

**IN THE MATTER OF**      The Rating Valuations Act 1998

**AND**

**IN THE MATTER OF**      an objection pursuant to Section 32  
   of the Act

**BETWEEN**                      **JOE LAM**

   Objector

**AND**                                      **AUCKLAND CITY COUNCIL**

   Respondent

**Before the Auckland Land Valuation Tribunal:**

**Chair:**                              His Honour Judge J D Hole

**Members:**                        K G Stevenson Esq  
   R M McGough Esq

**Date of Hearing:**                15 September 2003

**Date of Decision:**              16 September 2003

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**DECISION OF THE TRIBUNAL**

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[1]      The objector is one of the registered proprietors of a freehold property at 98 Ranfurly Road, Epsom. The property is situated at the corner of Ranfurly Road and Gillies Avenue in an established residential locality. Its legal description is all that parcel of land containing 493 square metres being Lot 2 DP 167981 and being all the land in Certificate of Title NA101D/829.

[2] Situated on the land is a two-level residential dwelling with attached double garage. Area of the dwelling is about 225.64 square metres. It was built in 1996. It is a substantial dwelling containing a formal lounge, separate dining area, kitchen, five bathrooms, a laundry and double garage.

### **History**

[3] In 1999, the roll value of the property was assessed as follows:

Land	\$219,000
Improvements	\$321,000
Capital Value	\$540,000

[4] As at 1 September 2002, the respondent estimated values as follows:

Land	\$300,000
Improvements	\$510,000
Capital Value	\$810,000

[5] In his objection, the objector estimated values as follows:

Land	\$300,000
Improvements	\$330,000
Capital Value	\$630,000

[6] Subsequently, the respondent reassessed its values as follows:

Land	\$360,000
Improvements	\$420,000
Capital Value	\$780,000

[7] Subsequently, there was a change of valuer for the respondent and new values were assessed as follows:

Land Value	\$340,000
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Improvements	\$410,000
Capital Value	\$750,000

[8] As a result, the objector reassessed his values as follows:

Land Value	\$300,000
Improvements	\$400,000
Capital Value	\$700,000

[9] In 1999, the roll value for the adjoining property at 82 Gillies Avenue was assessed as follows:

Land Value	\$220,000
Capital Value	\$545,000

[10] The valuation for this property as at 1 September 2002 is:

Land Value	\$300,000
Capital Value	\$695,000

[11] It will be observed that, whereas in 1999 No. 182 Gillies Avenue had a capital value in excess of the subject property, the values assessed as at 1 September 2002 indicate that the subject property had a greater capital value than 182 Gillies Avenue.

[12] Given this history, it is not surprising that the objector is somewhat confused as to what is the correct value to be assessed in respect of his land as at 1 September 2002.

### **Objections**

[13] In addition to the confusing history, the objector has raised some specific points.

[14] He points out that the sales evidence employed by Quotable Value relates to properties which are too remote from the subject property. Ms Wong, the valuer for the respondent, indicated that there were no relevant sales closer to the subject property. It appears that she made appropriate adjustments for location in her assessment.

[15] The objector was concerned about the way the valuation of his land compared with that of 182 Gillies Avenue. Ms Wong indicated that there were two reasons for the inconsistency: the first was that the area of the dwelling of the subject property had been incorrectly assessed previously; the second was that, in her opinion, the 1992 valuation of both properties required revision. Of course, this is exactly the reason for periodic revaluations. It is important that relativities be corrected as, from time to time, inconsistencies do occur.

[16] The objector considered that insufficient notice was taken of the disadvantages applicable to his property. He pointed out that it was a corner section and adjoined the noisy Gillies Avenue. There was inadequate parking. The house was eight years old and had not been redecorated and other upgrading had not occurred. It was clear from Ms Wong's evidence that all these matters had been taken into account in her assessment.

[17] Under cross-examination, the objector conceded that he had based his capital valuation figure of \$700,000 on the values which had been ascribed to the two neighbouring properties at 96 Ranfurly Road and 182 Gillies Avenue. Whilst the values ascribed to neighbouring properties are of assistance, they are of less importance when compared with sales evidence appropriately adjusted. In this instance it is the capital value which is important as the annual value is derived from it. Section 2 Rating Valuations Act 1998 defines capital value as "*...the sum that the owner's estate or interest in the land, if unencumbered by any mortgage or other charge, might be expected to realise at the time of valuation if offered for sale on such reasonable terms and conditions as a bona fide seller might be expected to require*". This definition of capital value requires the valuer, in assessing roll valuations, to look at the market evidence. This is the primary evidence from which

all roll valuations are derived. The valuer for the respondent has done this and the objector has not adduced any contrary market evidence.

### **Conclusion**

[18] Section 38(2) Rating Valuations Act 1998 provides that “*The onus of proof on any objection rests with the objector*”. In this case, whilst the objector has pointed out a number of inconsistencies in the approach taken by the respondent, all of those have been explained and appropriate adjustments made. The objector has not produced any market evidence which contradicts that provided by the respondent. Accordingly, the objector has not managed to discharge the onus of proof incumbent upon him.

[19] It follows that the objection fails and the respondent’s valuation as at 1 September 2002 prevails. This was:

Land Value	\$340,000
Improvements	\$410,000
Capital Value	\$750,000

[20] This provides an annual value of \$37,500.

Judge J D Hole  
**(Chairman)**