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**Final Report**  
**For The**  
**Valuer-General's Office**  
  
**The Local Government**  
**Area of**  
**Tumut**

**Base Date: 1<sup>st</sup> July 2015**

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## EXECUTIVE SUMMARY

### LGA Overview

#### Local Government Area of Tumut

The Tumut Local Government Area is situated in the western foothills of the Snowy Mountains halfway between Sydney and Melbourne. It includes the townships of Tumut, Adelong, Batlow & Talbingo as well as the villages of Brungle and Cabramurra with a total shire population of approximately 11,250. The Hume Highway and Snowy Mountains Highways are the main transport routes to the district. The Tumut LGA covers a total area of 4,567 km<sup>2</sup>. The LGA includes rural and forestry properties of varying sizes and residential, commercial and industrial development within the towns and villages.

#### Number of properties valued this year and the total land value in dollars

The Tumut Local Government Area comprises Residential, Rural, Business, Industrial, Special Purpose, Recreation and Environmental Protection zones.

As at the base date of 1 July 2015, 6,530 properties were valued with a total land value for the Tumut LGA of \$828,669,520. The valuations are reflective of the property market at the time.

The 2014 value of these same 6,530 properties is \$845,264,010. The 2015 land values therefore represent a slight decrease of 1.96% on the 2014 land values.

Land valuation notices were last issued for Local Government rating purposes for the 1st July 2012 valuing year when 6,491 properties were valued for a total land value of \$818,762,170. The 2012 value of the current 6,530 properties is \$822,705,750. The 2015 land values therefore represent a slight increase of 0.725% on the 2012 land values.

Land values within the residential areas of the Tumut LGA have generally decreased slightly since both 2012 and 2014. Land values of rural properties within the Tumut LGA have also generally decreased slightly since 2014 however have shown a slightly increase overall since 2012. The most notable increases since 2012 have occurred in the Brindabella area west of the ACT and grazing properties on the south western fringe of the Tumut LGA. Slight reductions have occurred in the prime commercial areas of Tumut CBD, with the secondary commercial areas which include a significant number of dwellings generally remaining unchanged. The land values of properties within the Industrial zones of Tumut LGA have also generally remained relatively stable.

Valuation changes in the Tumut LGA and percentage changes between the Council valuation years of 1 July 2012 and 1 July 2015 and the Land Tax Valuation year of 1 July 2014 are as follows:

Properties Valued and Total Land Value							
Zone	Zone Code	No. of Entries	2015 Total Land Value	Prior Annual Valuation (2014)	% Change	Prior Local Government Valuation (2012)	% Change
Neighbourhood Centre	B1	3	\$223,400	\$223,400	0.00%	\$223,400	0.00%
Local Centre	B2	181	\$29,022,410	\$30,165,410	-3.79%	\$30,129,610	-3.67%
National Parks and Nature Reserves	E1	66	\$3,474,900	\$3,454,900	0.58%	\$3,611,900	-3.80%
General Industrial	IN1	140	\$17,009,140	\$16,986,530	0.13%	\$16,985,030	0.14%
Light Industrial	IN2	22	\$1,756,600	\$1,760,600	-0.23%	\$1,760,600	-0.23%
Low Density Residential	R2	1738	\$119,394,470	\$120,420,420	-0.85%	\$127,618,260	-6.45%
Medium Density Residential	R3	1354	\$90,377,440	\$90,651,040	-0.30%	\$91,247,220	-0.95%
Large Lot Residential	R5	180	\$29,064,000	\$29,019,800	0.15%	\$28,119,100	3.36%
Public Recreation	RE1	52	\$4,593,860	\$4,593,360	0.01%	\$4,640,360	-1.00%
Private Recreation	RE2	2	\$72,300	\$66,500	8.72%	\$55,000	31.45%
Primary Production	RU1	1923	\$482,114,010	\$495,315,690	-2.67%	\$465,750,840	3.51%
Forestry	RU3	26	\$1,882,550	\$1,882,550	0.00%	\$1,911,770	-1.53%
Village	RU5	826	\$47,416,650	\$48,456,020	-2.14%	\$48,548,030	-2.33%
Infrastructure	SP2	17	\$2,267,790	\$2,267,790	0.00%	\$2,104,630	7.75%
<b>TOTAL</b>		<b>6530</b>	<b>\$828,669,520</b>	<b>\$845,264,010</b>	<b>-1.96%</b>	<b>\$822,705,750</b>	<b>0.72%</b>

## State and Local Government Legislation for LGA

The Tumut Local Environmental Plan 2012 was gazetted on 21 December 2012. The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales legislation. There have been two amendments to the Tumut Local Environmental Plan. The first amendment, gazetted on 8<sup>th</sup> March 2013 corrected a reference within Clause 3.3 Environmentally Sensitive Areas Excluded which now includes Flood Mapping. The second amendment, gazetted on 5<sup>th</sup> September 2014:

- Amended the zoning of Lot 1 DP 409950 in Lynch Street Adelong from RU1 Primary Production to RU5 Village
- Amended the classification of Lot 1 DP 361209 in Lynch Street Adelong from Community Land to Operational Land.
- Amended the classification of Lot 1 DP 1163661 in Capper Street Tumut from Community Land to Operational Land.

## Market Overview and Sales of Particular Interest

Cosgraves Property Advisers have undertaken significant analysis of the Tumut district property market to provide an accurate and reliable basis of valuation. A total of 159 sales have been analysed to enable the establishment and verification of land values as at 1 July 2015. These analysed sales also support the grading across components. Analysed sales reports are provided to Land and Property information on a consistent basis throughout the year. The added value of improvements are also analysed to enable the accurate deduction of land values. Cosgraves Property Advisers undertakes this process using the Paired Sales Approach and the Replacement Cost Approach.

In analysing sales before or after 1 July it may be necessary to adjust the contract price in terms of market movement.

In the Tumut LGA this year sales and resales of properties indicated a slight easing in the value for some residential areas within Tumut from August 2014 to July 2015. Overall since the last Local Government Revaluation in 2012 residential land values have also eased slightly. The land values of rural retreats and rural lifestyle parcels generally remained unchanged since August 2014, however have shown some increases since 2012 particularly for parcels over 20 hectares in size. The land values of larger scale grazing properties within the Tumut LGA tended to decrease slightly over the last twelve months however showed a slight increases overall since the last Local Government Revaluation in 2012. Slight reductions have occurred in the prime commercial areas of Tumut CBD, with the secondary commercial areas which include a significant number of dwellings generally remaining unchanged. The land values of properties within the Industrial zones of Tumut LGA have also generally remained relatively stable.

Sales of particular interest include:

- Sale of the heritage listed Oriental Hotel on the corner of Fitzroy and Wynyard Streets Tumut for \$640,000 in November 2014.
- Sale of “The Hub” shopping complex at 43 Wynyard Street Tumut for \$612,000 in December 2014.
- Sale of the Amaroo Motel Tumut for \$1,175,000 in June 2015.
- Sale of a six unit strata flat development and an adjoining dwelling for \$685,000 in August 2015.

## Significant Issues and Developments

The redevelopment of the former Gadara Special School Site situated on the corner of the Snowy Mountains Highway and Bundara Crescent by STR Builders to a residential estate is now completed. The development created a total of ten new dwelling sites, with a new six lot plan approved in December 2014. Nine of the lots have been sold with dwellings now completed

Stages four and five of the Valley View Estate Tumut were completed in early 2015 with an additional nineteen serviced residential lots created.

There have not been any significant developments or applications for developments outside of those that are permissible under the current zoning and therefore no special consideration is required

## Significant Value Changes

### Summary of Valuation Changes to Residential Land

#### ***Changes since previous General Valuation (2012)***

Residential land within Tumut LGA falls into four zone categories consisting of R2 Low Density Residential, R3 Medium Density Residential, R5 Large lot Residential and RU5 Residential.

When considered as a whole, the total residential land value including village lots declined slightly by 3.14% from 2012 to 2015. The largest reductions, of up to 10% occurred in the north western residential areas of Tumut including older elevated areas and areas adjoining or overlooking industrial areas to the west of Tumut.

The Prior Local Government Valuation (2012) of the current 1,738 properties that are zoned R2 Low density Residential is \$127,618,260. The residential property market has experienced a slight 6.45% decrease to the current 2015 land value of \$ 119,394,470.

The Prior Local Government Valuation (2012) of the current 1,354 properties that are zoned R3 Medium Density Residential is \$91,247,220. The residential property market has experienced a very slight 0.95% decrease to the current 2015 land value of \$ 90,337,440.

The Prior Local Government Valuation (2012) of the current 180 properties that are zoned R5 Large Lot Residential is \$28,119,100 This sector of the residential property market has experienced a slight 3.36% increase to the current 2015 land value of \$29,064,000. The increases were generally isolated to the Large Lot Residential zoned areas adjacent to Batlow and Talbingo.

The Prior Local Government Valuation (2012) of the current 826 properties that are zoned RU5 Village is 48,548,030. This sector of the residential property market has experienced a slight 2.33% decrease to the current 2015 land value of 47,416,650. The reductions were generally isolated to the village of Adelong.

### ***Changes since previous Valuation Year (2014)***

When considered as a whole, the total residential land value including village lots declined slightly by 0.795% from 2014 to 2015

The Prior Annual Valuation (2014) of the current 1,738 properties that are zoned R2 Low density Residential is \$120,420,420. The residential property market has experienced a very slight 0.85% decrease to the current 2015 land value of \$ 119,394,470.

The Prior Annual Valuation (2014) of the current 1,354 properties that are zoned R3 Medium Density Residential is \$90,651,040. The residential property market has experienced a relatively stable period to the current 2015 land value of \$ 90,337,440.

The Prior Annual Valuation (2014) of the current 180 properties that are zoned R5 Large Lot Residential is \$29,019,800. This sector of the residential property market has experienced a relatively stable period to the current 2015 land value of \$29,064,000.

The Prior Annual Valuation (2014) of the current 826 properties that are zoned RU5 Village is \$48,456,020. This sector of the residential property market has experienced a slight 2.14% decrease to the current 2015 land value of 47,416,650, with this reduction generally isolated to the village of Talbingo.

## **Summary of Valuation Changes to Rural Land**

### ***Changes since previous General Valuation (2012)***

Rural land within the Tumut LGA falls within three zone categories consisting of RU1 Primary Production, RU3 Forestry and E1 National Parks and Nature Reserves.

The Prior Local Government Valuation (2012) of the current 1,923 properties that are zoned RU1 Primary Production is \$465,750,840. The rural property market has experienced a slight 3.51% increase to the current 2015 land value of \$482,114,010. Properties with the most notable increases since 2012 include Goodradigbee River frontage properties in the Brindabella area west of the ACT and grazing properties on the south western fringe of the Tumut LGA.

The Prior Local Government Valuation (2012) of the current 26 properties that are zoned RU3 Forestry is \$1,911,770. The property market for forestry properties has experienced a slight 1.528% decrease to the current 2015 land value of \$1,882,550.

The Prior Local Government Valuation (2012) of the current 66 properties that are zoned E1 National Parks & Nature Reserves is \$3,611,900. The property market for these properties has experienced a slight 3.80% decrease to the current 2015 land value of \$3,474,900.

### ***Changes since previous Valuation Year (2014)***

The Prior Annual Valuation (2014) of the current 1,923 properties that are zoned RU1 Primary Production is \$495,315,690. The rural property market has experienced a slight 2.67% decrease to the current 2015 land value of \$482,114,010.

The Prior Local Government Valuation (2014) of the current 26 properties that are zoned RU3 Forestry is \$1,882,550. The property market for forestry properties has experienced a no change to the current 2015 land value of \$1,882,550.

The Prior Annual Valuation (2014) of the current 66 properties that are zoned E1 National Parks & Nature Reserves is \$3,454,900. The property market for these properties has experienced a relatively stable period to the current 2015 land value of \$3,474,900.

## **Summary of Valuation Changes to Commercial Land**

### ***Changes since previous General Valuation (2012)***

Commercial land within the Tumut LGA falls within two zone categories consisting of B2 Local Centre and B1 Neighbourhood Centre. The B2 zoned properties include 150 properties in Tumut and 31 properties in Batlow.

The Prior Local Government Valuation (2012) of the current 181 properties that are zoned B2 Local Centre is \$30,129,610. The property market for these commercial properties has experienced a slight 3.67% decrease to the current 2015 land value of \$29,022,410, the reduction generally occurring in the prime commercial area of the Tumut CBD.

The Prior Local Government Valuation (2012) of the three properties that are zoned B1 Neighbourhood Centre is \$223,400. The property market for this sector of commercial properties has remained stable with the current 2015 land value also \$223,400

### ***Changes since previous Valuation Year (2014)***

The Prior Annual Valuation (2014) of the current 181 properties that are zoned B2 Local Centre is \$30,165,410. The property market for these commercial properties has experienced a slight 3.79% decrease to the current 2015 land value of \$29,022,410, the reduction generally occurring in the prime commercial area of the Tumut CBD.

The Prior Annual Valuation (2014) of the three properties that are zoned B1 Neighbourhood Centre is \$223,400. The property market for this sector of commercial properties has remained stable with the current 2015 land value also \$223,400

## Summary of Valuation Changes to Industrial Land

### ***Changes since previous General Valuation (2012)***

Industrial land within the Tumut LGA falls within two zone categories consisting of IN1 General Industrial and IN2 Light Industrial. The IN1 General industrial properties include 121 properties in Tumut and 19 properties in Batlow.

The Prior Local Government Valuation (2012) of the current 140 properties that are zoned IN1 General Industrial is \$16,985,030. The property market for these industrial properties has been relatively stable with the current 2015 land value of \$17,009,140.

The Prior Local Government Valuation (2012) of the current 22 properties that are zoned IN2 Light Industrial \$1,760,600. The property market for these industrial properties has been relatively stable with the current 2015 land value of \$1,756,600.

### ***Changes since previous Valuation Year (2014)***

The Prior Annual Valuation (2014) of the current 140 properties that are zoned IN1 General Industrial is \$16,986,530. The property market for these industrial properties has been relatively stable with the current 2015 land value of \$17,009,140.

The Prior Annual Valuation (2014) of the current 22 properties that are zoned IN2 Light Industrial is \$1,760,600. The property market for these industrial properties has been relatively stable with the current 2015 land value of \$1,756,600.

## **DISCLAIMER – PURPOSE OF THIS REPORT**

The purpose of this report is to describe the process and considerations for the 1 July 2015 Valuation of Tumut. 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](http://www.lpi.nsw.gov.au/valuation).

## LGA OVERVIEW

### Location of the District



Note: The following information has been sourced from the Tumut Council Website.

Tumut LGA is situated in the western foothills of the Snowy Mountains, halfway between Sydney and Melbourne. It includes the townships of Tumut, Adelong, Batlow & Talbingo as well as the villages of Brungle and Cabramurra with a total LGA population of approximately 11,250. The Hume Highway and Snowy Mountains Highways are the main transport routes to the district. The Tumut Shire covers a total area of 4,567 km<sup>2</sup>.

## Principal Towns

### Tumut

Tumut with a current population of approximately 6,000 residents is the principal town in the Tumut LGA. Situated on the southern bank of the Tumut River, Tumut provides for a wide range of retail goods and services, professional services, hardware, forestry and agricultural supplies and the provision of medical and veterinary services. The main commercial streets are Wynyard, Russell, Capper and Merivale Streets. The commercial area of Tumut includes a significant number of heritage listed buildings including the Anglican and Catholic Churches, the Courthouse and a number of the hotels. The Tumut business area remains vibrant. The town provides services to surrounding rural areas, the timber processing industry, and a significant number of tourists. The town is well serviced with all major banks represented, a number of government and independent primary and high schools, motels, a hospital and a number of doctors surgeries. There are also facilities for all of the major sporting activities located in Tumut. The parks adjacent to the Tumut River include walking and cycle tracks with the river itself providing a place to for kayaking and fishing.

### Adelong

Located on the southern bank of Adelong Creek, Adelong is a town with a current population of approximately 900 residents. With gold discovered in the Adelong in the early 1850's the town of Adelong originally provided services to the gold miners. Now it provides basic services to the surrounding pastoral areas that support beef cattle. Adelong also relies heavily on tourists who visit to view the State heritage listed Adelong Falls Gold Processing site, heritage listed ex bank buildings and pleasant scenery. The main commercial street in Adelong is Tumut Street. The town of Adelong includes a supermarket, bank, swimming pool, golf course, bowling club, tennis courts, and skate park. Primary school education is provided by one public and one catholic school.

### Batlow

The town of Batlow with a current population of approximately 1,000 residents provides services and facilities to the surrounding rural areas. The main primary production industry remains apple production with the apples from the Batlow area making up approximately 10% of the Australian apple crop. Additional crops include stone fruit and cherries. The town of Batlow includes a supermarket, posts office, RSL club, motel, hotel, bakery, bank, pharmacy, swimming pool, tennis courts, and golf course. Education is provided by two primary schools and one high school.

### Talbingo

The village of Talbingo has a current population of approximately 240 residents. Talbingo was constructed as a "Snowy Hydo" town and developed while the Tumut 3 power station was being constructed. Today it relies heavily on tourists visiting the Blowering Dam, Jounama Pondage, and Talbingo Dam for water sports including water skiing and fishing. The town of Talbingo includes a

general store, service station, golf course and tennis courts. Education is provided by one primary school.

## **Main Industries**

The key industries of the Tumut area are forest and forest products, horticulture, grazing and tourism. Tumut is the centre of the largest area of planted pine in Australia (118,000 hectares). Tumut Shire is also the home of Batlow apples and stone fruit. Tourism is also a significant industry in its own right. Visitors are attracted by the Tumut River, popular for fly-fishing. Tumut also has a significant retail centre. Selwyn Snowfields in Kosciusko National Park is a popular attraction, particularly for family groups in both winter and summer. The historic goldfield town of Adelong is an interesting destination for visitors, with a particular attraction being the remains of the reefer battery at Adelong Falls. The picturesque township of Talbingo on the foreshores of Lake Jounama is popular with fisherman. It is also the site of the Tumut 3 power station, the largest hydro-electric power station in the southern hemisphere, and one of the major features in the Snowy Mountains Scheme. Lake Blowering is very popular with water skiers, fishermen and campers. The village of Cabramurra, Australia's highest town is also located within the shire of Tumut.

## **Type of Residential Development**

The majority of the residential development is detached single residential dwellings.

## **STATE AND LOCAL GOVERNMENT LEGISLATION FOR LGA**

The current planning instrument for Tumut is The Tumut Local Environmental Plan 2012 which was gazetted on the 21<sup>st</sup> December 2012.

The 2012 LEP is a comprehensive plan that complies with the NSW Department of Planning Standard Instrument and includes the provision of 14 land zones and specifies the minimum lot size required for the construction of a dwelling house in all areas of the shire.

The Tumut Council has defined the aims of the Local Environmental Plan.

1. This Plan aims to make local environmental planning provisions for land in Tumut in accordance with the relevant standard environmental planning instrument under section 33A of the Act.
2. The particular aims of the Plan are as follows:
  - a) to protect the agricultural production of rural land, particularly where land is designated as being of prime crop and pasture potential,
  - b) to provide for the continued needs of tourism,
  - c) to encourage the provision of employment opportunities for local residents,
  - d) to provide a variety of residential environments to cater for differing lifestyles and needs,

- e) to promote and enhance the viability of existing commercial and industrial centres within Tumut,
- f) to recognise the financial constraints likely to be encountered by the Council in the provision, maintenance and augmentation of additional and existing services required for an expanding and relocating population,
- g) to ensure that the Council gives due regard to the effect of natural hazards upon development,
- h) to protect environmentally sensitive land and important fauna and flora habitat,
- i) to protect, conserve and enhance Tumut’s rich indigenous and non-indigenous cultural heritage.

There have been two amendments to the Tumut Local Environmental Plan.

The first amendment, gazetted on 8<sup>th</sup> March 2013 corrected a reference within Clause 3.3 Environmentally Sensitive Areas Excluded which now includes Flood Mapping. The second amendment, gazetted on 5<sup>th</sup> September 2014:

- Amended the zoning of Lot 1 DP 409950 in Lynch Street Adelong from RU1 Primary Production to RU5 Village
- Amended the classification of Lot 1 DP 361209 in Lynch Street Adelong from Community Land to Operational Land.
- Amended the classification of Lot 1 DP 1163661 in Capper Street Tumut from Community Land to Operational Land.

Tumut Shire Council has development controls on the subdivision and erection of dwellings.

The minimum lot sizes for a lot eligible for a new residential dwelling are:

Zone	Minimum Allotment Size
<b>Business</b>	
B1 – Neighbourhood Centre	N/A
B2 – Local Centre	N/A
<b>Environment Protection</b>	
E1 – National Parks and Nature Reserves	N/A
<b>Industrial</b>	
IN1 – General Industrial	750m <sup>2</sup>
IN2 – Light Industrial	750m <sup>2</sup>
<b>Residential</b>	
R2 – Low Density Residential	600m <sup>2</sup>
R3 – Medium Density Residential	225m <sup>2</sup>
R5 – Large Lot Residential	5,000m <sup>2</sup> & 2.0 ha

Zone	Minimum Allotment Size
RU5 – Village	225m <sup>2</sup>
<b>Recreation</b>	
RE1 – Public Recreation	N/A
RE2 – Private Recreation	N/A
<b>Rural</b>	
RU1 – Primary Production	4,500m <sup>2</sup> within Tumut River Orchard Estate, 30 ha Horticultural Land, 80 ha Brindabella Area & 150 ha General Primary Production Land
RU3 – Forestry	N/A
<b>Special Purpose</b>	
SP2 – Infrastructure	N/A

We are also aware of the following potential changes to the Tumut LEP. The Tumut Council Local Environmental Plan Steering Committee made 13 recommendations to the council in November 2013 regarding proposed changes to the Tumut LEP including nine rezoning changes.

We have also briefly reviewed the Tumut Shire Council Growth Strategy 2013 to 2033 completed in March 2014 that outlines potential future zoning changes.

## MARKET OVERVIEW AND SALES OF PARTICULAR INTEREST

### Residential

The residential land values have experienced a slight reduction overall since the previous Local Government rating year of 2012 and also from the previous annual valuation of 2014. When considered as a whole, the total residential land value including R2, R3 & R5 zoned land reduced by 3.30% from 2012 and 0.52% from 2014.

The R2 Low Density Residential Zoned areas experienced a 6.44% decrease from 2012 and a 0.85% decrease from 2014. Generally the reductions were in the order of 5% from 2012, however larger reductions, of up to 10% occurred in the north western residential areas of Tumut including older elevated areas and areas adjoining or overlooking industrial areas to the west of Tumut. This included parts of Clarke, Lambie, Dalhunny, and Carey Streets. Purchasers looking at the upper end of the residential market appear to be focussing more on the newer stages of the Valley View and the Glen Estates rather than the older established elevated areas of Dalhunny Street.

The R3 Medium Density Zoned land including Batlow, experienced a 0.95% reduction from 2012 and a 0.30% reduction from 2014. Within Batlow the reductions were in the order of 5% to 10% from 2012 with generally no change from 2014. Within the R3 medium density zoned with Tumut, the values generally remained unchanged from 2012, with only some larger 5,000m<sup>2</sup> and above properties easing by 5% from 2012 with the reduction occurring in the current valuation period.

The R5 Large Lot Residential zoned properties in and around Tumut generally remained unchanged from 2012. The Large Lot Residential lots adjacent to Batlow and Talbingo generally experienced a 5% increase from 2012 with the increase in the Batlow area occurring from 2014 with the increase in Talbingo occurring back in 2013

The redevelopment of the former Gadara Special School Site situated on the corner of the Snowy Mountains Highway and Bundara Crescent by STR Builders to a residential estate is now completed. The development created a total of ten new dwelling sites, with a new six lot plan approved in December 2014. Nine of the lots have been sold at relatively strong prices with dwellings now completed

Stages four and five of the Valley View Estate Tumut were completed in early 2015 with an additional nineteen serviced residential lots created. Five of these lots have now also been sold at relatively strong prices.

Where builders are providing house and land packages in Tumut, the price for the land appears to be at the upper end of the expected market range when compared to vacant parcels within the older established areas of the town.

## Villages

Overall land values within the village of Adelong generally declined by 5% from both 2012 and 2014. Within the smaller village of Brungle, there has generally been no change in land values since 2012. Within the village of Talbingo, land values have experienced a slight 3% increase since 2012 as holiday homes within this village remain popular with buyers from Wagga Wagga and Canberra as they are used as a base to enjoy water sports on the Blowering and Talbingo dams.

## Commercial

The B2 Local Centre zoned properties include 150 properties in Tumut and 31 properties in Batlow. The property market for these commercial properties has experienced a slight 3.67% decrease to the current 2015 land value. The reduction generally occurring in the prime commercial area of the Tumut CBD where the reduction was in the order of 5%. The more fringe commercial areas in Tumut, that include a significant number of residential dwellings, have generally remained stable since both 2012 and 2014. The B2 Local centre zoned properties within Batlow have also generally remained unchanged since 2012 and 2014.

The B1 Neighbourhood Centre zoned areas which includes only three properties within Tumut has also remained stable since 2012 and 2014.

## **Industrial**

While some individual properties have experienced value changes, industrial land values overall have generally remained unchanged from 2012 to 2015. The IN1 General Industrial zone includes approximately 120 properties in Tumut and 19 properties in Batlow.

Within Tumut, the properties are used for a range of uses include providing services to the timber harvesting and transport industries. Some properties continue to be utilised as large residential lifestyle properties. Sales volumes are relatively low and demand is generally limited to owner occupier purchasers who have an immediate specific need for the property. Industrial properties within Batlow have historically been used in the processing of fruit; this activity has significantly declined since the closing of the Batlow Mountain Maid cannery in 2002. While Batlow Fruit Co-operative continues to harvest and pack apples in Batlow, demand for industrial properties within Batlow remains limited with sales volumes generally low.

There are an additional 22 properties zoned IN2 Light Industrial in Tumut with a number of these used by tradespeople for storage and other light industrial uses. Generally the land values of these properties have also remained stable since 2012.

## **Rural Locations within the LGA**

The land values of larger scale grazing properties within the Tumut LGA tended to decrease slightly over the last twelve months however showed a slight increase overall since the last Local Government Revaluation in 2012. Generally grazing properties greater than 200 hectares increased by up to 5% since 2012 with smaller grazing parcels up to 200 hectares increasing by up to 10%. A number of grazing properties in the south western corner of the Tumut LGA bordering Tumbarumba and Wagga Wagga LGA have seen increased values of 15% since 2012 as good quality grazing land continues to attract interest from Wagga Wagga based investors.

Rural residential and rural lifestyle parcels in the 20 to 40 hectares range tended to increase by up to 5% with good quality grazing and home site parcels with Tumut River frontage generally increasing by 5% to 10% since 2012.

Rural lifestyle parcels in the Brindabella valley, especially those with Goodradigbee River frontage increased by up to 20%, driven by demand by residents from Canberra looking for quality weekender style properties within reasonable distance from the nation's capital. Some increases were also recorded for parcels larger than 250 hectares with river frontage.

Rural residential parcels within the Tumut River Orchard have increased by up to 5% since 2012.

Rural lifestyle parcels in the Adelong, Grahamstown areas up to 20 hectares tended to decline in value by 10% since 2012.

While the Primary Production zoned land showing a decline of 2.67% since 2014 it showed an overall increase of 3.51% since 2012.

## **SIGNIFICANT ISSUES AND DEVELOPMENTS**

As previously stated, the key industries of the Tumut area are forest and forest products, horticulture, grazing and tourism. The Tumut shire also relies heavily on the timber processing sector for a significant proportion of the shires employment with two of the largest employers being Visy's Kraft Paper mill and Carter Holt Harvey's two mills. The value of production from the plantation forest, related manufacturing activities and paper products industries are estimated to exceed \$600 million per year. The importance of these industries to the economy of the Tumut shire cannot be overstated.

Seasonal conditions improved in 2010 and have generally remained more favourable through into 2015, this combined with the current sound beef cattle market and the low interest rate environments has seen some increases in the value of larger scale grazing properties.

The Tumut business area remains vibrant. The town provides services to surrounding rural areas, the timber processing industry, and a significant and expanding number of tourists. The town is well serviced with all major banks represented, a number of government and independent primary and high schools, motels, a hospital and a number of doctors surgeries. There are also facilities for all of the major sporting activities located in Tumut

### **Significant Developments – From Prior to Current Annual Valuation**

The redevelopment of the former Gadara Special School Site situated on the corner of the Snowy Mountains Highway and Bundara Crescent by STR Builders to a residential estate is now completed. The development created a total of ten new dwelling sites, with a new six lot plan approved in December 2014. Nine of the lots have been sold with dwellings now completed

Stages four and five of the Valley View Estate Tumut were completed in early 2015 with an additional nineteen serviced residential lots created.

### **Significant Developments – From Prior to Current Local Government Council Rating Valuation**

The residential areas in Tumut continue to expand. Stages 3, 4 and 5 of the Valley Views estate have all been developed since 2012 These stages added a further 25 fully serviced residential lots to this estate with houses now constructed on a number of these lots.

The redevelopment of the former Gadara Special School Site situated on the corner of the Snowy Mountains Highway and Bundara Crescent by STR Builders to a residential estate is now completed. The development created a total of ten new dwelling sites since 2013.

The redevelopment of the former Parktown Autos motor vehicle showroom and service centre to a drive through BWS retail outlet in 2014 was a thoughtful use of the prominent corner site in Tumut.

## **SIGNIFICANT VALUE CHANGES**

### **Significant Value Changes – From Prior to Current Annual Valuation**

Rural lifestyle parcels in the Brindabella valley, especially those with Goodradigbee River frontage increased by up to 20% driven by demand by residents from Canberra looking for quality weekender style properties within reasonable distance from the nation's capital. Some increases were also recorded for parcels larger than 250 hectares with river frontage.

### **Significant Value Changes – From Prior to Current Local Government Council Rating Valuation**

Land values of some larger scale grazing properties have increased with the largest increases of up to 15% occurring in good quality grazing properties situated in the south western corner of the Tumut LGA adjacent to the boundary with the Tumbarumba and Wagga Wagga LGAs. Good quality grazing land continues to attract significant interest from Wagga Wagga based investors and existing large scale graziers looking to expand their holdings.

The R2 Low Density Residential Zoned areas experienced a 6.44% decrease from 2012 and a 0.85% decrease from 2014. Generally the reductions were in the order of 5% from 2012, however larger reductions, of up to 10% occurred in the north western residential areas of Tumut including older elevated areas and areas adjoining or overlooking industrial areas to the west of Tumut. This included parts of Clarke, Lambie, Dalhunny, and Carey Streets. Purchasers looking at the upper end of the residential market appear to be focussing more on the newer stages of the Valley View and the Glen Estates rather than the older established elevated areas of Dalhunny Street.

Two SP2 Infrastructure zoned home sites with direct access to the Tumut Airport runway have increase in value by greater than 15% as to reflect the demand by aircraft enthusiasts for home sites with this feature.

One Tumut Council owned RE2 Private Recreation zoned parcel has increased in land value by 30% since 2012.

Scattered individual rural residential sites have seen significant increases and these properties have been reported on in the Tumut Valuation Analysis Report which has reported on 23 individual properties that have had a significant value change from 2012.

## OVERVIEW OF THE QUALITY ASSURANCE PROCESS

LPI has been provided with a detailed Valuation Analysis Report, which details the Quality Assurance Process of Cosgraves Property Advisers 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 basis' have been correctly determined and all concessions and allowances have been supplied. Additionally, properties that had land values amended through the objection or reascertainment 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 6.6.2. 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.

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