

## **INQUIRY INTO LAND VALUATION SYSTEM**

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Edgecliff NSW 2027.

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Joint Standing Committee on the Office of the Valuer General

Parliament House

Macquarie Street

SYDNEY NSW 2000

Dear Sirs,

### **INQUIRY INTO THE LAND VALUATION SYSTEM**

I am a member of the Waterfront Action Group (WAG) and have received a copy of their submission to your inquiry into the Land Valuation System.

I fully endorse the WAG submission and join them in calling for a major over-haul of the land valuation system, so that there is in future a much greater emphasis on quality, and less of an emphasis on cost. If the valuations distributed by the Valuer General are used as a basis for assessing council rates, land tax and wetland rents, then they need to be soundly based.

I am particularly concerned with inconsistencies which are revealed in a spreadsheet which WAG sourced from LPI via RMS in respect of 2011. The document shows my property no ██████████ at ██████████ Vaucluse as having 81 sqm of leased maritime foreshore land at a value of \$157,000. This was subsequently increased without any valid explanation to \$221,000. My next door neighbour on property ██████████ shows a land area of 182sqm with associated value of \$22,000. In effect my land value calculates out at \$1,938 sqm compared with \$121 sqm for adjacent foreshore leases which seem to be on similar rocky foreshores. Furthermore a map in my possession produced by NSW Maritime on 30 August 2007 in fact shows the area covered by the maritime lease of my neighbour to be 312 sqm. One can only conclude that there are major errors in the system if such information forms part of the records and I personally resent paying Council rates in a disproportionate manner based on such data.

Valuation of freehold land is also suspect particularly in a declining market. Over the past few years the property values of Vaucluse waterfront properties have declined and there are either no or very few sales. Owners are refusing to sell at the lower market prices and optimistically hang on in the hope of achieving past higher values. Unless there is a bank foreclosure or suchlike owners do not sell and buyers will not pay the previous higher prices. In effect the property value has declined considerably but because there are virtually no sales, it appears that valuations are determined using dissimilar type lower valued non waterfront properties often in adjacent suburbs where the decline in values are not so great and thus provide a distorted higher value than is achievable in the market place at the time of valuation for the waterfront properties.

Yours faithfully

B M G REMOND