

Valuation Office Agency

# Property Market Report 2011

The annual guide to the property market across England,  
Wales and Scotland



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References above to this report include all of its annexes and appendices and references to 'The Valuation Office Agency' includes the 'DVS' business stream of the Valuation Office Agency.

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# Property Market Report 2011

## Contents

Introduction	4
DVS – public sector property services from the Valuation Office Agency	6
The agricultural land and property market	8
The residential building land market	12
The retail market	16
The office market	20
The industrial market	24
The industrial land market	28
Annex: Methodology	32

# Introduction

## Changes to the Report

Established in April 1910, the VOA has a long track record of analysing property data. For many years a robust analysis has been provided in the Property Market Report. It is used widely across Government to understand market movement, year on year, across many classes of property use.

This is the second annual edition of the revised property market report.

For this edition we have taken the decision to discontinue the housing market section of the

report, which was the only part of the Property Market Report which had remained broadly unchanged following extensive revisions in 2010. If you are a public body and require information on the housing market, or any other valuation or property advice then please contact:

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## Report content

The data in this report represents opinions of value gathered from our valuers and is compiled by DVS, a division of the Valuation Office Agency (VOA). Information for Northern Ireland has been provided by the Land and Property Services Agency, Belfast.

The Property Market Report has been designed to allow readers to follow trends in value of readily recognisable types of property in discrete locations across the country. Typical property types or "beacons" have been selected for each market sector and these are described in the front of each section of the report. The value applicable to each beacon type is revisited annually and reviewed using recorded property transaction evidence, market intelligence received, and local information obtained by the VOA.

The property types will be reviewed on a regular basis to ensure they are representative of

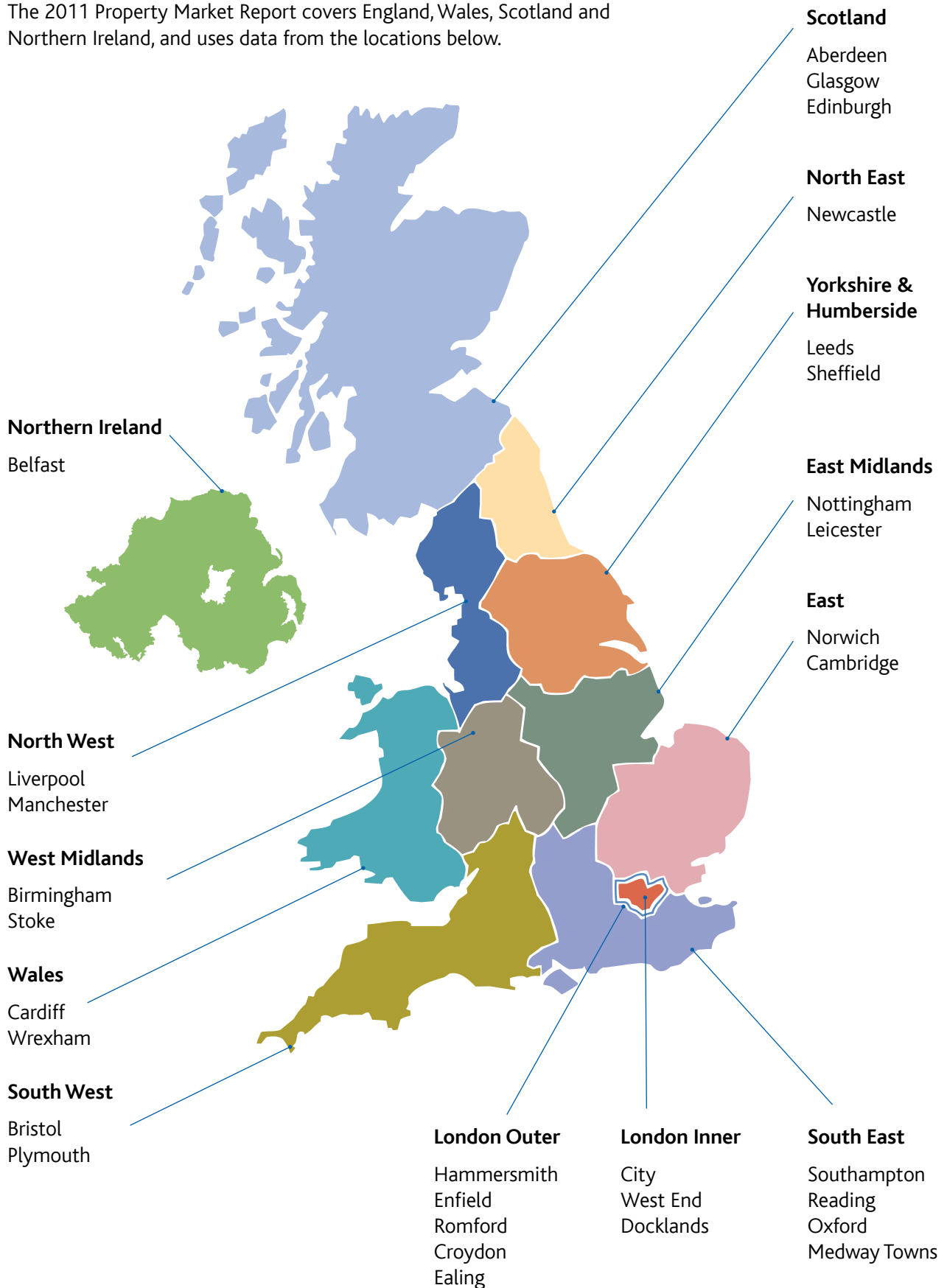
properties found across the whole of England, Scotland, Wales and Northern Ireland. Where design and property specifications change, the beacon types will be redefined in order to maintain their representation of the market.

The core data reviewed is primarily details received nationally from every completed transaction of property sold (or leased for seven years or more). This is provided by purchasers on completion of all sales, to meet the requirements of the 2003 Finance Act. In addition DVS is able to include all other market intelligence gathered from its operational work across the UK.

A common feature of all the tables provided is that they are of unweighted data covering a consistent and representative range of property types. Set out in the Annex are details of the methodology adopted in providing information in each of the sectors.

## Coverage map

The 2011 Property Market Report covers England, Wales, Scotland and Northern Ireland, and uses data from the locations below.



# DVS Property Specialists for the Public Sector

## DVS – public sector property services from the Valuation Office Agency

This report shows factual information gathered from transactions and observations of property market movement in the year to January 2011. It is compiled by the surveyors in DVS, a division of the Valuation Office Agency (VOA) that provides professional property advice across the public sector. We offer a broad range of services that includes valuation, Strategic Asset Management and Energy and Sustainability services.

450 people are employed within DVS and we are able to draw on the wider pool of skills, expertise and resources of the VOA. The Agency, as an employer of over 1000 Chartered Surveyors in the UK, operates from an extensive network of more than 80 offices covering the whole of England, Wales and Scotland. This gives us significant knowledge of local values and enables us to undertake the largest national client instructions as well as smaller local commissions in a cost effective way.

As part of the public sector, we have a unique understanding of the needs of our clients and the financial and regulatory pressures that they face. Our specialist sector teams have extensive experience in providing advice to central, regional, local and devolved government, the NHS and MOD, as well as transport and infrastructure, energy and environment, emergency services, and educational bodies.

We have a unique perspective on the market from our engagement in property transactions, including acquisitions and disposals, as well as commercial development negotiations with the private sector.

We are actively involved in all the major classes of property, having wide ranging experience in housing, shops, offices and industry. In addition we have experts on agriculture, commercial regeneration, land development and affordable housing. We provide a comprehensive service to help public sector clients meet their property-related objectives. This embraces both specialist property advice and work of a general nature.

DVS is well placed, from its experience in professional services and unique data records, to provide a balanced commentary and overview of market trends emerging during the last twelve months.

If you require more information visit us at [www.voa.gov.uk/dvs](http://www.voa.gov.uk/dvs) or email [dvsinfo@voa.gsi.gov.uk](mailto:dvsinfo@voa.gsi.gov.uk)



# The agricultural land and property market

1





# The agricultural land and property market

## The agricultural land and property market in the year to January 2011

The opinions of value gathered from our valuers for the agricultural land sector show an overall marginal increase in capital values for both equipped and unequipped land in England and Wales, with average increases ranging between 6-12% over the year to January 2011. This continues to be due to a shortage in supply, and sustained purchaser interest.

Scotland is now showing an increase in opinions of value in the range of 2-8%, as the Scottish market recovers from the effects of recession.

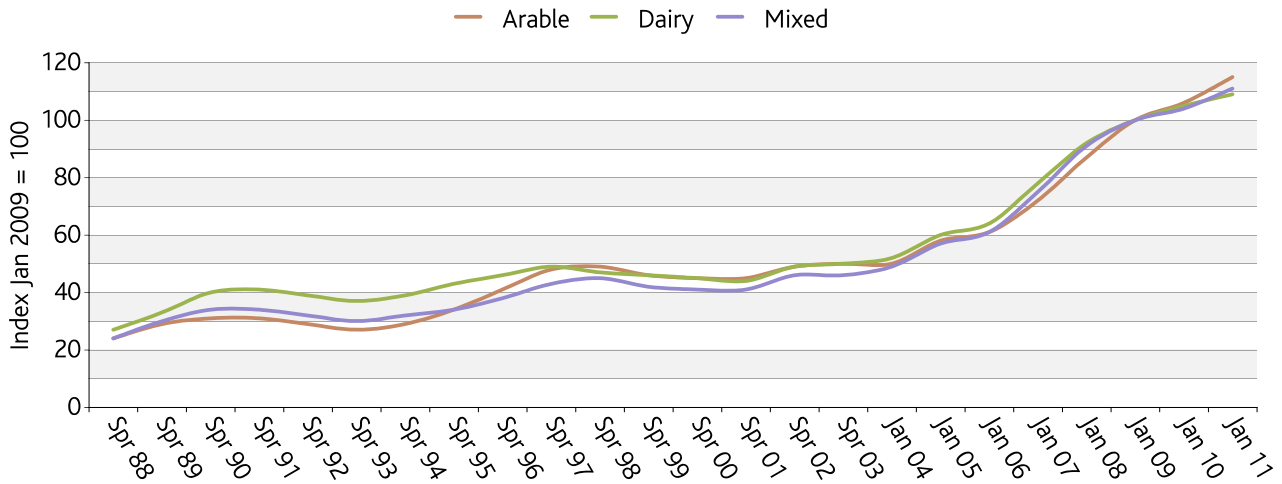
In Northern Ireland, opinions of value have continued downwards, as overall economic conditions remain difficult and investor interest low.

### Value of equipped land with vacant possession as at 1 January 2011

Region	Location	Arable		Dairy		Mixed	
		£ / Acre	£ / Hectare	£ / Acre	£ / Hectare	£ / Acre	£ / Hectare
East	Cambridgeshire	7,500	18,525	N/A	N/A	N/A	N/A
	Suffolk	8,000	19,760	N/A	N/A	N/A	N/A
South East	Oxfordshire	8,500	20,995	8,500	20,995	8,500	20,995
	Kent	8,400	20,748	8,200	20,254	7,350	18,155
South West	Devon	7,750	19,143	8,000	19,760	7,750	19,143
	Wiltshire	7,500	18,525	7,500	18,525	7,500	18,525
West Midlands	Shropshire	8,000	19,760	7,750	19,143	7,750	19,143
	Herefordshire	8,750	21,613	8,500	20,995	8,500	20,995
East Midlands	Lincolnshire Fens	9,500	23,465	N/A	N/A	N/A	N/A
	Leicestershire	8,500	20,995	8,500	20,995	8,500	20,995
	Derbyshire	7,500	18,525	7,500	18,525	7,500	18,525
North West	Cheshire	N/A	N/A	9,500	23,465	7,500	18,525
	Cumbria	N/A	N/A	8,500	20,995	7,900	19,513
	Lancashire	N/A	N/A	6,750	16,673	7,000	17,290
Yorkshire and North East	Northumberland	6,350	15,685	4,950	12,227	5,100	12,597
	East Yorkshire	7,250	17,908	N/A	N/A	6,250	15,438
	North Yorkshire	8,500	20,995	7,500	18,525	8,000	19,760
Wales	Gwynedd	N/A	N/A	8,250	20,378	7,750	19,143
	Radnor East (Powys)	N/A	N/A	N/A	N/A	6,000	14,820
	Carmarthen	N/A	N/A	7,250	17,908	6,500	16,055
Scotland	Dumfries & Galloway	N/A	N/A	6,300	15,561	4,000	9,880
	East Lothian	7,200	17,784	N/A	N/A	3,800	9,386
	Grampian / Aberdeen	6,500	16,055	4,500	11,115	4,250	10,498
Northern Ireland		9,667	23,877	10,167	25,112	8,833	21,818



## Equipped land with vacant possession (England and Wales) – value trend

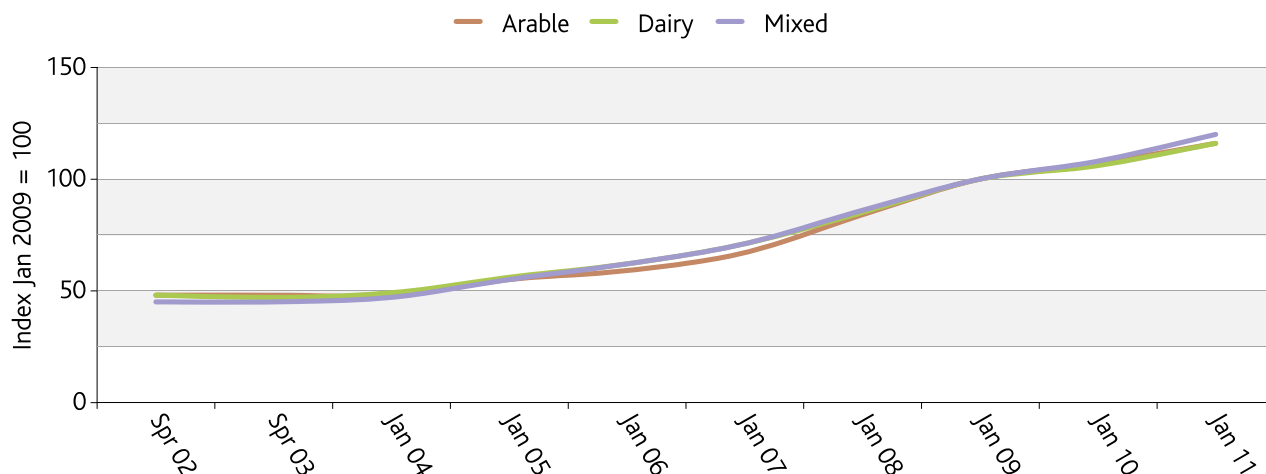


The above trend line chart uses data that has been rebased with an indexation date of January 2009. A direct comparison with the trend graphs in previous Property Market Reports should not be made.

## Value of unequipped land with vacant possession as at 1 January 2011

Region	Location	Arable		Dairy		Mixed	
		£ / Acre	£ / Hectare	£ / Acre	£ / Hectare	£ / Acre	£ / Hectare
East	Cambridgeshire	5,750	14,203	N/A	N/A	N/A	N/A
	Suffolk	6,000	14,820	N/A	N/A	N/A	N/A
South East	Oxfordshire	6,500	16,055	6,250	15,438	6,250	15,438
	Kent	5,300	13,091	5,250	12,968	5,150	12,721
South West	Devon	6,000	14,820	6,000	14,820	6,000	14,820
	Wiltshire	6,000	14,820	6,000	14,820	6,000	14,820
West Midlands	Shropshire	6,500	16,055	6,000	14,820	6,000	14,820
	Herefordshire	6,750	16,673	6,500	16,055	6,500	16,055
East Midlands	Lincolnshire Fens	8,500	20,995	N/A	N/A	N/A	N/A
	Leicestershire	6,000	14,820	6,000	14,820	6,000	14,820
	Derbyshire	5,500	13,585	5,000	12,350	5,000	12,350
North West	Cheshire	N/A	N/A	6,000	14,820	4,600	11,362
	Cumbria	N/A	N/A	6,100	15,067	6,000	14,820
	Lancashire	N/A	N/A	6,000	14,820	6,600	16,302
Yorkshire and North East	Northumberland	4,950	12,227	3,300	8,151	3,300	8,151
	East Yorkshire	5,750	14,203	N/A	N/A	5,500	13,585
	North Yorkshire	6,000	14,820	5,000	12,350	5,500	13,585
Wales	Gwynedd	N/A	N/A	7,250	17,908	6,800	16,796
	Radnor East (Powys)	N/A	N/A	N/A	N/A	6,000	14,820
	Carmarthen	N/A	N/A	5,500	13,585	5,250	12,968
Scotland	Dumfries & Galloway	N/A	N/A	4,500	11,115	2,750	6,793
	East Lothian	5,500	13,585	N/A	N/A	3,000	7,410
	Grampian / Aberdeen	5,000	12,350	3,000	7,410	3,250	8,028
Northern Ireland		N/A	N/A	N/A	N/A	N/A	N/A

## Unequipped land with vacant possession (England and Wales) – value trend



The above trend line chart uses data that has been rebased with an indexation date of January 2009. A direct comparison with the trend graphs in previous Property Market Reports should not be made.

### Agricultural land and property methodology

The data in this report represents indicative opinions of value gathered from our valuers. The types of farm shown in the above tables are defined as follows:

**Arable Farm:** 300-500 acres with a house appropriate for the size of holding and modern buildings adequate for the business.

**Dairy Farm:** 150-250 acres with a house appropriate for the size of holding and modern buildings and accommodation for a commercial herd.

**Mixed Farm:** 200-500 acres mixed arable livestock with a house appropriate for the size of holding plus a mixture of modern and traditional buildings adequate for the business.

In addition the following assumptions have been made:

- Farms are assumed to be typical for the locality, with the values for dairy farms excluding the value of milk quotas.
- The values shown for unequipped land are for bare farmland without any houses, cottages or farm buildings.

The tables in this section show average values for different types of equipped/unequipped land in each region with values expressed in terms of £s per acre and per hectare. Dairy farm values exclude the value of milk quota. Where there is no entry in the table the land type is not typical within the area.

Further information is contained in the [Methodology Annex](#) to this report.

The figures for Northern Ireland have been provided by the Land and Property Service Agency, Belfast.

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If you are a public sector body and need assistance, advice or further data regarding agricultural property, please contact:

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# The residential building land market

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## The residential building land market

### The residential building land market in the year to January 2011

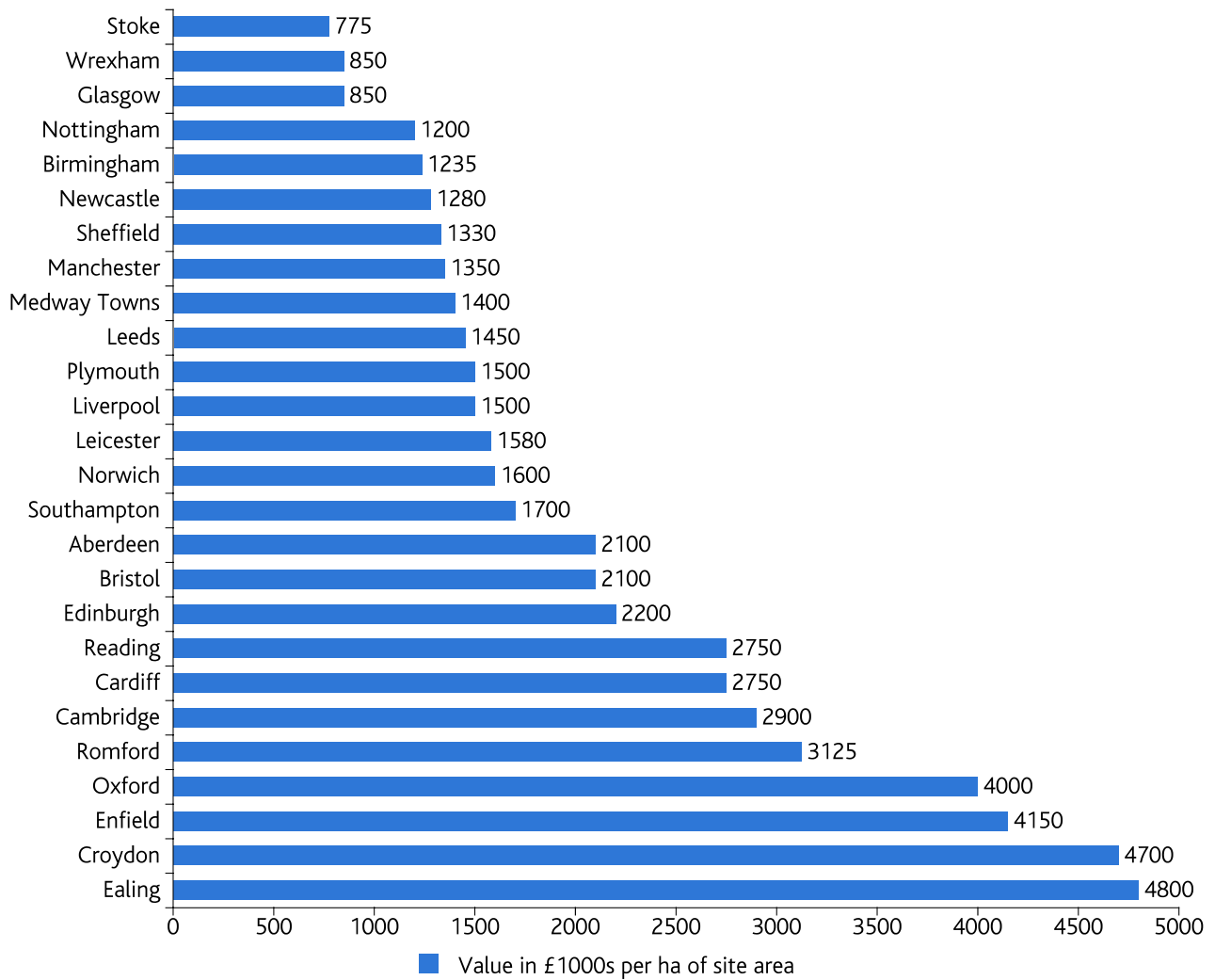
Our opinions of residential building land value have generally shown little or no change in the year to Jan 2011. The exception to this is London, where some growth in value is indicated.

#### Value of land for residential development as at 1 January 2011

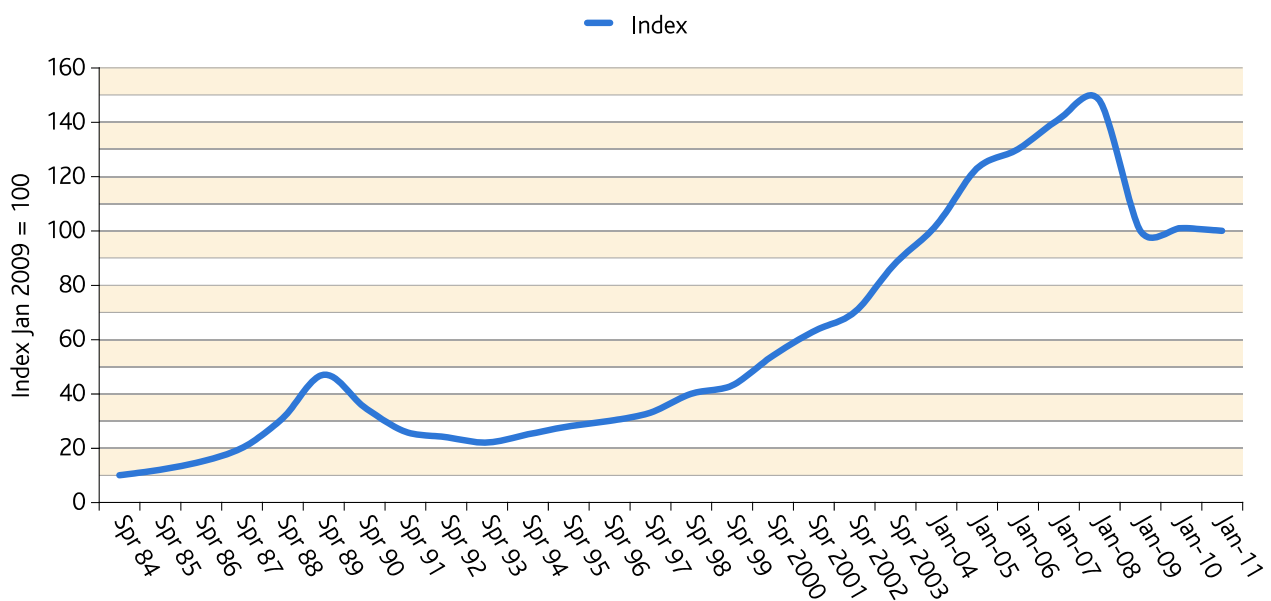
Region	Location	Suburban site of 0.5 Hectares		
		£/Ha of site area	£ per hab room	£ per m <sup>2</sup> completed space GIA
South West	Bristol	2,100,000	13,270	580
	Plymouth	1,500,000	9,485	420
South East	Southampton	1,700,000	10,760	475
	Reading	2,750,000	17,400	765
	Oxford	4,000,000	25,250	1,100
	Medway Towns	1,400,000	8,850	390
East	Norwich	1,600,000	10,130	450
	Cambridge	2,900,000	18,300	800
East Midlands	Nottingham	1,200,000	6,430	280
	Leicester	1,580,000	9,990	440
West Midlands	Birmingham	1,235,000	6,620	290
	Stoke	775,000	3,550	155
Yorkshire & Humberside	Leeds	1,360,000	8,575	375
	Sheffield	1,330,000	8,335	370
North East	Newcastle	1,280,000	8,170	355
North West	Liverpool	1,500,000	9,400	415
	Manchester	1,350,000	8,500	375
Wales	Cardiff	2,750,000	17,400	765
	Wrexham	850,000	5,375	235
Scotland	Aberdeen	2,100,000	13,280	585
	Glasgow	850,000	5,380	235
	Edinburgh	2,200,000	13,900	610
London Outer	Ealing	4,800,000	29,620	1,320
	Croydon	4,700,000	20,690	930
	Romford	3,125,000	19,755	865
	Enfield	4,150,000	26,490	1,160
Northern Ireland	Belfast	1,250,000	N/A	N/A



### Value of land for residential development as at 1 January 2010 – suburban site of 0.5 hectares



### Residential building land England & Wales (excluding London) – value trend



The above trend line graph has been rebased with an indexation date of January 2009. A direct comparison with the trend graphs in previous Property Market Reports should not be made.

## Residential land methodology

The data in this report represents indicative opinions of value gathered from our valuers. Values relate to one beacon type – a suburban site of 0.5 hectare – and the values provided are on the following basis:

- Price of land per ha of site area.
- Price of land per habitable room.
- Price of land per m<sup>2</sup> completed Gross Internal Area (measured internal to living space only i.e. excluding common parts and garages etc. but including bathrooms and corridors etc. within living units).

In addition the following assumptions have been made:

- Values are based upon a maximum of 2 storey construction.
- Density, s106 ("planning gain") provision and affordable housing ratios are based on the market expectations for the locality.

Further information is contained in the Methodology Annex to this report.

The figure for Northern Ireland have been provided by the Land and Property Service Agency Belfast

## Contacts

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# The retail market





## The retail market

### The retail market in the year to January 2011

On average (based on figures reported by our valuers), retail headline rental figures for England and Wales showed a 6% fall in value in the year to January 2011. Figures for Inner London in contrast showed a 6% increase in value.

In Scotland, non-food warehouses showed a significant reduction in rental values. In Northern Ireland reductions in rental values were limited to 8%.

In general, valuers reported that incentives (such as rent free periods) were again prevalent in the market.

### Headline retail rental values as at 1 January 2011

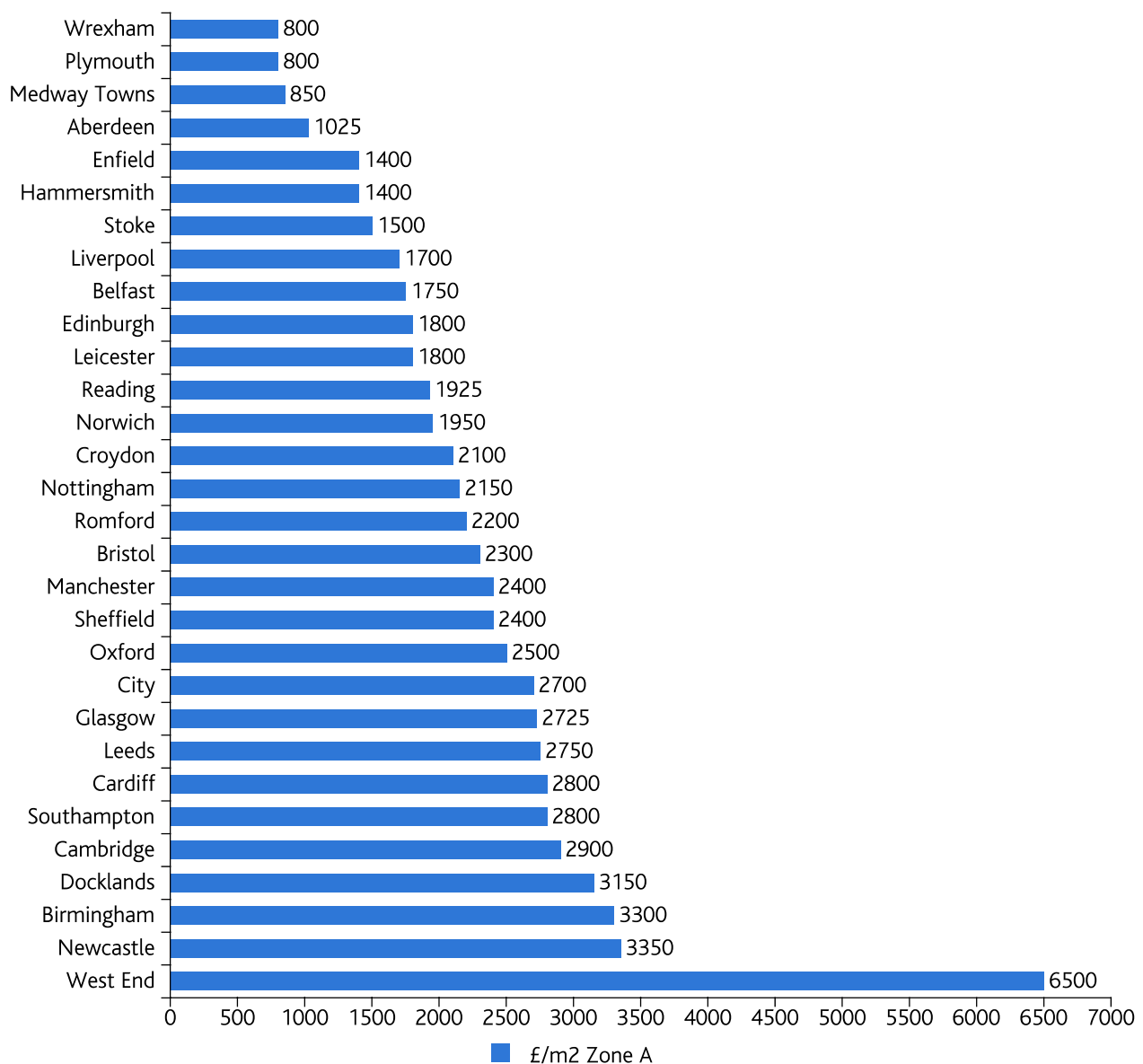
Region	Location	Standard shop unit £ per square metre Zone A	Modern non-food warehouse Overall £ per square metre
South West	Bristol	2,300	330
	Plymouth	800	180
South East	Southampton	2,800	250
	Reading	1,925	230
	Oxford	2,500	280
	Medway Towns	850	175
East	Norwich	1,950	250
	Cambridge	2,900	290
East Midlands	Nottingham	2,150	250
	Leicester	1,800	250
West Midlands	Birmingham	3,300	280
	Stoke	1,500	180
Yorkshire & Humberside	Leeds	2,750	240
	Sheffield	2,400	180
North East	Newcastle	3,350	430
North West	Liverpool	1,700	200
	Manchester	2,400	225
Wales	Cardiff	2,800	185
	Wrexham	800	140
Scotland	Aberdeen	1,025	250
	Glasgow	2,725	325
	Edinburgh	1,800	275
London Inner	City	2,700	N/A
	West End	6,500	N/A
	Docklands	3,150	N/A
London Outer	Hammersmith	1,400	135
	Croydon	2,100	250
	Romford	2,200	205
	Enfield	1,400	185
Northern Ireland	Belfast	1,750	200



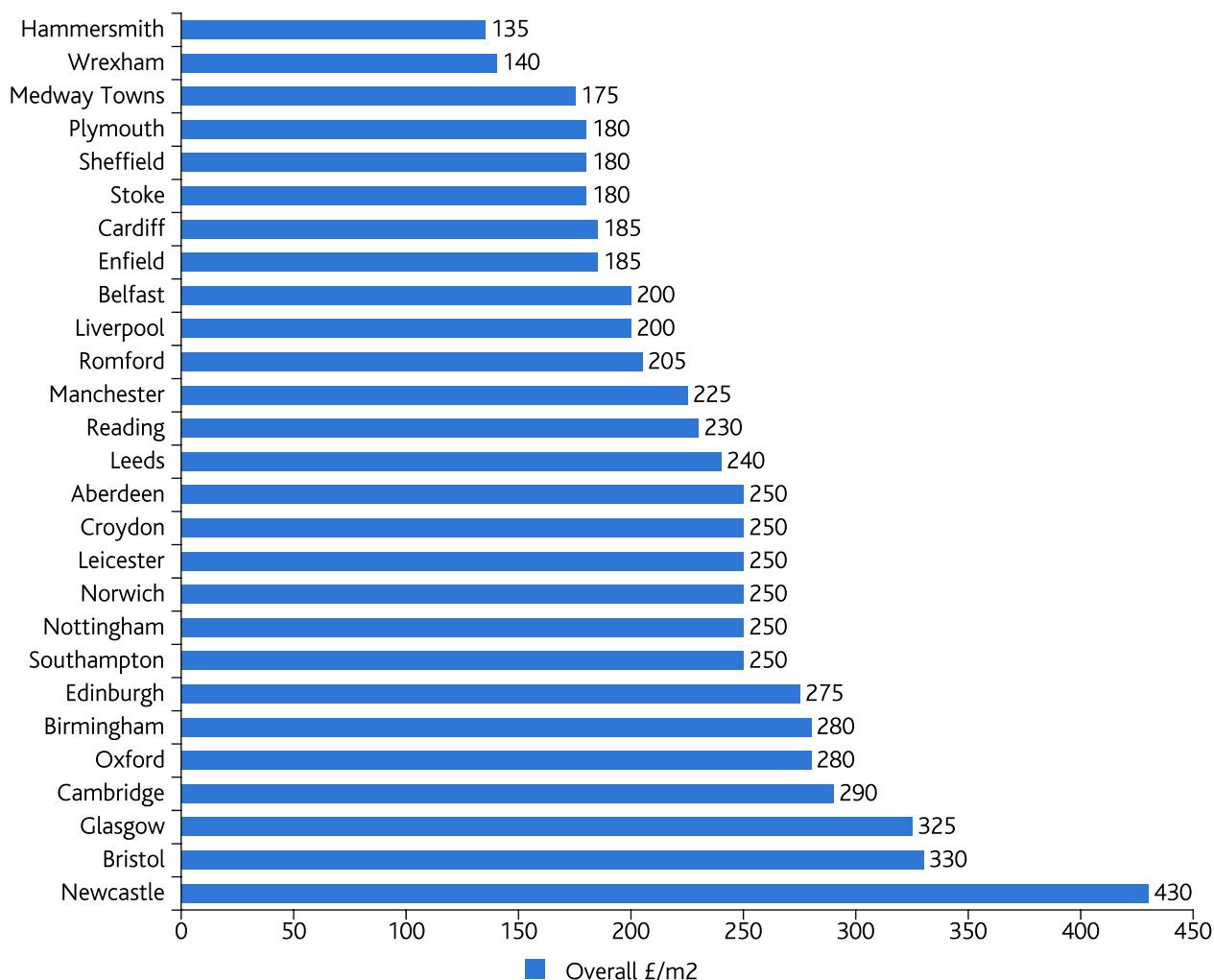
## Headline retail rental values as at 1 January 2011 (continued)

Region	Location	Standard shop unit £ per square metre Zone A
Westfield Centre	West London	2,750
Bluewater	Kent	4,250
Metrocentre	Tyne & Wear	3,500
Trafford Centre	Manchester	3,875

## Rental value of standard shop unit (zone A) as at 1 January 2011



## Rental value of modern non-food warehouse (overall) as at 1 January 2011



### Retail market methodology

The data in this report represents indicative opinions of value gathered from our valuers.

Values relate to two beacon types.

- A standard shop unit in a prime position in a principal shopping centre.
- A modern purpose built non-food warehouse unit circa 2,500-5,000m<sup>2</sup>, with car parking in an edge of town location.

Rental values represent headline figures (on a tenant repairing basis) and have not been adjusted for letting incentives.

Further information is contained in the Methodology Annex to this report.

The figures for Northern Ireland have been provided by the Land and Property Service Agency, Belfast.

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## The office market

### The office market in the year to January 2011

Our valuers found evidence of significant increases (averaging around 15%) in office headline rents in inner London - returning these rents to almost 2009 levels. Elsewhere in England and Wales the picture is mixed, but with many locations showing little or no change in headline rents. Incentives (such as rent free periods) were again prevalent in the market

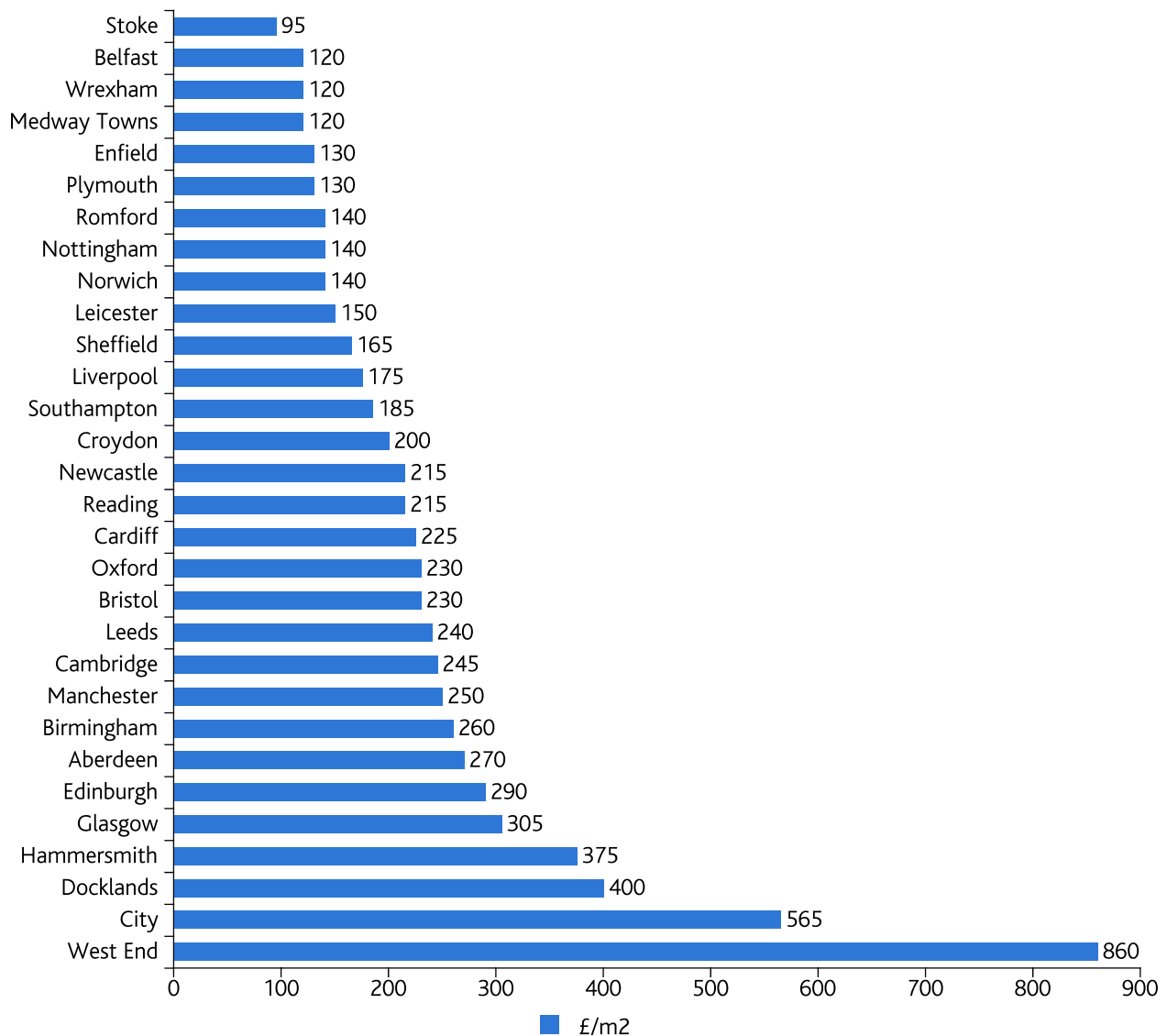
Rents for Scotland showed little movement, whereas rents for Northern Ireland showed around an 8% fall in value. Valuers in Scotland again reported an increase in the length of rent free periods being offered.

### Headline office rental values as at 1 January 2011

Region	Location	Self contained office suite over 1000 square metres £ per square metre
South West	Bristol	230
	Plymouth	130
South East	Southampton	185
	Reading	215
	Oxford	230
	Medway Towns	120
East	Norwich	140
	Cambridge	245
East Midlands	Nottingham	140
	Leicester	150
West Midlands	Birmingham	260
	Stoke	95
Yorkshire & Humberside	Leeds	240
	Sheffield	165
North East	Newcastle	215
North West	Liverpool	175
	Manchester	250
Wales	Cardiff	225
	Wrexham	120
Scotland	Aberdeen	270
	Glasgow	305
	Edinburgh	290
London Inner	City	565
	West End	860
	Docklands	400
London Outer	Hammersmith	375
	Croydon	200
	Romford	140
	Enfield	130
Northern Ireland	Belfast	120



## Office rental values as at 1 January 2011



### Office market methodology

The data in this report represents indicative opinions of value gathered from our valuers.

Values relate to one beacon type: a self-contained office suite over 1000m<sup>2</sup> in an office block erected in the last 10 years, air conditioned with a lift, a good standard of finish to all parts but limited parking available with town/city centre location

Rental values represent headline figures and have not been adjusted for letting incentives.

Further information is contained in the Methodology Annex.

The figure for Northern Ireland have been provided by the Land and Property Service Agency, Belfast

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## The industrial market

### The industrial market in the year to January 2011

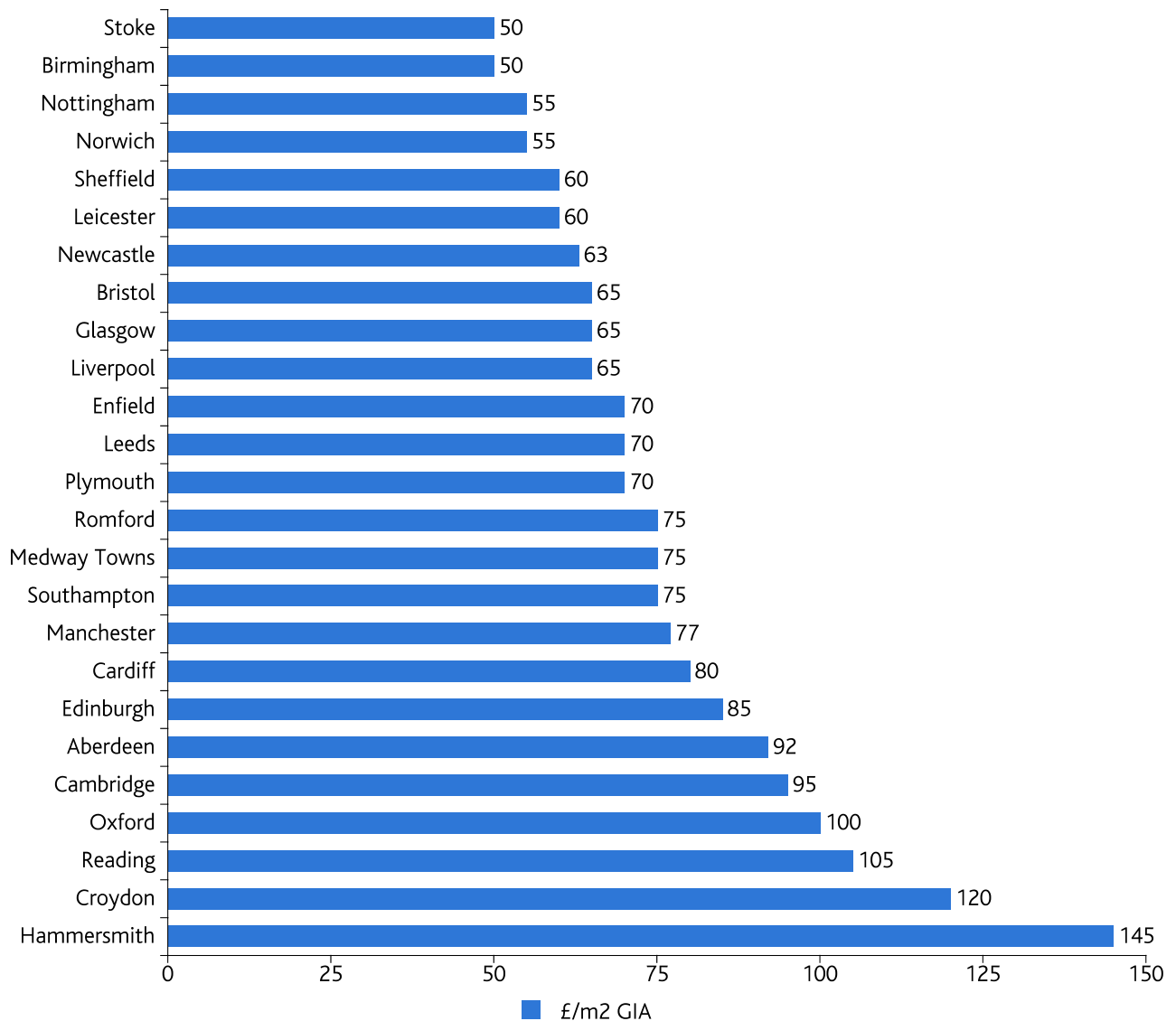
Averages of the headline rental values reported by our valuers for England, Wales and Scotland showed very little change in the year to January 2011.

### Industrial rental values as at 1 January 2011

Region	Location	Small starter/nursery unit 50-200 square metres £ per square metre GIA	Industrial/warehouse unit Circa 1000-3000 square metres £ per square metre GIA
South West	Bristol	65	50
	Plymouth	70	50
South East	Southampton	75	62
	Reading	105	85
	Oxford	100	80
	Medway Towns	75	65
East	Norwich	55	50
	Cambridge	95	70
East Midlands	Nottingham	55	50
	Leicester	60	45
West Midlands	Birmingham	50	45
	Stoke	50	35
Yorkshire & Humberside	Leeds	70	55
	Sheffield	60	48
North East	Newcastle	63	53
North West	Liverpool	65	50
	Manchester	77	55
Wales	Cardiff	80	60
	Wrexham	45	40
Scotland	Aberdeen	92	85
	Glasgow	65	50
	Edinburgh	85	65
London Inner	Docklands	N/A	N/A
London Outer	Hammersmith	145	115
	Croydon	120	90
	Romford	75	70
	Enfield	70	50



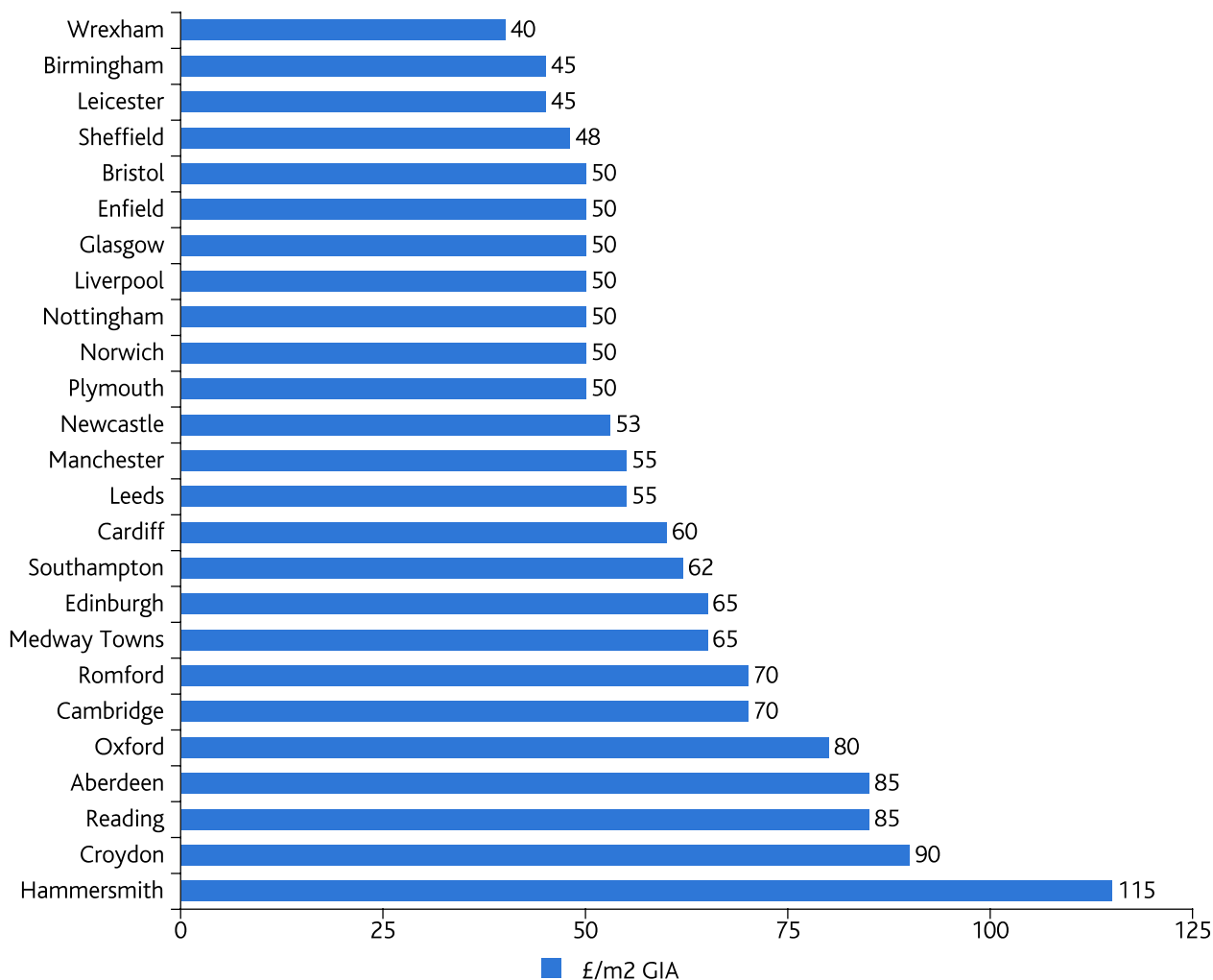
## Rental values – small starter/nursery unit 50-200m<sup>2</sup>



*The data in this report represents indicative opinions of value gathered from our valuers.*

*A small starter/nursery unit 50-200 square metres steel framed on concrete base, concrete block or brickwork to 2 metres with metal PVC covered cladding above. Eaves height up to 4.5 metres with lined roof. Limited or no office content and common parking areas.*

## Rental values – industrial/warehouse unit circa 1000-3000m<sup>2</sup>



### The industrial market methodology

The data in this report represents indicative opinions of value gathered from our valuers.

A small starter/nursery unit 50-200m<sup>2</sup> steel framed on concrete base, concrete block or brickwork to 2m with metal PVC covered cladding above. Eaves height up to 4.5m with lined roof. Limited or no office content and common parking areas.

An industrial/warehouse unit c1000-3000m<sup>2</sup> steel framed on concrete base, concrete block or brickwork to 2m with metal PVC covered cladding above. Eaves height up to 7.6m with lined roof 10-15% office content. Detached on own site with private parking and loading facilities.

Rental values represent headline figures and have not been adjusted for letting incentives.

Further information is contained in the Methodology Annex.

### Contacts

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## The industrial land market

### The industrial land market in the year to January 2011

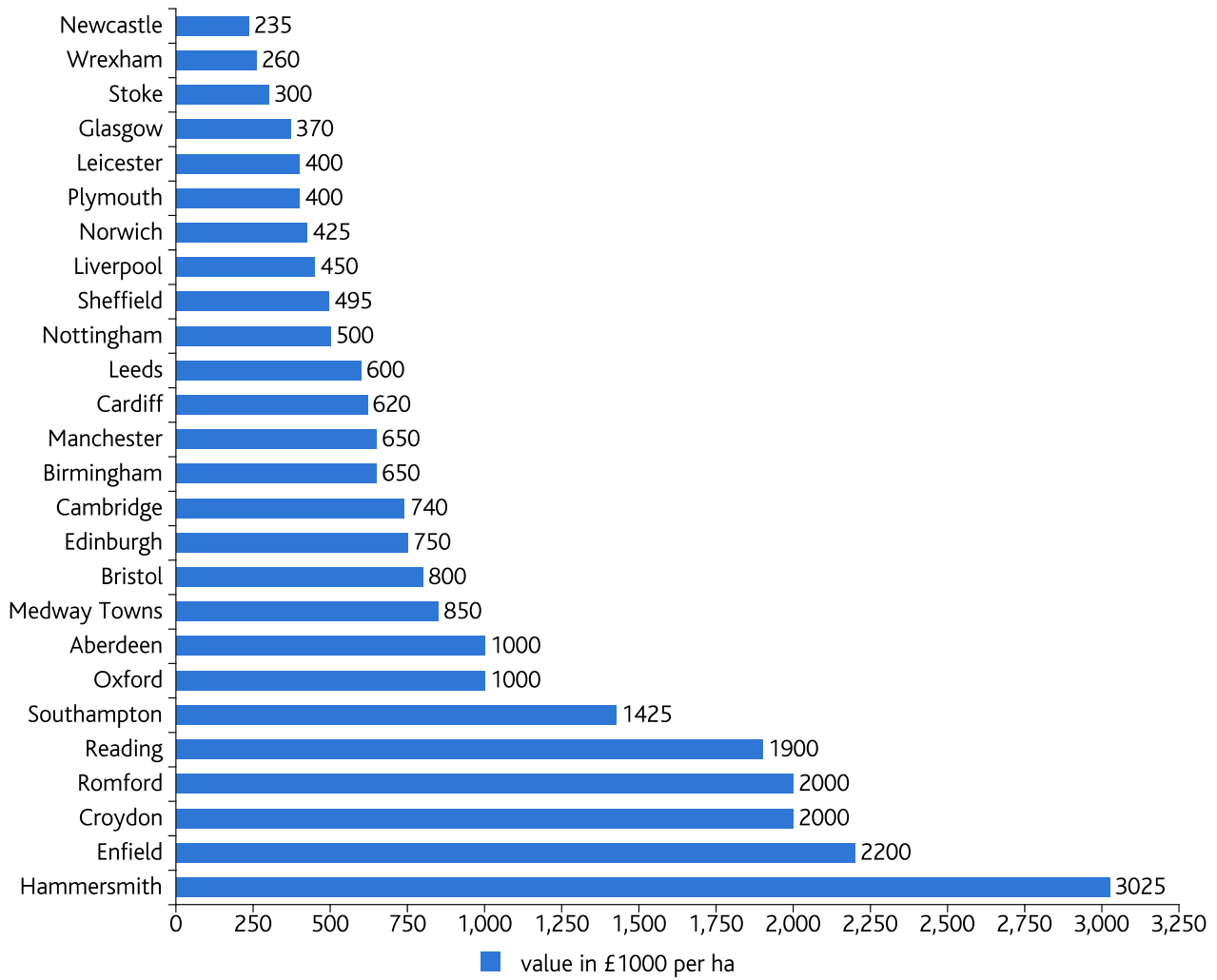
Average figures reported by our valuers for England and Wales showed very little change in the year to January 2011. The rate at which Outer London capital values were declining has slowed with average capital values remaining last year's level. Capital values for Scotland, however, showed a fall in average value of around 7%.

### Industrial land as at 1 January 2011

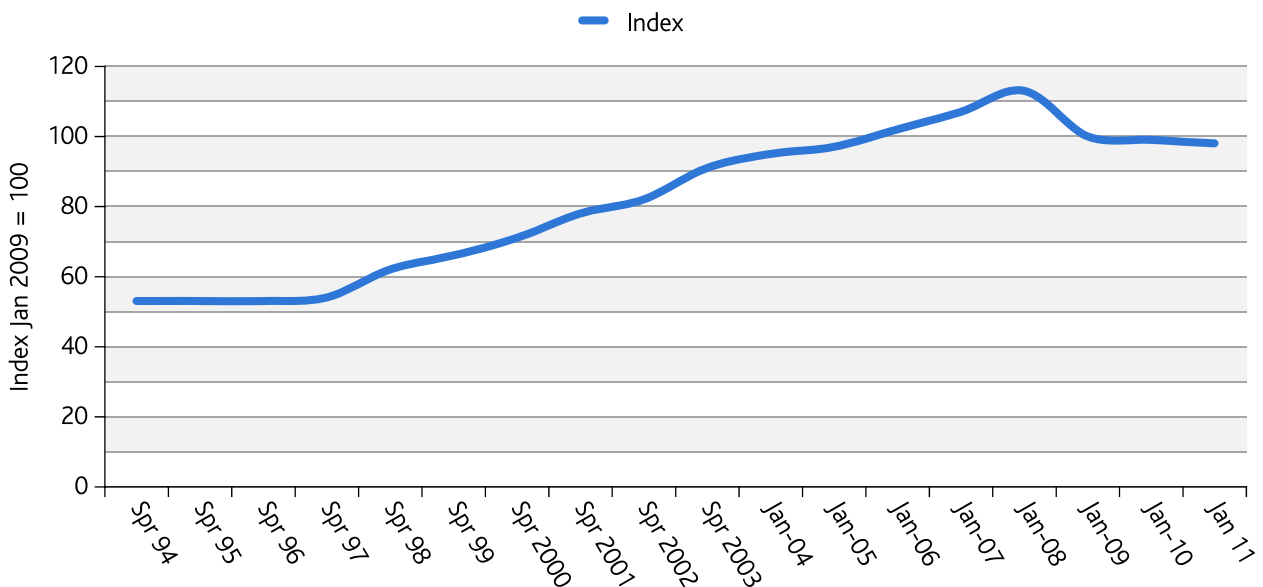
Region	Location	Cleared industrial development site 0.5-1.0 hectares £ per hectare
South West	Bristol	800,000
	Plymouth	400,000
South East	Southampton	1,145,000
	Reading	1,900,000
	Oxford	1,000,000
	Medway Towns	850,000
East	Norwich	425,000
	Cambridge	740,000
East Midlands	Nottingham	500,000
	Leicester	400,000
West Midlands	Birmingham	650,000
	Stoke	300,000
Yorkshire & Humberside	Leeds	600,000
	Sheffield	495,000
North East	Newcastle	235,000
North West	Liverpool	450,000
	Manchester	650,000
Wales	Cardiff	620,000
	Wrexham	260,000
Scotland	Aberdeen	1,000,000
	Glasgow	370,000
	Edinburgh	750,000
London Inner	Docklands	N/A
London Outer	Hammersmith	3,025,000
	Croydon	2,000,000
	Romford	2,000,000
	Enfield	2,200,000



### Industrial land values in England and Wales (excluding London)



### Industrial land values in England and Wales (excluding London) – value trend



## Industrial land market methodology

The data in this report represents indicative opinions of value gathered from our valuers.

Values relate to one beacon type: a cleared development site situated in an established industrial location with a site area of 0.5 to 1.0 hectare.

In addition it has been assumed that development will be restricted to industry or warehousing, with density and s106 ("planning gain") provision based on market expectations for the locality.

Further information is contained in the Methodology Annex.

## Contacts

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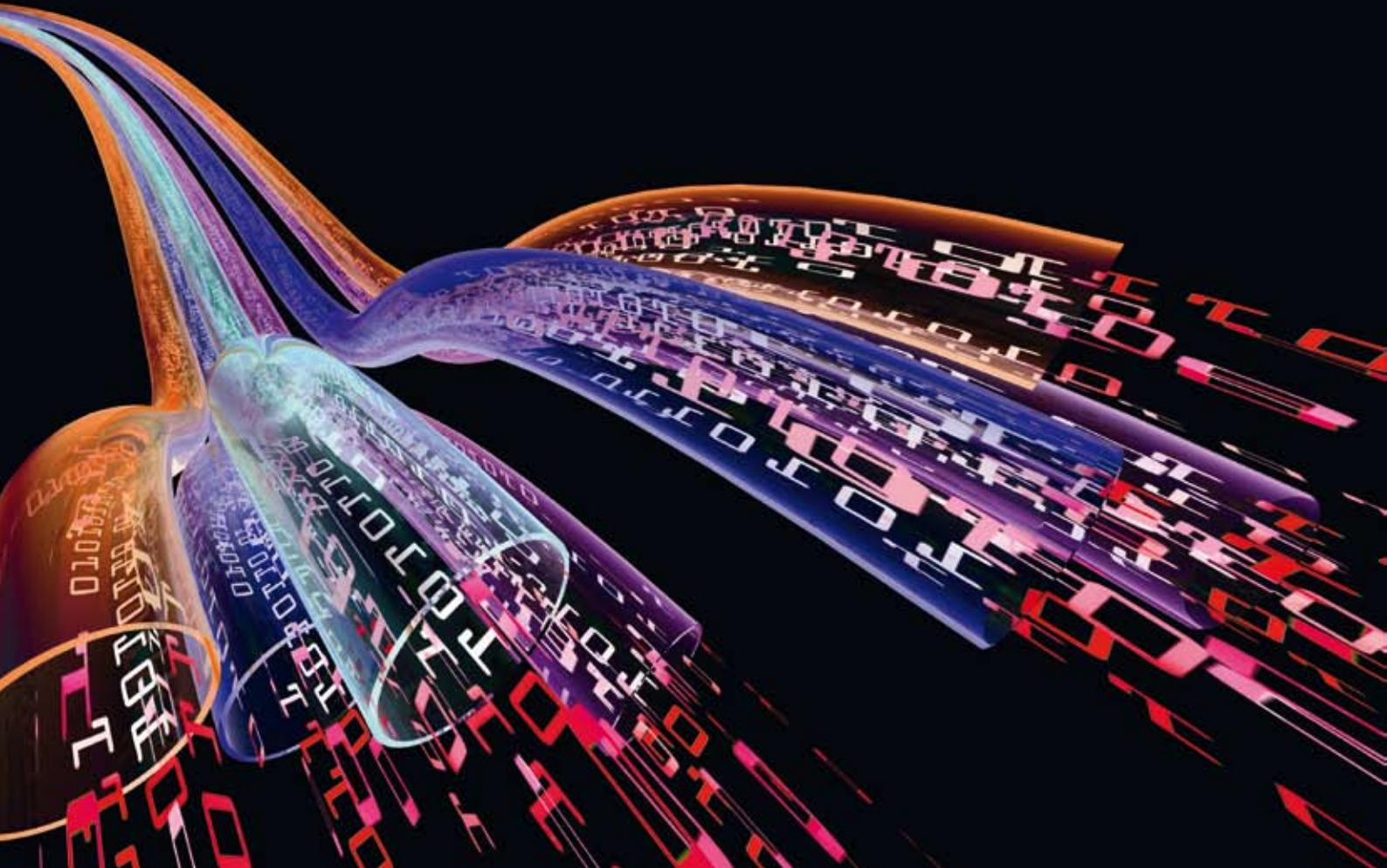
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# Annex: Methodology



## Annex: Methodology

This section of the Property Market Report explains how the Valuation Office Agency (VOA) collects data and how this is processed by DVS to provide the indicative opinion of value data contained within the report. Further commentary on methodology is contained within the report content section on page 4 of this report.

### Sources of Base Data

The VOA receives details of all completed transactions of property sold, leased for seven years or more, or where an existing lease on land and buildings is assigned. The recording and more importantly the analysis of this data provides the VOA with a unique database covering more than fifty years of property transactions. The core data for the Property Market Report are these completed property transactions.

In the preparation of the Property Market Report, we also regard all other market intelligence available that is normally taken into account when forming an opinion of value.



### Agricultural Land and Property Methodology

The capital values expressed assume vacant possession of various types of agricultural land within their individual localities. The opinions expressed are for both fully equipped and unequipped farms typical to the locality. The values provided for dairy farms exclude the value of milk quotas. The value provided for unequipped land assumes that the typical farm is split so that the land is sold without the benefit of any residential accommodation or farm buildings.

The description of the "typical farm" for each farming category has been revisited to ensure it continues to represent a typical agricultural holding. Holdings have over the last twenty years, taken on board economies of scale through expansion and are typically much larger enterprises than when the Property Market Report was first published. The residential element of any farm enterprise has also become increasingly important in the overall price achieved for the land.

To ensure consistency across all the reporting locations the values reported for both equipped and unequipped farms are reflections of the following type of agricultural holding:

**Arable Farm:** 300-500 acres with a house appropriate for the size of holding and modern buildings adequate for the business.

**Dairy Farm:** 150-250 acres with a house appropriate for the size of holding and modern buildings and accommodation for a commercial herd.

**Mixed Farm:** 200-500 acres mixed arable livestock with a house appropriate for the size of holding plus a mixture of modern and traditional buildings adequate for the business.

Where there is no entry the land type is not typical within the area. We are no longer producing valuation figures for hill land or land subject to tenancy because of the very limited market in these types or property.





### Residential Building Land Methodology

The report covers one type of land: a suburban site of 0.5 hectare. The site is then valued based on:

- Price of land per ha of site area.
- Price of land per habitable
- Price of land per m<sup>2</sup> completed space GIA (Gross Internal Area measured internal to living space only i.e. excluding common parts and garages etc. but including bathrooms and corridors etc. within living units).

The values have been provided on the assumption that land is situated in a typically average Greenfield edge of centre/suburban location for the area. In addition, it has been assumed that services are available to the edge of the site and that it is ripe for development with planning permission being available. The values provided assume a maximum of a two storey construction with density, S106 provision and affordable housing ratios to be based on market expectations for the locality.

The values should be regarded as illustrative rather than definitive and represent typical levels of value for sites with no abnormal site constraints and a residential planning permission of a type generally found in the area.

The values provided since the January 2010 Property Market Report are on a different basis to the figures provided in previous Reports and therefore a direct comparison cannot be made.



### Rental Values for Shops, Offices and Industrial Properties Methodology

The tables and graphs show the rental values of a range of property types within the retail, office and industrial markets.

The zoning of shops is a standard method of analysis of shop rents where it is generally accepted that the front of a shop (zone A) is the most valuable part and the value per square metre decreases as the distance from the shop front increases. The zoning method allows rents to be analysed to take this into account and usually the first 6.1 metres of depth are given a higher value per square metre than the back portion of the premises. Rents are always quoted in terms of the Zone A price. More details, including a video explaining how zoning works, are available on the VOA website.

The zoning pattern of 6.1 metres is now generally uniform except for on Oxford Street, London, where the zone pattern is 9.14 metres and this has been adopted for rental analysis at that location. All other rents quoted are on an overall price per square metre basis and on the assumption that there are no unusual incentives.





### **Industrial Land Methodology**

The report covers one type of land, a cleared development site situated in an established industrial location with a site area of 0.5 to 1.0 hectare.

The land is assumed to be in a typical location for the area having planning permission, services to the edge of the site and be ripe for development. In addition, the values provided assume that the development will be restricted to either industrial or warehouse use, with density S106 provision being based on market expectation for the locality.

The values should be regarded as illustrative rather than definitive and represent typical levels of value for sites with no abnormal site constraints and assuming a planning permission of a type generally found in the area.

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