

LAND VALUE MONITOR

ENGLAND AND WALES

Autumn 2003

Land value index shows continuing increase in the value of land in the third quarter of 2003

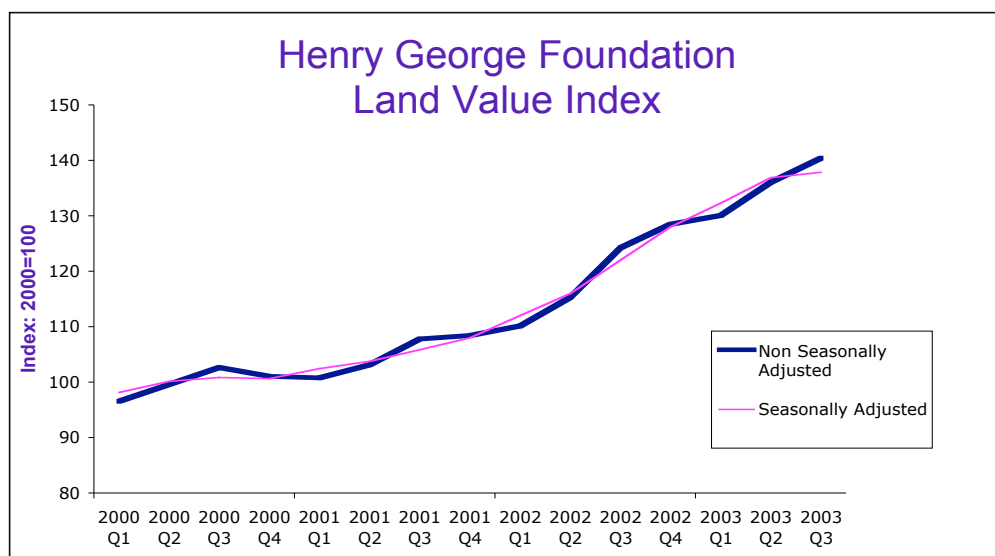
The value of land has risen significantly over the year to 2003 quarter 3, at +13%, whilst it has increased marginally from the second quarter of 2003, at +0.7%

The increase in the value of land over the year shows the continuing upward trend in the value of land.

COMMENT

“With the population estimated to increase by 15 million in the next 25 years, we are unlikely to see a reverse in these trends”

Duncan Elliott, HGF



The levelling off of land value in the seasonally adjusted series for 2003 quarter 3 is due to the technical aspects of the seasonal adjustment procedure. The upward trend is expected to continue.

Period	Land Value Index	Land Value Index (Seasonally adjusted)	Quarterly percentage change (seasonally adjusted)	Annual percentage change
2002 Q3	124	122	5.21	15.26
2002 Q4	129	127	4.88	18.53
2003 Q1	130	132	3.41	18.12
2003 Q2	136	137	3.43	18.01
2003 Q3	140	138	0.74	12.99



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* The full index, including a detailed breakdown of regional variations to local authority level, can be found on the Henry George Foundation web-site.

REGIONAL ANALYSIS*

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Land values in London and the south show signs of a slow down in 3rd quarter of 2003 compared to soaring land values in some areas of the north of England.

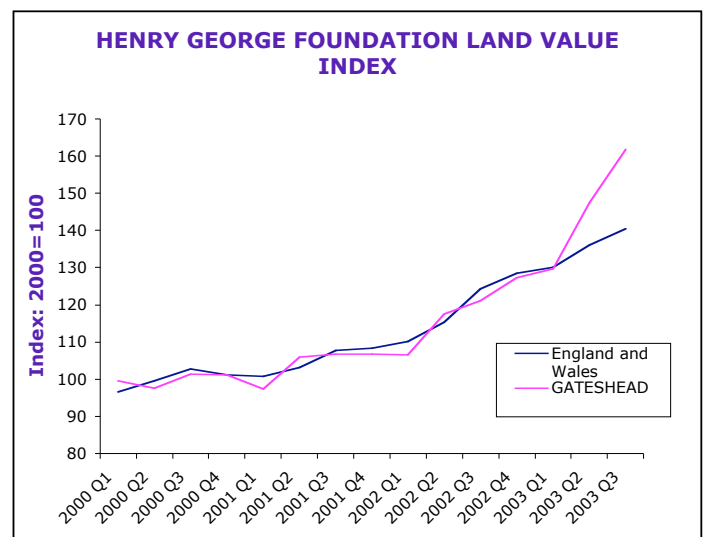
The value of land in areas such as Gateshead and Durham have increased significantly over the last year, from 2002 Q3 to 2003 Q3.

Some areas of the north east have seen significant investments in recent years, which is reflected in the significant increases in the value of land in certain areas.

COMMENT

“Land is a safe investment compared to the stock market, particularly in the present climate of uncertainty. We should not be surprised that people are hunting bargain plots, pushing up the value of land previously lower value regions of the country”

Duncan Elliott, HGF



Largest Annual Increase in Land Values 2002Q3-2003Q3			
Region	Land Value Index 2003Q3	Land Value Index 2002Q3	Annual percentage change
BOLSOVER	120	157	31.18
COPELAND	106	140	31.97
WANSBECK	120	159	32.25
DURHAM	117	155	32.44
GATESHEAD	121	162	33.76

Decreases in Land Values 2002Q3-2003Q3			
Region	Land Value Index 2003Q3	Land Value Index 2002Q3	Annual percentage change
TOWER HAMLETS	107	104	-3.56
READING	118	113	-3.99
ELMBRIDGE	114	109	-4.34
HAMMERSMITH AND FULHAM	117	112	-4.39
KENSINGTON AND CHELSEA	114	109	-4.87

Whilst there have been estimated falls in the value of land in some London local authority areas, it should be remembered that the absolute value of land in these areas is very high.

Very large increases in the value of land tend to be seen areas that have lower absolute value of land but are receiving investment. These are the areas that will give the highest return to investments in land.

* The Henry George Foundation web-site provides details on the land values in 375 local authority areas from quarter 1 2000.