



# Local View <sup>2015</sup>

Sherborne

# Welcome to Local View

Welcome to the latest edition of Local View, our seasonal update on the property markets that matter to you. In here we highlight why we love Dorset, Somerset and Wiltshire as well as showcase some of our favourite sales from last year and look forward to 2015. Please contact your local team for more information and to find out what other opportunities we can offer.

We sold **£65m** of property in the last 12 months

The Sherborne office forms part of the Knight Frank

global network of **335** global offices

The Sherborne team has more than **100** years of property experience

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Years of experience: 30

Dorset is as multi-layered as the famous fossil flecked cliffs along its Jurassic Coast. The same can be said for South Somerset and West Wiltshire which offer stunning scenery, an abundance of first rate schools, excellent transport links and a fabulous quality of life.



Dorset is so homely with wonderful countryside and of course the most beautiful coastal scenery in England. I never tire when I return to Sherborne with its wonderful Abbey, welcoming feel and it is surely one of England's most beautiful small towns. Dorset is home!



**Simon Barker**  
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Years of experience: 28



For me, Dorset offers a magnitude of different landscape characteristics. The Jurassic coast, Canford Cliffs (the Cote d'Azur of England) and then the true rolling countryside made up of wonderful cottages, farmhouses, manor houses and mansions. These stone properties are scattered throughout the county in numerous hamlets and form the true character of Dorset which offers a multitude of outdoor pursuits.



**Ed Cunningham**  
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Years of experience: 27



What I love most about the area is discovering a hidden gem. There are so many beautiful houses tucked away out of sight, down a beaten track. You think you know a place well and still you just never knew they were there - I love the exploring.



**James McKillop**  
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Years of experience: 8



What I love so much is the feeling of real countryside with wonderful walks, fresh air for healthy living and not a motorway in sight!



**Bruce Tolmie-Thomson**  
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Years of experience: 19



What I love is the romance of the rolling meadows, the stunning drive from London, past Stonehenge on the A303 and turning off into the magical villages, steeped in history and beauty.



**Clare Guy**  
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Years of experience: 16

# 2015 Forecast

2014 saw another steady rise in property values in the UK outside of London, yet the price differential between those and properties in the capital remains at a record level meaning that the country is great value for those looking to trade up and out. However, uncertainty as a result of the upcoming General Election means that the market is undoubtedly going to differ this year. In spite of this, we expect demand will continue to increase, particularly in light of recent tax changes, especially for properties valued below £1m.

Property prices for houses in the country have been rising for seven consecutive quarters, the longest period of sustained quarterly price growth since 2007.

Rising confidence among buyers as a result of more positive economic news, the ripple effect from London and growing demand for family homes has resulted in improved conditions in the market in 2014, helping to release some of the pent-up demand that had built up following the downturn.

Figures released by the Land Registry confirm this. Over the year to September 2014, the number of homes sold for over £500,000 in England and Wales was 42% higher than at the same time last year and 74% higher than the corresponding period in 2010.

Properties in the southeast, within commutable range of a city and close to good schools have sold well. Continued low interest rates and attractive mortgage offers have also encouraged buyers to act.

London have grown by 74% and are 32% above their previous peak, making the country good value for those wishing to trade up and out.

But there are signs that the momentum seen during the first half of the year has eased. Uncertainty over the outcome of the general election, an impending interest rate rise and tighter mortgage lending have all cooled demand during the second half of the year.

There is some positive news however. Reforms to property taxation announced by the Chancellor during the Autumn Statement mean that the majority of home purchasers will pay lower levels of stamp duty when buying a house. As a result of the changes those buying homes worth up to £937,500 will see their tax bills reduced. Additionally, there is an anomaly between £1,000,001 and £1,124,990 where less tax is payable under the new system.

The proposals are likely to be welcomed by buyers, ultimately increasing transaction levels below the £937,500 threshold. That is likely to have a knock on positive impact on consumer sentiment.

Against this backdrop, we are forecasting price growth of 2% across the country market in 2015, with outperformance in some locations driven by increased demand and, in some cases, improvements to infrastructure.

Homes located in town and city markets will see above average price growth driven by demand from those relocating from London and downsizers. Markets within commutable distance of the capital will also outperform. We are forecasting that price growth for family homes in the South East, South West and East of England will outpace local mainstream markets as values are boosted further by the "ripple effect" from London.

Agents report that demand has been bolstered by an increase in the number of buyers looking to take advantage of the gap between urban and rural values, particularly those moving from London. Prices in the country look good value on a historical basis having experienced several years of static or modest growth since the end of the financial crisis.

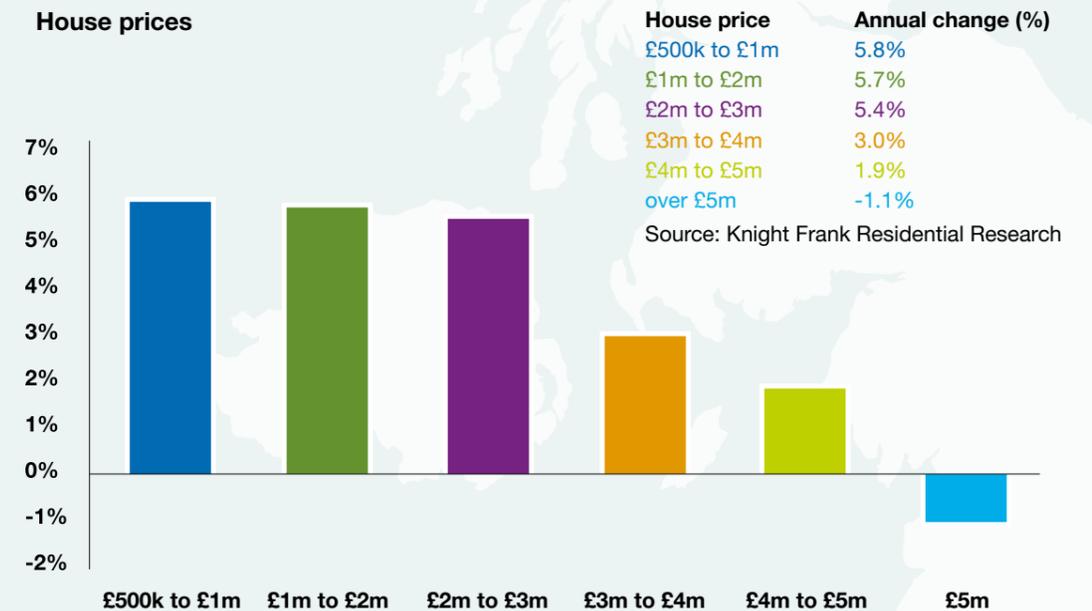
To illustrate this point, houses in the country have risen in value by 5.6% since the market low in 2009 and currently sit 16% below the previous market peak. In contrast, house prices in prime central

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## Registered voters

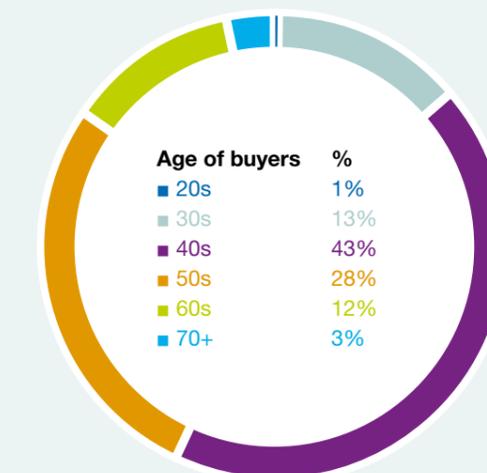
In 2010 there were **45,597,461** registered voters, **3.1%** more than in 2005

### House prices



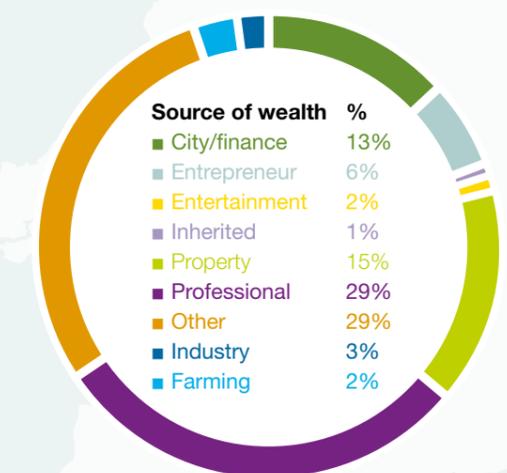
### For all sales less than or equal to £2m

#### Age of buyers



Source: Knight Frank Residential Research

#### Source of wealth



Source: Knight Frank Residential Research

# Highlights of 2014

Here we highlight 10 properties sold last year.



01

Kingsdon, Somerset  
**SOLD | GUIDE PRICE £940,000**

Striking former farmhouse - on the market for several months with three other agents and once Knight Frank was involved the property went under offer within a few weeks at the guide price.



03

Ryme Intrinseca, Dorset  
**SOLD | GUIDE PRICE £925,000**

Grade II listed village property with a two bedroom cottage; sold to a London buyer by Knight Frank acting as joint agent.



02

Horsington, Somerset  
**SOLD | GUIDE PRICE £975,000**

Well proportioned family home situated in a sought after development which went under offer in less than a month.



04

A large unlisted family house with an extensive range of traditional outbuildings, cottage and land.

Dorset  
**SOLD | GUIDE PRICE £1,750,000**



05

An Edwardian house located a short walk from the town centre and The Gryphon School which was sold to a London buyer as a second home.

Sherborne, Dorset  
**SOLD | GUIDE PRICE £575,000**



An immaculately presented detached family house in a highly sought after village which generated a lot of interest and in the end sold to the first family who viewed.

Charlton Horethorne, Dorset  
**SOLD | GUIDE PRICE £575,000**

06



Family house in a popular village which generated many positive viewings. The sale completed within nine weeks of the offer being accepted.

Nether Compton, Dorset | **SOLD | GUIDE PRICE £495,000**

07



A well renovated Georgian townhouse which attracted competitive interest and sold very close to the guide price.

Shaftesbury, Dorset | **SOLD | GUIDE PRICE £540,000**

08



A handsome townhouse with Abbey views. The property was in need of renovation and was sold to London buyers relocating to Sherborne.

Sherborne, Dorset  
**SOLD | GUIDE PRICE £710,000**

09



10



A classic example of a great edge of village house which we agreed the sale of three weeks after launching onto the open market.

Somerset  
**SOLD | GUIDE PRICE £1,650,000**

# London Expansion

The London property market has always driven activity outside of the capital, as Londoners sell or let their homes and seek greater value for money in different parts of the UK.

Outside of Prime Central London, we have seen growth in traditionally affordable areas, with sales price increases of up to 14% in parts of zone two over the last 12 months. These increases see those sellers in North West London and along the River Thames achieving record prices for their homes.

At Knight Frank, our team of experienced analysts are continually looking for the next hotspots in order to embrace the increased demand in these areas. We were therefore delighted to open four new offices in London in 2014. The addition of these offices in Barnes, Clapham, King's Cross and Chiswick means our London network now totals 24, and there are plans for further expansion this year.

This increased catchment area means we are better placed than ever to drive cash buyers to our country properties. In addition, the considerable growth of our lettings division has meant that we can assist those clients who are not yet looking to cash in their investment, but still wish to move out of London. The lettings team work closely with our relocations team to place international corporate tenants, often for up to three years, to ensure buyers from London still have the steady stream of income needed to facilitate a move.

With the net widening it is vital that any agent with a London presence covers the key growth areas. A move to the country is no longer the leap it might once have been considered by many hardened city dwellers, as what are described as "London's villages" are becoming increasingly prevalent. Moving to one of these areas first is becoming the preference amongst many families, with them acting as a stepping stone to the countryside further out of London. James Williams, head of Knight Frank Barnes says:

"It is fantastic to now have a shop front in such a wonderful location. It is such a friendly environment to work in". With the fashion being a two-stage move, we can now nurture long-term relationships with our clients. So whether they are looking for a different pace altogether or a move to a smaller town or city, we are able to put them in touch with a Knight Frank agent for every step they wish to take.

If you have a property that might be of interest to one of our London buyers, please call your local Knight Frank office for a complimentary market appraisal.



**"A move to the country is no longer the leap it once might have been considered by many hardened city dwellers"**

# About Us

In 2014, throughout the UK, Knight Frank sold:

2,740 swimming pools

68 shoots 4,336 new developments

1,166 listed buildings

2,852 properties with concierge 2,678 gyms

14 golf courses

604 tennis courts

1,127 properties with equestrian facilities

131 fishing facilities 1,719 properties by the water

207 farms and estates 1 houseboat

150 development plots

518 penthouses

**For more information on the services we provide visit [KnightFrank.co.uk](http://KnightFrank.co.uk)**

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first-mover  
advantage

If selling a property is one of your plans for 2015, now is the time to speak to an expert. Whilst others are waiting on the outcome of the forthcoming election, we are anticipating a busy start to the year.

So, at a time when staying one step ahead has never been more important, will you be one of the first movers in 2015?

For your complimentary market appraisal,  
call us today on: **+44 1935 590143**