



Office Head Mark Potter talks local market trends and the impact of the prime central London market.

How has the property market in the Basingstoke and north-east Hampshire area been performing this year?

It has been a stop-start market this year. The winter was relatively slow due to the snow, but it was followed by a wonderful spring and a number of sales. Though this was temporarily interrupted by the late Easter and Royal Wedding, activity picked up again in May and early June. As summer approached, however, the economy began to cause greater concern. Buyers have therefore become more discerning and cautious in their approach. It is therefore essential that asking prices are set at a realistic and measured level to attract interest and, in turn, give buyers the confidence that they are making the right decision. If this practice is not implemented, the market will no doubt falter.

“WE CONTINUE TO ATTRACT BUYERS FROM CENTRAL LONDON, AS WELL AS BUYERS FROM THE HOME COUNTIES.”

Where do your buyers tend to come from?

As you can see on figure 1, around 63% of our buyers come from outside the region. We continue to attract buyers from central London where prices have reached an all-time high, as well as buyers from the Home Counties close to London where the market is also performing well. In addition, our overseas offices have sourced buyers for us from far and wide.

How is your local market affected by the prime central London market?

The central London market is very strong, driven by buyers from overseas who look at it as a very

attractive investment centre. With prices having risen more significantly in central London and the country house market, those living in central London have increased spending power and many are looking to capitalise on this by moving out, be it for a better quality of life or the excellent schools. The fact that we have offices in all prime locations, both in London and elsewhere, means that we are ideally placed to take advantage of this.

What changes have you noticed with buyer behaviour since the recession?

Buyers are more discerning. With taxes and the cost of living rising, they want to ensure they are getting the best they can for their money.

How do you think the market will fare in the coming months?

Despite the vagaries of the stock market and European economy it is unlikely that the prime property market will slow down significantly. The property market will be seen as a relative safe haven, especially with interest rates remaining at an all-time low.

Why should people think of buying and selling now?

Oh, for a crystal ball... Those with psychic tendencies will have sold their property in 2007 and traded their shares for stocks in gold or oil. Alas, many potential buyers are currently hedging their bets by sitting in a rented house and hoping for prices to fall. On the other side of the fence, those looking to sell are hopeful of a bounce back to the record prices achieved in 2007, as predicted by some property pundits. The reality in our area is that prices are reasonably static and look likely to continue that way, especially if economic uncertainty persists and low interest rates continue. This stable environment makes planning a move easier and less frenetic for both buyers and sellers.



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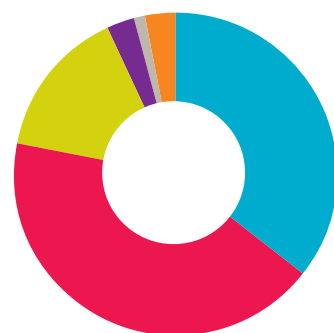
Basingstoke sales market at a glance

Figure 1
Where do our buyers come from?
 Buyers, eight months to March 2011



International	13%
London	28%
Rest of UK	22%
South East	37%

Figure 2
What do our applicants want to spend?
 New applicants, eight months to March 2011



under £750k	36%
£750k to £1.5m	42%
£1.5m to £2.5m	15%
£2.5m to £3.5m	3%
£3.5m to £5m	1%
over £5m	3%

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Charting the Basingstoke market



Figure 3
Sales by price band
 Buyers, past 12 months

under £500k	14%
£500k to £750k	16%
£750k to £1m	19%
£1m to £1.5m	16%
£1.5m to £3m	25%
over £3m	10%



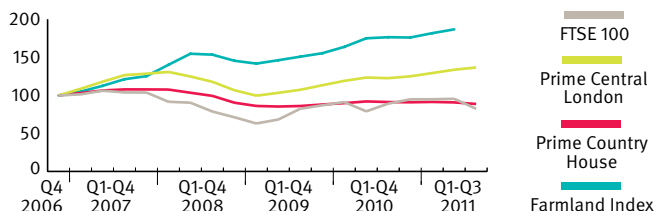
Figure 4
Where does the money come from?
 Buyers, past 12 months

City/Finance	26%
Farming	2%
Industry	10%
Other	5%
Professional	24%
Property	33%

Figure 5
Market activity
 Year-on-year change (three months to August 2011)

Exchanges	↑ 0%
New applicants	↑ 14%
New instructions	↑ 18%
Viewings	↑ 20%
Prices	↓ -0.7%

Figure 6
Wider market performance
 Prime London and country property (sales prices) vs FTSE 100, past 5 Years



Basingstoke properties and the Knight Frank team

SOLD
Charming village home of immense character
 ALDERMASTON
 4
 £850,000



FOR SALE
Stunning Grade II listed Georgian farmhouse
 SHINFIELD
 6
 £2,000,000



SOLD
Elegant Georgian rectory
 OAKLEY
 6
 £1,850,000



FOR SALE
Handsome period country house
 HOOK
 6
 £1,400,000



SOLD
Period house in idyllic setting
 STRATFIELD SAYE
 4
 £1,200,000



FOR SALE
Charming period house in village centre
 UPTON GREY
 3
 £690,000



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