



Local View ²⁰¹⁵

Edinburgh

Welcome to Local View

Welcome to the latest edition of Local View, our seasonal update on the property markets that matter to you. In here we highlight why we love Edinburgh as well as showcase some of our favourite sales from last year and look forward to 2015. Please contact your local team for more information and to find out what other opportunities we can offer.

We sold over **£78m** worth of property in 2014

We sold nearly **37%** more homes in Edinburgh in 2014 compared to 2013

Edinburgh accounted for **62%** of all £1m+ sales in Scotland over the first nine months of 2014

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Years of experience: 9

The architecture and sheer beauty of Edinburgh still strikes me on a daily basis. Whether it's elegant Georgian squares or leafy Victorian streets, the quality of housing in Edinburgh is second to none. The quality of life that Edinburgh provides is extraordinary and makes it a very special place to be.



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The Edinburgh scenery is just breathtaking. As you travel across the city there always seems to be an interesting view on offer, which can't be said for most cities. This, along with the people, the history and all the wonderful buildings and attractions, makes it a city that is rarely dull.



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Living and working in central Edinburgh, I love all that the city has to offer. Great restaurants and bars in New Town and Stockbridge as well as endless open green spaces to relax in at weekends. August's festival is a fantastically vibrant time and shows the world Edinburgh at its best.



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Scotland is a place of great beauty, bountiful recreation, huge opportunity and is relatively accessible. As a nation we have a global audience - there is nowhere else like it in the world.



2015 Forecast

Scotland was a regular feature in the news in 2014, with the referendum on independence and recent changes to property taxation dominating the headlines. Throughout this time the market remained remarkably resilient, with prices ending the year up by 2.1%. In Edinburgh the market has proved even more robust, with property values rising by 4.2% over the last 12 months.

Ultimately, the “No” vote means we now have a more certain environment for the property market to function and in the short-term this is likely to boost confidence among both purchasers and sellers – some of whom had been waiting on the sidelines until the result of the vote was announced. Continued low interest rates and attractive mortgage offers will also encourage potential buyers.

Because of this we expect that activity in the market during the winter months will be busier than in previous years. Increased activity at the start of the year is likely to be further enhanced by the introduction of the new Land and Buildings Transaction Tax (LBTT) in April.

Each transaction will receive a tax free allowance of £135,000 which will be deducted from the overall sale price. The LBTT will be charged on the remaining amount, taxed at a rate of 2% up to a value of £250,000, 10% between £250,000 and £1m and 12% on the value above £1m.

Prior to the introduction of the new levy in four months’ time, we expect to see an increase in the number of prime sales and homes coming to the market as both buyers and vendors look to move before costs rise.

In fact, over the course of the final three months of 2014, the number of potential buyers registering their interest in purchasing a property with Knight Frank was 18% higher than during the previous three-months. Sales were over 50% higher over the same period.

Property values have risen by 4.2% over the last 12 months, and the number of potential buyers registering interest in the final three months of 2014 was 18% higher than in the same period in 2013.

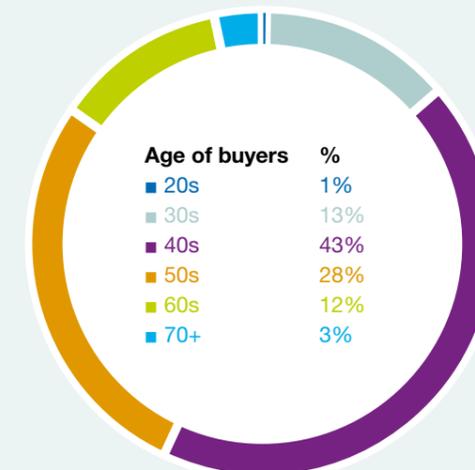
LBTT will replace the current stamp duty system in Scotland. Based on the rates announced, the new system favours residential sales valued at under £254,000, where less tax is payable. However, sales above £254,000 will incur a higher rate of tax than at present.

Registered voters

There were **3,619,915** voters in the Scottish referendum, a turn out of **84.6%** - the highest recorded for an election or referendum in the United Kingdom since the introduction of universal suffrage

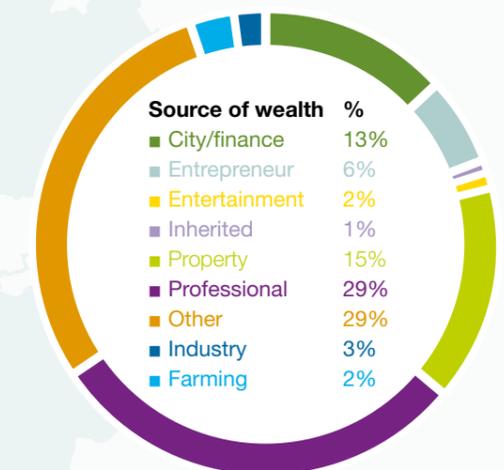
For all sales less than or equal to £2m

Age of buyers



Source: Knight Frank Residential Research

Source of wealth



Source: Knight Frank Residential Research

Highlights of 2014

Here we highlight some of our top properties sold last year.



01

Northumberland Street, New Town
SOLD | OFFERS OVER £1,500,000

This beautiful Georgian townhouse generated a great deal of interest and was bought by a family moving up from the south of England.



03

Ravelston Dykes, Murrayfield
SOLD | OFFERS OVER £1,195,000

A perfect family house with a wonderful garden which we sold at a closing date to a family upsizing within the area.



02

Findhorn Place, Grange
SOLD | OFFERS OVER £465,000

A superb main door double upper flat, which was totally renovated, sold to a family upsizing locally.



04

Chester Street, West End
SOLD | OFFERS OVER £750,000

A wonderfully proportioned family home positioned in the heart of Edinburgh's West End. Sold within eight weeks to a locally based family.



05

Dundas Street, New Town
SOLD | OFFERS OVER £625,000

The main door element of this property and its presentation, meant that a sale was agreed within a week of coming to the market.



Royal Circus, New Town
SOLD | OFFERS OVER £1,995,000

This spectacular property attracted interest from all over the world due to our global reach and was sold to a family moving to Edinburgh from the Far East.



06



St.Vincent Street, New Town | **SOLD | OFFERS OVER £525,000**

This classic New Town flat generated an exceptional amount of interest and sold at a closing date, achieving well in excess of the Home Report valuation.

07



Braid Road, Morningside | **SOLD | OFFERS OVER £835,000**

24 viewings within two and a half weeks resulted in a closing date with six offers and an outcome significantly in excess of the Home Report valuation.

08



09



Kinnear Road, Inverleith
SOLD | OFFERS OVER £875,000

This stunning garden apartment in Inverleith received a strong level of interest and sold in excess of the Home Report valuation.



10



Boswall Road, Trinity
SOLD | OFFERS OVER £900,000

An unusual family house due to its wonderful sea views. Strong interest resulted in a closing date and a very good result.

London Expansion

The London property market has always driven activity outside of the capital, as Londoners sell or let their homes and seek greater value for money in different parts of the UK.

Outside of Prime Central London, we have seen growth in traditionally affordable areas, with sales price increases of up to 14% in parts of zone two over the last 12 months. These increases see those sellers in North West London and along the River Thames achieving record prices for their homes.

At Knight Frank, our team of experienced analysts are continually looking for the next hotspots in order to embrace the increased demand in these areas. We were therefore delighted to open four new offices in London in 2014. The addition of these offices in Barnes, Clapham, King's Cross and Chiswick means our London network now totals 24, and there are plans for further expansion this year.

This increased catchment area means we are better placed than ever to drive cash buyers to our country properties. In addition, the considerable growth of our lettings division has meant that we can assist those clients who are not yet looking to cash in their investment, but still wish to move out of London. The lettings team work closely with our relocations team to place international corporate tenants, often for up to three years, to ensure buyers from London still have the steady stream of income needed to facilitate a move.

With the net widening it is vital that any agent with a London presence covers the key growth areas. A move to the country is no longer the leap it might once have been considered by many hardened city dwellers, as what are described as "London's villages" are becoming increasingly prevalent. Moving to one of these areas first is becoming the preference amongst many families, with them acting as a stepping stone to the countryside further out of London. James Williams, head of Knight Frank Barnes says:

"It is fantastic to now have a shop front in such a wonderful location. It is such a friendly environment to work in". With the fashion being a two-stage move, we can now nurture long-term relationships with our clients. So whether they are looking for a different pace altogether or a move to a smaller town or city, we are able to put them in touch with a Knight Frank agent for every step they wish to take.

If you have a property that might be of interest to one of our London buyers, please call your local Knight Frank office for a complimentary market appraisal.



"A move to the country is no longer the leap it once might have been considered by many hardened city dwellers"

About Us

In 2014, throughout the UK, Knight Frank sold:

2,740 swimming pools

68 shoots 4,336 new developments

1,166 listed buildings

2,852 properties with concierge 2,678 gyms

14 golf courses

604 tennis courts

1,127 properties with equestrian facilities

131 fishing facilities 1,719 properties by the water

207 farms and estates 1 houseboat

150 development plots

518 penthouses

For more information on the services we provide visit KnightFrank.co.uk

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first-mover advantage

If selling a property is one of your plans for 2015, now is the time to speak to an expert. Whilst others are waiting on the outcome of the forthcoming election, we are anticipating a busy start to the year.

So, at a time when staying one step ahead has never been more important, will you be one of the first movers in 2015?

For your complimentary market appraisal, call us today on: **+44 131 300 0140**