



# Temora Local Government Area

**Final Report 2017**

**2nd November 2017**

Rating and Taxing Contractor: QV

Version: 1

# 1 Executive summary

## ***General Overview***

There was a strong increase in land values in the Temora local government area between 2016 and 2017. The increase in land values was not consistent across all market segments, with residential land values showing a slight increase, industrial land values a strong increase, commercial land values remained steady and rural land values had a strong increase. The upward trend in land values is largely driven by the rural sector with continued strong returns for livestock and most grains in the area, along with good seasonal rainfall.

## ***Residential Overview***

Overall residential land values increased slightly in the Temora local government area between 2016 and 2017. Exceptions include the villages of Aria Park and Springdale which both had a very strong increase following demand for vacant land exceeding available supply.

## ***Commercial Overview***

Commercial land values have remained steady over the past 12 months with demand remaining constant and relatively high numbers of sales transactions.

## ***Industrial Overview***

Industrial land values have had a strong increase between 2016 and 2017 due to a shortage of supply of vacant industrial land.

## ***Rural Overview***

Rural land values showed a strong increase in Temora local government area over the past 12 months. Demand remains high due to continued strong returns for livestock and most grains in the area, along with good seasonal rainfall. By contrast, land values for hobby blocks around Temora had a moderate increase with market movements in line with the residential sector.

Valuation changes in the local government area and percentage changes between the prior Council and Land Tax valuation year of 1 July 2016 and the values at 1 July 2017 are as follows:

<b>Properties Valued and Total Land Value</b>						
Zone	Number Of Properties	2017 Total Land Value	Prior Annual Valuation (2016)	Change	Prior Local Government Valuation (2016)	Change
Residential	1,948	\$ 134,826,410	\$ 129,452,920	4%	\$ 129,452,920	4%
Rural	1,255	\$ 644,236,950	\$ 500,182,550	29%	\$ 500,182,550	29%
Commercial	438	\$ 30,420,600	\$ 30,238,000	1%	\$ 30,238,000	1%
Industrial	55	\$ 4,985,500	\$ 4,129,470	21%	\$ 4,129,470	21%
Infrastructure	159	\$ 14,081,120	\$ 13,704,720	3%	\$ 13,704,720	3%
Public Recreation	26	\$ 3,994,200	\$ 3,994,200	0%	\$ 3,994,200	0%
<b>Total</b>	<b>3,881</b>	<b>\$ 832,544,780</b>	<b>\$ 681,701,860</b>	<b>22%</b>	<b>\$ 681,701,860</b>	<b>22%</b>

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## 2 Disclaimer

This report has been prepared on behalf of the Valuer General. The purpose of this report is to provide an overview of the valuation program for the 1 July 2017 valuation in the local government area of Temora.

To make a land valuation, regard must be had to the requirements and assumptions set out in rating and taxing legislation, such as the Valuation of Land Act 1916 (NSW). Land values are also determined by the rules set out in the "Rating and Taxing Valuation Procedures Manual". The manual permits large numbers of properties to be assessed using mass valuation methodologies.

Although mass valuation methodologies may be less accurate than individually assessed land valuations, they are routinely used across the globe to deliver land valuations for rating and taxing purposes that are within an acceptable range of variation. Consequently, land valuations from the Valuer General may vary from an individually assessed market valuation for a parcel of land. All land valuations are, however, subject to a risk based verification process which ensures each parcel of land is individually reviewed periodically.

Whilst the content of this report has been prepared with all due care and skill, the Valuer General does not warrant that it is complete or free from error. During the valuation process, information is compiled from third party sources, such as information relating to town planning, land use, zoning and other market related information. The Valuer General is not responsible for, and makes no warranty in relation to, the accuracy, currency, reliability or completeness of that information. Readers are directed to contact the source of the information.

The land values made in accordance with the valuation program have been made for rating and taxing purposes only, therefore, the land values should not be used for any other purpose. No reliance should be made on the contents of this report. To the extent permitted by law, the Valuer General disclaims all liability to any person(s) who relies on, or uses, any information contained in this report.

More information on the valuation process is available from the Valuer General's website at [www.valuergeneral.nsw.gov.au/land\\_values](http://www.valuergeneral.nsw.gov.au/land_values).

## 3 LGA overview

### 3.1 Location of the district

The Temora local government area is located in the South West Slopes / Northern Riverina Region of New South Wales, approximately 420 kilometres to the south-west of the Sydney Central Business District. Temora comprises a land area of approximately 2,813 square kilometres that predominantly comprises mixed farming properties with a smaller number of grazing holdings. Temora is adjoined by five other local government areas – Bland to the north, Young to the north-east, Cootamundra-Gundagai to the south-east, Junee to the south and Coolamon to the west.

### 3.2 Principal towns

#### **Temora**

Temora is the principal town in the local government area and is a prominent regional centre. It is located approximately 80 kilometres to the north of the Wagga Wagga Central Business District. The primary retail centre is located in Temora township, north and south of where the Burley Griffin Way cuts through the town centre. This area was established in the 1850's and has a number of original buildings. Retail accompanies predominately independent stores, in addition to several chain stores, a library, banks and services such as Australia Post. The area fringing this retail centre also contains Council Chambers, Temora Courthouse and the town's Police Station. Features of Temora include the Aviation Museum, boasting one of the world's finest collections of flying historic aircraft, its 1 hectare Rural Museum and New South Wales' only Ambulance Service Museum. The Aviation area hosts a special activities residential subdivision for private aviation enthusiasts to build dwellings alongside their hangars. Temora properties include residential, industrial, commercial and special purpose properties located in the township.

#### **Ariah Park**

Ariah Park is a village located approximately 37 kilometres north-west of Temora. The village provides basic services to its rural surrounds, including agricultural services and retail in its café, supermarket and bank, chemist, post office and antique store. Educational services are provided by the local preschool and kindergarten to year twelve public school. It features historic buildings, the facades of which show careful restoration. The importance placed on the town's history is also shown in the museum, operated by the staff of the next door community-run bric-a-brac store. Several recreational areas provide venues for the village's clubs and sporting communities, including a golf course and public swimming pool, and a bowling green adjacent to a bowling club/restaurant. The village also provides a small but relatively popular camping/caravan ground.

#### **Springdale**

Springdale is a village situated approximately 19 kilometres east of Temora. It features a scattered residential area and recreational area providing venue and equipment for residents of the village.

### **3.3 Main industries**

Major enterprises within the agricultural sector of the local government area include winter grains, hay, wool, fat lamb, beef cattle. This also provides the basis for a robust agricultural service industry. The aviation industry is a major player in the area, driven by the Temora Aerodrome services located to the north of Temora on Airport Street. This is predominantly a large private aviation industry within the Council's Special Activities residential subdivision precinct, attracting aircraft enthusiasts to live in dwellings with specialty aviation hangars attached. It is also a strong driving force for Temora's tourism industry, with the Aviation Museum and its flying displays attracting large numbers for special displays. A strong trotting/pacing industry is representative of the local government area's sporting industry. Health and community, retail, and local government industries are also strongly represented.

### **3.4 Significant retail centres**

The primary retail centre is located in Temora township north and south of where the Burley Griffin Way cuts through the town centre. This area was established in the 1850's, and some original buildings still house businesses there. The main retail centre takes up two blocks with fringe retail and commercial businesses either side. Businesses are predominantly independent stores, eateries, boutique shopping, hair and beauty stores, sports stores, craft stores, bookstore and auto. Major chain stores are also present; a Target Country, with a Harvey Norman store, McDonald's outlet, Woolworths and IGA supermarkets present in the immediate area. Several major banks and one credit union are also present in this area.

### **3.5 Type of residential development**

Development is mostly centred on the township of Temora. A smaller amount of residential development is located in the villages of Ariah Park and Stockinbingal. The region encompasses several types of residential developments. The majority of residential properties in the region are single residential dwellings located in towns or villages with a large number of residences located in rural locations on both hobby and larger farms. Temora town has a number of small residential unit developments and townhouse style properties located close to town. Approximately 75% of the occupied private dwellings in the region are owner occupied and 25% are rented.

## 4 State and local government legislation for local government area

The local government area is governed by the Temora Local Environmental Plan 2010 (LEP). This was gazetted on the 11<sup>th</sup> June 2010. The plan is based on the standardised Local Environmental Plan prescribed by the New South Wales Legislation.

The LEP aims to make local environmental planning provisions for land in the Temora local government area in accordance with the relevant standard environmental planning instrument under section 33A of the Act.

There has been one amendment to the LEP since the previous general and annual valuation, which was amendment No 3, gazetted on the 24<sup>th</sup> of March 2017. It has changed the minimum lot size of an area of hobby blocks to the east side of Temora from 2ha to 1ha. The overall affect so far has been minimal.

Additional development controls are included in the Temora Shire Development Control Plan 2012 that affects the subdivision and erection of dwellings which impacts on land values. These are;

Zone	Minimum Allotment Size
Residential	750m <sup>2</sup>
Large Lot Residential	1ha, 2ha
Villages	2,000m <sup>2</sup>
Primary Production	40ha
National Parks and Nature Reserves	40ha
Local Centre	500 m <sup>2</sup>
Mixed Use	500m <sup>2</sup> , 750m <sup>2</sup>
Enterprise Corridor	2ha
Special Activities	750m <sup>2</sup>



## **5 Market overview and sales of particular interest**

### **5.1 Residential**

Development is mostly centred on the township of Temora. A smaller amount of residential development is located in the villages of Aria Park and Springdale. The region encompasses several types of residential developments. The majority of residential properties in the region are single residential dwellings located in towns or villages that vary in size, quality, style and construction, with a large number of residences located in rural locations on both hobby and larger farms. Temora town has a number of small residential unit developments and townhouse style properties located close to town. Approximately 75% of the occupied private dwellings in the region are owner occupied and 25% are rented. Temora town has full utility service availability including a reticulated town water supply, reticulated sewerage and telecommunication services. Aria Park and Springdale have reticulated town water supply and telecommunication services. Temora local government area also has an extensive range of Government services including one state high schools (Temora High), two state primary schools and one state central school serving all school years (Aria Park Central), emergency services including Police, NSW Fire Brigade, Rural Fire Service and Ambulance, one hospital (Temora and District Hospital), Council Chambers and administrative offices for various Government Agencies. Additional community based facilities available within the local government area include various denominational churches, a private school, libraries, child care centres, various aged care facilities, sporting clubs, recreational playing fields, parks and reserves, public swimming pools, tennis courts and golf courses.

Since the last annual valuation, residential values within Temora township have overall had a slight increase. The increase was not consistent across the whole town with central and north areas remaining relatively steady and the south and west areas slightly increasing. 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.

### **5.2 Villages**

There are two villages in the Temora local government area; Aria Park, which is the larger village having a range of residential, commercial, educational and sporting facilities; and Springdale which is smaller and has limited facilities. Since the last annual valuation, values in both villages have had very strong increases off low value basis.

### **5.3 Commercial**

Commercial land values have remained steady. There has been both good demand and supply over the year. This has not been consistent across all the commercial areas with hobby blocks used for commercial purposes, located in the northern part of Temora mainly along Trungley Road and Goldfields Way near the airport, showing a slight increase as they are influenced by the hobby block market rather than the commercial market.

## 5.4 Industrial

Temora is a prominent regional centre with a small agriculture and related value added industrial centre located mainly on the eastern side of Temora, with a smaller area to the northwest and around the railway line to the south. Overall industrial properties are mainly owner occupied and are tightly held. Over the last 12 months there were a low number of sales, which is the historical trend. Council has sufficient englobo industrial land located in East Temora which can be developed to meet short to medium term requirements. Most of the industrial type activity has been associated with the special activities sites located in the Airport Park estate. These sites have been popular with aviation enthusiasts moving to the town and Council intends releasing further lots on the northern side of the airport when the currently available lots are sold. There is also a small special activities component which comprises properties that are mainly used for grain handling facilities located along the Temora-Roto railway line. These properties are well held by established companies and there have been no sales over recent years. There are also some industrial type uses in the infrastructure zoning which comprises a range of local government area and company owned properties with uses that include rail and grain handling, hospital, airport and sewer treatment. Industrial land values have had a strong increase due to a shortage of supply of vacant industrial land.

## 5.5 Rural Locations within the local government area

The most common rural land use is broad acre mixed farming in addition to grazing in the eastern and western parts of the local government area and a significant number of smaller rural home sites and hobby farms. Rural land values across the local government area generally showed a strong increase with high demand due to continued strong returns for livestock and most grains in the area, along with good seasonal rainfall. In contrast, hobby blocks around Temora have shown only a moderate increase as they are not of interest to the primary production market and are more influenced by the residential land market. The Temora local government area is a highly regarded rural locality due to its reliable rainfall and good soils. Land values vary throughout the local government area according to land form, location, access and soil types. The following are general descriptions of some localities within the Temora local government area:

### **Undulating to steep grazing**

This area is located to the east and west of the town of Temora and varies from open cleared grazing land to lightly treed grazing slopes and heavily treed hill country. Soils comprise medium to gravelly red/grey loams. Native trees include red gum, box, iron bark, stringy bark, kurrajongs and cypress pine. These lands are used for sheep and cattle production.

### **Mixed farming**

This area comprises good mixed farming land located throughout the local government area. Soil types vary from medium red loams to heavier clay loams, with the main enterprise being winter cereal cropping with livestock production a secondary but strategically important enterprise. Native trees include red gum, box, cypress pine and gums.

## 6 Significant Issues and Developments

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

Below is a summary of significant approved development applications and also significant developments completed throughout the year. Some of these Development Applications are for developments permissible within the current zoning and therefore no special consideration was required, others have had special consideration. New developments in discussion or underway include:

- Subdivision in the Council Airport Subdivision, along Spitfire Drive.

## 7 Significant value changes

### 7.1 Significant value changes – from prior to current annual valuation

There have been significant value changes from the prior to current Annual Valuation. The upward trend in land values is largely driven by the rural sector with continued strong returns for livestock and most grains in the area, along with good seasonal rainfall.

Properties in certain districts within the local government area have over all increased and decreased at differing rates:

- Rural lands - strong to very strong increase.
- Villages of Ariaiah Park, Springdale, West Reefton and hobby block areas around Ariaiah Park and Springdale - very strong increase.

## 8 Overview of the quality assurance process

Property NSW has been provided with a detailed Valuation Analysis Report, which details the Quality Assurance Process of QV Australia 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 reascertainment process were individually examined to reconcile surrounding land values and ensure accuracy of the grading of surrounding land values. Benchmarks and Reference Benchmarks are core elements of the quality assurance processes and are identified and individually valued in accordance with the Rating and Taxing Procedures Manual Version 7.1.1. Worksheets have been maintained on all properties where calculations are required. We have also ensured that adjustments and assumptions within the market analysis have been based on market evidence and have been fully documented and rationalised.

## 9 Author

Report Prepared by:

A handwritten signature in black ink that reads 'Elizabeth Venz'. The signature is written in a cursive, flowing style.

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2<sup>nd</sup> November 2017