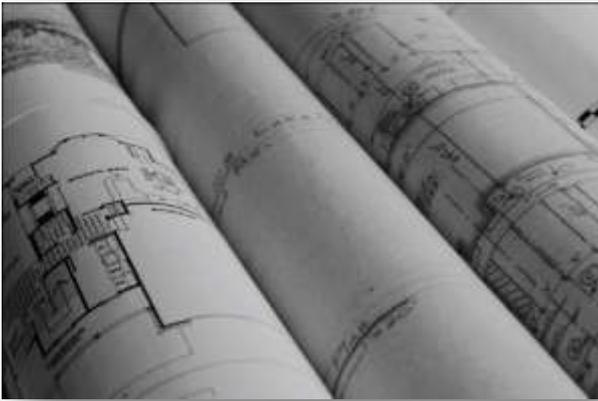




London Borough of Merton

Housing Values Information Update
August 2011

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1 Introduction & Purpose

- 1.1.1 This paper summarises the residential property values research that has been carried out in July 2011. It was carried out by Richard Dixon BSc(Hons) MRICS and Rob Searle BSc(Hons) MSc of Dixon Searle Partnership (DSP).
- 1.1.2 The purpose of this paper is to refresh the research carried out in August 2009 in the background to the Council's Affordable Housing Viability Study (completed March 2010) to provide the Council with an updated view of residential values in the Borough.
- 1.1.3 This will contribute to informing and supporting the Council's implementation of its new Core Strategy policy approach to planning led affordable housing.
- 1.1.4 For this property values review the following pages outline the information we have collected from:
- Desktop review of new build residential property being marketed at July 2011.
 - Revisited research of currently available property to renew the local overall market view – using internet search site 'RightMove'.
 - The updated overall local market research.
 - Land Registry House Price Index view of house price trends since 2005 (for wider housing market conditions and price movements context) – enabling comparison between values seen at August 2009 (the previous research point) and the latest information published at the point of completing this values update – source: www.landregistry.gov.uk.
 - 'RightMove' house price index view (national picture) – another indicator of house price trends – source .
 - DCLG mean house price data from Quarter 1 1996 to Quarter 1 2011.
- 1.1.5 For each of the indices reviewed we summarise what these data sources suggest in terms of trends and the house price levels seen around August 2009 compared with latest available data (which varies in its currency from Q1 2011 to July 2011 depending on the source). All sources are quoted.

1.1.6 Next a brief overview of the findings from this review will be provided; followed by the data and elements of analysis considered.

2 Values Update Findings - Overview

2.1.1 In summary, this review of values for LB Merton indicates the following:

- Refreshed RightMove web-based research indicates little overall change in values patterns (how values vary by locality within the Borough) or house price levels between August 2009 and July 2011. House prices locally appear to be very slightly ahead of where they were approximately 2 years ago. However, this needs to be viewed cautiously as when it comes to detail the relative picture depends on property type and locality. A table showing the difference in prices between the 2009 study and this review is shown on Page 19.
- Looking only at the various house prices indices considered in this update, it is possible to conclude that values are now higher than they were in August 2009 when the Council's affordable housing viability work was researched. However, the RightMove and DCLG indices do not produce a smooth curve and house price movements can vary greatly from one month to the next, dependant on the data set. The Land Registry Index methodology smooths that effect out considerably. While it too appears to support a case for values now being higher than there August 2009 levels, the economic backdrop is still relatively weak and ongoing market uncertainty, allied to very recent signs of potentially steadily falling prices again to some degree, adds to the view that local house prices are approximately the same as they were at the point of the last research.
- The detail behind this overview is provided below.
- On balance we are of the opinion that there has been no real change in house price levels, when comparing these 2 points in time, although movement has occurred both up and down within the intervening period; there are similarities between the 2 sets of research.
- The range of Values Points covering new build housing values at £2,500 to £7,000 per square metre (approximately £232 to £650 per square foot) remains relevant and a sound representation of what will be seen in the vast majority of new build instances locally. Within those values, the middle parts of the range remain the most relevant to typical value levels for new builds seen in the Borough (as demonstrated by the pricing of the smaller range of schemes noted for this update). The previously observed overall average marketing price level of £4,600 - £4,700 per sq m does not look out of place alongside the new build information recently gathered.
- Instances of values at the lower end of the range will be seen, as noted in the case of a Mitcham development where some homes are currently being marketed at relatively low prices in the context of this Borough.

- Conversely, we also noted an example of a Colliers Wood new build at more typical values for the Borough, rather than lower end. This goes to show that site specifics will continue to be very varied.
- This overview leaves the 'Value Points' as previous (March 2010 Affordable Housing Viability Study), and as confirmed by the following:

Value Point / Property Type	1-Bed Flat (50m ²)	2-Bed Flat (67m ²)	3-Bed Flat (90m ²)	2-Bed House (85m ²)	3-Bed House (100m ²)	4-Bed House (100m ²)	Guide range – £ per sq m
Value Point 1	£125,000	£167,500	£225,000	£187,500	£212,500	£250,000	£2,500
Value Point 2	£162,500	£217,750	£292,500	£243,750	£276,250	£325,000	£3,250
Value Point 3	£200,000	£268,000	£360,000	£300,000	£340,000	£400,000	£4,000
Value Point 4	£237,500	£318,250	£427,500	£356,250	£403,750	£475,000	£4,750
Value Point 5	£275,000	£368,500	£495,000	£412,500	£467,500	£550,000	£5,500
Value Point 6	£312,500	£418,750	£562,500	£468,750	£531,250	£625,000	£6,250
Value Point 7	£350,000	£469,000	£630,000	£525,000	£595,000	£700,000	£7,000

2.1.2 The Council's Affordable Housing Viability study provides further background. The range of price indications within this grid is based on the dwelling sizes assumed for that study. The per sq m sales value rates can be applied to properties of varying sizes.

3 New Build Values Review

- 3.1.1 The following is not an exhaustive search but is a renewed look at schemes which have either been recently completed or are under construction; where marketing was taking place at July 2011. It was a desktop exercise to consider the pricing of currently available new build housing in the Borough (July 2011).
- 3.1.2 As previously, the information available on such properties varies, so the following table has been compiled based on readily available information via desktop internet research.
- 3.1.3 In the following table we list the new build properties found on this basis. The unit sizes are included / approximated either where that information was provided or could be estimated from floor plans or other indications found with the online details of the properties.
- 3.1.4 The marketing price is adjusted by varying percentages purely to illustrate how that price level could look in the event of a falling market – prices coming down from current levels (price less 20%); adjusted from marketing price (less 10% representing around the maximum difference generally seen between marketing and sales prices); rising market (plus 10% from current asking price levels). The exercise helps to develop a feel for how the current new build pricing levels could be seen to vary depending on potential ongoing market movements.

New Build Schemes Research July 2011:

Address	Description	Marketing Price	Size (m2)	Price per m2	Price Less 20%	Price Less 10%	Price Plus 10%	Developer / Agent
Colliers Wood								
Houses								
Grove Road, SW19	2 bed terraced	£322,500	70.0	£4,607	£3,686	£4,146	£5,068	Lauristons
Average								
Copse Hill / Cottenham Park								
Flats								
Barnes House, Trinity Place	1 bed flat	£244,950	47.4	£5,170	£4,136	£4,653	£5,687	St James Homes, Lauristons
Average								
Houses								
39 & 41 Oakwood Road, Cottenham Park	4 bed townhouse	£995,000	217.4	£4,576	£3,661	£4,119	£5,034	Coombe Residential
	4 bed townhouse	£945,000	217.4	£4,346	£3,477	£3,912	£4,781	
Average		£970,000	217.4	£4,461	£3,569	£4,015	£4,908	
Merton Park								
Flats								
Parkview Court, 11 St George Square	2 bed flat	£300,000	Not known					John D Wood
Average								
Mitcham								
Houses								
Rowan Park, Rowan Road	4 bed terraced	£350,000	122.0	£2,869	£2,295	£2,582	£3,156	Crest Nicholson
	3 bed terraced	£285,000	88.0	£3,239	£2,591	£2,915	£3,563	
	3 bed terraced	£285,000	88.0	£3,239	£2,591	£2,915	£3,563	
	3 bed terraced	£280,000	86.0	£3,256	£2,605	£2,930	£3,581	
	3 bed terraced	£280,000	86.0	£3,256	£2,605	£2,930	£3,581	
	2 bed terraced	£245,000	77.0	£3,182	£2,545	£2,864	£3,500	
	2 bed terraced	£240,000	77.0	£3,117	£2,494	£2,805	£3,429	
Lilian Road	4 bed terraced	£314,950	99.3	£3,172	£2,537	£2,855	£3,489	Barnard Marcus
	4 bed terraced	£299,950	99.3	£3,021	£2,417	£2,719	£3,323	
Baker Lane	4 bed terraced	£350,000	95.0	£3,684	£2,947	£3,316	£4,053	Barnard Marcus
Average		£292,990	91.8	£3,203	£2,563	£2,883	£3,524	
Flats								

Address	Description	Marketing Price	Size (m2)	Price per m2	Price Less 20%	Price Less 10%	Price Plus 10%	Developer / Agent
London Road	3 bed flat	£230,000	106.0	£2,170	£1,736	£1,953	£2,387	Foxtons
	3 bed flat	£230,000	106.0	£2,170	£1,736	£1,953	£2,387	
	3 bed flat	£225,000	106.0	£2,123	£1,698	£1,910	£2,335	
	3 bed flat	£225,000	106.0	£2,123	£1,698	£1,910	£2,335	
Bruce Road	1 bed flat	£199,950	40.0	£4,999	£3,999	£4,499	£5,499	Goodfellows, Land & New Homes
Average		£221,990	92.8	£2,717	£2,173	£2,445	£2,988	
Raynes Park								
Houses								
The Pavilions, Greenview Drive (ready Sept 2011)	4 bed townhouse	£770,000	Not known					Robert Holmes & Co
	4 bed townhouse	£770,000						
	4 bed townhouse	£770,000						
	4 bed townhouse	£770,000						
	4 bed townhouse	£770,000						
	4 bed townhouse	£770,000						
	4 bed townhouse	£770,000						
	4 bed townhouse	£770,000						
	4 bed townhouse	£770,000						
	4 bed townhouse	£770,000						
119, Grand Drive	4 bed semi	£585,000	141.6	£4,132	£3,305	£3,719	£4,545	Bellway Homes
	4 bed semi	£580,000	141.6	£4,097	£3,277	£3,687	£4,506	
	4 bed semi	£580,000	141.6	£4,097	£3,277	£3,687	£4,506	
	4 bed semi	£575,000	141.6	£4,061	£3,249	£3,655	£4,467	
Average		£715,714	141.6	£4,097	£3,277	£3,687	£4,506	
Flats								
119, Grand Drive	3 bed flat	£342,000						Bellway Homes
	1 bed flat	£224,995	45.5	£4,943	£3,954	£4,448	£5,437	
St Catherine Square, Grand Drive	2 bed flat	£285,000	61.0	£4,672	£3,738	£4,205	£5,139	Bewley Homes & Hamptons International
	2 bed flat	£280,000	61.0	£4,590	£3,672	£4,131	£5,049	
	2 bed flat	£280,000	61.0	£4,590	£3,672	£4,131	£5,049	
	2 bed flat	£280,000	61.0	£4,590	£3,672	£4,131	£5,049	
	2 bed flat	£280,000	61.0	£4,590	£3,672	£4,131	£5,049	
	2 bed flat	£280,000	61.0	£4,590	£3,672	£4,131	£5,049	
	2 bed flat	£275,000	61.0	£4,508	£3,607	£4,057	£4,959	
	2 bed flat	£275,000	61.0	£4,508	£3,607	£4,057	£4,959	
	2 bed flat	£275,000	61.0	£4,508	£3,607	£4,057	£4,959	
	2 bed flat	£265,000	61.0	£4,344	£3,475	£3,910	£4,779	
	2 bed flat	£265,000	61.0	£4,344	£3,475	£3,910	£4,779	
	2 bed flat	£250,000	61.0	£4,098	£3,279	£3,689	£4,508	
	1 bed flat	£235,000	47.0	£5,000	£4,000	£4,500	£5,500	

Address	Description	Marketing Price	Size (m2)	Price per m2	Price Less 20%	Price Less 10%	Price Plus 10%	Developer / Agent
	1 bed flat	£220,000	47.0	£4,681	£3,745	£4,213	£5,149	
	1 bed flat	£220,000	47.0	£4,681	£3,745	£4,213	£5,149	
	1 bed flat	£215,000	47.0	£4,574	£3,660	£4,117	£5,032	
	1 bed flat	£215,000	47.0	£4,574	£3,660	£4,117	£5,032	
	1 bed flat	£210,000	47.0	£4,468	£3,574	£4,021	£4,915	
	1 bed flat	£210,000	47.0	£4,468	£3,574	£4,021	£4,915	
	1 bed flat	£199,950	44.0	£4,544	£3,635	£4,090	£4,999	
Average		£253,725	54.8	£4,565	£3,652	£4,109	£5,022	
South Wimbledon								
Flats								
Trinity Lodge, 3-5 Trinity Road	2 bed flat	£385,000	65.0	£5,923	£4,738	£5,331	£6,515	Mizen Group/Blueprint Properties
	2 bed flat	£380,000	64.0	£5,938	£4,750	£5,344	£6,531	
	2 bed flat	£390,000	66.0	£5,909	£4,727	£5,318	£6,500	
	2 bed flat	£375,000	62.0	£6,048	£4,839	£5,444	£6,653	
	2 bed flat	£380,000	64.0	£5,938	£4,750	£5,344	£6,531	
	2 bed flat	£390,000	66.0	£5,909	£4,727	£5,318	£6,500	
	2 bed flat	£385,000	65.0	£5,923	£4,738	£5,331	£6,515	
	2 bed flat	£380,000	62.0	£6,129	£4,903	£5,516	£6,742	
	2 bed flat	£385,000	64.0	£6,016	£4,813	£5,414	£6,617	
	2 bed flat	£395,000	66.0	£5,985	£4,788	£5,386	£6,583	
	2 bed flat	£390,000	65.0	£6,000	£4,800	£5,400	£6,600	
	2 bed flat	£470,000	76.0	£6,184	£4,947	£5,566	£6,803	
	3 bed flat	£575,000	100.0	£5,750	£4,600	£5,175	£6,325	
	3 bed flat	£750,000	128.0	£5,859	£4,688	£5,273	£6,445	
Average		£430,714	72.4	£5,965	£4,772	£5,369	£6,562	

4 Resale Values Review

- 4.1.1 The outcomes of the exercise we carried out to refresh this element of the research are set out in the following tables, by locality within the Borough – again to follow the format of the Council’s Affordable Housing Viability Study research.
- 4.1.2 Where a property type did not generally exist (for example 1-bed houses; 4-bed flats) table entries ‘n/a’ are seen.
- 4.1.3 Dashes (-) indicate no data available (i.e. no property of that type found) in those localities.
- 4.1.4 For this review, 3-bedroom flats / apartments have been included (they were not included previously).
- 4.1.5 High value properties have again been separated out. This is because they have the effect of pulling up the average values and the picture of the more typical values in most localities, sometimes significantly. We considered it more appropriate to continue the previous research approach by presenting the RightMove data we found on those properties separately. The inclusion of these as part of a single data set in within the RightMove index average price figures (as above) means that the average prices seen in that are higher than those within these refreshed research tables (which exclude the high value properties separately tabled).
- 4.1.6 The High Value Property Thresholds we have used at July 2011) are as follows:
- | | |
|-------------|----------|
| 4 bed house | £800,000 |
| 3 bed house | £600,000 |
| 2 bed house | £500,000 |
| 3 bed flat | £500,000 |
| 2 bed flat | £400,000 |
| 1 bed flat | £300,000 |
- 4.1.7 There has been no defined cut off for these high value properties, the are based purely and subjectively on observation of unusually high values for a particular unit type and area (obviously in reality this will alter with location).

4.1.8 The resulting tables of this rightmove source data by locality within the Borough (based on the same 12 localities as considered within the Council's Affordable Housing Viability Study) are set out on the following pages.

Bushey Mead

(36 properties)

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	£550,000
Semi-Detached	n/a	-	£519,475	-
Terraced	n/a	-	£382,109	£304,950
Flats	£202,664	£240,725	£199,950	n/a
High Value Houses	n/a	-	-	-
High Value Flats	-	-	-	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£202,664	£149,950	£197,475	£207,000	£212,500	£225,000
2-Bed Flats	£240,725	£219,950	£234,988	£241,500	£247,238	£259,950
3-Bed Flats	£199,950	£199,950	£199,950	£199,950	£199,950	£199,950
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£397,372	£285,000	£359,238	£392,475	£415,000	£539,000
4-Bed Houses	£427,475	£304,950	£366,213	£427,475	£488,738	£550,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

July 2011, www.rightmove.co.uk

Colliers Wood**(351 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	-
Semi-Detached	n/a	£305,283	£363,839	£521,633
Terraced	n/a	£310,796	£314,890	£364,972
Flats	£183,865	£235,749	£252,475	n/a
High Value Houses	n/a	-	-	-
High Value Flats	-	-	-	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£183,865	£99,950	£159,950	£186,975	£213,500	£250,000
2-Bed Flats	£235,749	£125,000	£200,000	£234,975	£259,950	£349,950
3-Bed Flats	£252,475	£150,000	£169,988	£292,475	£309,950	£325,000
2-Bed Houses	£310,472	£145,000	£264,950	£299,950	£354,975	£495,000
3-Bed Houses	£321,095	£189,950	£249,950	£299,950	£369,975	£549,950
4-Bed Houses	£389,708	£270,000	£337,475	£365,000	£472,500	£565,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

July 2011, www.rightmove.co.uk**Copse Hill****(13 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£542,500	£699,967
Semi-Detached	n/a	-	-	-
Terraced	n/a	-	-	-
Flats	-	-	-	n/a
High Value Houses	n/a	-	£792,483	£995,000
High Value Flats	£349,950	-	-	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	-	-	-	-	-	-
2-Bed Flats	-	-	-	-	-	-
3-Bed Flats	-	-	-	-	-	-
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£542,500	£500,000	£521,250	£542,500	£563,750	£585,000
4-Bed Houses	£699,967	£600,000	£674,975	£749,950	£749,950	£749,950
High Value Houses	£821,414	£679,950	£714,975	£825,000	£910,000	£995,000
High Value Flats	£349,950	£349,950	£349,950	£349,950	£349,950	£349,950

July 2011, www.rightmove.co.uk

Cottenham Park**(53 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	£735,000
Semi-Detached	n/a	-	£524,990	£749,817
Terraced	n/a	£460,000	£499,950	£667,500
Flats	£244,981	£321,985	£409,950	n/a
High Value Houses	n/a	-	£718,333	£1,038,750
High Value Flats	£399,950	-	-	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£244,981	£205,000	£219,987	£239,950	£275,000	£285,000
2-Bed Flats	£321,985	£275,000	£302,463	£320,000	£342,500	£359,950
3-Bed Flats	£409,950	£379,950	£389,950	£399,950	£424,950	£449,950
2-Bed Houses	£460,000	£460,000	£460,000	£460,000	£460,000	£460,000
3-Bed Houses	£520,817	£499,950	£499,962	£512,500	£543,750	£550,000
4-Bed Houses	£714,383	£625,000	£625,000	£749,500	£750,000	£795,000
High Value Houses	£974,667	£640,000	£857,500	£875,000	£1,095,000	£1,600,000
High Value Flats	£399,950	£399,950	£399,950	£399,950	£399,950	£399,950

July 2011, www.rightmove.co.uk**Merton Park****(118 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	-
Semi-Detached	n/a	£335,000	£469,660	£618,669
Terraced	n/a	£349,872	£450,675	£542,929
Flats	£212,018	£267,629	£301,648	n/a
High Value Houses	n/a	-	£652,980	£1,202,790
High Value Flats	£320,000	£450,000	-	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£212,018	£159,950	£194,950	£205,000	£229,475	£275,000
2-Bed Flats	£267,629	£169,950	£271,250	£283,975	£297,500	£310,000
3-Bed Flats	£301,648	£289,950	£289,973	£289,995	£307,498	£325,000
2-Bed Houses	£348,385	£279,950	£327,500	£354,475	£374,961	£415,000
3-Bed Houses	£458,811	£320,000	£417,500	£469,950	£500,000	£599,950
4-Bed Houses	£567,166	£379,950	£475,000	£595,000	£649,950	£799,500
High Value Houses	£927,885	£619,950	£650,000	£770,000	£1,167,500	£1,699,950
High Value Flats	£385,000	£320,000	£352,500	£385,000	£417,500	£450,000

July 2011, www.rightmove.co.uk

Mitcham**(399 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£310,000	£559,950
Semi-Detached	n/a	£219,950	£292,385	£408,308
Terraced	n/a	£222,827	£256,664	£333,637
Flats	£144,534	£182,919	£196,909	n/a
High Value Houses	n/a	-	-	-
High Value Flats	-	-	-	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£144,534	£72,500	£129,950	£145,498	£156,238	£214,950
2-Bed Flats	£182,919	£115,000	£159,950	£175,000	£212,475	£299,950
3-Bed Flats	£196,909	£140,000	£169,725	£199,950	£227,475	£249,950
2-Bed Houses	£222,621	£159,950	£204,950	£232,500	£248,713	£255,000
3-Bed Houses	£260,767	£174,995	£234,963	£250,000	£279,950	£415,000
4-Bed Houses	£351,862	£244,950	£299,950	£339,950	£384,950	£725,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

July 2011, www.rightmove.co.uk**Morden****(293 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£356,650	-
Semi-Detached	n/a	£229,967	£326,982	£413,308
Terraced	n/a	£233,713	£286,678	£355,780
Flats	£157,975	£190,617	£233,240	n/a
High Value Houses	n/a	-	-	-
High Value Flats	-	-	-	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£157,975	£130,000	£148,734	£159,975	£169,963	£179,950
2-Bed Flats	£190,617	£125,000	£175,000	£189,950	£212,213	£227,000
3-Bed Flats	£233,240	£200,000	£219,950	£235,000	£243,749	£277,500
2-Bed Houses	£233,326	£200,000	£225,000	£230,000	£240,000	£287,950
3-Bed Houses	£298,986	£185,000	£268,713	£299,950	£331,238	£450,000
4-Bed Houses	£365,368	£264,950	£318,713	£364,950	£402,488	£525,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

July 2011, www.rightmove.co.uk

Motspur Park**(64 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	-
Semi-Detached	n/a	-	£373,990	£432,790
Terraced	n/a	£295,000	£349,914	£403,969
Flats	£208,989	£220,195	£216,211	n/a
High Value Houses	n/a	-	-	-
High Value Flats	-	-	-	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£208,989	£199,950	£205,000	£210,000	£210,000	£219,995
2-Bed Flats	£220,195	£187,500	£197,450	£210,000	£239,950	£279,950
3-Bed Flats	£216,211	£199,950	£199,950	£207,473	£223,734	£249,950
2-Bed Houses	£295,000	£295,000	£295,000	£295,000	£295,000	£295,000
3-Bed Houses	£353,562	£299,950	£329,000	£350,000	£370,000	£419,000
4-Bed Houses	£418,380	£359,000	£392,484	£404,950	£440,000	£515,000
High Value Houses	-	-	-	-	-	-
High Value Flats	-	-	-	-	-	-

July 2011, www.rightmove.co.uk**Raynes Park****(303 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	£599,950	£550,000
Semi-Detached	n/a	£332,500	£477,488	£638,173
Terraced	n/a	£394,505	£434,581	£639,194
Flats	£229,731	£283,522	£373,063	n/a
High Value Houses	n/a	£541,238	£681,113	£909,970
High Value Flats	-	£445,679	-	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£229,731	£163,950	£214,950	£225,000	£239,950	£299,950
2-Bed Flats	£283,522	£163,000	£245,000	£279,999	£320,000	£395,000
3-Bed Flats	£373,063	£265,000	£314,988	£368,500	£434,963	£499,950
2-Bed Houses	£392,367	£329,950	£389,950	£395,995	£405,000	£445,000
3-Bed Houses	£447,662	£265,000	£388,713	£430,000	£499,950	£599,950
4-Bed Houses	£636,404	£400,000	£575,000	£612,475	£770,000	£795,000
High Value Houses	£715,512	£515,000	£615,000	£650,000	£849,950	£1,100,000
High Value Flats	£445,679	£419,950	£427,475	£439,950	£452,475	£499,950

July 2011, www.rightmove.co.uk

South Wimbledon**(350 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	£750,000
Semi-Detached	n/a	£454,950	£510,000	£709,990
Terraced	n/a	£416,416	£519,963	£616,949
Flats	£217,192	£315,203	£370,725	n/a
High Value Houses	n/a	£535,980	£643,161	£942,479
High Value Flats	£323,475	£470,000	£622,483	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£217,192	£149,000	£180,000	£212,500	£249,950	£299,950
2-Bed Flats	£315,203	£175,000	£259,988	£319,975	£367,488	£399,950
3-Bed Flats	£370,725	£205,000	£317,213	£393,475	£441,200	£500,000
2-Bed Houses	£418,251	£219,950	£396,238	£427,475	£449,988	£499,950
3-Bed Houses	£519,731	£339,950	£499,950	£539,950	£565,000	£599,950
4-Bed Houses	£631,540	£390,000	£559,950	£625,000	£725,000	£799,950
High Value Houses	£741,739	£515,000	£622,250	£650,000	£862,475	£1,250,000
High Value Flats	£524,908	£309,000	£365,000	£575,000	£635,000	£750,000

July 2011, www.rightmove.co.uk**Wimbledon****(210 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	£411,609	£575,800	£741,000
Semi-Detached	n/a	£446,414	-	-
Terraced	n/a	£352,222	-	-
Flats	£257,740	£352,222	£446,414	n/a
High Value Houses	n/a	£646,106	£1,118,817	£1,776,359
High Value Flats	£368,980	£553,584	£870,206	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£257,740	£155,000	£239,950	£255,975	£295,000	£299,950
2-Bed Flats	£352,222	£275,000	£327,500	£359,950	£375,000	£399,950
3-Bed Flats	£446,414	£329,950	£425,000	£475,000	£485,000	£499,950
2-Bed Houses	£411,609	£289,950	£349,950	£425,000	£477,000	£499,950
3-Bed Houses	£575,800	£559,000	£565,000	£585,000	£585,000	£585,000
4-Bed Houses	£736,279	£599,950	£690,000	£785,000	£795,000	£799,000
High Value Houses	£1,383,358	£535,000	£786,250	£1,097,500	£1,950,000	£3,250,000
High Value Flats	£640,424	£305,000	£449,975	£540,000	£730,000	£1,750,000

July 2011, www.rightmove.co.uk

Wimbledon Park**(90 properties)**

	1 Bed	2 Bed	3 Bed	4 Bed
Detached	n/a	-	-	£737,500
Semi-Detached	n/a	-	£557,480	£687,825
Terraced	n/a	£374,983	-	-
Flats	£237,463	£332,632	£374,983	n/a
High Value Houses	n/a	£547,983	£685,000	£1,889,000
High Value Flats	£326,617	£560,485	£836,650	n/a

	Overall Average	Minimum	1st Quartile	Median	3rd Quartile	Maximum
1-Bed Flats	£237,463	£170,000	£184,963	£239,950	£292,450	£299,950
2-Bed Flats	£332,632	£269,950	£310,000	£325,000	£365,000	£395,000
3-Bed Flats	£374,983	£300,000	£314,975	£329,950	£412,475	£495,000
2-Bed Houses	-	-	-	-	-	-
3-Bed Houses	£557,480	£499,950	£530,000	£570,000	£586,250	£599,950
4-Bed Houses	£692,793	£565,000	£649,988	£696,750	£727,500	£795,000
High Value Houses	£1,266,448	£459,950	£625,000	£900,000	£1,737,500	£3,400,000
High Value Flats	£568,416	£319,950	£442,500	£560,000	£706,213	£975,000

July 2011, www.rightmove.co.uk

4.1.9 In order to then consider how the above picture compared with that seen in August 2009 at the viability study research point, the following overview and comparison tables have been compiled.

4.1.10 The current ranking of average values by locality is indicated on the far left; the 2009 ranking for these localities is within the far right column. We can see that there is a high level of similarity between these 2 sets of rankings.

4.1.11 The findings, when compared with the previous data from 2009 (see the yellow bands at the base of these tables) are that:

- The rankings stay the same except that South Wimbledon has moved up from 8th to 6th and Morden/Colliers Wood have changed places.
- At £314,532, the average asking price, viewed overall (for 'All Properties' – i.e. all property types) is just £4,196 higher than that which was seen through similar research in August 2009 (£310,336).
- Looking at the averages for individual property types we can see very similar price levels in most cases, as that overview would suggest.

Average Asking Prices Analysis									No. of properties July 2011	Rank Aug 2009
2011 rank	Locality	1 Bed Flats	2 Bed Flats	3 Bed Flats	2 Bed Houses	3 Bed Houses	4 Bed Houses	All Properties		
1	Copse Hill	-	-	-	-	£542,500	£699,967	£636,980	13	1
2	Wimbledon Park	£237,463	£332,632	£374,983	-	£557,480	£692,793	£502,967	90	2
3	Cottenham Park	£244,981	£321,985	£409,950	£460,000	£520,817	£714,383	£443,889	53	3
4	Merton Park	£212,018	£267,629	£301,648	£348,385	£458,811	£567,166	£400,014	118	4
5	Wimbledon	£257,740	£352,222	£446,414	£411,609	£575,800	£736,279	£379,115	210	5
6	South Wimbledon	£217,192	£315,203	£370,725	£418,251	£519,731	£631,540	£377,582	350	8
7	Raynes Park	£229,731	£283,522	£373,063	£392,367	£447,662	£636,404	£363,823	303	6
8	Motspur Park	£208,989	£220,195	£216,211	£295,000	£353,562	£418,380	£319,973	64	7
9	Bushey Mead	£202,664	£240,725	£199,950	-	£397,372	£427,475	£316,661	36	9
10	Morden	£157,975	£190,617	£233,240	£233,326	£298,986	£365,368	£271,761	293	11
11	Colliers Wood	£183,865	£235,749	£252,475	£310,472	£321,095	£389,708	£260,464	351	10
12	Mitcham	£144,534	£182,919	£196,909	£222,621	£260,767	£351,862	£229,346	399	12
-	Overall	£200,124	£259,043	£289,916	£337,388	£344,070	£527,091	£314,532	2,280	

4.1.12 The July 2011 picture relating to high value properties over the above threshold values is as follows:

Average Asking Prices Analysis - High Value Properties				
Rank	Settlement	Flats	Houses	All Properties
1	Wimbledon	£640,424	£1,383,358	£1,015,237
2	Wimbledon Park	£568,416	£1,266,448	£956,211
3	Cottenham Park	£399,950	£974,667	£938,747
4	Merton Park	£385,000	£927,885	£837,404
5	Copse Hill	£349,950	£821,414	£762,481
6	South Wimbledon	£524,908	£741,739	£677,675
7	Raynes Park	£445,679	£715,512	£636,810
8	Bushey Mead	-	-	-
9	Colliers Wood	-	-	-
10	Mitcham	-	-	-
11	Morden	-	-	-
12	Motspur Park	-	-	-
-	Overall	£587,173	£1,074,380	£889,979
Average Asking Price Analysis - High Value Properties				
1 Bed Flat		£345,903		
2 Bed Flat		£517,812		
3 Bed Flat		£737,555		
2 Bed House		£585,893		
3 Bed House		£812,486		
4 Bed House		£1,428,891		

4.1.13 By now bringing in a reminder of the August 2009 research prices tables for the localities (for ease of reference) these can be compared with the above equivalent July 2011 table; as follows:

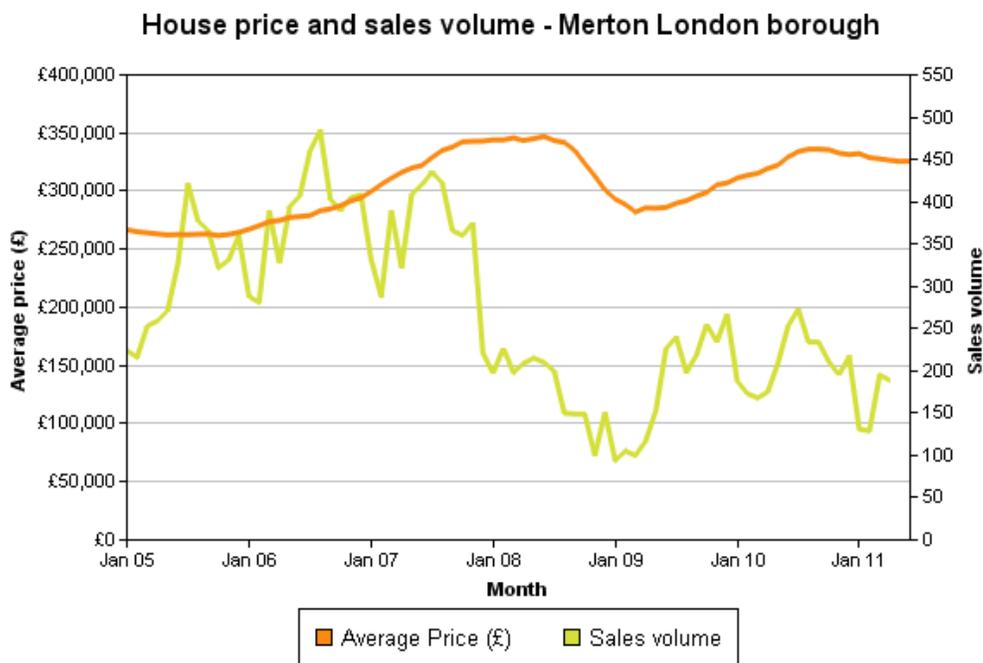
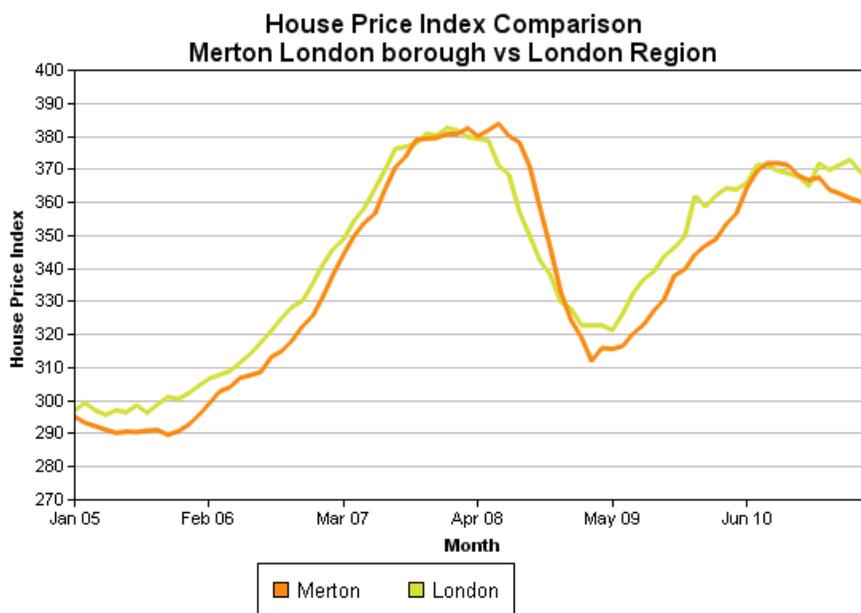
Prices August 2009 (to enable comparisons with current, these have been ordered to match the 2011 rankings):

Average Asking Prices Analysis								
Rank	Settlement	1 Bed Flats	2 Bed Flats	3 bed flats not included in 2009	2 Bed House	3 Bed House	4 Bed House	All Properties
1	Copse Hill	-	-	n/a	-	£536,650	£469,950	£519,975
2	Wimbledon Park	£248,300	£299,375	n/a	£229,950	£467,669	£625,612	£474,618
3	Cottenham Park	£174,950	£318,308	n/a	-	£485,925	£562,136	£450,325
4	Merton Park	£190,500	£208,311	n/a	£299,000	£449,735	£529,990	£409,332
5	Wimbledon	£264,094	£391,455	n/a	£442,114	£535,853	£631,880	£399,716
8	South Wimbledon	£220,673	£305,138	n/a	£405,164	£432,058	£606,213	£311,886
6	Raynes Park	£198,172	£250,777	n/a	£335,856	£439,976	£521,154	£349,565
7	Motspur Park	£175,817	£207,189	n/a	£261,667	£346,526	£426,856	£321,935
9	Bushey Mead	£183,713	£213,975	n/a	£253,990	£327,512	£384,950	£291,965
11	Morden	£147,503	£177,856	n/a	£227,585	£282,687	£340,332	£243,199
10	Colliers Wood	£187,747	£236,089	n/a	£308,485	£337,124	£463,980	£274,032
12	Mitcham	£154,574	£177,553	n/a	£211,310	£230,353	£311,568	£210,482
-	Overall	£202,399	£265,983	n/a	£300,413	£344,134	£488,013	£310,336
Price Difference 2009 to 2011:								
Rank	Settlement	1 Bed Flats	2 Bed Flats	n/a	2 Bed Houses	3 Bed Houses	4 Bed Houses	All Properties
1	Copse Hill	-	-	-	-	£5,850	£230,017	£117,005
2	Wimbledon Park	-£10,837	£33,257	-	-	£89,811	£67,180	£28,348
3	Cottenham Park	£70,031	£3,677	-	-	£34,892	£152,248	-£6,436
4	Merton Park	£21,518	£59,318	-	£49,385	£9,076	£37,176	-£9,318
5	Wimbledon	-£6,353	-£39,233	-	-£30,505	£39,947	£104,399	-£20,602
6	South Wimbledon	-£3,480	£10,065	-	£13,087	£87,673	£25,328	£65,695
7	Raynes Park	£31,558	£32,745	-	£56,511	£7,686	£115,250	£14,258
8	Motspur Park	£33,172	£13,007	-	£33,333	£7,036	-£8,476	-£1,961
9	Bushey Mead	£18,951	£26,750	-	-	£69,860	£42,525	£24,696
10	Morden	£10,471	£12,761	-	£5,741	£16,299	£25,036	£28,562
11	Colliers Wood	-£3,882	-£341	-	£1,987	-£16,029	-£74,272	-£13,569
12	Mitcham	-£10,041	£5,366	-	£11,312	£30,415	£40,295	£18,864
-	Overall	-£2,275	-£6,940	-	£36,975	-£63	£39,078	£4,196

5 House Price Indices Data

5.1 Land Registry Data

5.1.1 The following sets out the Land Registry and RightMove house price indices data.
 Land Registry House Price Data (source: www.landregistry.gov.uk)



5.1.2 Land Registry House Price Index month on month extract – LB Merton compared with London Region:

(Wider context: January 2005 - June 2011)

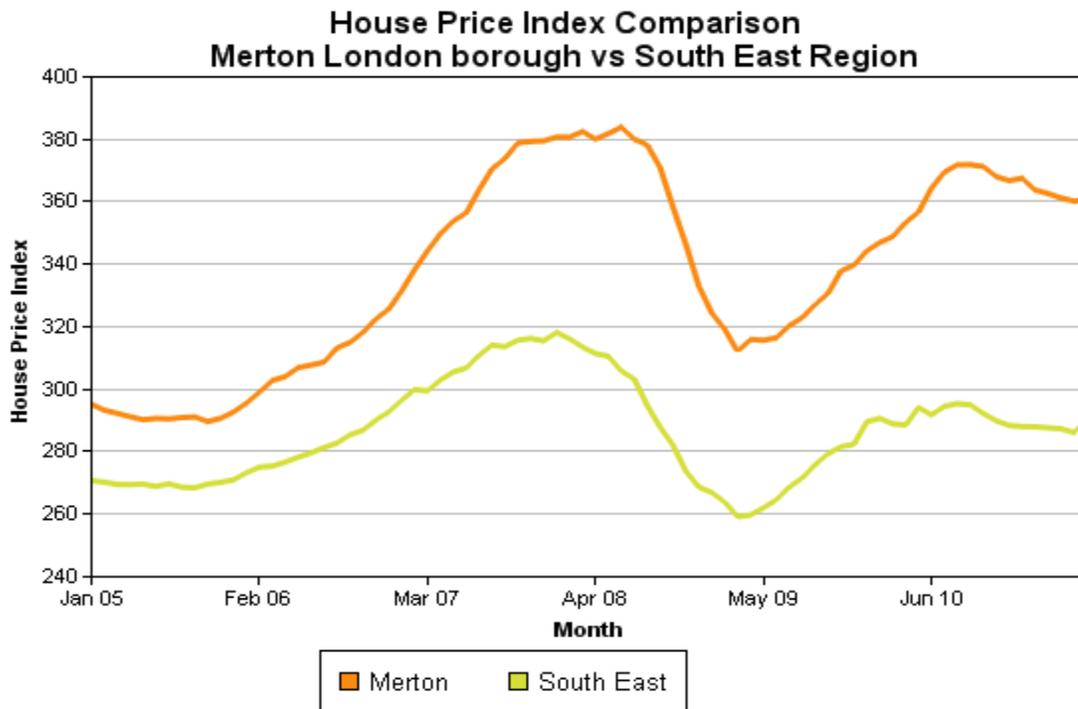
Month	Merton London borough		London Region	
	Index	Average Price (£)	Index	Average Price (£)
January 2005	295.2	266,789	297.1	273,540
February 2005	293.3	265,099	299.4	275,600
March 2005	292.3	264,175	297.1	273,476
April 2005	291.2	263,217	295.8	272,277
May 2005	290.3	262,343	297.1	273,545
June 2005	290.6	262,698	296.5	272,996
July 2005	290.5	262,579	298.6	274,930
August 2005	290.9	262,957	296.4	272,839
September 2005	291.1	263,149	298.9	275,152
October 2005	289.7	261,816	301.1	277,225
November 2005	290.7	262,761	300.5	276,672
December 2005	292.8	264,600	302.2	278,251
January 2006	295.6	267,168	304.6	280,390
February 2006	299.1	270,348	306.7	282,335
March 2006	302.8	273,677	307.9	283,422
April 2006	304.1	274,853	309	284,458
May 2006	306.9	277,404	311.6	286,831
June 2006	307.7	278,154	314.2	289,260
July 2006	308.7	279,014	317.6	292,412

Month	Merton London borough		London Region	
	Index	Average Price (£)	Index	Average Price (£)
August 2006	313.2	283,124	321.1	295,618
September 2006	315	284,700	325	299,178
October 2006	318.1	287,527	328.4	302,314
November 2006	322.5	291,488	330.1	303,902
December 2006	325.6	294,260	335.4	308,770
January 2007	331.5	299,613	341.2	314,147
February 2007	338.3	305,726	346	318,568
March 2007	344.3	311,176	348.9	321,193
April 2007	349.8	316,130	354.4	326,303
May 2007	353.9	319,847	358.3	329,825
June 2007	356.4	322,159	364	335,113
July 2007	363.9	328,915	369.8	340,458
August 2007	370.6	334,974	376.3	346,384
September 2007	373.8	337,892	376.8	346,912
October 2007	378.9	342,443	377.9	347,857
November 2007	379.3	342,851	380.8	350,597
December 2007	379.5	343,022	380.3	350,153
January 2008	380.7	344,118	382.6	352,198
February 2008	380.7	344,108	381.8	351,477
March 2008	382.5	345,689	379.8	349,680
April 2008	380.1	343,538	379.3	349,184
May 2008	381.9	345,131	378.8	348,691

Month	Merton London borough		London Region	
	Index	Average Price (£)	Index	Average Price (£)
June 2008	383.9	346,946	371.2	341,736
July 2008	380.1	343,529	368.4	339,175
August 2008	378.2	341,867	357.2	328,840
September 2008	371	335,281	349.9	322,165
October 2008	358.3	323,859	342.4	315,250
November 2008	346.3	312,970	338.1	311,230
December 2008	333	300,943	329.8	303,612
January 2009	324.4	293,209	327.9	301,877
February 2009	319.2	288,506	322.8	297,181
March 2009	312.1	282,072	322.8	297,176
April 2009	316	285,574	322.8	297,202
May 2009	315.7	285,320	321.3	295,833
June 2009	316.5	286,075	326.3	300,425
July 2009	320.4	289,552	332.5	306,112
August 2009	322.9	291,850	336.7	309,956
September 2009	327.2	295,697	339.1	312,148
October 2009	330.7	298,902	343.7	316,459
November 2009	337.9	305,417	346.3	318,802
December 2009	339.7	307,030	349.7	321,970
January 2010	344.4	311,245	362.2	333,428
February 2010	347	313,599	358.7	330,179
March 2010	348.8	315,278	362.1	333,379

Month	Merton London borough		London Region	
	Index	Average Price (£)	Index	Average Price (£)
April 2010	353.4	319,423	364.3	335,343
May 2010	356.7	322,417	364	335,087
June 2010	364.4	329,353	365.9	336,818
July 2010	369.5	333,988	371.4	341,900
August 2010	371.8	336,087	371.2	341,767
September 2010	371.9	336,128	369.6	340,299
October 2010	371.3	335,597	368.9	339,570
November 2010	368.1	332,710	367.8	338,583
December 2010	366.8	331,507	365	336,054
January 2011	367.6	332,210	371.8	342,312
February 2011	363.8	328,840	369.8	340,465
March 2011	362.7	327,779	371.4	341,934
April 2011	361.3	326,547	373	343,345
May 2011	360.2	325,590	369.1	339,832
June 2011	360.5	325,804	368.8	339,480

5.1.3 Purely for wider general context, we can also see Merton Borough average prices well above, and following very similar trends to those seen for the South East, as follows (source – Land Registry House Price Index):



5.1.4 The above Land Registry data points to an average property price increase of around 11.6% comparing its June 2011 data with August 2009.

5.2 RightMove House Prices Index July 2011 - Overview (national view)

5.2.1 The following (sourced from the latest edition of the RightMove house prices index - July 2011) is included here to provide some further context for current market conditions.

5.2.2 The average asking price of property coming to market has fallen for the first time this year. After six consecutive months of rising prices, RightMove recorded a fall of 1.6% (£3,797) for the 108,249 properties marketed within the last month, eating in to the gain of 8.1% over the first half of the year. With around 70% of property marketed so far in 2011 still on the market, new sellers will need an edge over their competition to increase their chances of sales success.

5.2.3 Miles Shipside, director of Rightmove comments:

“Summer sellers are more nervous about their selling prospects than the early birds who asked ever higher prices during the first six months of this year. Early sellers in 2011 had a chance of worming their way into the more active spring market, whereas those coming to market now at the onset of the holiday season

have to price more aggressively as many buyers have already gone to ground. With seven out of ten properties marketed so far this year still on the market, sellers in the second half of 2011 need to do something different to promote their property and increase their chances of catching those elusive buyers. This is the largest July fall for three years, since the 1.8% recorded in 2008. Sellers at this time of year traditionally show more pricing restraint than those in the first six months of the year, and we expect further falls over the next few months as buyer momentum ebbs away due to a combination of seasonal factors and a continuing lack of both mortgage finance and buyer confidence. Early findings from RightMove's forthcoming Consumer Confidence Survey, due for release on Monday 25th July, show another fall in housing market sentiment. This muted buyer demand has resulted in average unsold stock per estate agency branch being the highest we have ever recorded at this time of year, currently standing at 78 properties".

5.2.4 Shipline adds:

"Against a backdrop of high unsold stock levels and deteriorating buyer sentiment, the proposition that sellers and their estate agents market to potential buyers has to be enticing both in terms of their pricing and the quality of the property's presentation".

5.2.5 Analysis by RightMove shows that 70% of properties that were newly marketed in the first six months of 2011 are still up for sale. This is hardly surprising given that lenders are still only approving around half the number of mortgages they were before the credit crunch. As a consequence, sellers have to have sufficient equity to be able to price aggressively to attract scarce buyers and still raise a large enough deposit to fund their next move. This is likely to contribute to new seller numbers remaining subdued. The current weekly run rate of new listings is 27,062, 12% lower than the 30,877 recorded in July 2010. Sellers with sufficient equity are at a considerable advantage in being able, if they are willing, to undercut the competition and then be in a strong position to be able to negotiate a similar reduction if they are purchasing again. They also benefit by being able to put down enough of a deposit to get the most attractive mortgage rates.

5.2.6 Shipline comments:

"Many equity-poor aspiring sellers will be trapped in their current homes, either unable to come to market or stuck on the market and unable to reduce to a price that will attract buyer interest. Those that are equity-rich have an opportunity to

increase their chances of success by launching to the market at a price below their over-priced and stale competition”.

5.2.7 The current level of retail price inflation is reducing property prices in real terms, which will eventually help frustrated would-be sellers who are currently unwilling or unable to price to sell. The Retail Price Index has outstripped property asking prices by 14% over the last four years, improving buyer affordability but undermining the perception of bricks and mortar as a hedge against inflation.

	July 2011	June 2011
Average Property Asking Price (national)	£236,597	£240,394
% Change in Month	-1.6%	+0.6%
% Change in Past Year	+0.1%	+1.1%
Monthly Index (base Jan 2002=100)	192.5	195.6

5.2.8 In summary:

- July sees the first fall recorded in 2011 as new sellers drop asking prices by 1.6% (£3,797).
- 7 out of 10 properties marketed so far in 2011 are still on the market, indicating that many equity poor sellers are unwilling or unable to reduce their prices further—an opportunity for the equity-rich to cut their prices and do deals.
- Number of new sellers down 12% on July 2010, as many owners are unable to raise the deposit required to fund their next move.
- Retail price inflation outstripped property prices by 14% over the last four years, improving buyer affordability but undermining perception of bricks and mortar as a hedge against inflation.



RightMove Index - London Borough of Merton:

Average price July 2011:	£419,546
Average price June 2011:	£423,452
Change over last month:	-0.9%
Average price July 2010:	£403,057
Annual change (July 2010 – July 2011):	4.1%

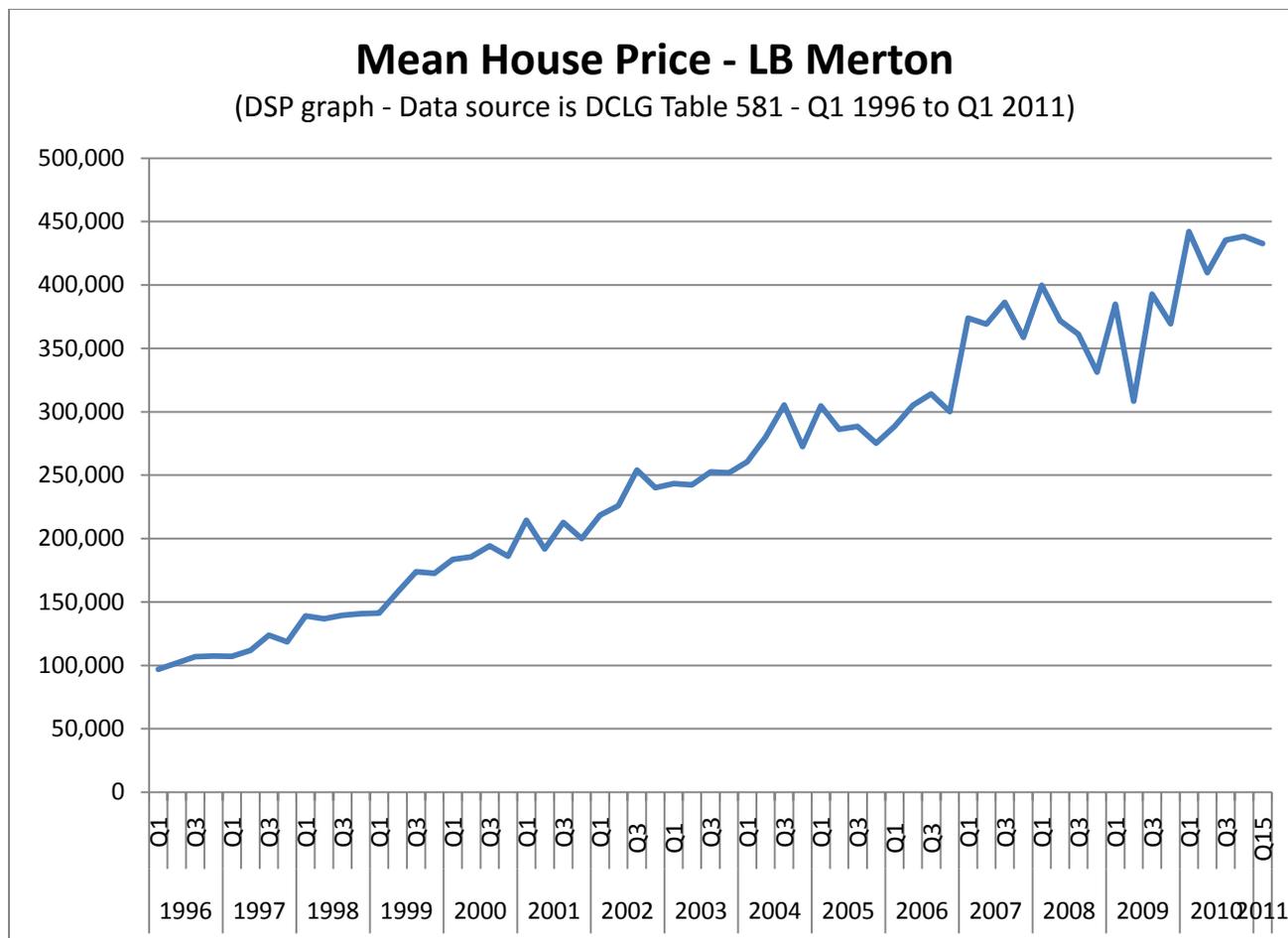
RightMove Index - Greater London comparison:

Average price July 2011:	£432,641
Average price June 2011:	£438,622
Change over last month:	-1.4%
Average price July 2010:	£422,248
Annual Change (July 2010 – July 2011):	2.5%

- 5.2.9 The RightMove index did not form part of the information gathering carried out for the Council previously. However, again for comparison with previous data, in August 2009, the index placed Merton's average price at £372,958. At that point the index was down from £398,484 the month before (July 2009), showing how variable a view of house prices can be – dependent on the range of property included in the data sample (property on the market) at any one point in time. At August 2009, however, the RightMove index pointed to Merton values 1.2% up on the August 2008 figure of £368,268.
- 5.2.10 Comparing the RightMove index figures for Merton Borough August 2009 to July 2011 suggests increased average pricing levels by around 12.5%. As a further pointer to the variable nature of snapshot views, however, from an alternative but very similarly timed comparison July 2009 to July 2011 we would note this index to have moved up by a much lower 5.3% overall between those 2 points (in practice, as the graphs shows, values have varied in the intervening period so that the direction of the graph line has changed many times).

5.3 DCLG Mean House Price data

5.3.1 Data has also been reviewed from the Communities and Local Government website (www.communities.gov.uk). This shows the following:



5.3.2 The DCLG listed Q3 2009 mean house price figure for Merton Borough was £392,863. Referring to the issue of the “spiky” nature of such data however, we note that at Q2 2009 the Merton mean price listed here was a very much lower figure of £308,411, whereas in Q4 2009 the figure was £369,506. This particular index suggests relatively stable mean prices overall during 2010 to the latest data (with a brief dip at Q2 2010). The Q1 2011 mean house price figure is £432,692; suggesting at this particular point a circa 10.1% mean house price increase Q3 2009 to Q1 2011 (again a snapshot subject to significant month on month variation but representing a similar picture to that suggested by the RightMove index). As with the RightMove graph (trend line), we also see a suggestion of a fall away to some extent of values at the very end of this data set (latest data).

- 5.3.3 This same apparent dipping of values appearing to be picked up in the latest data was seen, again, through the Land Registry figures discussed in the preceding sections.

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Report ends