Statutory Land Values and Market Prices in New South Wales: Evidence from Valuer General Benchmark Properties, 1996–2026

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Abstract. Land values set by the NSW Valuer General are the tax base for NSW land tax and for council rates, yet there is little public evidence on how they track market prices at a local level. We link the Valuer General's long-term benchmark-property series (386 benchmark properties, 1996–2026) to 1.8 million sale records from the Valuer General's bulk Property Sales Information, and compare the 130 residential benchmarks with house and vacant-land sales in their own suburbs from 2017 to 2025. Three results stand out. First, the benchmark land value equals a median of 65% of the suburb median house price in Sydney, 57% in the Central Coast, Newcastle and Wollongong, 48% in coastal towns and 36% in inland towns (2025). Second, between 2017 and 2025 benchmark land values rose faster than suburb median house prices for 69% of benchmarks (median growth 70% against 59%), with the widest gaps outside Sydney; part of this gap is expected, because buildings depreciate while land does not. Third, where comparable vacant lots sold, benchmark land values per square metre were a median of 0.79 times their sale price per square metre (0.65 in Sydney, 0.80 in inland towns, 0.90 in coastal towns), with a coefficient of dispersion of 21%. This last comparison is indicative, not a formal ratio study, and is sensitive to how valuation dates are aligned with sales. All derived data and code are released with the paper.

Keywords: land value; statutory valuation; mass appraisal; land tax; council rates; house prices; New South Wales; Australia.
JEL: R31, R32, H71.

1. Introduction

Every year the NSW Valuer General determines land values for more than 2.7 million parcels as at 1 July (NSW Valuer General, 2026a). Those values carry real money. Revenue NSW assesses land tax on the average of the current and two preceding land values (*Land Tax Management Act 1956* (NSW)), and councils levy rates on land values the Valuer General supplies to them at least every three years. Owners can object to a value, but they rarely have a local market benchmark to compare it with.

A large literature shows that land, not structures, drives most long-run house price growth (Davis & Heathcote, 2007; Knoll, Schularick & Steger, 2017), and Australian evidence links price differences across cities to land and location (Kulish, Richards & Gillitzer, 2012). Much less is known about how the *statutory* land values that underpin taxation relate to observed market prices, suburb by suburb and year by year.

This paper uses two public datasets published by the NSW Valuer General to answer three descriptive questions. How large is the statutory land value relative to the price of a typical house in the same suburb? Have land values grown faster or slower than house prices since 2017? And how do land values compare with the prices actually paid for vacant land? We do not estimate a causal model. The contri-

bution is a transparent, reproducible linkage of the Valuer General's benchmark series to sales data, released in full.

2. Institutional background

NSW land value is the value of the land excluding structures and other improvements, but including land improvements such as clearing or drainage, on the basis of a sale between a willing buyer and a willing seller (*Valuation of Land Act 1916* (NSW)). Values are determined at a common base date of 1 July.

Because more than 2.7 million parcels are valued every year, the Valuer General uses mass valuation. Properties with similar characteristics are grouped into *components*. A representative property in each component, the *benchmark property*, is valued each year from market evidence, and its rate of change is applied to every property in the component (NSW Valuer General, 2026b). The benchmark properties are therefore the anchor of the whole system. The Valuer General publishes a long-term table of selected benchmarks, with their land value every year since 1996 and an index with 1996 = 100 (NSW Valuer General, 2026b). That table is the first dataset used here.

Land values at 1 July are issued to owners and councils in the following months, and councils typically receive new values for rating every three years. Total council rate income is constrained by the rate peg, so a change in land values redistributes rates between properties more than it changes the total collected.

3. Data

3.1 Benchmark land values

The Valuer General's long-term trends file (`historical_values_2026.csv`) lists 386 benchmark properties in 12 tables: residential sites (Sydney; Central Coast, Newcastle and Wollongong; coastal towns; inland towns), commercial, small and large industrial sites, hobby farms and rural production land. For each property it gives street and suburb, site dimensions and the land value for each year from 1996 to 2026. The file also contains three summary rows per table (benchmark average, annual variation and index), which we separate from the property rows and use only for validation. We flag two values as likely transcription errors because they depart by more than 45% from both adjacent years while those years agree (a residential site in Baulkham Hills in 1998, recorded at $14,200 between $114,000 and $156,000; and a rural property in Maragle in 2021). Both are excluded.

3.2 Property sales

The second dataset is the Valuer General's bulk Property Sales Information (PSI), released free of charge under a Creative Commons BY-NC-ND 4.0 licence (NSW Valuer General, 2026c). We parse all weekly files contained in the yearly archives for 2017 to 2025: 1.96 million sale records, of which 1.80 million property-sales remain after removing records re-issued in later weekly files (matched on dealing number and property). A dealing that transfers several properties repeats the full price on each of them; the 12,617 such dealings are excluded from the analysis. Each record gives the address, postcode, land area, contract date, price, zoning, the nature of the property (residence, vacant land or other), primary purpose, strata lot number and the share of the property transferred.

We assign each sale to the calendar year of its contract date, so that year *Y* sales are centred on the 1 July *Y* valuation date. Because archives are organised by registration date, contracts signed late in 2025 and registered in 2026 are missing: the file holds 10% fewer 2025 contracts than 2024 contracts, almost all of the shortfall falling in November and December. We therefore repeat the main comparison with 2024 as the end year.

The long-term table labels its columns by year. We read the column labelled *Y* as land values at 1 July *Y*. The data weakly favour this reading: among benchmark-years with at least 30 house sales in both years, annual changes in benchmark land values are more closely correlated with same-year changes in suburb median house prices (r = 0.54, 984 benchmark-years) than with the previous year's changes (r = 0.49, 860 benchmark-years). Because the alternative reading cannot be excluded, every paired result is also reported with land values shifted by one year, that is, pairing the column labelled *Y* + 1 with sales in year *Y*.

3.3 Linkage and filters

Each of the 130 residential benchmark properties is matched to sales in the same locality and postcode (119 distinct suburbs). We retain two types of sale:

- **All sales:** single-property dealing, no special sale code, and whole interest transferred (the interest field is recorded as 0 in the 2017–2024 files and left blank in 2025; both denote the whole property).
- **Houses:** residential nature, primary purpose "residence", not a strata lot, price of at least $100,000 and, when stated, land area between 80 and 2,500 m². These filters remove units, part-share transfers and nominal transactions. The data do not identify related-party sales, so the remaining sales are market sales after filtering rather than verified arm's-length transactions.
- **Vacant land:** vacant nature, not a strata lot, residential zoning (R1 to R5, or RU5 village), price of at least $50,000, and land area within ±50% of the benchmark site area.

The matched sample contains 163,066 house sales and 6,225 vacant-land sales over 2017–2025, each counted once even where two benchmarks share a suburb. Medians are used throughout. A suburb-year enters the house comparisons only if it has at least 20 house sales, and the vacant-land comparison only if it has at least 5 similar-size vacant sales. The median suburb recorded 117 qualifying house sales in 2025.

4. Method

Long-run land value index. For each group of benchmarks we build a chain-linked, value-weighted index (an equal-weighted version is released with the data). Each annual link uses only properties valued in both years, so a benchmark entering or leaving the table cannot move the index. As a check, the index reproduces the Valuer General's published annual changes in the Sydney residential benchmark average exactly for every year from 2019 to 2025 (Table 1). For 2026 we obtain +4.0% against +3.8% published, because one Sydney benchmark (Paddington) has no 2026 value in the file and the published average changes composition.

Land share. For each benchmark and year, the land share is the benchmark land value at 1 July *Y* divided by the median house price in its suburb in calendar year *Y*. It is a simple indicator of the weight

of land in local house prices, not an estimate of the land component of any individual sale, since the benchmark site and the typical house lot differ in size and position.

Paired growth. For each benchmark we compare land value growth from 1 July 2017 to 1 July 2025 with growth in the suburb median house price between 2017 and 2025. Land would be expected to outgrow whole-house prices even if land values tracked the market exactly, because structures depreciate. The comparison therefore describes the direction and size of the gap; it is not a test of valuation accuracy.

Vacant-land ratio. For each benchmark-year we divide the benchmark land value per square metre by the median price per square metre of similar-size vacant lots sold in the same suburb and year. This is in the spirit of an assessment ratio study (IAAO, 2013), but it is not one: the numerator is a single benchmark rather than the value of each sold parcel. We report the median ratio, its interquartile range and the coefficient of dispersion (COD, the average absolute deviation from the median ratio, as a percentage of the median). Benchmark-years for the same property are not independent observations, so we also report the median of per-benchmark medians.

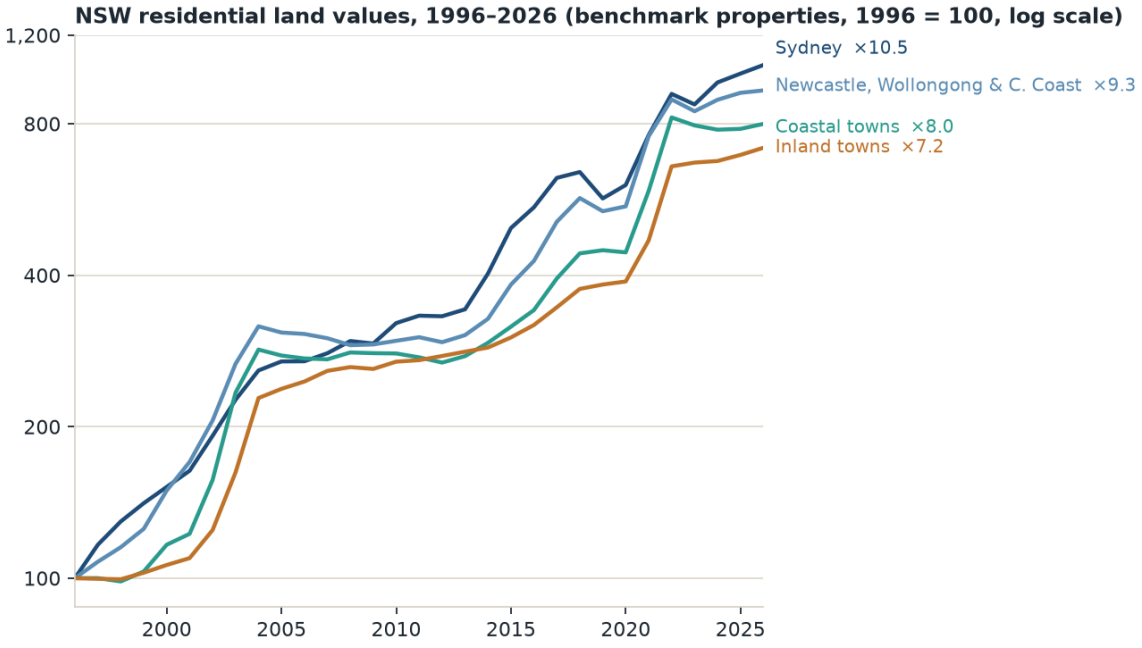
Year	2019	2020	2021	2022	2023	2024	2025	2026
Published change in benchmark average (%)	–11.4	+6.3	+25.6	+20.8	–4.7	+10.6	+4.1	+3.8
This paper, chain-linked index (%)	–11.4	+6.3	+25.6	+20.8	–4.7	+10.6	+4.1	+4.0
Matched benchmarks	62	62	62	62	62	62	62	61

Table 1. Validation against the Valuer General's published Sydney residential benchmark average. Source: NSW Valuer General (2026b); authors' calculations.

5. Results

5.1 Thirty years of land values

Residential land values at the benchmark sites multiplied by 10.5 in Sydney between 1996 and 2026, by 9.3 in the Central Coast, Newcastle and Wollongong, by 8.0 in coastal towns and by 7.2 in inland towns (Figure 1; value-weighted index). The ranking reversed after 2018: between 2018 and 2026 the index rose by 63% in Sydney and 64% in the Central Coast, Newcastle and Wollongong, against 81% in coastal towns and 91% in inland towns.



Source: NSW Valuer General, long term land value trends (benchmark properties). Chain-linked, like-for-like index — Landmark Valuations.

Figure 1. Residential benchmark land value index by region, 1996 = 100 (log scale).

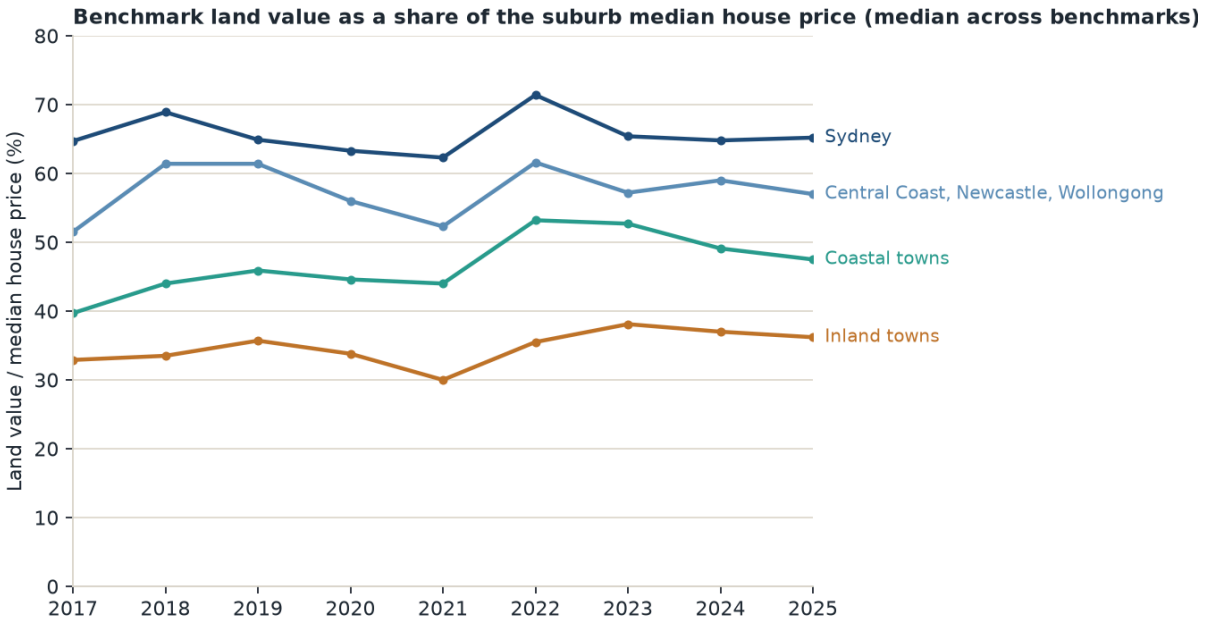
5.2 The weight of land in local house prices

In 2025 the benchmark land value equalled a median of 65% of the suburb median house price in Sydney, 57% in the Central Coast, Newcastle and Wollongong, 48% in coastal towns and 36% in inland towns (Table 2, Figure 2). The gradient matches the expectation that land accounts for a larger share of property value where location is scarcer. The share rose outside Sydney between 2017 and 2025: from 52% to 57% in the Central Coast, Newcastle and Wollongong, from 40% to 48% in coastal towns and from 33% to 36% in inland towns, while it was unchanged at 65% in Sydney. With land values shifted by one year, the 2025 shares are 69%, 60%, 49% and 38%.

The share jumped in every region in 2022 (to 71% in Sydney). Benchmark land values rose by a median of 25% between 2021 and 2022, against 10% for suburb median house prices, and land values rose faster for 89% of the 127 benchmarks. Valuation timing alone does not explain the gap, since calendar-2022 sales are centred on the 1 July 2022 valuation date; one possibility is that the sale evidence behind the 2022 values reflected the strong market of late 2021 and early 2022. The gap narrowed in 2023 in Sydney and in the Central Coast, Newcastle and Wollongong, where land values fell. The three-year averaging used for land tax, and the three-year rating cycle, dampen the effect of such swings on what owners pay.

Region	Benchmarks	2017	2022	2025	2025 interquartile range
Sydney	61	65%	71%	65%	61–73%
Central Coast, Newcastle, Wollongong	12	52%	62%	57%	51–67%
Coastal towns	16	40%	53%	48%	44–54%
Inland towns	39–40	33%	36%	36%	27–47%
All residential benchmarks	128–129	52%	61%	57%	44–67%

Table 2. Benchmark land value as a share of the suburb median house price (median across benchmarks whose suburb recorded at least 20 house sales that year; benchmark counts are for the three years shown). Sources: NSW Valuer General (2026b, 2026c); authors' calculations.



Sources: NSW Valuer General benchmark land values; NSW Valuer General bulk Property Sales Information (CC BY-NC-ND 4.0). Landmark Valuations.

Figure 2. Benchmark land value as a share of the suburb median house price, 2017–2025.

5.3 Land values grew faster than house prices

For the 128 benchmarks (117 suburbs) with at least 20 house sales in their suburb in both 2017 and 2025, the median land value rose by 70% while the median suburb house price rose by 59%. Land values grew faster for 69% of benchmarks, and in 68% of suburbs when benchmarks sharing a suburb are averaged (Figure 3). The two growth rates are positively correlated (Pearson r = 0.60), so land values broadly follow local markets, but with a systematic tilt. The tilt is small in Sydney (53% against 48%) and large in coastal towns (101% against 71%) and inland towns (96% against 76%) (Table 3). Some of this tilt is expected because structures depreciate; the data do not allow us to say how much.

The result is robust to three checks (Table 4): averaging two-year windows to reduce noise in single-year medians, ending in 2024 to avoid the incomplete 2025 sales year, and shifting land values by one year.

Region	Benchmarks	Median land value growth	Median house price growth
Sydney	61	53%	48%
Central Coast, Newcastle, Wollongong	12	75%	63%
Coastal towns	16	101%	71%
Inland towns	39	96%	76%
All	128	70%	59%

Table 3. Growth of benchmark land values (1 July 2017 to 1 July 2025) and of suburb median house prices (calendar 2017 to 2025). Sources: NSW Valuer General (2026b, 2026c); authors' calculations.

Specification	Benchmarks	Land faster	Median land growth	Median house growth
Main: 2017 to 2025	128	69%	70%	59%
Two-year averages: 2017–18 to 2024–25	123	64%	65%	55%
End year 2024: 2017 to 2024	127	75%	62%	50%
Land values shifted by one year	127	74%	67%	58%

Table 4. Robustness of the paired growth comparison. Sources: NSW Valuer General (2026b, 2026c); authors' calculations.

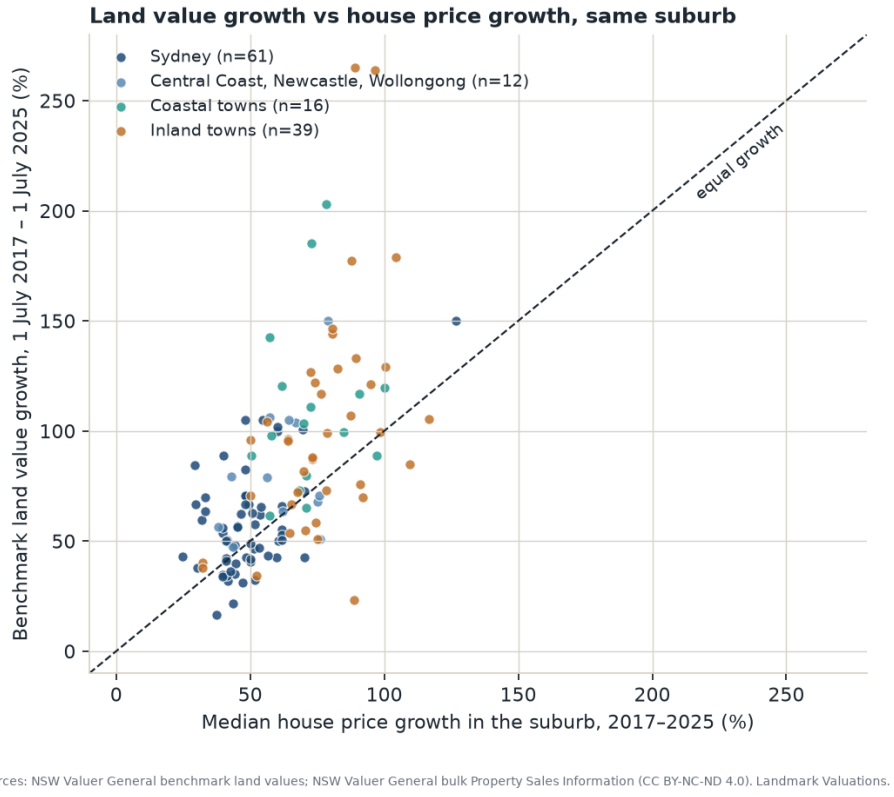


Figure 3. Land value growth against house price growth in the same suburb, 2017–2025. Each point is a benchmark; points above the dashed line are benchmarks whose land value grew faster than the suburb median house price.

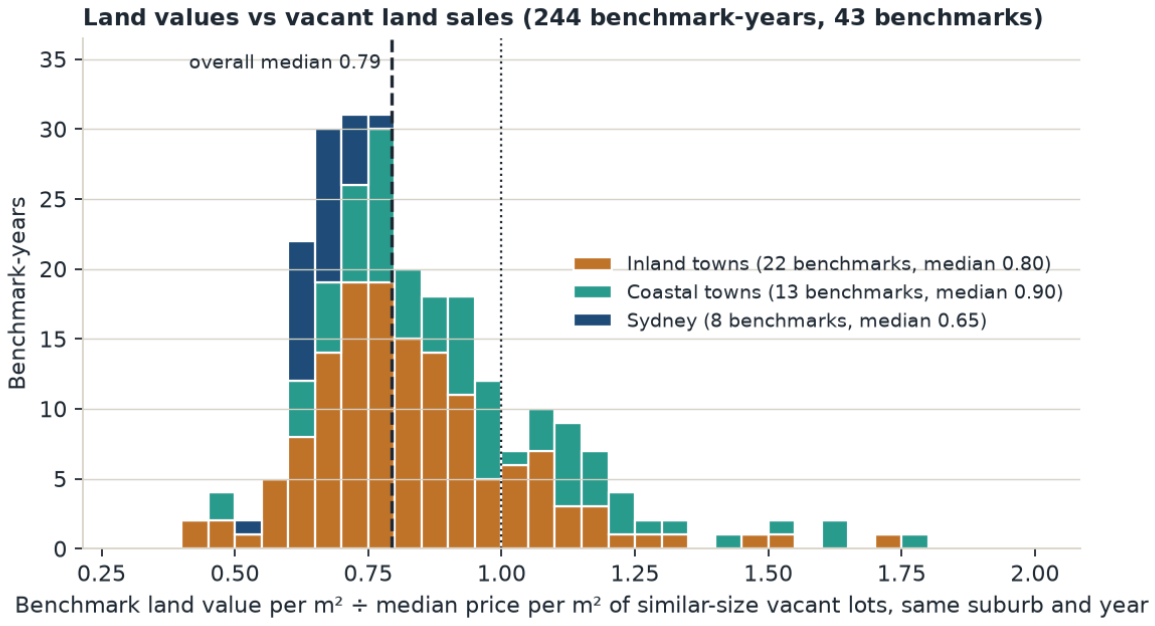
5.4 Land values against vacant land sales

Vacant-land sales provide the most direct market evidence for land value. For 43 benchmark properties (35 of them outside Sydney) we observe at least five similar-size, residentially zoned vacant-lot sales in the suburb in the same year as a benchmark value, giving 244 benchmark-years. The benchmark land value per square metre is a median of 0.79 times the median sale price per square metre of those lots (interquartile range 0.69 to 0.95; COD 20.9%; median of per-benchmark medians 0.78) (Figure 4, Table 5). The ratio differs by region: 0.65 for the eight Sydney benchmarks, 0.80 in inland towns and 0.90 in coastal towns. It is between 0.72 and 0.84 in every year, and 0.79 when the threshold is raised to ten vacant sales. It is, however, sensitive to the date alignment: with land values shifted by one year the overall median is 0.89.

Several explanations are compatible with a ratio below one, and the data cannot separate them. Vacant lots that sell are often newly created estate lots, whose prices include services, GST and the developer's margin, whereas an established site is valued as if vacant. The ±50% size band does not fully control for the higher price per square metre of smaller lots. And mass valuation may set values conservatively relative to sale evidence. The results should not be read as evidence that land values are too low or too high. The dispersion is as informative as the level: a COD of 21% means that the relationship between land values and sale evidence varies widely from one suburb to another.

Group	Benchmarks	Benchmark-years	Median ratio	Interquartile range	COD
Sydney	8	28	0.65	0.63–0.69	5.7%
Coastal towns	13	76	0.90	0.76–1.11	22.1%
Inland towns	22	140	0.80	0.71–0.93	18.3%
All	43	244	0.79	0.69–0.95	20.9%
All, at least 10 vacant sales	36	167	0.79	0.69–0.94	19.4%
All, land values shifted by one year	43	244	0.89	0.75–1.09	23.4%

Table 5. Benchmark land value per m² divided by the median price per m² of similar-size vacant lots sold in the same suburb and year. No Central Coast, Newcastle or Wollongong benchmark meets the five-sale threshold. Sources: NSW Valuer General (2026b, 2026c); authors' calculations.



Sources: NSW Valuer General benchmark land values; NSW Valuer General bulk Property Sales Information (CC BY-NC-ND 4.0). Landmark Valuations. Values above 2.0 shown at 2.0. Dotted line: ratio of 1. Residential zones only; single-property sales only.

Figure 4. Distribution of the vacant-land ratio across 244 benchmark-years (43 benchmark properties), by region.

6. Limitations

- **Benchmarks are not a random sample.** They are representative properties chosen by the Valuer General for each component. Results describe these benchmarks, not every parcel in NSW.
- **Medians mix properties.** A suburb median house price changes with the mix of houses sold. The pooled two-year check reduces, but does not remove, this noise.
- **Valuation dates.** We read the column labelled *Y* as land values at 1 July *Y*. The data weakly favour this reading, and the main results hold under the alternative, but the vacant-land ratio moves from 0.79 to 0.89 between the two.
- **Size and position differ.** The benchmark site is not the typical house lot. The land share is an indicator of level and trend, not a measure of the land component of a sale.
- **Vacant-land evidence is thin.** Only 43 benchmarks have enough similar-size vacant sales in their suburb, 35 of them outside Sydney, and none in the Central Coast, Newcastle or Wollongong.
- **Incomplete final year.** The 2025 sales year holds about 10% fewer contracts than 2024, mostly in November and December.
- **Sale screening.** The sales data do not flag related-party transfers; filters on price, interest, sale code and dealing remove the most obvious non-market sales but not all.
- **Data quality.** The Valuer General does not guarantee the completeness or accuracy of bulk PSI. Two benchmark values were excluded as likely transcription errors.

7. Conclusion

Linking the Valuer General's benchmark series to its own sales data gives a simple, reproducible picture. Statutory land values follow local markets, but not one for one. They represent a much larger share of house prices in Sydney than in regional towns, they grew faster than house prices for about two benchmarks in three between 2017 and 2025, and where comparable vacant lots sold they were generally below those lots' prices per square metre, with wide variation between suburbs. Extending the linkage to every parcel, rather than benchmarks, would require the Valuer General's bulk land value files, which are available on request. The same approach can be applied to other states whose valuers-general publish land values and sales.

Data and code availability

The derived datasets (benchmark land values in long format, the suburb-year panel of land values and sale medians, paired growth rates, chain-linked indices and summary statistics) and the Python scripts that produce every figure and table are released with this paper. Raw PSI records are not redistributed; they can be downloaded free of charge from the Valuer General. Benchmark data: NSW Valuer General, *Long term land value trends*, file `historical_values_2026.csv`, retrieved 24 November 2026. Sales data: NSW Valuer General bulk PSI yearly archives 2017–2025, retrieved 24 November 2026, used under CC BY-NC-ND 4.0.

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This working paper presents descriptive research on public data. It is not a valuation of any property and should not be relied on as valuation advice. Suggested citation: Landmark Valuations Research (2026). *Statutory Land Values and Market Prices in New South Wales: Evidence from Valuer General Benchmark Properties, 1996–2026*. Landmark Valuations Working Paper WP 2026-01.