



# COBHAM OUTLOOK

Regional Property Market Focus 2011

**Knight Frank**

Insight into your  
local market

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Focus on the national  
country house market

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Impact of the prime  
London market

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Market forecast

## LOCAL UPDATE

Since opening three years ago, there is no doubt that our Cobham office has consolidated its position as the area's prime property agent and our market share in local private estates continues to grow. Over 50% of our sales in 2010 were in the villages surrounding Cobham and Oxshott, where we intend to do even more business in 2011.

The autumn market last year was relatively buoyant, which bodes well for 2011, although the climate remains cautious. The key to selling successfully is a realistic guide price, as the market is more price sensitive than it has been for many years.

With the new year comes a new face, and we are delighted to announce that Adam Burlison has joined the Cobham office. Adam grew up in Cobham and has over 15 years' local estate agency experience. He is a welcome addition to an already

successful team and will help enormously to grow our business further this year.

This publication is intended to give you a flavour of the market and demonstrate our expertise, both locally and nationally. Whether you are looking to act now or later in the year, our friendly and experienced team is here to help.

But do remember that stamp duty on house sales over £1m increases to 5% from April, so if you are considering selling this year and own a property priced around that level, we

would urge you to launch it to the open market sooner rather than later. We hope you enjoy the outlook and look forward to hearing from you.

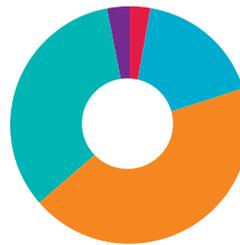


**Charles Davenport**  
Partner

## COBHAM BY NUMBERS

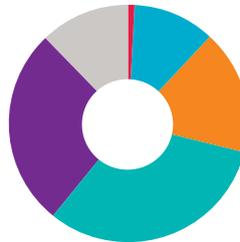
Knight Frank's Cobham office has emerged from the credit crunch as the area's leading prime property agent and expects to consolidate this position further during 2011.

- 64% of our sales in the last 12 months were properties priced under £1.5m.
- On average we have achieved 93% of the guide price on sales in the past 12 months.
- Our office's online property listings are viewed 557 times a day through our award-winning website.
- In the last three months alone, potential buyers from 117 different countries have viewed properties for sale online through Knight Frank Cobham.



### Sales by price band

£500k - £750k	3%
£750k - £1m	18%
£1m - £1.5m	43%
£1.5m - £3m	33%
Over £3m	3%



### New applicants by price band

Under £500k	1%
£500k - £750k	11%
£750k - £1m	17%
£1m - £1.5m	32%
£1.5m - £3m	27%
Over £3m	12%

## OUR TEAM IN ACTION

### Pine Walk, Cobham

Our sales team appraised this property but the owner decided not to sell and instructed our lettings team to rent it out instead. But when Victoria Robinson, one of our sales consultants, became aware of the property, she immediately thought of a young couple she knew would love to buy the house. So, with the permission of our lettings team, we approached the landlord to see if they would consider selling and

arranged a one-off viewing for the buyers. They fell in love with the house and the sale was agreed, with contracts exchanged three weeks later and both parties extremely pleased with the outcome. This classic example demonstrates that the combination of good knowledge of your buyers' needs, networking with other departments and approaching potential clients leads to successful sales, even when the market is short of stock.



PINE WALK



# NATIONAL COUNTRY HOUSE MARKET

**Activity boosted by the closing gap between overly ambitious sellers and cautious buyers.**

The national country house market experienced quite an upheaval last year. Although price growth in the 12 months to June 2010 helped the market claw back some of the falls seen during the credit crunch, ongoing problems with mortgage availability and affordability caused this growth spurt to reverse. Prices by the end of the year did however, remain 3.3% higher than the year before.

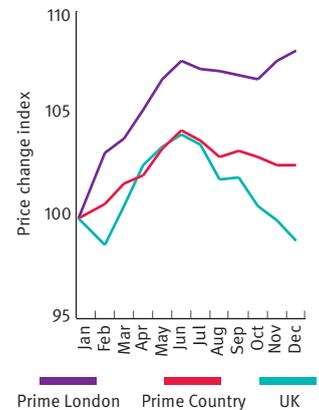
A positive outcome of this was the impact it had on the gap between overly ambitious sellers and cautious buyers. The necessary asking price reductions that began to take place in August and September narrowed this gap, leading to improved activity in the final quarter of the year.

We expect 2011 to mirror 2010 – the best properties are likely to sell well due to thin supply

and strong demand. Indeed, we moved into 2011 with 12% more purchasers registered to buy country house properties across the UK compared to the same position in 2010. The market for properties priced below £1m will however remain challenging for vendors due to the absence of a noticeable recovery in mortgage supply.

The most critical issue for vendors this year will be price. Only the most perfect properties can justify ambitious expectations in the current market. For most properties, this approach will lead to delays in attracting interest and lost marketing time in the critical spring months.

## How the prime London, prime country house and mainstream UK markets compared in 2010



Sources: Knight Frank Central London Sales Index, Knight Frank Prime Country House Index, Nationwide House Price Index

# LONDON'S SUCCESS FEEDS DEMAND FOR COUNTRY PROPERTY

There is no doubt that the strongest performing property market in the UK during 2010 was the prime London market – with prices rising by nearly 11% over the year.

While prices in London are unlikely to see any significant growth, we expect 2011 to

see a rerun of last year's strong performance in terms of sales volumes and buyer demand.

For large parts of the country house market across England, and even into Scotland and Wales, this positive outlook for London matters. Over 22% of buyers of country houses priced

£1m+ across the UK are from London. The figure hits 31% for property costing £2m+.

Our experience in the London market confirms that much of its strong performance stems from the perception that the market is a 'safe haven', particularly for international buyers.

This is demonstrated by the volume of new applicants from Europe looking to buy in central London, which rose 23% year-on-year in the final quarter of 2010. London property provided a strong defensive

option as the difficulties in the Eurozone worsened, and while the pound was trading at a discount to the euro.

London also experiences ongoing demand from Asia-Pacific buyers who have benefited from 30% to 50% price growth in Hong Kong, Singapore and other key Asian centres over the past year. They are keen to take advantage of the weak pound, removing their money from what have arguably become very hot markets in Asia.

# FINANCING WITH KNIGHT FRANK

As a highly respected team in the property financing industry, with 150 years of combined experience, Knight Frank Finance specialises in mortgages for main or second homes, investment property, buy-to-let mortgages and commercial property finance.

For loans below £1m, we have access to all of the most competitive mortgage interest

rates available on the high street. If you are considering borrowing above £1m, our close working relationships with the world's private banks, commercial lending sources and finance houses, enables us to achieve the very best terms for our clients, including those unable to find financing solutions elsewhere.

To find out more, please call us on: +44 (0)1932 591600.

# MARKET FORECAST

We are unlikely to see strong capital growth in any residential sector in 2011. The opportunity for speculative gains was presented in early 2009 and by mid 2010 this had all but disappeared, at least for the short-term.

The vast majority of buyers in the market have recognised this fact and are looking at property as offering a stable home for their wealth in the long run. Demand from investors and holiday home buyers has remained strong, but again is driven by a view of long-term potential growth.

While we expect country house prices to rise only marginally in 2011, the fundamentals underpinning the market are as strong as ever. This year will be the third consecutive year when new-build development volumes will struggle to reach even 50% of the 2007 peak level.

For those with access to equity this year, there will be considerable opportunities in the market. For the investor or holiday home purchaser these opportunities will be centred on strong yielding properties. For others it will be in securing properties with scope for refurbishments or improvements.

## A SELECTION OF PROPERTIES SOLD IN 2010



**Pine Walk, Cobham, £825,000**  
Sold off market



**Waterford Close, Cobham, £1,495,000**  
Close to popular private school



**The Ridgeway, Fetcham, £1,150,000**  
Sold and bought through us



**Oxshott Way Estate, Cobham, £2,100,000**  
Under Offer within two weeks



**Effingham Common Road, Effingham, £2,950,000**  
First time on the market in over 40 years



**Leys Road, Crown Estate, Oxshott, £3,750,000**  
Located within the exclusive Crown Estate

## YOUR LOCAL TEAM



### **Charles Davenport, Partner**

Charles has ascended through the ranks of Knight Frank over the past six years and is now Partner of the Cobham office. He supports the team within all elements of the market including land and new home sales.

**Key qualities: Client focused with a creative mind.**

charles.davenport  
@knightfrank.com



### **Victoria Robinson, Associate**

Victoria started her career in agency twelve years ago and has worked in Cobham for the last eight years. She holds a wealth of local knowledge and covers all price ranges. **Key qualities: Excellent communicator and unquestionable patience.**

victoria.robinson  
@knightfrank.com



### **Adam Burlison, Associate**

Adam has over 15 years estate agency experience working in both Cobham and Esher. The most recent addition to the team, Adam lives in Effingham and is well connected within the community.

**Key qualities: Positive, enthusiastic and focused.**

adam.burlison  
@knightfrank.com



### **Gemma Cole, Office Manager**

Gemma has ten years experience in the property industry having worked in both London and Surrey. She is responsible for marketing, advertising and PR.

**Key qualities: Calm under pressure with an excellent memory.**

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### **Cobham Office**

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