

WINCHESTER MARKET INSIGHT 2016

Price growth in Winchester's prime housing market is being driven by the continued demand for properties in key town and city markets with good schools, transport links and amenities.

Demand for property in prime town and city locations has risen over the last several years, a trend that has benefitted areas like Winchester.

Buyers have increasingly sought out properties in thriving urban locations which are home to good schools, amenities and transport links. As a result, price growth in a number of prime urban locations has consistently outperformed the wider average for the country market.

In Winchester, for example, prime property prices rose by 3.3% in the final three months of 2015, and by 7.1% on an annual basis. By way of comparison, prime country house prices increased by 0.6% between October and December and by 3.1% annually.

The strength of the market in Winchester is such that prices of over £650 per square foot are now being achieved for the very best homes, according to Knight Frank figures. A key factor underpinning this has been a shortage of homes for sale relative to demand.

Activity in the city has also remained robust despite the increase in purchase costs for anyone buying property above £1.1m in late 2014, although buyers remain price sensitive.

As well as families seeking more space and proximity to the city's high quality schools, demand comes from downsizers looking to move closer to amenities.

Winchester remains popular with commuters from the wider South East region as well as from London thanks to good transport links by road and rail to surrounding towns and cities including Southampton and Basingstoke. Figures from the 2011 Census show that some 53% of people living in Winchester work outside of the city.

London can be reached in under an hour by train and is also easily accessible by road via the M3.

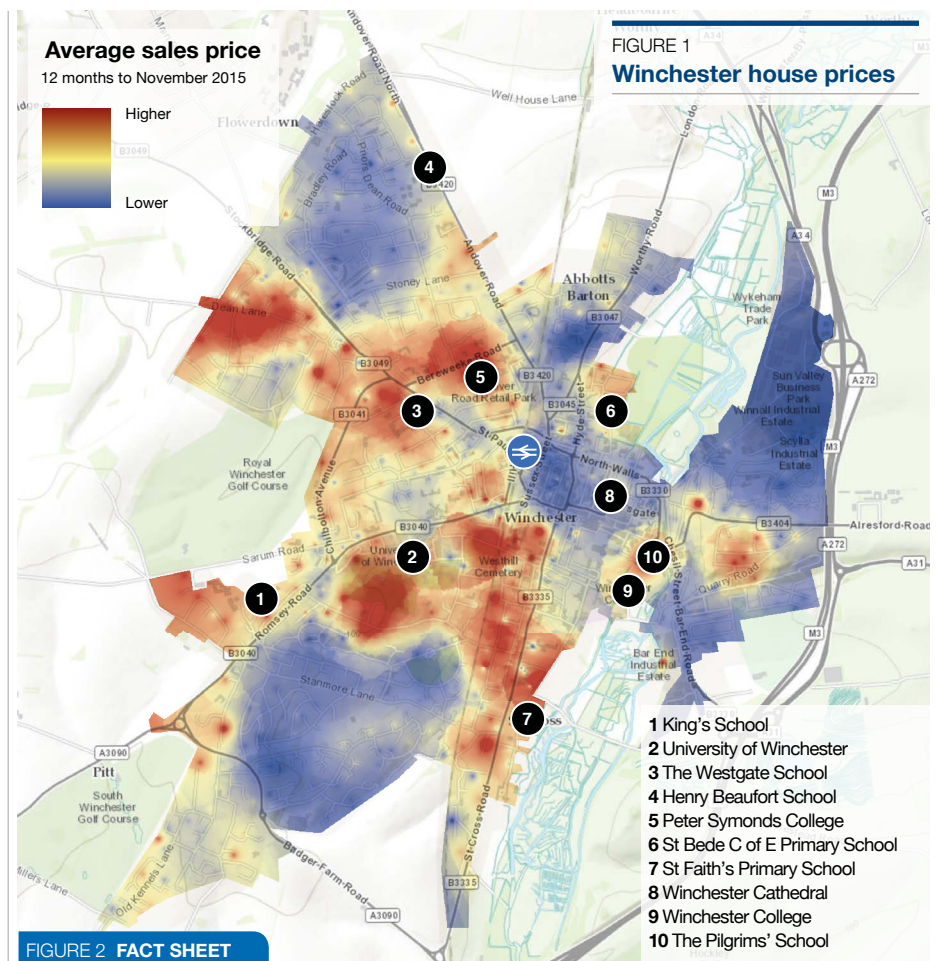


FIGURE 2 FACT SHEET

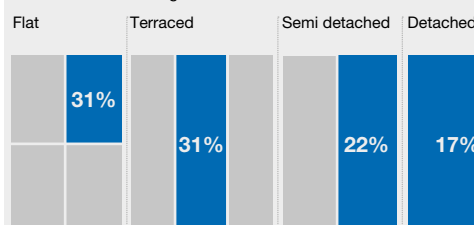
7.1%: Annual price growth, 2015

4.0%: Six monthly price growth, Q4 2015

3.3%: Quarterly price growth, Q4 2015

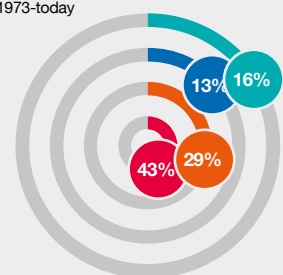
PROPERTY TYPE

as a % of total housing stock



AGE OF HOUSING STOCK

Pre-1900
1900-1939
1945-1972
1973-today



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There was a notable increase in the number of Londoners looking to relocate to Winchester in 2015, with many such buyers taking advantage of the price differential between property values in London and elsewhere in the country.

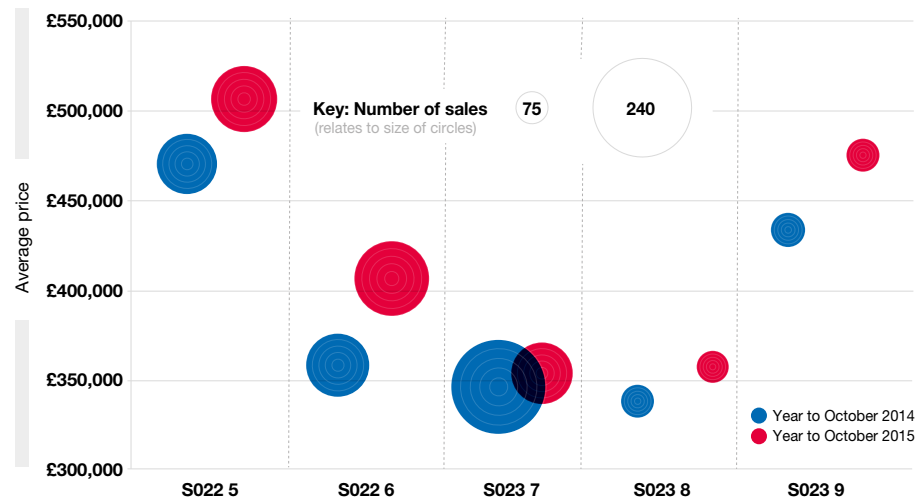
Such buyers accounted for 25% of the market in 2015, up from 12% in 2014, according to Knight Frank figures.

Meanwhile, in geographical terms, price growth has been fairly uniform across the city. Property values in Hyde and the city centre rose by 8.5% and 7.2% respectively in 2015. To the south and the east of the city centre in St Cross and St Giles Hill annual price growth of 6.4% and 6.2% was recorded in 2015.

Winchester has outperformed the wider prime market over the last few years, and the city's strong transport links and amenities are likely to continue to underpin this market.

FIGURE 3

Average price and sales volumes in Winchester by neighbourhood

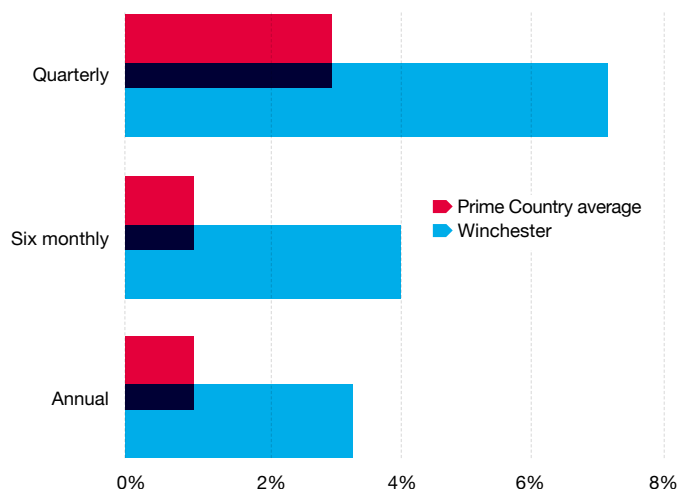


Source: Knight Frank Research

FIGURE 4

Urban outperformance

Winchester outperforms prime country average (to Q4 2015)

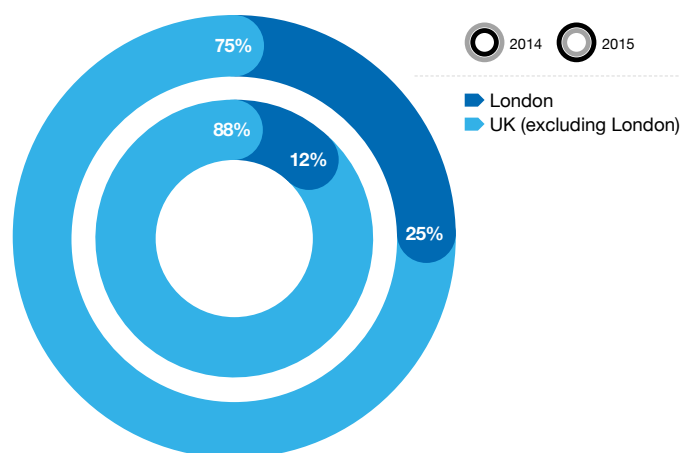


Source: Knight Frank Research

FIGURE 5

London demand increases in Winchester

Where our buyers are coming from?



Source: Knight Frank Research

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