

**Submission
No 88**

INQUIRY INTO LAND VALUATION SYSTEM

Name: Mr B M G Remond

Date Received: 8/03/2013



7 March 2013

Joint Standing Committee on the Office of the Valuer General

Parliament House

Macquarie Street

SYDNEY NSW 2000

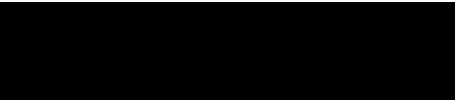
Dear Sirs,

INQUIRY INTO THE LAND VALUATION SYSTEM

Further to my letter of 7 March 2013, I have subsequently become aware of invalid supporting information with regard to objections relating to land values as per the attachment.

This invalidity appears to simply endorse poor quality and inconsistent valuations making fish of one and fowl of another. There may be excellent reasons why adjoining properties have some slight variance in valuations however this does not seem to justify very significant unexplained variations for which the valuer seems to be unaccountable because an objection on this basis will not be considered. Accordingly it can, and appears in practice to, result in unexplained and often disproportional variations in valuations which suggests the system needs rectification.

Yours faithfully



B M G REMOND

08 Invalid supporting information

When land values are reviewed the matter of concern is whether the value is correct in relation to sales evidence. The following information cannot be considered when determining an objection.

Comparison of land value with other land values

Comparing the land value of other properties to your property is not a valid ground for objection and is not considered in the objection review process. Valuers review the land value in relation to the sale prices of comparable properties. Your supporting evidence must be relevant to your land or land value.

EXAMPLE OF INVALID SUPPORTING INFORMATION

- ✗ My neighbour's property is very similar in size, yet my land value is almost \$100,000 higher than their land value.
- ✗ There is a vacant block in the same road as mine. It has a better view and has a land value that is \$100,000 less.
- ✗ Our other houses have not increased in value anywhere near the amount that this property has.

Comparison of land value with asking prices

Comparison of your land value with asking prices of other properties listed for sale is not a valid ground for objection. Reference should be made to specific sales evidence and not asking prices of properties listed for sale.

EXAMPLE OF INVALID SUPPORTING INFORMATION

- ✗ My neighbour's property has been on the market for six months with an asking price of \$300,000 but still has not sold.

Comparison to prior land values

Comparison of your land value with prior land values is not a valid ground for objection and is not considered during the objection review process. Valuers review the land value in relation to sale prices of comparable properties.

EXAMPLE OF INVALID SUPPORTING INFORMATION

- ✗ My land value has risen from \$250,000 to \$300,000 in two years. How has it increased by this much?
- ✗ The valuation represents an increase of 54% from my last valuation in 2008, that value was created at the height of local property sales.