



# Media Release

14 April 2022

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## New rating valuations for Queenstown Lakes District

Queenstown Lakes District property owners will soon receive a Notice of Rating Valuation in the post with an updated rating value for their property.

The new rating valuations have been prepared on behalf of the Queenstown Lakes District Council by Quotable Value (QV). They show the total rateable value of the 29,895 properties within the district is now \$57,090,283,000, up 50.8% from four years ago, with the land value of those properties now valued at \$35,289,055,000, an increase of 66.9%.

QV's national revaluation manager Tim Gibson commented: "We have seen the biggest shift in values across the district in many years, so it's important to remember that a large increase in your rating valuation is unlikely to correlate with an equally large increase in your rates. Rating values are just one of a number of factors councils use to allocate rates, and the total amount of rates required for the district does not change because of the revaluation of the district."

He said residential properties and vacant land had been in "red-hot demand" since Queenstown Lakes District's last rating revaluation in 2017, with residential capital values increasing by 50.7% and land values increasing by 68.6% over that time. "It's primarily been driven by strong demand and low interest rates as well as a greater acceptance for remote workers with a noted increase in demand from Auckland buyers."

Residential value growth was more substantial on residential dwellings and vacant sections, with less value growth occurring in apartments and units. Other trends observed were greater value growth in luxury/high end homes, as well as investor preferences moving away from older properties towards new dwellings and townhouses.

Mr Gibson said most commercial and industrial properties had also seen a positive shift in value growth, despite the challenges faced in a COVID-19 environment. "Investors remained confident with some high profile Queenstown and Wānaka commercial sales in 2021 obtaining low yields that are at value levels comparative to pre-COVID periods."

The average capital value for developed commercial property increasing by 46.8% since the previous rating revaluation in 2017, and the average capital value for developed industrial property increased by 44.4% over the past four years.

“Generally speaking, the strong value increases were observed across all business locations and property types, with the value growth occurring pre-COVID, in 2018 and 2019, with value levels staying at this level over 2021,” Mr Gibson added.

Meanwhile, the capital value of improved lifestyle properties increased by an average of 63% and land value by 77.5% since the district’s previous 2017 revaluation.

“The lifestyle market has seen significant growth over 2021, driven predominantly by supply issues of limited stock available to the market and good demand driving the growth. This demand has also seen significant growth in secondary locations, such as Hāwea Flat. We have also noted some high end improved lifestyle sales over 2021, showing demand exists for this niche market,” Mr Gibson added.

Rating valuations are usually carried out on all New Zealand properties every three years to help local councils set rates for the following three-year period. This rating revaluation for Queenstown Lakes District was originally scheduled to take place in 2020, but was deferred due to COVID. Council rates will be updated based on the new 2021 rating valuations from 1 July 2022.

Rating valuations reflect the likely selling price of a property at the effective revaluation date, which was 1 September 2021, and do not include chattels. Any changes in the market since then, won’t be included in the new rating valuations, which means a sale price achieved in the market today may be different to the new rating valuation set as at 1 September 2021.

The updated rating valuations have been independently audited by the Office of the Valuer General to ensure they meet rigorous quality standards before being certified. Rating valuations are designed to reflect the likely selling price of a property at the effective revaluation date and are not intended to be used as market valuations for raising finance with banks or as insurance valuations.

With the new rating values now released, a schedule of new values is available in hard copy from the Queenstown Lakes District Council offices, as well as QV’s website at [www.qv.co.nz](http://www.qv.co.nz). Sales information is also available on the QV website to allow ratepayers to research local sales and valuations.

New rating values will be posted to property owners after Wednesday, 20 April 2022. If owners do not agree with their new rating value, they have the right to object before 31 May 2022 by heading to the QV website or council’s offices.

**For more information, please contact:**

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