



NORTH EAST HAMPSHIRE AND SURROUNDS 2019

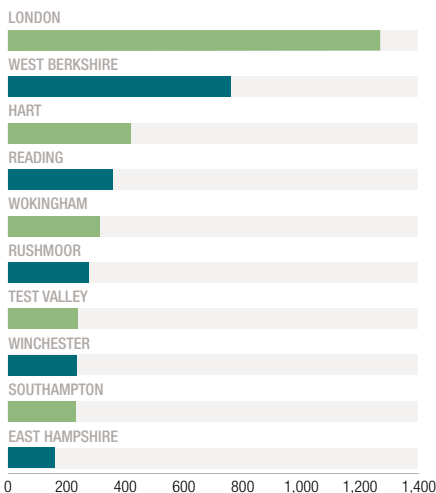
PRIME MARKET UPDATE

Pent-up demand is forming across prime regional markets, while uncertainty over Britain's impending departure from the European Union weighs on pricing.

Prime property prices in North East Hampshire and surrounding markets were virtually unchanged in 2018, falling by 0.3%, Knight Frank data shows. Price growth has eased over the past two years, from 6% in 2016, in line with a wider trend seen across the UK.

Recent performance reflects a general lack of urgency among both discretionary buyers and new vendors, with uncertainty over Brexit and the political future of the UK now at the forefront of their minds. Many are choosing to sit tight and wait for clarity as the March 2019 deadline for leaving the EU nears.

FIGURE 1
WHO MOVES TO NORTH EAST HAMPSHIRE?
Internal Migration (2017)



Source: ONS

Despite this hesitancy, it is worth noting that demand in North East Hampshire and its surrounding markets, as measured by prospective buyer registrations and viewings, is above levels seen a year ago, according to Knight Frank figures, irrespective of the current uncertainty. This may suggest that pent-up demand is forming and could be released once the political uncertainty recedes.

Where sales are being achieved, however, they are generally taking longer to complete, particularly in the south of England. Knight Frank analysis measuring the time taken between when a property is listed for sale and a sale is agreed of all properties on the market shows that, in 2018, the time taken to sell a house valued above £500,000 in the South East, South West, East of England and London has increased compared with 2016.

REGIONAL VARIATIONS

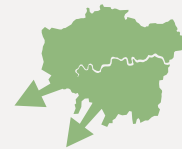
It remains the case that there are variations in price performance depending on property type and location.

Price movements also vary by property type, with longer-term performance highlighting some stark differences. Manor houses, for example, have reported modest growth of just 0.8% during the past five years, compared with growth of 19% and 24% respectively for cottages and townhouses over the same period.

KEY FACTS



-0.3% AVERAGE ANNUAL CHANGE IN VALUES



19% YEAR-ON-YEAR INCREASE IN LONDONERS MOVING TO BASINGSTOKE AND THE SURROUNDING AREA IN 2017

13.1%

FIVE YEAR PRICE CHANGE



348 NUMBER OF £500,000+ SALES IN BASINGSTOKE AND DEANE (12 MONTHS TO AUG 2018)

8.2%

FORECAST INCREASE IN PRIME REGIONAL VALUES BETWEEN 2019 AND 2023

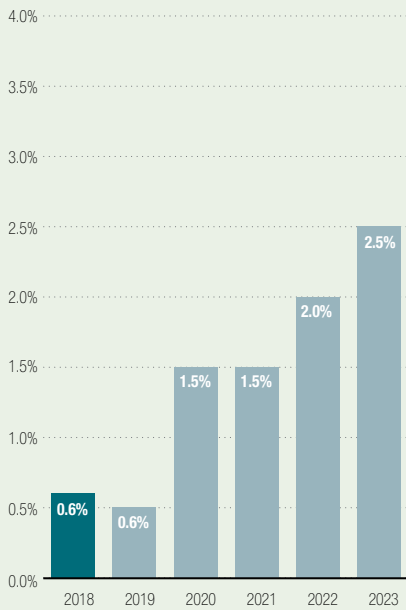
OUTLOOK

The rate of annual growth in the prime country market has averaged less than 1% since mid-2016. Against the backdrop of Brexit negotiations, it's likely that these current market conditions will continue in the short-term.

While pricing is expected to remain subdued, the relative value on offer in most prime regional housing markets, especially when compared with London, should help underpin demand in the coming years. We are forecasting price growth of 0.5% across prime regional markets in 2019 and cumulative growth of 8.2% between 2019 and 2023. The ongoing pressure on property prices in the capital is likely to be reflected in nearby commuter locations, with stronger growth reserved for markets further afield.

FIGURE 3
PRIME REGIONAL MARKET FORECAST

Annual % change



Source: Knight Frank Research

Please contact us for further information

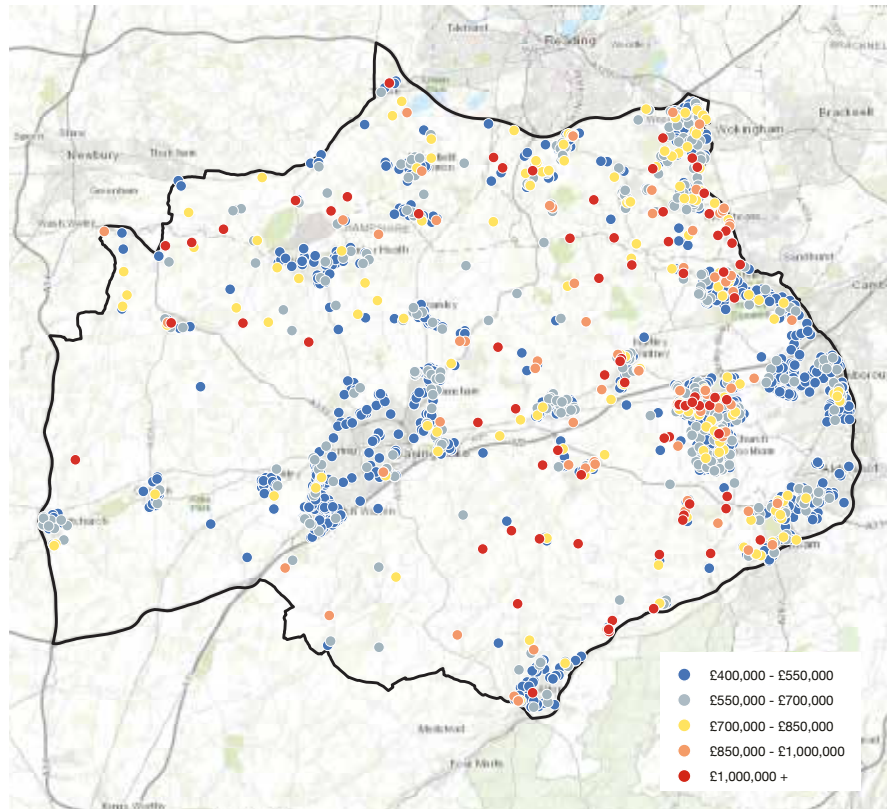
If you're thinking of buying or selling, or would like some property advice, please do get in touch.

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FIGURE 2
PROPERTY SALES IN NORTH EAST HAMPSHIRE

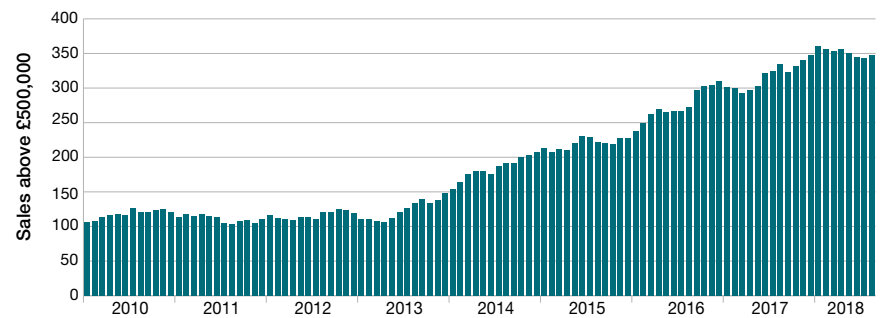
12 months to August 2018. Circles can denote multiple sales in the same postcode, in which case the highest value is displayed



Source: Land Registry

FIGURE 4
MARKET ACTIVITY IN NORTH EAST HAMPSHIRE

Sales volumes above £500,000, rolling 12 month total



Source: Land Registry

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