



FINAL REPORT

FOR THE DISTRICT OF

PORT MACQUARIE - HASTINGS

DISTRICT 656

Base Date 1 July 2018

Report Date: 9 November 2018

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1. Executive Summary

General Overview

There was a moderate increase in land values in the Port Macquarie-Hastings local government area between 2017 and 2018, mainly due to the increase in residential land values as the dominant sector. Commercial land values increased moderately, while industrial land values showed a strong increase. Rural land values increased moderately.

Residential Overview

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

Land values have been steady in the Wauchope and Beechwood areas, as well as Lake Cathie, east of Ocean Drive. In addition, land values for large lot residential sites in King Creek, Camden Haven, Telegraph Point and Sancrox have remained steady.

Commercial Overview

Commercial land values showed a moderate increase, due mainly to increased demand with increased sales volumes. The exception to this trend being secondary located commercial sites within the Port Macquarie CBD, which remained steady.

In addition, commercial land values in the Lake Road area showed a very strong increase, due to particularly strong demand for bulky goods retail sites.

Industrial Overview

Industrial land values increased strongly in the Port Macquarie-Hastings local government area. This was mainly due to strong demand with increased sales volumes.

Rural Overview

Rural land values increased moderately in the Port Macquarie-Hastings local government area, due to increased demand for rural home sites, hobby farms and broad-acre properties.

The exception to this being rural properties in the Telegraph Point, Pappinbarra, King Creek, Kendall, Bellangry and Ellenborough areas, which remained steady with easing demand.

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 Port Macquarie - Hastings 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. Port Macquarie - Hastings Local Government Area Overview

The Port Macquarie – Hastings Local Government Area covers an area of 3,693 square kilometres and adjoins the local government areas of Kempsey, Walcha and Mid-Coast.

Port Macquarie – Hastings is located on the Mid North Coast of New South Wales, 420 kilometres north of Sydney and 510 kilometres south of Brisbane.

The topography of the area is very diverse, ranging from sand dunes, coastal wetlands, flood plains and rugged mountain regions.

The area has many small localities and villages in addition to three main townships. The population of the area is estimated at 74,601. Situated on the coast, Port Macquarie is the largest town with a population estimated at 43,655, and serves as a major tourist destination in addition to being the major regional centre for the area.

The township of Wauchope is located 21 kilometres west of Port Macquarie, and serves as the regional centre for the rural communities. Wauchope has an approximate population of 4,772.

The Camden Haven area, with an approximate population of 7,355, includes the towns of Kendall, Kew, Dunbogan, North Haven and West Haven, with Laurieton as the main service centre.

The major industries in the area include tourism, retailing, light manufacturing, dairy and beef cattle farming, forestry, oyster farming, winemaking.



4. State and Local Government legislation for LGA

Port Macquarie - Hastings Local Environmental Plan 2011 was published in the New South Wales Government Gazette on 23 February 2011.

There have been no significant amendments to the Local Environmental Plan since the previous valuation.

The aims of Port Macquarie - Hastings Local Environmental Plan 2011 are:

- (1) This Plan aims to make local environmental planning provisions for land in Port Macquarie-Hastings in accordance with the relevant standard environmental planning instrument under section 33A of the Act.
- (2) The particular aims of this Plan are as follows:
 - (a) to protect, conserve and sustainably manage the ecological biodiversity and natural environment of the Port Macquarie-Hastings area,
 - (b) to facilitate a strong and diverse local economy within the Port Macquarie-Hastings area,
 - (c) to manage and coordinate the orderly, equitable and economic use and development of land within the Port Macquarie-Hastings area,
 - (d) to facilitate the provision and coordination of community services and facilities within the Port Macquarie-Hastings area,
 - (e) to facilitate adaptive planning for natural hazards and risks, including flooding, erosion, inundation, land stability, bush fire risk and acid sulfate soils within the Port Macquarie-Hastings area,
 - (f) to reinforce the role of the Port Macquarie-Hastings area's settlement hierarchy, centred on Port Macquarie and supported by its surrounding towns and villages,
 - (g) to ensure the effective management of public assets within the Port Macquarie-Hastings area,
 - (h) to provide a land use framework for development within the Port Macquarie-Hastings area that is safe, inclusive and equitable, and caters for the housing, employment, entertainment, cultural, welfare and recreational needs of residents and visitors,
 - (i) to ensure that development does not conflict with the hierarchy of business and retail centres in the Port Macquarie-Hastings area and the role of the Greater Port Macquarie Central Business District as the focal point for subregional functions and service delivery,
 - (j) to identify and protect features of environmental, cultural or visual importance within the Port Macquarie-Hastings area.

The maps accompanying the Local Environmental Plan contain comprehensive details regarding such additional matters as lot sizes, floor space ratios, building heights, flooding and heritage.

Development Control Plan 2011

Port Macquarie – Hastings Council Development Control Plan 2011 supports the provisions of Port Macquarie – Hastings Local Environmental Plan 2011 and provides a clear and concise set of development objectives and provisions.

The DCP provides detailed provisions to be applied by Council when exercising its environmental assessment and planning functions under the Environmental Planning and Assessment Act 1979.

The DCP proposes to:

- Expand upon the aims, objectives and other provisions of the Port Macquarie – Hastings Local Environmental Plan 2011;
- Provide detailed development provisions for development in the Port Macquarie – Hastings;
- Remove any inconsistency with the Port Macquarie – Hastings Local Environmental Plan 2011 and remove redundant provisions.

The DCP contains five (5) sections. The first part contains the preliminary information. Part 2 sets the planning framework for the DCP, whilst Part 3 contains the General Provisions that apply to all development. Part 4 contains the Development Specific Provisions for residential, business and commercial, industrial development and for subdivision. Part 5 includes Area Based Provisions that apply to a specific precinct.

5. Market overview and sales of particular interest

Residential

Port Macquarie – Hastings contains numerous towns and villages. The major towns are Port Macquarie, Wauchope and Laurieton. Other significant towns include Kendall, Bonny Hills, Lake Cathie and Telegraph Point.

The majority of residential development has occurred in the larger centres, particularly in the Port Macquarie, Wauchope, Lake Cathie and Bonny Hills areas.

A high proportion of residential accommodation comprises privately owned single dwelling housing that vary in quality, style and construction materials. In recent years, there has been a significant amount of development for the purposes of medium to high-density accommodation in the major centres.

First State Property Valuers have undertaken significant analysis of the Port Macquarie - Hastings district property market to provide an accurate and reliable basis of valuation.

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

Business

The town of Port Macquarie comprises the main administrative and retail centre for the Port Macquarie - Hastings Local Government Area. Retail and commercial land uses are also provided in Wauchope, Laurieton and Lake Cathie.

Commercial land values showed a moderate increase, due mainly to increased demand with increased sales volumes.

Industrial

The main industrial area is located at Port Macquarie, with a secondary area located at Wauchope. There is a new, emerging industrial area on the Pacific Highway at Sancrox.

Industrial land values have shown a slight increase in the Port Macquarie-Hastings local government area. This was mainly due to slightly increased demand with slightly increased sales volumes.

Industrial land values at Wauchope have shown a strong increase due to strong demand and increased sales volumes.

Rural

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 tourist industries continue to grow.

Rural land values increased moderately in the Port Macquarie-Hastings local government area, due to increased demand for rural home sites, hobby farms and broad-acre properties.

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.

Lake Cathie has been identified by the NSW State Government as a coastal erosion “hot spot”. Port Macquarie - Hastings Council has resolved to support the option of constructing a revetment wall.

Land Values have been based on recent sales of properties in the Lake Cathie area. The impact of coastal erosion within the Lake Cathie area, and the measures proposed to alleviate the threat of coastal erosion, has been taken into consideration in the Base Date 1 July 2018 Land Values for the affected properties.

7. Significant value changes

General Overview

There was a moderate increase in land values in the Port Macquarie-Hastings local government area between 2017 and 2018, mainly due to the increase in residential land values as the dominant sector. Commercial land values increased moderately, while industrial land values showed a strong increase. Rural land values increased moderately.

Residential Overview

Residential land values increased moderately, driven by continued increased demand for land in all locations.

Value levels for typical residential zoned land in the Port Macquarie area have increased in value, generally within the range of 3 to 10%.

Single dwelling sites in the Lake Cathie and Bonny Hills areas have generally shown increases in value of up to 18%.

Commercial Overview

Commercial land values showed a moderate increase, due mainly to increased demand with increased sales volumes.

Business zoned land in the Lake Road area showed a very strong increase, due to particularly strong demand for bulky goods retail sites.

Industrial Overview

Industrial land values increased strongly in the Port Macquarie-Hastings local government area. This was mainly due to strong demand with increased sales volumes.

Rural Overview

Rural land values increased moderately in the Port Macquarie-Hastings local government area, due to increased demand for rural home sites, hobby farms and broad-acre properties.

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

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9 November 2018.