

REAL ESTATE

Economic, political uncertainty led to "wait and see" real estate strategy in Britain

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Residential listing in Surrey. Image credit: Knight Frank

By STAFF REPORTS

Prices for prime country homes in England and Wales rose a mere 0.4 percent during 2017, according to new data from Knight Frank.

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Despite a rising demand for properties, there is not sufficient inventory on the market to meet consumer interest in prime country real estate. The number of listings priced at more than 1 million pounds or \$1.3 million in Britain and Wales, excluding London, fell 6.8 percent in the year so far.

Country living

East Midlands, West Midlands and Yorkshire were the only country areas in Britain and Wales to record growth in the number of properties priced above 1 million pounds to be put on the market.

Looking at homes that are valued at 2 million pounds or more outside of London, Knight Frank found that advertisements for these properties fell 16.9 percent throughout the year.

Given rises in stamp taxes and political uncertainty, including the effect of Brexit, Knight Frank says many agents have opted to wait and see what happens.

Following a fairly flat 2017, Knight Frank is projecting that prices of prime country homes will grow 1.5 percent in 2018, with growth of 2 percent in 2019.



Listing in Weybridge. Image credit: Knight Frank

"The number of new homes being offered for sale in prime markets outside of London fell in 2017 compared with the previous year, despite indications that demand remains robust with a pick-up in both new prospective buyers and viewings," said Oliver Knight, research associate at Knight Frank, in a statement.

"Looking ahead, town and city markets, which have been the strongest performers over the last few years both in terms of price growth and activity, are expected to post some outperformance in the next year or so, but the relative value now offered by more rural markets could mean we start to see a reversal of this trend as the forecast period progresses."

While Brexit has sent large segments of the business world into frantic speculation over what the future will bring, real estate is one area where things are not necessarily looking so grim.

Demand for housing in the United Kingdom is still high, and while the initial shakeup of the industry may make a dent, some experts believe that real estate should fare just fine in the future. Nevertheless, these predictions hinge on the exact terms of Brexit once it is in place ([see story](#)).