

RESEARCH DIRECTIONS

It's worth *how much!*?

Associate Professor John MacFarlane from the School of Computing and Mathematics in collaboration with the Office of the NSW Valuer General is continuing to develop and evaluate the NSW Mass Valuation System for land and property valuation.

'A land and property valuation system is currently operating in NSW that assigns values annually to groups of properties (mass valuation)', explains Associate Professor MacFarlane. 'Land values are based on factors such as geographical location and aspect, local planning laws, nearby developments, facilities and land use, including usage zones. It's a huge task each year with over 2.5 million valuations assigned. Properties representative of a group are assessed and their value movement is applied to all properties in their member group. In order to ensure these values are assigned appropriately, accurately and consistently and that the system is working well, quality assurance mechanisms have been included in this process since 2002. This project continues to develop and implement appropriate quality assurance measures.'

Studies completed in 2008 have provided further practical measures which have now been incorporated into the mass valuation process and the audit of land values. Ongoing training in the application of quality assurance methods is also being provided. A comparison of state-wide land values for 2008 and 2009 will be made to ensure ongoing quality in the valuation process. Guidelines will be developed to identify classes of land where mass valuation should not be used, together with the development of an alternate mass valuation system (an automated valuation model) which will be used as part of the quality assurance process.



With the current global financial crisis creating uncertainty in the general financial environment, it is important now more than ever for NSW property-owners to have an accurate and appropriate value for their land, via a high-quality valuation process. This is especially pertinent as land values determine ongoing council rates and other property taxes, as well as affect property investment strategies and the decisions of both owner-occupiers and investor/developers.

Project Title: Ongoing Development of the NSW Mass Valuation System - Phase 4.

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