



Frequently Asked Questions & Answers

General Valuation 2018

1. What is the valuation for?

The valuations are compiled by statute, under the Rating Valuations Act 1998. They are produced for rating purposes only (to be used by Waitomo District Council and Waikato Regional Council) and are not to provide values for property owners to use for marketing, sales or any other purposes.

The rating valuations are an estimate of a properties market value (excluding chattels) as at September 2018. The property markets tend to change over time therefore rating valuations do not necessarily reflect the current market value at a later date.

2. How often are valuations issued?

Every property in New Zealand must be revalued for rating purposes at least once every 3 years according to the Rating Valuations Act 1998. Quotable Value (QV) is currently Council's Valuation Service Provider.

All changes in value in between revaluations (building consent/subdivisions etc) are valued as at the market at the last revaluation to maintain uniformity.

3. How are the values assessed?

The community and the market sets the value levels and Council's valuation service provider interprets this to form the new rating values.

The valuers consider a number of factors, including:

- What properties sold for in the area
- The demand to buy or rent property in the area
- The type of property: is it as house, townhouse, factory, or shop etc
- Improvements made since the last valuation
- Information in the existing District Valuation Roll
- Information about residential and commercial trends obtained from market surveys

QV also inspect a number of properties each revaluation.

The values are then subject to an audit process by the Office of the Valuer General prior to being sent to the property owners.

Do the valuations include GST?

The rating valuation includes GST, if any, for residential property. Generally in most residential transactions the parties are not registered for GST. For other property types GST is excluded.

4. How can you value my property without thoroughly inspecting it?

It is not feasible to undertake a full inspection on every property in the district. QV already hold individual details about each property, which in many cases includes a plan of the main improvements, age, materials, floor area, construction type, other onsite improvements etc. QV receive notification of any major change such as subdivisions and building consents issued by WDC and carry out roadside inspections to record other changes.

5. Why has the land value increased and improvement value decreased?

In accordance with the Rating Valuations Act 1998 the Land Value is assessed as if it was vacant.

Assessing the rating valuations involves research into two distinct areas of the real estate market- improved properties and vacant properties, which often behave independently of each other.

In redevelopments areas there is often a strong market for vacant sites while (older and obsolete) properties are not in demand.

If the Land Value is increasing at a faster rate than the Capital Value then the effect will be a reduction in your Value of Improvements, but remember that the improvements is simply a residual value and does not necessarily equate to the replacement cost of the buildings on the land.

Will an individual's rates increase because the valuation has?

A change in a properties capital value does not mean that the rates will automatically change, as the revaluation does not impact the rates revenue required by Council. If all the properties in the district had the same increase in value and there was no change in budget there would be no change to the rates charged.

However, the revaluation can result in a change to the rates charged to individual properties with some increasing and some decreasing because the rates charged on the basis of capital value are split among properties proportionally.

If you think of Council's rate income as a pie, the size of the pie does not increase because of the revaluation. However, an individual ratepayer's slice of the pie might get bigger or smaller depending on how their property value has **changed in relation to the average change for the district.**

The overall Capital value of the Waitomo District is assessed at \$3.6 billion. That represents a 17.1% increase on the value of the Waitomo District in September 2015. Below is a summary of the value changes for the main categories of land in the Waitomo District.

Main Categories	No. of properties	Capital Value % Change	Land Value % Change
Commercial	202	19.2%	15.5%
Industrial	108	16.0%	11.5%
Dairy	121	13.2%	13.9%
Pastoral	813	12.4%	12.9%
Lifestyle	1379	21.9%	26.5%
Residential	2440	44.9%	44.3%
TOTAL (all categories)	5873	17.1%	16.3%

Therefore if a property value has increased more than the average increase of the district, they will experience an increase (over and above any increases due to a change in revenue required) due to the revaluation.

Only rates charged on the basis of capital value will be effected by the revaluation (General Rate, District Roothing Rate, District Development Rates and Urban Stormwater Rate). All other rates charged on a uniform basis will not be effected.

6. Can anyone get the valuation of any property they are interested in?

Yes. The valuation of a property is available for public inspection at any time. Although note that names and addresses are not publicly available if the ratepayer has requested that their information be withheld.

9. What if I disagree with the valuation now?

Ratepayers and owners had the opportunity to object to the new values when the valuation notices were sent out in November and were given to 7 December 2018 to object. A ratepayer or owner is still able to object now, but the process is different outside of the revaluation. You must request a review of the value under section 16 of the Rating Valuations Act 1998 – this request must be in writing. You will also have to pay for the valuation to be reviewed by QV and could be approximately \$500 - \$1000 plus GST.

10. When do the 2018 Rating Values take effect?

The valuation is of your property as of 1 September 2018 and will come into effect for rating purposes rates 1 July 2019, for the 2019/20 rating year.