



Hutt City District Revaluation 2022

7th December 2022



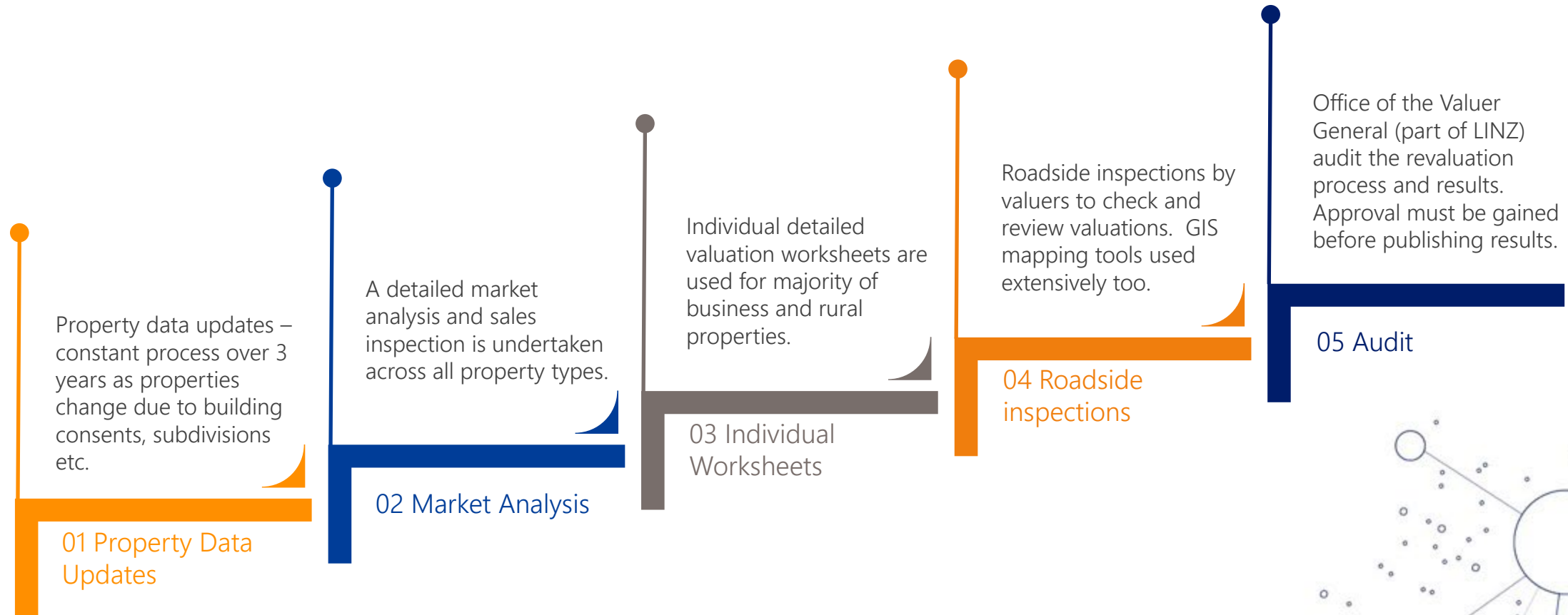


Agenda

1. Process
2. Results
3. Key dates
4. Questions



Process



Rating values are assessed in accordance with legislation – Rating Valuations Act 1998.

Rating Values vs. Market Values



Rating values are a 'snapshot' of the market at a single point in time

If market prices change, a rating valuation cannot be expected to represent the market value for an extended period

Rating values do not include plant and chattels, or tree worth.

Rating valuations assess as freehold, not a leasehold interest

The community and market set property value levels
– QV interprets this to form rating values

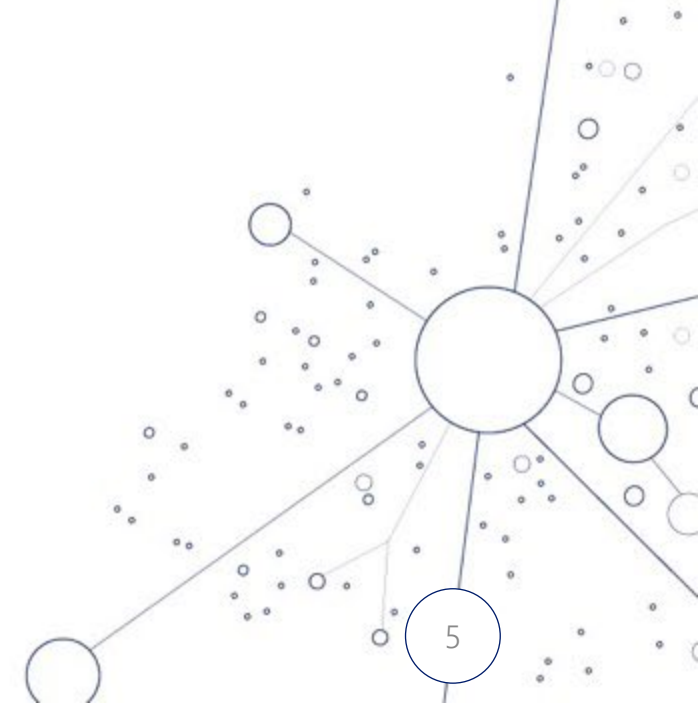


Revaluation overview

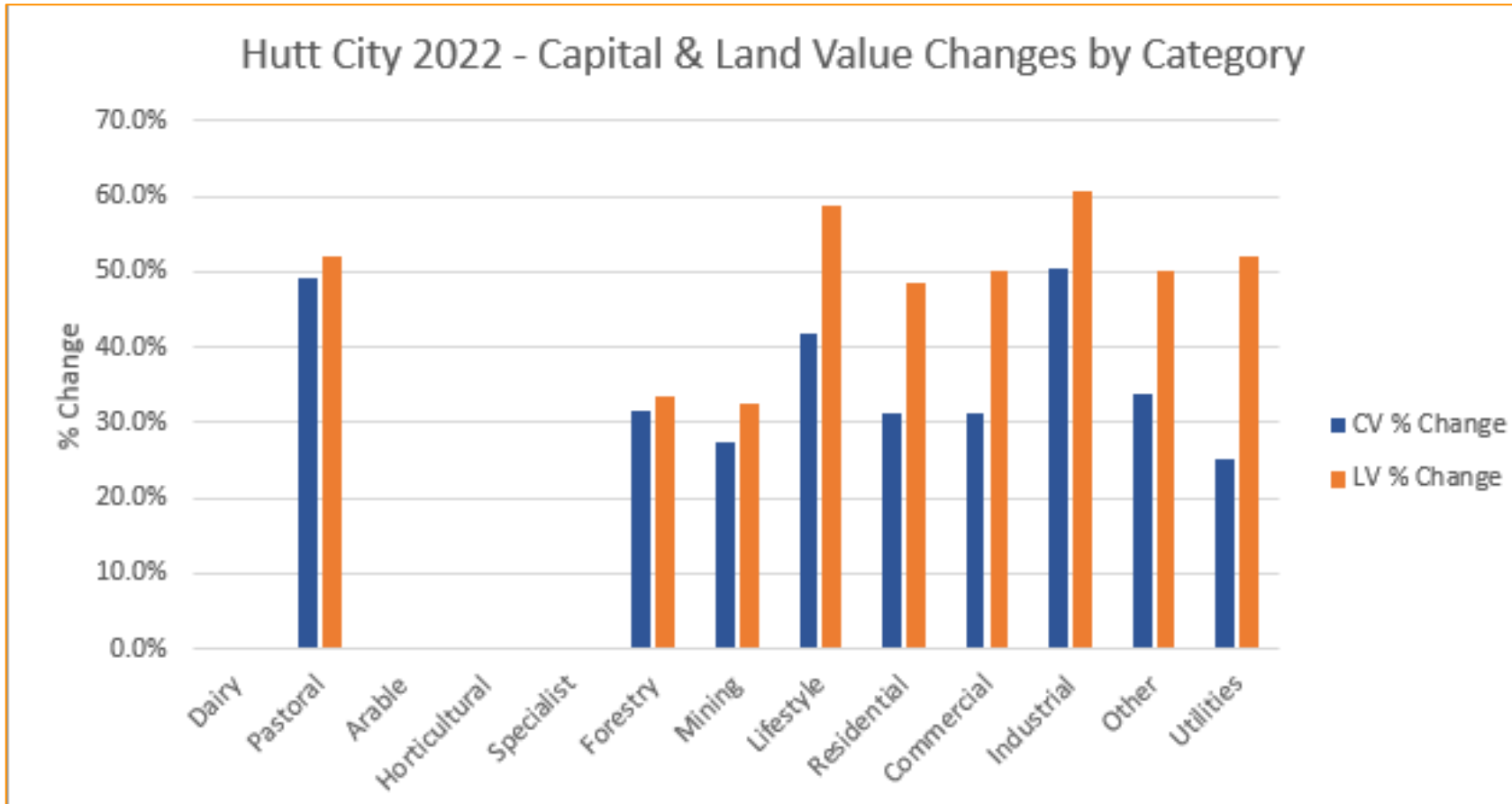


Sector	No. Assets	2022 CV	CV % Change	2022 LV	LV % Change
Dairy	0	\$0	0.0%	\$0	0.0%
Pastoral	2	\$14,040,000	49.0%	\$11,740,000	52.1%
Arable	0	\$0	0.0%	\$0	0.0%
Horticultural	0	\$0	0.0%	\$0	0.0%
Specialist	0	\$0	0.0%	\$0	0.0%
Forestry	6	\$5,087,000	31.5%	\$4,281,000	33.4%
Mining	2	\$4,380,000	27.3%	\$3,700,000	32.6%
Lifestyle	523	\$631,360,500	41.8%	\$360,192,000	58.9%
Residential	37,899	\$31,282,224,300	31.2%	\$20,412,897,300	48.7%
Commercial	1,024	\$2,427,243,400	31.2%	\$1,342,867,000	50.3%
Industrial	1,279	\$3,400,432,000	50.6%	\$2,089,856,000	60.6%
Other	987	\$2,016,455,500	33.9%	\$1,125,905,900	50.3%
Utilities	108	\$1,029,726,000	25.1%	\$69,520,500	52.0%
TOTAL	41,830	\$40,810,948,700	32.7%	\$25,420,959,700	49.9%

Commercial in confidence



Revaluation overview



Hutt City District house value market movement



Commercial in confidence

Residential Market



- Fastest rising market in 2021, which peaked in November/December 2021.
- Steepest declines to residential values in 2022 causing challenges for agents to shift property due to unrealistic vendor value expectations.
- Rising interest rates and tightening credit conditions contributed to the decline.
- Sales volumes have significantly reduced from the highs of 2021 – 2022.
- Perception of relative affordability in the Wellington region has reduced.
- Limited Greenfields subdivisions, mostly infill or townhouse development supported by National Policy Statement around subdivision and Hutt City's Plan Change 56.

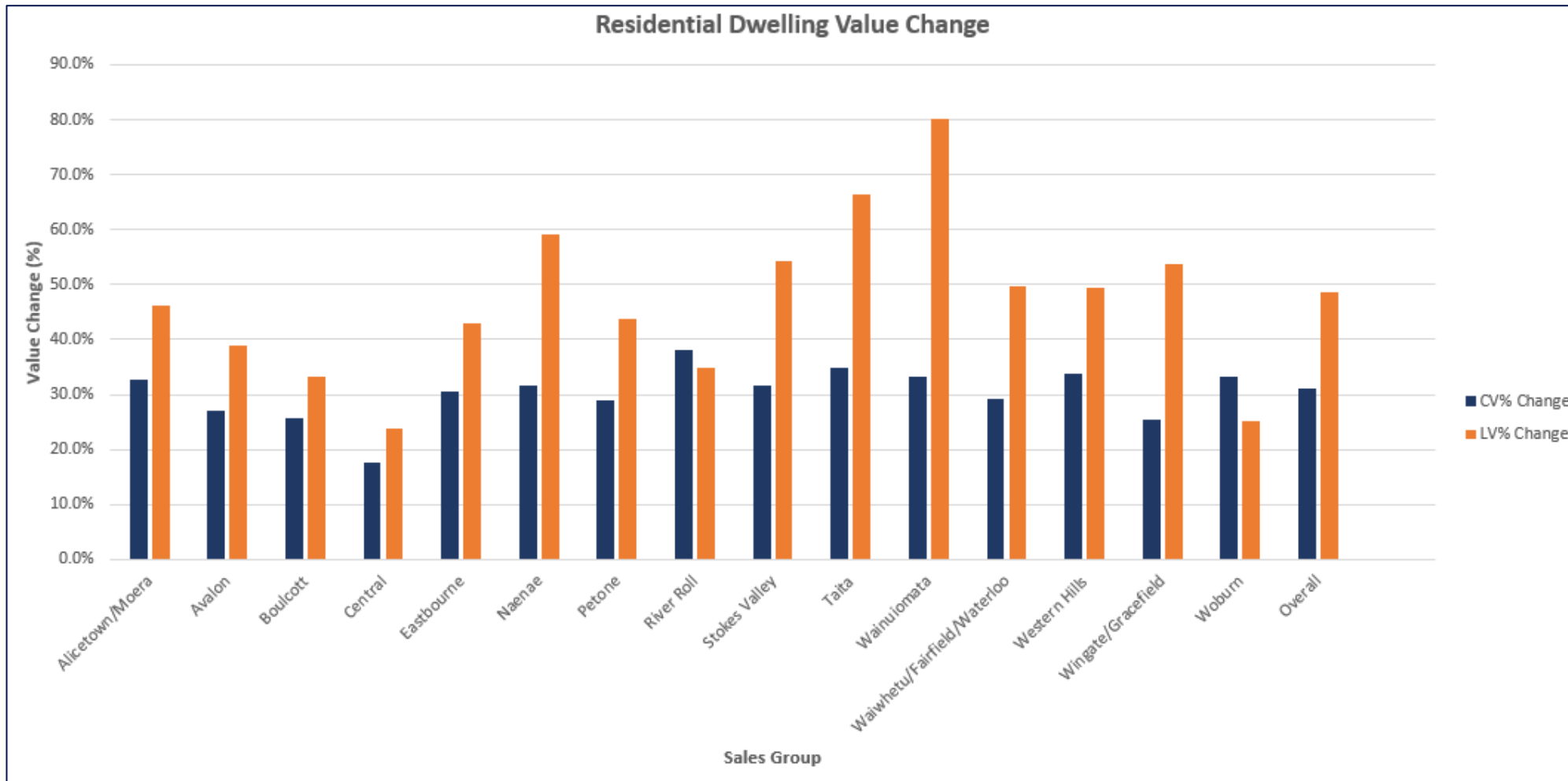


Residential dwelling value changes 2022

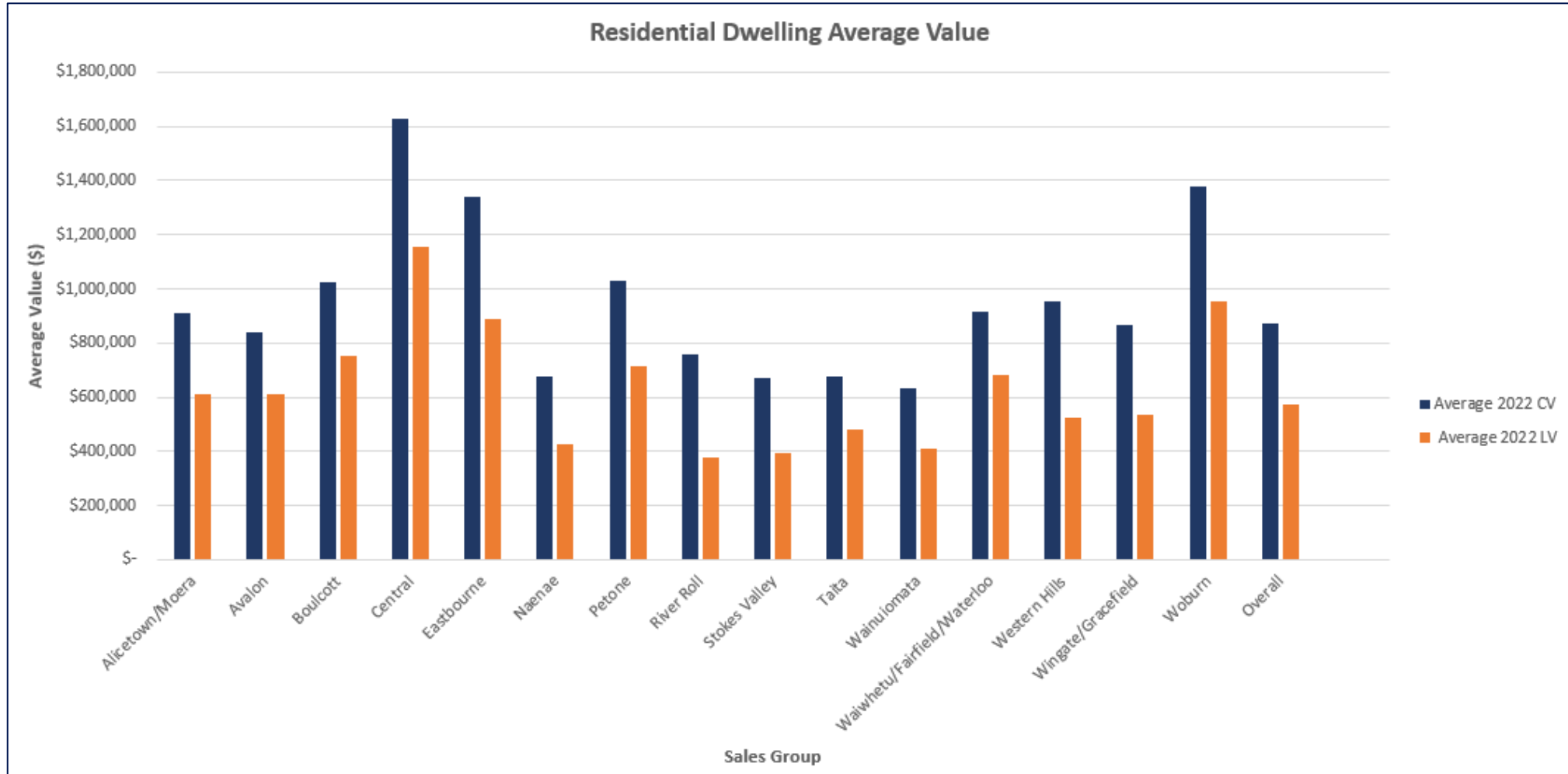


Suburb	No. of Assets	Average 2022 CV	Average 2022 LV	CV% Change	LV% Change
Alicetown/Moera	1148	\$ 908,637	\$ 611,624	32.8%	46.2%
Avalon	1561	\$ 837,914	\$ 610,913	27.0%	39.0%
Boulcott	1631	\$ 1,026,891	\$ 753,838	25.8%	33.3%
Central	9	\$ 1,626,667	\$ 1,155,556	17.6%	23.8%
Eastbourne	1699	\$ 1,339,173	\$ 889,756	30.7%	43.0%
Naenae	2329	\$ 678,785	\$ 423,551	31.7%	59.2%
Petone	2357	\$ 1,031,521	\$ 713,359	29.0%	43.7%
River Roll	7	\$ 757,143	\$ 375,000	38.2%	35.0%
Stokes Valley	3045	\$ 669,016	\$ 395,165	31.7%	54.4%
Taita	1386	\$ 674,729	\$ 479,084	34.9%	66.4%
Wainuiomata	5801	\$ 635,652	\$ 408,352	33.4%	80.1%
Waiwhetu/Fairfield/Waterlo	3066	\$ 913,250	\$ 681,830	29.1%	49.8%
Western Hills	4204	\$ 951,887	\$ 521,996	33.7%	49.4%
Wingate/Gracefield	249	\$ 867,349	\$ 534,177	25.4%	53.7%
Woburn	1553	\$ 1,378,042	\$ 955,850	33.2%	25.1%
Overall	30045	\$ 870,392	\$ 573,020	31.2%	48.7%

Residential dwelling values change 2022



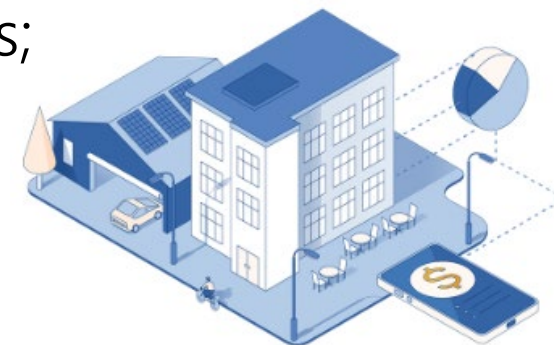
Residential dwelling average values 2022





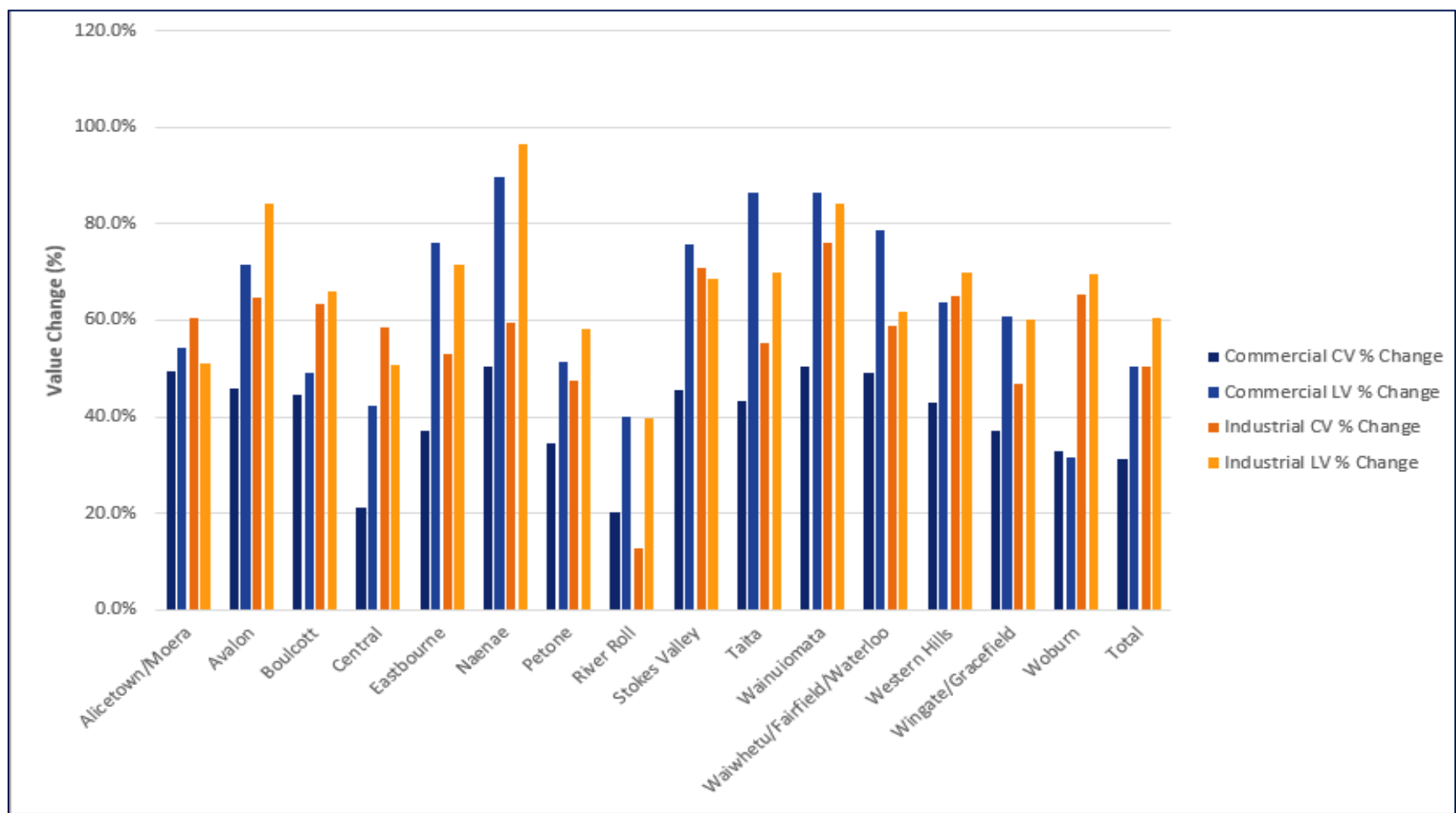
Business properties

- Positive rental movement on certain property types/locations;
- Reduced vacancy rates;
- Tightening capitalisation rates;
- Cheaper financing;
- Lower saving rates provided by the banks prompting commercial investment to be more attractive;
- Improved confidence;
- Somewhat stabilisation of insurance premiums;
- Queensgate value flay versus rest of CBD.

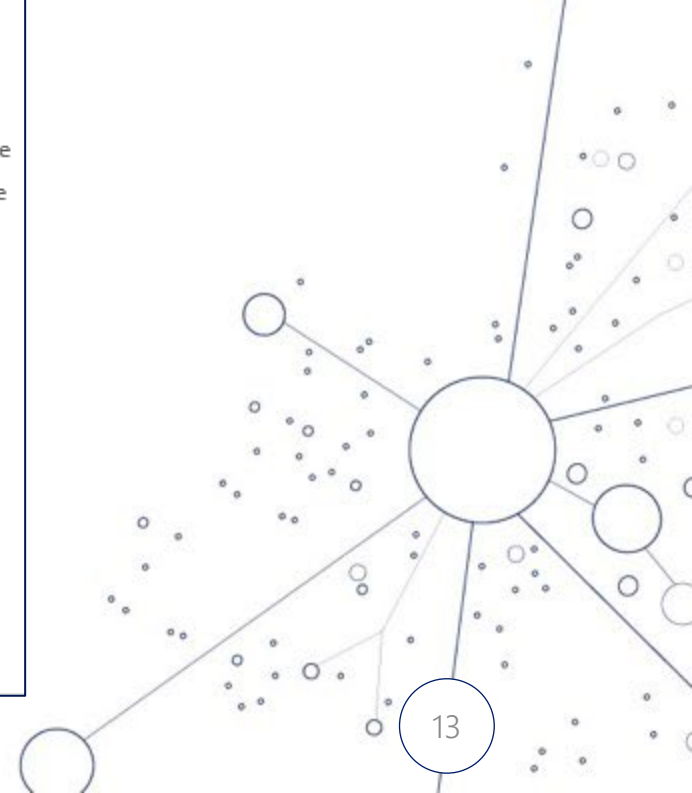




Business properties value change 2019-2022



Commercial in confidence

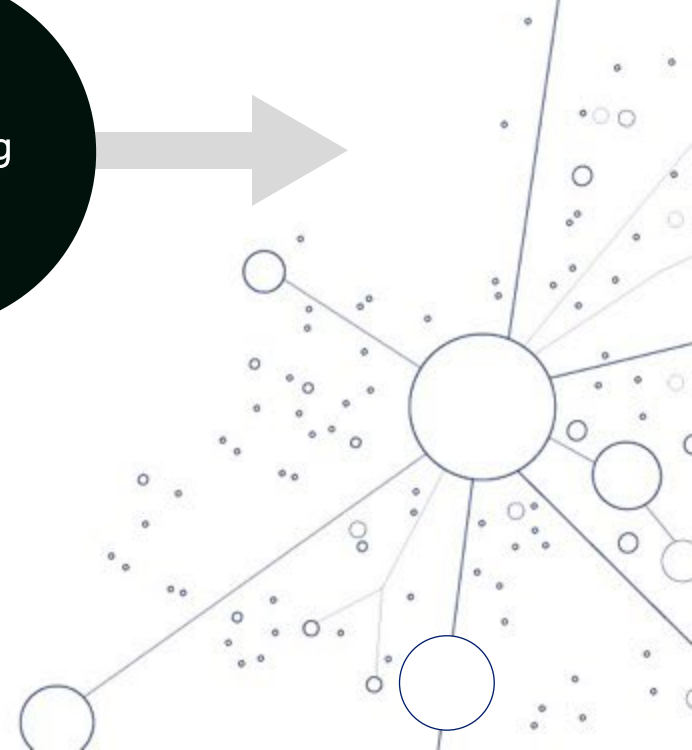
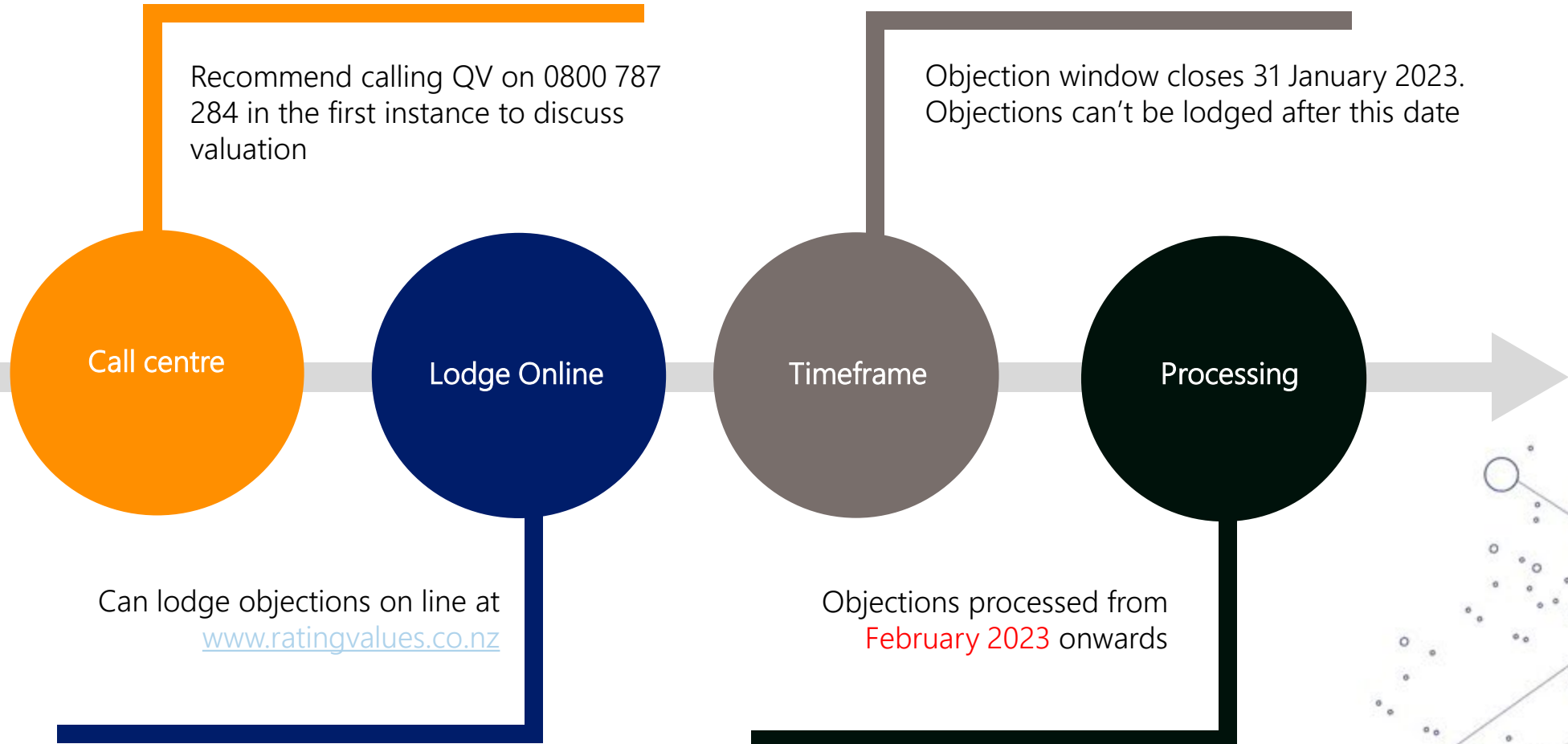


Rural and Lifestyle properties value change 2019-2022



Sector	No. Assets	% Change Capital Value	% Change Land Value
Dairy	0	0.0%	0.0%
Pastoral	2	49.0%	52.1%
Horticulture	0	0.0%	0.0%
Forestry	6	31.5%	33.4%
Mining	2	27.3%	32.6%

Objections



Key Dates



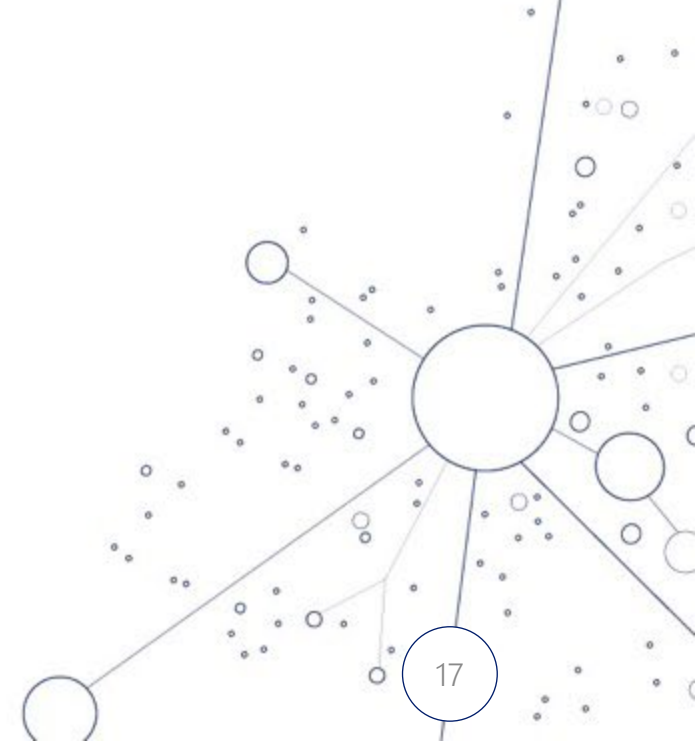
- Effective date of valuation: 1 September 2022
- Owners notices posted from 14 December 2022
- Objection period closes 31 January 2023
- Used for rating purposes from 1 September 2023



Questions



Commercial in confidence





Ngā mihi nui

