 95 per cent of the population lives in settlements east of the Sydney – Newcastle M1 Motorway.

The Central Coast Council area is located on the coast of New South Wales approximately 75 kilometres to the north of the Sydney central business district. It was formed on 12 May 2016 by the merger of the former council areas of Gosford and Wyong.

Central Coast Council comprises a land area of approximately 1,680 square kilometres that predominantly includes undulating coastal land and escarpment lands of the coastal hinterlands. The local government area (LGA) adjoins four other LGAs – Lake Macquarie & Cessnock Councils to the north, Hawkesbury Council to the west and Hornsby Council to the south being on the southern banks of the Hawkesbury River.

Important Statistics: ¹	Population 339,196 (ABS ERP 2017)	Land area 168,042 hectares (1,680km ²)	Population density 2.02 persons per hectare
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The Central Coast Council Local Government Area (LGA) comprises 126,237 properties valued for the 2018 program. These properties are spread across the standardised zones of business, industrial residential, rural, environmental, special use, recreation and waterways. In addition to the standardised zones of the Gosford LEP there is also included the zone 'Deferred Matter'. Land referred to as 'Deferred Matter' under the LEP remain subject to the planning controls of Gosford Planning Scheme Ordinance and Interim Development Order 122.

There have been widespread increases across the zones most sought after for residential purposes, including, residential, rural and environmental. Strong increases recorded across the business and industrial zones. The region is characterised as having a predominately residential property land use base and offers a diverse range of residential options. These range from beachside, waterside and traditional suburban settings to non-urban rural residential lifestyle properties. Business and industrial zones development is substantially support to the local population however does include a range of national suppliers.

¹ <https://profile.id.com.au/central-coast-nsw>



Principal Towns

Gosford

Gosford, located on the northern shore of Brisbane Water, is the gateway city to the region. It is a major public transport hub with rail and bus interchange and direct road links to Sydney and all other areas within the region. State government departments and agencies with offices in Gosford include a regional office of the Premier and Cabinet, Centrelink, Department of Fair Trading, the Head Office of NSW WorkCover Authority and an office of the Australian Tax Office. Additional significant facilities in or adjoining include Gosford Hospital, a major provider of health services in the region, Central Coast Council (Gosford) administration offices are located in the CBD, and the 20,000-seat capacity Central Coast stadium home to the Central Coast Mariners. Surrounding the CBD is medium to high-density residential precincts and the substantial bushland Rumbalara Reserve.

Erina

Erina situated on the Central Coast Highway, the main arterial road to the Region's beaches, and is 5.5 kilometres east from Gosford. Within the Erina business area is the regional shopping centre Erina Fair, commercial and retail developments and a light industrial area. Surrounding the business precinct is a low-density residential precinct that includes a number of substantial retirement villages.

Woy Woy

Woy Woy is situated on the southern shores of Brisbane Water and is a retail and commercial centre servicing the Peninsula district, and in addition provides the districts public transport hub with rail, bus and ferry services converging to service the area. Surrounding Woy Woy is low to medium density residential development, and extensive stretches of Brisbane Water and national park.

Somersby and West Gosford

Somersby and West Gosford are principal suburbs representing industrial development. Features of Somersby include adjoining to and direct access to Sydney/Newcastle M1 Pacific Motorway, availability of large land area sites and some restriction on lands due to environmental and cultural heritage issues. West Gosford is the gateway to Gosford with good main road access, exposure and restricted land availability for future development.

Wyang

Wyang is the principal town for the northern part of the region and as such hosts the principal commuter road/rail interchange for the northern end of the region, the northern administrative offices of Central Coast Council, a regional arts facility, courthouse and police offices. The central business district of Wyong provides a select range of retail and commercial services in support of the regional offices and facilities located therein. As a retail destination, it is secondary to the regional shopping centre Westfield's Tuggerah located 3 kilometres to the south.

Warnervale

The district of Warnervale, located within 6 kilometres north from Wyong CBD, is the emerging location for greenfield suburban and employment zone development. Emerging suburbs of Hamlyn Terrace and Woongarra are well established yet still include significant tracts of residential zoned englobo lands. The Warnervale Employment Zone (WEZ) centres on 340 hectares of industrial zoned land with access to the major arterial road, the M1 Motorway, between Sydney and Newcastle. The Warnervale Town Centre precinct is to host a new railway station and transport interchange, substantial commercial/retail precinct and provide a range of housing options from medium to high density.



Main industries

The Central Coast economy comprises a large number of small and medium sized businesses. At the smaller end there are a significant number of micro businesses and home based businesses, many of which service local markets. There are few large employers. The larger employers included the health service, State and local government, several manufacturers, food processors, logistics and distribution centres, construction, clubs, resorts, call centres, large retailers and the education sector (schools, university and TAFE). The region has been successful in attracting larger businesses in manufacturing, food processing and logistics, with these businesses being part of national or global enterprises.

Significant retail centres

Gosford CBD features a wide range of commercial services and retail uses but also includes development of regional significance such as the Gosford offices of Central Coast Council, Gosford Public Hospital, the region's premier sporting facility, Central Coast Stadium, a major rail and road public transport interchange and the focus of the premium commercial office space supply. The presence of both the public and substantial private hospitals makes Gosford a major centre for health services.

Wyong CBD comprises a more traditional and older in style commercial and retail precinct, but does include development of regional significance including the Wyong offices of Central Coast Council, a regional arts facility, courthouse and police offices and a major rail and road public transport interchange.

The LGA has two major regional shopping centres, Erina Fair and Westfield's Tuggerah. Additional significant sub-regional retail centres exist within principal suburbs of Woy Woy, Kincumber, Bateau Bay and Lake Haven.

Terrigal, Avoca Beach and The Entrance are significant tourist retail centres providing a range of holiday accommodation, dining alternatives, and gift and boutique retail outlets.

Type of residential development

The majority of residential development is concentrated along the coastal strip, around the inland waterways of Brisbane Water and Tuggerah Lakes, and nearby hinterlands. Adjacent and inland to the coastal suburbia and as a generalisation west of the M1 motorway is the rural residential lands comprising hinterland plateaus and valleys. The most western part of the region comprises extensive tracts of national park, bushland and water catchment. Land area developed for residential purposes comprises a relatively small percentage against the total land mass for the LGA. A wide variety of residential home formats is available across the broader region. A majority of residential development comprises single and two-storey detached dwellings.

Medium density villa and townhouse development is well represented in designated zoned locations. As a generalisation, this style of development is concentrated around road and rail transport hubs. Concentrations of this type are located in Woy Woy and nearby suburbs across the Peninsula sub-region area, also Gosford and East Gosford. In the northern part of the LGA concentrations of this type are located in Wyong, The Entrance, Long Jetty, Toukley, Gorokan and Lake Haven.

High-rise development is apparent where zone and density controls permit, and is on the increase in select locations. This type of development is concentrated in and around the Gosford CBD and The Entrance.

Manufactured home villages are well represented across the region. These provide a range of lower cost home choices. Some of the larger examples of this type include Teraglin Lakeshore Home Village & Valhalla Village both at Chain Valley Bay, Karalta Court Erina, Kincumber Nautical Village Kincumber, Heritage Village Canton Beach, and Broadland Relocatable Home Estate Greenpoint.

The Central Coast has long been a popular destination for retirees from outside the region. As such, there is a strong representation of retirement villages and over 55's estates across the region. Significant examples of these developments are in Kincumber, Erina, Forresters Beach, Bateau Bay and Berkeley Vale, with additional examples spread throughout the region.



STATE & LOCAL GOVERNMENT LEGISLATION FOR LGA

The Central Coast Council area was proclaimed in May 2016 being the merger of the former LGA's of Gosford and Wyong. A unified planning instrument remains a work in progress. Until a unified planning instrument comes into force, planning issues continue to be managed by the instruments in force at the time of the merger.

The principal instruments in force across the Central Coast council region include, but are not limited to the following;

Gosford Local Environmental Plan (LEP) 2014

Gazetted on 11 February 2014, the Gosford LEP 2014 aims to make local environmental planning provisions for land in the Gosford in accordance with the relevant standard environmental planning instrument under section 33A of the Act.

Gosford Planning Scheme Ordinance

This instrument has now been largely superseded by LEP 2014. However remains in force for land described under the LEP 2014 as Deferred Matter Lands.

Gosford Interim Development Order 122

This instrument has now been largely superseded by LEP 2014. However remains in force for land described under the LEP 2014 as Deferred Matter Lands.

Gosford Development Control Plan (DCP) 2013

The Development Control Plan (DCP) 2013 is an integrated design and policy document developed to support the Gosford LEP 2014 which provides Council's requirements for sustainable quality development.

State Environmental Planning Policy (Gosford City Centre) 2018

This plan came into effect from 12 October 2018. The aims of the policy include to develop and promote the Gosford CBD as a regional centre and focus for a range of services, facilities and amenities for the greater Central Coast region.

Gosford City Centre Development Control Plan (DCP) 2018

This plan came into effect from 19 October 2018. The purpose of the DCP is to provide development controls for quality development and sound environmental outcomes within the Gosford City Centre. This document is supportive to the SEPP (Gosford City Centre) 2018

Wyong Local Environmental Plan (LEP) 2013

Gazetted on 23 December 2013. It follows the Standard Instrument LEP Program initiated in 2006 to create a common format and content for LEPs across the State.

The LEP is supported by the following documents:

Settlement Strategy

Which looks at planning for the Councils growing population and demographic changes over the next 25 years as well as the support to business growth and employment.

Residential Development Strategy

A comprehensive strategy to guide residential development and increase the quality and diversity of development in the Shire.



Warnervale Planning Strategy

The Warnervale/Wadalba Urban Release Area covers the suburbs of Warnervale, Hamlyn Terrace, Woongarra, Wallarah and Wadalba.

Wyong Shire Retail Strategy

The purpose of the Strategy is to consider opportunities for the redevelopment and renewal of existing centres in Wyong and establish broad planning requirements for the planning and development of new centres.

Wyong Development Control Plan (DCP) 2013

The Development Control Plan (DCP) 2013 is an integrated design and policy document developed to support the Wyong LEP 2013 which provides Council's requirements for sustainable quality development and environmental.

North Wyong Shire Structure Plan

The North Wyong Shire Structure Plan is a high-level land use strategy that will guide greenfield development in some 11,500 hectares across the northern and north eastern areas of the Wyong regional area to 2031 and beyond. The northern part of the former Wyong LGA is expected to provide 70 per cent of the new housing and 60 per cent of its new employment to 2031.

2008 Central Coast Regional Strategy

The NSW Central Coast is well known for its outstanding environment and coastal lifestyle. Covering 1854 square kilometres and 81 kilometres of coastline, more than half the region is national parks, bushland, open space and aquatic environments.

Currently over 300,000 people live on the Central Coast and the region continues to grow at one of the fastest rates in NSW. Just one hour from Sydney and Newcastle, the region offers great opportunities for business with both land available and skilled local workforce.

The Central Coast Regional Strategy is the NSW Government's long term land use plan for the region, which covers the Gosford City and Wyong Shire local government areas, now merged to the Central Coast Council.

The regional strategy contains policies and actions designed to cater for the region's projected housing and employment growth over the period to 2031.

The strategy outlines how and where future development should occur to appropriately accommodate this growth and to provide sufficient capacity to cater for more than 45,000 new jobs, reducing the need for local residents to commute outside of the region for work.

The Central Coast Regional Plan 2036

"The Central Coast Regional Plan 2036 is a 20-year blueprint for the future of the Central Coast. Our vision is to create a region with a healthy natural environment, a flourishing economy, and well-connected communities. We'll deliver our vision through four goals:

- A prosperous Central Coast with more jobs close to home.
- Protection for the natural environment and manage the use of agricultural and resource land.
- Well-connected communities and attractive lifestyles.
- A variety of housing choices to suit needs and lifestyles.

NSW Planning & Environment 2036 Central Coast Regional Plan " 2

² www.planning.nsw.gov.au



Central Coast Council has development controls through LEP's and development control plans that affect the subdivision and erection of dwellings which impacts on land values. These include, but are not limited to:

Zone	Minimum allotment size
Gosford LEP 2014	
R1 General Residential	
<i>Dual occupancy (attached)</i>	550 square metres
<i>Dual occupancy (detached)</i>	800 square metres
<i>Multi dwelling housing</i>	750 square metres
<i>Residential flat building</i>	750 square metres
<i>Attached dwelling</i>	750 square metres
R2 Low Density Residential	
<i>variable depending on land type</i>	550 square metres
	1,850 square metres
RU1 Primary Production, RU2 Rural Landscape	20 hectares
RU5 Village	1 hectare
E2	40 hectares
E3	variable 2 or 3 hectares
E4	4 hectares
IN1 General Industrial Somersby	variable 4,000 square metres - 2 hectares
IN1 General Industrial	subject to consent
B 1-6	subject to consent

Zone	Minimum allotment size
Wyong LEP 2013	
R1 General Residential	subject to consent
R2 Low Density Residential	450 square metres
R3 Medium Density Residential	subject to consent
R5 Large lot residential	2 hectares
RU1 Primary Production, RU2 Rural Landscape	20 hectares
RU5 Village	subject to consent
RU6 Transition	40 hectares
E2-3	40 hectares
E4	2 hectares
IN1-2	subject to consent
B 1-7	subject to consent
Where variable is stated requires reference to land zone & lot size maps.	
Reference is required to be had to relevant maps for location for localised variations.	
Where subject to consent is stated refer to both LEP & DCP for additional controls.	



MARKET OVERVIEW AND SALES OF PARTICULAR INTEREST

A majority of Residential areas increased in value this year. As a generalisation, the rate of increase was stronger in the south, Gosford, than in the north, Wyong. This the reverse of the strong increase experienced during 2017.

The overall residential rate of increase for 2018 at 12.14% was less than that for 2017, of 18.05%.

This trend indicates an overall easing in the rate of value increase.

In the south, Gosford, almost all density suburbs increased at the upper end of this range. These locations include suburbs around the Gosford CBD and across to East Gosford, and those in the Peninsula sub-region, including Woy Woy, Umina Beach to Ettalong Beach. Other strong movers included a selection beach and waterfront (lagoon and Brisbane Water) locations. In particular, those coming of the low end of value range for this category.

In the north, Wyong, values generally increased at the upper end of the range in the suburbs coming off a low value base. These locations include suburbs in the most northerly parts of the Wyong region and those to the west side of the Tuggerah Lakes system.

Englobo lands are more strongly evident in the north end of the LGA, Wyong, than in the south, Gosford. Throughout the southern end of the LGA large sites of this type are scarce and comprise residual infill opportunities. As a generalisation, the southern market is a more mature market. Whilst to the north are extensive tracts of traditional englobo sites in the Warnervale precinct. Overall englobo lands experienced the strongest rate of value increase this year.

Sales activity and subdivision commencements in this segment continued to be strong during the year. Realised suburban lots sold readily with enthusiastic market demand for new homesites. Home site land values increased or firmed throughout the year.

Residential density outside of the high profile and high-rise precinct surrounding Gosford CBD, comprises villa and townhouse development types. All locations increased in value consistent with the broader residential market.

The variation on the density theme is the continued strong demand and development activity for 'secondary' dwellings, example granny flats, across all residential zones. Development activity in this segment is strong.

Premium high value beachfronts are well represented on the Central Coast. These include Avoca Beach, Macmasters Beach, Pearl Beach, Wamberal and Blue Bay. Values increased in all locations in the moderate to strong range.

The Central Coast includes 4 of the 15 'coastal hotspots' identified for coastal erosion by the NSW Office of Environment & Heritage. There were no significant coastal erosion events during the 2018 program year.

Residential development adjacent to beach front locations as a generalisation represents premium value locations. Development in these locations includes predominately detached dwellings. Density development is strongly evident in select locations, including Terrigal and Blue Bay extending into Long Jetty. Whilst permanent residency is the overwhelming occupancy type, holiday and casual lettings are also strongly evident. The Central Coast continues to enjoy a long-standing reputation as a holiday destination for many Sydney-siders.



The Central Coast Council LGA comprises in excess of 2,300 commercial zoned properties. Value increase across this segment was strong.

There are a number of significant concentrations of properties in this group. These include:

The two Commercial Core zones, or Central Business Districts (CBD's), comprising the centres of Gosford and Wyong. Each hosts a regional significant transport rail/road interchange and council administrative centres. Gosford CBD is surrounded by Mixed Use zone, whilst Wyong is surrounded by Medium Density precincts.

There is a concentration of commercial zone properties around each of the two major CBD's, Gosford and Wyong. Collectively these locations account for near 40% of all business-zoned properties.

The next level of concentration of properties is within the zones 'Neighbourhood' and 'Local Centres'. These zones are scattered across the region and account for near 50% of properties.

There are 18 individual Local Centre zone, towns. Also included in this group are the Enterprise Corridor precincts, these being concentrated on the main roads in proximity to the Commercial Core CBD's.

The Central Coast Council LGA commercial market had in excess of 60 market sales throughout Base Date 2018 (BD 2018). The sales indicate a strong market with firming yield rates on investment class transactions and some very strong increases on vacant land and development site transactions.

Industrial land use is represented in just over 20 locations across the region. Value increase across this segment was strong.

Of these, there are 3 locations which stand out by virtue of the number of properties in each location. West Gosford, Somersby and Tuggerah account for just over 45% of all industrial zoned properties across the region. These locations share significant features of position on main roads and proximity and ease of access to the M1 motorway.

The Central Coast Council LGA industrial market had in excess of 35 market sales throughout BD 2018. This year included a significant body of vacant land sales, 14 in total. The concentration of site sales occurred in the northern or Wyong end of the LGA.

The various non-urban zones, rural and environmental, are dominated by life-style rural/residential home sites. Notwithstanding there is still a strong commercial element evident in select locations. Orchards, poultry farms, market gardens, horticulture and equestrian interests are evident and well represented across the hinterland plateaus and valleys of the Central Coast Council LGA. Whilst on the coastal strip rural-residential life-style home site land use is most dominant.

Market movement across this segment was strong in a majority of locations. As a generalisation values increased strongest across the southern, Gosford sub region, of this market segment. Premium life style locations around the Brisbane Water leading this increase.

Locations more representative of the rural residential lifestyle properties concentrated on the coastal strip, generally trended in similar manner and strength of market movement as the adjacent suburban residential locations.

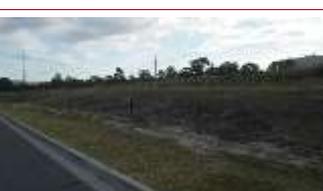
Hinterland locations including those along the M1 motorway corridor or readily accessible to it showed strong increases.

Locations along the Hawkesbury River contributed a strong volume of sales activity and market movement. This latter segment may represent discretionary purchases on secondary or holiday homes with increased volumes this year. Sales volumes were strong relative to the market segment.



The following sales are of particular interest, in that we consider them key sales that represent what is happening to particular segments of the market.

2018 SALES OF INTEREST

Address	Sale Price	Sales Date	Land Area	Land use	
70 John Whiteway Drive, Gosford	\$3,190,000	24/11/2017	4776m ²	Residential high density development site	
99 Georgiana Terrace, Gosford	\$43,500,000	20/04/2017	4250m ²	Commercial investment class property	
5 Church Street, Terrigal	\$3,750,000	18/05/2018	935m ²	Commercial development site	
27-37 Mann St, & 125 Georgiana Tce Gosford	\$4,966,352	31/01/2018	2920m ²	Mixed use development site	
138 Warnervale Rd, Hamlyn Terrace	\$4,500,000	15/05/2018	4.047ha	Residential englobo development site	
36-38 Campbell Crescent, Terrigal	\$4,150,000	03/11/2017	1713.3m ²	Residential density development site	
17 Warner Avenue, Wyong	\$1,775,000	30/01/2018	2593.3 m ²	Residential density development site	
136 Chelmsford Rd, Charmhaven	\$3,575,000	\$3,575,000	2.1725 ha	Industrial land development site	

Address	Sale Price	Sales Date	Land Area	Land use	
87 Ocean View Dr, Wamberal	\$2,700,000	06-10-2017	733m ²	Residential vacant land, resale from 2016 \$2.25m, & within Coastal Erosion Hotspot	
Address	Sale Price	Sales Date	Land Area	Land use	
97 Morgans Rd, Mount White	\$2,350,000	16/10/2017	16.93ha	Rural improved home site	

Old Sydney Town & Reptile Park Site

Address	Sale Price	Sales Date	Land Area	Land use	
66 Myoora Road, Somersby & 945 Old Pacific Highway, Somersby	22,000,000	30/05/2018	120.146ha	Reptile Park, former Old Sydney Town site and additional lands with development and subdivision potential	

Significant issues and developments**Health**

Gosford hospital redevelopment new 11 storey clinical tower officially opened June 2018. The tower features Special Care Nursery, New Intensive Care Unit, and new MRI machine. The complete redevelopment, due to be complete by 2019, also includes a new \$35.5 million carpark and refurbished spaces for allied health, cancer day unit, emergency short stay unit and cardiovascular services.

The \$200 million Wyong Hospital redevelopment will include, new facilities for emergency, intensive care unit, paediatric assessment, additional inpatient units, expanded surgical services, including additional operating theatre capacity, increased maternity services. This redevelopment commences with the construction of a 500 space car park is due for completion by the end of 2018, following which main works will begin.

Roads

Pacific Highway - Wyong Rd upgrade at Tuggerah, completed after a construction phase lasting almost 2 years.

Pacific Highway upgrade from Railway Cres Lisarow to Glen Road Ourimbah, completed, works include the duplication of the existing carriageway was project approved in 2011, construction commenced 2016 with completion due 2018.

M1 motorway upgrade from 2 to 3 lanes from Wyong Road Tuggerah to Doyalson Link Road Warnervale commenced during 2017, continues throughout 2018 for anticipated completion 2020.

M1 motorway upgrade from 2 to 3 lanes between Kariang and Somersby interchanges commenced April 2018 completion expected 2020.



Mines

Wallarah No 2 coalmine proposal approved by The Planning Assessment Commission January 2018.

The principal opponents to the proposal Australian Coal Alliance's (ACA) Land and Environment Court (LEC) action against the Wallarah No 2 coalmine is scheduled for November 12.

Local council

A unified LEP for the Central Coast Council area is a work in progress. Work commenced in September 2017 with a planning gateway process approval to proceed given October 2017. To date the project is yet to reach its first public exhibition.

State Environmental Planning Policy (Gosford City Centre) 2018 and Gosford City Centre Development Control Plan (DCP) came into effect in October 2018. Together these documents remove to some extent planning control of the Gosford CBD from the council to the State.

During 2018 the amalgamated councils of Gosford and Wyong as Central Coast council launched a web site platform which presents a home page view as the unified council. Links from this home page via nominated post code then direct users to either the Gosford or Wyong site for further detail interactions.

Developments

Gosford unit development as works in progress continue to emerge across the Gosford CBD and surrounding density precincts. During the year, 11 developments have commenced, continued under construction or are nearing completion. Three developments along Mann St Gosford and a fourth in Bean St, six developments in West Gosford, Kendall (2), Batley, Donnison, Fielder and Hargraves Streets and at Lynn Ave Point Frederick. Collectively these will provide in excess of 590 units to the market. The largest of these projects being the 21-25 Mann St site with 140 units across 15 storeys. All other developments are between 6 to 9 storeys and 29 to 80 units.

Significant new unit development approvals during the year include 87-89 John Whiteway Dr Gosford, 299 units to be constructed over 3 stages, and 34-44 Hills St Gosford 101 units.

Residential subdivision approvals & commencements in the Warnervale precinct continued to be strongly evident. New home sites selling readily into the market, with new home constructions following soon after. Integrated small lot housing estates continue to have an emerging presence in this segment.

Residential subdivision, 533 Pacific Highway Wadalba 66 lots, 580 Pacific Highway Wadalba 97 lots

SIGNIFICANT VALUE CHANGES FROM 2017–2018

Across the region in the zone R2 low-density residential segment, the highest value increases were in the suburbs of Gorokan, Terrigal, Watanobbi, Forresters Beach, Kanwal, Hamlyn Terrace, and Wyoming.

Amongst the zone R1 general residential, the highest value increases were in the suburbs of Point Clare, Umina Beach, Woy Woy, North Gosford, East Gosford, and Point Frederick.

In the rural-residential non-urban segment, significant increases occurred mostly along the coastal strip rather than the hinterlands, and included locations of Holgate and Matcham, and those coastal strip locations surrounding Brisbane Water, including, Lisarow, Erina, Kincumber, Empire Bay, Avoca Beach, and Killcare.



OVERVIEW OF THE QUALITY ASSURANCE PROCESS

Property NSW provide Valuation Analysis Tools (VATools) and exception files, these are imported to our database MVP3 Quality Assurance applications. Together these quality assure the delivered future values and market data analysis. Exceptions highlighted through the VATools are reconciled in our database MVP3 and reported to PNSW via electronic file transfer.

Property NSW has been provided with a detailed valuation analysis report, which details the quality assurance process of Robertson & Robertson (Central Coast) and outlines that 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 Version 7.2.1.

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.

ROBERTSON & ROBERTSON AS AUTHOR OF THIS FINAL REPORT

Robertson & Robertson is the author of this report, produced on behalf of the NSW Valuer General and forwarded to Property New South Wales - Valuation Services.

Town planning, land use and other market information contained in this report have been compiled based on enquiries undertaken during the valuation process.

Third parties should make their own enquiries 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 Valuer Generals Website – www.valuergeneral.nsw.gov.au

ROBERTSON & ROBERTSON

Russell Saunders

Contract Services Manager
Certified Practising Valuer
AAPI 68233

November, 2018