

The London Barometer/ Sales: October 2012

Market Comment

"October shows the appetite for London property continues to increase with 10% more offers received than October last year and the same increase in buyers year on year."

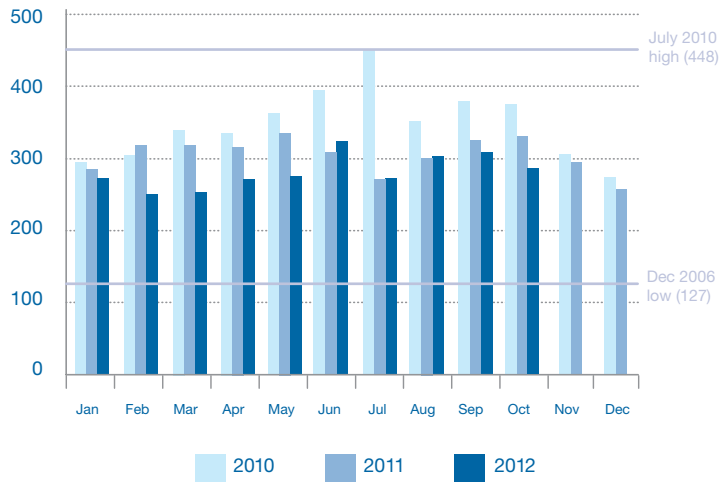
"Vendors remain precariously bullish in some cases, citing Christmas coming, lack of stock and expectations of price rises in London and falls in the Country next year as reasons. Not all commentators are as optimistic."

"It seems again that stock levels are following a downward trend and with plenty of keen buyers out looking at the moment you would have to be a brave vendor to risk holding off and not selling in the current market."

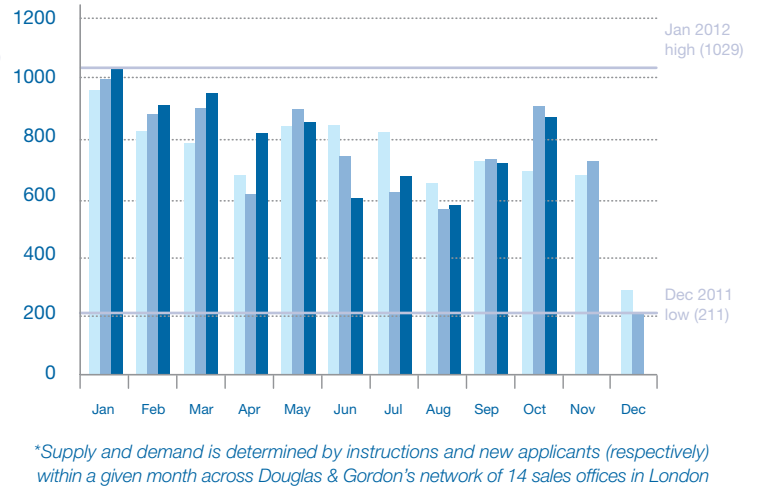
"It seems that the lethargic start to the autumn market thanks to the Olympics means that perhaps November and December will be busier than anticipated."

Ed Mead, Director

Supply*

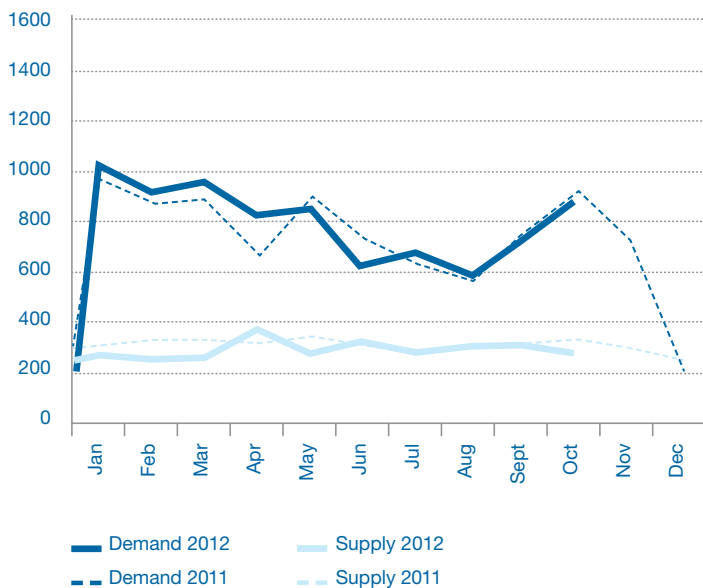


Demand*



*Supply and demand is determined by instructions and new applicants (respectively) within a given month across Douglas & Gordon's network of 14 sales offices in London

2012 Supply & Demand



Douglas & Gordon Average London Sales Price Index*

	Q4 2011	Q1 2012	Q2 2012	Q3 2012
1 bed flat	£ 387,500	£ 404,167	£ 408,333	£ 410,833
2 bed flat	£ 579,583	£ 608,333	£ 620,833	£ 634,167
3 bed house	£ 1,277,083	£ 1,340,000	£ 1,367,917	£ 1,369,167
4 bed house	£ 1,933,333	£ 2,006,250	£ 2,025,000	£ 2,110,833

*The D&G Average London Sales Index is based on a periodic re-valuation of each property type from every D&G office across London with the increase or decrease in their values averaged

The London Barometer/ Lettings: October 2012

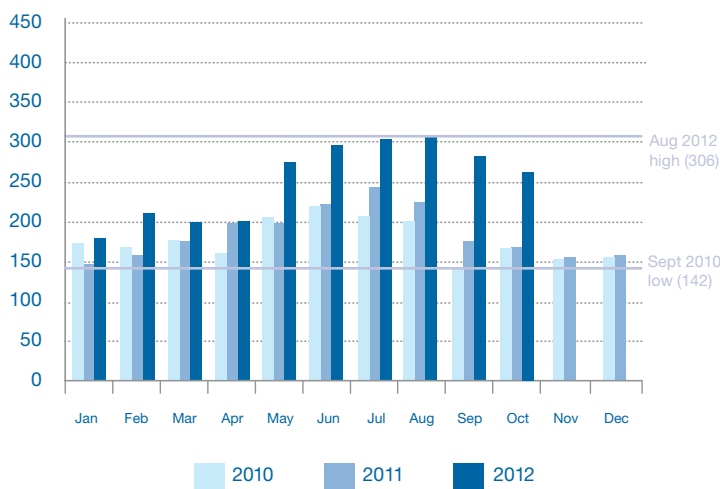
Market Comment

“18 months of stock shortages and significant rent rises seems to have been tempered by a slower summer and overall it appears we’re seeing a return to a more balanced market. Although it appears that there has been a 50% increase in supply year on year, these are actually historically normal stock levels. This means that anyone expecting rent rises next year could be disappointed.

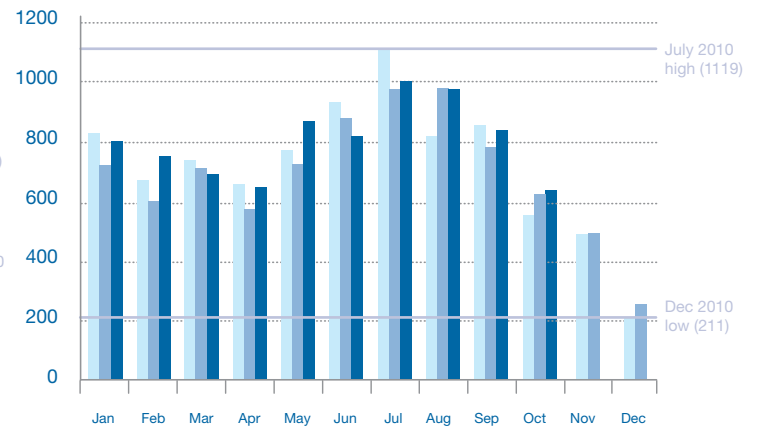
“One of the biggest changes we have seen this autumn is the number of homeowners opting to rent out their property instead of selling in order to rent in the area they’re moving to. Vendors don’t want to risk losing any of their property’s value and are willing to rent until their perfect property becomes available.”

Virginia Skilbeck, Lettings Director

Supply*

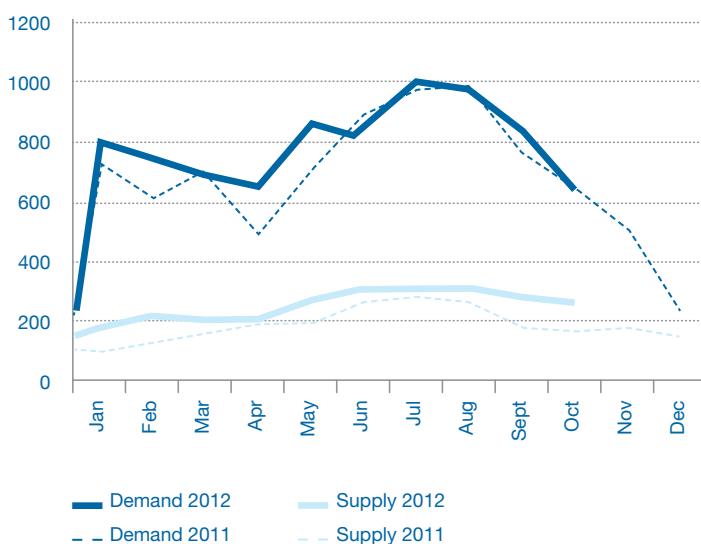


Demand*



*Supply and demand is determined by instructions and applicants (respectively) within a given month across Douglas & Gordon’s network of 12 lettings offices in London

2012 Supply & Demand



Douglas & Gordon Average London Rent Index* (per week)

	Q4 2011	Q1 2012	Q2 2012	Q3 2012
1 bed flat	£ 394	£ 387	£ 386	£ 388
2 bed flat	£ 531	£ 533	£ 527	£ 527
3 bed house	£ 912	£ 925	£ 907	£ 885
4 bed house	£ 1,556	£ 1,462	£ 1,513	£ 1,463

*The D&G Average London Rent Index is based on a periodic re-valuation of each property type from every D&G office across London with the increase or decrease in their values averaged