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LAND PRICES CONTINUE TO FALL

BUDDING home builders could build their dream home for much less this year, as PlotSearch, the land-finding database of self build and renovation specialists, BuildStore, has revealed a further drop in self build land prices at the end of last year.

The average UK plot price is now £10,000 lower than last year, and below the Stamp Duty land tax threshold, meaning self builders can avoid a Stamp Duty bill of £9,000 on average by building their own home, as opposed to buying on the open market. As self builders only pay stamp duty on the purchase price of the plot, there is nothing more to pay, even if the completed house is worth hundreds of thousands of pounds.

Plot prices have fallen in recent years, by around a third since 2008, and much more in some areas of the UK. The latest figures show that the average plot price in the UK is now £121,651, and reveals the highest proportion of plots under £100,000 for over two years. Currently, 62% of the listed building opportunities are priced £100,000 or less, a 5% increase on the same period in 2010. Prices in Scotland remain the lowest, closely followed by Wales, but there are areas in England where average prices are at similar levels.

East	£139,750
East Midlands	£65,817
London	£280,150
North East	£147,407
North West	£101,255
Northern Ireland	£112,531
Scotland	£69,305
South East	£186,018
South West	£113,870
Wales	£76,419
West Midlands	£91,216
Yorkshire	£82,492

**Average Plot Prices, per UK region
(PlotSearch, December 2011)**

Further research by BuildStore also shows that the number of plots on the PlotSearch database that were sold in 2011 has also increased year-on-year – it attributes this increase to a number of factors.

Raymond Connor, Chief Executive at BuildStore Financial Services, comments:

“Of course, with more reasonable plot prices, many people who have been interested in self build are now able to afford to buy them. Perhaps more crucially though, we have also seen an improvement in the self build finance market throughout 2010 and 2011, which also means that self builders are able to secure the right funding to enable them to purchase the plot and build their own house.

“The support by the UK Government and backing of the Scottish Government’s should also lead to an increase in opportunities for self build throughout 2012. In fact, with the policies and reforms that are being implemented, I expect we will see self build housing become a mainstream housing option in the future.”

The PlotSearch database currently features over 8,300 self build plots, renovation, and conversion opportunities for sale, with hundreds of new opportunities added to the database each week. However, PlotSearch has tens of thousands of subscribers, and access to suitable building land is still a barrier for many budding self builders.

The UK Government is backing the industry, and intends to double the number of self build homes in the UK over the next decade. To tackle the land barrier, it is releasing more land, through its own departments, and also, in its current draft, the National Planning Policy Framework places a requirement on Local Authorities to identify and address the interest and demand for self building in their areas when developing their local housing plans.

ENDS

Notes to Editors

BuildStore is at the heart of the UK’s self build and renovation sector, with a bespoke end-to-end offering of products and services, specifically designed to help self builders and renovators throughout their projects.

BuildStore’s core services include:

- Land finding via PlotSearch, the UK’s largest and most accurate online database of building plots, renovations and conversions. There are over 8,000 plots, renovations and conversions available, constantly validated for accuracy and include aerial photography
- Financial Services – BuildStore is the UK’s leading provider of tailored self build and renovation mortgages, allowing funds to be released in stages throughout the project giving positive cash flow. Mortgages are sold direct to the public and via intermediaries
- Buying materials - BuildStore’s TradeCard provides over 4,000 members with discounts and offers of building materials, plant and tool hire from leading suppliers and builder’s merchants, by combining the buying power of the UK’s self builders and renovators
- The UK’s first and only National Self Build & Renovation Centre, opened in February 2007 in Swindon; an impressive 67,000 sq ft Centre designed to educate, inform and inspire self builders and renovators.

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