

Report on NSW land values at 1 July 2022



11 January 2023

www.valuergeneral.nsw.gov.au

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1. Introduction

The NSW Valuer General is responsible for providing independent and impartial land values for use by the State Government and councils for taxing and rating.

This report provides an overview of the 1 July 2022 land values across NSW and how they were made.

Valuers have determined the 1 July 2022 land values for over 2.6 million properties across NSW.

The land values reflect the property market at 1 July 2022. Land values do not include the value of a home or other structures.

Landholders will receive a Notice of Valuation showing their land value before it is used by council for rating. Notices will be issued from January 2023. Councils receive new land values for rating at least every three years. Land values are one factor used by councils to calculate rates.

The new land values will also be used by Revenue NSW to calculate land tax for the 2023 land tax year. Registered land tax clients will receive their land tax assessment from Revenue NSW from January 2023. More information on land tax can be found at revenue.nsw.gov.au.

Land values are publicly available on the Valuer General's website www.valuergeneral.nsw.gov.au along with a wide range of information about land values and the valuation system. Information includes interactive summaries for 2022 land values, property sales, fact sheets and policies explaining how values are made.

More Information

Please contact Valuer General NSW for more information

 1800 110 038
8.30am - 5.00pm Mon - Fri

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2. NSW summary land information and trends

Number of properties per year

Year	Total property count
2018	2,585,474
2019	2,603,793
2020	2,627,154
2021	2,643,600
2022*	2,663,211

Total land value trends

Year	Total land value	% change from previous year
2018	\$1,837,806,319,161	6.4%
2019	\$1,739,492,538,797	-5.3%
2020	\$1,806,828,023,304	3.9%
2021	\$2,239,770,507,936	24.0%
2022*	\$2,838,089,336,086	26.3%

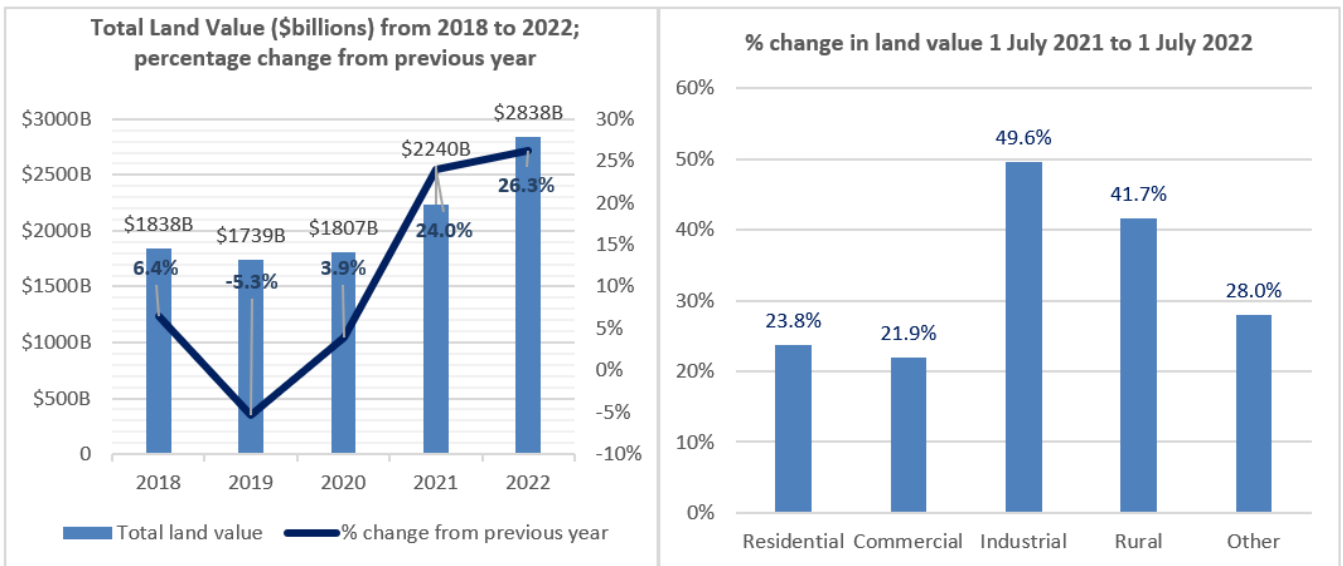
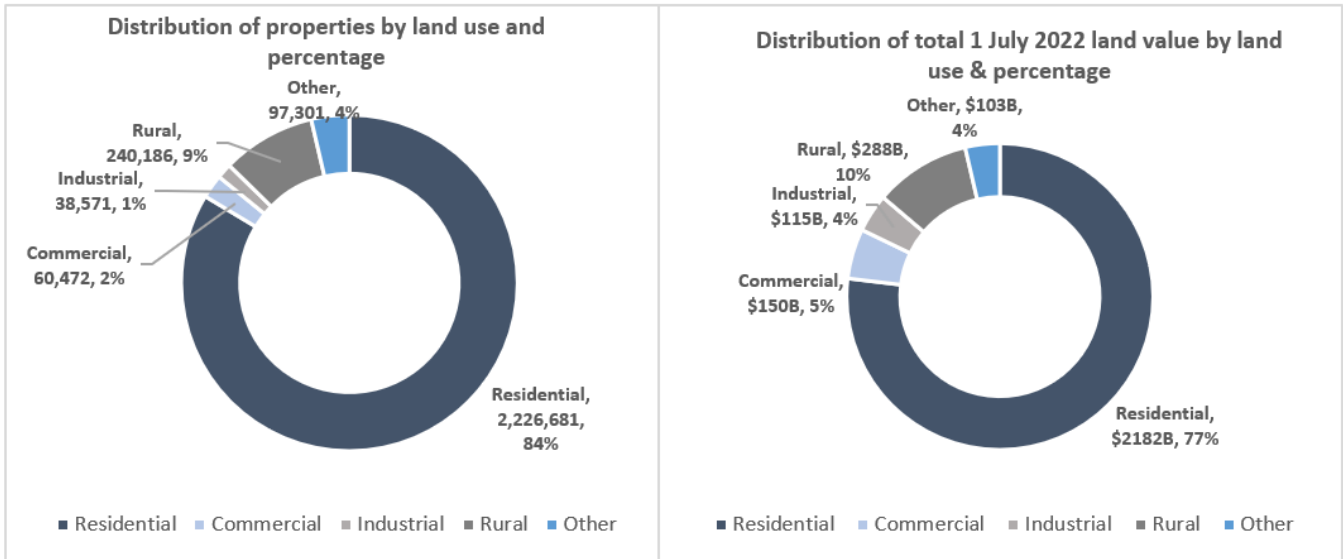
Number of sales analysed

Year	Total sales analysed
2018	46,090
2019	57,361
2020	48,746
2021	67,188
2022*	61,139

* Data based on the Register of Land values as at 12 November 2022. Data for previous years extracted in November or December of the valuing year, following completion of the annual valuation program. The number of properties recorded on the Register changes regularly due to the inclusion of new subdivisions and amalgamations. All new properties valued in this period are included in the valuation totals. The total numbers of properties and land values reported for prior years may not match that of previous reports for this reason.

NSW land value information and trends

The data compares the valuation totals and the movement in land values from 1 July 2021 to 1 July 2022 for all properties recorded on the Register of Land Values.



3. State-wide land use summary

Total number of properties and land values by land use

Land use	Total property count	2021	2022	% change in land value
Residential	2,226,681	\$1,763,440,153,144	\$2,182,413,771,022	23.76%
Commercial	60,472	\$122,746,193,646	\$149,668,251,267	21.93%
Industrial	38,571	\$76,627,090,545	\$114,635,504,021	49.60%
Rural	240,186	\$203,170,052,013	\$287,912,308,406	41.71%
Other*	97,301	\$80,819,780,451	\$103,459,501,370	28.01%

*Includes community uses, forestry, national parks, nature reserves, open space, recreation, reserved roads, special uses, mines and waterways zones.

The new land values reflect the real estate market at 1 July 2022 and were based on the analysis of over 61,000 property sales.

Overall, land values increased across NSW by 26.3% from \$2.25 trillion to \$ 2.84 trillion in the 12 months to 1 July 2022.

This has been an exceptional year with increases experienced on a state-wide basis across all property categories.

Residential

Residential land values across the state increased by 23.8% overall from \$1.76 trillion to \$2.18 trillion. The land values were based on the analysis of 49,086 residential property sales across NSW.

All regions across NSW experienced increases in residential land values primarily driven by continued preferences for flexible working arrangements allowing purchasers to seek alternate and affordable lifestyle options. Regional and coastal markets with accessibility to regional and metropolitan centres were particularly sought after. The largest increases in residential values occurred in the Hunter Region where overall values increased by 57.6%, followed by the Murray region at 50%.

Commercial

Commercial land values in NSW increased over the 12 months to 1 July 2022, with the total value of all commercial land increasing by 21.9% to \$149.7 billion. The land values were based on the analysis of 2,117 commercial property sales across NSW.

All regions across NSW experienced increases in commercial land values primarily driven by consumer confidence returning to commercial markets and a resurgence in development activity following subdued conditions due to the pandemic. The largest increases were in the Hunter region where values increased by 51.3% followed by Sydney Central West region where values increased by 38.1%.

Industrial

Industrial land values in NSW increased by 49.6% to \$114.6 billion over the 12 months to 1 July 2022. The land values were based on the analysis of 1,555 industrial property sales across NSW.

The largest increases were in the Sydney South West region where values increased by 70.9% followed by Sydney Central West region at 61.1% due to continued limited supply and very strong demand from the logistics and e-commerce sectors. Across many of the regional areas industrial land values increased as a flow on from the strong rural and residential sectors.

Rural

Rural land values increased across NSW over the 12 months to 1 July 2022, with the total land value of all rural land growing very strongly by 41.7% to \$287.9 billion. The land values were based on the analysis of 7,293 rural property sales across NSW.

Rural land values were primarily driven by continued strong commodity prices, favourable seasonal conditions and sustained demand for quality farming lands. The largest increases were in the Hunter region where values increased by 72.2% followed by the Murray region at 56%. Rural lifestyle properties experienced strong growth following continued flexible work practices especially in areas with relative affordability and proximity to regional and city centres.

Other

The 'Other' category consists of a range of land uses, generally comprising small numbers of properties which tend to follow the trends of other surrounding land values. These land values had a strong increase across NSW over the 12 months to 1 July 2022, with the total land value increasing by 28% to \$103.5 billion.

Zones in each land use

Land Use	Zones included in each land use	
Residential	Environmental Living	Mixed Use
	General Residential	Residential
	High Density Residential	Undetermined, or Village
	Large Lot Residential	Urban UR
	Low Density Residential	Village
	Medium Density Residential	
Commercial	Agribusiness	Enterprise Corridor
	Business	Local Centre
	Business Development	Metropolitan Centre
	Business Park	Mixed Use (Western Sydney Aerotropolis)
	Commercial Core	Neighbourhood Centre
	Employment	Sydney Commercial / Business
	Enterprise	
Industrial	General Industrial	Light Industrial
	Heavy Industrial	Working Waterfront
	Industrial	
Rural	Non Urban	Rural Landscape
	Primary Production	Rural Small Holdings
Other	Environmental Conservation	Protection
	Environmental Management	Public Recreation
	Environmental and Recreation	Recreational Waterways
	Forestry	Regional Park
	Infrastructure	Road Widening
	Mines *	Special Activities
	National Parks & Nature Reserves	Special Uses
	Natural Waterways	Tourist
	Open Space	Transition
	Private Recreation	Working Waterways

Note: Mines are not generally separately zoned. However, they have been individually identified and included in the 'Other' category.

4. Regional summaries

NSW has been divided into 19 regional areas for the purpose of providing summaries to describe land value movements for the main property types in the region. The Sydney West region has been separated into 2 regions now referred to as Sydney Central West region and Sydney South West region.

Total land values for NSW by region

Region	Total number of properties	Total land value at 1 July 2022	% change from total 1 July 2021 land value
Central Tablelands	88,204	\$38,994,076,985	44.50%
Central West NSW	74,311	\$31,681,480,816	21.80%
Hunter	95,990	\$54,634,584,262	66.00%
Hunter Coast	301,704	\$202,622,860,914	18.50%
Murray	57,790	\$27,065,762,340	52.80%
North Coast NSW	269,790	\$157,945,678,013	35.90%
North West NSW	62,153	\$36,225,469,389	38.70%
Northern Tablelands	37,715	\$18,530,640,708	46.70%
Riverina	79,484	\$40,631,450,520	45.70%
South Coast NSW	257,567	\$214,408,673,534	38.20%
South East Regional NSW	79,202	\$48,228,540,049	40.60%
Sydney Central	333,333	\$596,797,366,481	23.20%
Sydney City	28,115	\$129,300,308,414	16.50%
Sydney Coast North	114,766	\$301,016,967,666	22.60%
Sydney Coast South	183,620	\$372,724,750,257	15.80%
Sydney North West	164,173	\$185,356,202,367	27.90%
Sydney Central West	176,043	\$154,858,773,216	27.00%
Sydney South West	232,279	\$219,868,793,990	33.30%
Western NSW	26,972	\$7,196,956,165	33.10%

For further information please visit <https://www.valuergeneral.nsw.gov.au/> where you will find interactive land value summaries for residential, commercial, industrial and rural properties in all local government areas and different regions across NSW. These pages include information on land value trends, median land values and sale price charts and typical land values for all council areas.

5. Land Valuations in NSW

The Valuer General is responsible for providing accurate and consistent land values for NSW. All land is valued each year.

What is land value?

Land value is the market value of the land only, as if it had sold on 1 July in the valuing year. It does not include the value of buildings or other structures.

Why is land valued?

Land values are used by councils to set rates and by Revenue NSW to calculate land tax.

The 1 July 2022 land values have been provided to Revenue NSW for calculating land tax. Revenue NSW sends registered land tax clients a land tax assessment each year.

Councils receive new land values for rating at least every three years. All councils are currently using 1 July 2019 land values for rating and will be using the 2022 land values in the 2023 rating year.

Where are land values published?

Land values are published on the Valuer General's website. Visit www.valuergeneral.nsw.gov.au to find land values from across NSW.

Land tax assessments from Revenue NSW show the land values used to calculate land tax. Revenue NSW sends registered land tax clients an assessment notice each year.

Registered land tax clients can view the land values Revenue NSW used to calculate their land tax at www.revenue.nsw.gov.au.

When land values are used by councils to set rates, the Valuer General sends landholders a Notice of Valuation to advise the new land value to be used for rating.

More information

To help the community better understand land values and how valuations are made, the Valuer General provides a wide range of free information. Visit www.valuergeneral.nsw.gov.au for:

- Land value summaries for all local government areas and 19 regions covering the state. These summaries include land value trends, median land values and sale prices, typical land values for all council areas and land value commentary.
- Final valuation reports for each local government area prepared by the contract valuer undertaking the valuations. The reports address the valuation process, the local real estate market and the new land values.
- Property sales and land values from across NSW are available on the NSW Globe at property, street and suburb level.
- Valuation sales reports, showing sales analysed in the valuation process.
- Policies and fact sheets explaining how valuations are made.

You can also call us on 1800 110 038 to ask questions or discuss concerns.

How is land valued?

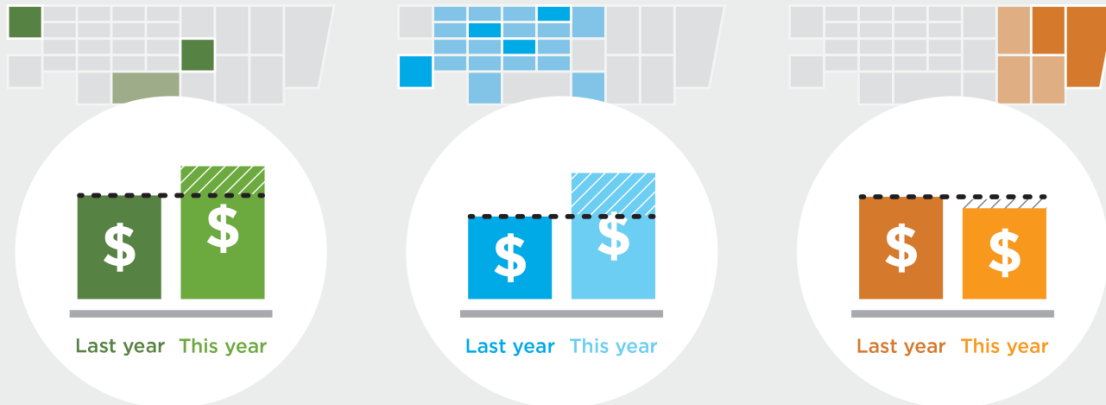
Step 1

Properties that are similar or are likely to experience a similar change in value are grouped together. This may include properties of comparable size, shape, features, location and zoning with similar nearby developments and infrastructure



Step 2

Valuers analyse the market and individually value a small number of representative properties within each group to determine how their land value has changed from the previous year. Land value does not include the value of buildings or other structures.



Step 3

Once the change has been confirmed it is then applied to the remaining properties in the group to determine their new land values



Step 4

New land values are checked for accuracy and consistency and made available to landowners

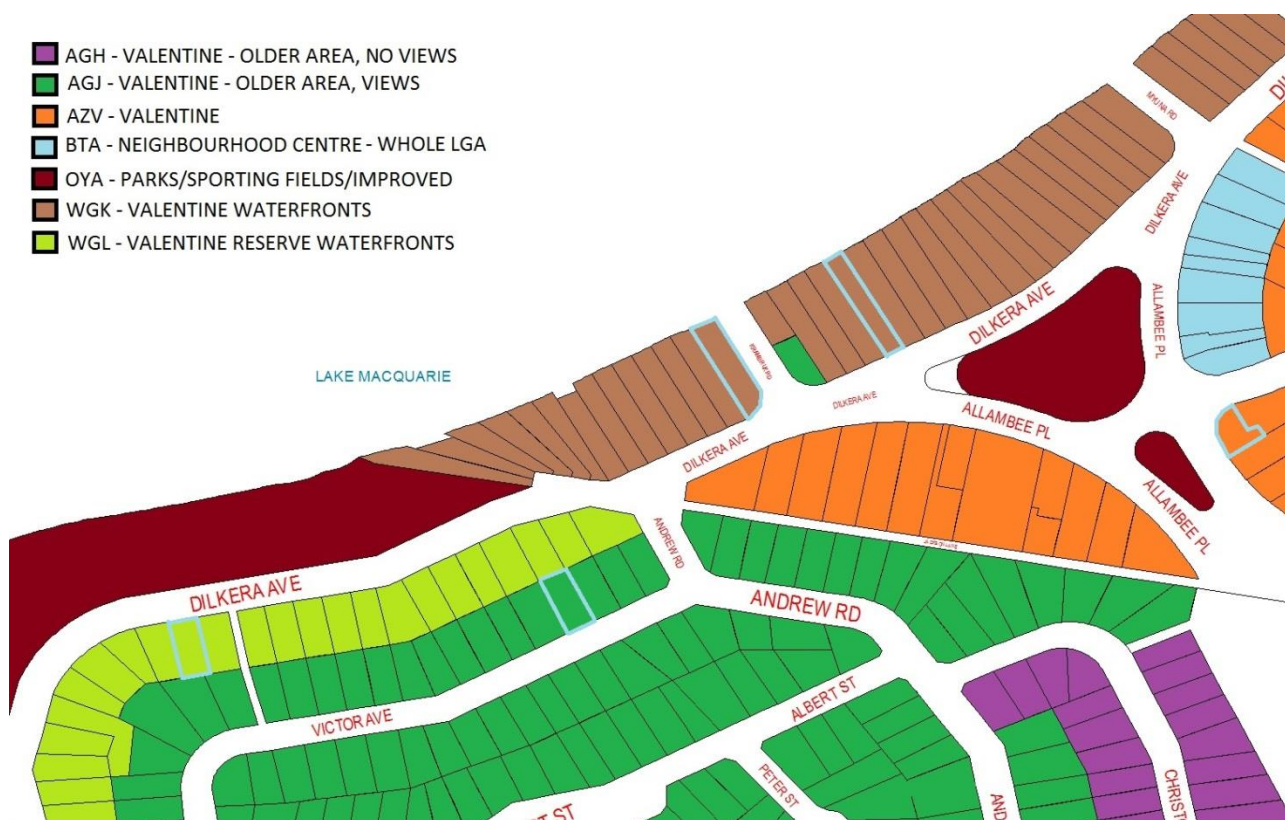


Most land is valued using the mass valuation process. This is where properties with similar features are valued together in groups called components. Properties in the component are expected to experience similar changes in value. All properties within a component must have the same zoning.

Representative properties (known as benchmarks) are selected from each component and valued as at 1 July each year. This shows how much the land value has changed in the past year. This change is applied to all properties in the component to work out their new values.

The new values are quality assured for quality and consistency before they are issued.

The example below shows a range of components in a locality. Waterfront properties are grouped separately to non-waterfront properties. Benchmark properties are outlined in blue.



Quality assurance of land values

The 1 July 2022 land values in each local government area were quality assured by both the contract valuer making the valuations and Valuer General NSW before they were accepted and entered onto the Register of Land Values.

While valuations are made through a mass valuation process, each land value must stand up to individual testing and must be able to be supported by available market evidence.

Each contract valuer provided a valuation analysis report and quality statement certifying the quality assurance they undertook in the preparation of the land values. This included meeting annual requirements for the land value verification program. This program requires land values and property information to be individually reviewed through a systematic, risk based program (see table below).

Valuer General NSW checked the overall quality and consistency of the land values through a risk based quality assurance program and system based data integrity checks.

Checks included:

- Compliance with valuation statistical standards
- Compliance with component and benchmarking standards
- Review of the quantity and quality of sales analysis undertaken to support land values
- Review of land value exception reports including significant valuation changes.

State-wide statistical quality measures

Valuation uniformity and quality is tested against a range of checks, audits and comparison against international standards.

Statistical compliance for 1 July 2022 land values met the targets for all major property types.

	2018	2019	2020	2021	2022	Target
% council areas meeting all standards – residential	100	97.0	100	99.2	100	90
% councils areas meeting all standards –commercial	93.2	93.6	96.6	96.0	97.1	85
% councils areas meeting all standards –industrial	91.2	93.8	93.7	95.5	97.2	85
% council areas meeting all standards - rural	79.6	89.0	93.1	93.3	98.1	75

Note: Where an appropriate number of analysed sales (five or more) is not available for a zone, the LGA is not included in the measure.

Land value verification

To ensure the quality of NSW land values contract valuers undertake a systematic, risk-based process of periodically verifying property data and land values. The program provides for the individual review of all land values and supporting data. The verification program is measured for completion against planned targets as detailed below.

Valuation Year	Verified High High risk	%	Verified Moderate risk	%	Verified low Low risk	%	Total Verified	%
	<i>Target p.a: 100% Cycle: every year</i>		<i>Target p.a: 33.3% Cycle: every 3 years</i>		<i>Target p.a: 20% Cycle: every 5 years</i>			
2018	104,222	99.99%	144,046	42.80%	497,343	23.18%	745,611	28.83%
2019	98,215	100.00%	142,952	45.75%	590,626	26.92%	831,793	31.93%
2020	104,388	99.97%	133,793	42.64%	574,329	26.00%	812,510	30.93%
2021	124,040	99.99%	131,283	43.42%	557,152	25.09%	812,475	30.69%
2022*	128,565	100.00%	140,430	45.19%	636,859	28.61%	905,854	35.71%

*Data for 2022 extracted 14/11/2022. Data for 2021 extracted 15/11/2021. Data for 2020 extracted 17/12/2020. Data for 2019 extracted 26/11/19. Data for 2018 extracted 20/11/18.

Land tax thresholds

In September each year the Valuer General determines new land tax and premium rate thresholds for the coming year. The requirements for the determination of new thresholds are set out in Division 4A of the Land Tax Management Act, 1956.

The adjustments to the thresholds are based on the annual movement in the average land values of land within residential, commercial, business and industrial zones in NSW. The rate of change of land values in these zones from 1 July 2021 to 1 July 2022 was determined to be 25.616%.

The land tax threshold for the 2023 land tax year was determined to be \$969,000 and the premium rate threshold was determined to be \$5,925,000.

The new thresholds were published in the NSW Government Gazette No. 481 of 14 October 2022.

Consider your land value

If you have concerns about your land value or the property information, visit www.valuergeneral.nsw.gov.au to:

- find out more about your land value and explore interactive land value summaries
- find land values and property sales from across NSW and compare your land value to property sale prices
- read valuation policies and factsheets that explain how valuations are made.

You can also call us on 1800 110 038 to discuss your concerns.

Opportunity for review

If you think your land value or property information on your land tax assessment or Notice of Valuation is incorrect, you can lodge an objection to have it reviewed. You should tell us why you think your land value or property information is wrong. The information you provide will help us do a thorough review. You should provide all the evidence you are relying on at the time you lodge your objection.

More information on the review process and how to lodge an objection can be found at www.valuergeneral.nsw.gov.au, or by calling us on 1800 110 038.

Reviewing your land value

When we receive your objection, we will assign you a review coordinator. Your coordinator will be your contact person during the review process. If you have any concerns about the review process or the outcome of your objection you can contact your coordinator who can arrange a conference for you to discuss any concerns in detail. A valuer who did not make the original valuation will review your land value.

Reviewing your property information

We will review the property information. If we make any changes we will check to see if the change will affect your land value.

Finalising your objection

We will provide the valuer's report to you to consider before we finalise your objection.

You will have 21 days to ask any questions or tell us if there are any matters raised in your objection submission that haven't been addressed or if there is a substantive error of fact. We will consider the information you provide before we finalise your objection.

If we do not hear from you, we will determine your objection based on the valuer's recommendation.

Appeals

If you are not satisfied with the outcome of your objection you can lodge an appeal in the Land and Environment Court of NSW.

Contact us any time to discuss issue or concerns

Call us on 1800 110 038 to discuss concerns with our valuation staff.

More Information

Please contact Valuer General NSW
for more information

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