

RESIDENTIAL PERFORMANCE

Nationally the housing market has seen another year of low turnover. Economic and political uncertainty, combined with increased costs at the upper end of the market, has taken its toll on home moves. The new homes market remains buoyant however, supported by the Help to Buy scheme.

This is reflected in Kent which saw the completion of 7,800 new homes, a 7.3% net increase in the number of new dwellings in the 2016/7 financial year, just 4.6% shy of the pre-financial crisis peak. With a sharp upturn in the number of units with planning consent or in the planning pipeline, these numbers are expected to rise further over the coming years. The expansion in the housing stock will assist in tempering growing affordability pressures across the county. Overall prices rose by over 3%, but more affordable locations including areas of Thanet, Dover, Canterbury and Swale saw the highest uplifts, while higher value towns experienced limited growth over the last 12 months.

A number of the areas with the fastest pace of house price inflation will see increased housing volumes over the coming years. At the Whitfield Urban Expansion in Dover, 6,000 homes are planned, with around 100 units completed by Halsbury Homes at Richmond Park and more starting on site this year.

Along the coast at Folkestone, following consent being awarded for a new garden town at Otterpool Park, land between Sellindge and Lympne was purchased by Folkestone and Hythe District Councils in January for £5.2 million. A planning application for the first 8,000 homes of the total 12,000 planned is expected this year, with building work set to begin in 2020. Meanwhile, in the town, the Folkestone Harbour Company plans 1,000 seafront homes with the construction of 100 units underway. On Whitstable seafront, George Wilson's Savoy development

7.3%

Increase in new homes completed during the 2016/2017 financial year

Caxtons

Average new build price range by location

Residential new build land values

| Location | New build average price achieved (£/ft²) | |
|-----------------------|--|------------|
| | Houses | Apartments |
| | 2017 | 2018 |
| Ashford | £275-£375 | £295-£375 |
| Canterbury | £325-£475 | £325-£475 |
| Dartford | £350-£450 | £375-£450 |
| Dover | £250-£350 | £275-£350 |
| Gravesham | £325-£425 | £350-£425 |
| Maidstone | £300-£400 | £300-£400 |
| Medway | £275-£375 | £300-£400 |
| Sevenoaks | £400-£625 | £400-£675 |
| Shepway | £275-£400 | £275-£400 |
| Swale | £275-£375 | £275-£375 |
| Thanet | £275-£350 | £275-£350 |
| Tonbridge and Malling | £350-£450 | £350-£450 |
| Tunbridge Wells | £425-£575 | £425-£575 |

Source: RPC Land & New Homes

offering luxury flats in a former art deco building was completed this year.

In Canterbury, Corinthian Land started construction on 140 units at Mountfield Park, as part of the planned mixed use urban extension. Nearby, the Wye3 masterplan was launched, proposing the provision of 60 new homes and a 50 bedroom residential care home or extra care housing as well as open space and commercial uses.



GEORGE WILSON DEVELOPMENTS

Savoy, Whitstable.

At Chilmington, Ashford, the first homes of the planned 5,700 unit development started on site this year. The consortium on the scheme includes Barratt Homes, David Wilson Homes, Jarvis Homes, Hodson Developments and Pentland Homes. Meanwhile, in the town centre, construction of 28 build to rent apartments in Victoria Crescent started in May, with completion expected in early 2019. The units were purchased off-plan by A better choice for Property Limited, adding to their portfolio of residential assets in the town. Also, in the town, GRE Assets, with Quinn Estates, started work on 235 apartments and 26 riverside houses at Riverside Park, while the former Kent Wool Growers residential site was purchased by U&I for £3m.

In Medway, Countryside started construction on Rochester Riverside, with plans for 1400 new homes as well as commercial floorspace and over 10 acres of new open space. Nearby, construction is also underway on a number of small schemes, including the conversion of Kitchener Barracks into 72 flats and 94 houses. In Gravesend, the North Kent Hospital site, which has outline consent for 80 units, was purchased by Peker GYO in March for £2.3m.

At Ebbsfleet Garden City approximately 1000 homes have now been completed and activity continues. Keepmoat Homes Ltd started construction on 598 planned homes in the spring while Redrow received consent of 205 homes in the third phase of Ebbsfleet Green. Looking ahead to

the next phases, Northfleet Embankment East, a 17ha (43 acre) Thames riverside site, was acquired and prepared for development by Homes England.

Meanwhile, at Kings Hill the construction of the next new neighbourhood is underway, to include a public park providing the backdrop for 635 dwellings and new community facilities. Countryside Properties and Bellway Homes are developing 132 and 44 homes respectively. Anchor Lifestyle Developments has been granted planning consent to provide 75 assisted living apartments and further similar sites are under consideration.

Looking ahead to future schemes, plans were submitted in May for a further mixed use scheme at Stone Hill Park, Thanet, to include up to 3,700 homes and the building of a new link road to Westwood Cross. There is an agreement in principle with local housing association Optivo for the sale of 400 homes. Meanwhile, plans for a mixed use garden village, Binbury Park, adjacent to the Kent County Showground, remain under consideration. The Quinn Estates proposals would include around 1,750 new homes.



Proposal for the Lakeside Quarter, Otterpool Park.



Proposal for Mountfield Park, Canterbury.

House price change in Kent to end of June 2018

| Location | 5 year change in price | 5 year compound annual growth rate | 12 month change in price | Average house price (rounded to nearest £15k) |
|-----------------------|------------------------|------------------------------------|--------------------------|---|
| Ashford | 44.5% | 9.6% | 4.0% | £300,000 |
| Canterbury | 44.6% | 9.7% | 4.7% | £300,000 |
| Dartford | 51.6% | 11.0% | 0.7% | £315,000 |
| Dover | 47.2% | 10.1% | 5.2% | £240,000 |
| Gravesham | 55.5% | 11.7% | -0.4% | £300,000 |
| Maidstone | 44.6% | 9.7% | 2.8% | £315,000 |
| Medway | 54.4% | 11.5% | 2.2% | £240,000 |
| Sevenoaks | 42.3% | 9.2% | 1.0% | £465,000 |
| Shepway | 42.0% | 9.2% | 4.2% | £255,000 |
| Swale | 51.8% | 11.0% | 4.7% | £255,000 |
| Thanet | 58.5% | 12.2% | 7.4% | £240,000 |
| Tonbridge and Malling | 43.7% | 9.5% | 3.1% | £375,000 |
| Tunbridge Wells | 38.5% | 8.5% | 2.2% | £405,000 |

Source: Hometrack, part of ZPG