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"AFTER THE USUAL QUIET PERIOD SURROUNDING EASTER THE MARKET IS VERY BUOYANT AGAIN WITH PLENTY OF PEOPLE LOOKING FOR PROPERTIES TO RENT AT ALL PRICE LEVELS."

**Greg Bennett, Head of Knight Frank Hampstead Lettings gives us the low down on the local housing market, the potential impacts of recent developments, as well as a few handy hints and tips along the way.**

**Rents have been gradually increasing, will the trend continue throughout the rest of the year?**

Rents in the Hampstead area declined from the top of the market in August 2008 by around 15% to a low in June 2009, but since then we have seen a steady increase of about 5%. We are predicting a similar rate of growth over the coming year and expect to be back to pre-recession levels by the end of 2011.

**Have you seen more market activity since the General Election?**

Since the Election the demand for property has been very good but is not markedly higher than the rest of the year, however the tenants that are out looking are motivated and the deals we have been agreeing have been very close to the asking prices.

**Pool or tennis court?**

Pool every time for me. Very rarely do we have a tenant come to us with a tennis court being an integral part of their search spec, but a swimming pool is a different story. When you get to a certain level of rent, usually around £5,000 per week and above in Hampstead, we find that features such as swimming pools, cinemas and gyms rank very highly in tenants' expectations so I always advise my clients to try to include them when developing properties if the size of the plot and their budget permits.

**How is the market in your area at the moment?**

After the usual quiet period surrounding Easter the market is very buoyant again with plenty of people looking for properties to rent at all price levels. The corporate relocation side of our business is very strong at present, much of which comes through our designated Residential Corporate Services department who offer a comprehensive property search service all throughout London at no cost to either the tenant or client. This certainly did take a dip during the recession as firms looked to make cut backs but we are seeing plenty of foreign people coming back to London and Hampstead is always a firm favourite with many North Americans and Europeans because of the lifestyle it offers. The only downside to the market currently is that there is not enough stock to satisfy this demand and the properties that we are taking on are letting very quickly and at very close to the asking price.

**Hampstead lettings market at a glance**

Table 1  
 Market activity  
 Last 3 months, year-on-year change

Tenancies agreed		14%
New property available		-49%
New prospective tenants		-33%
Change in rents, last 3 months		3.9%

Figure 1  
 What do our applicants want to spend?  
 New applicants, last 12 months

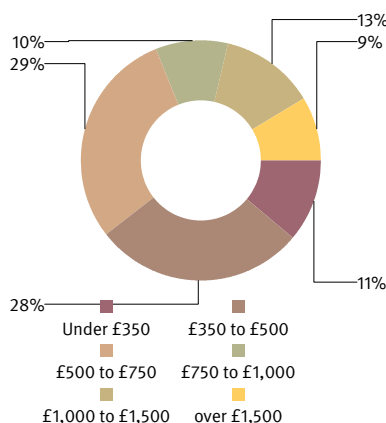
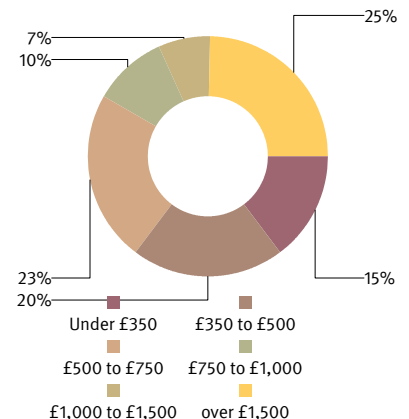


Figure 2  
 But what is coming to the market?  
 New instructions, last 12 months



# SUMMER 2010 HAMPSTEAD LETTINGS INSIGHT

**Knight Frank**



## Charting the market

Table 2  
Nationality of Knight Frank tenants  
Prime Lettings, last 12 months

World region	Tenants
Africa	2.0%
Asia	4.9%
Australasia	3.6%
Europe	26.5%
India	1.4%
Middle East	2.9%
North America	10.7%
Russia & CIS	2.1%
South America	0.6%
UK	45.3%

Figure 3  
Prime residential rents, indexed  
Quarterly, last 5 years (Dec 2004 = 100)

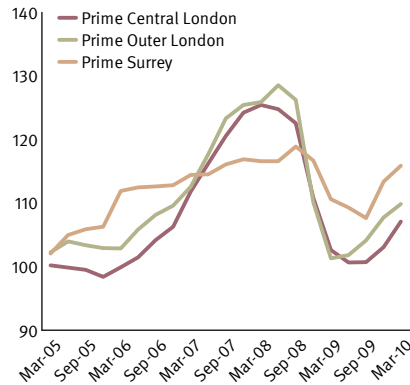
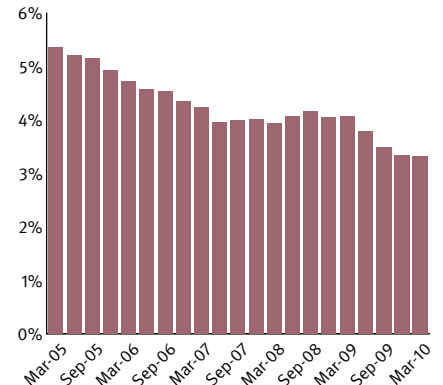


Figure 4  
Prime London residential gross yields  
Quarterly, last 5 years



## Your properties, our people

### Exceptional detached house on prestigious road

LET

6 bed

Asking rent:  
£5,000pw

Bishops Avenue,  
Hampstead



### Stunning Hampstead apartment

LET

4 bed

Asking rent:  
£1,400pw

Fitzjohns Avenue,  
Hampstead NW3



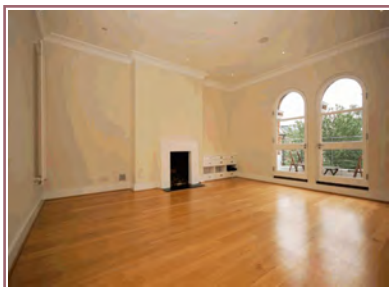
### Contemporary apartment in a premier location

LET

2 bed

Asking rent:  
£550pw

Lambolle Road,  
Belsize Park NW3



### Charming cottage

LET

3 bed

Asking rent:  
£1,600pw

Squires Mount,  
Hampstead NW3



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