

DEVON, CORNWALL & WEST SOMERSET EXETER OFFICE SALES INSIGHT AUTUMN/WINTER 2010



William Morrison
Office Head
Knight Frank Exeter
+44 (0)1392 848823
william.morrison@knightfrank.com

"SENSIBLE PRICING,
PRESENTATION
AND NATIONAL
EXPOSURE REMAIN
THE KEY TO A
SUCCESSFUL SALE"

As we predicted in our last report, the autumn has been very busy. After a relatively quiet summer period, we have seen sales in the past eight weeks increase by a massive 150%.

How has the market changed over the past three months?

The combination of increasing stock levels, unrealistic guide prices and negative press led to a disappointing summer market and a certain amount of stagnation, which led to frustration from both buyers and sellers. However, with vendors becoming increasingly more realistic and sensing an opportunity to put themselves into a strong position by selling their house and becoming cash buyers, we have seen some very sensible price reductions. With buyers keen to get back into the marketplace the result has been a very busy autumn so far with lots of sales taking place.

I want to sell my house within the next six months. How can I make sure this happens?

There are positives looking into the next six months, although there is a general consensus that the property market will be affected by the pending austerity measures. It seems likely that despite stock levels being very high throughout most of 2010 there may be a lack of good quality housing stock as we move into 2011. This is largely due to a strong autumn sales market and a lack of stock entering the market now.

Sensible sellers always prepare early. Although an open market launch would usually happen in the spring, if the market does have a strong start to the year (like in 2010 when some surprising prices were achieved), it is well worth being prepared with internal photographs and floor plans. We do market a good deal of properties privately during the winter months and a number of sales take place without ever reaching the open market. Buyers will continue to be very choosy, but good quality housing stock presented well to the national market will be more resilient to potential market adjustments. Needless to say, pricing will remain key, especially when going to the open market.

Where are most buyers looking at the moment and for what type of property?

Best in class properties continue to be the top sellers; this is not necessarily property in exceptional order, but property that does not have major blights such as motorway noise or pylons nearby. Buyers remain cautious and any property that is seen as blighted or not being sensibly priced will go straight to the bottom of their list. The majority of our sales this year have been to buyers wanting good access to the rest of the United Kingdom and particularly London, so proximity to a mainline railway station or motorway are key, as is the provision of good local schools.

What are your predictions for 2011?

Ultimately we think that UK property prices at the end of 2011 will stand about 6% to 8% lower than today and at similar levels to those last seen in mid-2009. However we think that the year will be a series of monthly rises and falls in house prices mainly led by the amount of stock available at the time. Our advice really is to plan for a sale early in the year to take advantage of the good number of buyers registered with us that have sold this year, have the cash in the bank or are looking to spend their bonus money on the dream property in the South West.

Exeter at a glance

Figure 1
Market activity, Exeter
Last 2 months vs previous 2 months

Sales agreed		150%
Offers received		102%
Viewings		23%
Valuations		27%

Figure 2
What do our buyers want to spend?
New applicants, last 12 months

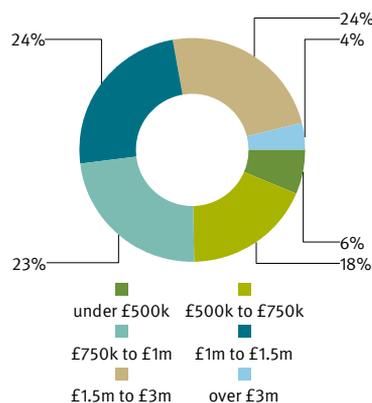
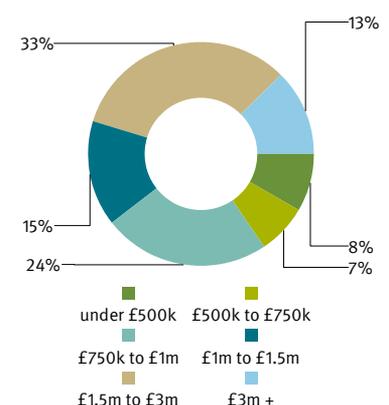


Figure 3
And what is coming to the market?
New instructions last 12 months



DEVON, CORNWALL & WEST SOMERSET EXETER OFFICE SALES INSIGHT AUTUMN/WINTER 2010



Charting the market

Figure 4

Price change by price band
Prime country property, last 3 months (%)

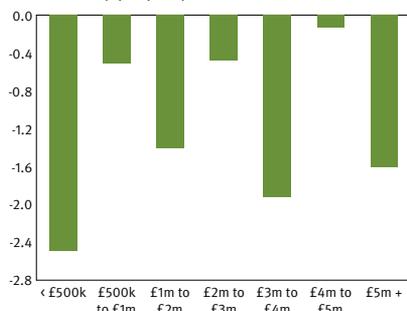


Figure 5

Days to sale from instruction
Prime country property, last 12 months

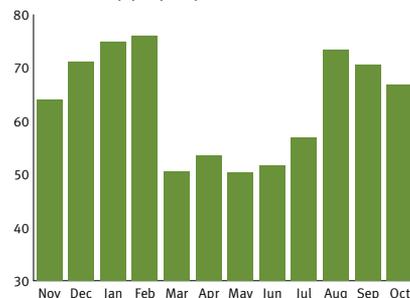
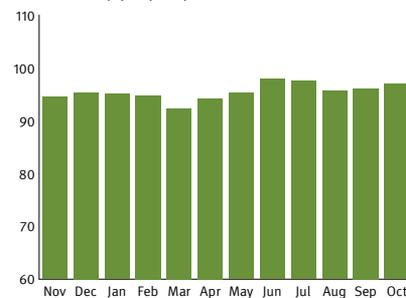


Figure 6

Average % of guide price achieved
Prime country property, last 12 months (%)



Your properties, our people

On the edge of Dartmoor

SOLD

9 bedrooms

Guide price: £3,750,000

Chagford, Devon



Prime waterside position

SOLD

3 bedrooms

Guide price: £3,250,000

Salcombe Estuary, Devon



Unique island setting

FOR SALE

5 bedrooms

Guide price: £975,000

Ham, Near Taunton,
Somerset



Immaculate Victorian house close to Exeter

SOLD

8 bedrooms

Guide price: £1,395,000

Broadclyst, Devon



Breathtaking views over North Cornish coast

SOLD

7 bedrooms

Guide price: £750,000

Port Isaac, Cornwall



An Isles of Scilly Gem

FOR SALE

4 bedrooms

Guide price: £850,000

Bryher, Isles of Scilly



Knight Frank Exeter

+44 (0)1392 423 111

19 Southernhay East
Exeter EX1 1QD
exeter@knightfrank.com

KnightFrank.co.uk



William Morrison
Country



Sandy Davenport
Waterfront



Richard Speedy
Country



Chris Clifford
Country