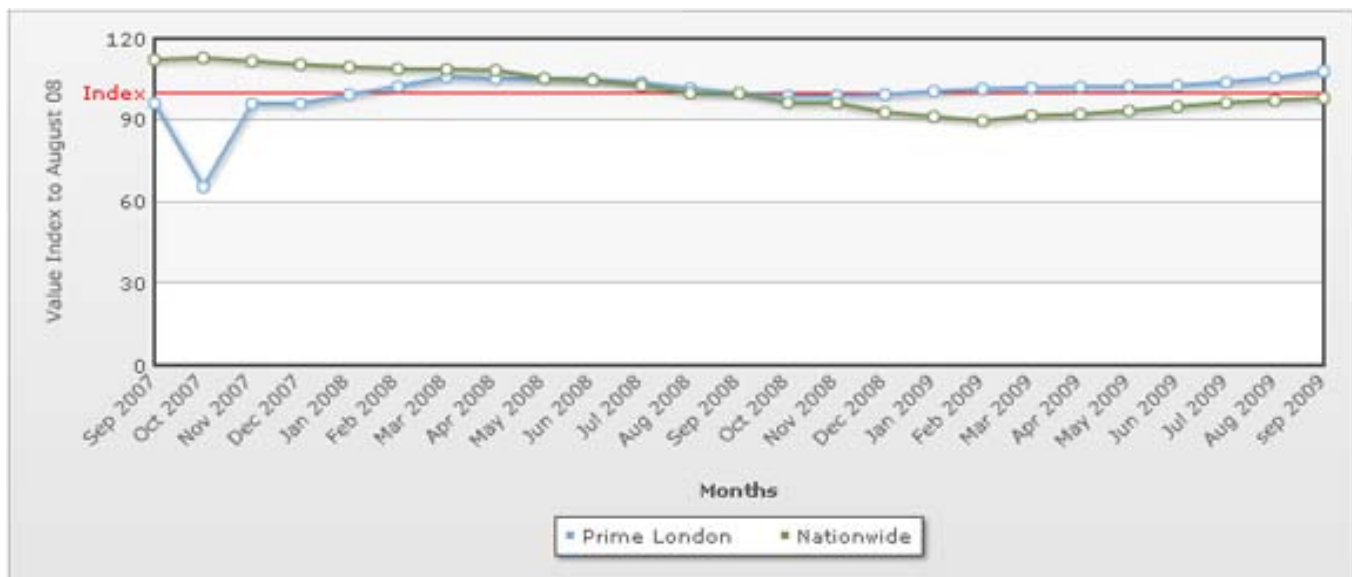


Primelocation.com Price Index : October 2009

The leading authority on the UK prime residential market

Monthly Overview

Indexed Average Asking Sales Prices – Prime and mainstream property markets (Base – Sept 2008)



The graph shows the comparative performances of the Primelocation.com Prime Property sales price indices with that of the Nationwide (based on post survey prices), indexed to September 2008. Primelocation.com's research is based on properties currently listed on its website, which have an average value of £ 613,834 compared to the average value of property on the Nationwide index of £161,815. The graph can often indicate a two-tier market, with the mid-market upwards, which is Primelocation.com's sector, behaving differently from the typical mass market, as represented by the Nationwide.

Headlines:

- The average asking price of a **Prime London** property increased by 2.45% in September
- **Prime London** sales stock levels decreased by 1.31%
- **Prime London** lettings stock has fallen nearly 10% from its July peak
- Average Prime London weekly rental prices rose by 1.72%

Central London property back in vogue as confidence picks up

The 2.45% price rise experienced by Prime London properties in September was the highest monthly increase since March 2008, boosted by a substantial growth in Central London prices, which rose by 2.03%. Within Central London, Westminster & Pimlico, Mayfair and Marylebone & Fitzrovia were the best performing areas, recording price increases of 4.8%, 3.8% and 3.4% respectively.

Andrew Smith, Head of Research at Primelocation.com, comments:

“September has been a positive month for London’s Prime property market, with Central London price growth indicative of a more general, if cautious, upswing in consumer sentiment. While we have a way to go before stability is restored, certain economic factors are beginning to improve and buyers are prepared to take the long term view.

The readjustment in prices has brought Zone One property back into favour with top-tier businessmen, who prefer to minimise their commute, sending demand shooting up as supply continues to fall.

“Top-end buyers are likely to have been facilitated by the resurgence of the FTSE 100, which rose above 5,000 points last month - its highest level since the collapse of Lehman Brothers in September 2008. As well as increasing confidence, this upturn will have increased investors' collateral, allowing them to borrow against their portfolio of shares, which is a common method used by high-end buyers to raise finance.

Wealthy international buyers also showed a renewed interest in central London property in September, with potential buyers visiting Primelocation.com from Singapore, the UAE and Hong Kong, up 22%, 20% and 17% respectively on August.

Amateur landlords prepare to move back into the sales market

“Central London also saw the greatest growth in weekly rents of 1.56%, coinciding with a 5.3% fall in lettings stock in the area.

Andrew Smith comments: “The level of Prime London lettings stock has fallen in 89% of regions as accidental landlords and those wanting to reduce the size of their portfolios start to move into the sales market to take advantage of the steadily rising prices after 16 months of falling rents.”

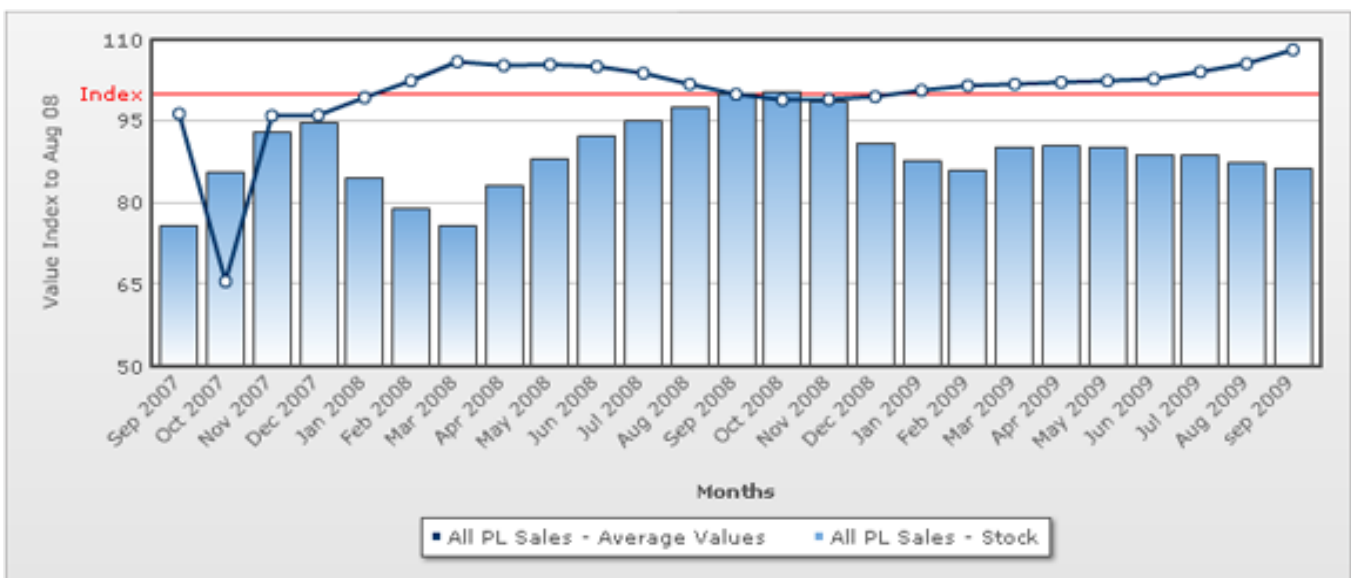
PRIME PROPERTY PRICE SUMMARY– SEPTEMBER 2009			
	AVERAGE ASKING PRICE	% ANNUAL CHANGE	% MONTHLY CHANGE
SALES			
Prime London	£1,333,129	+8.13%	+2.45%
RENTALS			
Prime London	£779	-10.86%	1.72%

Prime London Sales

- The average price of a **Prime London** property increased for the eleventh successive month to £1,333,129 in September, up 2.45% on the previous month and 8.13% annually
- **Prime London** sales stock levels fell for the fifth consecutive month in September and were down 1.31% on August. North West London saw the largest reduction at 3.6%
- Central London recorded its largest monthly price increase since March 2008, increasing by 2.03% in September
- Within Central London, Westminster & Pimlico, Mayfair and Marylebone & Fitzrovia were the best performing areas, with a combined price increase of 12%
- Price growth in West/South West London was driven predominately by monthly increases in Wimbledon (up 3.70%), Hammersmith (up 4.60%) and Barnes (up 3.20%)

Average Asking Sales Price* – Comparison (% Change)			
Region	September 09	% Annual Change	% Monthly Change
Central London	£1,994,677.93	1.75%	2.03%
Central/South West London	£755,814	-1.32%	-1.36%
North West London	£1,502,635	7.43%	3.61%
Islington, City & Docklands	£603,149	-1.97%	-0.66%
West/South West London	£1,155,605	9.15%	4.35%
Overall Prime London	£1,333,129	8.13%	2.45%

Indexed Average Asking Sales Prices / Stock Levels – Prime London Sales (Base – September 2008)

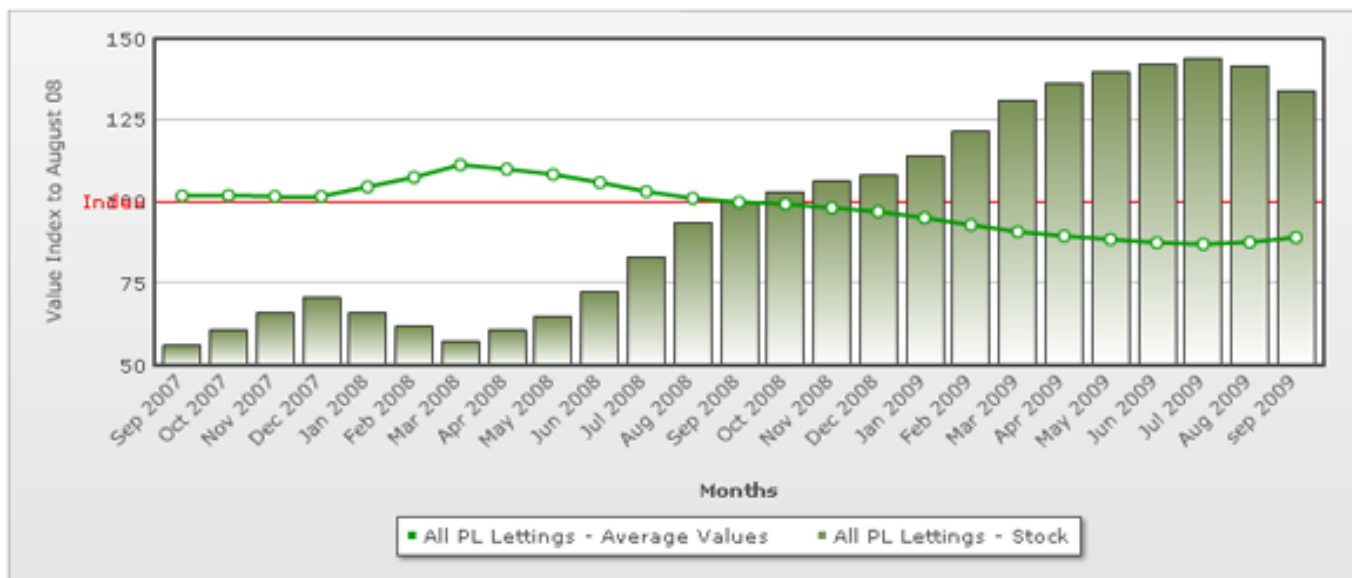


Prime London Lettings

- The average Prime London weekly rental value was £779 in September, up 1.72% on the previous month. This was only the second monthly increase in 18 months.
- Annualised price decline for weekly rents has reduced from 13.58% in August to 10.56% in September
- Central London and North West London recorded the greatest growth in weekly rents at 1.56% and 1.25% respectively
- The supply of Prime London lettings stock has decreased for the second successive month, falling 10% overall. West Hampstead saw the largest decrease at 13.7% in September alone

Average Asking Weekly Rentals* – Comparison (% Change)			
Region	September 09	% Annual Change	% Monthly Change
Central London	£1,093.12	-4.89%	1.56%
Central/South West London	£483.44	--13.42%	-0.03%
North West London	£837.98	-10.95%	1.25%
Islington, City & Docklands	£447.24	-15.46%	0.89%
West/South West London	£554.69	-9.90%	0.22%
Overall Prime London	£778.99	-10.86%	1.72%

Indexed Average Asking Weekly Rental Price / Stock Levels – Prime London Lettings (Base – September 2008)



Prime London Sales and Prime London Lettings Area Summaries

Prime London Sales and Lettings Price Indices – Area Summary		
Region	Postcode Area	Postcodes
Central London	Belgravia, Westminster, Pimlico, Mayfair, Marylebone, Fitzrovia, Soho, Covent Garden, Chelsea, Kensington, West Kensington, South Kensington, Knightsbridge, Earls Court, Holland Park, Notting Hill, Bayswater	SW1, SW3, SW5, SW7, SW10, W1, W2, W8, W10, W11, W14, WC2
Central/South West	Fulham, Parsons Green, Battersea, Clapham, Wandsworth, Balham, Tooting	SW4, SW6, SW11, SW12, SW17, SW18
North West London	Hampstead, Belsize Park, St John's Wood, Regent's Park, Highgate, Maida Vale, Little Venice, Hampstead Garden Suburb, Golders Green, West Hampstead, Kentish Town, Camden	NW1, NW3, NW5, NW6, NW8, NW11, N6, W9
Islington, City & Docklands	Islington, Highbury, Bloomsbury, Finsbury, Clerkenwell, Wapping, Isle of Dogs, Borough, Shad Thames, Bermondsey, Rotherhithe	N1, N5, WC1, EC1, EC2, E1, E14, SE1, SE16
West/South West	Barnes, East Sheen, Putney, Wimbledon, Hammersmith, Chiswick, Richmond	SW13, SW14, SW15, SW19, SW20, W4, W6, W12, TW9, TW10

General Information

i. Background:

- Primelocation.com is the property portal of choice of the leading estate agency firms across the UK, including the major national agencies Savills, Knight Frank, Hamptons International, Chesterton, Strutt & Parker Lane Fox, Cluttons, Carter Jonas, Humberts, Jackson-Stops & Staff as well as many other leading London and regional firms. All of these firms list all of their properties on Primelocation.com.
- There are currently over 7,000 agent firms listing their properties on Primelocation.com, representing some 11,000 offices both in the UK and abroad and advertising over 650,000 properties in one online location.

ii. Prime London Indices:

- Primelocation's Prime London Price Index is a unique housing market indicator, based on the properties listed on the www.primelocation.com website.
- The Index monitors the stock levels and asking prices of properties in different regions over a minimum of a twelve month period.
- Using a core base of over 2,000 agent firms which have appeared on the site over that time, fluctuations in property types, including the ratio of houses to flats and the size of the properties, are taken into account to ensure that the Indices are a true representation of what is happening in the prime property sector.
- A robust filtering process is also employed to ensure that any property which is listed on www.primelocation.com by more than one agent is only counted once. An average over three months ensures that the length of the sales process is also factored in.

iii. International Positioning:

- Primelocation.com has the largest collection of international property of any UKbased property portal with over 100,000 homes in France, Spain, Portugal, Italy, South Africa and over 60 other countries. A search index is also available for International Property (see <http://www.primelocation.com/international-property/search-index>).

ENDS

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The Primelocation.com House Price Index is a unique housing market indicator, based on the properties listed on Primelocation.com. The Index monitors stock levels and asking prices of properties in different regions.

Using a core base of over 2,000 agent firms which have appeared on the site over that time, fluctuations in property types (including the ratio of houses to flats and the size of the properties) are taken into account to ensure that the Indices are a true representation of what is happening in the prime property sector.

The Primelocation.com House Price Index is the only market index to represent the prime property market and covers the London sales markets, as well as the prime London rental market.