

The London Barometer/ Sales: June 2012

Market Comment

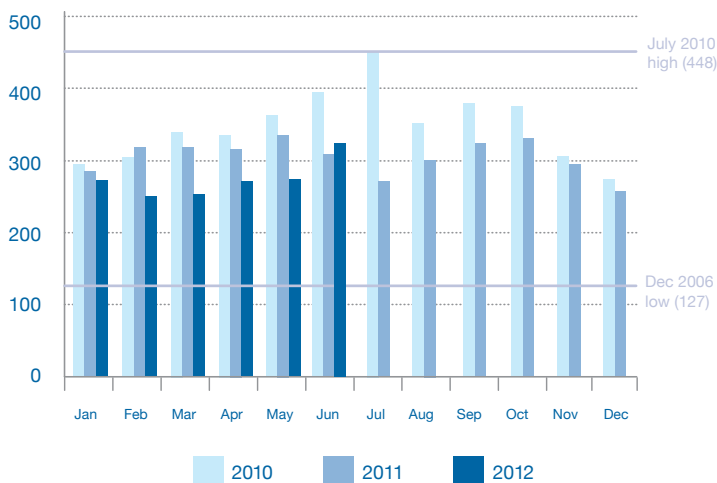
"As suspected, the extended Jubilee and Bank Holidays combined with the bad weather in June haven't helped the London property market and although there are still interested buyers, they are not being rushed. Deals are taking longer but they are happening.

"Pricing correctly is paramount in getting viewings and if vendors are determined to sell by the end of the summer, they will have to be realistic about the price their property can achieve.

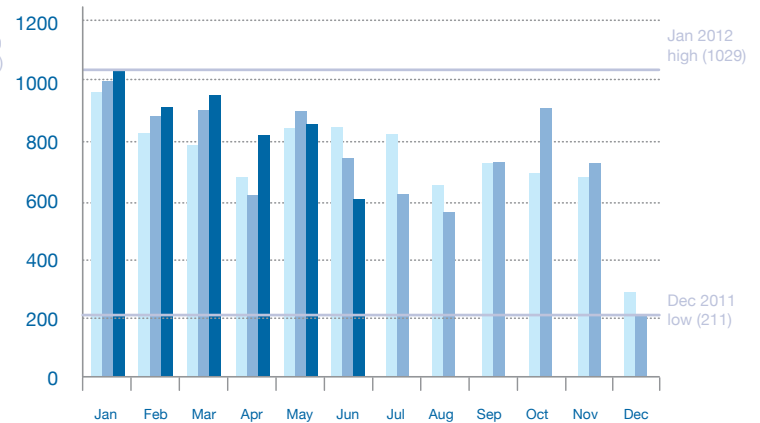
"The number of properties coming to the market is in line with what we'd expect at this time of year."

Ed Mead, Director

Supply*

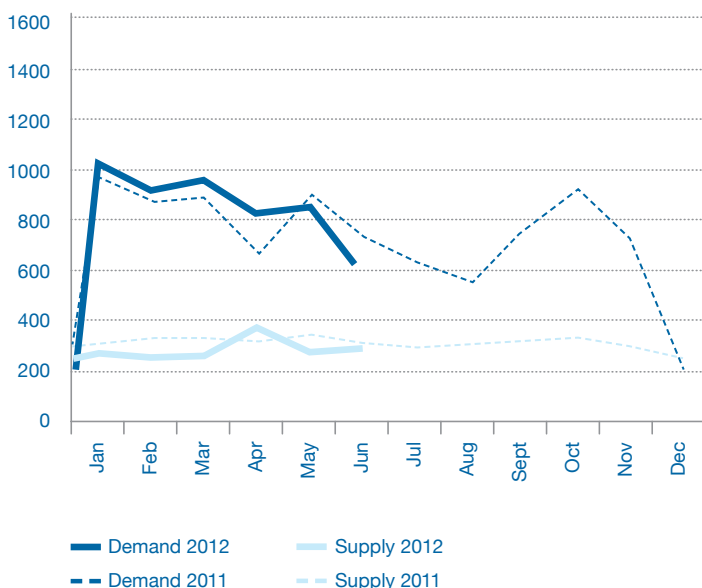


Demand*



*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*

	Q3 2011	Q4 2011	Q1 2012	Q2 2012
1 bed flat	£ 383,750	£ 387,500	£ 404,167	£ 408,333
2 bed flat	£ 570,083	£ 579,583	£ 608,333	£ 620,833
3 bed house	£ 1,257,500	£ 1,277,083	£ 1,340,000	£ 1,367,917
4 bed house	£ 1,905,000	£ 1,933,333	£ 2,006,250	£ 2,025,000

*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: June 2012

Market Comment

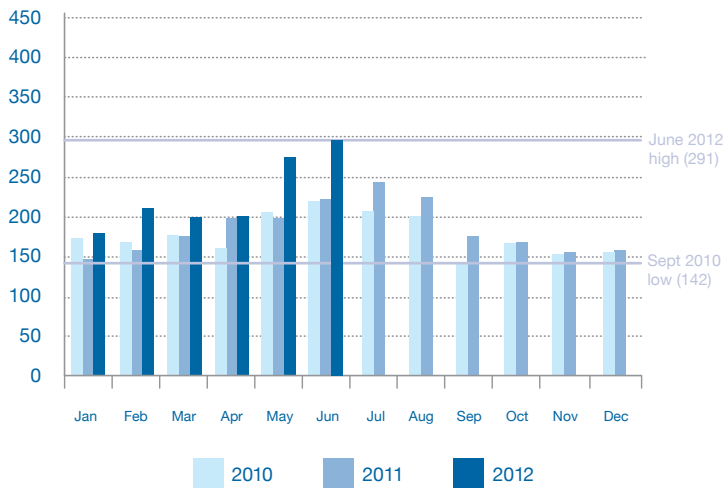
"Landlords are having to adapt to the new lettings market conditions, with stock levels increasing by a third year-on-year and rental prices dropping slightly in prime Central London.

"Investment landlords are vulnerable to the mooted new annual tax which will have an effect on rental yields. Many are taking the decision to sell before the consultation period ends as there is concern that the new tax could be backdated.

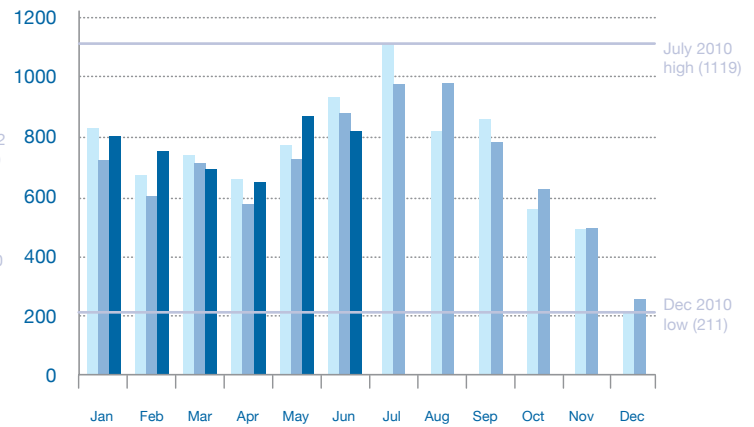
"The volume of tenancies starting and ending in June was at levels we expect to see at the peak of the lettings market in July, August and September."

Virginia Skilbeck, Lettings Director

Supply*

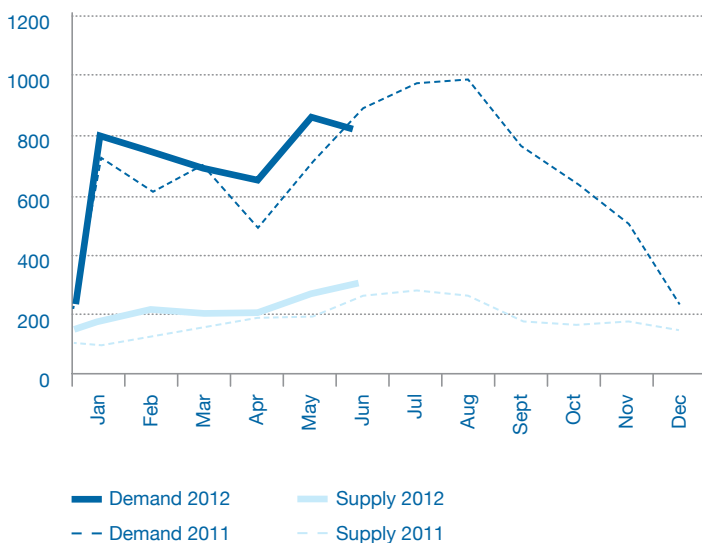


Demand*



*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)

	Q3 2011	Q4 2011	Q1 2012	Q2 2012
1 bed flat	£ 399	£ 394	£ 387	£ 386
2 bed flat	£ 537	£ 531	£ 533	£ 527
3 bed house	£ 927	£ 912	£ 925	£ 907
4 bed house	£ 1,641	£ 1,556	£ 1,462	£ 1,513

*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