

SE18 PROPERTY NEWSLETTER

AUGUST 2016

Does living near Plumstead Manor School affect nearby house prices?

This is the time of year that pupils here in SE18 nervously wait for their GCSE and A-Level results. I don't know about you, but here in the office our knees go weak just thinking about it! But this made us think about the effect of schools on property prices in our area. As you all know, there are many factors that contribute to the value of your home besides its size and location. Things like crime rates, transport links, shops and general amenities all have a noticeable effect on the value of your home. However, proximity to a good local school is one of the biggest ancillary factors, especially for parents. When it comes to buying, education, rather than location, is more often than not the deal-maker for this particular demographic.

Did you know that for some house hunters, the search for a property actually begins on the Ofsted website, rather than with the local agents? It's no coincidence that property portals have invested heavily in displaying the proximity and performance of schools on each property listing. Some local councils also publish information on schools listed as outstanding, giving the names of streets that fall within the catchment area.

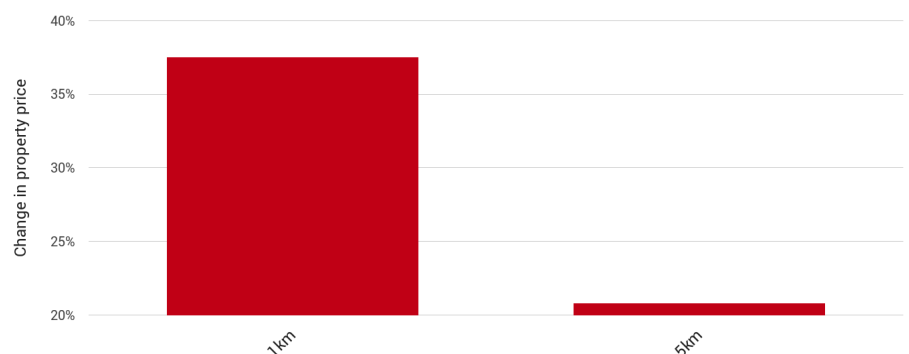
It's hard to say exactly when school league tables began to have such a bearing on property prices, but there is growing evidence of a strong link between a good school report and the demand for housing close to it. In fact many property hunters are willing to overlook the shortcomings

of the property itself and spend beyond their original budget to be in the catchment area of a good school.

The link between prices and school performance is strongest for primary schools because of their smaller catchment areas, which get smaller the better the school performs. However, secondary schools also have a big effect.

We decided to take a look at the properties surrounding the best performing schools across the whole country. We found that on average, properties which were within 1km

12 month change in property prices 1km versus 5km from Plumstead Manor School



of a good secondary school sold for 8.4% more than the rest of the housing stock in 2015. Perhaps more interestingly, these same properties had increased in value by 5.2% more than the rest over the last decade. Now of course there are other factors at play here, but the impact of the schools will certainly be a major factor.

But how big is this impact in SE18? Well, one of the best performing

schools in the area for 2014-15 Key Stage 4 results was Plumstead Manor School. In the 12 months up to the start of May 2016, the average price of properties within a 1km catchment of the school had risen by 37.5%. In comparison, average prices within 5km only rose by 20.8%, which is 16.7% less. Interesting, don't you think?

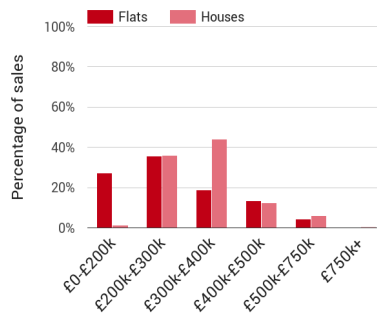
But are there any downsides to living near a school? If you're thinking about buying such a property, you might be concerned about traffic congestion. From the conversations we've had with our clients they don't see it as a big problem. They say it's

only at the beginning and end of the school day (whilst we are working) and the schools are closed for big chunks of the year.

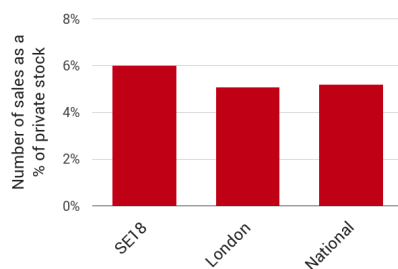
If you want to know more, call on 020 8310 2416 and we'll give you some friendly advice on finding your perfect home close to good a school. And if your children have taken their exams this year, we wish them lots of luck!

Properties sold by price bands

In the last 12 months, the greatest number of flat sales has occurred in the £200k-£300k price band in SE18 (35.9% of all flat sales). The most common price band for houses was £300k-£400k which accounted for 44.0% of all sales of houses. In that period, the proportion of houses selling in the price band £500k-£750k was 5.9% (4.3% for flats).



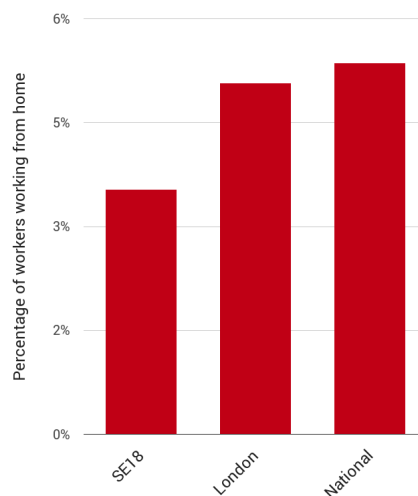
Turnover in the context of the bigger picture



The number of sales that take place in an area is an important indicator of the state of the market. In the last year 6.0% of the total private housing stock changed hands in SE18. This compares with 5.1% in the region and 5.2% nationally. That means that the local market is slightly more liquid than the national market.

Working from home statistics in SE18

Typical structured working environments based on the nine-to-five working day are slowly disappearing, with more people choosing to work from home. As technology evolves, people are less dependent on traditional working spaces, instead using cloud-based services to communicate and share files. There are interesting differences between areas, not least in SE18, with 3.5% of people now working from home instead of in an office. This is 1.6% lower than in London (5.1%) and 1.9% lower than the national average (5.4%).



What is the jobs mix like in SE18?

NS-SEC is the primary social classification in the UK and it basically categorises people based on what type of job they do. In SE18 the mix is like so:



Higher managerial
7.7%



Lower managerial
17.9%



Intermediate occupations
11.0%



Small employers / self employed
8.0%



Lower supervisory & technical occupations
5.9%



Routine & Semi-routine occupations
23.8%



Other
25.7%

Source: ResiAnalytics, Office for National Statistics and Land Registry © Crown copyright 2016



Paul Wright
Owner/Founder
paul@allavenues.co.uk



Rebecca Meechan
Sales/Lettings
rebecca@allavenues.co.uk



020 8310 2416

info@allavenues.co.uk

www.allavenues.co.uk

65-66 Woodrow, Woolwich, London, SE18 5DH