

# The London Barometer/ Sales: March 2011

## Market Comment

"After the flurry of new instructions at the start of this year, particularly around the £1million and above mark to avoid the 1% stamp duty rise, there is now a dearth of new properties coming onto the market.

"Instruction levels are down 20% compared with March 2010, with 20% more applicants registering than this time last year. Increased competition amongst buyers is causing house prices to increase and properties are selling faster than ever.

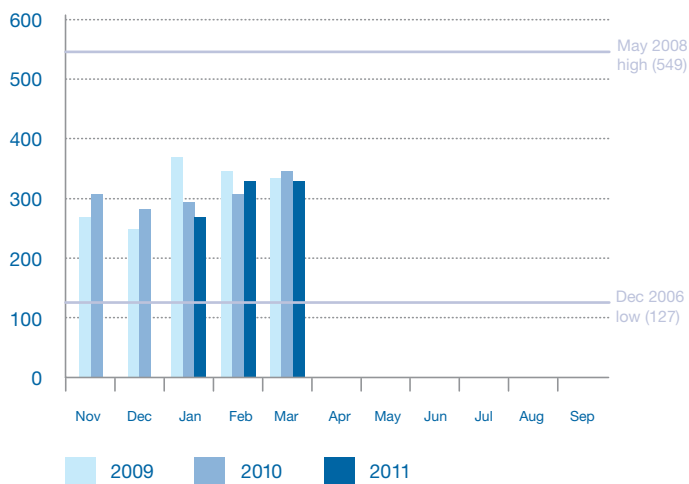
"Uncertainty in the economy and owners expanding current properties rather than moving are two factors behind the property drought in the market this spring.

"Chelsea, for example, has suffered in the past few months as there hasn't been sufficient stock on the market to generate the high interest levels seen in previous years and it has not seen the same number of buyers with big banker bonuses to spend.

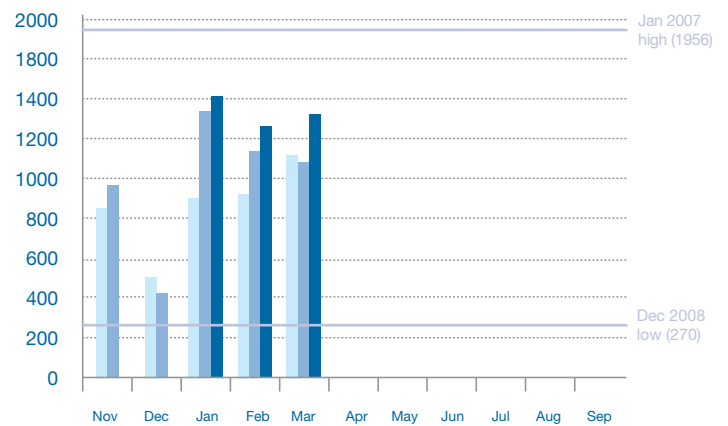
"With schools starting to break up for the Easter holidays and an additional bank holiday at the end of the month, many vendors and buyers are holding off buying or selling until their lives are back to some degree of normality."

*Ivor Dickinson, Managing Director*

## Supply\*

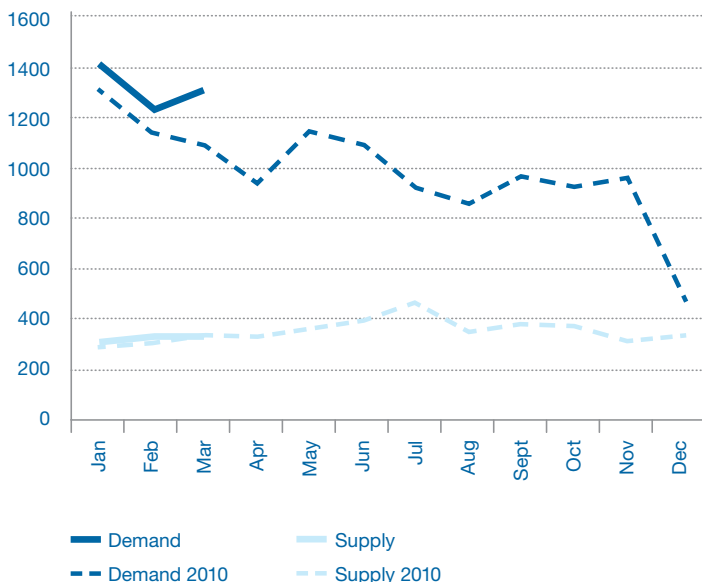


## Demand\*



\*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\*

	Q2 2010	Q3 2010	Q4 2010	Q1 2011
1 bed flat	£ 361,250	£ 375,000	£ 361,667	£ 368,333
2 bed flat	£ 517,500	£ 523,750	£ 527,917	£ 543,333
3 bed house	£ 1,108,667	£ 1,101,667	£ 1,120,417	£ 1,174,167
4 bed house	£ 1,665,833	£ 1,658,333	£ 1,691,667	£ 1,780,833

\*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: March 2011

## Market Comment

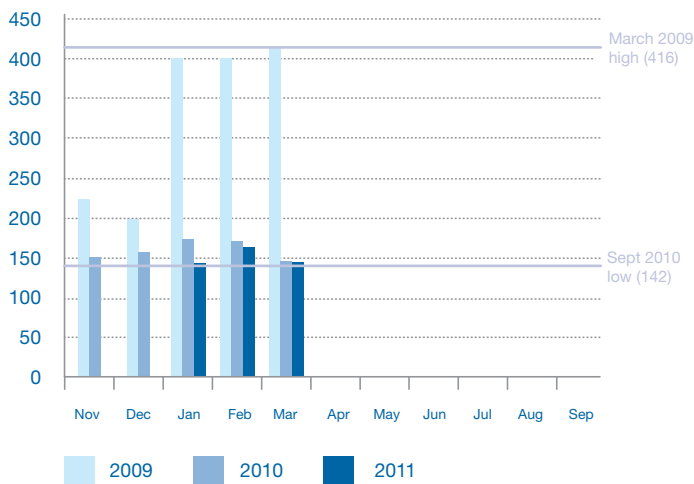
"Rental prices continue to increase as stock levels remain low and the number of people looking to rent is increasing steadily. Properties being re-launched onto the lettings market after being let for some time are now coming back on with 10-30% higher rental prices.

"Tenants are aware of these ever increasing rental prices and are opting to stay in the same property for several years instead of moving to avoid these steep increases. Perhaps now is the time for landlords and tenants to consider the notion of long term rentals with leases for five years or more. This would fill the gap in the market for people who are unable to get onto the property ladder but want the security of knowing that the landlord will not be planning to sell in the near future.

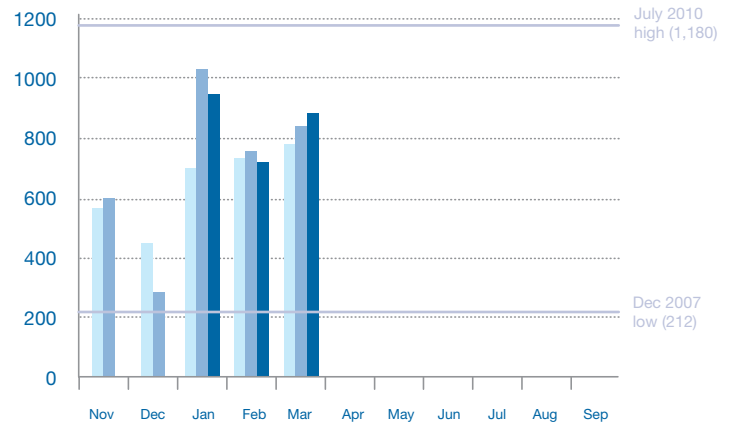
"The current unrest in the Middle East has resulted in high interest levels from Middle Eastern nationals looking for a property to rent in London or a buy-to-let to invest their money in."

Virginia Skilbeck, Director

## Supply\*

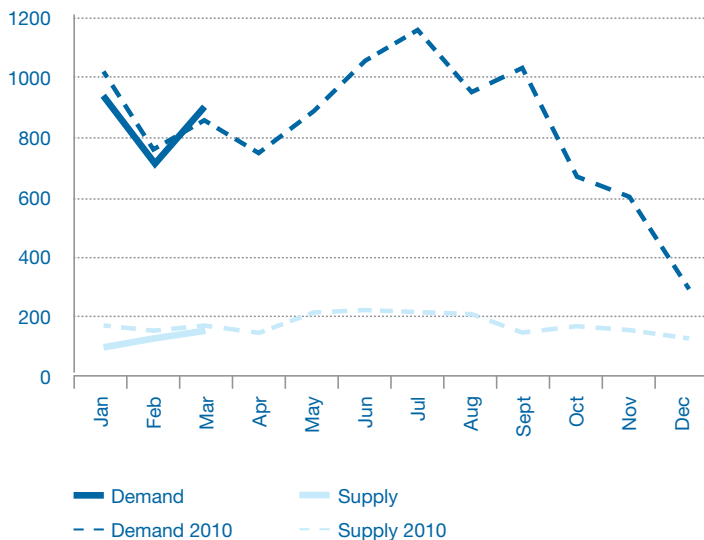


## Demand\*



\*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)

	Q2 2010	Q3 2010	Q4 2010	Q1 2011
1 bed flat	£ 362	£ 373	£ 376	£ 381
2 bed flat	£ 474	£ 491	£ 493	£ 503
3 bed house	£ 828	£ 840	£ 835	£ 860
4 bed house	£ 1,417	£ 1,468	£ 1,475	£ 1,530

\*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