

Land value changes

Overall, land values increased across NSW by 3.6% from \$1.74 trillion to \$1.80 trillion in the 12 months to 1 July 2020.

Residential land values across the state increased by 4.0% overall. Residential values rebounded following reductions in 2019, with record low interest rates contributing to increased demand while the COVID-19 pandemic has not had any significant impact on residential property values.

Commercial land values have shown an overall decrease of 6.6%, largely due to the impact of the COVID-19 pandemic with reductions in short and medium term revenue having a negative impact on commercial land values. The largest impacts were in the Sydney metropolitan areas, while there was a more limited impact from COVID-19 in regional locations.

The industrial market remained generally strong with land values increasing by 5.5% overall across the state influenced by demand for e-commerce and larger, well located sites close to the Sydney market with good road or rail connections.

Overall, rural land values increased by 4.8% driven primarily by continued strong commodity prices, limited supply and sustained demand for good quality farming, mixed cultivation and grazing lands.

Valuation contractors

The Valuer General outsources valuation services to contract valuers. NSW is divided into 18 contract regions that include one or more local government areas.

Contractors are selected by an open-market tender process that follows strict procurement guidelines for NSW public-sector agencies. You can see a list of the contractors providing land values at valuergeneral.nsw.gov.au.

API Valuation Team of the Year Award 2020

VG NSW won the Valuation Team of the Year Award at the Australian Property Institute's 2020 Excellence in Property Awards, beating national and international valuation practices.

The Award recognizes excellence in the application of valuation standards and a commitment to best practice across a valuation team.

Land values for NSW

The Valuer General determined the 1 July 2020 land values for over 2.6 million properties across NSW. The land values have been provided to Revenue NSW for calculating land tax.

Councils receive new land values for rating every three years. The Valuer General issued the 1 July 2019 land values to councils for rating. The 2019 land values reflect the property market as at 1 July 2019 and therefore were not affected by the 2019-20 bushfires or the COVID-19 pandemic.

The 1 July 2020 land values have been determined with consideration given to the impact, if any, of the bushfires and COVID-19 on land values.

To support bushfire affected communities and councils, the Valuer General has offered affected communities and councils the 1 July 2020 land values for rating. Two councils have accepted this offer.

Property sales from around 1 July 2020 were the most important factor considered to determine land values. Over 48,000 sales were analysed to determine the 1 July 2020 land values.

You can find more information on the 2019 and 2020 land values for residential, commercial, industrial and rural properties in our land value summaries, available at valuergeneral.nsw.gov.au.

Land values and rates

The Valuer General determines land values which councils use to distribute rates across their local government areas. The Valuer General does not set rates for councils.

A change in land value does not necessarily lead to a change in rates.

The Local Government Act 1993 provides flexibility for a council to provide a rating structure that distributes rates between its ratepayers. A council can choose the combination of rates, charges and fees and pricing policies that are appropriate for its area and community.

To learn more about how your rates are calculated, please contact your council.

Bushfire and COVID-19 Assistance Line

If your property was affected by the 2019-20 bushfires or you believe your land value has been impacted by COVID-19 and is incorrect, please contact our dedicated assistance line on 1800 458 884.

The Valuer General

The Valuer General, Dr David Parker was appointed by the Governor of NSW in January 2020 to lead the NSW valuation system. He has extensive experience in land valuation systems and compulsory acquisition, having been an Acting Commissioner of the Land and Environment Court and Professor of Property at the University of South Australia.

The Valuer General's primary responsibilities are set out in the Valuation of Land Act

1916 and the Land Acquisition (Just Terms Compensation) Act 1991.

Dr Parker's focus for 2021 includes an emphasis on transparency, quality, ensuring alignment with the Acts, meeting NSW Government Customer Service commitments and maintaining the independence of the role of the Valuer General.

Independence of the Valuer General

The Valuer General is independent of the NSW Government, which sets land tax, and councils, which set rates.

This independence is important as it clearly separates the determination of land values from their use by the NSW Government and councils for taxing and rating.

The Valuer General ensures land values are determined impartially and are evidence based, using property sales information.

Impacts on rating and taxing are not considered during the determination of land values.

Service NSW

You can now access land valuation information and online services from the Valuer General's website via Service NSW. You can also use the digital self-service kiosks at Service NSW centres. Service NSW customer service officers can help you complete Valuer General online services at the service centres or over the phone.

You can also register to receive your Notice of Valuation electronically through your MyService account or at a Service NSW centre.

COVID-19 Report

In March 2020, a worldwide pandemic was declared, called COVID-19. Australia was locked down to limit the spread resulting in disruption to individuals' lifestyles, the working environment and disrupting businesses.

In response, the Valuer General reviewed the impact of COVID-19 on the NSW property market in preparation for the 1 July 2020 valuations.

The review found sales activity continued with vendors and purchasers still active in the property market, despite COVID-19. The review also found that while all sectors experienced reduced levels of sales activity, the residential property sector was the most active and proved resilient.

Despite media speculation that property values would decrease by approximately 30%, the evidence showed that 98% of LGA's in the residential sector had either remained steady or increased in value.

The non-residential sector experienced greater disruption as a result of COVID-19. The review outlined the Valuer General's approach to reducing land values in the absence of relevant comparable sales. The review is available at valuergeneral.nsw.gov.au.

Bushfire Report

In late 2019 and early 2020, bushfires burned over 5.4 million hectares of land across NSW. Following this crisis, the Valuer General completed a study of how bushfires have affected land values in the past.

The study found the impact of these fires on land values depends on a range of factors including the:

- location of properties in bushfire affected areas
- proportion of properties damaged
- level of demand for land in that area.

The impact on land values varied from little or no change to a 30% decrease in land value.

The study is considered when determining land values for bushfire affected areas. The study is available at valuergeneral.nsw.gov.au.

Need more information?

Visit www.valuergeneral.nsw.gov.au to find:

- land values and property sales
- policies explaining how valuations are made
- land value summaries for trends and value movements

Contact us

☎ 1800 110 038
Mon - Fri 8:30am - 5:00pm

✉ Valuer General NSW
PO Box 745
Bathurst NSW 2795

@ valuationenquiry@property.nsw.gov.au

Update your information

Visit valuergeneral.nsw.gov.au:

- for information on how to receive your Notice of Valuation by email
- to update your postal address to receive your Notice of Valuation.

We value your feedback

Your feedback helps us improve the valuation system.

@ valuergeneral@ovg.nsw.gov.au

Do you need an interpreter?

Please call TIS National on 131 450 and ask them to call us on 1800 110 038.

Translated newsletters are available at valuergeneral.nsw.gov.au



131 450

