



Office of the  
**Valuer-General**

# Year in Review

## 2021



Credit: @saltythebus  
Snelling Beach,  
Kangaroo Island



The Office of the Valuer-General acknowledges and respect Aboriginal Peoples as South Australia's First Peoples and Nations, we recognise Aboriginal peoples as Traditional Owners and occupants of land and waters in South Australia and that their spiritual, social, cultural and economic practices come from their traditional lands and waters; and they maintain their cultural and heritage beliefs, languages and laws which are of ongoing importance. We pay our respects to their ancestors and to their Elders, and extend that respect to all Aboriginal and Torres Strait Islander peoples.

Credit: Cathy Lu  
Kanku-Breakaways Conservation Park, Flinders Ranges & Outback

# Year in Review



## Welcome to the 2021 Year in Review.

2021 has certainly been an interesting year, full of highs, lows and everything in between.

COVID-19 continues to be the most notable influence creating new challenges and hardships for many people and with that, there is also innovation and opportunities. The variable influence COVID-19 is having across all of our lives makes those impacts difficult to measure. Fatigue is especially apparent and spreads into our community in ways that are not always readily visible. It is a good reminder to remember that kindness is free and that our community needs that of all of us at this time.

My Office was not immune to some of those challenges and I am particularly proud of the resilience and adaptability of my team in assisting concerned land owners with empathy and compassion whilst managing their own, very natural, concerns and family circumstances. I would also like to extend my appreciation to all the team at Land Services SA (LSSA), who have been very supportive in maintaining service delivery. Their appointment as exclusive Service Provider to my Office had its fourth anniversary in October 2021. Those four (4) years have been full of challenges and constant change, however the joint commitment to our purpose is constantly evident.

In terms of the South Australian property market, well, what can we say, except that its positive performance, in an otherwise highly disrupted economic environment, is somewhat surprising. Nonetheless, as we continue to analyse and investigate, what is becoming apparent is that despite all the headwinds, our relatively low median house price, low interest rate environment, low unemployment and improved liquidity has produced an environment where residential property values have experienced an uplift, the likes of which South Australia has not experienced for some time.

Market commentary detailing specific examples of record sales, suburb trends and percentage shifts in quarterly sales reports have become the norm for media coverage, highlighting the significance of the changes we have experienced - and it is not restricted to the residential or metropolitan sectors.

The escalation of the movement to e-commerce incited by COVID-19 has influenced the industrial sector, particularly warehousing and distribution. We have,

reportedly, the lowest vacancy rate ever in this sector and with institutional investors actively sourcing South Australian industrial assets.

There are reports of office occupants who previously downsized to desk sharing models, are now seeking to move back to larger premises to minimise desk sharing requirements. At the same time, other businesses look to move to a more permanent decentralisation of their teams and wish to downsize. The reports are so variable that trends are hard to identify. However, this will reach its own equilibrium in time and will provide clearer insights as to how the market reacts to changeable work habits.

Our agricultural sector has been performing solidly for some years now, despite environmental impacts. Whilst 2021 maintained positive price movement, significant activity in previous years has seen a slow in the level of growth being achieved. However, as that was from a very high level, the uplift in prices per hectare being achieved remain strong. As a good deal of land consolidation has previously occurred, there remains very good demand which is driving this growth. It is not consistent across the State however, as environmental impacts influence modest growth only in some areas.

In conjunction with LSSA, we have reviewed the *COVID-19 Valuation Research Paper* of January 2021 to investigate the COVID-19 specific negative impacts for the 1 January 2022 General Valuation. Whilst there are certainly many businesses who have experienced dreadful impacts to their revenue, the underlying real property has not experienced similar levels of impact at this time. This is reflective of the abovementioned heightened demand for South Australian property assets.

The content that follows in this 2021 Year in Review seeks to expand on those influences and the changes in value levels that will be in effect for the 2022-2023 financial year. I sincerely hope that 2022 sees some stabilisation in our markets and all of our lives. Be kind to yourselves and each other.

**Katherine Bartolo**  
Valuer-General  
of South Australia





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# 1. About us





An aerial photograph of Adelaide, South Australia, showing a mix of modern high-rise buildings and older, lower-rise structures. The city is situated along a river, with green spaces and parks visible. In the background, rolling hills are visible under a clear blue sky.

# 1. About us

**The Valuer-General is responsible for the administration of the *Valuation of Land Act 1971* and is responsible to Parliament. The Office of the Valuer-General sits within the Attorney-General's Department. The Attorney-General is the responsible Minister for any issues arising under the Act.**

The associated Regulations are the *Valuation of Land Regulations 2020*, which came into force following amendments on 24 August 2020.

The role of the Valuer-General is to provide fair and equitable valuations for properties in South Australia – in accordance with the Act, to deliver service excellence and maintain accountability and ownership over the valuation roll.

The Office of the Valuer-General assists the Valuer-General in providing regulatory oversight and management of the various services undertaken by the Service Provider (Land Services SA). Thus ensuring the integrity of the valuation roll, service delivery and the independence of the Valuer-General.

## 2021 highlights

**\$558.0b**

total State Capital Value  
for the 2022-2023  
General Valuation

**\$324.1b**

total State Site Value  
for the 2022-2023  
General Valuation

**12,289**

parcels created

**20.50%**

Capital Value change  
from 2021-2022 to  
2022-2023

**13.50%**

Site Value change  
from 2021-2022 to  
2022-2023

**\$210.0m**

highest sale  
transaction

Statistics were derived on 21 April 2022 from data held in the South Australian Integrated Land Information System (SAILIS).



# Our Purpose

**To safeguard the interests of South Australians by ensuring the integrity and accuracy of Property Valuations.**

**Integrity is the cornerstone of all that we do, but what does that mean for you?**

If you're a landowner, tenant, the Council or Government, it means that the value of your property is free from influence - ensuring rates and taxes are collected on a fair and equitable basis.

There are always circumstances that might affect value – or change the amount of rates and taxes payable. People experience difficulties throughout their personal and professional lives, placing pressures on their finances.

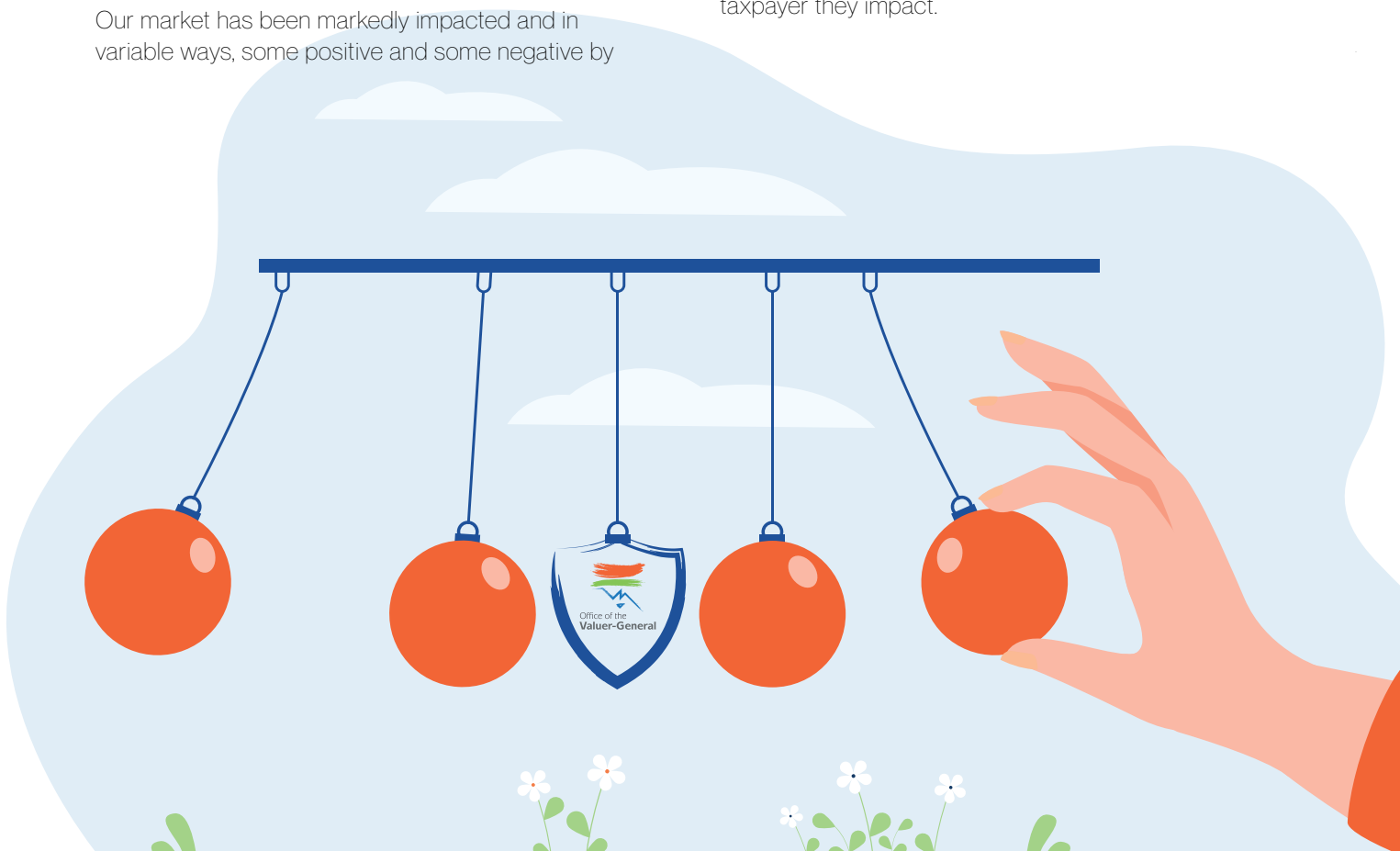
Our market has been markedly impacted and in variable ways, some positive and some negative by

the global COVID-19 pandemic. There are also geo-political situations which influence market confidence levels and financial markets.

More locally, South Australia has experienced periods of stability, rapid growth and great uncertainty, sometimes concurrently in different property markets. There is also the “business” of life – seemingly always ready to throw a curveball at the most inconvenient of times.

If at each of those instances, a value was shifted here and there to accommodate those circumstances, over time the foundation of fairness and equity would be entirely eroded.

Thus, while the outcomes determined by the Office of the Valuer-General may not always be palatable, they are undertaken – every step of the way – to protect that integrity, and by consequence, every rate and taxpayer they impact.



Credit: Luke Byrne  
Gluepot Reserve, Riverland



# Our Strategy

**It is important to ensure that our community, all of whom are impacted directly or indirectly by our valuations, receive the highest level of service.**

The Office of the Valuer-General has a variety of functions which provide a service to the community, customers (rating and taxing authorities) and stakeholders (government agencies and industry bodies). The delivery of excellent service to customers and stakeholders is to ensure the delivery of accurate valuations.

The provision of accurate valuations allows for fairness in collections from the community by our customers. Transparent operations with our stakeholders ensures accurate outcomes.



In 2021, the Valuer-General and her team undertook a review of the 2019 strategic plan to establish a forward plan and to focus the activities of the Office of the Valuer-General towards continual improvement.

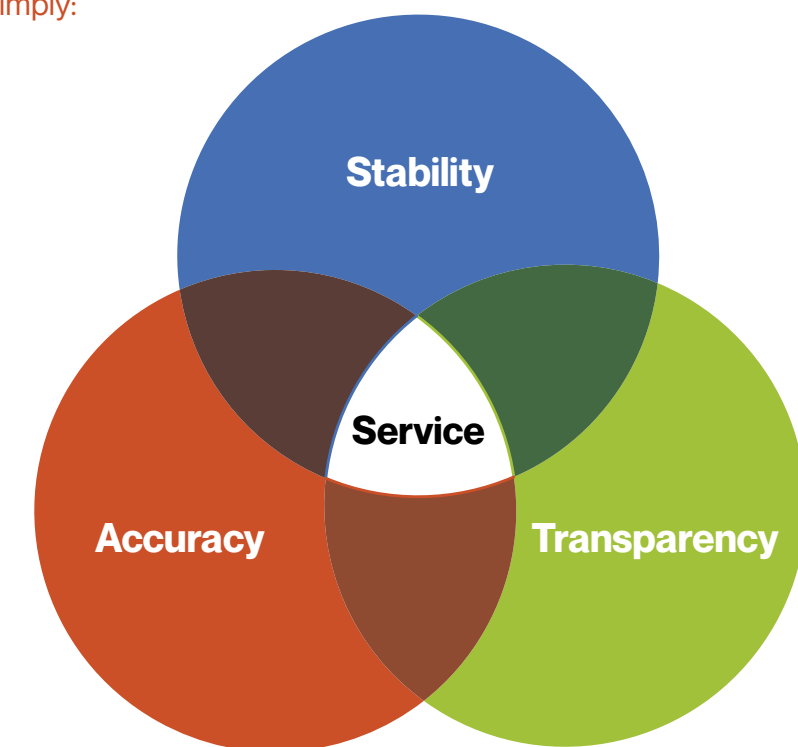
The core foundation of that plan remains the same, incorporating **Accuracy, Transparency** and **Stability** towards providing **Service** to the community. As outlined in Our Purpose, we provide the best possible service by ensuring the valuations are as fair and equitable as possible.

As we move away from the period of transition associated with commercialisation in 2017 and look to settle into a more business-as-usual environment, we have identified opportunities to streamline and improve consistency in our processes. Those works are well advanced with a view to full adoption in Q4 of 2022.

Stability can be enhanced by ensuring skills and knowledge are kept up to date and shared amongst a team. This is also a key area for attention through 2022 and will incorporate new Office of the Valuer-General team members to ensure knowledge is retained through any team changes into the future.

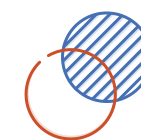
Transparency is critical to ensuring the community, and our customers and stakeholders are best informed. Whilst it is imperative that the valuations remain accurate and free from influence, we recognise that their consequences to land owners, tenants and the relevant authorities are significant and thus, we look forward to improving our information material and engagement.

The strategy is simply:



**What we aim to achieve**

Our primary objectives are:



## Transparency

Improve community confidence in the Office of the Valuer-General by promoting a customer-centric approach to the dissemination and collection of information.



## Accuracy

Identify and implement replicable and adaptable programs to ensure quality and accuracy.



## Stability

Ensure the retention of corporate knowledge through strategic succession planning and recruitment initiatives - fostering learning and development opportunities and skills mapping.





# Select Committee

**In 2021, the Legislative Council of the South Australian Parliament established the Select Committee on Certain Matters relating to the Operations of the Office of the Valuer-General.**

This Select Committee focussed on nine (9) Terms of Reference and each were addressed in various submissions made by the Office of the Valuer-General in addition to attendance at a number of Committee hearings to provide evidence.

The Select Committee tabled its report on 16 November 2021 which detailed eleven (11) recommendations which were noted by the Government for consideration.

For further information on the Select Committee, or to view the detail of the relevant submissions and evidence provided, visit <https://www.parliament.sa.gov.au/en/Committees/Committees-Detail>.<sup>1</sup>

Credit: Mish and Kirk  
Port Willunga Beach, Fleurieu Peninsula

<sup>1</sup> Listed as "Certain Matters relating to the Operations of the Office of the Valuer-General" 54th Parliament 5/3/2018 - 2/19/2022



# Land Services SA



**Land Services SA was appointed, in October 2017, as the exclusive Service Provider to the South Australian Government for a range of transactional land and property valuation services previously delivered through the State Valuation Office and Lands Titles Office.**

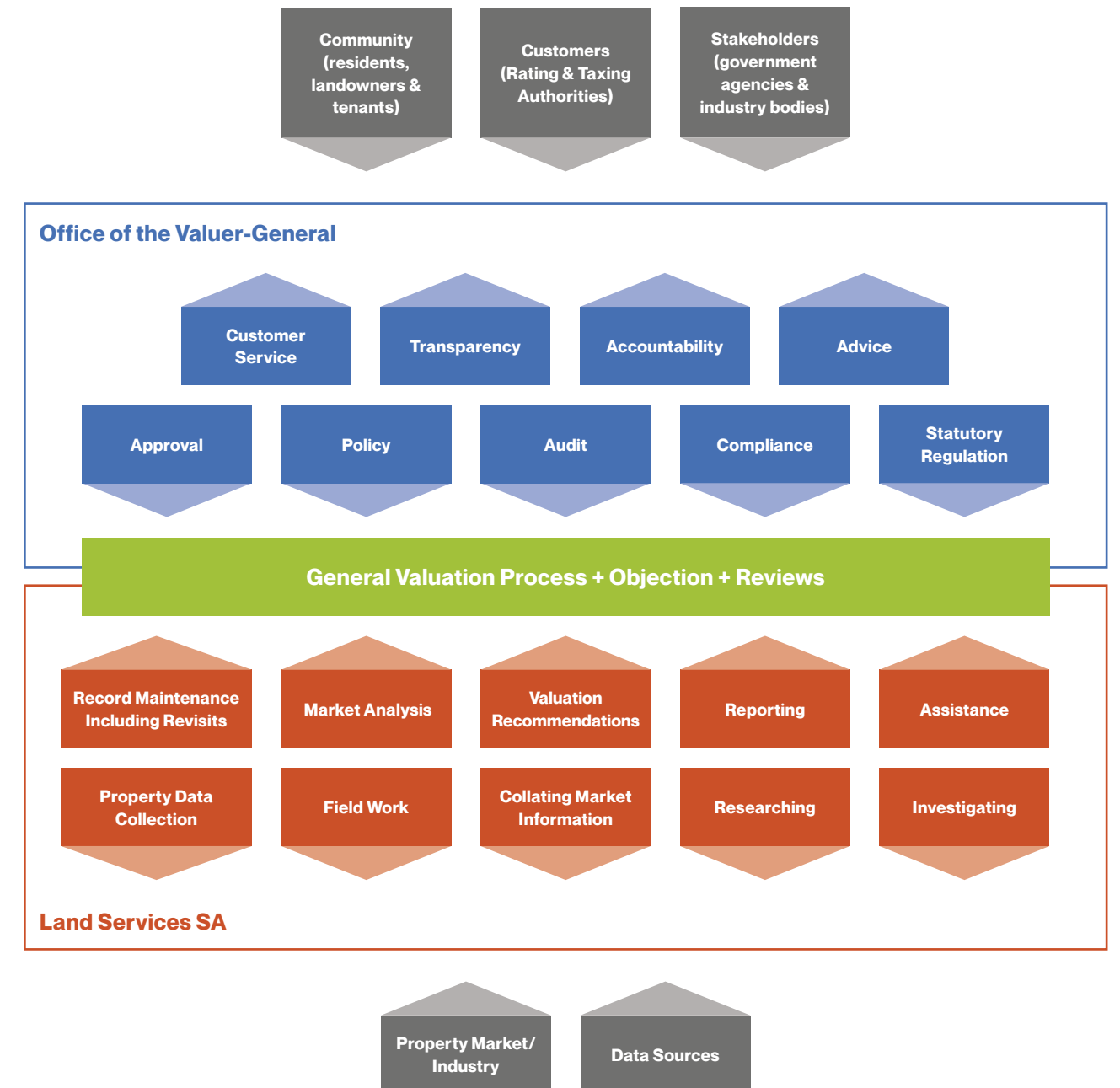
As a trusted partner of the State, Land Services SA (LSSA), on behalf of the Valuer-General, undertakes the research and analysis which informs the General Valuation on 1 January each year.

The Valuer-General retains the independent and Statutory ownership of the valuations. In addition, it is the responsibility of the Valuer-General and her Office to ensure that the valuation services delivered by LSSA are to the highest possible standard and align with her valuation policy directives, thus ensuring the integrity and accuracy of the valuations adopted.

LSSA also support the Valuer-General through a range of customer service and communication activities. When property owners contact the Valuer-General using the details provided on the back of their Rating and Taxing notices, they are directed to LSSA Customer Service Team, where their friendly and professional staff address the owner's enquiries and engage with the Office of the Valuer-General as necessary.

Together, the Office of the Valuer-General and LSSA have embarked on a series of initiatives to refine and enhance the experiences of residents, landowners, tenants (community), customers and stakeholders. We continue to invest in data to improve accuracy and confidence of the valuation roll and deliver innovative technical solutions to enhance our customer's experience. Process and literature reviews are being undertaken on an ongoing basis to increase knowledge and visibility.

The Office of the Valuer-General and LSSA are at the beginning of a long-term service provider partnership. We are building a strong and collaborative environment that gives the Valuer-General and consequently, South Australians confidence in the future.





## 2. What we do

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Credit: Michael Waterhouse Photography  
Glenelg Beach, Glenelg



## 2. What we do

**The functions of the Office of the Valuer-General are to support the Valuer-General with her Statutory roles and responsibilities – which in turn provides service to our whole community.**

The organisational structure is comprised of four teams with distinct purposes. The collaborative nature of those teams allows for valuation, legal and administrative expertise to be shared to provide high quality services to our community.

The Office of the Valuer-General's team members are dedicated to performing above and beyond to deliver the best possible service to the community, their customers and stakeholders. Below is a description of how different teams within the office works to serve you.



**Valuer-General  
Services**



**Statutory**



**Regulatory**

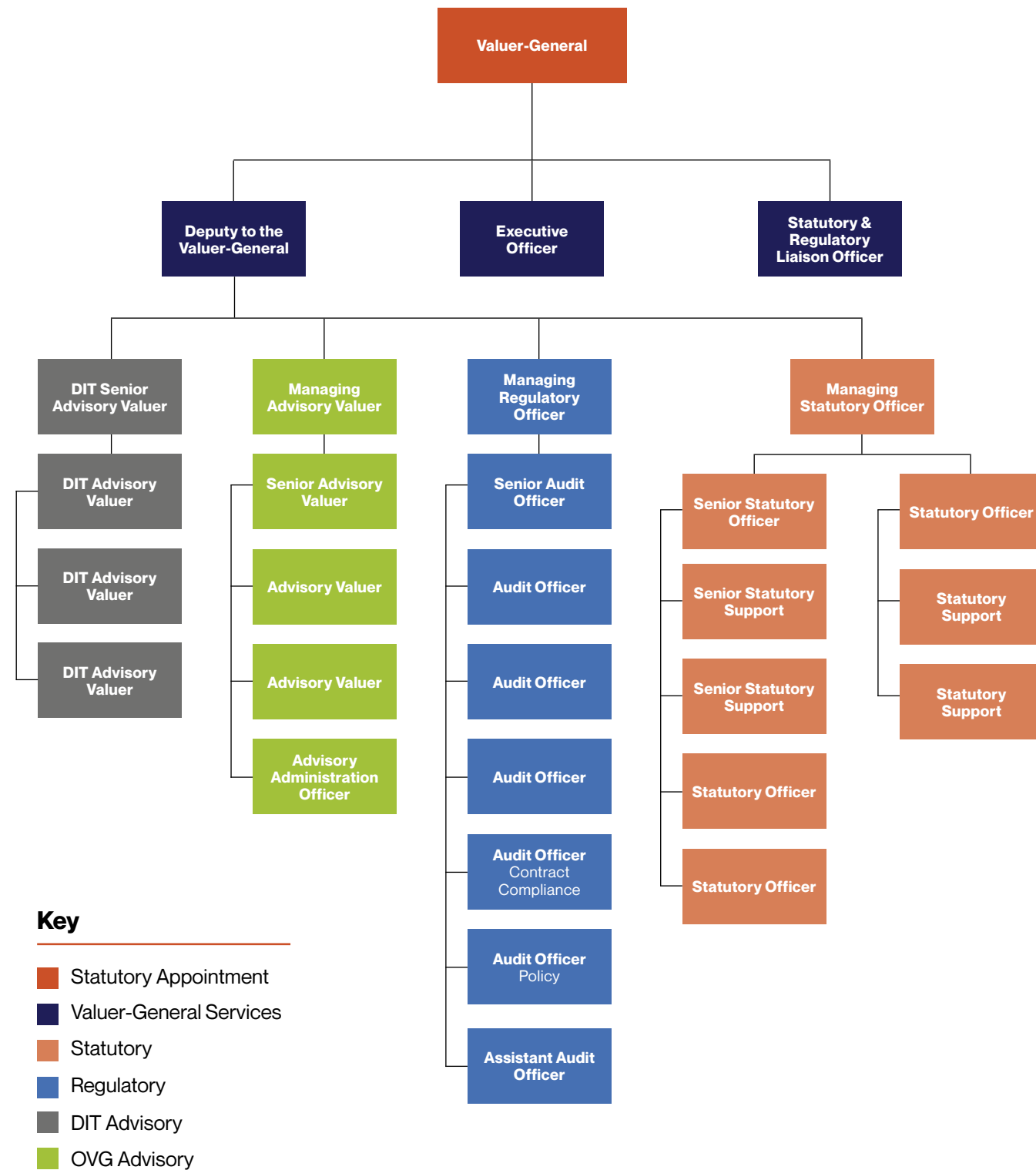


**Advisory**

Credit: South Australian Tourism Commission/  
Michael Waterhouse Photography  
Murphy's Haystacks, Eyre Peninsula



# Organisational Structure



# Team Descriptions



## Valuer-General Services

The Valuer-General Services team provides high level strategic and operational support and has a key focus on consumers of our business. The team consists of the Valuer-General, Deputy to the Valuer-General and two senior support officers; the Executive Officer and Statutory and Regulatory Liaison Officer.



## Deputy to the Valuer-General

Anthony (Tony) Smit has been with the Office of the Valuer-General – under its different guises – since the mid 2000's and has had broad exposure to all facets of the organisation, different property types and valuation methodologies and geographic regions of our State, including experience in valuation work outside the public sector. He has been instrumental in supporting the development of expertise essential to this Office. His tenure and passion has fostered the accrual of extensive knowledge around case law, precedent and policy development. Tony is well known among our customers and stakeholders for his extensive knowledge, a willingness to help and commitment to integrity.

## Senior Support Officers

The Executive Officer provides executive administration and business management support functions to assist the Office of the Valuer-General business areas in meeting their statutory, regulatory, strategic and operational responsibilities, and ensures timely reporting, responses and submissions are provided to departmental Executives, relevant Minister(s), Parliament and Cabinet as necessary.

The Statutory and Regulatory Liaison Officer is a primary contact to the Valuer-General's statutory clients with a focus to deliver accurate, informative, and transparent information and communications. The role also has a strong focus on collaborative engagement with our service provider to deliver valuation services to government, our customers, stakeholders and the community.





## Statutory

The Statutory team supports the Valuer-General in the pursuit of the objectives of transparency, accuracy and stability. The principles required to maintain the independent, legal and ethical standing of the Office in the eyes of customers (statutory clients), stakeholders and the wider community are of key importance. They are also responsible for ensuring high level customer service delivery and timely and accurate administration of the valuation grievance process.

A number of the staff in this team are qualified professionals, with broad valuation expertise and customer service experience. They support the Valuer-General in providing effective regulatory oversight of LSSA, under the commercial model responsible for delivering valuations required for rating and taxing purposes.

On a daily basis this involves ensuring compliance by LSSA with contractual requirements for the services and recommendations they are expected to deliver, and exercising the Valuer-General's authority inside the grievance processes and other powers provided under legislation. This includes ensuring the data collected from the community by LSSA using legislative powers are consistent with undertaking their valuation tasks, are reasonable, treated in a confidential manner and used appropriately.

Legislative compliance is a key part of the team's role, working collaboratively to resolve queries raised by property owners throughout the grievance processes; Objection, Review by Valuer and South Australian Civil and Administrative Tribunal (SACAT).

Whilst the administrative staff members of the team may not be valuers, their valuation knowledge and understanding of the varied areas of our business is invaluable to our community, customers and stakeholders in ensuring processes run smoothly and accurate information or advice is provided in a timely manner to property owners and customers.



## Regulatory

The key function of the Regulatory team seeks to ensure accurate, transparent, and reliable valuation data and information through the provision of audit and data activities. Several activities are delivered across the year with the team applying resources to focus on not only driving efficient outcomes but to provide improvements and enhancements where possible.

The Regulatory team works heavily with LSSA through standard operating functions and even more intensely during the phase of delivering the annual General Valuation to ensure valuation work conducted, and the methodology applied by the service provider, is of an acceptable standard to the Valuer-General.

The team have scheduled program reviews and processes that ensures sales evidence utilised within the General Valuation, Objection and relativity processes consider appropriate market evidence. Combining this with the use of spatial tools and internationally adopted statistical measures, allows our team to employ both accuracy and relativity of assessed and proposed valuations.

Within the team, a dedicated role is responsible for ensuring appropriate Valuation Guideline, Policy and Direction are generated, maintained, and followed by Office of the Valuer-General staff and LSSA. The contracted service level obligations are overseen within this team also. All aspects of the service provider agreement are constantly monitored for compliance and to ensure confidence in the service provider model.

The generation of various statistical information that is published on the Valuer-General's website ([www.valuergeneral.sa.gov.au](http://www.valuergeneral.sa.gov.au)) and DataSA keeps the South Australian Community informed of property market movements through the quarterly sales statistics prepared by the team.

The Regulatory team also assists the Office of the Valuer-General with responding to queries from the public, media, rating and taxing consumers, as well as other interested parties. Further to this, the team provides support to universities, as well as State and Local Government agencies through analysis of requests for data.





## Advisory

The Advisory team provides valuation advice, consultancy and services across government. The team also provides an engagement, quality assurance and endorsement service of private industry valuations ensuring government receive the valuation advice they require to the highest standard with Valuer-General endorsement.

There are two Advisory teams within the Office of the Valuer-General structure. The Office of the Valuer-General Advisory team is focused on providing valuation outcomes to government, creating government valuation service opportunities for the private sector, and contributing to training vocation for graduate valuers. The Department for Infrastructure and Transport (DIT) Advisory team is solely responsible for providing confidential high level valuation services in relation to strategic projects being undertaken by DIT.

The teams consist of qualified valuers, with specialised industry knowledge and experience facilitating an invaluable conduit to the valuation industry and government agencies. The teams' understanding of industry best practice, legislative and governing body practises pertaining to valuation processes and standards ensures that a seamless valuation procurement service is provided to government.

**The Office of the Valuer-General and DIT Advisory teams undertake a range of valuation services and functions which are broadly categorised as follows:**

- Compulsory acquisition estimates for road, rail, infrastructure and development projects.
- Provision of specialist technical valuation advice throughout the acquisition process.
- Valuation services for market values, rents and licence fees, financial reporting, fair value, insurance value, easements and unit and lot entitlements.
- Portfolio management delivering asset valuations for financial reporting.
- Crown Lease assessments including SA Housing Authority, education facilities and shack sites.
- Determination of annual rent for Pastoral land leases (every five years) as per the *Pastoral Land Management and Conservation Act 1989 (SA)*.
- Supporting the Valuer-General with periodic independent review into the retail and commercial lease prescribed rental threshold as per the *Retail and Commercial Leases Act 1995 (SA)*.
- Provision of annual market rents for each SA Housing Authority owned property.
- Annual insurance and fair value valuations for a number of government agencies including South Australian Insurance Corporation, Renewal SA, ForestrySA, Department for Environment and Water and DIT.



Credit: Greg Brave  
South Australia



# How

## The annual General Valuation is an ongoing, overlapping cycle.

There are approximately 922,000 properties in our state, each requiring a Site Value and Capital Value (including a number of occupancy assessments e.g. an office building with many tenants). This is getting close to 1.85 million valuations determined by the Valuer-General every year and is constantly growing as our state continues to grow.

If you could physically inspect 10 properties per day, that would be 50 properties per week, or 2,600 per year – which is only 0.28% of all the property in the state!

That would mean 352 valuers working round the clock – which is not only impossible, but not sensible or necessary.

Therefore, mass appraisal is the primary valuation methodology adopted in South Australia and across many parts of the world.

Through the course of the year, Land Services SA collect data, undertake research and analysis with the aid of sales evidence and market reports on behalf of the Valuer-General.

Properties that are similar in nature, possibly due to locality, land size, property type, vintage, size of equivalent main area and use are grouped into sub-market groups.

The research and analysis is utilised to indicate how the market has performed relative to each of those sub-market groups. The result of such analysis is the adoption of an index which is applied to every property within that particular group. There are 2,503 sub-market groups in South Australia and whilst some might have similar indices applied, each and every one is analysed separately.

There were over 51,000 sales transactions in 2021 which were suitable as evidence. Some sales are excluded, for example, when the transfer is in name only for estate purposes. All of this work then feeds into the cycle outline below.

The **Date of Valuation** is **1 January** each year. It is reflective of how the market has performed in the prior calendar year and the circumstances as at the Date of Valuation. **This Year in Review relates to the Calendar Year of 2021 for the Date of Valuation 1 January 2022.**

The Valuer-General may be requested to provide a valuation at a point in time for other than the Date of Valuation. Where a supplementary valuation is done (see page 65) outside the general valuation process an alternative date may be considered and regard to the facts as at that time will guide the valuation.

To ensure the valuations are as current and accurate as possible, analysis and the application of indices is ongoing – even after the Date of Valuation, as sales that occur may not settle until some months later.

The valuations then undergo extensive quality assurance and audit checks by the Office of the Valuer-General. As this is occurring, investigations are also undertaken relating to new improvements – these are called revisits. As at 29 April 2022, there were approximately 33,000 revisit actions taken but this can be in excess of 40,000 each year.

Audit measures include a series of statistical measures to conform to set parameters. There are International guidelines and long adopted and refined practices that inform those parameters. One such measure is the Median Sales Ratio. This is a measure of where values on the valuation roll compare to recorded sales prices.

As our market is impartial and not always perfect, and occurs over a period of time with seasonal, and other influences, some values may sit above or below sales prices.

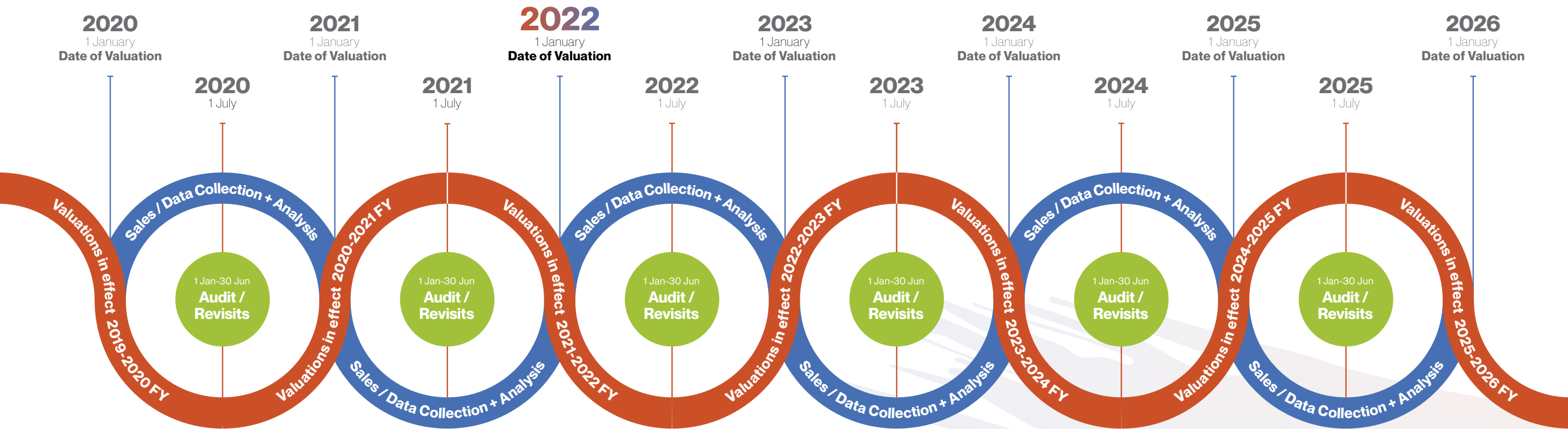
The rating and taxing authorities receive regular updates on the proposed valuations during the period of January to June – which aid in their budget and planning considerations for the next financial year. The Valuer-General declares the Valuation Rolls as complete on the last Thursday in May and they 'come into force' at midnight on **30 June 2022** – though Council can nominate their date of adoption in accordance with their own legislation. The valuations are then in place for the Financial Year.

Whilst quality assurance, audit and revisit activities are being undertaken, work has already commenced in data collection, sales analysis and research in preparation for the next financial year.

*The market in Calendar Year 2021, is for the Date of Valuation 1 January 2022 which influences your rates and taxes for the 2022-2023 Financial Year.*

It is understandable then that this may lead to some confusion. It can be challenging, particularly where circumstances of recent times may have you question why rates and taxes don't match the circumstances at the date you receive your rating and taxing notices from your Council, SA Water and RevenueSA. The Office of the Valuer-General and Land Services SA are here to help with your enquiries.

## Annual General Valuation Cycles





# How

## Land Use Codes

To assist in the valuation process, the Valuer-General maintains a Land Use Code (LUC) for each assessment. These LUC's are not part of the Valuation Roll and do not exist in the *Valuation of Land Act 1971*.

Various rating authorities use the Valuer-General's LUC's to assist them in administering their taxing statutes, especially where land use plays a part in determining rates and taxes.

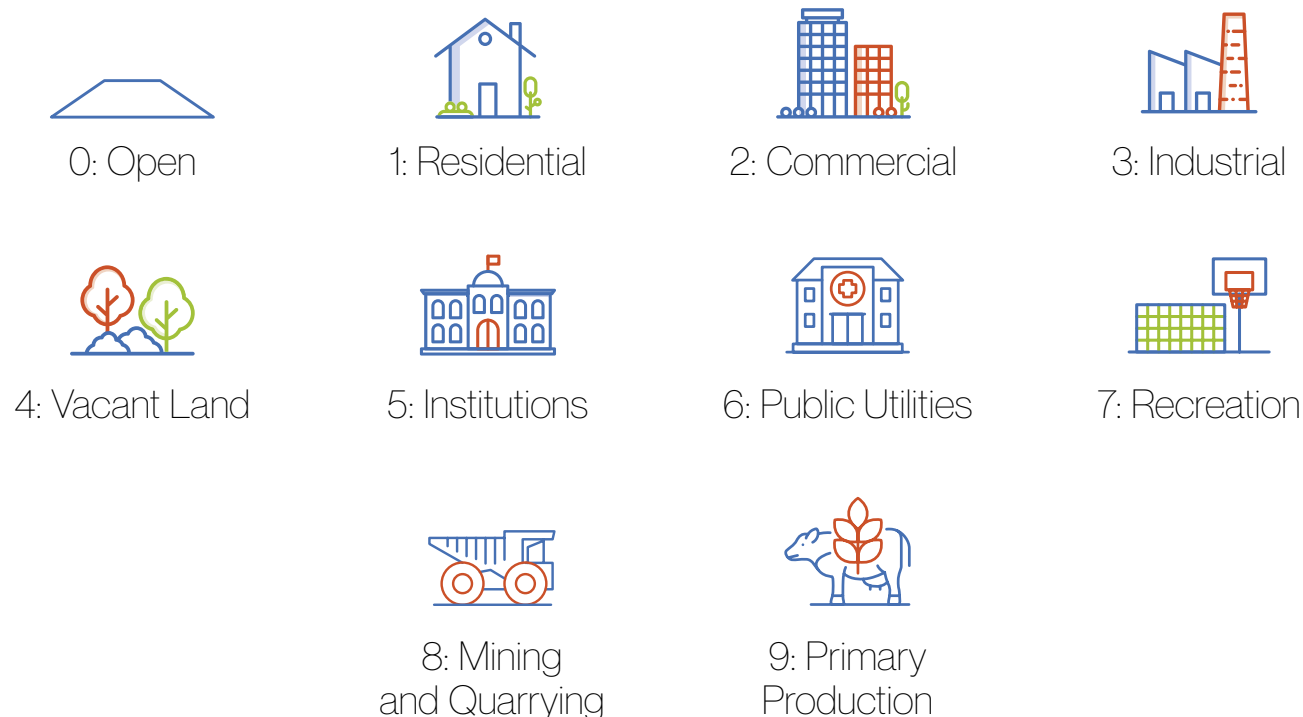
There are over 700 LUC's utilised by the Valuer-General outlined in the Land Use Codes Manual: <https://www.valuergeneral.sa.gov.au/forms-and-fact-sheets/LUC-booklet-2020.PDF>

The valuer will select the LUC that reflects the **predominant use\*** of the land.

### Land Use Codes are a 4 digit code:

The first digit is the Primary Code, with the other 3 digits used for additional detail.

#### LUC Primary Codes



\* This is not necessarily the same as the highest and best use.

### Determining LUC

A range of factors are considered in determining the predominant use of the land, including:

- Economic use of the land
- Comparative extent of the use of land (intensity of use – either the demands on the land or upon the labour to maintain it)
- Activity conducted on the land gives the land the character of being mainly used for that activity
- Predominance of the activity must be of such a degree as to impart that character to the parcel as a whole.

### Utilisation of LUC

The Valuer-General's view of land use assists various rating authorities in administering their rating and taxing statutes where land use plays a part in determining this, such as:

- Emergency Services Levy
- Council rates (if used for differential rating)
- Sewerage and Supply charges (commercial) determined by SA Water
- Regional Landscape Levy (if the levy is based on land use).

### Valuer-General's LUC additionally plays a role in assisting RevenueSA consider;

- Exemptions to Land Tax
- What is Qualifying Land for Stamp Duty purposes.

### Land Use Code Objections

Objections to the LUC can be lodged with either RevenueSA or your council. There are time limitations in place to object to the land use attribution. You should refer to your Notice of Assessment from the relevant statutory authority for full details regarding the objection process.

### Highest and Best Use

The Site Value and Capital Value determined by the Valuer-General must be based on the highest and best use of the land that would result in the highest value, which may not necessarily be the actual use the land is currently being put to. For any property there are a number of possible uses that the land and its improvements can be put to, but as outlined in the International Valuation Standards the highest and best use must be physically possible, financially feasible, legally allowed and result in the highest value. If different from the current (actual) use, the costs to convert an asset to its highest and best use would impact the value.

In looking at what is legally permissible for the land, regard will be had to such matters as the planning controls outlined in the Planning and Design Code under the *Planning, Development and Infrastructure Act 2016*, as well as the likelihood that such planning restrictions will change. The consideration that a possible use be financially feasible takes into account whether an alternative use, that is physically possible and legally permissible, will generate sufficient return to justify a change from the existing use having regard to the cost of conversion.

The highest and best use for the land also guides the valuer as to the appropriate valuation methodology to apply and what can be considered comparable sales evidence.

In certain cases the Valuer-General may determine notional values under s 22A of the *Valuation of Land Act 1971* that will not have regard to the highest and best use of the land, producing a concessional Site Value and Capital Value instead.



# What do we value

**The Valuer-General has responsibilities for valuing estates, or interests in land, as part of a General Valuation for rating, taxing and other advisory purposes.**

Dealings with land, including sales, means a dealing with an estate or interests in land, and not with the actual land itself.

An estate in land includes buildings, structures and other improvements affixed to it; trees, the soil beneath the surface, as well as the airspace and water over it. This is often referred to as 'real property', as opposed to 'personal chattels' which do not form part of an estate in land.

Personal chattels, such as water licences, are not included in valuations undertaken by the Valuer-General.

## General Valuation

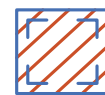
For the General Valuation, it is a general principle that a valuation will be undertaken for each separate, saleable parcel of land that is subject to separate ownership. That said, there are instances where land will be valued conjointly with other land, as part of one single assessment, or for a portion of land that is often associated with a separate physical occupation.

The Valuer-General must produce a valuation for an occupancy of land if the Local Government for the area chooses to rate on this basis in accordance with the *Local Government Act 1999*.

As part of the General Valuation, the Valuer-General is required to determine both a Site Value and Capital Value for each property where they are required for rating and taxing purposes.

Both of these bases of valuation are often referred to as statutory valuations, their definitions are provided by way of legislation, and they both require the unencumbered estate in fee simple in the land to be valued, (also referred to as a freehold interest).

This means the Valuer-General can value land as part of the General Valuation assuming it can be sold, even if the taxpayer cannot sell their interest in the land. Also if the interest in the land is restricted or encumbered in a manner that reduces its values, this can be ignored unless the restrictions are as a consequence of general laws, such as zoning restriction under the *Planning, Development and Infrastructure Act 2016*.



### Site Value

In determining a Site Value it must be assumed that certain improvements had not been made, such as buildings, wells, dams and the planting of trees for commercial purposes. Improvements considered to be site works, such as the excavation or leveling of the land, are not hypothetically ignored.



### Capital Value

The determination of Capital Value will have regard to buildings, fences, site works and other structures that are affixed to the land. However, there are some exclusions that involve plant and equipment, trees and certain infrastructure used in the connection with the provision of electricity, gas, water and sewage.

# What our values are used for

**The Site and Capital Values determined by the Office of the Valuer-General are required under the *Valuation of Land Act 1971*. These values are used by the State's rating and taxing authorities to determine how their rates and taxes are to be distributed between rate payers.**

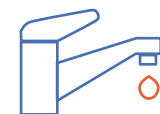
Capital Values are used to determine:



Most Council Rates



Emergency Services Levy



Water and Sewerage Rates

- **Capital Value** refers to the value of a parcel of land, including the improvements that are fixed to the land, and is used by SA Water, RevenueSA (for Emergency Services Levy), and the majority of Councils for the purpose of distributing the payment of rates and taxes.

Site Values are used to determine:



Some Regional Council Rates



Land Tax

- **Site Value** refers to the value of a parcel of land excluding most structural improvements, but can have regard to site works such as draining, filling, retaining walls, excavating and grading or levelling of land. Site Value is used by RevenueSA (for land tax purposes) and some regional Councils.

### Other purposes:

- Setting rental levels for public and community housing
- Determining compensation following the compulsory acquisition of property
- As a guide for property sales and purchases
- Determining the Regional Landscape Levy collected by Local Government



# 3. General Valuation 2022-2023

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Credit: Lachlan Swan  
Clare Valley





# 3. General Valuation

## **The *Valuation of Land Act 1971* requires the Valuer-General to make General Valuations of land within the Areas of the State.**

'Areas' in this context relates to a municipality or district as described in the *Local Government Act 1999*.

It is required that a Valuation Roll be prepared in respect of each Area and as such, there are many Valuation Rolls – though in colloquial terms, they are often referred to as a single Valuation Roll.

The *Valuation of Land Act 1971* requires a General Valuation in each Area at least once in each successive period of five years. In practice, this has been done annually with a Date of Valuation of 1 January. In declaring a General Valuation, all subsequent rights by land owners to, for example, the objection process, is likewise available annually.

The *Valuation of Land Act 1971* defines Site and Capital Values to be the amount the land might reasonably be expected to realise upon sale.

In effect, what would the market be prepared to pay for this property – assuming a hypothetical vendor and buyer.

There are nuances contained within the *Valuation of Land Act 1971* and the *Valuation of Land Regulations 2020* that the Valuer-General must have regard for. For example, in the case of Capital Value, trees planted for commercial purposes (i.e. a plantation) are not to be included. In the case of Site Value, the Office of the Valuer-General is to assume that buildings and structures are not included, unless those structures are in the nature of site works.

There are many examples, historical precedence and case law, that have informed the manner in which the General Valuation, and other functions performed by the Office of the Valuer-General and the service provider have developed since the creation of the *Valuation of Land Act 1971*.

As mentioned, this Year in Review relates to the **2021 Calendar Year** for 1 January 2022 Date of Valuation. As such, the values you see upon receipt of your rates and tax notices after 1 July 2022 will be reflective of the market during 2021.

### **Key Considerations**

The 1 January 2022 General Valuation is a reflection of variable market conditions. Whilst COVID-19 remains the most notable influence, the property or real estate market is an ever-changing landscape, reactive to macro and micro influences, driving variable price movements through 2021.



# Market Influences

**In the market, achievable prices, and consequently valuations, are very much a result of shifts in balance between supply and demand.**

If supply levels drop but demand remains good, the value levels will likely lift. If supply levels drop and demand remains static, value levels may flatten. Should supply levels increase and demand drop, value levels are likely to fall.

## Residential

The above is particularly true in our residential markets. Through 2020 we saw an unprecedented level of vacant land absorption in response to various government construction incentives. This put additional strain and demand on building materials in an industry already disrupted by supply chain challenges.

The market through the course of 2020 also saw good levels of value growth across the board and improved household savings as people stayed home throughout the pandemic. When combined together, the start of 2021 saw a market flushed with home buyers with improved equity and liquidity, in a low interest rate environment, ready to trade up into their second, third, fourth etc home or purchase a secondary residence.

Some chose to move further from the CBD to maximise lifestyle with the benefit of flexible working arrangements which is evident in the prices being achieved in metro fringe areas. Others have relocated from the metro area altogether with high demand still evident in regional townships.

Stock supplies remained very tight as new demand from interstate entered the market, absorbing more stock than was created by the abovementioned trading up buyers.

This all combined to produce the highest levels of price growth in South Australia in some decades.

In relation to the first home buyer market and low grade investment stock, with lending criteria remaining tight, ready access to finance and diversion of money to the primary residence as mentioned has seen more moderate growth in these sectors. However, the rental market has remained extremely tight as a result of this low investor activity and whilst yields have improved, capital growth is moderate only.

## Primary Production

Primary production land has been experiencing significant levels of price growth year-on-year for the past five years now. This has been the result of a variety of factors, however low interest rates, strong commodity prices and fair environment conditions, relatively speaking, have all contributed. That activity peaked through 2019 and 2020 when land consolidation to secure significant enterprises occurred. Whilst transactions have slightly reduced since, the demand for South Australian primary production land remains incredibly high, supporting continued strong price growth through 2021, if not at levels of previous years. That growth is not consistent however, with some areas which have experienced challenging environmental conditions not performing as well as other regions where there has been good rainfall in particular.

## Industrial

Prior to COVID-19 there was an evident trend away from bricks and mortar retail to e-commerce. The arrival of COVID-19 has compressed that transition time frame to almost overnight and as a result, created a very high demand for industrial property to support that activity. This demand is highest for warehousing and logistics.

The supply chain disruption surrounding COVID-19 also had the consequence of an immediate need for locally manufactured goods placing additional demand upon the industrial property sector.

The influence of COVID-19 even extended to consumer habits. We have all seen reports of panic buying and stockpiling. As supermarkets increased their stock supplies to support such activities and a population less inclined to "dine out", similarly there has been a demand to increase existing or purchase new food warehousing and cold storage.

All these combined together to produce one of the lowest vacancy rates in the industrial sector ever seen and institutional investors secure good quality premises with good leasing covenants.

## Commercial

Despite COVID-19, there was a record amount of investment in the commercial office sector through 2020 continuing into 2021. Institutional investors have been securing high quality office buildings in Adelaide at strong yields. The rental returns are particularly attractive and offer investors greater return than other parts of Australia. Buyers also took confidence from financial policy where Stamp Duty is not payable on those commercial properties and where changes to Land Tax also factored in their calculations on return on investment.

The influence of COVID-19 to the commercial office market largely looked minimal leading into the 1 January 2022 Date of Valuation, however disruption to the CBD as a result of COVID-19 since disrupted businesses, though not necessarily the underlying real property value.

## Retail

This most recent disruption has been evident in the retail sector, where some businesses are dependent on a City based workforce for sustainable turnover. This market is particularly challenging to analyse from a valuation perspective as the turnover of a business can be devoid from the real property value. A vacant tenancy may not necessarily mean an abandoned lease. The negotiated terms between landlords and tenants to mutually augment these challenges are also not readily known, variable and of unknown length.

The majority of this decline in retail consumption and business turn over appears to be mostly contained to the CBD where there are reports of an increase in vacancy rates.

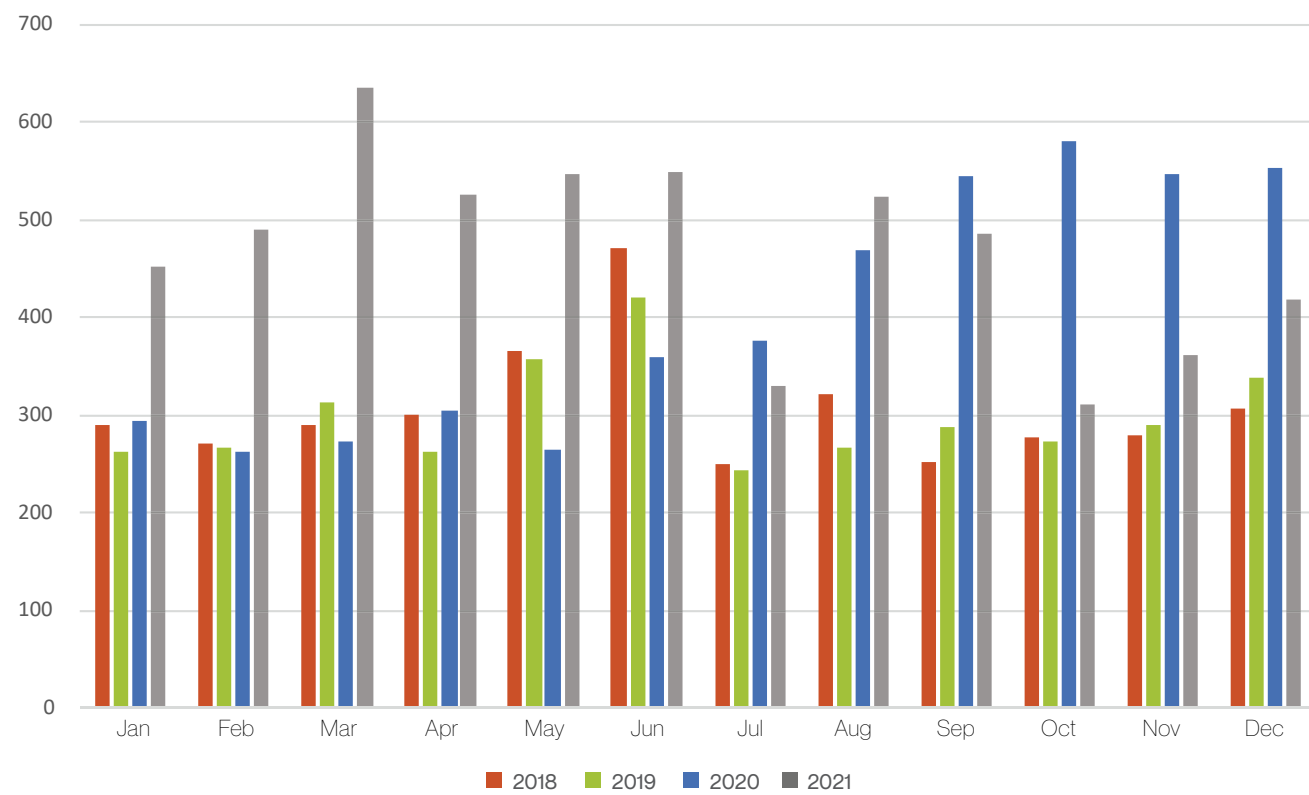
Notwithstanding that, there is still strong retail activity with growth in consumption through 2021. There has also been strong investment activity in shopping centres through 2021 with strong yields evident. Some retail strip areas outside of the CBD have been experiencing good results as a result of a decentralised workforce.

## Statewide Sales 2016 – 2021

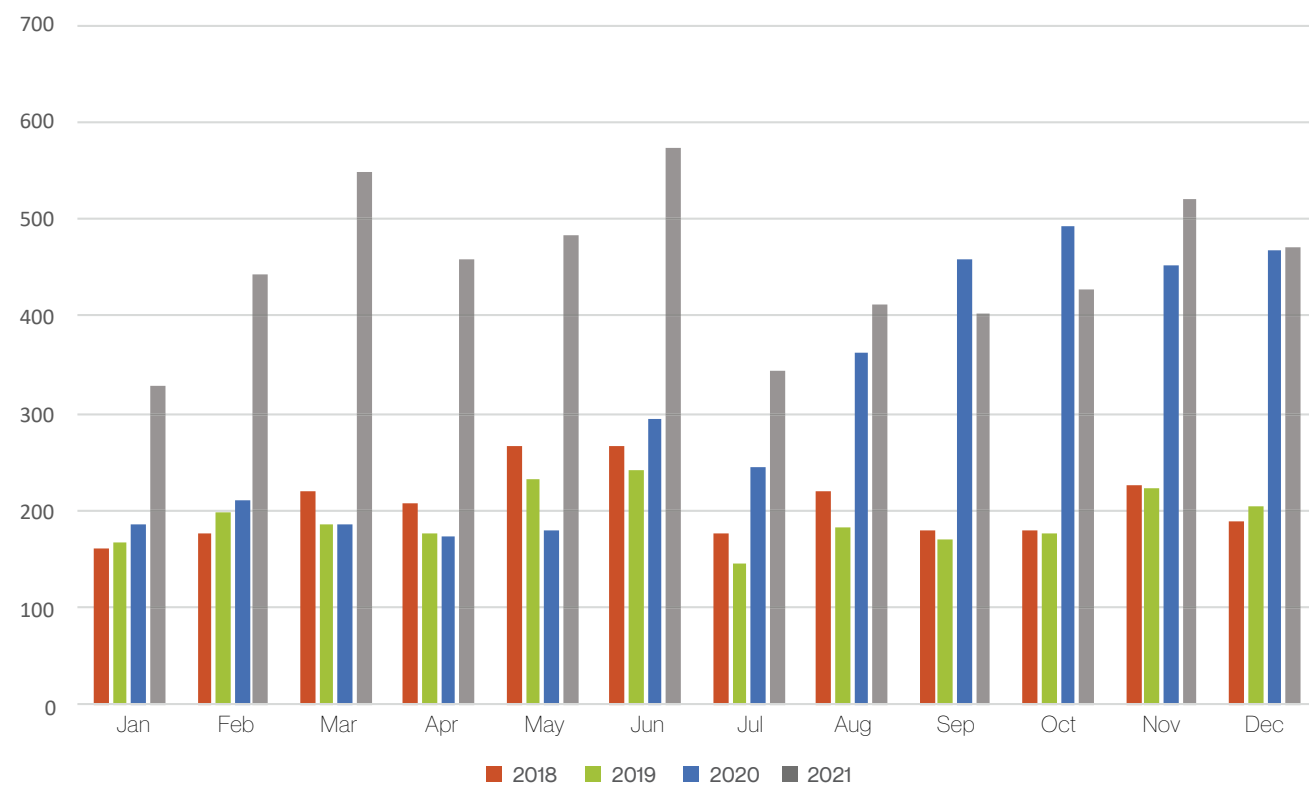
2016	2017	2018
41,644	42,136	40,575
2019	2020	2021
39,792	44,078	52,783



**Transaction Volumes (Vacant Land) - Metropolitan Adelaide**



**Transaction Volumes (Vacant Land) - Regional South Australia**



Credit: Ben Goode  
Moralana Scenic Drive, Flinders Ranges & Outback

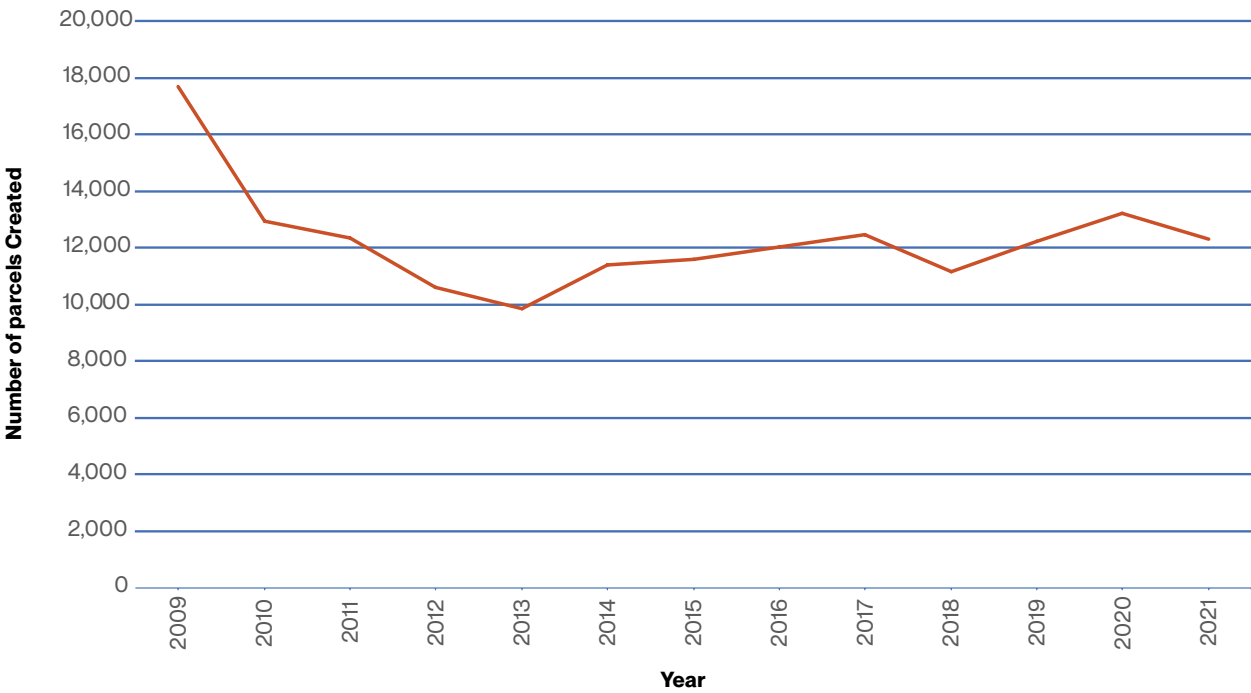


# State Summary

## General Valuation Statewide Valuation Records Summary

Year	Residential	Commercial	Industrial	Vacant	Rural	Other	Total
1998	565,732	23,876	3,646	86,880	28,416	34,842	743,392
1999	572,579	24,019	3,667	86,038	28,594	34,894	749,791
2000	580,122	24,224	3,710	85,366	29,056	35,350	757,828
2001	586,601	24,410	3,678	82,690	31,711	35,661	764,751
2002	594,544	24,630	3,637	82,367	32,785	36,678	774,641
2003	603,084	24,809	3,631	62,710	52,437	37,381	784,052
2004	611,817	24,880	3,625	64,145	52,436	38,073	794,976
2005	620,037	25,094	3,564	65,993	52,436	38,712	805,836
2006	628,728	25,355	3,533	66,812	52,608	39,493	816,529
2007	637,405	25,661	3,510	67,357	52,748	40,129	826,810
2008	646,792	26,156	3,479	68,998	52,809	41,098	839,332
2009	657,561	26,476	3,458	69,969	52,873	41,889	852,226
2010	667,507	26,893	3,412	70,761	52,515	42,603	863,691
2011	676,432	27,098	3,371	70,111	52,479	42,950	872,441
2012	684,812	27,369	3,312	68,417	52,442	43,865	880,217
2013	692,207	27,596	3,274	67,309	52,430	44,196	887,012
2014	699,587	27,740	3,247	66,381	52,526	44,798	894,279
2015	707,772	27,947	3,222	65,738	52,584	45,683	902,946
2016	716,560	28,145	3,188	66,215	52,686	46,387	913,181
2017	723,888	28,354	3,149	66,042	52,786	46,846	921,065
2018	732,064	28,556	3,121	65,452	52,808	47,026	929,027
2019	726,559	24,981	10,819	62,272	52,920	33,271	910,822
2020	728,575	24,988	10,846	65,922	53,033	33,293	916,657
2021	735,706	24,999	10,993	69,144	53,009	21,092	914,943
2022	744,679	24,944	11,126	67,525	52,934	20,737	921,945

Number of Parcels Created Over Time



\*in this publication the data set parameters have been refined and applied for each calendar year.

### Top 10 LGA's for new parcel creation in 2021

LGA	2021	10 Year Average
Playford	1,227	863
Charles Sturt	1,171	1,153
Port Adelaide Enfield	1,127	1,104
Onkaparinga	868	941
Marion	661	725
Salisbury	604	658
Campbelltown	555	445
Tea Tree Gully	524	370
Mount Barker	494	525
West Torrens	450	389

\*10 year average 2012-2021

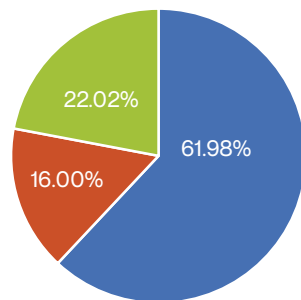


# State's Capital Value

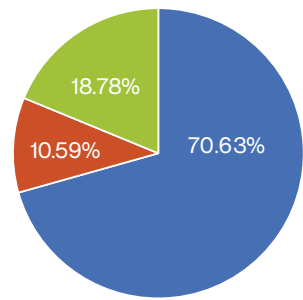
For the 2022-2023 General Valuation, the State's total Capital Value exceeded \$558 billion for the first time. Residential property represented some 73% of that total at approximately \$410 billion.

What we have seen in regard to average Capital Value apportionment across classifications, is a significant increase in the residential sector since 2021. Whilst residential is greater than it was in 1990, it is comparable to what we saw in the market in 2010. The Commercial and Industrial properties experienced a lesser share of the overall Capital Value than in 2020-2021, as the influences such as the effects of COVID-19 became more evident than in previous years.

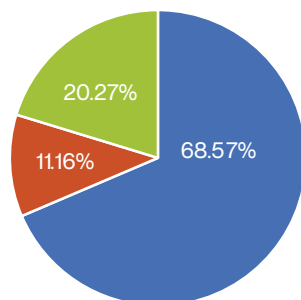
Capital Value Total 1990



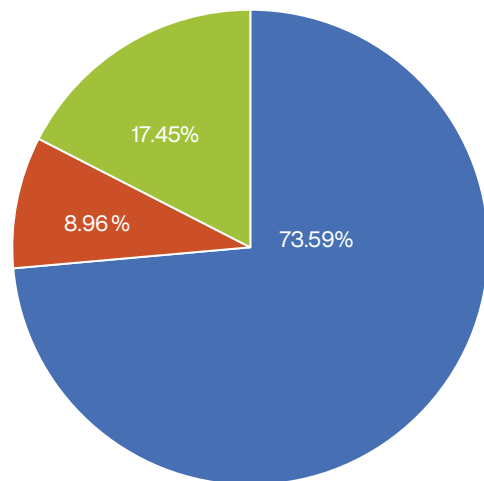
Capital Value Total 2020



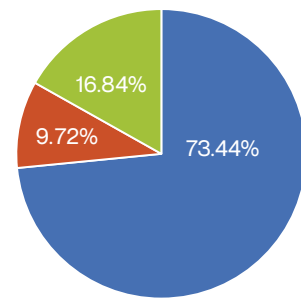
Capital Value Total 2000



Capital Value Total 2022



Capital Value Total 2010



■ Residential  
■ Commercial and Industrial  
■ Other Uses

## Number of Valuation Records by Capital Value Classification

Classification	Count of Valuation Records (as at 1 January 2022)	Count of Valuation Records %
Residential	702,533	76.37%
Commercial	24,158	2.63%
Industrial	10,934	1.19%
Other	20,240	2.20%
Rural	52,928	5.75%
Rural Living	41,773	4.54%
Vacant Land	67,330	7.32%
Total	919,896	100.00%

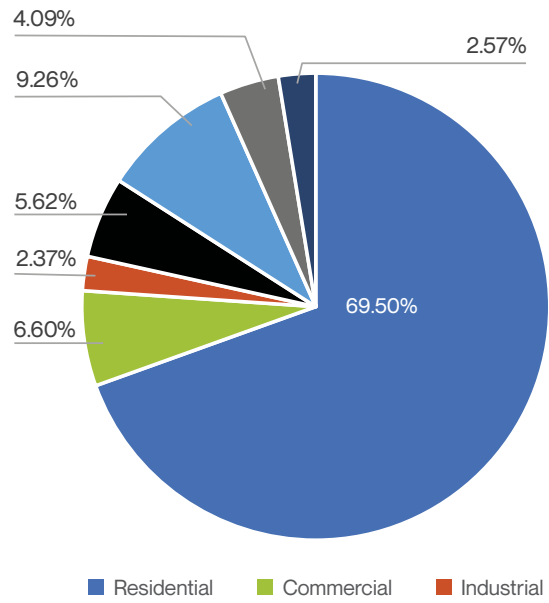
It is noted that although Vacant Land is not a Capital Value classification, it is included here for completeness.

## Average Movement by Capital Value Classification

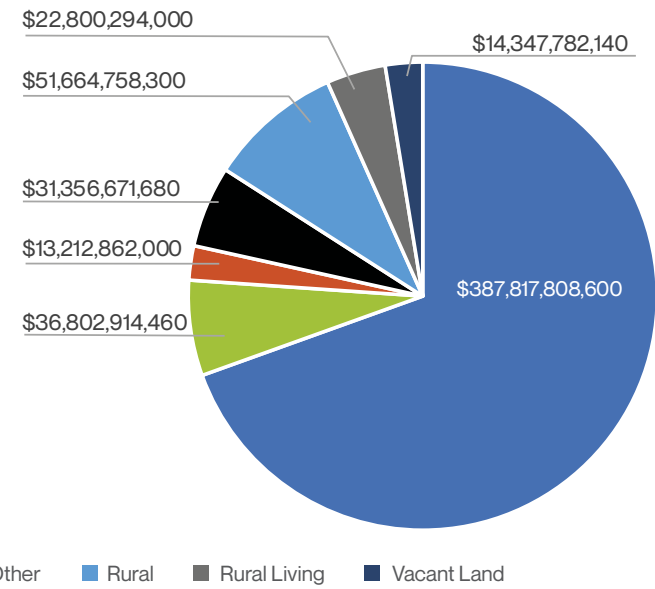
Classification	Average Capital Value Movement
Residential	24.04%
Commercial	8.47%
Industrial	10.61%
Other	8.17%
Rural	19.33%
Rural Living	13.75%
Vacant Land	17.38%



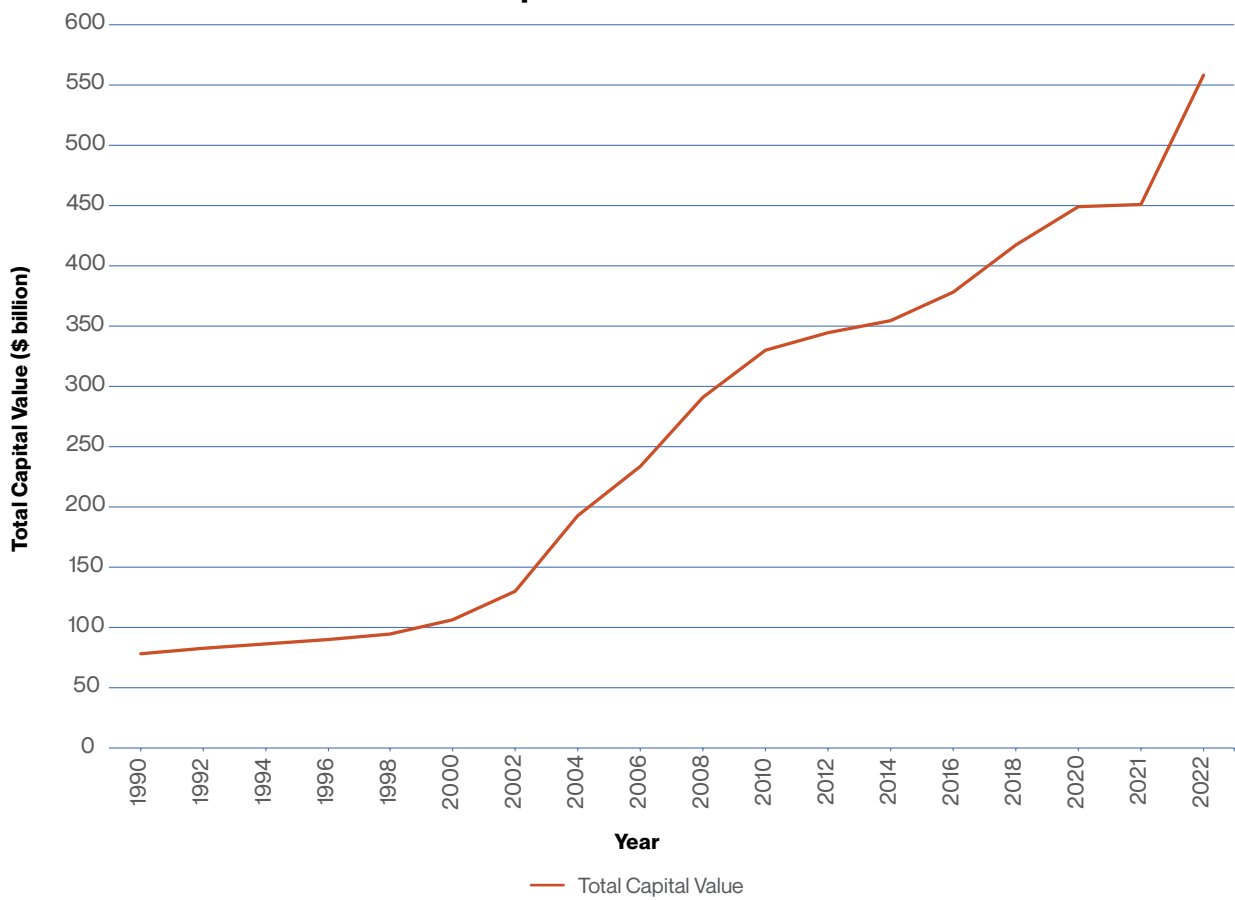
Total Capital Value % as at 1 Jan 2022



Total Capital Value as at 1 Jan 2022



Total Capital Value over time

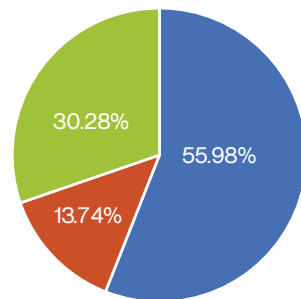


Credit: South Australian Tourism Commission/  
Michael Waterhouse Photography  
Adelaide Fringe Festival, Adelaide

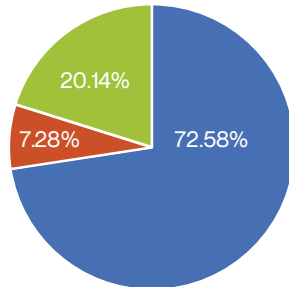


# State's Site Value

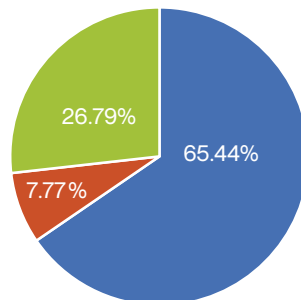
Site Value Total 1990



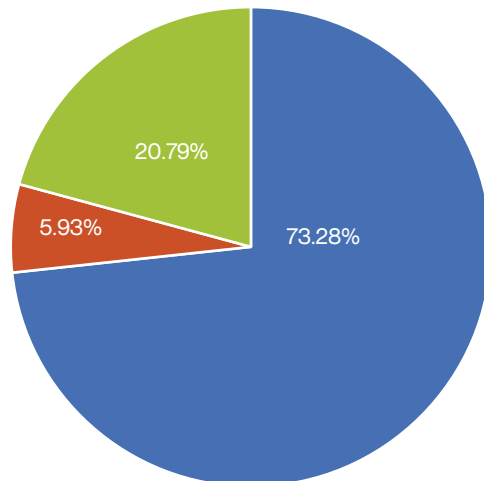
Site Value Total 2020



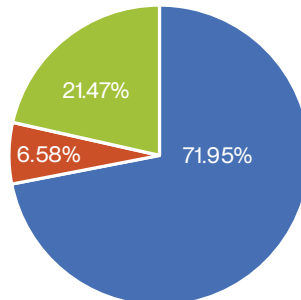
Site Value Total 2000



Site Value Total 2022



Site Value Total 2010



■ Residential  
■ Commercial and Industrial  
■ Other Uses

## Number of Valuation Records by Site Value Classification

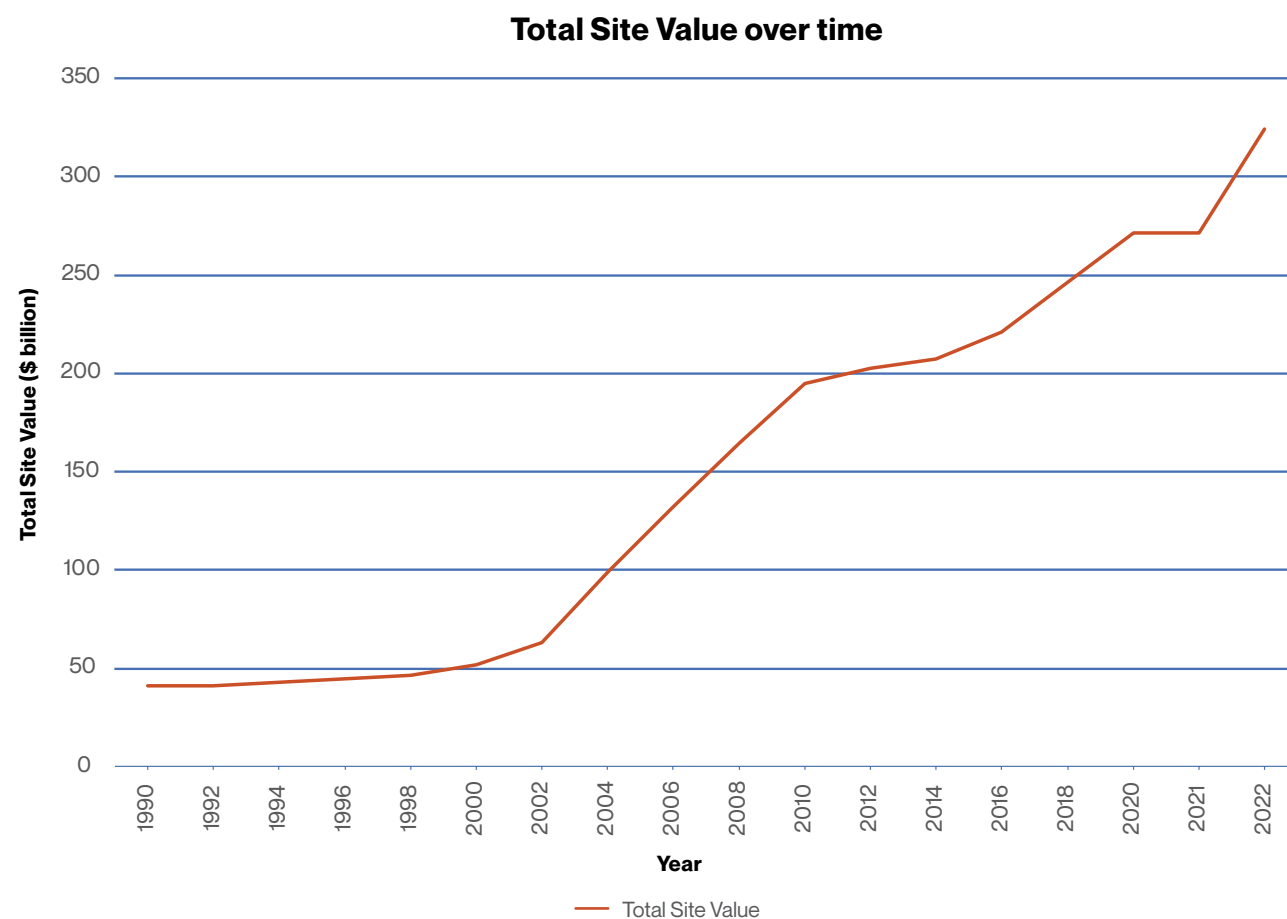
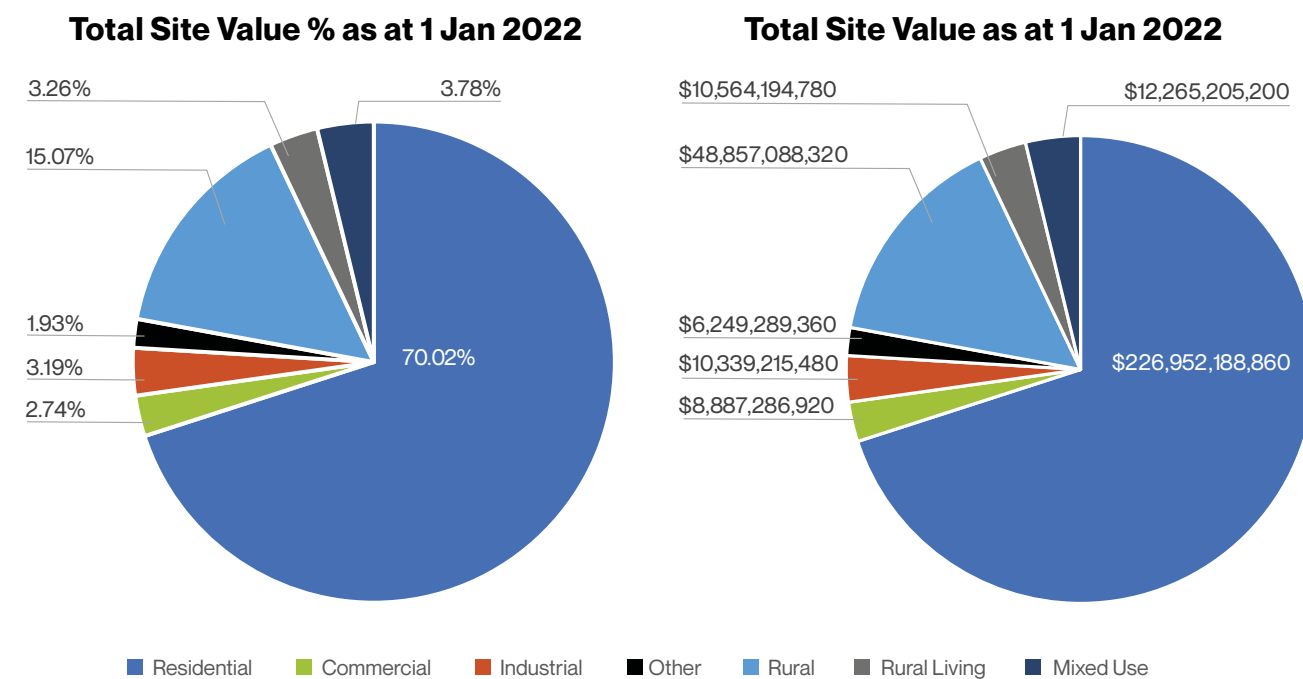
Classification	Count of Valuation Records (as at 1 January 2022)	Count of Valuation Records %
Residential	706,907	76.76%
Commercial	22,614	2.46%
Industrial	19,887	2.16%
Other	18,412	2.00%
Mixed Use	39,360	4.27%
Rural	81,511	8.85%
Rural Living	32,226	3.50%
Total	920,917	100.00%

## Average Movement by Site Value Classification

Classification	Average Site Value Movement
Residential	12.83%
Commercial	8.41%
Industrial	9.33%
Other	10.91%
Mixed Use	8.92%
Rural	20.68%
Rural Living	12.75%

Site Value is the value of a parcel of land excluding structural improvements, but including improvements such as draining, filling, retaining walls, excavating, grading or levelling of land, removal of rocks, stone, sand or soil, and the clearing of timber, scrub or other vegetation.





Credit: South Australian Tourism Commission/Anders Wotzke  
Mount Osmond, Adelaide Hills



# Metro Summary

As the bulk of South Australia’s population is located within the metropolitan area, it is often the case that metropolitan value changes are very reflective of the State.

However, this is not always true, particularly in rural circumstances, where there is limited rural property and typically on a smaller scale than in regional areas.

## Capital Value

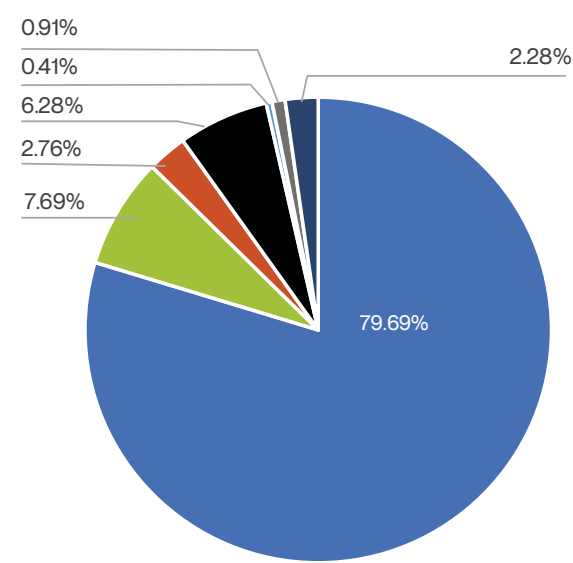
Average Movement by Capital Value Classification

Classification	Average Capital Value Movement
Residential	25.68%
Commercial	8.43%
Industrial	11.20%
Other	8.52%
Rural	7.85%
Rural Living	15.61%
Vacant Land	17.17%

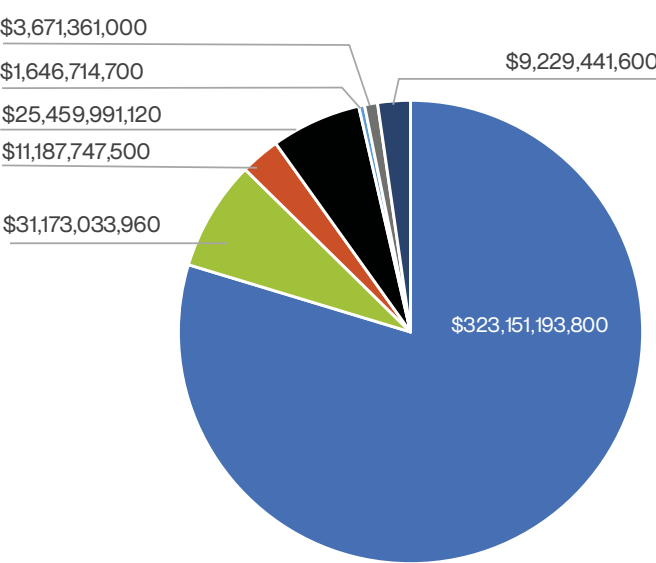
Capital Value is the value of a parcel of land including structural improvements such as buildings, wells, dams and reservoirs, and planting of trees for commercial purposes.

It is noted that although Vacant Land is not a Capital Value classification, it is included here for completeness.

Total Capital Value % as at 1 Jan 2022



Total Capital Value as at 1 Jan 2022



Residential Commercial Industrial Other Rural Rural Living Vacant Land

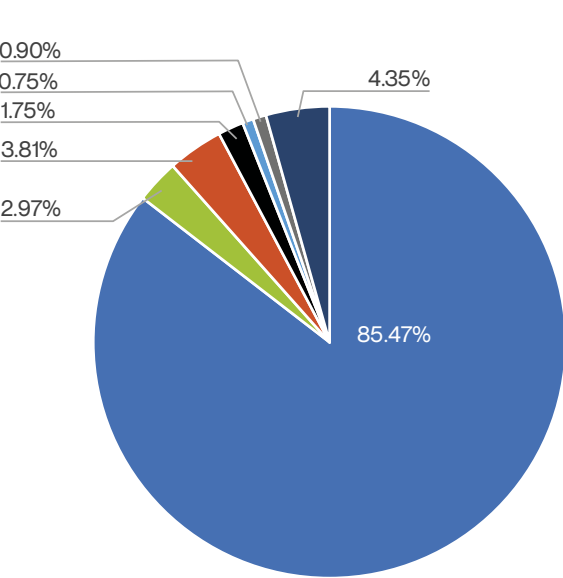
## Site Value

Average Movement by Site Value Classification

Classification	Average Site Value Movement
Residential	12.80%
Commercial	9.02%
Industrial	9.64%
Other	11.15%
Mixed Use	7.98%
Rural	10.93%
Rural Living	10.64%

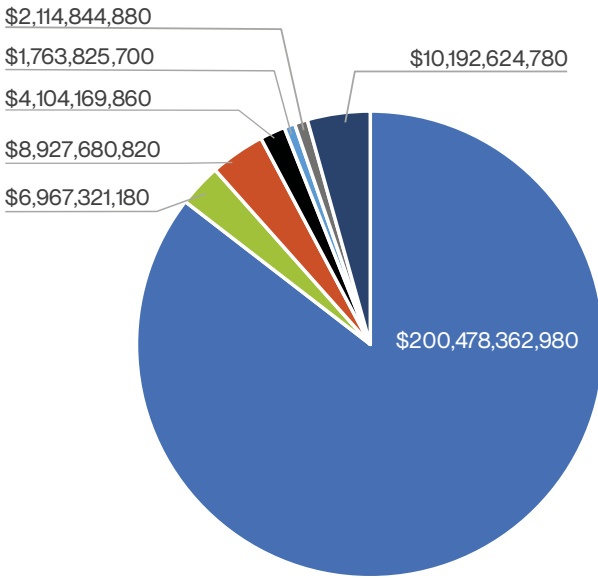
Site Value is the value of a parcel of land excluding structural improvements, but including improvements such as draining, filling, retaining walls, excavating, grading or levelling of land, removal of rocks, stone, sand or soil, and the clearing of timber, scrub or other vegetation.

Total Site Value % as at 1 Jan 2022



Residential Commercial Industrial Other Rural Rural Living Mixed Use

Total Site Value as at 1 Jan 2022





Average rate of change per Metro Council area for Site and Capital Values

The below table includes the average rate of change per Metro Council area for Site and Capital Values. Note that your property may differ slightly due to a variety of circumstances, as the below is an average across the entirety of the Council area and all property sectors.

LGA	Average Site Value Movement	Average Capital Value Movement
Adelaide	5.27%	5.29%
Burnside	15.99%	29.18%
Campbelltown	8.86%	25.76%
Charles Sturt	8.98%	21.78%
Holdfast Bay	10.35%	22.56%
Marion	14.86%	20.97%
Mitcham	14.29%	29.96%
Norwood Payneham & St Peters	12.59%	23.31%
Onkaparinga	15.47%	22.75%
Playford	7.86%	20.48%
Port Adelaide Enfield	12.88%	22.27%
Prospect	7.85%	25.29%
Salisbury	15.21%	19.87%
Tea Tree Gully	8.87%	22.68%
Unley	18.65%	27.98%
Walkerville	17.13%	23.58%
West Torrens	10.99%	23.88%
UIA Metropolitan	11.46%	12.71%

2021 Metropolitan Top Sales



Residential



Commercial & Industrial



Other





# Regional Summary

If 2020 was a year of great disruption to the status quo, then 2021 was a year of high demand and high growth.

This was readily evident with ever increasing demand for regional properties resulting in significantly higher sale volumes than in recent history, together with a supply shortage has resulted in surging property prices and underlying values in most regional locations. This was owing to a number of factors which largely relate back to COVID-19 continuing to drive greater demand for regional properties due to decentralised living, supported by greater flexibility in remote working, record low interest rates and fear of missing out.

Notwithstanding this heightened level of activity, not all sectors experienced a proportionate uplift in value. This is reflective of demand absorbing a significant amount of stock already on the market. The results were varied depending on geographic position and proximity to the metropolitan area.

Rural and rural living land also observed high levels of demand in 2021 together with supply issues has resulted in solid uplifts in value.

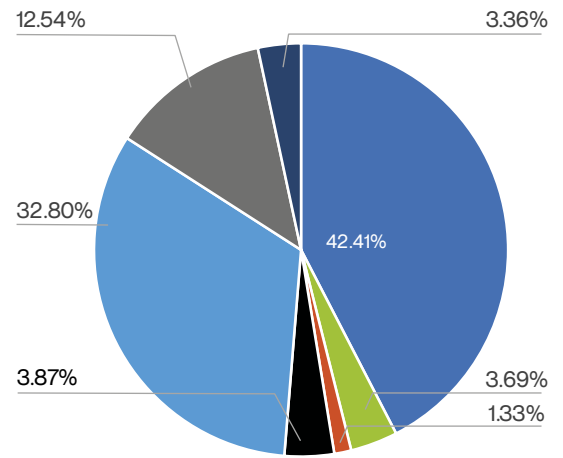
## Capital Value

Average Movement by Capital Value Classification

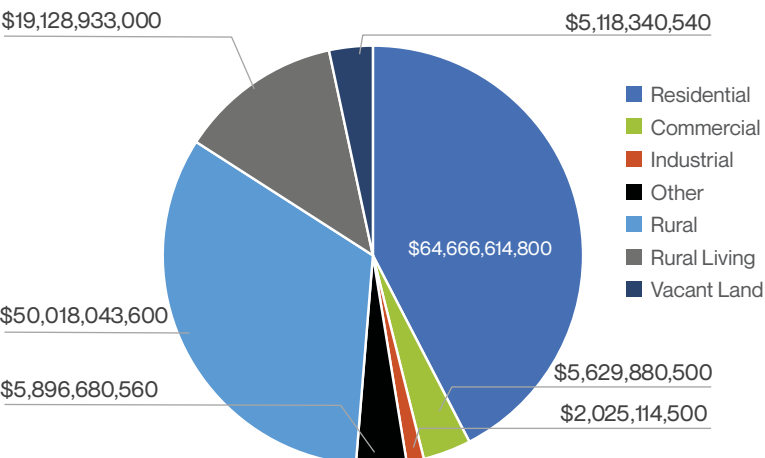
Classification	Average Capital Value Movement
Residential	16.48%
Commercial	8.68%
Industrial	7.48%
Other	6.70%
Rural	19.75%
Rural Living	13.40%
Vacant Land	16.32%

Capital Value is the value of a parcel of land including structural improvements such as buildings, wells, dams and reservoirs, and planting of trees for commercial purposes. It is noted that although Vacant Land is not a Capital Value classification, it is included here for completeness.

Total Capital Value % as at 1 Jan 2022



Total Capital Value as at 1 Jan 2022



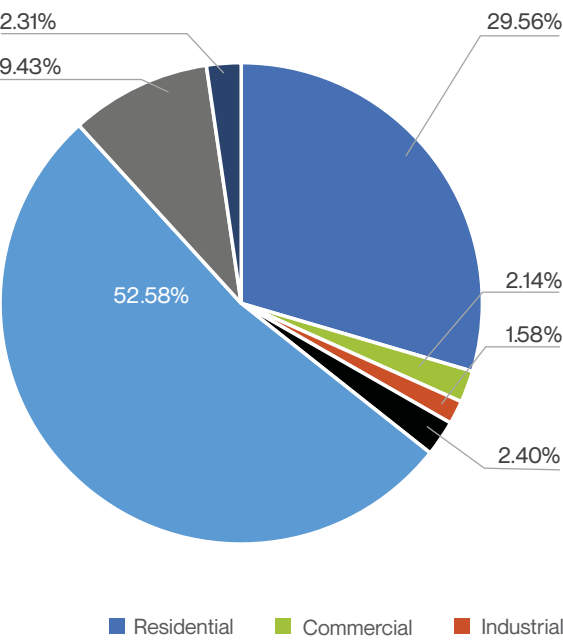
## Site Value

Average Movement by Site Value Classification

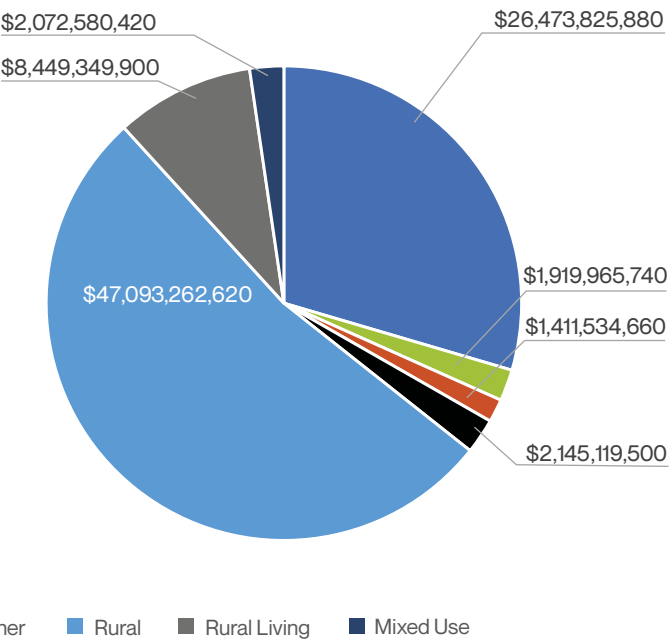
Classification	Average Site Value Movement
Residential	13.07%
Commercial	6.27%
Industrial	7.40%
Other	10.46%
Mixed Use	13.78%
Rural	21.07%
Rural Living	13.29%

Site Value is the value of a parcel of land excluding structural improvements, but including improvements such as draining, filling, retaining walls, excavating, grading or levelling of land, removal of rocks, stone, sand or soil, and the clearing of timber, scrub or other vegetation.

Total Site Value % as at 1 Jan 2022



Total Site Value as at 1 Jan 2022





Average rate of change per Regional Council area for Site and Capital Values

The below table includes the average rate of change per Regional Council area for Site and Capital Values.  
Note that your property may differ slightly due to a variety of circumstances, as the below is an average across the entirety of the Council area and all property sectors:

LGA	Average Site Value Movement	Average Capital Value Movement
Adelaide Hills	21.09%	20.95%
Adelaide Plains	9.29%	5.66%
Alexandrina	17.70%	20.60%
Barossa	6.64%	10.27%
Barunga West	26.00%	23.10%
Berri Barmera	5.95%	9.75%
Ceduna	12.82%	5.74%
Clare & Gilbert Valleys	8.00%	9.27%
Cleve	22.43%	17.12%
Coober Pedy	-5.06%	-0.38%
Coorong	30.26%	25.49%
Copper Coast	8.09%	12.92%
Elliston	21.27%	16.59%
Flinders Ranges	13.75%	13.63%
Franklin Harbour	6.70%	3.18%
Gawler	10.90%	16.32%
Goyder	23.68%	20.21%
Grant	19.28%	19.77%
Kangaroo Island	18.57%	20.92%
Karoonda East Murray	24.89%	19.90%
Kimba	32.31%	23.46%
Kingston	24.12%	22.65%
Light	5.81%	6.85%
Lower Eyre Peninsula	19.18%	15.72%
Loxton Waikerie	16.61%	15.12%
Mid Murray	17.28%	17.88%
Mount Barker	13.72%	19.40%
Mount Gambier	6.54%	15.96%
Mount Remarkable	25.96%	19.30%

LGA	Average Site Value Movement	Average Capital Value Movement
Murray Bridge	11.53%	15.00%
Naracoorte Lucindale	23.46%	19.15%
Northern Areas	18.66%	15.82%
Orroroo Carrieton	23.45%	18.15%
Peterborough	18.73%	10.15%
Port Augusta	0.57%	4.94%
Port Lincoln	2.84%	7.70%
Port Pirie	9.91%	7.11%
Renmark Paringa	7.90%	9.92%
Robe	28.12%	25.88%
Roxby Downs	0.00%	-0.02%
Southern Mallee	29.03%	26.16%
Streaky Bay	22.09%	17.27%
Tatiara	21.18%	19.44%
Tumby Bay	24.03%	19.49%
Victor Harbor	12.58%	21.99%
Wakefield	24.88%	19.79%
Wattle Range	25.29%	21.55%
Whyalla	4.79%	4.60%
Wudinna	34.96%	23.45%
Yankalilla	17.81%	17.97%
Yorke Peninsula	16.57%	14.63%
UIA Eyre	19.82%	12.37%
UIA Lower North	29.22%	24.75%
UIA Northern	11.34%	0.22%
UIA Riverland	15.83%	15.52%
UIA South East	0.00%	0.00%
UIA Southern	5.68%	3.90%
UIA Yorke	4.81%	4.72%

\* Totals exclude concessional values



# 2021 Commodity Prices

## 2021 Regional Top Sales



### Residential

**\$4,400,000**

Stirling

**\$4,300,000**

Upper Sturt

**\$4,250,000**

Carey Gully



### Commercial & Industrial

**\$44,000,000**

Evanston

**\$8,400,000**

Willaston

**\$6,624,000**

Glenburnie



### Rural

**\$22,000,000**

Frances

**\$19,000,000**

Monash

**\$12,103,620**

Keith

**While worldwide events continued to interrupt supply and demand parameters without warning, commodity markets remained elevated to the end of 2021 with some experts predicting a period of normalisation during 2022 after the volatility of the past 12 to 24 months.**

Highlighting the above, the Bloomberg Commodity Spot Index climbed to an all-time high, surpassing the peaks reached during the last commodity super-cycle in 2011.

In Australian terms, over the past year the Index of Commodity Prices increased 25.7% lead by higher liquefied natural gas, coking coal and thermal coal prices.

#### With regard to individual commodities, we note the following:

- Lithium prices surged over 75% due to electric vehicle construction and demand;
- Oil dipped in demand but held firm (but below average) in the face of external pressures;
- Iron Ore was part of one of the biggest drops in demand due to China's actions against Australian interests but still remains historically expensive;
- Gold may have a difficult few months;
- Agriculture as always was largely affected by worldwide weather conditions with drought across Argentina, extreme heat in Canada and the US and consistent rain in Australia; and
- Forestry Products enjoyed a record breaking year for every input and output, including pulp, to lumbar. This was partly due to increased demand from home improvements, constricted supply due to weather along with global shipping constraints – all of which were felt across Australia.

While there is no direct cause and effect relationship between commodity prices and property prices, commodity prices will influence purchaser behaviour and decisions which have an indirect impact to property prices.

#### References:

Commodity prices set for strong finish to 2021 (afr.com)

<https://www.afr.com/wealth/personal-finance/commodity-prices-set-for-strong-finish-to-2021-20211007-p58xyv>

Index of Commodity Prices December 2021 | RBA

<https://www.rba.gov.au/statistics/frequency/commodity-prices/2021/icp-1221.html>

2021 in review: another year of record-breaking commodity prices, volatility and disruption - Fastmarkets

<https://www.fastmarkets.com/2021-in-review-another-year-of-record-breaking-commodity-prices-volatility-and-disruption>

How much do commodity prices impact property prices? | The Property Tribune

<https://thepropertytribune.com.au/industry/how-much-do-commodity-prices-impact-property-prices/>



# 4. Land Owner Information

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Credit: South Australian Tourism Commission | Adam Bruzzone  
Encounter Bikeway, Fleurieu Peninsula



# 4. Land Owner Information

## Property Valuations

State legislation requires all properties to be valued every five years, but in practice it is undertaken annually as part of the General Valuation to ensure fair and equitable property-based rates and taxes. Coordinated by the Office of the Valuer-General, sales analysis and research are undertaken so that values reflect the market as at the Date of Valuation, 1 January.

Property values are reviewed across the State to establish Site and Capital Values. These values are used by relevant rating and taxing authorities to determine the amount of property based rates and taxes to be charged.

The Valuer-General is committed to providing transparent information for our community with ongoing development of fact sheets and other resources located at [www.valuergeneral.sa.gov.au](http://www.valuergeneral.sa.gov.au).

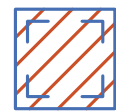
## Valuation Considerations

Qualified valuers analyse property sales and market trends that occur between the General Valuation to determine levels of value. Factors influencing property values include:



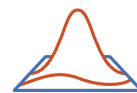
### Location

Views, aspect and elevation



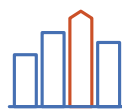
### Site details

Land classification, zoning, land area and heritage restrictions



### Site influences

Shape, topography, nearby uses and frontage



### Site use

The highest and best use of the site



### The building

Size, age, condition, style, improvements and construction type

Property values are determined by comparing property to that of similar properties recently sold, with appropriate adjustments made for any differences.

## Supplementary Valuations

Where external factors (other than market fluctuations) have altered the property value, supplementary valuations may be performed between general valuations.

Cases that may require a supplementary valuation include physically changed buildings that have been altered, erected or demolished, amalgamated, subdivided or rezoned.

## Finding Your Property's Value

Property values can be found via:



### A statutory authority rates notice

Such as local council, SA Water or RevenueSA (Emergency Services Levy and Land Tax, where applicable).



### The South Australian Integrated Land Information System (SAILIS)

Online land and property information.

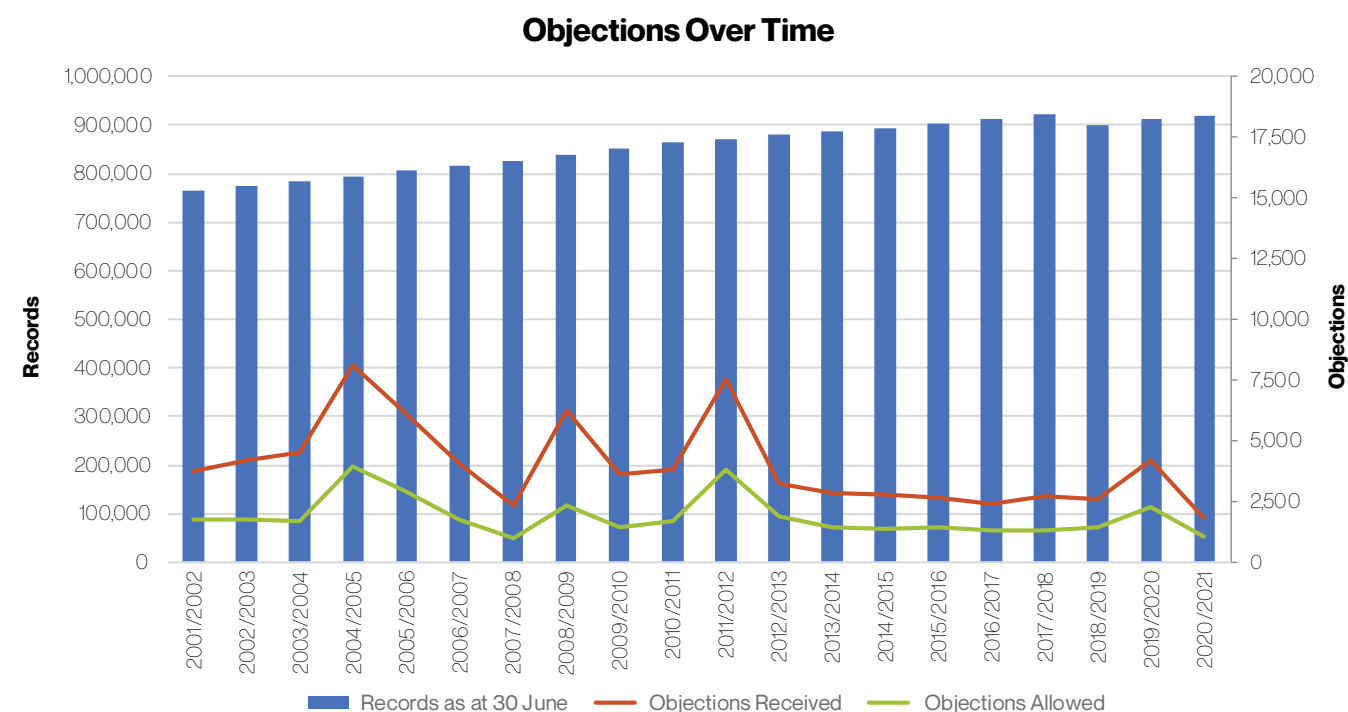


# Objections

Every year, property values are reviewed across the State to determine the Site Value and Capital Value. These values are used by relevant statutory authorities to determine the amount of land based rates and taxes to be charged.

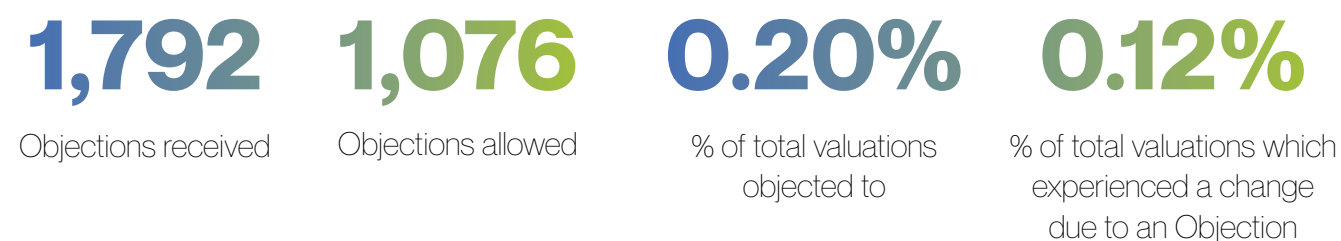
Through the Office of the Valuer-General, any property owner or occupier who does not agree with their valuation may lodge an Objection and have their property valuation re-assessed. The most common reason for an Objection is where a property owner or occupier considers their property value is too low or too high.

As Objections continue to be finalised over a period of time, the results for the 2021-2022 financial year are not yet complete and will be included in subsequent reports.

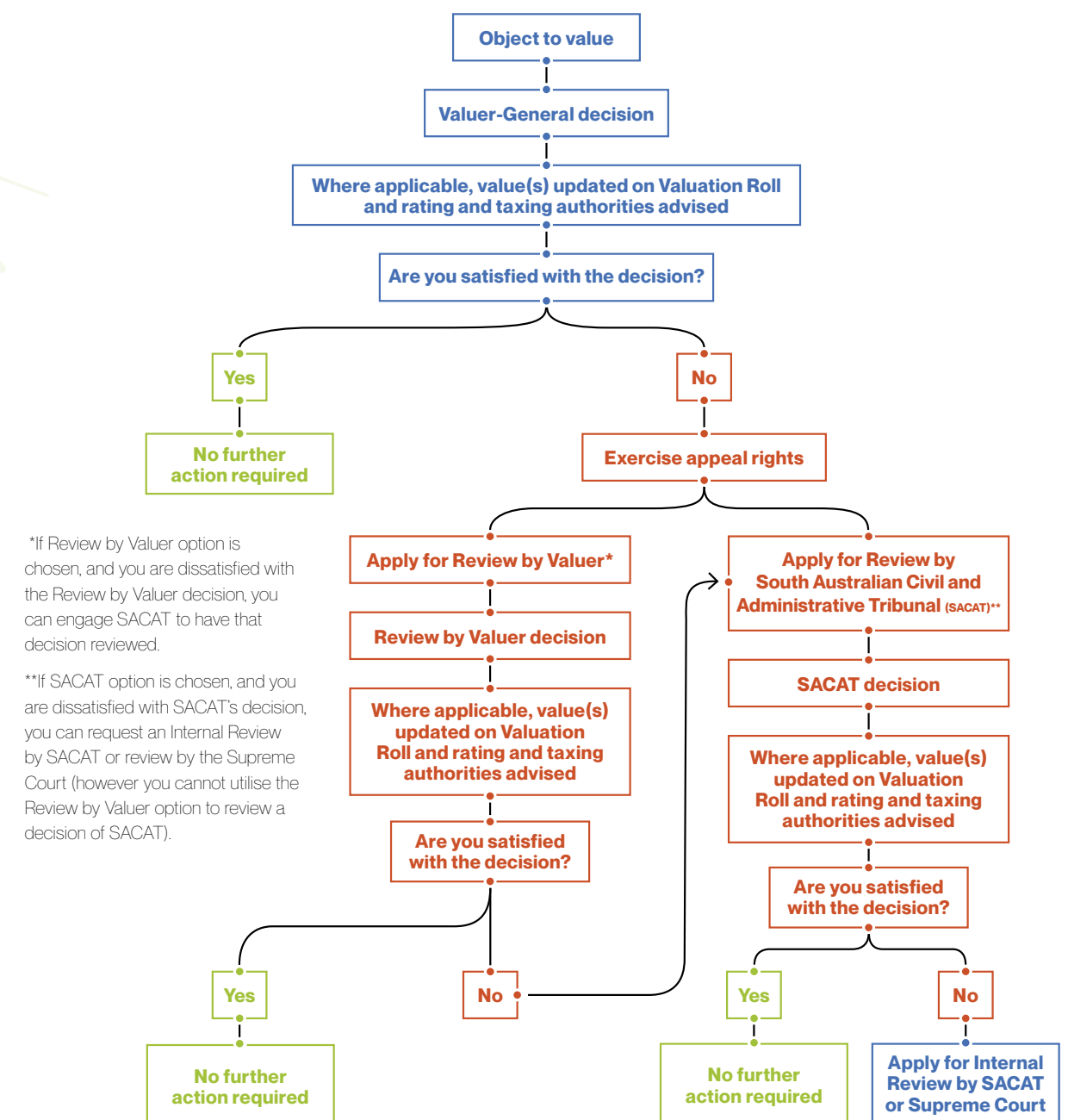


## Objections 2020-2021 Highlights

Where an Objection is "allowed", this means that a change in value has occurred. Values can be adjusted either up or down as part of the Objection process. The balance of Objections resulted in no change.



## The Objection Process



## Appealing Objection Decision

There are two ways to appeal the Valuer-General's decision either by:

- Review by Valuer (independent review); and/or
- South Australian Civil and Administrative Tribunal (SACAT).

In the case of Review by Valuer, the Valuer-General also has the right to seek a subsequent review of this decision through an application to SACAT.

To find out more about the processes and when the Valuer-General is required by legislation to amend a valuation, see the Objecting to a Valuation or Review of Valuation fact sheets:

- [Property Valuations - Objecting to a Valuation](#)
- [Property Valuations - Review of Valuation](#)



# Accompanying Information

## Site Value Classifications

Residential Site Value Classification  
Parcels within Zones, Policy areas or Precincts permitting predominantly residential development

## Commercial Site Value Classification

Parcels within Zones, Policy areas or Precincts permitting predominantly Commercial development

## Industrial Site Value Classification

Parcels within Zones, Policy areas or Precincts permitting predominantly industrial development

## Mixed Use Site Value Classification

Parcels within Zones, Policy areas or Precincts permitting a range of development types

## Other Site Value Classification

Parcels within zones, policy areas or precincts which only permit open space or passive uses or restrict development to community or other special development which does not fit other categories

## Rural Living Site Value Classification

Parcels within zones, policy areas or precincts that permit rural living or properties of a scale that are in the rural living market

## Rural Site Value Classification

Parcels within zones, policy areas or precincts which permit primary production activities and which are not considered rural living in nature.

## Capital Value Classifications

Residential Capital Value Classification  
LUC Ranges 1100 to 1750, 1920 to 1979.

## Commercial Capital Value Classification

LUC Ranges 1800 to 1834, 2000 to 2591, 2605 to 2630, 2645 to 2890, 5680 to 5681, 5700 to 5790.

## Industrial Capital Value Classification

LUC ranges 2595 to 2600, 2640, 2900 to 3909, 6540 to 6560.

## Other Capital Value Classification

LUC Ranges 1760 to 1780, 4340, 4420, 4500 to 4530, 5000 to 5670, 5690, 5800 to 5639, 6561 to 8409.

## Rural Capital Value Classification

LUC Ranges 4600, 9000 to 9994.

## Rural Living Capital Value Classification

LUC Ranges 1900 to 1915, 1991 to 1999.

Credit: South Australian Tourism Commission/Adam Bruzzzone  
Murray River, Lakes & Coorong, Younghusband





