

COLINDALE GARDENS
LONDON NW9

MARCH 2018

8.2%
Increase in average values for four central London boroughs (2017 versus 2016)

13.5%
Increase in average values for four central London boroughs (2017 versus 2016)

41%
Of UK houses for sale in the top 10 London boroughs, 41% are in the top 10 London boroughs for house price growth (2017 versus 2016)

REDROW

SCOPE FOR CAPITAL GROWTH
Introducing Colindale Gardens

Redrow Homes is currently developing a £1 billion regeneration project in north-west London, spanning 47 acres and delivering homes for an estimated 6,000 people. The scheme, Colindale Gardens, will bring 2,800 new homes to the area and include substantial work to Colindale Underground Station. There will be a wide array of new retail facilities and amenities, including a primary school and nine acres of open green space.

The report looks at the performance of the London residential market, as well as the local market in which the scheme sits. We explore the potential for this scheme, compared to other neighbourhoods with similar journey times and amenities.

Colindale Gardens achieves higher value markets

BARNET

ADDITIONAL VALUE

8.2% INCREASE
IN AVERAGE VALUES

13.5% INCREASE
IN AVERAGE VALUES

2% INCREASE
IN AVERAGE VALUES

2.7% INCREASE
IN AVERAGE VALUES

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Pushing the boundaries

Average sales prices for residential property in NW9-5 Colindale Gardens, tend to be lower than adjacent parishes and the London Borough of Barnet as a whole. This highlights both the value which the area offers, together with the potential for price growth.

Depth of the local market

Pricing in NW9-5 is more heavily weighted towards the lower end of the market than surrounding parishes and the London Borough of Barnet as a whole. This is supported by the fact that the area offers a wide range of property types, including a high proportion of flats. This is supported by the fact that the area offers a wide range of property types, including a high proportion of flats.

RENTS HAVE RISEN BY 17.6%

28% of rental areas are **PRIVATELY RENTING**

78% LESS THAN FIVE MILES - 23% within a mile

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MARKET POSITIONING AND FUTURE POTENTIAL

Pricing, travel times and amenities

The first phases at Colindale Gardens achieved an average of £599 per square foot. This places the scheme in competition with developments in areas which include Bickhurst, Walthamstow, Stamford and Hayes and Harlington at a per square foot basis.

How amenities add value

Research shows a statistically significant level of premium in local area and price growth achieved. This means amenities nearby and the location they are situated in, rather than the type of property.

19% OF THE LAND AT COLINDALE GARDENS WILL BE GREEN OPEN SPACE

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Connectivity

Colindale Underground Station, benefiting from an £16e regeneration, is a prime location for Colindale Gardens. With a tube journey of just 22 minutes to King's Cross, the development is an early journey to central London.

Average journey times in suburban districts with an average of 40 minutes to London, central London of 23-30 minutes were compared. NW9 had the lowest average journey time of 20 minutes to both 2016 and 2017, and 2017 and 2018 respectively. This highlights the value that the location offers and strongly suggests that the area is currently undervalued based on travel time, with the ability for further house price increases.

The growing popularity of NW9-5 can be seen in the increase in enquiries through Colindale Underground Station. In the last five years there has been a 50% increase in enquiries and a 70% increase in enquiries. This demonstrates the high take, turning up at King's Cross and returning. Others either a faster and more reliable alternative to right buses and open up London's 200+ nightlines to local residents.

"Colindale Gardens encompasses all the attributes customers prioritise: excellent connectivity, green open space and an abundance of amenities right on their doorstep. We have analysed these factors in this report and all the data points to the fact that Colindale Gardens is well-placed to succeed. The wider area is also fast becoming a hotspot for families and first time buyers as they realise the exceptional value for money on offer here."

MARK PARKER
RESEARCH DIRECTOR AT REDROW NORTH LONDON

Colindale leads in value

Compared with other postcode districts in a similar geographic area, this area offers great value for money.

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LONDON'S RESIDENTIAL SECTOR

The UK's capital continues to appeal to buyers

London suffers from a dearth of housing. This is a shortage of homes relative to demand. The imbalance has underpinned house prices for decades and has been further exacerbated by a reduced turnover. Housing stock turnover has roughly halved from 2007/08, fuelled by a mix of tighter mortgage criteria following the global financial crisis and more recently due to changes to stamp duty land tax and Brexit uncertainty.

The ease for buying London residential property rests on a history of government policy, albeit critical in nature. Low points in the cycle can represent buying opportunities for buyers with a more long term view.

London residential outperforms other asset classes over 5 years and 10 years

5% INCREASE
IN AVERAGE VALUES

5% INCREASE
IN AVERAGE VALUES

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Discounts and opportunities for overseas investors

The introduction of stamp duty has opened a window of opportunity. The chart below shows the discounts which are available to buyers using their own currencies.

London takes centre stage

Investors have been increasingly attracted to London's residential market in order to achieve stable returns and capital growth during a time when other countries' assets have been struggling to rise. During this current period of low inflation and low interest rates in London, it is an ideal time for investors to consider their options.

Policy and politics

Local and central changes can have an impact on UK residential markets. Reform of stamp duty has had a significant impact in London, being a negative influence on house prices, while the government initiative 'buy to let' has had a positive effect on turnover of new build sites.

Colindale's Silver Circle

The value of the parcel is far in excess of the market value which may represent the value to property investment in London. This is due to the fact that the area has recently seen an increase in the number of build opportunities for overseas purchasers are still likely to present themselves during the period to build.

RESEARCH ANALYSIS

REDROW

Redrow was established in 1974. Today, it is one of the most successful and acclaimed property developers in the UK, building over 5,400 premium quality family homes a year in prime locations across England and Wales.

Over Redrow's history spanning more than 40 years, it has earned a unique reputation for quality and building beautiful homes, which people love to live in. To help achieve this, it also focuses on the other key areas: making people and creating outstanding locations, implementing technology, working with colleagues and stakeholders helps Redrow deliver significant value to investors and the wider community. We are proud that 7% of our customers would recommend Redrow.

Redrow is listed on the London Stock Exchange and is a constituent of the FTSE 250 index. For the year ended 30th June 2017, the Group reported record revenues of £165 million.

Redrow has been awarded the 'Best Large Housebuilder' title twice in the last three years at the What House? Awards. This year, Redrow was named as a UK Top 100 Apprenticeship Employer for the fifth consecutive year. In the company's recent interim results for the last six months to 31 December 2017, it was reported that 19 new outlets opened and Redrow is on track to open with more than 30 outlets in FY2018.

For more information, please contact Redrow on 0203 8113 749 or visit www.colindalegardens.com

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dataloftconsult

dataloftconsult

dataloftconsult is an established property research consultancy with a track record of providing high quality, independent research and analysis to a wide range of clients. We are currently looking for a highly motivated and experienced individual to join our team as a Research Analyst. The successful candidate will be responsible for conducting market research, analysing data and providing reports to clients. The role involves working closely with the sales and marketing teams to understand client requirements and provide tailored solutions. The successful candidate will have a minimum of 3 years experience in property research and analysis, with a strong understanding of the UK residential market. The role is based in London and offers a competitive salary and benefits package. If you are interested in this role, please send your CV and cover letter to: info@dataloftconsult.com. Dataloftconsult is an equal opportunities employer.

CONTEMPORARY DEVELOPMENT

£599 PER SQUARE FOOT

RESEARCH ANALYSIS

Open Green Space
ON SITE OR LESS THAN 20 METRES

Bus Stop
LESS THAN 25 METRES

Schools
LESS THAN 170 METRES

Nursery
LESS THAN 250 METRES

Supermarkets
LESS THAN 700 METRES

MARK PARKER
RESEARCH DIRECTOR AT REDROW NORTH LONDON

JAMES HOLMES
SALES DIRECTOR AT REDROW NORTH LONDON