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Affordable Housing Viability Study
For
Colchester Borough Council

APPENDIX 1
PROPERTY VALUE INFORMATION

April 2013



Value Area Information

- 1.1 When considering the property market values to inform the viability analysis, it was decided to consider a range of 'Value Points' relevant to the Colchester Borough area. The alternative would be to focus on specific settlements and sub-areas, however this approach was not applied as our data pointed to a wide variation of property values across the urban and rural parts of the Borough. The Value Point Approach then allows for the assessment of a range of values that can be found across the Borough.
- 1.2 As a starting point, Land Registry data on achieved sales values from January 2011 to September 2012 for each type of dwelling (detached, semi-detached, terraced and flats) across the Borough was reviewed. These average values per unit type were then assessed against reported asking prices and achieved sales values on a number of property websites to establish if they accurately reflected properties on the market currently.
- 1.3 We are confident that the range of sales values used for the purposes of this assessment cover the range of sales values that could be achieved from new build development in the Borough. There may however be certain, high profile luxury developments where sales values may be in excess of those tested within the study and therefore any approach to considerations of viability in respect of schemes such as this should be carefully considered.
- 1.4 This analysis resulted in the formation of average sales values on a square metre basis across the Borough. The range of average values assumed was then applied to the indicative mix of units assumed in our appraisals. Wide variations in the values achieved for different unit types means that the mean value per square metre varies not only among value points but also varies according to density. The following tables set out the values per metre square assumed in each Value Points and for each notional site tested. Stakeholder engagement also confirmed that these values reflect the range of property values experience across the borough.

Appendix 1: Value Point Approach

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Value Point 1					
Density	5 Units	15 Units	50 Units	150 units	500 units
25dph	£2,699	£2,659	n/a	n/a	n/a
35dph	£2,339	£2,339	£2,339	£2,353	£2,330
40dph	£2,121	n/a	n/a	n/a	n/a
45dph	n/a	£2,067	n/a	n/a	n/a
50dph	n/a	n/a	£2,240	n/a	n/a

Value Point 2					
Density	5 Units	15 Units	50 Units	150 units	500 units
25dph	£2,403	£2,374	n/a	n/a	n/a
35dph	£2,204	£2,204	£2,204	£2,237	£2,241
40dph	£2,174	n/a	n/a	n/a	n/a
45dph	n/a	£2,189	n/a	n/a	n/a
50dph	n/a	n/a	£2,197	n/a	n/a

Value Point 3					
Density	5 Units	15 Units	50 Units	150 units	500 units
25dph	£2,068	£2,060	n/a	n/a	n/a
35dph	£2,097	£2,097	£2,097	£2,167	£2,182
40dph	£2,269	n/a	n/a	n/a	n/a
45dph	n/a	£2,348	n/a	n/a	n/a
50dph	n/a	n/a	£2,186	n/a	n/a

Average Values per m2 tested on each site to form the basis of the 'Value Point' approach.

- 1.1 The same information is presented on a per square foot basis as part of the following tables:

Value Point 1					
Density	5 Units	15 Units	50 Units	150 units	500 units
25dph	£251	£247	n/a	n/a	n/a
35dph	£217	£217	£217	£219	£216
40dph	£197	n/a	n/a	n/a	n/a
45dph	n/a	£192	n/a	n/a	n/a
50dph	n/a	n/a	£208	n/a	n/a

Value Point 2					
Density	5 Units	15 Units	50 Units	150 units	500 units
25dph	£223	£221	n/a	n/a	n/a
35dph	£205	£205	£205	£208	£208
40dph	£202	n/a	n/a	n/a	n/a
45dph	n/a	£203	n/a	n/a	n/a
50dph	n/a	n/a	£204	n/a	n/a

Value Point 3					
Density	5 Units	15 Units	50 Units	150 units	500 units
25dph	£192	£191	n/a	n/a	n/a
35dph	£195	£195	£195	£201	£203
40dph	£211	n/a	n/a	n/a	n/a
45dph	n/a	£218	n/a	n/a	n/a
50dph	n/a	n/a	£203	n/a	n/a

Average Values per sqft tested on each site to form the basis of the 'Value Point' approach.