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Our Ref: RM/JLM

1 April 2015

Dear Adrian

RE: CRAWLEY BOROUGH COUNCIL – LOCAL PLAN HEARINGS

Further to our recent discussions I note that you require a valuation update in respect of our previous Crawley figures which were submitted in June 2013.

I can concur that this is a sensible approach, as even anecdotally it is evident that there has been significant growth in the interim period. It was widely reported in the National Press recently that Crawley saw one of the biggest rise in house prices across the UK in 2014, outside of Central London. Crawley was third on the list behind Greenwich and Ealing at a percentage change over the year of some 22.4%.

These figures were based on research by the Halifax Building Society, leading to the Crawley News running the headline 'Average Crawley house is now worth £50,000 more than it was 12 months ago'.

Source:- Halifax Building Society, as reported in the Daily Telegraph 27 Dec 2014 and Crawley News Jan 2015.

If this percentage increase were simply applied to our 2013 figures, it would produce rates per sq m comfortably in the region of £3,500 to £4,900 per sq m.

To ensure a more robust and pragmatic approach however, I have undertaken some further market research.

Research by Zoopla has confirmed current average prices per sq m for Crawley at £3,120. This is across *all* property types and reflects *existing* stock. As you will be aware new build property tends to command a premium over and above existing stock.

There has been limited new build activity in Crawley itself in the intervening period, however I have considered the developments that have been undertaken as well as appropriate comparable developments from the surrounding areas. I have also sourced stakeholder consultation from the house builder companies active in the region.

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Perhaps the most pertinent scheme is the Buchans Mead development in Crawley, developed by Countryside Properties. This development is almost fully sold and Countryside have confirmed sales prices for some 30 houses during 2014 / 2015 ranging from £3,173 to £3,467 per sq m.

At Taylor Wimpey's Forge Wood Scheme (also Crawley), the Land and Planning Manager has confirmed recent sales typically ranging between £3,390 to £3,445 per sq m.

Miller Home's Burley Wood development at Crawley Down (Crawley Borough Council borders) is currently demonstrating values ranging from £3,500 to almost £3,800 per sq m, albeit a slightly more sought-after location.

Other new build schemes in the vicinity albeit outside the study area (Horsham and Mid Sussex) are generally demonstrating values from £3,200 to £3,700 per sq m, although again these are typically more sought-after locations.

We have discussed the area with various stakeholders including Countryside Homes, Taylor Wimpey, Cala Homes, Bloor Homes, Shanly Homes, Linden Homes, Crest Nicholson and Barrett Homes.

Interviewees were canvassed for their opinion as to achievable sales prices for the area as a whole. General sentiment indicated that in the more urbanised locations (e.g. Crawley) figures would be at the lower end of the spectrum, typically in the region of say £3,100 to £3,400 per sq m for new build stock.

To allow for an early response to your enquiry I have not tabulated all of my sales data or stakeholder interview notes but am happy to make these available upon request.

With regards to apartments, there has been limited activity within Crawley itself in terms of *new build* product. A recent scheme at "5 The Boulevard" in Crawley would suggest achievable figures in the region of £3,400 per sq m based on quoting prices with a deduction for negotiation and incentives and attributed to the average apartment size.

I have further researched the market through land registry data for new and nearly new / modern apartment stock within Crawley on the following table:-

APARTMENTS - CRAWLEY - MARCH / APRIL 2015 - UPDATE					
ADDRESS	BEDS	PRICE	DATE	SIZE	£ PER SQM
Flat 50, Commonwealth Drive, Three Bridges	2	£192,500	Dec-14	62	£3,105
Flat 74, Commonwealth Drive, Three Bridges	2	£198,000	Jan-15	68	£2,912
Flat 6, Onslow Court, Harewood Close	2	£178,500	Jan-15	54.2	£3,293
38 Millfield Court	1	£156,000	Jan-15	45	£3,467
Flat 52, Commonwealth Drive, Three Bridges	3	£234,000	Jan-15	59	£3,966
26 Chetwood Road	1	£129,000	Jan-15	34	£3,794
Flat 129, Commonwealth Drive, Three Bridges	1	£185,000	Jan-15	62	£2,983
Flat 2, Commonwealth Drive, Three Bridges	2	£196,000	Jan-15	62	£3,161
25 Hazelwick Mews	2	£195,000	Jan-15	59.4	£3,283
40 Bolton Road, Maidenbower	2	£195,000	Jan-15	59	£3,305
16 Connaught Gardens	1	£144,000	Feb-15	40	£3,600
24 Fenchurch Road, Maidenbower	2	£203,250	Feb-15	58	£3,504

With reference to all of the above data, I can confirm that a fair tone for Crawley as of today's date would be:-

SALES VALUES	Apt	2 Bed	3 Bed	4 Bed	5 Bed
£ / SQM	£3,400	£3,200	£3,200	£3,100	£3,100

I consider that these figures remain very much on the side of 'caution' and take a pragmatic view which is well within a margin of safety.

I understand that following a representation at the last Hearing session, further clarification and an update is required with reference to the agricultural land base value.

In this respect I can confirm that the latest RICS Rural Land Market Survey (to end December 2014) confirms a figure of approximately £20,000 per hectare as being a typical for the area. The RICS Rural Land Market Survey is a half-yearly survey produced through an extensive study of land transactions and interviews with agricultural agents active in each given location.

I trust you will find this brief report sufficient for your present purpose, however as usual, please feel free to contact me if I can provide any further information or append any more specific and detailed data.

Kind regards

Yours sincerely



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