

BATH MARKET INSIGHT 2016

Prime property prices in Bath rose by 4.5% in 2015 driven by growing demand among buyers for properties in key town and city markets with access to good schools, transport links and amenities

Annual price growth for prime properties in the Bath city market was 4.5% in 2015, compared to a 3.1% rise across the wider prime country market.

This outperformance reflects the continued demand among buyers for prime properties in city centre locations. Bath is an international tourist destination home to a wealth of museums, Georgian streets and other attractions that mark it out as a desirable place to live and visit, including a compact city centre with a good retail offering.

This was underlined by a 6% rise in the number of potential buyers registering their interest in purchasing a home in Bath through Knight Frank year-on-year, a 15% jump in sales volumes over the same period and a 43% increase in the number of people searching for homes in Bath on Knight Frank's website.

A number of these individuals were relocating or looking to relocate from the capital. Knight Frank data shows that outside of the Home Counties, Bath - along with Oxford - was the most popular location for Londoners looking to move in 2015.

The prospect of more regular services between Bath and London from 2017 as a result of improvements being made to both the track and the trains will make commuting an even more viable option.

It's worth noting that once Crossrail is fully operational in central London from 2018, onward journeys across London from Paddington will be significantly quicker. Direct trains to Farringdon will take just 8 minutes while the journey to Liverpool Street will be completed in 10 minutes.

Stamp duty changes introduced by the Chancellor in the 2014 Autumn Statement have underpinned continued price growth for properties valued under £1m. By contrast at the top end of the market increased

FIGURE 1
Bath house prices

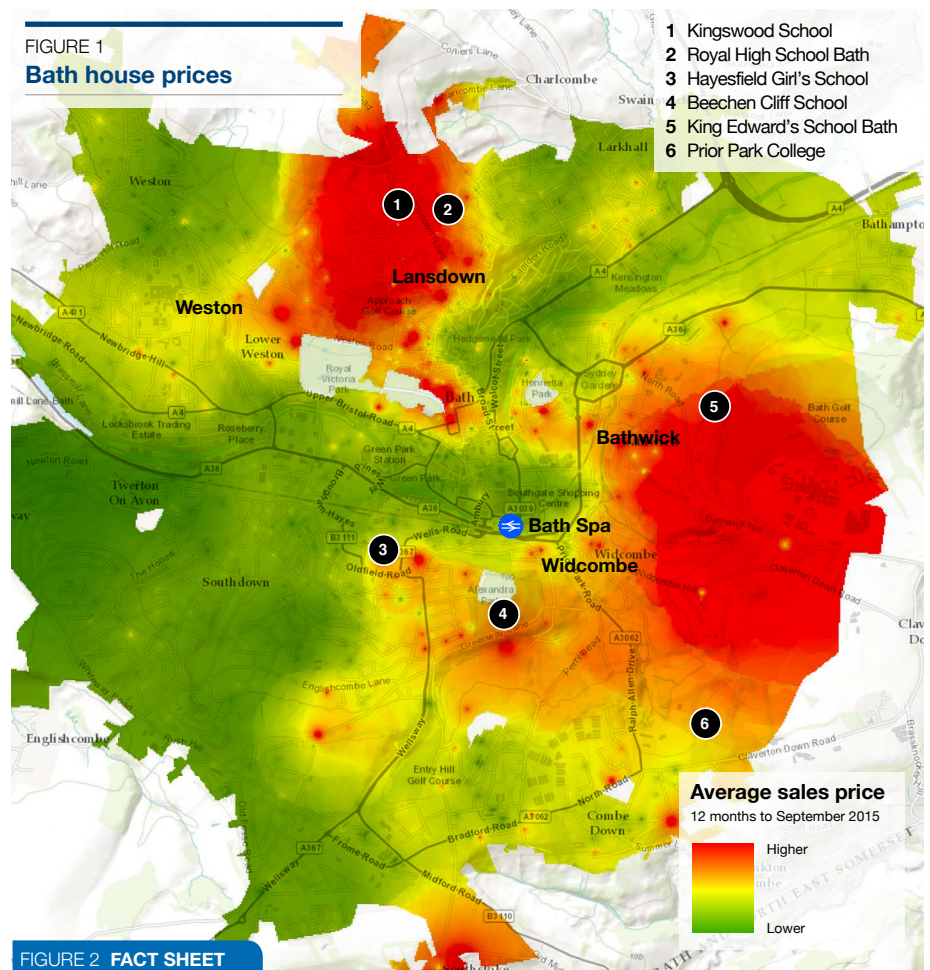
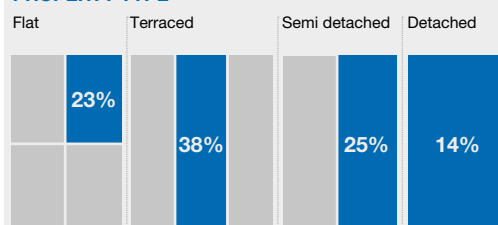


FIGURE 2 FACT SHEET

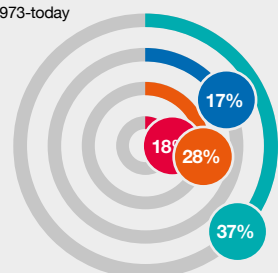
4.5%: Annual price growth, 2015
1.6%: Six monthly price growth, Q4 2015
0.4%: Quarterly price growth, Q4 2015

PROPERTY TYPE



AGE OF HOUSING STOCK

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



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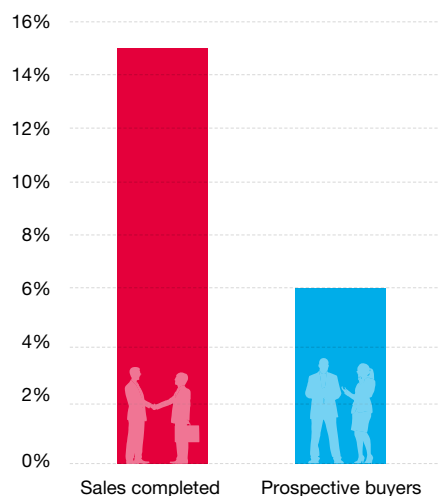
transactional costs have had a dampening effect.

Homes up to £750,000 have experienced the strongest growth with values up by 7.6% annually, while those over £2 million saw values rise by a marginal 0.3% over the same period.

As figure 1 shows, the highest prices have been achieved in Bathwick, Weston, Lansdown and Widcombe where demand for homes has been strong over the last year.

Looking forward, the local council has plans to grow the value of the city's economy by a further £1 billion by 2026, creating thousands of new jobs. The city is also undertaking large-scale regeneration, which is likely to underpin demand.

FIGURE 4
Strong demand for prime Bath property
(2015 v 2014)



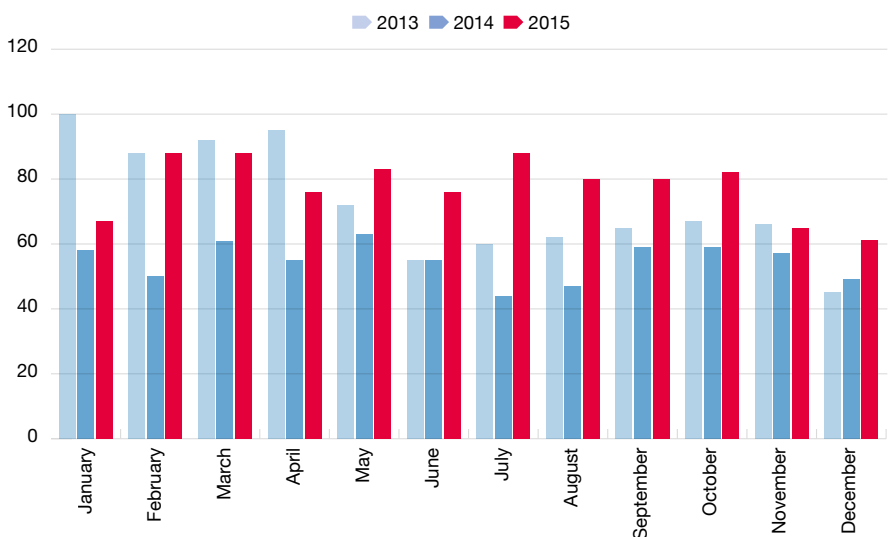
Source: Knight Frank Research

FIGURE 3
Bath property price growth by value
(Q4 2015)



Source: Knight Frank Research

FIGURE 5
Volume of online Bath property searches (Jan 2013-Dec 2015)
www.knightfrank.co.uk



Source: Knight Frank Research

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