

Statutory Declaration

I, Andrew Graeme Begg
[full name]

of [REDACTED]
[address]

Valuer
[occupation] State of Victoria

do solemnly and sincerely declare that:-

I make this declaration to return a General Valuation made pursuant to the Provisions of Section 11, 13DH and 13O of the Valuation of Land Act 1960.

The 2018 General Valuation of all rateable properties in the Shire of South Gippsland has been made by me or under my immediate personal supervision, and is impartial and true to the best of my judgement.

The General Valuation 20,005 rateable and non rateable leviable properties summarised in the prescribed form as per Sec 7AA (1) of the Valuation of Land Act 1960 and recorded in councils Valuation data base is the final and complete valuation for the Municipality of South Gippsland as at level of value date January 1, 2018.

The valuation and return of the General Valuation and supplementary valuations of all rateable and non rateable leviable properties in the Shire of South Gippsland to be made as at 1 January 2019, will be made by me of under my immediate personal supervision, and will be impartial and true to the best of my judgement.

I acknowledge that this declaration is true and correct, and I make it with the understanding and belief that a person who makes a false declaration is liable to the penalties of perjury.

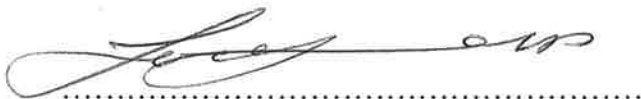
Declared at LEONGATHA



Signature of person making this declaration
[to be signed in front of an authorised witness]

this 25 day of MAY 2018

Before me,



Signature of Authorised Witness

LORELLE LOGAN JP
88 BRIDGE STREET,
KORUMBURRA 3950
JUSTICE OF THE PEACE FOR VICTORIA
REG. NO 12425

The authorised witness must print or stamp his or her name, address and title under section 107A of the *Evidence (Miscellaneous Provisions) Act 1958* (as of 1 January 2010), (previously *Evidence Act 1958*), (eg. Justice of the Peace, Pharmacist, Police Officer, Court Registrar, Bank Manager, Medical Practitioner, Dentist)

REPORT OF GENERAL VALUATION UNDER SECTION 7AA(1)***Valuation summary***

Area – 3305 km ²	Date valuation was returned to rating authority - 30 June 2018	Date of previous valuation returned to rating authority - 30 June 2016	Name of rating authority - South Gippsland Shire Council	Basis of rating - CIV			
	Level of value date 01 January 2018	Level of value date of previous valuation 01 January 2016					
	Residential	Commercial	Industrial	Rural	Non Rateable leviable	Other	Total
Number of assessments with buildings	13796	656	356	2673	374	-	17855
Number of assessments without buildings	1431	22	42	622	33	-	2150
Total Net Annual Value	\$235,401,800	\$18,843,850	\$35,778,600	\$143,486,125	\$7,371,800	-	\$440,882,175
Total Site Value	\$2,229,778,000	\$107,855,000	\$82,278,500	\$2,271,797,500	\$71,363,000	-	\$4,763,072,000
Total Capital Improved Value	\$4,704,175,000	\$265,267,000	\$395,275,000	\$2,869,722,500	\$117,179,000	-	\$8,351,618,500

Summary of previous valuation details as amended to the end of the rating year immediately preceding the current valuation

	Residential	Commercial	Industrial	Rural	Non Rateable leviable	Other	Total
Number of assessments with buildings	13796	656	356	2673	374	-	17855
Number of assessments without buildings	1431	22	42	622	33	-	2150
Total Net Annual Value	\$218,378,250	\$18,845,500	\$34,916,050	\$133,310,575	\$7,175,100	-	\$412,625,475
Total Site Value	\$2,047,006,900	\$101,939,000	\$78,745,000	\$2,103,479,500	\$67,649,000	-	\$4,398,819,400
Total Capital Improved Value	\$4,363,493,000	\$266,338,000	\$387,996,000	\$2,666,211,500	\$113,468,000	-	\$7,797,506,500

- List and comment on the percentage change between this valuation and the previous valuation for each of the following land classifications:

- Residential Properties

A positive gain across all residential Australian Valuation Property Classification categories of 7.18 % was experienced.

An increase in value is noted in townships towards the western end of the shire, strengthening as the distance to metropolitan Melbourne decreases and somewhat stagnant values noted at the eastern end of the Shire. Some towns experienced a variation to the general trend. Toora valuations decreased by 8.19% and Korumburra increased by 11.88%. The smaller townships in the western part of the municipality reflect higher percentage increases than those in the east.

Residential units have generally increased to a lesser extent than other residential properties. Increases have varied with the more mature unit market of Leongatha decreasing by 1.17%, Foster increased by 1.87% and Korumburra reflected a positive gain of 0.54%, with an average decrease of 0.37% for units in all other areas.

- Commercial Property

Overall commercial properties have increased in site value since the 2016 revaluation, however to a lesser extent than residential. A minor decrease of 0.4% is reflected in the capital improved valuations. The largest commercial market of Leongatha has decreased by 6.22 %, Korumburra commercial increased by 2.33% and Foster increasing by 8.61%. Demand for commercial properties with secure leases remains strong, however high vacancy rates in some precincts has put downward pressure on rental returns. Secondary or low profile locations continue to struggle to attract long term tenants.

- Industrial Property

The all-inclusive industrial statistic indicates a minor increase in value, however this is skewed by specialised industrial properties such as wind farms and quarries which are depreciating assets due to obsolescence, reducing resources and limited permitted life spans.

The non-specialized industrial market reflects a positive increase of 0.3% in Leongatha while Korumburra reflects an increase in CIV of 2.44%. Demand for both vacant and improved industrial property in these areas remains consistent.

- Rural Production

The demand for larger high quality dairy properties was strong despite the dry conditions and volatile farm gate prices. Demand for premium undulating grazing land has remained steady. Steeper more remote land has experienced increased demand over the previous period with some good increases seen for more desirable and better located properties.

The majority of properties under 50 ha with existing dwellings have increased in value by varying degrees. The residential content of these properties generally reflects a higher value gain the closer in proximity they are to the urban centres of Melbourne and the Latrobe Valley. These properties have skewed the overall statistical increase of the rural category upwards to an overall increase of 7.63%

The well-established farming districts have generally experienced a minor increase in CIV levels since the 2016 revaluation. The premium areas of Leongatha and Korumburra rural have remained steady. Among the better performers were Loch/Jeetho rural and the Strzelecki/Allambee rural areas at 13.63% and 16.63%. Poowong/Nyora also reflected the trend of higher increases in the western end of the Municipality with an increase of 13.36%. All other rural areas reflected positive increases of between 3% and 7%. These increases are skewed by increases to smaller rural properties with residential improvements.

- Specify the impact of any amendments to planning schemes, local laws, etc. on the valuation.

The planning schemes and local laws have been taken into consideration in determining the current revaluation.

- Comment on development in the area of the rating authority, recent trends, geographical, social and other factors influencing general levels of valuation properties in the area of the rating authority.

Residential development continues in major centres, with higher demand for residences in closest proximity to the urban fringes of Melbourne and the Latrobe Valley. Commercial development often follows an increase in residential populations. Strip shopping continues to dominate the retail precincts and the demand for retail space in the largest retail centre of Leongatha remains low with higher vacancy rates than have prevailed historically.

Signed:



Name and title: Andrew Begg AAPI. Certified Practising Valuer

Date: 25 May 2018