



FINAL REPORT

FOR THE DISTRICT OF

MID-COAST

DISTRICT 268

Base Date 1 July 2018

Report Date: 9 November 2018

Table of Contents

1. Executive Summary.....	3
2. Disclaimer – purpose of this report	4
3. LGA overview.....	5
4. State and Local Government legislation for LGA.....	6
5. Market overview and sales of particular interest.....	8
6. Significant issues and developments.....	9
7. Significant Value changes.....	10
8. Overview of Quality Assurance process.....	12
9. Author.....	12

1. EXECUTIVE SUMMARY

General Overview

There was a strong increase in land values in the Mid-Coast local government area between 2017 and 2018, with this trend being consistent across the residential and industrial market segments.

Commercial land values showed a moderate increase.

Residential Overview

Residential land values increased strongly in the Mid-Coast local government area between 2017 and 2018, driven primarily by increased demand for land in well located coastal locations.

The exceptions to this general trend were residential land values in the towns of Wingham and Gloucester, which generally showed a slight increase. Land values in Hawks Nest, Blueys Beach, Boomerang Beach and Manning Point generally remained steady with demand easing in these localities.

Residential land values at Pindimar showed very strong increases, due to particularly strong demand.

Commercial Overview

Commercial land values showed a moderate increase in the Mid-Coast local government area due to moderate demand and sales volumes.

Industrial Overview

Industrial land values increased strongly in the Mid-Coast local government area, due primarily to strong demand with increased sales volumes.

Rural Overview

Rural land values increased moderately due to increased demand for rural home sites and hobby farms on the coast, and broad-acre grazing properties and hobby farms in inland areas.

The exceptions to this were rural land values in the Bulahdelah, Belbora, Lansdowne, Marlee, Bobin, Elands, Wherrol Flat and Wingham areas, which remained steady with supply levels meeting demand.

Land values for rural home sites north and west of Gloucester remained steady due to their distance from regional centres and services. Land values for rural properties with no building entitlement at Pindimar showed very strong increases on a previous low value base.

2. Disclaimer

Purpose of this Report

The purpose of this report is to describe the process and considerations for the 1 July 2018 annual valuation of Mid-Coast Local Government Area. 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 have 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 Valuer General information website at www.valuergeneral.nsw.gov.au

3. Mid-Coast Local Government Area Overview

The Mid-Coast Local Government Area was formed on 12 May 2016, following a merger of the previous Great Lakes, Gloucester and Greater Taree Local Government Areas.

Mid-Coast Council covers an area of over 10,000 square kilometres and adjoins the local government areas of Port Stephens, Dungog, Upper Hunter, Walcha and Port Macquarie – Hastings.

The area comprises both coastal and forested rural hinterland, with a total coastline of 190 kilometres.

The population of the Mid-Coast Council area is over 90,000 people, with Taree and Forster being the largest towns in the local government area.

The residents of the Mid-Coast Council area enjoy a diverse lifestyle. The combination of national parks, state forests, mountain ranges, rolling hills and valleys, a triple lake system, numerous rivers and beaches has turned the Mid-Coast Council area into a major recreational area. Main industry sectors in the area include retail trade, health and community services, tourism, fishing and construction.

4. State and Local Government legislation for LGA

1. With respect to the former Great Lakes Local Government Area:
Great Lakes Local Environmental Plan 2014 was published in the New South Wales Government Gazette on 4 April 2014.

The particular aims of Great Lakes Local Environmental Plan 2014 are as follows:

- (a) to facilitate the orderly and sustainable economic development of land,
- (b) to promote the health and well being of the population,
- (c) to protect and enhance environmental, scenic and landscape assets,
- (d) to facilitate cultural activities that will benefit the community,
- (e) to promote the equitable provision of services and facilities for the community,
- (f) to ensure that development does not create unreasonable or uneconomic demands for the provision or extension of public amenities or services,
- (g) to promote public transport patronage and encourage walking and cycling,
- (h) to ensure that development has regard to the capability of the land so that the risk of degradation is minimised,
- (i) to minimise land use conflict,
- (j) to ensure that development meets any local water quality objectives adopted by Council in relation to groundwater, rivers, estuaries, wetlands and other waterbodies,
- (k) to protect, enhance and provide for the long-term management of native biodiversity, including habitat linkages, threatened species populations and endangered ecological communities, and to identify and protect biodiversity links or corridors throughout the landscape.

2. With respect to the former Gloucester Local Government Area:
Gloucester Local Environmental Plan 2010 was published in the New South Wales Government Gazette on 11 June 2010.

The aims of Gloucester Local Environmental Plan 2010 are:

- (a) to manage the resources of Gloucester;
- (b) to protect rural lands, natural resources and assets of heritage significance;
- (c) to manage development to benefit the community,
- (d) to embrace and promote the principles of ecologically sustainable

development, conservation of biological diversity and sustainable water management, and to recognise the cumulative impacts of climate change,

- (e) to protect, enhance and provide for biological diversity, including native threatened species, populations and ecological communities, by long term management and by identifying and protecting habitat corridors and links throughout Gloucester,
- (f) to encourage a mix of housing to meet the needs of the community,
- (g) to provide a secure future for agriculture.

3. With respect to the former Greater Taree Local Government Area: Greater Taree Local Environmental Plan 2010 was published in the New South Wales Government Gazette on 25 June 2010.

The aims of Greater Taree Local Environmental Plan 2010 are to:

- (a) to promote and encourage the ecologically sustainable development of Greater Taree City,
- (b) to encourage the proper management, development and conservation of natural and human made resources (including natural areas, forests, coastal areas, water, groundwater dependent ecosystems, agricultural land, extractive resources, towns, villages, and cultural amenities) for the purpose of promoting the social and economic welfare of the community, protecting ecological and cultural heritage and achieving a better environment,
- (c) to promote and co-ordinate the orderly and economic use and development of land, and to minimise conflict between adjacent land uses,
- (d) to facilitate the provision and co-ordination of community services and facilities,
- (e) to encourage the protection of the environment, including the protection and conservation of native animals and plants, threatened species and endangered ecological communities and their habitats,
- (f) to minimise the exposure of development to natural hazards and natural risks,
- (g) to seek the provision of adequate and appropriate infrastructure to meet the needs of future development,
- (h) to encourage a strong, growing and diversified economy that promotes local self-reliance, and recognises and strengthens the local community and its social capital in ways that safeguard the quality of life of future generations.

5. Market overview and sales of particular interest

Residential

Mid-Coast contains numerous towns and villages. The major towns are Taree, Forster and Gloucester.

Other significant towns include Wingham, Harrington, Old Bar, Hallidays Point, Tinonee, Tuncurry, Hawks Nest, Tea Gardens, Stroud, Bulahdelah and Nahiack.

There are five villages in the former Gloucester Local Government Area, being Barrington, Bundook, Copeland, Craven and Stratford.

The majority of residential development has occurred in the coastal areas, particularly in the Harrington, Old Bar, Hallidays Point, Forster, Tuncurry, Hawks Nest and Tea Gardens areas.

A high proportion of residential accommodation comprises privately owned single dwelling housing that vary in quality, style and construction materials. There is an increasing amount of medium density accommodation in the major centres.

First State Property Valuers has undertaken significant analysis of the Mid-Coast district property market to provide an accurate and reliable basis of valuation.

Residential land values increased strongly in the Mid-Coast local government area between 2017 and 2018, driven primarily by increased demand for land in well located coastal locations.

Business

Taree, Forster and Gloucester comprise the main administrative and retail centres for the Mid-Coast Local Government Area.

Commercial land values showed a moderate increase in the Mid-Coast local government area due to moderate demand and sales volumes.

Industrial

The main industrial areas are located at Taree, Forster, Tuncurry, Tea Gardens, Wingham and Gloucester.

Industrial land values increased strongly in the Mid-Coast local government area, due primarily to strong demand with increased sales volumes.

Rural

The Mid-Coast Local Government Area is a highly regarded rural locality due to its coastal location and proximity to Sydney and Newcastle.

Along the coastal strip, the significant rural land uses comprise rural home sites and hobby farms. Away from the coastal influence, rural land uses generally comprise cattle grazing, together with hobby farms.

Rural land values increased moderately due to increased demand for rural home sites and hobby farms on the coast, and broad-acre grazing properties and hobby farms in inland areas.

6. Significant issues and developments

There have not been any significant developments or applications for developments outside of those that are permissible under the current zoning.

Jimmy's Beach and Old Bar Beach have been identified by the NSW State Government as a coastal erosion "hot spot". Mid-Coast Council continues to implement measures to mitigate against the threat of coastal erosion.

The impact of coastal erosion within the Jimmy's Beach and Old Bar Beach areas, and the measures proposed to alleviate the threat of coastal erosion, have been taken into consideration in the Base Date 1 July 2018 Land Values for the affected properties.

In addition, coastal erosion concerns have resulted in Mid-Coast Council strengthening building controls for properties in the Boomerang Beach, Blueys Beach, Jimmy's Beach and Old Bar Beach areas.

New residential subdivisions have been released at "Riverside Estate", Old Bar and "Forster Grange", Forster. The first stage of "Riverside Estate" comprises 49 lots, whilst the first stage of "Forster Grange" comprises 41 lots.

7. Significant value changes

General Overview

There was a strong increase in land values in the Mid-Coast local government area between 2017 and 2018, with this trend being consistent across the residential and industrial market segments.

Commercial land values showed a moderate increase.

Residential Overview

Residential land values have shown a strong increase, driven in part by increased demand for land in well located coastal locations.

Land Values in the Forster area have increased by up to 20%. Similarly, Land Values in the Tea Gardens area have increased by up to 18%.

Land Values in the Taree area have increased by up to 25%, whilst values in the older section of Harrington have increased by up to 16%. Similarly, Land Values in the Old Bar area have increased by up to 12%.

The exceptions to this general trend were residential land values in the towns of Wingham and Gloucester, which generally showed a slight increase. Land values in Hawks Nest, Blueys Beach, Boomerang Beach and Manning Point generally remained steady with demand easing in these localities.

Residential land values at Pindimar showed very strong increases, due to particularly strong demand.

Commercial Overview

Commercial land values showed a moderate increase in the Mid-Coast local government area due to moderate demand and sales volumes.

Industrial Overview

Industrial land values increased strongly in the Mid-Coast local government area, due primarily to strong demand with increased sales volumes.

Rural Overview

Rural land values increased moderately due to increased demand for rural home sites and hobby farms on the coast, and broad-acre grazing properties and hobby farms in inland areas.

The exceptions to this were rural land values in the Bulahdelah, Belbora, Lansdowne, Marlee, Bobin, Elands, Wherrol Flat and Wingham areas, which remained steady with supply levels meeting demand.

Land values for rural home sites north and west of Gloucester remained steady due to their distance from regional centres and services. Land values for rural properties with no building entitlement at Pindimar showed very strong increases on a previous low value base.

8. Overview of Quality Assurance process

Property NSW has been provided with a detailed valuation analysis report, which details the quality assurance process of First State Property Valuers 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 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.

9. Author

Report Prepared by:



Jim Tyrpenou
A.A.P.I. (Certified Practising Valuer)
Contract Services Manager

9 November 2018.