

The London Barometer/ Sales: July 2011

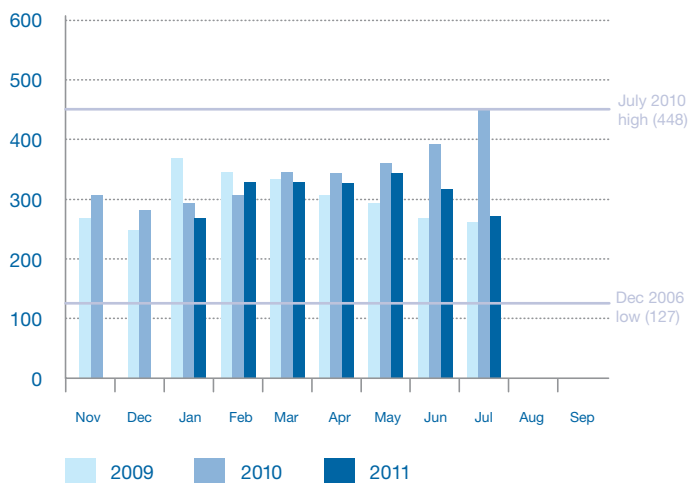
Market Comment

"Despite stock levels down by 40% from last year buyer numbers have fallen by only 20%. This has led to a very busy summer with buyers looking outside their original search areas and higher than expected levels of business reinforcing London's safe haven status.

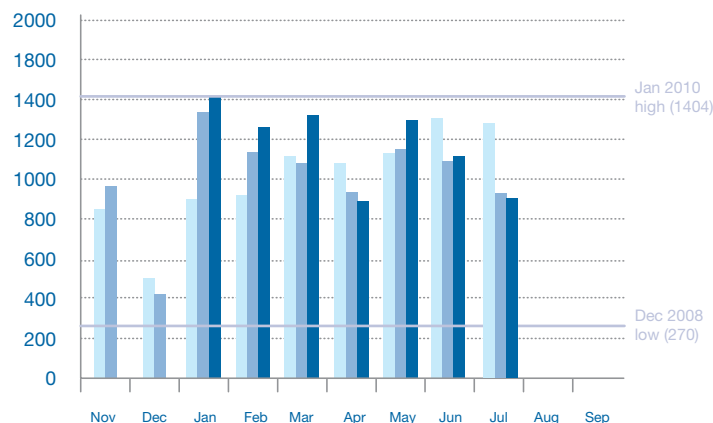
"With the Fed announcing a two year freeze on interest rates, and supply at what's usually December levels, it's looking like demand will continue to outstrip supply leading to higher prices during the Autumn."

Ed Mead, Director

Supply*

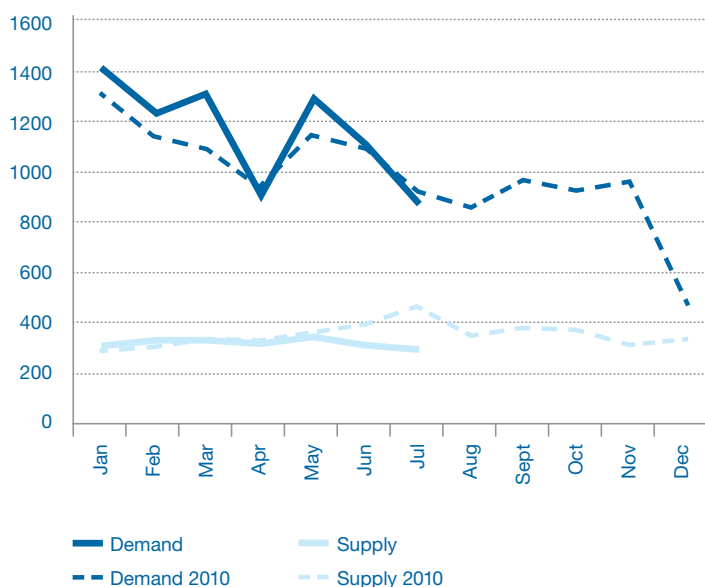


Demand*



*Supply and demand is determined by instructions and new applicants (respectively) within a given month across Douglas & Gordon's network of 13 sales offices in London

2011 Supply & Demand



Douglas & Gordon Average London Sales Price Index*

	Q3 2010	Q4 2010	Q1 2011	Q2 2011
1 bed flat	£ 375,000	£ 361,667	£ 368,333	£ 374,167
2 bed flat	£ 523,750	£ 527,917	£ 543,333	£ 557,083
3 bed house	£ 1,101,667	£ 1,120,417	£ 1,174,167	£ 1,209,583
4 bed house	£ 1,658,333	£ 1,691,667	£ 1,780,833	£ 1,905,833

*The D&G Average London Sales Index is based on a periodic re-valuation of each property type from every D&G office across London with the increase or decrease in their values averaged

The London Barometer/ Lettings: July 2011

Market Comment

"We have seen 68% fewer tenancies ending in July compared with this time last year, further highlighting that tenants are choosing to stay where they are for the time being.

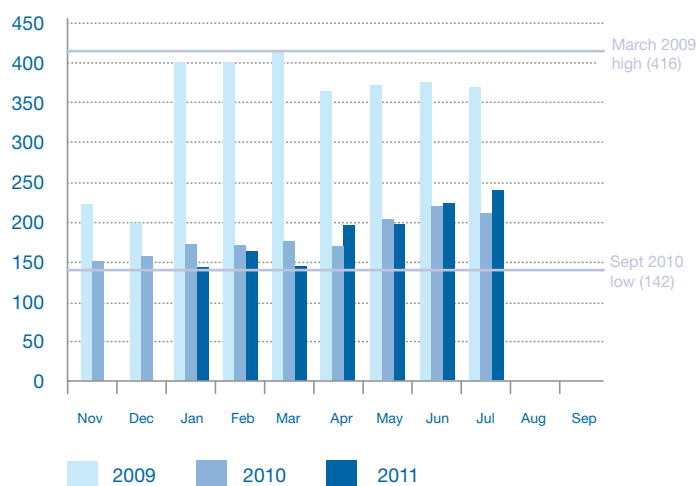
"Although there are 40% less properties available to buy, we have seen 20% more rental properties coming to the market, perhaps as a consequence of rising rental prices making buy-to-let properties more attractive to investors.

"There are signs that the dramatic increases in rental prices seen in the last two years will start to slow as supply starts to exceed demand.

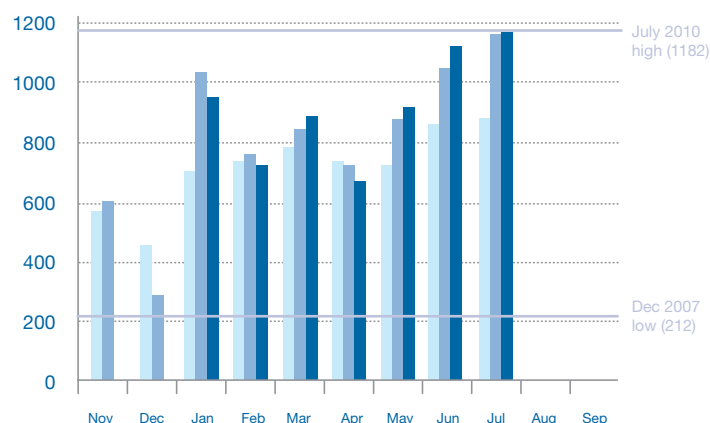
"For the first time, we have seen more people choosing to rent rather than buying, showing that like many European countries, renting long term is becoming much more acceptable and popular in London."

Virginia Skilbeck, Director

Supply*

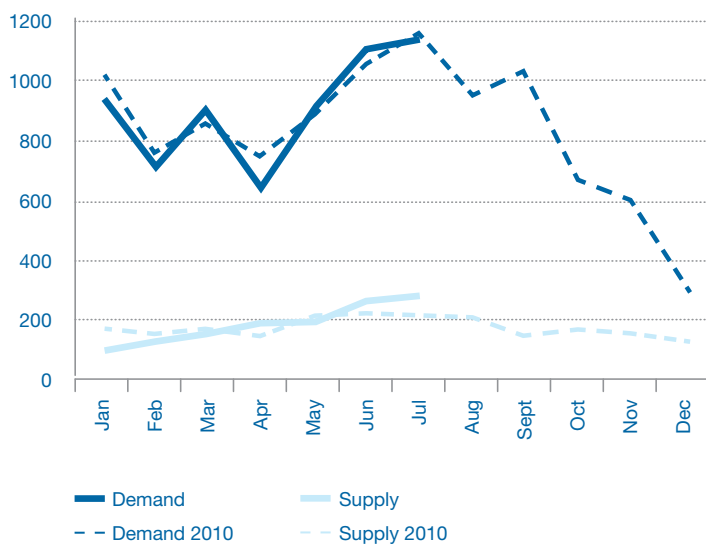


Demand*



*Supply and demand is determined by instructions and applicants (respectively) within a given month across Douglas & Gordon's network of 11 lettings offices in London

2011 Supply & Demand



Douglas & Gordon Average London Rent Index* (per week)

	Q3 2010	Q4 2010	Q1 2011	Q2 2011
1 bed flat	£ 373	£ 376	£ 381	£ 394
2 bed flat	£ 491	£ 493	£ 503	£ 527
3 bed house	£ 840	£ 835	£ 860	£ 922
4 bed house	£ 1,468	£ 1,475	£ 1,530	£ 1,661

*The D&G Average London Rent Index is based on a periodic re-valuation of each property type from every D&G office across London with the increase or decrease in their values averaged