



## Press Release

2<sup>nd</sup> March 2010

### The Buying Solution, Country Market Comment, Q1

#### Overview:

Philip Selway, Managing Partner of The Buying Solution, comments: "A continued supply shortage across all regions means that good houses are selling well under competition. There is a dearth of land too, which continues to attract a variety of purchasers who deem it a safe long term investment. We anticipate that the supply shortage will continue up until the election, following which, we expect an early summer market.

"We predict two possible scenarios for vendors following the election – they may hang on to what they've got (because property is a safe asset in inflationary times) which will stall supply, or, we may see an increase in supply from people who sell because they need to release capital (as taxes and interest rates increase) or their plans to perhaps leave the country are accelerated."

#### Regional commentary:

**Central:** (Gloucestershire, Oxfordshire, Warwickshire, Northants, Herefordshire, Worcestershire)

Ran Morgan, Partner and head of the Central region, comments: "The chronic lack of supply means that good properties which are priced well or are unusual have sold quickly, sometimes purchased over guide price. Indeed, The Green at Fifield in Oxfordshire sold for 10% over its guide price with four bidders - its great location in an unspoilt village and good sized accommodation meant that the lack of supply created competition and drove the sale. Properties which are overpriced or 'blighted', however, are still on the market. Landed houses still attract competition due to the scarcity of land, as well as the amenity and taxation benefits of owning land. We are anticipating an increase in property coming to the market in March and early April, then expect it be very quiet until election fever has subsided, following which, we expect an early summer market."

**Southern** (Somerset, Wiltshire, West Berkshire, Hampshire, Dorset)

Bobby Hall, Partner and head of the Southern region, comments: "We are beginning to see an increase in property on the open market in the southern region but there is still a scarcity of decent houses. As such, good houses are achieving strong prices.

The independent buying consultancy of

**Knight Frank**



An example of this is the recently agreed sale of an attractive Georgian house outside Andover which achieved a sensible but strong guide price of circa £2.25 million within the last month, despite the fact that some farm buildings on the opposite side of the road are being developed. In times of plentiful supply, this could deter buyers, but clearly this was something that the purchasers were happy to compromise on in the present market. It is our opinion that vendors who are marketing their houses sensibly are likely to achieve realistic guide prices throughout the region. It is also worth noting that we have had a number of new client enquiries with a completely mixed view of the election – some clients are not at all concerned by it and simply want to get on and purchase, whereas others are seeing it as highly important and waiting to see what happens.”

## **Home Counties** (Berkshire, Buckinghamshire, Surrey, South Oxfordshire, West Sussex)

Andrew Giller, Partner and head of London and the Home Counties, says: “The desire to be closer to London has been amplified in the recent downturn, and the shortage of houses to purchase at any one time, particularly in the Home Counties with its Green Belt policies, will have an impact on how much people are prepared to pay for the privilege of moving, rather than the perceived value of an individual property.

“Surrey in particular has been the play thing of the globally wealthy for generations and currently we are seeing a second generation of Russians requesting our services to ensure that they do not make the same mistake as the first generation i.e. overpaying for second rate properties. We also have a number of potential Indian clients as a result of a very high profile Indian family purchasing an estate to the North of Cranleigh - the news of their Surrey home has created further interest in the area, highlighting that the best addresses are being globally recognised.”

## **High value country houses, estates and land**

Mark Lawson, Partner and head of high value houses and landed estates throughout the UK, says: “The top end of the market continues to be slow-moving, with very few new properties over £8 million. Any new property which has become available has done so privately. There also seems to be limited new top end buyers in the market, although this is possibly as a result of the lack of new property to generate their interest.

“There continues to be a desperate shortage of agricultural land with a wealth of potential purchasers including neighbouring farmers, investors and tax driven purchasers looking to buy land, which is



fuelling prices - around £6,000 per acre is consistently being achieved, and higher figures under competition. The Kiddington Estate Lots 2 to 10 (the land / business elements of the estate) have now sold to a private individual who was an investor - a largely tax driven purchase. The house with about 450 acres and three secondary houses has been re-launched at a new guide price of £15m. There is a handful of smaller landed properties becoming available but in almost every case, privately rather than publicly.

“I think it’s unlikely we’ll see a significant increase in the number of top end buyers after the election. The two caveats are that we are likely to see the continuation of wealthy international buyers looking to purchase in London and the Home Counties, as well as the continued demand for land.”

For further information, please contact The Buying Solution on telephone: 01488 657912 or visit the website: [www.thebuyingsolution.co.uk](http://www.thebuyingsolution.co.uk)

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## Editors notes:

The Buying Solution is the independent buying consultancy of Knight Frank LLP, and is the UK's leading property buying consultancy, dedicated to helping its clients find and buy exceptional homes. The Company operates on a completely independent basis with access to all agents and vendors, offering impartial advice in the market place. The team has over 150 years of collective experience in the property market. Clients include high-net-worth British buyers, as well as wealthy international buyers.

The Buying Solution has six teams covering:

- High value country housing, estates and land
- Prime London
- Home Counties (Berkshire, Buckinghamshire, Surrey, South Oxfordshire, West Sussex)
- Southern (Somerset, Wiltshire, Berkshire, Hampshire, Dorset)
- Central (Gloucestershire, Oxfordshire, Warwickshire, Northants, Herefordshire, Worcestershire)
- Rental search in London and Surrey

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