Now is an extremely good time for people thinking of selling their houses to take advantage of increasing demand and low levels of stock in the area around Stratford upon Avon.

**Total property for sale** -17%
**Newly available property for sale** -42%
**New prospective buyers** 20%
**Viewings** 34%
**Sales** 13%

All figures Jan-Nov 2009 v Jan-Nov 2008
LOCAL MARKET OVERVIEW

Knight Frank’s Stratford upon Avon office has emerged from the credit crunch as the area’s leading prime property agent and expects to consolidate this position further during 2010.

Now is definitely the time to put your house on the market if you are considering selling. Most prospective purchasers appear confident that we have reached the bottom of the market and this was reflected by a 20% increase in the number of new buyers registering with us in 2009. We sold 13% more houses last year than in 2008 and exchanged on a phenomenal 45 properties in June and July. Even in late November and early December when the market traditionally is slower we sold 20 houses. Low levels of stock, however, mean that many buyers remain frustrated and we expect to see continued strong demand throughout 2010. In a number of cases this renewed interest has led to a return to competitive bidding with houses selling for over their guide prices.

The market recovery, however, is not entirely uniform with fashionable areas such as the north Cotswolds and the villages around Stratford, Warwick and Banbury seeing the strongest demand. Buyers are returning to the areas towards Evesham, around Redditch and north of Rugby and Coventry, but are more tentative. Vendors need to be realistic in terms of guide prices.

A new relief road around Rugby should boost the area’s appeal and improvements to Junction 15 of the M40 will provide easier access to Warwick’s schools from villages to the south and west of the motorway.

During the credit crunch we believe the quality of our service has helped consolidate our position as the area’s leading prime property agent and highlighted the benefits of using a truly international agent. Of the area’s eight leading agents we are currently selling one third of houses priced over £500,000.

We have continued to invest in our award winning website and every property we sell is now seen by hundreds of thousands of prospective buyers across the globe. Last year 35% of our sales were to buyers from outside the surrounding area, a significant number of whom were from overseas.

Our level of commitment to our clients remains the same whether the property we are selling is worth £5m or £500,000. In fact, almost 80% of the properties we sold last year were priced under £1m. Whether you own a cottage or a castle, as a Knight Frank client you will receive the highest level of service and advice.

NATIONAL COUNTRY HOUSE MARKET

The price of prime country properties is now showing positive growth in all locations across the UK as demand outstrips supply.

Average prices for the best country properties increased by 2.3% in the final three months of 2009, the first significant quarterly increase since the autumn of 2007. Values overall are now just 2.6% below the levels seen at the end of 2008, but a number of locations, especially in the Home Counties, saw prices increase last year.

The impact of the resurgent London residential property market has had, unsurprisingly, the biggest knock-on effect in the areas surrounding the capital. Average values rose 3.1% across our Home Counties offices in the final quarter of 2008 and increased by 5% during the second half of the year, giving total annual growth of 1.4%.

Even the north of England and Scotland, where the recovery has been more muted until now, saw a 0.5% rise in average prices at the end of the year, although houses are still worth 11% less than at the beginning of the year.

Apart from a general increase in consumer confidence as the UK slowly drags itself out of recession and continuing low interest rates, the market recovery has been led by a sharp imbalance between supply and demand. The number of potential purchasers registering with Knight Frank has increased significantly while the number of properties for sale continues to fall.
The prime London market saw a dramatic turnaround last year. With a weak pound attracting international buyers and low interest rates prompting many to take the plunge, sales volumes rose by 40% year-on-year. Weak supply helped drive prices higher – by almost 10% in the nine months to December.

London’s economy is playing its traditional market-leading role – heading the UK’s nascent recovery. Despite its current unpopularity and attempts to dent its power by the taxman, the City is again creating wealth that is being poured into the Capital’s housing market. There are several obstacles that London’s housing market will need to navigate during 2010: the election, tax rises, and potentially rising interest rates. However, the one lesson to take from last year is that demand for accommodation in London is very wide and very deep – the supply of country buyers coming out of London will continue to flow this year.

Our offices in London include:
- Belgravia
- Kensington
- Marylebone
- Knightsbridge
- Notting Hill
- Richmond
- Fulham
- Mayfair
- Riverside
- Hampstead
- Wapping
- Wimbledon

Knight Frank Finance is here to help you secure the best deal.

The past six months have seen modest improvements in the number of mortgage deals approved, but seeking professional advice is still the best route to the best deal.

The High Street mortgage market continues to remain in a state of turmoil. While stock markets have managed to rally over the past few months, only about 20% of the High Street banks are actively lending and, of those, even less are lending above 75% loan to value.

Many potential first-time buyers and re-mortgagers are finding it very difficult to satisfy the criteria currently laid down by the banks, and securing a good interest rate can be extremely tough.

At Knight Frank Finance, we work hard to help you achieve the best possible terms in these tough times. By continually evaluating which banks are lending, we have developed a very successful approach to securing the best deals despite the conditions. Our aim is to build an intimate understanding of your long-term goals, and act as both a trusted advisor and a confidante, not just at the moment of your transaction, but on an ongoing basis. By looking carefully at your full financial position, we can find the best source for you to borrow from.

Often private banks or foreign lenders are providing superior terms to the High Street, and we have made it our business to know the right people at over 50 of these institutions.

Choosing Knight Frank Finance provides you with the access to some of the very best minds in financial services. Our high-calibre professional consultants, all experts in their respective fields, have been handpicked from the industry. If you feel we could help improve your financial position, we would be delighted to hear from you.

Contact: David Hall 020 7861 5340 david.hall@knightfrankfinance.com www.knightfrankfinance.co.uk

*World’s Best Real Estate Agency Website (International Residential Property Awards 2009)
A SELECTION OF PROPERTIES
SOLD IN 2009

A unique property which attracted competitive bidding and sold for in excess of the guide price

A period farmhouse and land in an idyllic rural position demonstrating the appeal of small farms

Riverside property in a sought after area, sold within a week in excess of the guide price

With stables, manege and paddocks demonstrating the appeal of equestrian properties

Offering flexible accommodation, sold within 11 days of coming to the market at the guide price

Shows the continued strength of the Cotswold market

Sale agreed on this beautifully restored farmhouse within four weeks of coming to the market

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