

Understanding 2024-2025 Property Values

Office of the
Valuer-General

Property values at the Date of Valuation 1 January 2024, are determined by the 2023 calendar year performance of the property market which effects your rates and taxes for the 2024-2025 Financial Year

This fact sheet provides insight of the 2023 property market, FAQ's associated with 2024-2025 valuations and their effect on rating and taxing notices.

What is the Valuer-General's role in determining a value for each property in South Australia?

The Valuer-General's role is to provide valuations for properties in South Australia – in accordance with the *Valuation of Land Act 1971*. By ensuring the integrity of the valuations set, the Valuer-General ensures that they are fair and equitable for all South Australians.

How is my property value determined?

Throughout the course of the year, our Service Provider, Land Services SA, collect data, undertake research and analyses with the aid of sales evidence and market reports on behalf of the Valuer-General.

Properties that are similar in nature, due to locality, land size, property type, vintage, size of equivalent main area or area, and use, are grouped into sub-markets.

The research and analyses obtained indicates how the market has performed relative to each of those sub-market groups. The result is the adoption of an index which is applied to every property.

The valuations then undergo extensive quality assurance and audit checks by the Office of the Valuer-General before coming into effect on 1 July each year. The Valuer-General is responsible for the ownership of those valuations.

What has influenced my property value for the 2024-2025 financial year?

Your 2024-2025 financial year value(s) reflect how the property market performed in the 2023 calendar year and the circumstances as at the Date of Valuation, 1 January 2024.

For more information see "Spotlight on the 2023 South Australian Property Market".

What does the value of my property mean for my rates notice(s)?

The valuation that has been declared for your property for the 2024-2025 financial year is outlined on each of your rates notice(s).

Whilst the Valuer-General determines property values, she does not determine your rates and taxes. However, rating and taxing authorities may utilise these valuations, combined with other factors, to determine your rates and taxes for the financial year.

To find out how rating and taxing authorities determine their rating position see: (See overleaf for full web address)

- [Council](#)
- [RevenueSA Emergency Services Levy](#)
- [RevenueSA Land Tax](#)
- [SA Water](#)

What should I do if I am concerned with the total amount payable on my rates notice?

You must contact the relevant rating and/or taxing authority. The Valuer-General does not calculate the amount payable and is unable to assist with these enquiries.

What should I do if I am concerned with the value of my property?

The value of your property is determined by the Valuer-General. The first step before objecting, is to understand your valuation and the local property market throughout the 2023 calendar year.

Should you not agree with your valuation, it is a legislative requirement that an objection must be lodged in writing within 60-days of receiving your first rates and taxes notice from any rating authority for the 2024-2025 financial year.

Further information on how to lodge an objection is available at [Objecting to a Valuation](#) (See overleaf for full web address).

**More information can be found at www.valuergeneral.sa.gov.au
and in-depth data in our [2023 Year in Review](#)**

For more information, please contact the Office of the Valuer-General

www.valuergeneral.sa.gov.au
OVGenquiries@sa.gov.au

General Enquiries: 8423 5000
Valuation Objections: 1300 653 346



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Spotlight on the 2023 South Australian Property Market

The State’s Capital Values remained buoyant despite cost of living and housing affordability issues with demand outstripping supply in several property sectors for established properties. This was due to intense competition from local demand, positive interstate migration, a strong State economy and relative affordability for interstate buyers and investors.

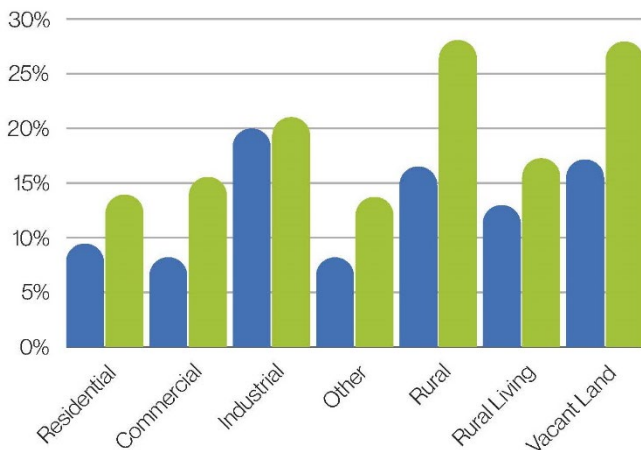
Site Value increases slowed through the 2023 calendar year in comparison to 2022. This was underpinned by cost escalation of construction materials, increased borrowing costs, a lack of skilled trades and a reduction in land sales placing further pressures on supply.

On average, property value changes across all sectors from 1 January 2023 to 1 January 2024 are:

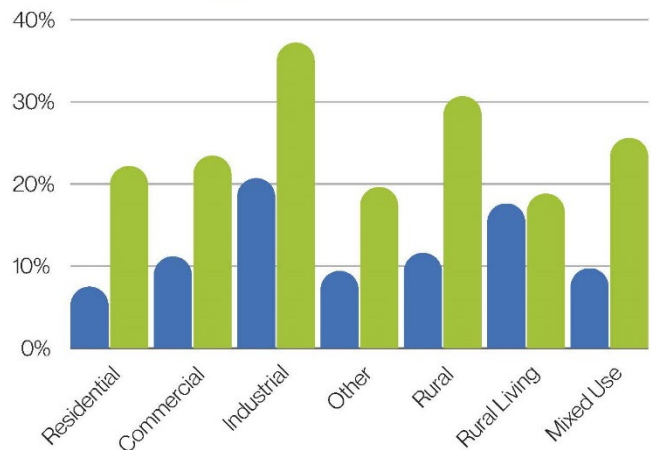
- Statewide Capital Value – increase of 10.61%
- Statewide Site Value – increase of 9.96%

The following graphs provide a comparison of value movement by Site Value and Capital Value classification from 2022-2023 to 2023-2024 and 2023-2024 to 2024-2025.

Statewide Average Movement by Classification - Capital Value



Statewide Average Movement by Classification - Site Value



- 2023-2024 to 2024-2025
- 2022-2023 to 2023-2024

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RESIDENTIAL

Residential market performed strongly through 2023, and values moved in a more moderate fashion than the previous 12 months. This was despite the level of interest rates, cost of living and housing affordability issues.

Local demand for residential housing has continued to outstrip supply of established dwellings with positive interstate migration exacerbating the imbalance.

The unmet demand for established dwellings led to the unit market becoming an opportunity for buyers seeking an entry point in the market, resulting in growth of this property type. Whereas, the cost escalation of construction materials and a lack of skilled labour applied downward pressure on the sale of vacant allotments.

Regional town values in South Australia recorded the highest regional growth rate nationwide.

Median house prices published by the [Valuer-General](#) also provide evidence of the strong market performance.

Average Statewide increase:

- Capital Value - 9.44%
- Site Value - 7.47%

COMMERCIAL

The end of 2023 saw prime net face rents achieving higher results as tenant demand was strong for new office space. This has increased vacancy in rates in aging stock and prompted landlords of lower grade space also increased incentives attempting to compete with superior quality stock.

Tenants generally preferred the CBD location for office space as opposed to city fringe locations. The trend of city fringe and suburban tenants moving to occupy space in the CBD has continued.

Adelaide remains an appealing option for interstate investors due to stamp duty exemption, relative stability, and affordability, thus underpinning commercial values.

Average Statewide increase:

- Capital Value - 8.19%
- Site Value - 11.15%



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PRIMARY PRODUCTION

Over the past 2-3 years a similar theme continued within the primary production sector with the influence of supply factors keeping values at elevated levels. Although the annual median price per hectare fell from 2022, values in the sector continue an upward trajectory despite the market softening in part of 2023. This was due to the effects of interest rate rises and the fall in livestock prices impacting on buyer sentiment.

Arable cropping land has been sought after due to the strength of grain prices. Whilst the effects of wine exporting remain, some vineyards experienced moderate reductions in values.

The North, Mid-North and Yorke Peninsula were among the strongest performing markets in the state. The Fleurieu Peninsula is maintaining its hold as being some of the most valuable farmland in the state.

Average Statewide increase:

- Capital Value - 16.49%
- Site Value - 17.61%

INDUSTRIAL

Since the outbreak of COVID-19 the industrial market has had to recalibrate its strategies to overcome supply chain disruptions with a trend toward holding larger inventories. As a result, established industrial properties and industrial land has been much sought after by large companies, owner occupiers and investors.

Site Value growth in the industrial sector remained strong through 2023. This was largely due to a lack of englobo sites for development and challenges in the construction industry. Demand was strong from owner occupiers and private investors seeking recently constructed entry level warehouses within the inner metropolitan areas. However, a lack of supply of established warehouses in these areas resulted in demand for outer metropolitan industrial precincts. Value growth in rental and land rates in the outer metropolitan precincts can largely be attributed to this increased demand.

Average Statewide increase:

- Capital Value - 19.97%
- Site Value - 20.68%



Links:

Council <https://www.localcouncils.sa.gov.au/how-councils-work/council-rates>
 Emergency Services Levy
<https://www.revenuesa.sa.gov.au/esl/how-is-the-emergency-services-levy-calculated>
 Land Tax
<https://www.youtube.com/watch?v=IqNSwsuJUlc>
 SA Water <https://www.sawater.com.au/my-account/water-and-sewerage-prices/sewerage-prices>
 Objecting to a Valuation
<http://www.valuergeneral.sa.gov.au/valuation/objecting-to-a-valuation>

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