CROWN VALUATION SERVICES

FINAL REPORT
BASE DATE: 1st July 2017

DISTRICT OF PARRAMATTA (089)

PARRAMATTA CONTRACT AREA

15 November 2017
EXECUTIVE SUMMARY

The following information refers to the Contract Area of the Parramatta Local Government Area and not to the recent Gazettal of the City of Parramatta.

PROPERTIES VALUED AND TOTAL LAND VALUE

<table>
<thead>
<tr>
<th>Zone</th>
<th>Zone Codes</th>
<th>Entries</th>
<th>2017 Total LV</th>
<th>2016 LT Total LV</th>
<th>Change From LT</th>
<th>2016 LG Total LV</th>
<th>Change From LG</th>
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<tr>
<td>Residential</td>
<td>(R1',R2',R3';R4')</td>
<td>37,340</td>
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<td>$29,864,717.530</td>
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Market Overview:

CVS has undertaken significant analysis of the Parramatta LGA property market to provide an accurate and reliable basis of valuation. 545 number of sales have been analysed to enable the establishment and verification of land values as at 1 July 2017. 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. CVS undertakes this process using the paired sales approach and the replacement cost approach. In analysing sales before or after 1 July it is necessary to adjust the contract price in terms of market movement.

Industrial and commercial rental analysis has demonstrated a strong demand for properties with sound fundamentals.

Summary of Valuation changes: Changes since previous General Valuation (2016).

Residential land: There was a strong increase in residential land values in the Parramatta Local Government Area between 2016 and 2017 reflecting the demand for housing in close proximity to public transport, road infrastructure, the major business and retail centres of Parramatta and Macquarie Park. The predominant form of redevelopment within remains dual occupancy on smaller sites with the R2 zone. Demand for larger sites within the R3 and R4 zone with density potential remains strong.

Density sites in the LGA have shown considerable growth. Traditional property fundamentals remain the same in terms of a desirable site, but as social and economic parameters expand so does the need for extra housing within the LGA. The market across the board has shown rises relative to its potential, although the discounting for larger sites does not seem to be of a concern with developers. Such is the strength of this market, the risk of larger developments is now not as great as it may have been in previous more moderate times.
Commercial/Mixed Use Land:

Generally commercial land values showed strong increases. In the preceding 2-3 years the B4 zoned mixed use sites are where the majority of larger value increases have occurred. There has been several multi-million dollar sales LGA wide, although the higher concentration of these sales is within the B4 ring which surrounds the Parramatta B3 Business Core. These mixed use type sales are consistently driven by the residential component of the development particularly on the key sites which seem to attract a high proportion of Gateway Determination for increase height limits and FSR’s.

In twelve months since the last General Valuation there has also been a definite increase in the activity within the B3 zone with several major acquisitions occurring as the commercial core shows signs of renewed vigour due in part to the removal of commercial stock to facilitate a mixed use type redevelopment which in turn is beginning to creating pressure on the commercial floor space available creating heightened demand.

Industrial Land:

Strong increases have been evident in most industrial locations of the market since the last general valuation in 2016. In the last 12 months there has been unprecedented sale prices been achieved in the Industrial enclave of Rydalmere. These very strong increases have been reflected in a Land Values in this year’s program. The remainder of the industrial market throughout the LGA has also seen strong increases.
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DISCLAIMER: PURPOSE OF THIS REPORT

The purpose of this report is to describe the process and considerations for the 1 July 2016 Valuation of Parramatta LGA. 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 Property NSW website at: www.property.nsw.gov.au
LGA OVERVIEW:

The following information refers to the Contract Area of the Parramatta Local Government Area and not to the recent Gazettal of the City of Parramatta.

The Parramatta City Local Government Area is situated some 24 kilometres west of Sydney’s Central Business District. The Parramatta L.G.A. covers an area of approximately 61 square kilometres. Founded by Governor Arthur Phillip in November 1788, it is the second site of European settlement in Australia and was originally named Rose Hill but later changed to the Aboriginal name of Parramatta.

Parramatta is the geographic and demographic centre of Sydney, and is the second most important commercial and retail centre with services and facilities provided to some 1.7 million residents of the Greater Western Sydney Region.

Parramatta population as at 2016 census was 234,968. The current population makes Parramatta the seventh fastest growing Local Government Area. The population is characterised by its cultural diversity with 41.4% born overseas. Successive State Governments have confirmed Parramatta’s’ status as Sydney’s second largest CBD and the gateway to Western Sydney, particularly by relocating public servants to it. The LGA’s largest industry on a participant basis is Health Care and Social Assistance.

Approximately ninety two thousand people work in the Parramatta LGA with 165,000 people working within the Primary Centre, which consists of the City Centre, Westmead, Camellia, Rydalmere, Harris Park and the Government Precinct of North Parramatta. In the Primary Centre alone, there are 36,000 workers. The Primary Centre is the key regional centre serving Greater Western Sydney. The City is bounded by Duck River and the Ryde Local Government Area to the east, the main western and south-western railway lines to the west, the Baulkham Hills and Hornsby Local Government Areas to the north and the Sydney water supply line to the south.

The topography falls into two distinct geographic areas. The area north of the Parramatta River including the suburbs of Winston Hills, Telopea, Dundas Valley, Carlingford and Epping consists of land that rises sharply towards the Hawkesbury Plateau. The area south of the river which includes the Parramatta CBD, Harris Park, Granville, Granville South and Guilford forms part of the Cumberland Plains and is described as being generally flat to undulating. Parramatta sits at the head of the Parramatta River and at the extremity of Sydney Harbour, where salt and fresh water meets. There is 65 kilometres of open creeks as well as 13.4 kilometres of open stormwater channel. These include Duck River and A’Becketts, Subiaco, Ponds and Toongabbie Creeks. The banks of these watercourses experience mainstream flooding, restricting the development potential of affected adjoining lands.

Within the LGA there are approximately 300 local parks, 10 CBD parks, 6 urban district parks, 52 natural reserves, 6 foreshore parks and 4 cultural parks covering 800 hectares including 32 sports grounds of approximately 73 hectares.

The Parramatta Local Government Area is a major transport hub. It is easily accessed by transport being on the main western and south-western railway lines from Sydney. It is well located in relation to Sydney’s road network with the M4 tollway, Parramatta Road and the Great Western Highway, Victoria Road, Silverwater Road and Woodville Road all providing road access to the district. Supplementing the above is the roll out of the Western Sydney Rapid Bus Transport Network and the Parramatta Transport Interchange. A Sydney Ferries catamaran service to Circular Quay operates from the Charles Street wharf.

With the proclamation of the City of Parramatta the LGA now covers an area of approximately 82 square kilometres. This newly created LGA now includes areas hived off from surrounding Councils along with the removal of the Woodville Ward (Cumberland Council). These new areas include but not limited to the Epping Town Centre (both sides of the railway), Sydney Olympic Park, Wentworth Point Newington and the Silverwater Industrial precinct.

(Source: Parramatta City Council Web page and idcommunity/demographic resources)
**Principal Towns and Suburbs:**

The municipality encompasses the principal suburbs of Parramatta, North Parramatta, Northmead, Harris Park, Merrylands, Granville, South Granville, Clyde, Rosehill, Camellia, Rydalmere, Dundas, Telopea, Carlingford, Eastwood, Epping, Ermington, Oatlands, Winston Hills, and parts of Westmead, Toongabbie, Wentworthville, Pendle Hill, West Ryde, Guilford and Chester Hill.

**Main Industry:**

There is a diverse economy in Parramatta with the manufacturing, retail trade, construction, health, finance, public administration, business services and information technology sectors contributing over $17 billion to Gross Domestic Product.

**Significant Retail Centres:**

Parramatta is the main commercial area in the L.G.A. and has as its focus one of the largest shopping centres in the southern hemisphere, Westfield Shoppingtown. Strip retail centres are located in the majority of suburbs within the Parramatta LGA with the most prominent being located at Granville and Guilford.

**Type of Residential Development:**

As at the 2016 Census, there were 37,632 separate dwellings (43.9%), 18,366 medium density dwellings and 28,977 high density dwellings (33.8). When compared to the 20011 Census it can be seen that the number of separate dwellings is reducing and medium density housing increasing.
STATE and LOCAL GOVERNMENT LEGISLATION:

The State Government’s planning reforms which include the Standard Instrument, Local Environmental Plans (LEPs) Order 2006 (Standard Instrument) introduced in 2006 requires Local Councils to introduce standardised planning instruments. The Standard Instrument is the state wide template for LEPs which all Councils must use to prepare a new LEP. Parramatta City Council has implemented a new Parramatta LEP 2011 and Parramatta Development Control Plan 2011 (DCP).

The Parramatta LEP 2011 took effect by publication on the NSW legislation website on the 7th October 2011. The implementation of Parramatta LEP 2011 has seen the superseding of a number of plans these being: Parramatta LEP 2001 and Heritage Local Environmental Plan 1996. Also the implementation of Parramatta LEP 2011 has led to the Sydney Regional Environment Plan (SREP) 28 – Parramatta being repealed.

Details of these plans as well as any amendments to them have been sourced from Parramatta Council and New South Wales Government NSW legislation site.

The amendments to the Parramatta 2011 LEP can be found at the NSW Government, NSW legislation site.

State and local government legislation for Parramatta City LGA:

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The Parramatta LEP 2011 took effect by publication on the NSW legislation website on the 7th October 2011. The implementation of Parramatta LEP 2011 has seen the superseding of a number of plans; these being: Parramatta LEP 2001 and Heritage Local Environmental Plan 1996. Also the implementation of Parramatta LEP 2011 has led to the Sydney Regional Environment Plan (SREP) 28 – Parramatta being repealed.

Details of these plans as well as any amendments to them have been sourced from Parramatta Council and the Department of Planning Infrastructure and Natural Resources’ (DIPNR).

The amendments to the Parramatta 2011 LEP can be found at the NSW Government, NSW legislation site.

Major Amendments and Draft Strategies:

The following information be accessed through the Parramatta Council Website.

Amalgamation of the Parramatta City Centre 2007 LEP with the Parramatta 2011 LEP

“Amendment No 10 to Parramatta Local Environmental Plan 2011 (PLEP 2011) came into effect on Friday 18 December 2015. This amendment will consolidate Council’s two LEP’S. This will be achieved by including the land currently covered by the Parramatta City Centre LEP 2007 within PLEP 2011. A new part (part 7) of PLEP 2011 will contain special provisions relating to the City Centre.

The LEP amendment also refines the operation of some provisions relating to the City Centre, corrects mapping anomalies and combines all the relevant map sheets into one set of maps. As per Council’s adopted planning proposal post exhibition (December 2013), some of the more notable changes include; increasing the design excellence bonus from 10% to 15%, reducing the minimum site area required to achieve the maximum mapped FSR from 2500sqm to 1800sqm, the prohibition of any new sex services premises within the Parramatta CBD, the re-zoning of No 12 Hassall Street from B3 (Commercial Core) to B4 (Mixed Use) and the application of zoning to waterways and roads.”
Draft Parramatta CBD Planning Proposal - Resolution of Key Policy Areas

Council at its meeting of 11 April 2016 adopted the draft Planning Proposal for the Parramatta CBD for the purpose of seeking a Gateway Determination from the NSW Department of Planning and Environment. This Draft affects all land in the Parramatta CBD.

A number of key policy directions contained in the Planning Proposal have been informed by the Council resolution on 14 December 2015. At that meeting it was resolved to proceed with specific approaches for planning controls related to:

FSR Changes:
- Sliding Scale for FSR;
- FSR / Heights for areas affected by solar access;
- FSR/ Heights for areas affected by heritage; and
- Value sharing mechanism.

Zone Changes (Major changes indicated are):
- The removal of the B5 Business Development along Church St rezoned B3
- The removal of B4 around and including Westfield’s which will be rezoned B3

Council Boundary Changes:

In 2015, after a four year review, the Government appointed the Independent Local Review Panel and IPART to review a proposal which resulted in a possible redistribution of Council boundaries. This boundary adjustment was then referred for examination and report under the Local Government Act, 1993. The Local Government Area (LGA) boundaries and names as proclaimed in proclamation made under the Local Government Act 1993 notified in the NSW Government Gazette on 12/05/2016 of the formation of the City of Parramatta.

The newly Gazetted City of Parramatta

The new LGA is primarily bordered by the natural boundaries of the M2 Motorway in the North, and the M4 Motorway in the South, incorporating most of the former Parramatta LGA, along with parts of the Hills, Hornsby and Auburn council areas, and a small section of the Holroyd LGA.

The former Woodville Ward is now part of Cumberland Council. The Woodville Road ward has been hived off and now forms part of the newly created Cumberland Council (Part merged Councils of Holroyd, Parramatta and Auburn)
The changes have been confirmed as part of the ‘Fit for the Future’ local government reform process and encompass the economic hubs of the Westmead health precinct, the Parramatta CBD, the whole of the Epping town Centre and Sydney Olympic Park as well as Wentworth Point.

With the resulting amalgamation the Planning controls for the new City of Parramatta area there is a need for the consolidation of the existing LEP’s from the adjoining amalgamated districts. The current LEP controls are as follows:

- Auburn Local Environmental Plan 2010
- The Hills Local Environmental Plan 2012
- Holroyd Local Environmental Plan 2013
- Hornsby Local Environmental Plan 2013
- Parramatta Local Environmental Plan 2011

**Epping Planning Review:**

The Epping Town Centre as of May 2016 was included within the City of Parramatta under the State Governments “Fit for the Future” LGA Program. The overriding scenario of this Plan to ensure a single set of planning Controls for Epping with an integrated infrastructure plan. A review of the Epping Town Centre commenced in December 2016. A final report is due in December of this year with implementation and amendments beginning in 2018.

**Draft Parramatta Employment Lands Strategy**

The draft Strategy sets the direction for industrial land across the Parramatta LGA by providing a consolidated set of land use planning actions and recommendations to guide the future of Parramatta’s 21 Employment Lands Precincts.

Employment lands traditionally involve industrial activities such as the design, manufacturing, repairing, storage and/or distribution of physical commodities or goods. Parramatta Council has broadened the definition to also include commercial activities in non-centre locations and business parks. In light of this, “employment lands” will include all properties that have one of the following land use zones:

- IN1-General Industrial
- IN2-Light Industrial
- IN3-Heavy Industrial
- B5-Business Development
- B6-Enterprise Corridor
MARKET OVERVIEW and SALES OF PARTICULAR INTEREST:

Parramatta Residential Market 2017:

The Parramatta LGA in both single and density residential markets has seen very strong growth with vendor expectations appearing to have been continually met over the past 2-3 years with increases of around 50-70%. In the last 12 months the median house value LGA wide has shown more moderate increases with the volume of confirmed sales tapering in comparison to the preceding three years where they had remained exceptionally high.

Demolition and infill development continues to be a popular style of development in the district. This is especially the case with existing larger lots which continue to be met by the market with strong demand. This increases the amount of dual occupancies and townhouse/villa style developments across the LGA. The analysis of these sales where existing improvements are demolished is important and provides good evidence for Land values. As always is the case, sites that offer a clear pathway to an easy development remain. Sites with DA approval or are located in an area where a saturation point hasn’t been reached still show a solid return.

The residential density sites within the Parramatta work off two distinct markets, the first being smaller amalgamated sites, the second been the larger sites generally being on main roads or the result of the introduction of LEP 2011 increasing the possible yields. With State Government imposed dwelling targets on local councils and new LEP re-zonings, residential real estate continues to show solid growth. A feature of the market in particular is that the larger unit development sites show little or no discount for the higher unit yields they produce. These sites seem to be supported heavily from overseas developers sensing an opportunity.

2017 saw continued interest in residential housing and has continued the significant value increases of 2016 and 2015. Low interest rates along with strong demand from investors and a shortage of stock has seen high auction clearance rates at times over 80%. As at June 30 2016 Sydney’s median house price was $1,073,000 and had reportedly grown to $1,178,417 at June 30 2017. (Residex / Domain Reports).

There have been a number of factors coming together to cause the large rise in demand for residential unit development sites in the Sydney area. With continued low interest rates and at this stage an undersupply of residential units the parameters are set to see continued relative strength in residential development activity which in more recent times has been facilitated even further by the increase of overseas investors.

Government planning policy to address the population increase of Sydney has in part been addressed by planning for very large developments to be located near existing and new transport infrastructure.

Commercial Market:

In July of 2017 the Property Council of Australia reports that the overall vacancy factor for the Parramatta CBD is at 4.3% with “A” grade office accommodation having a 0% vacancy factor. These historical low figure is occurred in part by the removal of several major building with either the complete removal of stock via redevelopment into a mixed use type development or replacement by newer office stock particularly with Parramatta Sq. coming on-line. In 2018 the will be approximately 25,000sqm of stock available with an additional 156,000sqm of stock in 2019.

At this current cycle within the Parramatta CBD there is limited future stock coming on line within the next 6 months (which comprises in part both new and re-furbished office space). With most of this space based on pre-committal such as the Western Sydney Universities pre-committal of 26,000sqm at Parramatta Sq. and the 25,000sqm of office space at 105 Phillip St which will be accommodated by the Department of Education which will become available in 2018, it is the general belief that the volume of good quality stock in the short to medium term will tighten which will lead to continued positive activity.

With the continued tightening of the market, prime gross rents have increase by 5.6% over the past 12months to be at an average of $580sqm gross.
The total volume of capital transactions with the last 12 months is approximately $357 mill, double on the amount with the preceding 12 months.

There were also very strong value increases in Commercial B4 Mixed Use lands. This continues the trend where the residential component of any development is the catalyst for its success. There have been several major transactions occurring in the last 12 months which have drawn national attention to the changing face of this LGA. Ironically it’s the demand for mixed use sites that will in part drive the commercial sector as prime sites which may have been purely commercial are now redeveloped for primarily residential use where appropriately zoned.

The retail Vacancy Factor with the Parramatta CBD core @ July 2017 is at 2.8%. According to Knight Frank Research the average shop-front retail net rents in Parramatta currently range between $700-1,200/m² pa with top rents above $1,300/m² pa

**Industrial Market General:**

The major industrial areas within the Parramatta Industrial precinct are located in Rydalmere, Clyde and Granville. These industrial precincts have easy access to core markets as well as being well located close to the major commercial centres. In recent years significant ongoing improvements have been made to Sydney’s metropolitan transport infrastructure, including the M2 and M5 motorways which are currently being widened to accommodate increasing traffic volumes during peak periods. Sydney is linked by what is known as the Sydney Orbital Network, which connects the M1, M2, M4, M5 and the M7. This has allowed direct access from Sydney’s port and airport. Industrial land values increasing over the last 12 months, with signs of further growth in Western Sydney.

Continued development of Sydney’s Motorway infrastructure is further supporting industrial values in the district as land in traditional inner Sydney areas continues to be rezoned to residential and mixed use development. Industrial areas well serviced by road and rail access are benefitting from relocations of businesses to the western employment land areas. Established precincts such as Smithfield and Yennora remain quite central and with very good access provided by existing motorways particularly the M7, M4 and M5 to other Motorways and areas. The development of the Westconnex project currently well underway will further improve accessibility for commuters and heavy vehicle traffic.

Vacancy rates in the Parramatta LGA industrial market appear to be fairly stable. Rents have also remained fairly stable commensurate with the age and condition of the space available over the course of 2016/17.

**Recent Major Sales:**

**Residential:**

169-171 Adderton Rd Carlingford: This is a yet to be amalgamated site with DA approval for 8x3bd townhouses sold for $3,930,000 in June 2017.

11 Talinga St Carlingford: A large 2,140sqm irregular shaped site with DA pending for sub-division into 3 lots with dual occupancy development sold for $3,450,000 in February 2017.

**Mixed Use:**

130 Church St Parramatta: Commercial building sold for $52,000,000 in April 2017. NB: This site also sold for $42,000,000 in May 2016.

292 Church St Parramatta: Three level commercial building sold $9,750,000 in October 2016

6 Palmer St Parramatta: Three level commercial building sold $3,450,000 in June 2016
Commercial Core:

41-59 George St Parramatta: Multiple buildings on a yet to be amalgamated site with a combined area of 3,345sqm sold for $22,500,000 in November 2016.

95 Phillip St Parramatta: Multiple buildings on a yet to be amalgamated site with a combined area of 3,082sqm sold for $31,150,000 in December 2016.

Industrial:

62 Ferndell St South Granville: A large industrial complex spread over 10Ha sold for $55,000,000 in July 2016.

10-12 Pike St Rydalmere: A large 3.784Ha site with substantial improvements sold in February 2017 for $27,500,000

SIGNIFICANT ISSUES AND DEVELOPMENTS:

Examples of Major Development Sites within the LGA:

169 Macquarie Street, Parramatta (Stage One): Commercial, 24,500sqm office tower. Construction completion anticipated late 2015. **Stage Two:** The Aspire Tower, Corner Church and Darcy Streets, Parramatta 90-storey use tower of 700 apartments, 150-key hotel, ground level retail, a skydeck and experience centre. **Stage Three:** 153 Macquarie Street, Parramatta Commercial and community facilities, 22,000sqm 5 Green Star office tower, 7,000sqm of 5 Green Star public facilities including civic building, community centre and library opening out onto the public domain. **Stage Four:** 5,000sqm 5 Green Star mixed-use retail and commercial building central to the Parramatta Square Public Domain. Subject of design competition. **Stage Five & Six:** 100,000sqm dual commercial 5 Green Star office towers. Subject of design competition.

**Parramatta Westfield:** WESTFIELDS. In 2017 there was a modification to approved MP:10_0068:
- Increase total assessable commercial gross floor area from 35,000m² to 112,000m²;
- Increase the number of office and associated levels from 25 to 46 plus a roof plant level.
- Change the tower form to a generally rectangular shape
- Increase the maximum permitted building height to a maximum of 210m above ground level (maximum RL 220).
- Increase maximum office tower building envelope floor area from 1,800m² to 3,025m² for the 39 office tower floor levels above the office tower podium.

**130-150 George St Parramatta:** This proposal comprised of a 33-storey tower with a stepped podium and new active landscaped plaza. The tower is to sit over an existing podium carpark structure. The new plaza and through site link connects Phillip Street and George Street replacing an existing above-grade two-storey carpark. The site is in zone B3-Commercial Core and according to Parramatta Local Environment Plan 2011 (PLEP2011) has a height limit of 120m with an allowable FSR of 10:1 resulting in a potential 114,404sqm of GFA.
- The design consists of commercial office accommodation with 48,338sqm additional GFA which includes 655sqm of new retail GFA.

**50 Macquarie St Parramatta and 220-230 Church St:** The site is an irregular ‘L’ shape with retail activation on Church Street, Macquarie Street, Horwood and Houison Place. The consolidated site comprises three properties bounded by Macquarie Street to the south, Church Street and United Lane to the west, Houison Place to the north and Horwood Place to the east.

1. The ‘Greenway Plaza’, a one and two storey retail and commercial building (230 Church Street);
2. A two storey retail and commercial brick building (220 Church Street); and
3. A three storey brick mixed use commercial building (48 Macquarie Street).

The proposal allows for 25 floor of commercial space with a GFA of 39,061m² over 150 car spaces held within 4 levels of basement.

More recent examples at Gateway stage are as follows:

**87 Church Street and 6 Great Western Highway, Parramatta:** The proposal seeks to increase the maximum height of buildings to 180m, increase the maximum FSR from 3.5:1 to 10:1 (ie 11.5:1 with design excellence) and require a minimum gross floor area for non-residential uses (FSR 1:1), for land at 87 Church Street and 6 Great Western Highway, Parramatta. (PP_2016_PARRA_017_00)

LEP implementation: Is to be 18months following the Date sent to RPA for Implementation which was the 12/9/16.
**180 George Street, Parramatta (753 dwellings):** The proposal seeks to remove the maximum height of building control, increase the maximum permissible FSR to 10:1 (excluding 15% design excellence bonus), ensure a minimum 1:1 FSR is utilised for employment generating (commercial) floor space and apply clause 7.6 Airspace Operations to the site. (PP_2016_PARRA_016_00)

Gateway is with P&E for final assessment in October 2017

**Land on the corner of Parramatta Rd, Albert St, Victoria St, and the Railway Line, Granville (formerly 171 to 189 Parramatta Road, Granville) (480 dwellings).** (PP_2016_PARRA_013_00)

The intent of the proposal is to:

* Rezone the subject site from part R3 – Medium Density Residential and Part B6 – Enterprise Corridor, to B4 – Mixed Use;

* Increase the range of maximum building height limits from 11 and 15 metres to 82 metres (25 storeys) (inclusive of Design Excellence); and

* Increase the maximum floor space ratio (FSR) range from 0.6:1 and 2.0:1 to 5.2:1 with potential for a ‘bonus’ FSR of 15% (5.98:1) subject to achieving ‘design excellence’

**Hawkesbury Rd Development:** The redevelopment of the site located on the corner of Hawkesbury and Darcy Rd. The mixed use site is spread over 5 lots with specific use and GFA’s allocated. DA’s have been lodged on sites 4 and 5. This development will be in partnership with the Western Sydney University that will include education, commercial, retail, residential and community spaces.

**Infrastructure:**

**Westmead Hospital redevelopment @ July 2016: Stage 1:** Co-locate complex and critical care services into a multi-storey Acute Services Building linking Westmead Hospital and The Children’s Hospital at Westmead. Stage 1 also includes refurbishments to existing facilities including the intensive care unit. The Acute Services Building - due for completion in 2020 - will include new operating theatres, extra inpatient beds and new adult and pediatric emergency departments. **Stage 2:** A refurbishment of the Westmead Children’s Hospital and a new six-storey car park with 1250 spaces (due for completion in mid-2017) which will take campus capacity to over 5,400 spaces.

**Western Sydney Light Rail Network:** In February 2017 it a preferred route for Western Sydney Light Rail Network was announced. The line will run from Westmead to Strathfield. The preferred 12 kilometre line has been released with potential stops at:

- Westmead, Westmead Hospital, Children’s Hospital, Cumberland Hospital, Factory Street, Fennell Street, Prince Alfred Square, Eat Street, Parramatta Square, Harris Street, Tramway Avenue, Camellia, Rydalmere, Dundas, Telopea and Carlingford.

**Western Sydney Stadium (Concept and Stage 1 Demolition. (Parramatta Stadium):** The state Government has committed to building a $3000 million 30,000 seat stadium with a completion date of April 2019.
SIGNIFICANT VALUE CHANGES:

Significant value changes – from prior to current annual valuation:

In broad terms the Sydney wide market experienced unprecedented increases in recent years particularly in the residential/mixed use markets, spurred on by interest rates which were at their lowest rates since the 1960’s, the influx of global money, clearer development pathways with the new and standardised LEP’s and the fear of missing out scenario. Although at more subdued rates, value growth continued over the last 12 months for the 2017 Base Date.

Within the Parramatta LGA there has been significant and consistent interest across all levels of single/multi residential dwellings and mixed use development. The demand for residential property within the LGA has been widespread and improved markedly over the current valuation year with good levels of supply available.

These increases are generally consistent within each of the residential components and also on a component by component level. There has not being a single major factor within the LGA that has led to widespread fluctuations in values but there has been a continuation of a positive market as shown by this year’s sales evidence.

The case remains that dwellings and sites with good public and private infrastructure or good development potential and where vendors have realistic expectations are being sold in reasonable time frames with general market indicators continuing to show a positive outlook for the foreseeable future.

There has been some significant movement of some industrial components within the LGA in this current year’s program. This increase has been the result of a several market transactions consistently indicating a clear shift in both vendor and purchaser expectations. The Industrial zone which includes IN1, IN2 and IN3 zoned properties showed a very strong increase from the prior Base Date.

NB: In some instances it is considered that some values have moved significantly enough that its variation does not just represent normal market conditions but is the result of a variation in the development potential of a particular site. Other significant variations in values are the result of handcrafting through verification a one off value changes that have been brought about by sales analysis.
OVERVIEW OF THE QUALITY ASSURANCE PROCESS:

The Property NSW has been provided with a detailed valuation analysis report, which details the quality assurance process of Crown Valuation Service 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 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 Version 7.1.1. 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.

Report prepared and
Signed by:

Mark Everitt AAPI CPV
Crown Valuation Service Pty Ltd
14th November 2017