

# IMPACT OF HERITAGE LISTING ON RESIDENTIAL PROPERTY VALUES

**THE IMPACT OF HERITAGE LISTING ON RESALE VALUE IS A COMMON CONCERN FOR OWNERS AND PROSPECTIVE BUYERS OF RESIDENTIAL PROPERTY.**

Studies show heritage listing has no effect on property values in most cases, and sometimes improves resale value. Listed residences with well maintained heritage features have been found to attract a price premium compared to equivalent non-listed places in independent studies.

Among the many interstate studies on this topic, one completed by Deodhar in 2004 for Ku-ring-gai in Sydney's North Shore compares well with many Garden City precincts in the ACT with socio-economic indicators like income, education and occupation, as well as block size, low density housing, landscape features and gardens.

The study conclusively establishes that 'heritage-listed houses in Ku-ring-gai enjoy a price premium compared to unlisted houses. After controlling for other property attributes, heritage-listed houses command a premium of 12% on average. This premium reflects the combined value that the market places on their heritage character, their architectural style element and their statutory listing status.'<sup>1</sup>

Property values generally for both heritage and non-heritage buildings, are determined by many factors including zoning, other planning requirements, lot sizes, types of surrounding properties, the level of amenities and services in the surrounding area, tenancy opportunities, prevailing trends in the 'market cycle', the social profile of areas and the quality and maintenance of individual buildings.

<sup>1</sup> Deodhar, V., Does the housing market value heritage? Some empirical evidence, 2004



Limited in supply, the rarity and authenticity provided by heritage places are attractions that cannot be built or recreated anywhere else. Real estate agents are only too aware of heritage qualities of historic residential property and precincts. These are generally emphasised as a positive attribute in marketing campaigns by developers and agents.

Heritage buildings are often 'quality' buildings with a special appeal. Because historic buildings are rare and there is a demand in the community for them, it can be expected that a portion of the community will be prepared to pay a premium to purchase such property.

## LINKS

Some recent Australian studies, study evaluations, and case law which conclude listing has a positive or no effect on property values and economic viability includes:

### ABELSON & DOMINY

→ [Economics of Heritage Listings](#)

### PRODUCTIVITY COMMISSION

→ [Conservation of Australia's Historic Heritage Places](#)

### COTTERIL

→ [Value of Heritage to the City of Ballarat-Case Study](#)

### HERITAGE VICTORIA

→ [Heritage Listing & Property Valuations in Victoria](#)

### MOORE, T (HELOU V STRATHFIELD MUNICIPAL COUNCIL)

→ [Helou v Strathfield Municipal Council \[2006\]](#)

“THE OWNERS WHO BOUGHT INTO THE HERITAGE-LISTED AREAS WERE POSITIVELY INFLUENCED TO DO SO BY THE EXISTENCE OF HERITAGE LISTING, WHICH WAS PERCEIVED AS PROTECTION FOR THEIR INVESTMENT.”<sup>2</sup>

2 Heritage Council of WA, The impact of heritage listing on property values in Western Australia, 2001

