

Appendix 7 – Existing Private Values Summary

CONFIDENTIAL

03 May 2012

Elephant & Castle

The Heygate Masterplan

Existing Residential Values



1. Introduction

1.1. Overview

This statement has been prepared by the specialist Affordable Housing team within the London Residential Development Department of Savills L&P. It is by way of an addendum to the indicative desktop Existing Use Valuation carried out in conjunction with the Viability Assessment provided for the Heygate Masterplan and focuses on establishing the value of existing private residential properties within the Heygate Estate assuming that it has been brought up to a habitable standard in line with the proposed works outlined in the cost plan prepared by Gardiner and Theobald.

1.2. Statement Limitations

This statement does not constitute part of a formal valuation report therefore, the opinions and values provided herein should not be relied upon for RICS 'Red Book' purposes.

1.3. Existing Residential Space

We understand from the information provided to us that the existing residential property within the application area extends to 62,542 sqm (673,196 sq ft).

2. Overview

2.1. Methodology

In undertaking our comparable research for the existing private residential units we have had consideration to market transactions, available space and the expert opinion of local agents.

Our advice is based on market evidence which has come into our possession from numerous sources. We cannot accept liability for any errors or omissions in third party information. That from other agents and valuers is given in good faith but without liability. It is often only provided in verbal form. Some comes from data bases such as the Land Registry or computer data bases to which we subscribe. In all cases, other than where we have had a direct involvement in the transaction, we are unable to warrant that the information on which we have relied is correct although we believe it to be so.

3. Evidence

3.1. Private Sales as provided by Net House Prices

The following table provides details of private sales within the vicinity of Heygate Estate since January 2009:

Unit Number	Address	Achieved Sales Price	Date
16	Coleridge House, Browning Street, SE17 1DG	£172,500	23/06/2011
20	Shelley House, Browning Street, SE17 1DF	£203,800	29/03/2011
20	Cowper House, Browning Street, SE17 1DD	£157,000	26/01/2011
19a	Browning Street, SE17 1LN	£222,000	12/03/2010
15	Barrett House, Browning Street, SE17 1DA	£160,000	14/12/2009
16	Coleridge House, Browning Street, SE17 1DG	£130,000	12/11/2009
1	66 Wansey Street, SE17 1JP	£152,500	07/06/2011
20	Garland Court, 26 Wansey Street, SE17 1LH	£245,000	23/04/2010
4	66 Wansey Street, SE17 1JP	£192,000	19/01/2010
29	Larcom Street, SE17 1NJ	£250,000	03/02/2012
57	Larcom Street, SE17 1NJ	£315,000	04/10/2010
24	Marnock House, Brandon Street, SE17 1EF	£152,000	17/02/2012
11	Marnock House, Brandon Street, SE17 1EF	£150,000	16/12/2010
15	Marnock House, Brandon Street, SE17 1EF	£158,000	10/12/2010
14	Newbolt House, Brandon Street, SE17 1AA	£125,000	30/04/2010
26	Newbolt House, Brandon Street, SE17 1AA	£161,000	18/09/2009
15	Charleston Street, SE17 1NG	£245,000	10/02/2012
9	Charleston Street SE17 1NG	£275,000	12/01/2012
45b	Charleston Street, SE17 1NG	£249,999	11/01/2011
9a	Charleston Street, SE17 1NG	£267,500	04/01/2010

The above data has been sourced from www.nethouseprices.com and therefore we cannot comment on the number of bedrooms, unit size, or condition of the properties.

However, the above data does provide a fairly consistent range of values, with all transactions ranging from £125,000 - £315,000, averaging c.£200,000.

3.2. Available Properties

The following ex-local authority properties are currently on the market within the SE17 postcode:

Address	Beds	Floor	Area (sq ft)	Asking Price (£)	Achieved £/sq ft
Brandon Street	1	Fifth	471	£155,000	£329
Orb Street	1	Third	422	£145,000	£344
Borrett Close	1	Second	483	£210,000	£435
Beckway Street	1	First	467	£197,000	£422
Congreve Street	2	Ground / First	624	£224,995	£361
Beckway Street	2	Ground	553	£215,000	£389
Wesley Close	3	Ground	767	£285,000	£372
Lorrimore Square	4	Ground / First	785	£260,000	£331
AVERAGE					£370

As detailed in the above table, the asking prices of ex-local authority properties within SE17 range from £145,000 to £285,000 for one to four bedroom properties. The average value equates to £370/sq ft.

The following sections provide further detail of the above comparables:

3.2.1. Brandon Street



This fifth floor one bedroom property extends to approximately 471 sq ft (43.8sqm) and is currently being marketed for £155,000 which equates to £329/sq ft. The property is within a secure courtyard development and has been refurbished throughout.

3.2.2. Orb Street



This third floor one bedroom property extends to approximately 422sq ft (39.2sqm) and is currently being marketed for £145,000 which equates to £344/sq ft. The property is within a well maintained block, but is in need of updating.

3.2.3. Borrett Close



This second floor one bedroom property extends to approximately 483sq ft (44.8sqm) and is currently being marketed for £210,000 which equates to £435/sq ft. The property, subject to landlord's consent and planning permission, has the potential for extension into the loft void.

3.2.4. Beckway Street



This first floor one bedroom property extends to approximately 467sq ft (43.4sqm) and is currently being marketed for £197,000 which equates to £422/sq ft. The property benefits from views onto landscaped parkland and has a private terrace. The property has also been recently refurbished to a good specification.

3.2.5. Congreve Street



This two bedroom split level maisonette is located over ground and first floors and extends to approximately 624sq ft (58.0sqm) and is currently being marketed for £224,995 which equates to £361/sq ft. According to the particulars the property is in good condition.

3.2.6. Beckway Street



This ground floor two bedroom property extends to approximately 553sq ft (51.4sqm) and has an asking price of £215,000 which equates to £389/sq ft. The property requires complete refurbishment, which is reflected in the price. The property has the benefit of front and rear gardens.

3.2.7. Wesley Close



This ground floor three bedroom property extends to approximately 767sq ft (71.3sqm) and is currently being marketed for £285,000 which equates to £372/sq ft. The property requires complete refurbishment, which is reflected in the price. The property has three double bedrooms and benefits from a private courtyard garden, however, is in need of updating.

3.2.8. Lorrimore Square



This four bedroom split level is located over ground and first floors and extends to approximately 785sq ft (72.9sqm) and is currently being marketed for £260,000 which equates to £331/sq ft. The property is in need of updating.

4. Conclusions

We have had regard to the location, size and specification of the comparable evidence detailed above and analysed the information with a view to establishing what prices could be achieved on the existing residential properties assuming that it is brought up to a habitable standard.

Much of the comparable stock in the immediate location is in need of updating, given that the indicative desktop existing use valuation assumes that the residential units will be updated/refurbished we have assumed that they would command a slight premium on the existing ex local authority units currently on the market.

Given the evidence above we have assumed the following within the Existing Use Valuation:

Unit Type	Unit Size (Assumption)	Anticipated Value
1 Bed	48sq m	£170,000 (£329sq ft)
2 Bed	60sq m	£220,000 (£340sq ft)
3 Bed	74sq m	£250,000 (£314sq ft)
4 Bed	90sq m	£280,000 (£289sq ft)