

FINAL REPORT



Rural Landscape – Mount Arthur District, North West of Wellington NSW

2016 Base Date

Dubbo Regional Council

Former Local Government Areas of Dubbo City Council and Wellington Council

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Former Dubbo LGA

1.0 Executive Summary

1.1 LGA Overview

Dubbo Local Government Area

The former Dubbo City Council area (now part of the Dubbo Regional Council formed with the amalgamation of Wellington Shire) is located in the Central Western Slopes and Plains area of central New South Wales, approximately 439 kilometres to the northwest of the Sydney Central Business District. Dubbo City Council had a land area of approximately 3425 square kilometres that predominantly comprises undulating slopes on the western fall of the Great Dividing Range turning to plains country west of the Newell Highway / Macquarie River north-south dividing line. This former local government area (LGA) is adjoined by four other LGAs – Gilgandra Shire Council to the north, Warrumbungle and Wellington Shire Councils to the east, Cabonne Shire Council to the south and Narromine Shire Council to the west.

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

The Dubbo City Council Local Government Area (LGA) comprises residential, rural, commercial, industrial, infrastructure, environmental and public recreation zones.

17,799 properties were valued at the base date of 1 July 2016, and valuations are reflective of the property market at that time. Notices of Valuation last issued to owners for the base date of 1 July 2014. The Dubbo City property market remains sturdy across all sectors with the key sectors of rural and residential both showing substantial increases in land value over the period whilst the other two key sectors of business and industrial remained muted. The Dubbo City LGA is a highly regarded regional centre, providing a central location for many shopping, professional, health and manufacturing services required by the population of around 120,000 who reside in the surrounding Orana Region. Approximately 88% of the properties valued are contained within the city urban and village areas (79% being residential), with the remaining 11% being rural lands principally utilised for mixed cropping and grazing with some irrigation along the Macquarie River flood plain. Many property purchasers are attracted to the city due to the regional facilities offered, the consistent growth in population and property values, employment opportunities and the relatively relaxed urban lifestyle. Rural property markets are also influenced by city based professionals seeking open space accommodation or a rural production sideline as well as the bonafide rural producer looking for well located land with a reliable rainfall.

Valuation changes in the LGA and percentage changes between the Annual Valuation year of 1 July 2015 and the current Annual Valuation year of 1 July 2016 are as follows:

Zone	Zone Code	No. of Entries	Prior Annual Valuation (2015)	2016 Annual Valuation	% Change
Residential	R1, R2, R5	13,939	\$1,794,766,390	\$1,965,658,870	10%
Rural	RU1, RU2, RU4, RU5	1,920	\$475,159,980	\$595,029,550	25%
Commercial	B1, B2, B3, B4, B5, B6, B7	964	\$286,991,000	\$293,495,100	2%
Industrial	IN2, IN3	500	\$151,085,090	\$151,191,000	0%
Infrastructure	SP2, SP3	224	\$54,435,100	\$59,051,330	8%
Environmental	E1, E3	72	\$14,921,310	\$16,427,770	10%
Recreation	RE1, RE2	180	\$20,843,672	\$20,845,670	0%
Total		17,799	\$ 2,798,202,542	\$ 3,101,698,380	11%

1.2 State & Local Government Legislation for LGA

Dubbo Regional City local government area is governed by the Dubbo City Local Environmental Plan 2011 (LEP). The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales legislation.

Dubbo City Local Environmental Plan 2011 was published on the legislation website on 11 November 2011. Since the previous valuation base date to the date of this report, Amendment No's 5 to 10 have also been published on the legislation website. Additionally, the plan has been modified by Standard Instrument (Local Environmental Plans) Amendment (Maps) Order 2016, Standard Instrument (Local Environmental Plans) Amendment Order 2016, Standard Instrument (Local Environmental Plans) Amendment (Observatory & Defence Facility) Order 2016 and State Environmental Planning Policy (Integration and Appeals) 2016.

1.3 Market Overview and Sales of Particular Interest

Opteon (Western NSW) Pty Ltd as LPI Contractors has undertaken significant analysis of the Dubbo City property market to provide an accurate and reliable basis of valuation. 451 sales in total have been analysed to enable the establishment and verification of land values as at 1 July 2016. 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. Opteon 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. In the Dubbo City LGA this year, sales and resales of properties indicated the more noted growth in residential and rural zones was found to be consistent throughout the year. Residential rental studies also confirmed the modest growth in that sector. In the commercial zones, commercial rental analysis as well as feasibility studies that were carried out reflected a generally stable market in both CBD and outlying business locations.

1.4 Significant Issues and Developments

Significant developments or applications for developments outside of those that are permissible include the following:

- Dubbo City Council was merged with Wellington Shire Council to form the Western Plains Regional Council. On 7 September 2016, the LGA was renamed Dubbo Regional Council.
- The Dubbo Zirconia Project, a rare earths mine and processing complex to the immediate south of Dubbo, continues to proceed. All NSW Government requirements have been met and commencement now depends upon the accumulation of sufficient capital (estimated at \$1-billion) to begin physical development of the mining & refining facilities.
- Dubbo Regional Livestock Markets remain the largest combined sheep and cattle selling facility in Australia.
- A 5-star residential aged care facility with an 80-bed capacity was commenced at the Kintyre Retirement Village in August 2016 with a development cost estimated at \$15-million.
- The French company Neoen is to establish a 24.2MW photovoltaic solar power facility to be called the Dubbo Solar Hub on two sites – one at Dubbo and another at Narromine.
- Plans for a circa \$90-million pipeline to connect Burrendong Dam to the John Gilbert Water Treatment Plant at Dubbo have gone on exhibition for public comment.
- FlyPelican commenced flights connecting Dubbo with Newcastle in July 2016. Dubbo is now connected by direct air flights to Sydney, Melbourne, Brisbane and Broken Hill as well as Newcastle.
- Tenders for the construction of another floor on the new clinical services building at Dubbo Base Hospital were called for in August 2016 to commence Stages 3 & 4 of the redevelopment at a cost of \$150-million.
- Fletcher International is headquartered in the City Of Dubbo and is the leading Australian supplier of sheep meats, skins and associated by-products to the global market.

1.5 Significant Value Changes

Summary of Valuation Changes to Residential Land

Changes since previous valuation (2015)

Growth has been evident in most residential locations across the City since the last Land Tax Valuation in 2015, with increases in sought-after, excellent quality developing estates such as Southlakes, Macquarie View, Delroy and Grangewood continuing at a more sedate pace than shown in 2015. In all areas, new releases have been accompanied by a slight increase in prices; otherwise all unsold blocks in earlier stages have generally sold at the asking prices set upon release – up to twelve months or a little longer. Agents continue to report growth is attributable to a mixture of investors and intending owner occupiers. The suburb of Rosewood Grove, a former public housing estate in West Dubbo that is being sold in tranches at periodic auctions by the NSW Government, experienced a dramatic slowing of price increases over that seen in 2015. The \$100,000 per block barrier in this area contrasts with the circa \$150,000 to \$165,000 per block selling price in the more favoured new estates.

Values of englobo lands are considered to have stabilised at levels established in 2015, with two only sales considered market related and analysed for the period. The increase in fixed costs associated with subdivisions is still considered to have limited the value of sites in new or more outlying areas, particularly where the extension of services is required, as well as smaller 'infill' englobo lands requiring infrastructure, to land value levels commensurate with those of large lot residential lands.

Summary of Valuation Changes to Rural Land

Changes since previous valuation (2015)

The Dubbo City LGA is a well regarded rural locality attractive to purchasers for a variety of reasons including location to saleyards & grain rail facilities, quality of soils, temperate climate and mix of soil quality as well as the reasonably reliable rainfall. The most common rural land use in the Dubbo City LGA is mixed dryland farming that includes sheep for wool & meat, cattle for beef, cereal grains and pulses. Alternative summer crops of oilseeds & grains plus dairying is carried out with irrigation on the alluvial soils of the Macquarie River flood plain, whilst there are a significant number of smaller rural home sites and hobby farms on the full range of soil types generally within a 20 kilometre radius of the city.

Broad acre farming country within the RU1 – Primary Production zoning has experienced increases of up to thirty per cent since the last Annual Valuation. Once again, the greatest increases have occurred in the better soil types to the east and southeast of the city. Six sales of properties in excess of 100 hectares and zoned Primary Production were analysed over the period, a number that is well down on the level of sales reported for the previous two reporting periods when over twenty such sales were analysed. This reduction in numbers confirms agents observations that although demand remains high, supply has diminished as the seasonal conditions and rural commodity prices have improved.

City fringe areas and larger lot residential subdivisions outside the urban centre have shown a consistent turnover with land value increases ranging from 15% to 25% applied across the lifestyle grazing/hobby farms, rural-residential and rural retreat holdings throughout the LGA. Nineteen sales were recorded over the reporting period, a slight drop on the numbers recorded over the two preceding periods when over twenty sales were analysed.

The greatest increase in land value levels within the Rural zone have occurred within the RU4 – Rural Small Holdings component. A number of reliable sales that were analysed indicated that land value levels had increased substantially, and value levels overall were increased by 35% in response to the evidence.

Summary of Valuation Changes to Commercial Land

Changes since previous valuation (2015)

The Dubbo City LGA commercial market had 25 market related property sales analysed throughout the year ending 1 July 2016. These sales occurred across 5 business components with the analyses indicating that property values remained relatively stable at levels established over the previous reporting period.

Within the city CBD, 14 market related sales indicated that generally there had been no movement in land values. The perception that the 'heart' of the CBD had moved south within the main street due to new tenants and tenant relocations reported in the last period appears to be further affirmed by the evidence provided by the sales.

Whilst the retail heart appears to have retained strength in rents and shopping traffic, the retail areas to the north and south of the heart have remained relatively stable although there has been some vacancies and change of tenants. Sales within the commercial core outside the prime CBD retail area indicated an overall stable pattern of tenancies and owner occupations around established value levels.

Business zoned property on the major corridors into the city has seen activity reduced from 12 market related sales recorded over the twelve month period to one only in the current period. Land values have been retained at established levels in the absence of sales to indicate any other trend.

Outlying small business centres to the north, east & west of the CBD have shown little change in value levels with market activity over the period confined to the Blueridge Estate where the developer sold two improved and two vacant properties around established value levels and a third party on-sold a block with DA at a slight premium over the 2015 purchase price.

There are seven neighbourhood shopping centre zoned areas across Dubbo. No sales were recorded and land values were retained at levels that showed an alignment across all centres established in 2015.

Summary of Valuation Changes to Industrial Land

Changes since previous valuation (2015)

A total of 10 market related sales have been recorded and analysed across the Dubbo City industrial market to establish values for the year ended 1 July 2016, a figure that is well down on the 28 sales considered to be market related in 2015.

Heavy industrial zoned land has limited demand within Dubbo City and has experienced the least activity. The two sales considered market related show that value levels have remained stable at levels established in 2014.

Light industrial zoned property is generally in good demand across the city. Eight market related sales have been analysed which support the value levels established in 2015.

2.0 Disclaimer – Purpose of this Report

The purpose of this report is to describe the process and considerations for the 1 July 2016 Valuation of Dubbo 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 7.0. 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.

3.0 LGA Overview

3.1 Location of the District

The Dubbo City Council area lies within the Central Western Slopes and Plains of New South Wales with the city urban area located approximately 390 kilometres to the northwest of Sydney. Dubbo City Council comprises a land area of approximately 3425 square kilometres that predominantly comprises undulating slopes on the western fall of the Great Dividing Range turning to plains country west of the Newell Highway / Macquarie River north-south dividing line. The local government area (LGA) is adjoined by four other LGAs – Gilgandra Shire Council to the north, Warrumbungle and Wellington Shire Councils to the east, Cabonne Shire Council to the south and Narromine Shire Council to the west. The resident population of the city at May 2013 is an estimated 40,882 persons having a median age of 35.7 years.

3.2 Principal Towns and Villages

Dubbo

The City of Dubbo is the sole large urban establishment within the Dubbo City Council area; and is the prominent regional centre within the wider Orana Region. It is located approximately 390 kilometres to the northwest of Sydney. The central business district of Dubbo City is bordered by Bligh, Talbragar, Darling and Cobra Streets. It features several large commercial complexes, containing professional suites, offices and government administration in addition to two large shopping centres, a library, council chambers, district court and large police station. Dubbo City is enveloped by residential development, largely single residential dwellings and some small townhouse developments. There are no other towns within the city boundaries.

Villages

Wongarbon is the largest village in the LGA with a population of around 770 and is located approximately 15 kilometres west of Dubbo City on the Mitchell Highway. Average size of lots is circa 2000 sqm with all normal town services except for natural gas available. The village has a general store-post office, a hotel and a primary school – otherwise the village is residential. One creative industry operation, the Garling Gallery, is located within the village which attracts locals and tourists alike to see the artworks, particularly the bronze castings.

Brocklehurst is the second largest village in the LGA with a population of around 470 located approximately 10 kilometres north of Dubbo City on the Newell Highway. Average size of lots is circa 2000 sqm with all normal town services except for natural gas available. The village has no publicly available utilities and is totally residential.

Eumungerie is a village with a population of around 420 located 41 kilometres north of Dubbo on the Newell Highway. Average size of lots is circa 2000 sqm with town services limited to garbage collection and electricity. A piped water supply from Dubbo has largely been laid with finishing works having had a major interruption with continuing rainfall from April to September. Completion is expected within the next six months. Similar to Ballimore, a hotel and public school provide the only publicly available utilities.

Ballimore is a small village with a population of about 190 situated approximately 31 kilometres east of Dubbo City on the Golden Highway. Average size of lots is circa 2000 sqm with town services limited to town water, garbage collection and electricity. A hotel and public school are the only public utilities.

3.3 Main Industries

Dubbo City is a prominent regional centre with the Dubbo City Council Economic Profile showing that the city services a region of over 120,000 people covering a third of the geographic area of NSW. Principal employment activities within the city are centred upon the provision of health care & social assistance services and the retail trade industry – each of which employ over 2000 persons. Other significant employment industries that employ in excess of 1000 persons include education & training, public administration & safety, accommodation & food, manufacturing and construction. Agriculture, Forestry and Fishing rates number 12 on the list of 18 industries that employ over 100 persons. Mining is the industry that employs the least number of persons with 79 recorded.

In total there are 16,959 people employed within the city with the greatest concentration of employment centres located within the CBD, south to Boundary Road and east to Sheraton Road. The above data was compiled from the latest REMPLAN data incorporating Australian Bureau of Statistics' (ABS) June 2014 Gross State Product, 2012 / 2013 National Input Output Tables and 2011 Census Place of Work Employment Data.

3.4 Significant Retail Centres

Dubbo City central business district provides the main retail centre for the Orana region. It features two significant commercial complexes being the Dubbo Square with major anchor of Coles and Target and Riverdale Shopping Centre with major anchor of Woolworths. Myer also have a large presence in the centre of the CBD.

To the east of the CBD, the privately owned Orana Mall also provides a powerful shopping presence within the city and Orana Region. Woolworths & Big W are the anchor tenants with around 60 additional shop spaces providing specialty stores, banking and other professional services. Bernadi's IGA have vacated their space as the third major tenancy, with JB HiFi and two other retailers providing replacement retail tenancies.

3.5 Type of Residential Development

The Dubbo City Council urban area encompasses several types of residential developments. The overwhelming majority of residential properties in the city are single residential dwellings located in the urban area and villages followed by a large number of such dwellings located in rural locations on both hobby and larger farms. Dubbo City also has a number of residential unit developments and townhouse style properties plus a growing number of more densely developed gated estates within the city urban area.

Core Logic RP Data for the city provides the following residential property indicators:-

- The median price of a dwelling in Dubbo in July 2016 was \$346,000 (slightly down from \$351,500 in 2015)
- House sales recorded for 2016 period – 414 (well down on the 695 recorded for 2015)
- Land sales recorded for 2016 period – 136 (well down on the 282 recorded for 2015)
- Approximately 66 percent of household properties are owner occupied - 28% are occupied and owned outright; 34% are being purchased; 34% are renting with 3.5% otherwise in occupation.

4.0 State and Local Government Legislation for LGA

Dubbo Local Environmental Plan 2011 was published on the legislation website on 11 November 2011. This plan is based on the standardised Local Environmental Plan prescribed by the New South Wales Legislation; having the intention to standardise, clarify and simplify planning controls across all local government areas. Since the previous valuation base date, Amendment No's 5 to 10 have also been published on the legislation website. Additionally, the plan has been modified by Standard Instrument (Local Environmental Plans) Amendment (Maps) Order 2016, Standard Instrument (Local Environmental Plans) Amendment Order 2016, Standard Instrument (Local Environmental Plans) Amendment (Observatory & Defence Facility) Order 2016 and State Environmental Planning Policy (Integration and Appeals) 2016.

The aims of the Dubbo LEP 2011 are:

- to achieve a city structure that centralises the central business district by shifting the residential development emphasis to West Dubbo,
- to ensure the Dubbo central business district remains the primary commercial centre for the greater region,
- to ensure tourism opportunities are provided in appropriate locations in close proximity to the Taronga Western Plains Zoo, established accommodation nodes and service and support facilities,
- to provide high quality open space to meet a wide range of active and passive recreational needs,
- to ensure environmental and cultural heritage is adequately protected to ensure its conservation,
- to ensure adequate provision is made for the development, establishment and enhancement of cultural, research and medical institutions,
- to ensure land zoned for industrial purposes is protected from inappropriate development,
- to ensure rural lands are kept in large holdings to ensure sustainable agriculture can be undertaken without detrimental impact,
- to ensure development and land management practices do not further exacerbate the impact of salinity or result in new salinity outbreaks,
- to ensure urban stormwater is managed to maintain quality and not detrimentally impact on downstream development,
- to ensure the floodplains of the Macquarie and Talbragar Rivers are adequately protected from inappropriate development and to ensure the impact of flooding on people and the built and natural environment is minimised.

Amendments to the LEP since 1 July 2014 are detailed as follows:

- Amendment No.5 – published on the legislation website 31 July 2015 – amended Schedule 5 Environmental Heritage by adding two dwellings at Mitchell Street, Dubbo to the listed heritage items.
- Amendment No.6 – published on the legislation website 31 July 2015 – amended or replaced the maps adopted by Dubbo LEP 2011.
- Amendment No.7 – published on the legislation website 31 July 2015 – rezoned part of Daphne Park to allow extension of a pre-school.
- Amendment No.8 - published on the legislation website 4 Dec 2015 – added “shop top housing” to permitted uses in Zone SP3 – Tourist; and amended the use of land at the former RAAF stores depot site to allow the blending of uses within 50 metres of the boundary between SP3 – Tourist and R1 – General Residential zones.
- Amendment No.9 – published on the legislation website 8 July 2016 – allowed hotel or motel accommodation development on Lot 3 DP554158 at 20L Chappmans Road, Dubbo.
- Amendment No.10 – published on the legislation website 15 July 2016 – amended Clause 5.4 Controls relating to miscellaneous uses to permit a secondary dwelling to have a floor area of up to 65% of the floor area of the principal dwelling.

- Standard Instrument (Local Environmental Plans) Amendment (Maps) Order 2016 – a procedural order that implies that a reference to the Minister in Clause 1.7 Maps is also taken to be a reference to the Greater Sydney Commission in the case of any LGA map within the Greater Sydney Region.
- Standard Instrument (Local Environmental Plans) Amendment Order 2016 - The amendments:
 - add “hardware and building supplies” and “garden centres” to the mandatory uses permitted with consent in IN1 General Industrial, IN2 Light Industrial and B7 Business Park zones;
 - add “places of public worship” to the mandatory uses permitted with consent in IN1 General Industrial and IN2 Light Industrial zones;
 - amend the definition “building height” to allow height of buildings to be measured relative to a known datum; and
 - amend the definition of “livestock processing industry” to remove the phrase “derived principally from surrounding districts”.
- Standard Instrument (State Environmental Planning Policy (Integration and Appeals) 2016

Local Environmental Plans) Amendment (Observatory & Defence Facility) Order 2016 - The key amendments to the Regulation include:

- Providing that a certifying authority not issue an occupation certificate for complying development for a dwelling house, dual occupancy or secondary dwelling on land within the Coonamble, Dubbo, Gilgandra and Warrumbungle LGA unless certain development standards are met with respect to outside lighting.
- Requiring a consent authority to consider the Department’s new *Dark Sky Planning Guideline* (Guideline):
 - for development within the Coonamble, Dubbo, Gilgandra and Warrumbungle LGAs; and
 - for regional development, State significant development and designated development within 200 kilometres of the Siding Spring Observatory.
- Requiring proponents for State significant infrastructure within a 200 kilometre radius of the Siding Spring Observatory to consider the Guideline when preparing an environmental impact statement.

Dubbo LEP 2011 is supported by Development Control Plan 2013 (DCP). Since 1 July 2015 there have been no amendments made to the DCP.

Dubbo City Council has development controls included within the LEP as Lot Size Maps which affects the subdivision and erection of dwellings and subsequently land values. Minimum lot sizes for the major land uses within the LGA are summarised in the table below:

Zone	Zone Code	Minimum allotment size
Residential	R1 - General Residential R2 - Low Density Residential R5 - Large Lot Residential	300 m ² ; sectors of 600 m ² , 800 m ² , 4000 m ² , 6000 m ² & 10 ha; sectors of 1.5 ha, 2 ha, 6 ha, 8 ha, 10 ha & 35 ha
Business	All codes	No minimum size, Council consent required for subdivision
Industrial	IN2 – Light Industrial IN3 – Heavy Industrial	2000 m ² ; 4000 m ²
Rural	RU1 – Primary Production RU2 – Rural Landscape RU4 – Primary Production Small Lots RU5 - Village	sectors of 3 ha, 5 ha, 8 ha, 10ha, 20ha, 35 ha, 50ha, 100 ha & 250 ha although principally 800 ha; sectors of 20 ha & 100 ha; 20 ha; 2000 m ²
Environmental Management	E3 – Environmental Management	100 ha

5.0 Market Overview and Sales of Particular Interest

5.1 Residential

The former Dubbo City LGA contains the one major urban centre of Dubbo surrounded by the four 'satellite' villages of Wongarbron, Brocklehurst, Ballimore & Eumungerie. Residential development within the Dubbo urban area encompasses several types of residential developments, although the overwhelming majority of the population live in single dwelling houses. Residential development within the village areas is almost entirely single residential dwellings, with a corresponding proportion of such dwellings located in rural locations on both hobby and larger farms.

Approximately 66 per cent of properties in the region are owner occupied, 30 per cent are owned by investors and approximately 4 per cent are government owned dwellings.

Dubbo City has the full range of utility services available including a reticulated town water supply, reticulated sewerage, reticulated natural gas and telecommunication services. Dubbo City Council also has an extensive range of Government services including six state primary schools, three state high schools (Dubbo College South Campus (years 7-9), Dubbo Delroy Campus (years 7-9) and Dubbo Senior Campus (years 10-12), a TAFE and a campus of the Charles Sturt University; in addition there are emergency services including Police, NSW Fire Brigade, Rural Fire Service, SES and Ambulance, two hospitals (Dubbo Base and Dubbo Private), council chambers and administrative offices for various government agencies. Additional community based facilities available within the LGA include three full term (years 1-12) private schools, two special needs schools, various denominational churches, child care centres, various aged care facilities, sporting clubs, extensive recreational playing fields, parks and reserves, a public swimming pool, tennis courts and a 27-hole golf course.

The volume of property sales across the City for the twelve month period ended 1 July 2016 showed a substantial reduction from the volume recorded for the year ended 1 July 2015. This level of sales activity constitutes a return to a more normal level with a 40% reduction in sales compared to the surge in demand that was experienced from November 2014 to November 2015. Although the rate of sales has eased, demand for vacant lots has seen a continuation of new streets created in the Southlakes estate, the Macquarie View estate and the extended Delroy Estate. Grangewood estate centred on the golf course also provided a number of new lots to the market in extending existing streets. Demand for improved residential property peaked circa April 2016 with agents citing the increased interest of many investors outside of Dubbo for house and land packages as the leading cause of the sales surge.

Dubbo City residential values are supported by stable employment from major employers in the Dubbo retail industry, the health industry, Fletcher's abattoir and manufacturing industries, supported also by the surrounding rural communities for which Dubbo City is the regional service centre.

Growth has been evident in most residential locations of the market since the last general valuation in 2015, with increases in the sought-after, excellent quality estates such as Southlakes and Grangewood considered to have kept ahead of more modest increases in the established residential areas of East Dubbo and West Dubbo.

The moderate to strong increase noted to have occurred in the Rosewood Grove estate to 1 July 2015 stabilised over the past period with new house land packages continuing to sell in the range \$330,000 to \$390,000 supported by sales of vacant allotments seeming to have plateaued at around \$100,000. With the large number of new residential estates in recent years; a good remaining supply of vacant land; and higher subdivision costs, englobo values are considered to have remained generally stable at values established in 2015.

The value levels adopted are supported by both vacant and improved sales analysis examples of which are:

- Rosewood Grove – Vacant land – 4 Abelia Court, Dubbo – 619m² April 2016 - \$100,000;
 - Residential – 89 Linda Drive, Dubbo – May 2016 – \$389,000
- Delroy Estate – Vacant land – 19 Apsley Crescent, Dubbo – 842m² June 2016 - \$155,000
 - Residential – 5 Ellenborough Avenue, Dubbo – February 2016 - \$483,000
- Southlakes – Vacant land – 21 Argyle Avenue, Dubbo – 657m² July 2016 - \$165,000;
 - Residential – 4 Amadeus Avenue, Dubbo – July 2016 – \$537,000
- Grangewood – Vacant land – 94 Lakeside Circuit, Dubbo – 881m² November 2015 - \$240,000;
 - Residential – 23 Lincoln Parkway, Dubbo – April 2016 – \$530,000
- Keswick – Vacant land – 5 Mortlock Avenue, Dubbo – 750m² May 2016 - \$147,000;
 - Residential – 57 Page Avenue, Dubbo – December 2015 – \$445,000

5.2 Villages

The Dubbo City village markets have generally shown stability in value levels over the last twelve months. The main villages of Wongarbron, Brocklehurst & Ballimore have best demonstrated this trend. The village of Eumungerie, which is now very close to being connected to a secure water supply, is showing that land value levels have increased over the relatively low 2015 base to show a low level of demand at prices similar to Ballimore.

The past 12 months has seen consistent residential sales occur within the main village of Wongarbron, with limited numbers in the smaller villages. The predominant sale type was improved residential properties with purchase prices generally reflective of the age, style and condition of the dwelling and any ancillary ground improvements. No distinct trend appears in relation to increases in value in any of the villages.

- Ballimore – Vacant land – 6 Federation Street, Ballimore – 3274m² October 2015 - \$65,000;
 - Residential – 8 Bomen Street, Ballimore – February 2016 – \$325,000
- Eumungerie – Vacant land – 6 Moonul Street, Eumungerie – 4046² - \$50,000
 - Residential – Cobboco Road, Eumungerie – March 2015 - \$360,000 (Last recorded)
- Wongarbron – Vacant land – 62 Bundemar Street, Wongarbron – 2095m² September 2015 - \$100,000;
 - Residential – 57 Derribong Street, Wongarbron – April 2016 – \$400,000

5.3 Commercial

The Dubbo City LGA includes approximately 960 commercial zoned properties, principally located within the main Dubbo City area bounded by Erskine Street, Fitzroy Street, Cobra Street & Bligh Street. Commercial market transactions dropped to 25 recorded sales for the reporting year to 1 July 2016, down from the 73 sales recorded for 2015 and 46 recorded for 2014. These sales generally indicated little movement in land values.

Values of the 387 properties within the commercial core were determined on the basis of 14 analysed sales. These sales included 6 in Macquarie Street and 3 in Talbragar Street, the main retail streets. Main sales included the St George Bank building at 123 Macquarie Street in December 2015 for \$1,975,000; Macquarie Mall, a large retail store, at 155 Macquarie Street in August 2015 for \$3,800,000; a small retail store just outside the 'heart' of the CBD at 119 Macquarie Street in October 2015 for \$400,000; and a Chinese restaurant shop at 127 Macquarie Street in April 2016 for \$570,000. These sales confirm that the 'heart' of the CBD has moved to the Macquarie Street-Wingewarra Street intersection and that land values have remained stable at current levels. Talbragar Street, having land values at a much lower base than Macquarie Street, were also found to be stable at value levels established in 2015.

Land values outside the main retail area or fringe commercial core also remained stable at levels established in 2015. Sales included a coffee shop converted from a dwelling at 197 Brisbane Street in November 2015 for \$500,000; a single storey shop/office at 60 Talbragar Street in July 2016 for \$295,000; and an aged dwelling at 48 Carrington Avenue in July 2016 for \$240,000.

Seven sales occurred in the B4-Mixed Use zoned area to the east of the commercial core which consistently showed land values remaining in line with those recorded at base date 2014. These sales included a dwelling at 179 Wingewarra Street in April 2016 for \$342,500; and a dwelling at 93 Bultje Street in January 2016 for \$240,000.

Outside the central CBD area outlined above, the secondary business zones encompass 271 additional properties. Within this group are the 144 properties that extend out from the centre of town in strips zoned B6 - Enterprise Corridor. No sales were recorded for the current reporting period and land values were retained at 2015 levels when 10 sales provided a good spread of reliable evidence.

The fringe business zones of B1-Neighbourhood Centres, B5-Business Development & B7-Business Park comprising 126 properties remained stable with a factor of 1.0 based on the evidence provided by the analysis of 7 sales – with 6 of these sales occurring within the B5 component.

The final business zoned property is the Orana Mall as a stand-alone local centre. Although there was no direct sales evidence available, rising values in the general area surrounding the centre combined with the completion of the \$30 million expansion program to the building and car parking prompted an increase of 5% over the value that was established in 2015.

5.4 Industrial

Dubbo City is a prominent regional centre with five established Light Industrial centres within the city area and Brocklehurst together with developing light industrial estates located adjacent to the airport and another to the north of the city. The principal location for Heavy Industrial lands is around Yarrandale & Boothenda Roads to the north of the urban area, with another lower profile area around Brocklehurst and another zoned area adjoining the airport which currently remains in use for rural residential purposes.

Nineteen (19) sales of industrial zoned land were recorded and analysed for the period ending 1 July 2016 compared to the 38 sales reported for the preceding period. These sales ranged from \$141,000 paid for a 2552 sqm vacant lot in Energy Place to the \$850,000 purchase of a 1938sqm cafe/garden nursery/shop & residential flat complex at 73 Wheelers Lane in October 2015. Market activity was recorded relatively evenly across all sectors of the industrial zoned lands within the city over the past reporting period.

Analysis of the 9 sales found to be market indicators within the Light Industry zoned areas in all sectors confirmed that land values established by adjustments in 2015 were market related. As a result, land values remained at the adjusted levels set in 2015. This contrasts with the factored increases in 2015 of 1.4 in the West Dubbo industrial area excluding Moon Close, a factor of 1.0 in East Dubbo, a factor of 1.15 in North Dubbo and a factor of 1.05 in adopted for properties in other light industrial areas.

Heavy Industrial zoned land typically experiences little market activity year-on-year, and the period to 1 July 2016 was considered to be little different to past years with 5 sales analysed showing that 3 only were market related. All reliable sales were of vacant land, with one in the 'Fletcher' subdivision released in 2014 that confirmed the level of values adopted in 2014 and 2015 at the lower end of the set asking prices were market related. Land values in all sectors were retained at 2015 levels.

5.5 Rural locations within the LGA

The most common rural land use in the Dubbo City LGA is mixed dryland farming and grazing properties, mostly broadacre farms although there are a significant number of smaller hobby farms and rural residential based enterprises within easy commuting distance of the urban area. Irrigation and dairying enterprises are also present along the banks of the Macquarie River which runs through the centre of the LGA.

Activity for rural properties across the city remained relatively stable with 44 sales recorded in the twelve months to 1 July 2016 compared to the 46 sales recorded for the previous year.

The broadacre rural property market has experienced increases of up to 30% across the Primary Production zoned areas since the last general valuation. These increases have been more pronounced in the better class of country to the east and south, whilst the inferior quality country to the north has tended to show little to no increase over the twelve month period.

There are 905 properties contained within the area zoned RU1 – Primary Production, and a total of 21 property sales that occurred over the twelve month period to 1 July 2016 were analysed to determine the land values. Sales of properties in excess of 100 hectares that provided evidence of land values include the mixed farm of 226.8 hectares at 77R Wellington Road, Dubbo that sold in June 2016 for \$1,200,000; the 598.3 ha “Pineleigh” holding at 130R Goan Creek Road in February 2016 for \$930,000 and the 3068 hectare ‘bush block’ on Nubingerie Road that sold in September 2015 for \$490,000. Excluded from the analysis and application to rural values were the three properties at Toongi purchased by Australian Zirconia Limited for future mining purposes.

Analysed land values on a rate per hectare basis ranged from the \$162 per hectare for bush country on the 3068 hectare grazing property mentioned above to the \$3514 per hectare shown for first class broadacre cultivation on a mixed dryland farm on the 77R Wellington Road, Dubbo property also mentioned above. Other analysed rates of interest include the \$1150 per hectare shown for second class cultivation/pasture improvement country on Donnelly Road, Eumungerie; the 829.2 ha “Hallmark” holding on the boundary of Dubbo and Narromine LGA’s in the Minore that showed \$1388 per ha for the 190 hectares of mixed farming standard cultivation/pasture improvement country; and the 598.3 hectare property “Pineleigh” at Ballimore that showed \$1147 per hectare for light red second class cultivation and \$200 per hectare for timbered scrub grazing.

The relatively small RIR component of 107 properties that includes all irrigation land had values adjusted upward by a factor of 1.35 based on the strength of 4 sales that confirmed the increase in demand for well located river front property had been reflected in sale prices and land values. All sales occurred late in 2015 and a further rise in land values in this component is foreshadowed for base date 2017 based on the strength shown for two properties sold under auction conditions in September 2016.

Rural residential and hobby farm values were determined through the analysis of 34 sales over the base date 2016 reporting period. With 1221 properties contained within two components, the sales provided a good sample of the property class with results across both components showing very close alignment with a generally consistent indication that values had risen, particularly with those properties with river frontage. Some river frontage properties were handcrafted as a result of existing land values found to be below comparable levels of value for land with similar attributes having river frontage in other locations; otherwise all properties were increased by a factor of 1.25 in response to the consistent evidence of the sales. Notable sales include the five vacant lots on Riverbend Drive, Terramungamine that sold in the first half of 2016 – 4 @ \$220,000 without river frontage; another two having river frontage returning \$375,000 and \$385,000 respectively; a relatively remote mainly heavily timbered bush block of 10.03 hectares at 48R Lagoon Creek Road, Minore sold December 2015 for \$160,000 and an improved block of 11.44 ha at 33L Bencubbin Drive, Dubbo sold in April 2016 for \$940,000.

6.0 Significant Issues and Developments

6.1 Significant developments – from prior to current annual valuation

- Although the former Dubbo City was found to be 'Fit for the Future' following the release of the Independent Pricing and Regulatory Tribunal (IPART) findings of its review into local government in NSW, the city was amalgamated with Wellington Shire Council early in 2016. For a brief period the amalgamated local government area was known as Western Plains Regional Council; community consultation on a name resulted in the LGA being renamed Dubbo Regional Council from 7 September 2016.
- Dubbo Regional Council recorded a fall in development applications in July 2016 compared to the corresponding month in 2015. 75 applications worth almost \$16 million were approved compared to 84 applications worth \$31 million.
- Progress continues with the Dubbo Zirconia Project, a rare earths mine and processing complex to the immediate south of Dubbo. NSW Government approval has been granted to commence the extraction and refining of this rare and valuable resource. All land required has now been purchased at a total cost of around \$20-million. Development of the mine & refining plant, projected to provide employment for up to 400 with an operational workforce of up to 250, is currently awaiting the accumulation of sufficient capital (estimated at \$1-billion) to begin physical development of the mining & refining facilities.
- Dubbo Regional Livestock Markets remain the largest combined sheep and cattle selling facility in Australia. The market is located on a 30 hectare site just north of the city urban area and is managed by Dubbo City Council. Works to enable safe road transport access across the Dubbo-Coonamble railway line from the Newell Highway are complete; ongoing improvements to the saleyards designed to increase the ability to handle increasing demand for throughput, particularly for cattle.
- A 5-star residential aged care facility with an 80-bed capacity was commenced at the Kintyre Retirement Village in August 2016 with a development cost estimated at \$15-million.
- The French company Neoen has been granted \$5.5-million from Australian government ARENA funds toward a total cost estimate of \$55.6-million to develop the Dubbo Solar Hub, a 24.2MW photovoltaic solar power facility that is to be erected on two sites – one at Dubbo and another at Narromine. Essential Energy has also made *Offers to Connect* for both sites.
- Plans for a circa \$90-million pipeline to connect Burrendong Dam to the John Gilbert Water Treatment Plant at Dubbo have gone on exhibition for public comment.
- FlyPelican commenced flights connecting Dubbo with Newcastle in July 2016. Dubbo is now connected by direct air flights to Sydney, Melbourne, Brisbane and Broken Hill as well as Newcastle.
- Tenders for the construction of another floor on the new clinical services building at Dubbo Base Hospital were called for in August 2016. This extra floor will form part of the \$150-million stage 3 & 4 redevelopment of the hospital which follows the \$91 million redevelopment stages 1 & 2 that was commenced in 2012 and completed in 2016. Stages 3 & 4 will deliver an expanded surgical inpatient unit plus the refurbishment of the old maternity building for medical records and education facilities.
- Fletcher International is headquartered in the City Of Dubbo and is the leading Australian supplier of sheep meats, skins and associated by-products to the global market. Export abattoirs are located in Dubbo as well as Albany, WA. To improve the function of his bulk grain and container loading facility in Dubbo, Roger Fletcher expanded into the rail transport business when he purchased 3 locomotives and 62 rolling stock late in 2014. Third parties are also invited to use the facility as an alternative to existing rail freight services.

7.0 Significant Value Changes

7.1 Significant value changes – from prior to current annual valuation

Value changes from the 2015 base date annual valuation to the current annual valuation have occurred in all zones across the city; *significant* value changes however have occurred in only 21 (47%) of the 45 components across the local government area.

Significant value changes – or a change higher than 5% – and the underlying basis for the change for each affected component across the City of Dubbo is outlined below:

- Business zoned land in all but the Mixed Use component remained at 2015 value levels. The Mixed Use component, rezoned from residential to business in 2011, was increased mainly in response to demand for inner city living. Little apparent demand from small business proponents is considered to be demonstrated by the absence of any 'start up' businesses in this component.
- General Residential land in the established area of North Dubbo was adjusted upward by an average factor of 1.34 in response to sales of both vacant land and improved properties. The increase in land values was more pronounced as land values at the bottom end of the range were adjusted in response to sales that indicated values were in line with similar properties in Rosewood Grove, West Dubbo. In addition, the community imposed restriction on multiple dwelling development in South Dubbo General Residential zoning has seen developer interest turn to the subject component for development opportunities.
- General Residential land around central & South Dubbo improved with multiple dwelling buildings was adjusted upward by a factor of 1.175 again in response to the results of improved sales activity in the component as well as sales activity in the North Dubbo General Residential Area.
- Low Density Residential land in the LDA component that covers the Apollo Estate was adjusted upward by a factor of 1.7 in response to sales activity in the North Dubbo and Rosewood Grove areas of the city as well as local sales. In reality, land values have been increased from an inappropriately low level to a new base level for the city.
- Large Lot Residential lands experienced variable increases in response to sales activity within the three size based components. Lots with a size up to 2 hectares were adjusted upward by a factor of 1.15; lots in the size range of 2 to 10 hectares were adjusted upward by a factor of 1.25; and lots in the range of 20 to 35 hectares were increased by a factor of 1.2.
- Primary Production lands in the superior soil types south and east of the city were adjusted upward by a factor of 1.2 and 1.3 respectively, with the rise in values continuing the trend shown in 2015 on the back of strong demand coupled with low supply resulting in record prices that appear to be continuing into the next period given results of more recent rural property auctions in Narromine & Dubbo LGA's.

Since the last annual valuation in 2015, village values have moved as follows:

- Increased by 15% in Wongarbron - from \$89,100 on a representative 2023 sqm block to \$102,000 with connection to a reliable city sourced water supply and local sewerage system.
- Increased by 15% in Ballimore - from \$38,300 on a representative 2023 sqm block to \$49,800 based on sales of vacant land and dwellings since the village was connected to a reliable city sourced water supply. Dwellings are still required to have a septic tank waste disposal system.
- Increased by 25% in Brocklehurst - where a representative 2023 sqm block with reliable water and sewerage that has been connected for some years has a land value of \$40,100 increased to \$50,100.
- Increased by 50% in Eumungerie - where a representative 2023 sqm block that is due to be connected to a reliable water supply in 2016 (delayed by wet weather) and requires a septic tank waste disposal system if a dwelling is to be erected has had the land value increased from \$22,700 to \$34,100.

8.0 Overview of the Quality Assurance Process

LPI has been provided with a detailed valuation analysis report, which details the quality assurance process of Opteon (Western NSW) Contractor, 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 7.0. 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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Dubbo Contract Area
1 November 2016



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Former Wellington LGA

1.0 Executive Summary

1.1 LGA Overview

Wellington Local Government Area

The Wellington Council area is located in the central west of New South Wales, the LGA has a total population of 9,200 incorporating the towns of Wellington, located 360km north west of Sydney with a population of 4,600 and the villages Geurie, approximately 375km north west of Sydney with a population of around 450; Stuart Town (pop. 500), Mumbil (pop. 420), North Yeoval (pop. 300), Elong Elong (pop. 220), Dripstone and Euchareena (pop. 315). Rural areas make up the balance of the LGA population. The Local Government Area (LGA) is adjoined by four other LGAs – Dubbo City Council to the North West, Warrumbungle shire council to the north east, Mid-Western Regional council to the east and Cabonne Shire Council to the west.

The LGA is home to a range of attractions including the Wellington Caves, Mount Arthur Reserve, Japanese Gardens and The Burrendong Dam.

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

The Wellington Council local government area comprises residential, rural, commercial, industrial, infrastructure, environmental and public recreation zones.

4,755 properties were valued at the base date of 1 July 2016, and valuations are reflective of the property market at that time. The Wellington property market has generally remained steady across most sectors with the Residential and E1, E2, & E3 Environmental sectors experiencing a slight decrease in values. The Wellington LGA is a highly regarded rural locality due to its temperate climate, elevation, soil quality and location close to the Transport facilities.

Valuation changes in the local government area and percentage changes between the Annual Valuation years of 1 July 2014 of 1 July 2016 are as follows:

Zone	Zone Code	No. of Entries	2016 Total Land Value	Prior Annual Valuation (2015)	% Change	Prior Local Government Valuation (2013)	% Change
Residential	R1, R2, R5	1,995	74,358,270	74,384,220	0.03%	76,238,290	-2.47%
Rural	RU1, RU3, RU4	1,675	577,999,900	487,541,700	18.55%	487,477,685	18.57%
Commercial	B2, B6	246	10,362,830	10,494,930	-1.26%	10,494,330	-1.25%
Village	RU5	455	16,654,350	16,775,110	-0.72%	17,057,910	-2.37%
Industrial	IN1, IN2	23	1,423,400	1,423,400	0.00%	1,646,150	-13.53%
Infrastructure	SP2, SP3	39	2,481,700	2,481,700	0.00%	2,481,700	0.00%
Environmental	E1, E2, E3	314	17,452,430	17,542,430	0.00%	19,213,410	-9.17%
Public Recreation	RE1, RE2	22	1,836,000	1,836,000	0.00%	1,836,000	0.00%
Total		4,769	702,568,880	612,389,490	14.73%	616,445,475	13.97%

1.2 State & Local Government Legislation for LGA

The Wellington Local Government Area is governed by the Wellington Local Environmental Plan 2012 (LEP). The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales legislation.

Wellington Local Environmental Plan 2012 was gazetted 23 November 2012. There have been 3 Amendments to the LEP since the previous valuation.

- **Amendment No. 4 – gazetted 17 July 2015;** relates to the Boundary changes between lots in certain rural, residential and environment protection zones. The objective of this clause is to permit the boundary between 2 or more lots to be altered in certain circumstances to give landowners a greater opportunity to achieve the objectives for development in a zone.
- **Amendment No. 5 – gazetted 2 October 2015;** This Plan applies to land formerly part of a GrainCorp Limited site, being Lot 1, DP 819164, 4090 Golden Highway, and Elong Elong. The land was rezoned from SP2 to RU1.
- **Amendment No. 2 – gazetted 12 August 2016;** This amendment describes the rezoning of land on the fringes of Stuart Town, Geurie, Montefiores, Elong Elong and Euchareena villages from RU1 to R5.

1.3 Market Overview and Sales of Particular Interest

Opteon (Western NSW) Pty Ltd (Opteon) as Valuation Contractors to LPI has undertaken significant analysis of the Wellington district property market to provide an accurate and reliable basis of valuation. 206 sales have been analysed to enable the establishment and verification of land values as at 1 July 2016 in accordance with our Project Management Plan. 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 accurate land values to be deduced from analysed improved sales. Opteon 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. In the Wellington district this year sales and resales of properties indicated little variance in values throughout the year with only slight decrease from 1 July 2014 to 30 June 2016 for properties zoned Residential and Environmental. Rural properties however have experienced a significant increase, particularly to the northern components of the Wellington LGA.

1.4 Significant Issues and Developments

Significant developments or applications for developments outside of those that are permissible include the following:

- Following the release of the Independent Pricing and Regulatory Tribunal (IPART) findings of its review into local government in NSW, the Dubbo city was amalgamated with Wellington Shire Council early in 2016. For a brief period the amalgamated local government area was known as Western Plains Regional Council; community consultation on a name resulted in the LGA being renamed Dubbo Regional Council from 7 September 2016.
- The extensions of the Wellington Correctional centre have been approved and are currently being undertaken. The development will include 400 extra beds on a separate site to the existing correctional centre and will be the first to have dormitory style accommodation which will be also first prison in the state to be use "rapid build", pre-fabricated materials. The development is expected to generate 220 jobs in the region.

1.5 Significant Value Changes

Summary of Valuation Changes to Residential Land

Changes since previous General Valuation (2013)

Values in all residential components had a factor of 1.00 applied during the last general valuation in 2103 and the following year of 2014. During the 2015 base year a slight softening in all residential components was experienced resulting in a -4.64% change in total value of the residential zoned properties in the LGA. Values for the 2016 General Valuation year have firmed from the previous year and remained steady with a factor of 1.00 being applied in all residential components. The net change in values from the previous General Valuation year (2013) is a -2.47% change in total property values in residential zoned properties.

Changes since previous valuation year (2015)

The residential market in Wellington has remained steady since the previous valuation year with a 0.03% change in total value of the residential zoned properties in the LGA. Market activity in Wellington has slowed from the 2015 base year which recorded 77 market sales compared to 2015 which experienced 94 sales. All residential components of the Wellington market experienced a decline in demand as well as the level of supply was stable, this led to a 1.00 factor being applied to all residential components.

Summary of Valuation Changes to Rural Land

Changes since previous general valuation (2013)

Rural values have seen the most significant changes in value from the last General Valuation year (2013) with a total change in value of all rural zoned properties of 18.57% from the last General Valuation. The vast majority of this increase came in the last valuation year with an 18.55% increase from last year's base year. Values generally remained steady during the 2014 base year. This recent increase in broad acre rural value has been witnessed in several Central Western Local Government Areas such as Parkes and Forbes. Components which contributed to the vast majority of this value increase include: mixed farming in the west of the LGA, mixed farming in the North West of the LGA, river irrigation properties, grazing slopes in the East of the LGA and grazing properties with at least 50% timber.

Changes since previous valuation year (2015)

The broad acre rural property market has seen a significant increase over the past 12 months, experiencing an 18.55% change in the total value of properties in the RU1, RU3 and RU4 components. This trend however has been not experienced across lifestyle grazing/hobby farms, rural-residential and rural retreat holdings throughout the LGA. However Hobby/lifestyle properties in the vicinity of Mumbil and Stuart Town saw a factor of 1.05 being applied however all other components in this market segment had factors of 1.00 applied.

Several rural components experienced a significant growth in land value over the 2016 base year. These components included mixed farming in the north of the LGA (Elong Elong/ Goolma) and river irrigation properties which experienced a 20% increase in values. The mixed farming in the North West (Geurie/Gollan) component had a factor of 1.35 applied. Along with the mixed farming in the west of the LGA (Arthurville/Curra Creek) component saw a 25% increase in values.

In the hobby farm market there were 24 market indicator sales which occurred within the Rural Zoned areas of Wellington for the period 1 July 2015 to 30 June 2016 for properties under 100ha. Of the recorded sales 22 were analysed and it was found that there was no distinct trend in relation to increases or decreases of value in the eastern, western, southern or northern areas of the LGA.

Summary of Valuation Changes to Commercial Land

Changes since previous general valuation (2013)

The commercial market in Wellington is captured in two components, being Local centre and enterprise corridor properties. Since the last general valuation year in 2013 commercial properties in Wellington have remained relatively steady, experiencing a -1.25% decline in total value. This reduction in total property value is attributable to a 5% reduction in values in the enterprise corridor properties component for the 2016 valuation base year. Local centre properties have experienced no change since the last General Valuation with factors of 1.00 being applied since then.

Changes since previous valuation year (2015)

The Wellington commercial market has experienced a slight softening for the 2016 valuation year with a -1.26% change in total value from the 2015 base year for commercially zoned properties. The commercial market which is comprised of 246 properties experienced 18 sales. All of these sales were analysed and we determined that there has been no significant change to Local centre commercial properties however enterprise corridor properties did experience a slight softening of 5%.

Summary of Valuation Changes to Industrial Land

Changes since previous general valuation (2013)

Industrial values have seen a -13.53% reduction in total value from the last General Valuation in 2013. A significant proportion of this change occurred in the light industrial market in 2014 with an applied factor of 0.85, reducing land values by 15%, also in 2015 properties in the general industrial market in Wellington saw a 5% reduction in value. For the 2016 base year both industrial components in Wellington had remained steady with a factor of 1.00 being applied to both components. The demand for industrial properties in Wellington is attributable for this reduction in value, as surrounding centres such as Dubbo and Parkes are much more attractive to buyer in the industrial market.

Changes since previous valuation year (2015)

The industrial market has remained relatively flat since the previous valuation year with no change in total land value of the industrially zoned properties. The industrial market which comprises 23 properties is divided into two zones IN1 and IN2. The Wellington industrial market experienced 6 sales. All of these sales were analysed to determine that there was no significant change to the IN2 and IN1 zoned. There is both a limited supply and limited demand for industrial properties in the Wellington LGA, as Dubbo dominates this market in the north of the LGA and Orange to the South.

2.0 Disclaimer – Purpose of this Report

The purpose of this report is to describe the process and considerations for the 1 July 2016 Valuation of Wellington 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 7.0. 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 Land and Property Information website at www.lpi.nsw.gov.au/valuation.

3.0 LGA Overview

3.1 Location of the District

The Wellington Council area is located in the central west of New South Wales. The LGA has a total population of 9,200 and incorporates the towns of Wellington, located 360 km north west of Sydney with a population of 4,600 as well as the villages of Geurie, approximately 375 km north west of Sydney with a population of around 450 and smaller villages of Stuart Town (pop. 500), Mumbil (pop. 420), North Yeoval (pop. 300), Elong Elong (pop. 220), Dripstone and Euchareena (pop. 315). Rural areas make up the balance of the LGA population. The Local Government Area (LGA) is adjoined by four other LGAs – Dubbo City Council to the North West, Warrumbungle Shire Council to the north east, Mid-Western Regional Council to the east and Cabonne Shire Council to the west.

3.2 Principal Towns and Villages

Wellington

Wellington is situated on the Mitchell Highway at the junction of Bell and Macquarie Rivers approximately 368 kilometres north west of Sydney. Orange is situated about 100 kilometres to the south east, whilst Dubbo is situated approximately 50 kilometres to the north. The town acts as a service centre for the surrounding farming and pastoral districts producing wheat, cattle, sheep, and wool and to a lesser extent market gardening. Local tourist attractions include Wellington Caves and Burrendong Dam.

Villages

Geurie is a rural town situated approximately 22 kilometres North West of Wellington with a population of around 500. It has a local shop, Hotel, Fuel Station, and Newsagent and provides basic services to the town and farming community.

Stuart Town is a small settlement situated about 61 kilometres north of Orange and about 34 kilometres from Wellington on the Central Tablelands of New South Wales. The village serves as a dormitory for the surrounding rural community. The village is serviced by a hotel, general store, Post Office, Police Station and public school.

Mumbil is a small settlement situated approximately 28 kilometres south west of Wellington in the Central Western Slopes District of New South Wales. Lake Burrendong Dam and recreation area is situated approximately 8 kilometres to the north.

North Yeoval is the northern part of a rural town situated approximately 36 kilometres south west of Wellington with a population of around 210. It has a small local shopping centre, Hotel, Fuel Station, Yeoval Central; School (K-12) and Newsagent that provides basic services to the town and farming community. Southern Yeoval, that land being south of Buckinbah Creek is located within the Cabonne Shire.

Elong Elong is a rural town situated approximately 64 kilometres north of Wellington with a population of around 220. It has a small local shop, Hotel, Fuel Station, Post office, Newsagent and Rural Trading Store that provides basic services to the town and farming community.

Dripstone is a small settlement situated approximately 28 kilometres south west of Wellington in the Central Western Slopes District of New South Wales. Lake Burrendong Dam and recreation area is situated approximately 8 kilometres to the north.

Euchareena is a small rural settlement located about 40 kilometres north of Orange on the Main Western Railway Line. It has a small local shopping centre, hotel, fuel station, primary school and Community Health Centre that provides basic services to the town and farming community. Services are limited to town water, garbage collection, telephone and electricity.

3.3 Main Industries

Wellington is the major town in the Wellington LGA and provides basic services to the surrounding area. The main industries in Wellington are based around the agricultural sector and provision of services to this industry, such as Agrow Plow and John Deere Chesterfield. Wellington also acquired a Correctional Centre which opened in September 2007. Wellington Correctional Centre is a maximum security prison and originally housed approximately 500 inmates which have recently been increased to 600.

3.4 Significant Retail Centres

The main retail area in Wellington is located along the Mitchel Highway, bounded by Maughan Street and Whiteley Street. It comprises mostly traditional strip retail development. A reasonable range of retail and commercial facilities are provided in the town of Wellington together with both a Woolworths and Cole's supermarkets.

3.5 Type of Residential Development

The Wellington Council LGA contains a number of rural settlements including Geurie, Stuart Town, North Yeoval, Elong Elong, Mumbil, Dripstone and Arthurville with the majority of development located in and around Wellington.

The Wellington Council region encompasses several types of residential developments. The majority of residential properties in the region are single residential dwellings located in Wellington. Wellington has a number of small residential land developments mainly located in Montefiores on the northern periphery of the town.

4.0 State and Local Government Legislation for LGA

The Wellington Local Government Area is governed by the Wellington Local Environmental Plan 2012(LEP). The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales Legislation. The Wellington Local Environmental Plan 2012 was gazetted 23 of November 2012. There have been 3 Amendments to the LEP since the previous valuation.

- **Amendment No. 4 – gazetted 17 July 2016;** relates to the Boundary changes between lots in certain rural, residential and environment protection zones. The objective of this clause is to permit the boundary between 2 or more lots to be altered in certain circumstances to give landowners a greater opportunity to achieve the objectives for development in a zone.
- **Amendment No. 5 – gazetted 2 October 2016;** This Plan applies to land formerly part of a GrainCorp Limited site, being Lot 1, DP 819164, 4090 Golden Highway, and Elong Elong. The land was rezoned from SP2 to RU1.
- **Amendment No. 2 – gazetted 12 August 2016;** This amendment describes the rezoning of land on the fringes of Stuart Town, Geurie, Montefiores, Elong Elong and Euchareena villages from RU1 to R5.

The Plan aims to make local environmental planning provisions for land in the Wellington Council Local Government Area in accordance with the relevant standard environmental planning instrument under Section 33A of the Act.

Wellington Council also has Development Controls including the Wellington Development Control Plan 2013 that affects the subdivision and erection of dwellings which impacts on land values. These include:

Zone	Minimum allotment size
Residential	R1 min lot size requirements are 600m R2 min lot size requirements are 600m R5 min lot size requirements are 1ha
Rural	RU1 min lot size requirements are 400ha RU3 min lot size requirements are 400ha RU4 min lot size requirements are 25ha
Commercial	B2 No minimum lot size B6 No minimum lot size
Village	RU5 min lot size requirements are 4,000m
Industrial	IN1 No minimum lot size IN2 No minimum lot size
Infrastructure	SP2 No minimum lot size set SP3 No minimum lot size
Environmental	E1 No minimum lot size E2 No minimum lot size E3 min lot size requirements are 2,000m
Public Recreation	RE1 No minimum lot size RE2 No minimum lot size

5.0 Market Overview and Sales of Particular Interest

5.1 Residential

The Wellington LGA contains a number of rural settlements including Geurie, Stuart Town, North Yeoval, Elong Elong, Mumbil, Dripstone and Arthurville with the majority of development located in and around the Wellington town area. The Wellington Council region encompasses predominantly improved residential properties with purchase prices reflective of the age, style and condition of the dwelling and any ancillary ground improvements. The majority of residential properties in the region are single residential dwellings located in Wellington and Geurie, followed by a number of small number of dwellings located in villages and rural locations on both hobby and larger farms.

Wellington, Mumbil and Geurie all have full utility services available including a reticulated town water supply, reticulated sewerage and telecommunication services. Wellington Council also has a range of Government services emergency services including Police, NSW Fire Brigade, Rural Fire Service, SES and ambulance, hospitals (Wellington Hospital) and council chambers. Additional community based facilities available within the LGA include various denominational churches, a public schools, child care centres, various aged care facilities, sporting clubs, recreational playing fields, parks and reserves and public swimming pools.

The residential market in Wellington has remained steady since the previous valuation year with a 0.03% change in total value of the residential zoned properties in the LGA. Market activity in Wellington has slowed, for the 2016 base year which recorded 77 market sales compared to 2015 which experienced 94 sales. All residential components of the Wellington market experienced a decline in demand with supply levels falling as well, this lead to a 1.00 factor being applied to all residential components. The components previously experienced a slight reduction in the 2015 base year with a factor of 0.95 being applied to all components. The average sale price and lot size for vacant residential properties during 2016 was \$43,600 for a 1,209m² allotment.

Sales of vacant residential properties within Wellington included a sale of 600m² allotment in Arthur Street that sold in December for \$20,000, a sale the sale of 2,023m² allotment in Zouch Street that sold in September for \$55,000 and a vacant 757m² allotment in King Street that sold in January for \$68,000.

The past 12 months has seen limited residential sales over the region, including both vacant and improved sales in the residential components. The predominant sale type was improved residential properties with purchase prices generally reflective of the age, style and condition of the dwelling and any ancillary ground improvements. The average sale price and lot size for residential properties during 2016 comprising \$175,000 for a 1,442m² allotment.

Sales of improved residential properties within Wellington include a sale of 3,035m² allotment in Arthur Street improved with a 4 bedrooms 3 bathrooms circa 1900's brick and corrugated iron single level dwelling that sold in September 2016 for \$440,000. The sale of a 2,023m² allotment in Whiteley Street improved with a 3 bedrooms 1 bathroom circa 1920's brick and corrugated iron single level dwelling that sold in September 2016 for \$200,000. Also the sale of 660m² allotment in Warne Street improved with a 3 bedrooms 1 bathroom circa 1950's weatherboard and terracotta tile single level dwelling that sold in October 2015 for \$135,000. The sale of a 480m² allotment in Whitely Street improved with a 2 bedrooms 1 bathroom circa 1920's weatherboard and corrugated metal single level dwelling that sold in June 2016 for \$90,000.

Building approval of residential development in the Wellington Shire Council LGA has largely been steady. There are a number of suitable vacant blocks in a newer residential area of Montefiores available for development.

The value levels adopted are supported by both vacant and improved sales analyses.

5.2 Villages

There are a 455 Properties located in various villages within the Wellington LGA.

The Wellington LGA village markets have generally remained softened slightly in the last twelve months. The villages to the south of the LGA including: Stuart Town, Mumbil and Euchareena all seeing factors of 0.95 being applied. The one exception was the village of Geurie which remained steady, experiencing no change to values.

The past 12 months has seen 16 residential sales over the region, including both vacant and improved sales in the residential components. The predominant sale type was improved residential properties with purchase prices generally reflective of the age, style and condition of the dwelling and any ancillary ground improvements.

Sales indicative of various villages in the Wellington Council include a sale of a 796m² allotment, Jennings Street in Geurie Street improved with a 2 bedroom and 1 bathroom circa 1950 weatherboard and tile single level dwelling that sold in January 2016 for \$150,000. The sale of a 3,067m² allotment, 30 Railway Street in Mumbil improved with a 3 bedroom and 1 bathroom circa 1920 weatherboard and corrugated metal single level cottage that sold in September 2015 for \$131,000 and a sale of 2,629m² allotment, 45 Molong Street in Stuart Town improved with a 3 bedroom and 1 bathroom circa 1925 weatherboard and corrugated metal single level dwelling that sold in September 2015 for \$50,000.

Geurie experienced 10 residential sales recorded from 01/07/2015 with prices for improved residential properties ranging from \$150,000 for a 2 bedroom 1 bathroom circa 1950 detached single storey weatherboard and tile single dwelling to \$375,000 for a 3 bedroom 2 bathrooms circa 2015 detached renovated single storey brick veneer and Colourbond dwelling.

Stuart Town had 2 residential sales recorded from 01/07/2015 with prices for improved residential properties ranging from \$50,000 for a 2 bedroom 1 bathroom circa 1950 detached single storey weatherboard and corrugated metal dwelling to \$218,000 for a 2 bedroom 1 bathroom circa 1970 detached renovated single storey weatherboard and Colourbond dwelling.

5.3 Commercial

The Wellington LGA comprises approximately 246 commercial zoned properties predominantly located in Wellington. The main retail area in Wellington is located along the Mitchel Highway, bounded by Maughan Street and Whiteley Street. It comprises mostly strip retail development. A reasonable range of retail and commercial facilities are provided in the town of Wellington together both a Woolworths and Cole's supermarket.

The Wellington commercial market has experienced a slight softening for the 2016 valuation year with a -1.26% change in total value from the 2015 base year for commercially zoned properties. The commercial market which is comprised of 246 properties experienced 18 sales. All of these sales were analysed and we determined that there has been no significant change to Local centre commercial properties however enterprise corridor properties did experience a slight softening of 5%.

Typical sales of commercial properties within Wellington include a sale of 151m² allotment at 5 Nanima Street which was improved with a circa 1930 semi attached single storey brick and corrugated metal clad shop that sold in April 2016 for \$134,000. The sale of a 284m² allotment at 116 Lee Street which is improved with a circa 1920 Semi attached single storey brick and corrugated metal clad office, that sold in June 2016 for \$150,000. The sale of a 303m² allotment at 164 Percy Street which was improved with a circa 1970 attached two storey brick and corrugated metal clad shop and office that sold in October 2015 for \$270,000.

Value levels adopted are supported by analysis of the improved sales.

5.4 Industrial

Wellington comprises a range of light industrial to heavy industrial industries servicing the surrounding agriculture industry. The Wellington Council LGA comprises approximately 23 industrial zoned properties predominantly located in Wellington town.

The industrial market has remained relatively flat since the previous valuation year with no change in total land value of the industrially zoned properties. The industrial market which comprises 23 properties is divided into two zones IN1 and IN2. The Wellington industrial market experienced 6 sales. All of these sales were analysed to determine that there was no significant change to the IN2 and IN1 zoned. There is both a limited supply and limited demand for industrial properties in the Wellington LGA, as Dubbo dominates this market in the north of the LGA and Orange to the South.

Typical sales of industrial properties within Wellington are indicated with the sale of 3,891m² allotment at 59 Swift Street which was improved with a large Corrugated iron clad workshop and brick veneer office building that sold in September 2015 for \$315,000. The sale of a 1,086m² allotment in 2 Warrawee Place which was improved with a metal decking clad workshop and brick veneer office building that that sold in Augusts 2016 for \$97,500.

5.5 Rural locations within the LGA

The Wellington Shire Council LGA comprises approximately 1,675 RU1, RU3 and RU4 zoned properties. The Wellington Shire Council experienced 36 market indicator sales in excess of 100ha occurred within the broad acre rural market for the period 1 July 2015 to 1 July 2016 compared to 21 in the preceding base year. The Wellington Shire Council LGA is a highly regarded rural locality due to its climate, elevation, and range of soil quality. The most common rural land use in the Wellington Shire Council LGA is large scale grazing and farming enterprises in addition to a significant number of smaller rural home sites and hobby farms. The broad acre rural property market has experienced a large increase demand with value significantly rising in the northern and central components as supply is not rising to meet the levels of demand. Rural properties to the south of the LGA have not seen as significant demand and have values remained steady on last year's base date. The hobby farm market has remained steady from the previous base year with all components having a factor of 1.00 applied with the exception of hobby farms in the balance of the LGA, which saw an increase of 5%. Typical Rural land sales within various areas in the Wellington Council for properties in excess of 100ha include:

Maryvale "Grange View" 1480 Mitchell Highway 253.2ha C/D 02/09/2015 \$1,350,000 **\$3,450/ha**

An irregular shaped mixed farming property situated on the eastern side of Mitchell Highway, located approximately 5km southeast of Geurie town centre. The land is mostly undulating. No natural water features are evident. Water provided by 2 dams. Property comprises mostly satisfactory steel fencing. Analysis of the sale indicates a rate of \$3,450/ha for the 244ha of cleared cultivation and a rate of \$100/ha for the 9ha of green timber country.

Mumbil "Tolga" 82 Tolga Road 603.3ha C/D 07/12/2015 \$1,450,000 **\$2,750/ha**

An irregular shaped rural allotment located at the end of Tolga Way, approximately 550 metres north of Mumbil Post Office. The land is mostly undulating to hilly. The property has natural water from Snake Creek, Barnby Creek. Soils comprise predominantly Mullion Creek soil landscapes and a soil classification of 4 and 5. The land is improved with planted windbreaks with good rural views. Water is provided by 3 bores, 4 water resources bores and 8 dams. Fencing comprises is in good condition. Analysis of the sale indicates a rate of \$2,750/ha for the 137ha of cleared cultivation country, \$1,500/ha for the 439ha of cleared grazing county and \$100/ha for the 27ha of timbered country.

Mookerawa Mookerawa Road 526.06ha C/D 18/04/2016 \$325,000 **\$200/ha**

An irregular shaped rural allotment located on the northern side of Mount Aquila Road, approximately 14 kms southeast of Stuart Town Post Office. The land is mostly hilly to steep. The property is dissected by a seasonal creek. The land is densely timbered to the east and south of the allotment. The property comprises mostly moderate grazing land. The parcel comprises mostly loam with weak pedality soil landscapes. There are no environmental constraints apparent. Water provided by 7 dams. Property comprises mostly satisfactory steel fencing. Rural sales have been transacted across the whole LGA in all rural components. Analysis of the sale indicates a rate of \$200 /ha for the 429ha of cleared grazing country and \$100/ha for the 97ha of timbered country.

Rural values for all property class have experience significant demand over this time. Increasing prices for cattle over the 12 month period is a significant factor value rises in the Wellington Council LGA. The preceding twelve month period has seen an increase in the number of recorded, reliable sales for this property class.

Hobby Farm/Lifestyle/Rural Residential

In the hobby farm market there were 24 market indicator sales which occurred within the Rural Zoned areas of Wellington for the period 1 July 2015 to 30 June 2016 for properties under 100ha. Of the recorded sales 22 were analysed and it was found that there was no distinct trend in relation to increases or decreases of value in the eastern, western, southern or northern areas of the LGA.

Typical sale price of hobby farms within Wellington Shire Council are indicated by the sale of 83.06ha allotment at 335 Wallaroi Road, Stuart Town which was that sold in September 2015 for \$107,500 and a sale of a 10.77ha holding at Kinghorn Street, Neurea which was vacant that sold in April 2016 for \$119,000. As well as a sale of a 17.8299ha holding allotment Deep Creek Road at Geurie that was improved with a 3 bedroom 1 bathroom circa 1994 detached brick and Collarbone dwelling which sold in March 2016 for \$525,000.

The value levels adopted are supported by both vacant and improved sales analysis.

6.0 Significant Issues and Developments

6.1 Significant developments – from prior to current annual valuation

Below is a summary of significant Development Applications. Most of these Development Applications are for developments permissible within the current zoning therefore no special consideration is required.

New residential developments in discussion or underway include:

- Following the release of the Independent Pricing and Regulatory Tribunal (IPART) findings of its review into local government in NSW, the Dubbo city was amalgamated with Wellington Shire Council early in 2016. For a brief period the amalgamated local government area was known as Western Plains Regional Council; community consultation on a name resulted in the LGA being renamed Dubbo Regional Council from 7 September 2016.
- The extensions of the Wellington Correctional centre have been approved and are currently being undertaken. The development will include 400 extra beds on a separate site to the existing correctional centre and will be the first to have dormitory style accommodation which will be also first prison in the state to be use "rapid build", pre-fabricated materials. The development is expected to generate 220 jobs in the region.

6.2 Significant developments – from prior to current local government council rating valuation

Below is a summary of significant Development Applications. Most of these Development Applications are for developments permissible within the current zoning therefore no special consideration is required.

New residential developments in discussion or underway include:

- The Department of Planning and Environment has granted development consent on 30 August 2013 for the Bodangora wind farm regarding thirty three turbines. Further modifications have been submitted to and approved by the NSW Department of Planning and Infrastructure modifying the size of the turbine blades, this determination was made on the 13 October 2015.
- Approval for a 38 lot residential subdivision "One Tree Hill" on Goolma Road on the northern outskirts of Montefiores. The development is aimed at creating 37 large lot residential sites averaging just over 1ha. The development is still in the planning phase.

7.0 Significant value changes

7.1 Significant value changes – from prior to current annual valuation

Since the last annual valuation in 2015, residential and industrial values have generally been stable with the land values remaining largely unchanged. This follows the same overall trend from the previous valuation year and supports that the current market levels are generally static.

Properties in certain areas within the LGA have overall increased and decreased at differing rates:

- Properties in the enterprise corridor component experienced a slight decrease in values of 4.9% from the previous base date. Resulting in a total value increase for this district from \$2,681,380 in 2015 to \$2,549,280 in 2016.
- Properties in the mixed farming land in the north west of the LGA (Geurie and Gollan) component experienced a significant rise in values of 35% from the previous base date. Resulting in a total value increase for this district from \$119,318,000 in 2015 to \$161,077,100 in 2016.
- Properties in the mixed farming land in the west of the LGA (Arthurville and Curra Creek) component experienced a significant rise in values of 25% from the previous base date. Resulting in a total value increase for this district from \$83,705,030 in 2015 to \$104,662,360 in 2016.
- Properties in the river irrigation properties component experienced a significant rise in values of 20% from the previous base date. Resulting in a total value increase for this district from \$12,002,000 in 2015 to \$14,403,000 in 2016.
- Properties in the grazing slopes in the east (Dripstone and Wuuluman) component experienced a significant rise in values of 30% from the previous base date. Resulting in a total value increase for this district from \$42,584,000 in 2015 to \$55,365,600 in 2016.
- Properties in the grazing land with at least 50% timbered grazing component experienced a significant rise in values of 10% from the previous base date. Resulting in a total value increase for this district from \$5,452,400 in 2015 to \$5,993,700 in 2016.
- Properties in the sites with dwelling entitlements less than 100ha in the balance of the LGA component experienced a significant rise in values of 5% from the previous base date. Resulting in a total value increase for this district from \$19,379,460 in 2015 to \$20,353,030 in 2016.
- Properties in the mixed farming in the south of the LGA (Bournewood and Neurea) component experienced a significant rise in values of 5% from the previous base date. Resulting in a total value increase for this district from \$77,886,000 in 2015 to \$81,772,700 in 2016.
- Properties in the mixed farming in the north of the LGA (Elong Elong and Goolma) component experienced a significant rise in values of 20% from the previous base date. Resulting in a total value increase for this district from \$35,836,000 in 2015 to \$42,993,600 in 2016.
- Properties in the village of Euchareena component experienced a slight decrease in values of 5% from the previous base date. Resulting in a total value increase for this district from \$114,830 in 2015 to \$109,120 in 2016.
- Properties in the village of Mumbil component experienced a slight decrease in values of 5% from the previous base date. Resulting in a total value increase for this district from \$1,147,030 in 2015 to \$1,109,170 in 2016.
- Properties in the village of Stuart Town component experienced a slight decrease in values of 4.5% from the previous base date. Resulting in a total value increase for this district from \$1,286,950 in 2015 to \$1,228,760 in 2016.

7.2 Significant value changes – from prior to current General Valuation

Since the last general valuation in 2013, there have been significant values changes in a variety of components and market segments throughout the wellington LGA.

Changes from the prior to current General Valuation are outlined below:

Zone Code	Component Description	Total 2013 LGVs	Total 2016 LTVs	% General Valuation Change
B2	Local Centre	\$7,813,450	\$7,813,550	0.00%
B6	Enterprise Corridor	\$2,680,880	\$2,549,280	-4.91%
E1	National Parks and nature reserves	\$135,000	\$135,000	0.00%
E2	Environmental conservation	\$348,000	\$348,000	0.00%
E3	Environmental Management -Rural	\$3,235,910	\$3,072,030	-5.06%
E3	Wellington town flood affected - Min lot size 2000m ²	\$15,494,500	\$13,897,400	-10.31%
IN1	General Industrial	\$252,000	\$240,000	-4.76%
IN2	Light Industrial	\$1,394,150	\$1,183,400	-15.12%
R1	Above average residential - Gobolion, Paringa - 600m ² min lot size	\$10,913,000	\$10,368,200	-4.99%
R1	Average residential - Jean Street to Swift Street - 600m ² min lot size	\$29,932,640	\$28,453,590	-4.94%
R1	Poor Residential -Parkes, Dibbs, William Ect-600m ² min lot size	\$5,205,500	\$4,943,510	-5.03%
R1	Miscellaneous englobo land R1 zone - 600m ² min lot size	\$2,903,440	\$2,759,780	-4.95%
R2	Residential - Montefiores - 600m ² min lot size	\$7,489,300	\$8,621,810	15.12%
R2	Miscellaneous and englobo land R2 zone - 600m ² min lot size	\$1,429,500	\$1,358,300	-4.98%
R5	Mumbil village- R5 zone	\$1,515,110	\$1,439,580	-4.99%
R5	Geurie village - R5 zone	\$3,137,900	\$3,288,250	4.79%
R5	Wellington town - R5 zone rural residential	\$13,711,900	\$13,125,250	-4.28%
RE1	Public Recreation	\$1,211,000	\$1,211,000	0.00%
RE2	Private Recreation	\$625,000	\$625,000	0.00%
RU1	Mixed farming in north west of LGA (Geurie and Gollan)	\$119,304,000	\$161,077,100	35.01%
RU1	Mixed farming in west of LGA (Arthurville and Curra Creek)	\$83,765,025	\$104,662,360	24.95%
RU1	River irrigation properties	\$12,002,000	\$14,403,000	20.00%
RU1	Grazing slopes in east (Dripstone and Wuuluman)	\$42,584,000	\$55,365,600	30.02%
RU1	Grazing slopes in south east - Euchareena	\$35,029,400	\$35,426,400	1.13%
RU1	Grazing with at least 50% timbered Grazing	\$5,452,400	\$5,993,700	9.93%
RU1	Sites with dwelling entitlement less than 100ha within 10km Wellington	\$12,475,770	\$11,855,380	-4.97%
RU1	Sites with dwelling entitlement less than 100ha within10km Maryvale/Geurie	\$19,153,860	\$19,154,160	0.00%
RU1	Sites with dwelling entitlement less than 100ha within 10km Mumbil/Stuart Town	\$12,635,100	\$12,635,100	0.00%
RU1	Sites with dwelling entitlement less than 100ha in balance of LGA	\$19,384,660	\$20,353,030	5.00%
RU1	Rural Miscellaneous in the RU1 zone	\$1,920,570	\$1,920,570	0.00%
RU1	Mixed farming in south of LGA - Bournewood/Neurea	\$77,640,400	\$81,772,700	5.32%
RU1	Mixed farming in north of LGA - Elong Elong/Goolma	\$35,839,000	\$42,993,600	19.96%
RU1	Environmental Yeoval	\$1,912,300	\$2,008,000	5.00%
RU1	Village of Elong Elong	\$657,000	\$657,000	0.00%
RU1	Other villages: Bodangora, Arthurville Etc.	\$439,200	\$439,200	0.00%
RU3	Forestry	\$10,100	\$10,100	0.00%
RU4	Wellington small lot Primary Production	\$7,272,900	\$7,272,900	0.00%
RU5	Village zoning at Wellington	\$345,300	\$345,300	0.00%
RU5	Village OF Euchareena - 4000m ² min lot size	\$114,830	\$109,120	-4.97%
RU5	Geurie Village - 2000m ² min lot size	\$4,423,800	\$4,141,000	-6.39%
RU5	Geurie Village - 1000m ² min lot size	\$9,740,000	\$9,740,000	0.00%
RU5	Village of Mumbil - 4000m ² min lot size	\$1,147,030	\$1,090,170	-4.96%
RU5	Village of Stuart Town - 4000m ² min lot size	\$1,286,950	\$1,228,760	-4.52%
SP2	Infrastructure	\$2,357,600	\$2,357,600	0.00%
SP3	Tourist	\$124,100	\$124,100	0.00%

8.0 Overview of the Quality Assurance Process

LPI has been provided with a detailed valuation analysis report, which details the quality assurance processes of Opteon Contractor 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 7.0. 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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