

What is the ENZ zoning?

In the recent Western Sydney Aerotropolis rezoning, some land was rezoned to ENZ Environment and Recreation, particularly around the Wianamatta-South Creek precinct.

Lands zoned ENZ often include a mix of lands that were previously under a range of environmental or rural zonings.

Land that is zoned ENZ can generally only be developed for environmental, or recreation uses.

Land that is rezoned ENZ was previously often constrained by flood mapping controls which restricted development on the land.

How is land valued that is zoned ENZ?

Land that is zoned ENZ will generally be valued by comparing it to sales of other lands that are also zoned ENZ.

The property's current use may also impact the land value.

For example, if the land has a house, it will be valued based on its current residential use (which is known as an existing use right). This reflects the land owner's ability to sell the land and house to a purchaser who can continue to live in the house.

So, even if land has been rezoned ENZ the value may not fall if there is a house on the land.

Example land values for a 10 Ha property

The following three examples show how the ENZ rezoning can impact different types of properties.

The examples are based on the following typical land values for a 10-hectare property:

- Prior Rural zoned land value = \$3,500,000
- Prior Rural zoned land value used for market gardens only = \$2,000,000
- Current Enterprise zoned land value = \$12,000,000
- ENZ zoned land value = \$1,000,000

- ENZ zoned land with an existing use as house, yard and rural uses = \$3,500,000

Example 1

Maria owns a 10-hectare rural property which is used for a house, yard and rural purposes. The land was previously zoned Rural and had a land value of \$3,500,000.

The land was rezoned to Environment and Recreation. (ENZ).

The new land value will be determined based on the property's ability to continue to be used for a house, yard and rural purposes.

So, Maria's new land value will remain at \$3,500,000.

Example 2

Anna owns a 10-hectare rural property which is used for a house, yard and rural purposes. The land was previously zoned Rural and had a land value of \$3,500,000.

The land was rezoned to 5 ha Enterprise (ENT) and 5ha to ENZ Environment and Recreation.

So Anna's new land value is determined at \$6,500,000 being calculated as:

- \$6,000,000 for the 5ha of land zoned Enterprise ENT (being half the value of \$12,000,000 if all 10ha were zoned ENT)
- \$500,000 for the 5ha zoned Environment and Recreation ENZ (being half the value of \$1,000,000 if all 10ha were zoned ENZ)

Example 3

Angelo owns a vacant 10-hectare property which he uses for a market garden with associated sheds. The land was previously zoned Rural and had a land value of \$2,000,000. The land was completely flood affected and had restricted development potential.

The land was all rezoned to Environment and Recreation (ENZ).

The new land value will be determined based on the property's ability to continue to be used for a market garden.

So, Angelo's new land value will remain at \$2,000,000.

Questions?

For further information please contact the Valuer General's dedicated assistance line on 1800 458 884 or Valuer General NSW on 1800 110 038 or +61 2 6332 8188 (international).