

The London Barometer

December 2015 / Sales

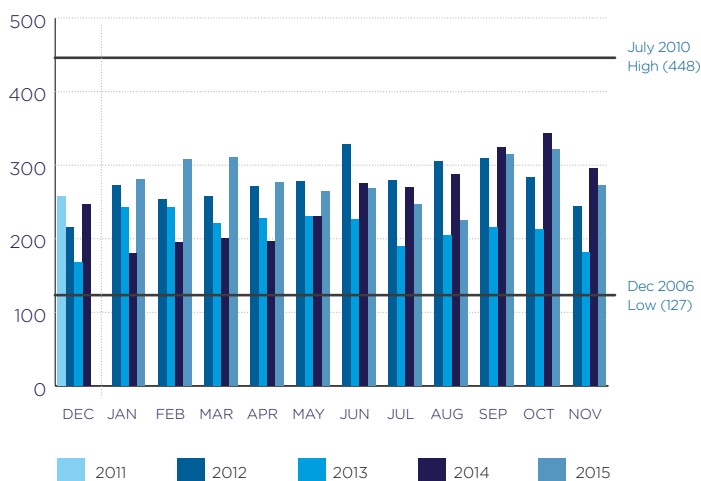
“For a market that has been in abeyance for in excess of twelve months, signs of recovery are looking good for the end of year. Applicant numbers are up 50% on this time last year demonstrating buyer demand, whilst valuations and instructions are up 15% and at their highest levels since the summer, so the market would appear to be ending the year with increased momentum.

“The Treasury is attempting to tinker with demand and an unintended consequence has seen vendors become a little more realistic around what price their property will achieve.

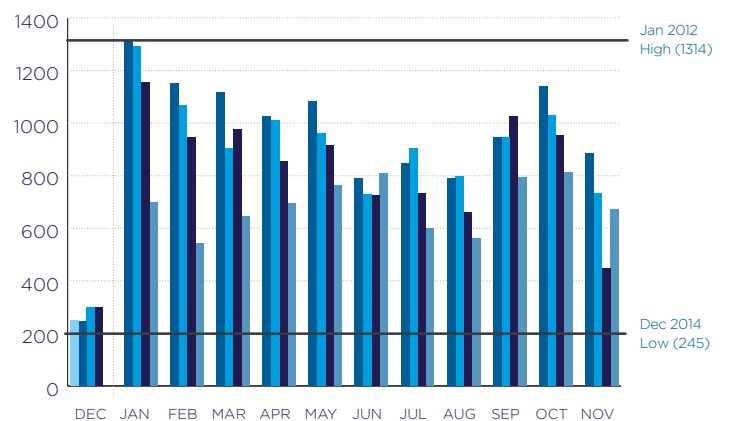
“Lots of our offices are valuing new stock now ready to launch in the new year, so buyers would do well to register interest with their local agents before Christmas in order to get a head start against inevitable competition in early 2016.”

George Franks, Sales Director

Supply*

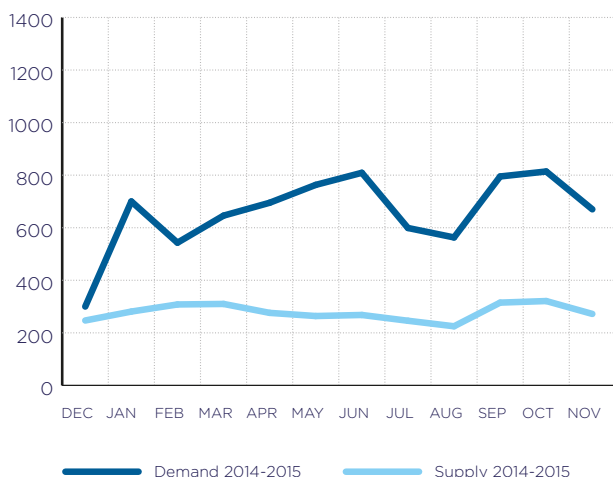


Demand*



* Supply and demand is determined by instructions and new applicants (respectively) within a given month across Douglas & Gordon's network of 14 sales offices in London

Supply & Demand



Douglas & Gordon Average London Sales Price Index*

	Q4 2014	Q1 2015	Q2 2015	Q3 2015
1 bed flat	£537,191	£542,025	£552,703	£551,524
2 bed flat	£835,120	£840,381	£852,314	£852,513
3 bed house	£1,758,722	£1,777,063	£1,800,698	£1,790,194
4 bed house	£2,557,237	£2,557,492	£2,582,555	£2,562,755

*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

December 2015 / Lettings

"New business in November 2015 was up 32% compared to twelve months previously with a 26% increase in the number of new tenancies starting, indicating sustained momentum in Q4 with the seasonal slowdown much later.

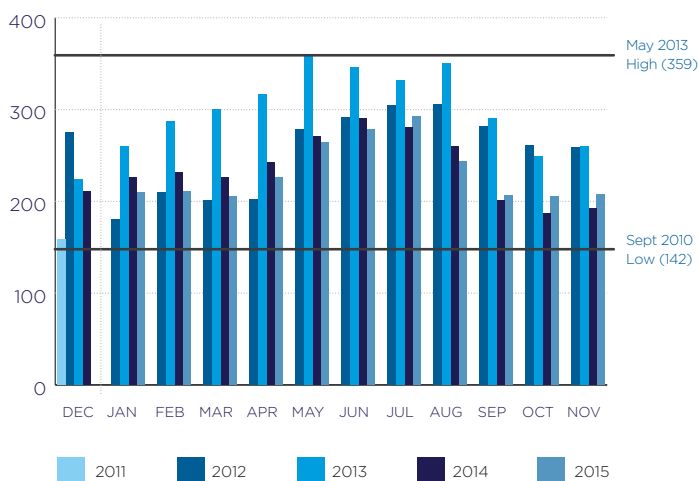
"The number of new tenancies South of the River and throughout our Emerging Prime areas outperformed the number in Prime Central London, with social trends pushing many young professionals further South into the increasingly fashionable Balham, Streatham and Tooting.

"Over the last 10 years, rents in PCL have remained relatively static, while growth in Emerging Prime proved considerable, ultimately narrowing the gap between the two markets. As a result, the reverse ripple effect is now present in lettings as well as sales, and tenants who moved out of PCL because it was unaffordable should reassess as there is exceptional value to be had.

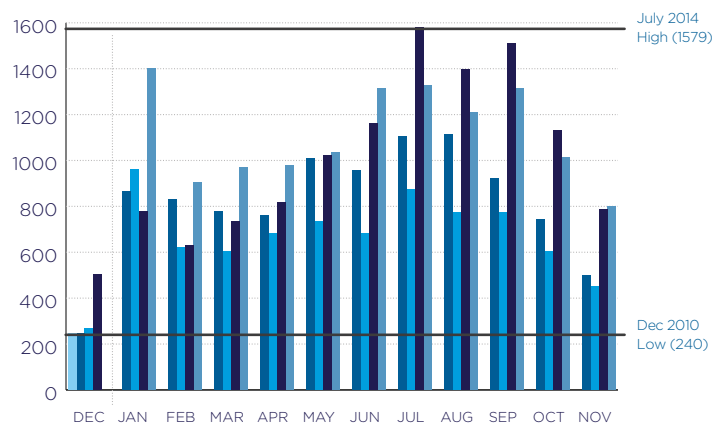
"The extra 3% on the rate of stamp duty payable on buy-to-let properties announced in the Autumn Statement may see investors rush to deploy capital in the sector in the run up to the end of this tax year. However, new legislation is expected to discourage mid-market investors, ultimately limiting supply and exerting an upward pressure on rents."

Virginia Skilbeck, Lettings Director

Supply*

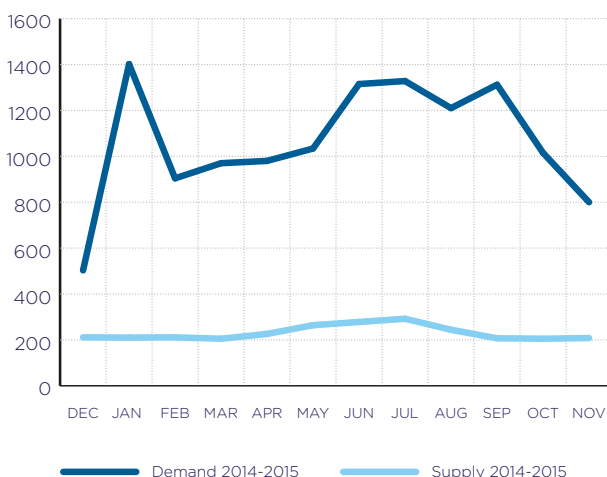


Demand*



* Supply and demand is determined by instructions and new applicants (respectively) within a given month across Douglas & Gordon's network of 12 lettings offices in London

Supply & Demand



Douglas & Gordon Average London Rental Price Index* (per week)

	Q4 2014	Q1 2015	Q2 2015	Q3 2015
1 bed flat	£403	£406	£411	£416
2 bed flat	£538	£544	£552	£557
3 bed house	£840	£843	£859	£862
4 bed house	£1,433	£1,443	£1,469	£1,447

*The D&G Average London Rental 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