

Submission To IPART

With Respect To The 2nd Draft Report:

Assessment of Vineyard Contributions Plan Hawkesbury City Council

September 2019

The purpose of this submission is to inform IPART of our strong belief that the *valuation of RE1 parkland in the Vineyard Precinct*, as determined by IPART in the 2nd Draft Report, is one that can in no way be supported by present market conditions, or by current trends in property prices in this precinct.

1. We are the owners of a 5 acre property located at [REDACTED]. Our property falls within the boundaries of the *Vineyard Precinct Stage 1 Release* area. An area of approximately 2,250m² at one end of our elongated property (see attached image) has been designated as RE1 - Passive Open Space (parkland) which we share with our adjoining neighbours, [REDACTED]. It should be noted our land is defined as *unconstrained land with an underlying zoning of R2*, all of which is above the 1:100 flood line post development.
2. We have been following the trends in the movement of property values in our precinct for over 5 years now, and have been very closely evaluating them for the past 3 years. Consequently, the value that IPART has recently put on RE1 parkland in the *Vineyard Precinct*, has been of significant interest to us.
3. We note that IPART's valuation of RE1 parkland in the 1st Draft Report was \$300 per square metre. We also note that this value was reduced to \$200 per square metre in the 2nd Draft Report. It is our strong belief that such a reduction in value is in no way warranted in the current property market environment in the *Vineyard Precinct*.
4. Our experience tells us that, taking into account the recommendations of IPART's 2nd Draft Report, the value of adjoining and equivalent 5 acre properties that are free of parkland here in Oakville will substantially exceed \$6.5 million over the next 6 to 12 months. That is, we are confident that property values with an underlying zoning of R2 have already exceeded (and will continue to exceed) \$325 *per square metre* in the *Vineyard Precinct (Stage 1)*.
5. Consequently, it is our firm belief that IPART's decision to reduce the value of RE1 parkland to \$200 per square metre is totally flawed.
6. To substantiate our belief about property values here in the *Vineyard Precinct*, we have employed the services of a registered property valuer – [REDACTED] at *Independent Property Valuations Pty Ltd*, ABN 61 100 282 488.

We have received the report that was prepared by *IPV* and which gives a definitive valuation for our [REDACTED] property. This report gives details about how the valuation of our property was performed, and makes note of the property value that was determined by *IPV*. The value determined by *IPV*:

Is in excess of \$300 per square metre.

While this report is held in confidence by us, we are happy to provide all the details for inspection by IPART at any time you may wish to see the report – or any part of it.

7. The *Just Terms Legislation* provided by the NSW legal framework, dictates that the value of RE1 parkland be determined by the fair value of equivalent adjoining park-free property.

8. Since \$200 per square metre for our RE1 parkland does not represent a fair price as required by the *Just Terms Legislation*, we recommend that IPART increases this price to at least \$325 per square metre.

9. If IPART's final determination on a value for RE1 parkland does not reflect fair market value, we will give serious consideration to joining with any other *Vineyard Precinct* property owners for the purpose of legally challenging IPART's determination through the court system. We are confident that this action would be successful, leaving Hawkesbury City Council responsible for making up the shortfall between \$200 per square metre and whatever the final value may be.

Hawkesbury City Council would then, unfortunately, suffer a total revenue deficiency in bringing the *Vineyard Precinct* development to completion.

10. While we reserve the right to confidentiality of *IVP*'s report on the valuation of our [REDACTED] property and of *IVP*'s determination of a definitive value, we are happy to provide all the details to IPART if the need should arise.

Having established, we believe, that a value of \$200 per square metre for our RE1 parkland is so low as to be impossible to justify, we strongly recommend that IPART responds to our submission (and to similar submissions by property owners in this precinct) by increasing the value of all equivalent parkland to **\$325 per square metre**.

Yours Respectfully,

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

