

Knutsford Residential



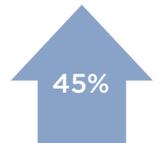
Ash House,
Ollerton, Knutsford.
Guide price:
£7,500,000

Market monitor

Key statistics across Knutsford's prime market



31%
Percentage of all £1 million+ transactions over the last decade that have been in the Legh Road conservation area



45%
Increase in transactions at £500,000 and above in the southern suburbs of Knutsford, Lower Peover and Allostock



28%
Increase in buyer registrations across Cheshire (Jan-Oct 2019 v Jan-Oct 2018)

Optimism and opportunity

Confidence is returning to Knutsford's residential market, with a 28% increase in the number of buyers registering with Savills across Cheshire.

The strongest demand is from families, with 63% of our buyers in Knutsford belonging to this category. The town remains a popular choice for relocation, with 77% of buyers coming from outside the local area. They have careers in a range of industries, including finance, health and construction.

The most active market is for properties below £1 million. However, in recent months, we have seen a resurgence from new buyers looking for prime properties above £1 million.

Partially driven by changes to stamp duty, the Savills Prime Index covering the North West of England shows that values for properties priced at £1 million to £2 million have fallen by 5.3%; while those above £2 million have fallen by 8.5% over the last five years. It is this price correction that has driven increased demand.

Looking ahead, pricing across Knutsford's prime housing market remains key and sellers will have to be pragmatic. A rise in registered buyers and viewing activity across Knutsford provides cause for optimism. However, buyer and seller expectations need to be aligned for that to translate into activity.

Prime five-year forecasts

| | 2020 | 2021 | 2022 | 2023 | 2024 | 5-year compound growth |
|------------------------------|------|------|------|------|------|------------------------|
| Prime Midlands/ North | 2.0% | 5.0% | 4.5% | 4.0% | 3.5% | 20.5% |
| Prime regional | 1.0% | 4.0% | 4.0% | 3.5% | 2.5% | 15.9% |

Note These forecasts apply to average values in the second-hand market. New build values may not move at the same rate **Source** Savills Research



Growth in the prime Midlands and North market by value in the past five years
Under £500k: 10.5%
£500k-£1m: 7.1%
£1m-£2m: -5.3%
£2m+: -8.5%

Source Savills Research

A closer look at local hotspots

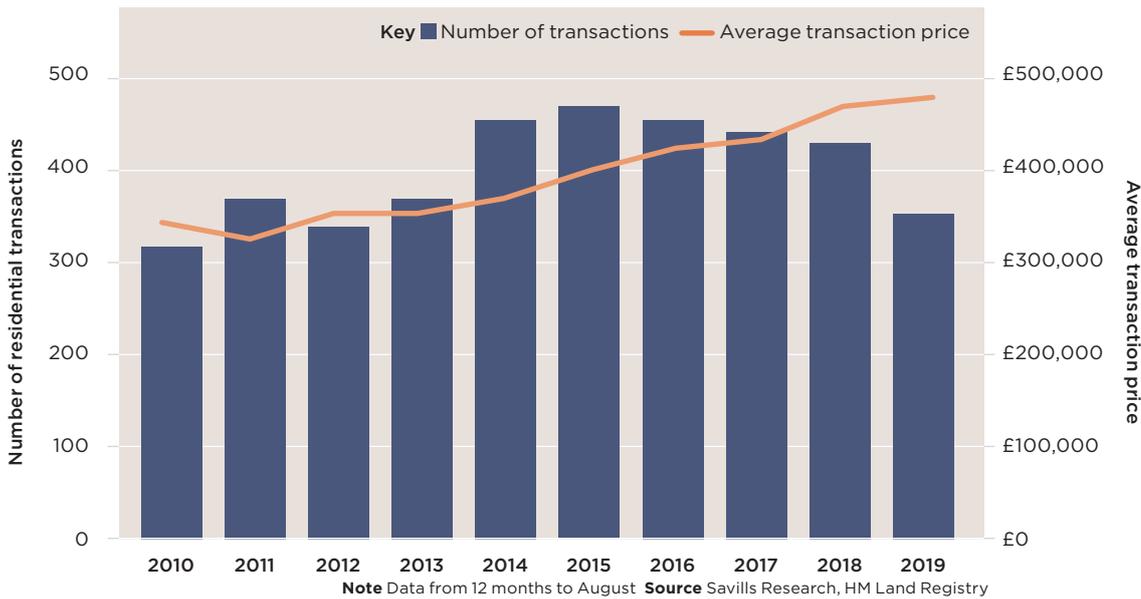
The market around Knutsford has seen significantly fewer transactions in recent years. Since the EU referendum, there have been 20% less properties available for sale, with the number of transactions falling by 19%, from 424 (during the 12 months to Aug 2018) to 345 (during the 12 months to Aug 2019). This was mainly due to a drop in transactions below £500,000. But, it should be noted that prime transactional activity in some locations above £500,000 has improved over the last year.

Historically, the highest concentration of prime activity in Knutsford has been in the WA16 8 postcode, which includes the south-eastern part of Knutsford and the villages of Ollerton and

Over Peover. However, during the past year, the WA16 9 postcode has emerged as Knutsford's leading prime location, with transactions increasing in the southern suburbs of the town and villages, including Allostock and Lower Peover. Indeed, Ashworth Park was prime Knutsford's most popular street, accounting for five transactions above £500,000 over the past year.

Transactions above £1 million across the WA16 postcode took a dip during the past year. However, activity in the town itself held firm. The majority of sales took place in Knutsford's Legh Road conservation area, which accounted for 31% of all million pound transactional activity in the WA16 postcode over the last decade.

Transactions and prices in Knutsford's WA16 postcode An increase in higher-value activity has pushed average prices to record levels



“During the past year, the WA16 9 postcode has emerged as Knutsford’s leading prime location, with transactions increasing in the southern suburbs of the town and villages, including Allostock and Lower Peover”

OUTLOOK

We expect the sense of caution in the UK-wide market to continue for the rest of the year, as buyers and sellers await the outcome of the upcoming general election and Brexit. Deal or no deal, what is needed to stimulate market demand is greater certainty over the way forward.

Across the prime regional markets, needs-based buyers taking advantage of the relative value compared with London will continue to keep the market moving in the intervening period. Quality will remain key in this cautious market. Knutsford’s market will continue to be

driven by the key fundamentals of quality of life, good schools, transport connections to London, and economic growth emanating from Manchester. There is a healthy pool of motivated buyers, including those from London, looking for well-maintained and

high-quality properties. But prices will have to be set appropriately to stimulate demand and progress sales.

Savills team

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