



Media Release

1 November 2018

Selwyn rating property revaluations out soon

Property owners in the Selwyn will soon receive an updated rateable value for their property.

The revaluation was carried out by Quotable Value (QV) on behalf of Selwyn District Council and showed that there has been a 6.7% average increase in capital values in Selwyn since 2015. The valuations are an estimate of the likely price that would have been paid for the property on 1 July 2018.

Residential property values rose by an average of 3.8% between July 2015 and July 2018, with lifestyle properties increasing by an average of 8.4%. Property value changes varied across the largest towns - with average values increasing by 4.1% in Rolleston, 1.1% in Lincoln, 2.4% in Prebbleton, and 0.4% in Darfield. Other townships showed similar increases with Leeston increasing 5.1%, West Melton 3.8%, Tai Tapu 6.2% and Southbridge showing a slight decrease at minus 0.3%. Residential values in the rural areas of Malvern increased by 7.6% and Ellesmere 3.3%.

Business properties showed the sharpest rise in property values between 2015 and 2018, with the capital value of commercial properties rising by an average of 21% and industrial properties by 12.9%. The value of farming properties rose by an average of 4.4%.

The new values will be used for calculating rates from 1 July 2019. For most residential properties in Selwyn, only around a quarter of their rates bill is based on the capital value of a property, with the majority of the rates set based on a fixed amount per property, such as for library services.

Most property owners will find that the capital value of their property has increased, however this doesn't mean they should expect to see a significant impact on their rates. Rates are set annually on 1 July based on the amount of income the Council needs to provide services for residents. As the average increase in capital value for Selwyn was 6.7% (an average of all capital value changes for residential, rural and business land), property owners whose values increased more than the average can expect a slightly higher than average rate increase from 1 July 2019. Property owners whose capital value increase was less than the average for Selwyn can expect a slightly lower than average rates change next year.

Property owners should receive their letter with their updated property valuation in mid-November and they have the opportunity to object to the valuation if they choose to. The letter outlines how to make an objection. Objections must be lodged by 20 December 2018.

"The rating value reflects the likely price a property would sell for on 1 July 2018, the effective date of the valuation, exclusive of moveable chattels such as curtains and appliances," says Gail Smits, QV National Revaluations Manager.

The last time the revaluation was carried out in Selwyn in 2015, 327 people - or around 1.4% of property owners - lodged objections to revised rateable values.

Gail Smits says QV uses a mass-appraisal process to ascertain new rating values. This involves taking relevant property sales in an area around 1 July 2018 and establishing a market trend which is then applied to similar properties in that area.