KALMARs

COMMERCIAL & RESIDENTIAL

CELEBRATING 50 YEARS

SUMMER QUARTER MARKET REVIEW 2017

SOUTH LONDON'S LEADING AGENTS

CONTENTS

FEATURES

Five times winner

WINNER
LONDON SOUTHBANK OFFICE
AGENCY AWARDS
2016
CoStar

Most active agent by number of disposals
Most active agent by number of instructions

In London's property market, the only constant is change

In a few weeks KALMARs, the firm my father established in 1967, will celebrate its 50th birthday and we are currently preparing to celebrate this tremendous milestone with our clients and partners in the market. We have not only been looking back at the changes over the past five decades to the markets and communities of South London, but have also been looking to the future. The one thing that we can be certain of is change. The changes in the very fabric of London, that KALMARs has been a part of since 1967, have been dramatic. Just look around and you will see the evidence of this ongoing evolution as the greatest city on earth transforms, adapts and reinvents itself. The capital's response to fundamental change has been seen clearly over the past twelve months since the Brexit referendum. While Londoners as a whole voted to remain, the attitude has been one of resolve - to keep calm and carry on. London has a momentum of its own and the property market has done just that – it has simply carried on.

Change in industrial property

The changes to London's industrial market have been dramatic over the past 50 years, with an ongoing, outward drift away from the historical core areas of manufacturing and warehousing along the banks of the Thames. The docks are now places for homes and hubs of other types of commerce - often finance, technological and serviced based. This outward migration of manufacturing and distribution industries is providing great opportunities for regeneration across South London and, as highlighted elsewhere in this report, KALMARs has been very much involved in this, having sold eleven sites totalling over 13 acres in and around the Old Kent Road area. The highest profile of these sites being 'The Ruby Triangle', sold for OKR Regeneration, will help kick-start a much wider improvements to this key district (see page 9).

Change in retail property

Retail is also changing and becoming far more leisure orientated. This affects the demands for retail property as, to compete with online retail, shopping destinations need to offer a better experience for the shopper. 'Retail as theatre' is a term that is being used more frequently to underline this trend. There is also a large growth in neighbourhood convenience stores, operated by the big companies (illustrated by Sainsbury's aspirations to acquire NISA). We expect further expansion of this sector across South London.

Change in office property

In the late 1960s, offices were serious structured environments, often in very central locations, characterised by corridors and individual rooms behind which departments and individuals were often isolated from each other. Fifty years later and the office environment is far less regimented and is much more informal in terms of both design and geographical location. While these changes have often been driven by technology and media businesses, we are increasingly seeing occupiers that could be considered as 'traditionalists' taking unconventional co-working and open-plan space, often on short term and flexible leases to satisfy their business needs. As highlighted on page 10, this move towards office space 'on demand', combined with the need to provide a great workplace experience for an increasingly mobile workforce will have far-reaching consequences for property owners and developers of all sizes.

Changes in the private rental sector

The emergence of the PRS sector is changing London's residential market and the skyline is being transformed by the many residential towers that have sprung up in recent years. In many cases, such homes form part of exciting mixed-use schemes that often feature purpose-built live/work accommodation. Due to its scale, London will need to adopt 'Smart City' technologies to enable it to address transportation and environmental issues and we can expect new homes to be built that incorporate such technology 'from the ground up.'

Change in technology

A recent report from the RICS highlighted how Artificial Intelligence will affect surveying and the property sector. It concluded that those who adapt to the new technology would have an advantage over those that do not. KALMARs has always been an early adopter of new technology and we intend to continue with this approach with a particular focus on immersive technology and how it can improve efficiency, allow for better presentation and more sophisticated marketing for our clients and their properties over the coming decades.

Richard Kalmar
Managing Director KALMARs
and Chairman Southwark Chamber of Commerce

SE1 CENTRAL OFFICE MARKET

LANDLORDS SHOULD **PLAN AHEAD** WHEN PLACING PROPERTY ON THE MARKET WITH LETTINGS AVERAGING **4-6 MONTHS** ON THE MARKET BEFORE SECURING A TENANT

AN INFLUX OF NEW STOCK DELIVERIES HAS CAUSED VACANCY RATES IN **Q2/Q3** TO **INCREASE SLIGHTLY**

AVERAGE SALE PRICES FOR OFFICE STOCK ACROSS THE SOUTH BANK HAVE **CONTINUED TO SOAR** THROUGHOUT Q2 2017, CURRENTLY AVERAGING AT **£866 PER SQ FT** DUE TO AN ACUTE LACK OF SUPPLY

RENT

AVERAGE ASKING RENTS IN THE AREA HAVE FALLEN SLIGHTLY TO **£49.60 PER SQ FT**, THE HEAVY RENTAL INCREASES WITNESSED ACROSS 2015/2016 APPEAR TO HAVE PLATEAUED DURING 2017

London continues to break records with the sale of the Walkie Talkie building to a Hong Kong food conglomerate for £1.3bn. Love it or hate it, the skyscraper has achieved the highest ever sale price for a single building in the UK

After a buoyant spring, the South Bank office market has decelerated slightly throughout the summer months. Like many other industries, it is common for the property sector to slow during this period.

Average rents have fallen slightly over this period to approximately £49 per sq ft, although the overall picture indicates that the record rental rates are holding firm and, with a continued lack of significant supply, the market is likely to resume 'business as usual' from September.

However, vacancy rates for the South Bank stand at 4.7% while just across the river, in the City, the figure is 8.9% - confirming the strength of the occupier market and highlighting the opportunities for investors.

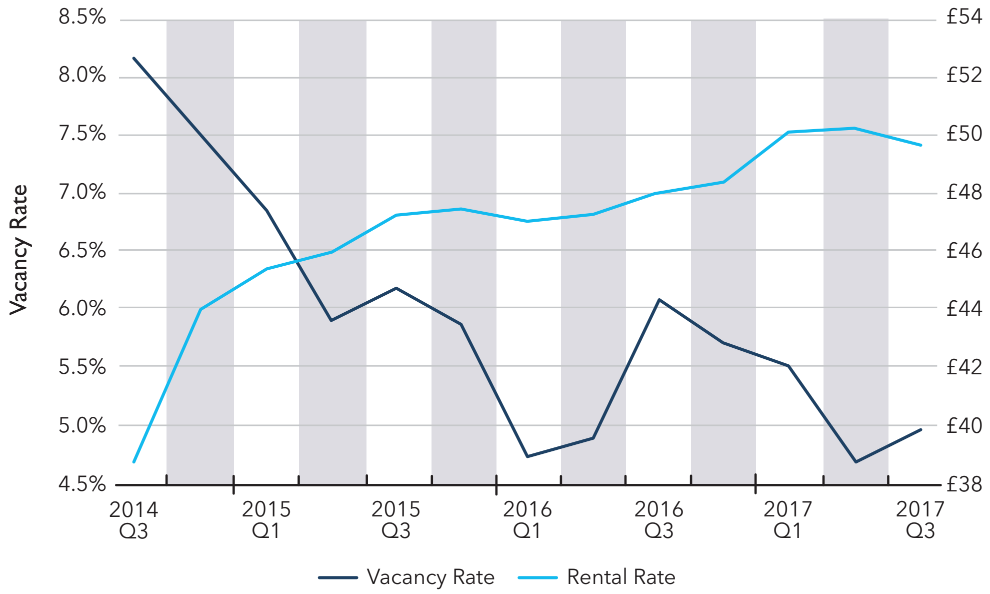
Following the recent Business Rates revaluation there have been concerns that the South Bank may no longer be viable for many of the small businesses and start-up enterprises who have traditionally been attracted to this vibrant area.

Our advice to property owners and asset managers is that, where business rates have seen a considerable uplift, price flexibility should be considered to assist and address the affordability issues affecting many small businesses. Such an approach will help avoid long void periods.

The South Bank continues to be a hotspot for the TMT (Technology, Media and Telecommunications) and creative sectors who are attracted by the abundance of distinctive commercial space that can provide them with the authenticity and character that they want for their businesses. Retaining these occupiers is crucial for the area's vibrancy and identity. The numerous restaurants, food and leisure outlets in the area, that act as a magnet for tourists from around the world, are also a major factor in attracting business occupiers that wish to take advantage of the South Bank's many attractions and excellent communications. These will be further boosted early in 2018 when the improvements to London Bridge station are completed.

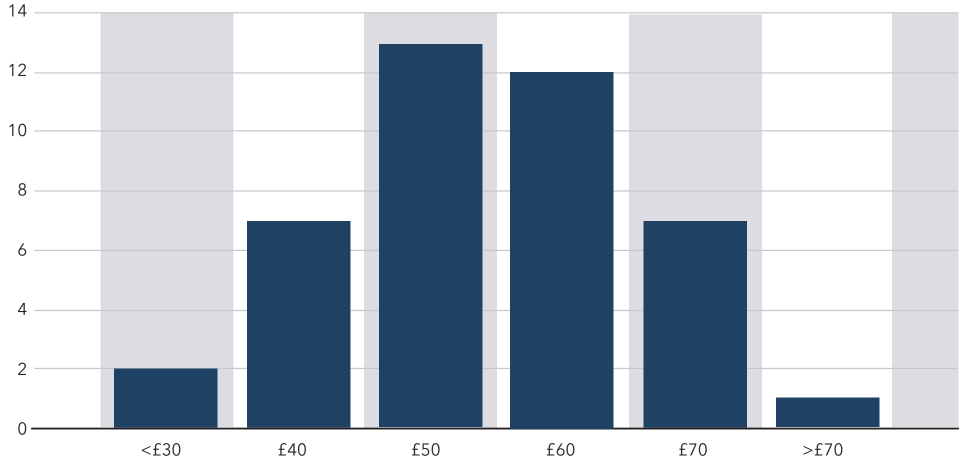
By Adrian Gurney
KALMARs Director

SOUTH BANK ANNUAL VACANCY VS RENTAL RATE GRAPH

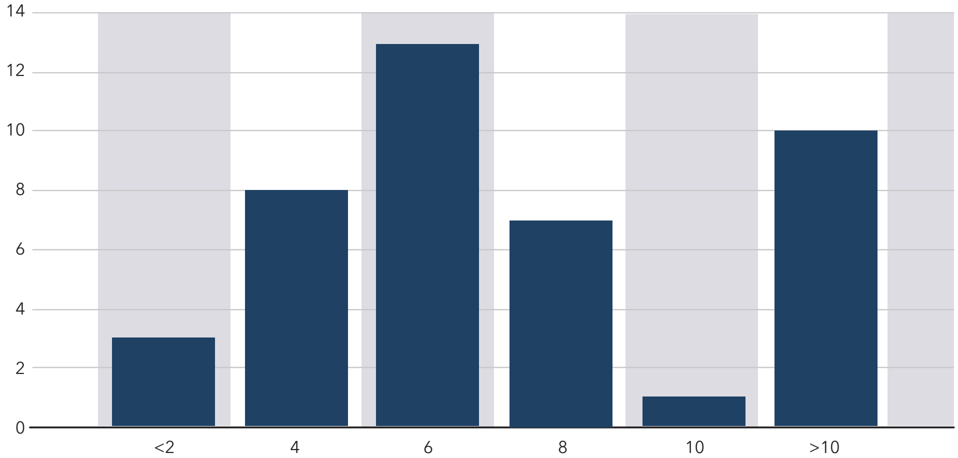


AVERAGE SALES PRICE £PSF

DEALS BY ACHIEVED RENT £PSF FROM MARCH 2017 TO PRESENT



Q2/Q3 PROBABILITY OF LEASING IN MONTHS



CURRENT VENTURES

256 WATERLOO ROAD, SE1

2,800 SQ FT UNDER OFFER
(£55 PER SQ FT)

36 CURLEW STREET, SE1

2,255 SQ FT AVAILABLE TO LET
(£50 PER SQ FT)

41 MALTBY STREET, SE1

5,981 SQ FT OFFICE SPACE AVAILABLE TO LET
(£45 PER SQ FT)

SOUTH LONDON OFFICE MARKET

HIGH TAKE UP HAS LED TO A **STEADY DECLINE** IN VACANCY RATES, IN TURN **PUSHING UP RENTAL RATES** DESPITE VAST STOCK DELIVERIES IN EARLY 2017

414,600 SQ FT OF OFFICE STOCK WAS DELIVERED IN Q1 2017, REPRESENTING **A DRAMATIC INFLUX** FROM PREVIOUS YEARS. THIS **UPWARD TREND** CONTINUED THROUGHOUT Q2 WITH 62,000 SQ FT OF NEW STOCK DELIVERIES

Demand for office space across South London's decentralised areas has been increasing rapidly throughout the course of 2017. Much like the South Bank and Shoreditch before it, commercial micro-markets across South London in areas such as Vauxhall, Deptford, Kennington and Peckham are booming with activity driven by small businesses and start-ups drawn in by reasonable rents and an abundance of desirable warehouse space with character. A key driver for growth is the TMT and creative sector businesses scouting new 'hot' locations for commerce without hefty central London price tags.

In the long term, these occupiers will pave the way for much wider scale regeneration transforming residential suburban locations into vibrant mixed-use communities that are high in economic productivity. With affordability issues rising in the central markets, the Southern Fringe has been spotlighted by developers, investors and new business as London's next centre for creative enterprise.

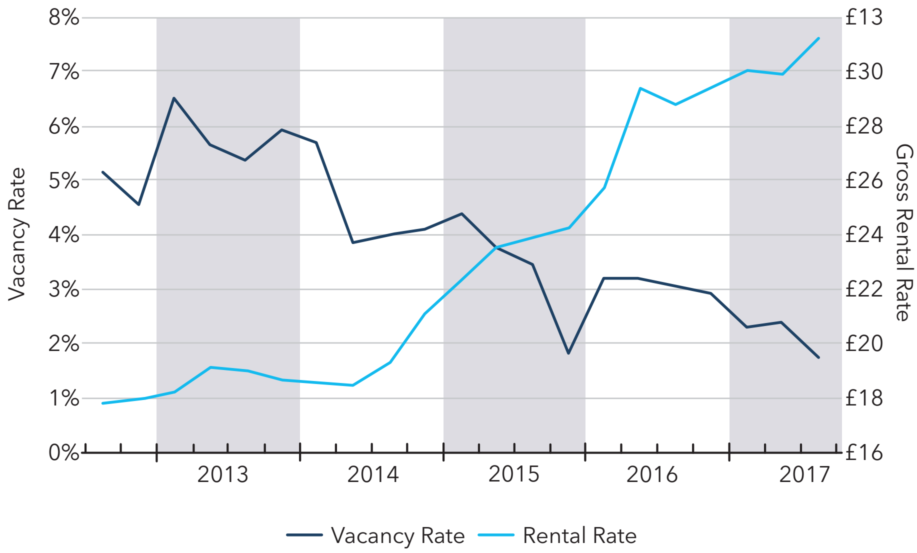
AVERAGE ASKING RENTS ACROSS THE SOUTHERN FRINGE HAVE **RISEN CONSIDERABLY TO £32 PER SQ FT** AGAINST A FIVE-YEAR AVERAGE OF £22 PER SQ FT AFFORDABILITY ISSUES IN CENTRAL LONDON ARE **DRIVING DEMAND** FOR OFFICE SPACE ACROSS THE SOUTHERN FRINGE

A South London developer, Matching Green, is among the frontrunners in recognising growth opportunities in this sector and its conversion of Offley Works in Pickles Mews, Kennington, close to Oval tube station, has produced a successful hub for creative businesses.

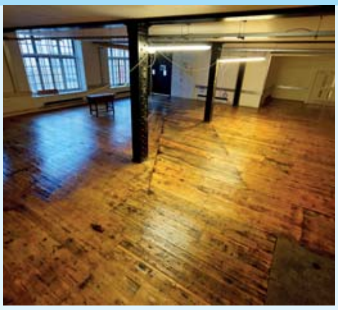
What sets this development apart is its focus on *place making* that has created a holistic development with studio spaces, café, auditorium, cycle storage, pottery studio and much more all available on site. As a result, Pickle Mews has attracted a diverse, yet complementary mix of creative tenants. Leading the way are For People, Babease and Very Good & Proper who have taken offices between 2,000 and 7,000 sq ft.

By Anthony Tappy-Day MRICS
Head of Retail & Decentralised Offices

ANNUAL VACANCY & RENTAL RATE CHART



OFFLEY WORKS,
1 PICKLES MEWS, SW9



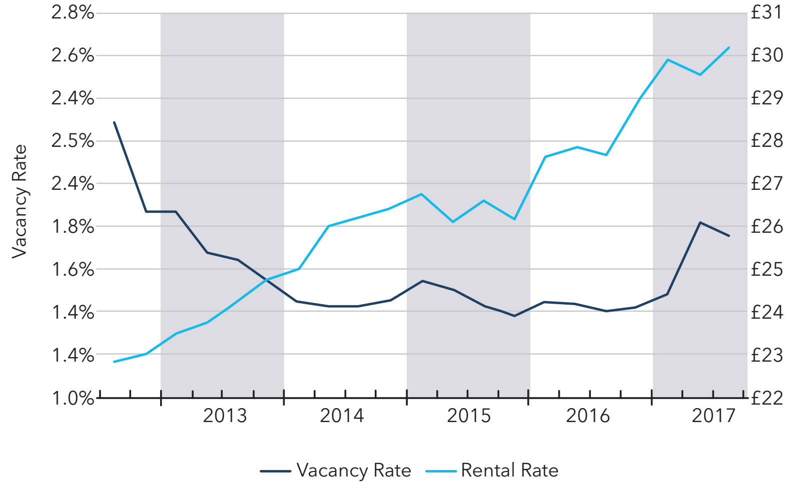
- SIZE:1,700 SQ FT - 8,000 SQ FT CREATIVE OFFICE SPACE PART LET
- COMMUNAL COURTYARD
- CREATIVE SPACE PRE-REFURBISHMENT
- CANTEEN OPEN 8AM TO 8PM WEEKDAYS

SOUTH LONDON RETAIL MARKET

AVERAGE RETAIL ASKING **RENTS HAVE BEEN RISING** SINCE Q1 2017, A CONTINUATION OF A TREND THAT BEGAN IN 2014

RETAIL RENTS ACROSS THE SOUTH BANK CURRENTLY AVERAGE BETWEEN £50 / £60 PER SQ FT. THE **BIGGEST CHANGES ARE OCCURRING IN THE SOUTHERN FRINGE** WHERE RENTS HAVE BEEN RISING STEADILY AND NOW AVERAGE BETWEEN £30 / £40 PER SQ FT

ANNUAL VACANCY & RENTAL RATE CHART



DEMAND FOR RETAIL UNITS ACROSS THE SOUTHERN FRINGE **HAS GROWN**. IN 2015, PROPERTY WAS ON THE MARKET FOR AN AVERAGE OF 10 MONTHS BEFORE A TRANSACTION. IN Q2 2017, THIS FIGURE FELL TO AN AVERAGE OF FOUR MONTHS.

As with many other areas across London and the wider UK, the retail outlook is mixed. A rise in vacancy rates in the first quarter appears to of been offset during the Spring/Summer months with a decrease and a steady increase in rental levels. Demand for retail units across South London is strong.

The South Bank market is flourishing with food, leisure and convenience occupiers, most notably The Cut, Borough Market, More London Place and Bermondsey Street, which are established A3/A4 (restaurants and cafés/drinking establishment) hotspots. However, compared with other more central locations, the South Bank has long been suffering from a lack of A1 (shops).

Long-term developments such as Meyer Bergman's Vinopolis will bring a new retail offering to the area but with rents currently exceeding £50/£60 per sq ft, landlords should be mindful that recent business rates increases are having a detrimental impact on the ability of certain retailers to trade profitably. This issue is not unique to the South Bank. For many small retailers, rising rents coupled with the increases in business rates can force businesses to pass on additional costs on to the consumer in order to maintain a profitable trade.

At present, retail take-up across South London is steady but should the affordability issue continue to grow, the market may become increasingly insecure and we may see a rise in small business closures, decreases in take-up and rising consumer costs.

By Anthony Tappy-Day MRICS
Head of Retail & Decentralised Offices

WALWORTH ROAD, LONDON, SE17

£70,000 PER ANNUM TO LET
(2,093 SQ FT)

WALWORTH ROAD, SE17

£135,000 PER ANNUM TO LET
(5,114 SQ FT)

TAVERN QUAY, SE16

STARTING AT £18,500 PER ANNUM TO LET
(741 - 2,220 SQ FT)

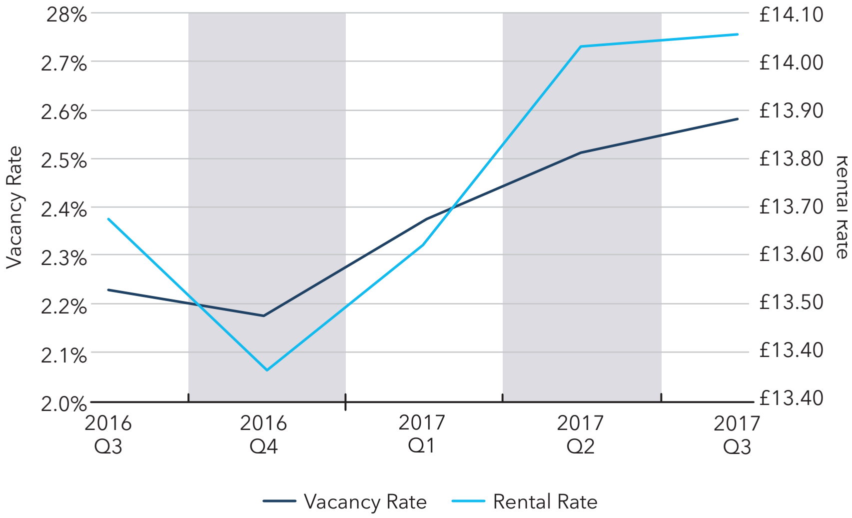
SOUTH LONDON INDUSTRIAL

WITH STOCK IN SHORT SUPPLY, RENTAL RATES **HAVE CONTINUED TO RISE** YEAR ON YEAR AND CURRENTLY SIT AT OVER £14 PER SQ FT

SO FAR THIS YEAR THERE HAS BEEN **NO NEW INDUSTRIAL STOCK DELIVERY** ACROSS SOUTH LONDON, A STARK EXAMPLE OF THE SHIFT FROM A GLOBAL MANUFACTURING HUB TO SERVICE SECTOR INDUSTRIES AND RESIDENTIAL DEVELOPMENT.

SALE VALUES FOR DWINDLING INDUSTRIAL STOCK **CONTINUE TO SOAR.** AVERAGE SALE PRICES NOW SIT COMFORTABLY AT **£330 PER SQ FT**

ANNUAL VACANCY VS RENTAL RATE CHART



In the first half of 2017, no new industrial property has come to the market in South London - a further illustration of the transformation of the area from a hub of manufacturing to a focal point for the service industries and residential development.

The squeeze of industrial land, caused by the higher values obtainable for residential development, and the imbalance between supply and demand (which remains high) has seen upward pressure on rents and freehold values. The low supply of new build industrial space is unlikely to improve, with many landlords continuing to favour granting short term tenancies with a view to seeking planning permission for a change of use to residential.

The shortage of light industrial may mean that the future of the industrial market may lie with multi-storey buildings such as Juno Enterprise Centre, SE14. Such properties require occupiers on upper floors to rely on goods lifts and adjust their operations accordingly.

Despite the shortage of new space, overall vacancy rates increased during the last quarter to just below 2.6% of the total of 16,200,107 sq ft of industrial accommodation in South London. Average rental levels also continued to rise over the past three months to just over £14 per sq ft. Average sale prices also increased, from £320 to £330 per sq ft.

These typical values are reflected by two properties in Blackhorse Road, SE8 where KALMARs is looking to sell 5,500 sq ft at Units 1-2 for £1.8m. The adjacent property, Units 3-5, which totals 11,000 sq ft is available through KALMARs for £3.75m.

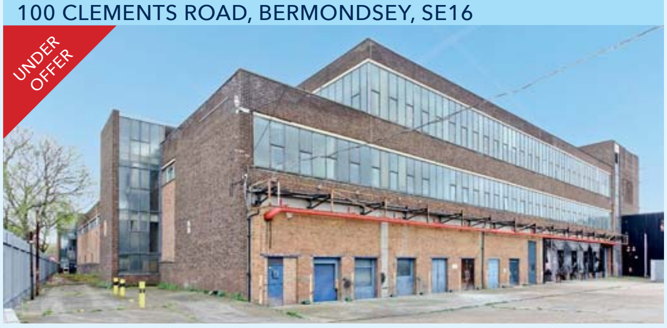
By Piers Hanifan
Head of Industrial

CURRENT VENTURES

2 HATCHAM ROAD, LONDON, SE16

SIZE: 11,000 SQ FT
TO LET
PRICE ON APPLICATION

BUILDING F
100 CLEMENTS ROAD, BERMONDSEY, SE16



SIZE: 147,177 SQ FT
UNDER OFFER
PRICE ON APPLICATION

KALMARs Advises On Sale Of Significant South London Regeneration Site

The sale in July, by OKR Regeneration, of the 3.5-acre 'Ruby Triangle' development site, close to the Old Kent Road is one of the most significant transactions in South East London for some considerable time. The sale of the strategically positioned site will kick-start a wider regeneration of this important growth area. KALMARs are currently under offer or in negotiations on roughly 13 acres of development land in the Old Kent Road area.

KALMARs advised OKR Regeneration in the acquisition and sale of 'Ruby Triangle' which is an intrinsic part of the Old Kent Road Area Action Plan which aims to create 20,000 new dwelings. The site was sold to a joint venture between Fifth Capital and A2 Dominion, who plan to develop more than 1,000 homes along with commercial space as part of a £520m mixed-use scheme. The opening up of the Ruby Triangle will be very significant to the long-term regeneration plans for the Old Kent Road area and to London as a whole. Many observers consider the Old Kent Road to have huge potential as a focus for economic growth in the capital over the coming decades.
Southwark and Lewisham Councils continue to progress plans for the Bakerloo line extension which will be partly funded by an increased CIL. The CIL charging schedule is being revised to ensure that the council can secure sufficient funding for infrastructure to support growth in the Old Kent Road Opportunity Area and includes amending the boundary between Community Infrastructure Levy zones 2 and 3 so that the whole of the Old Kent Road Opportunity Area falls within zone 2. It is proposed that all residential development pays a rate of £218 per square metre. For further information please contact KALMARs on 020 7403 0600.

11 DEALS IN LEGALS

13 ACRES SOLD OR UNDER OFFER FOR RESIDENTIAL / MIXED USE DEVELOPMENT

OVER 20,000 NEW HOMES PROPOSED BY 2035

OLD KENT ROAD

In June, the South Bank market saw London's largest office letting deal so far in 2017 with the pre-letting to WeWork by Almacantar, of 280,000 sq ft at Two South Bank Place, part of the major redevelopment of the Shell HQ site opposite Waterloo station.

This is an important deal for many reasons. Firstly, it reaffirms the South Bank as one of the pre-eminent office locations in central London but the deal also underlines how well planned regeneration can bring valuable economic benefits and new employment opportunities.

However, the deal is important for another reason as it also highlights a significant trend in the commercial property market - the increasing importance of the serviced office sector and a shift by occupiers of all sizes towards taking short-term space on flexible terms. The scale of the South Bank Place transaction illustrates that "on demand" office space is no longer the preserve of start-ups, SMEs and individuals looking to move on from their kitchen tables. An example of this growing trend can be seen the other side of the Atlantic where, in April, it was announced that IBM had agreed to take an entire building from WeWork in Manhattan, totalling around 70,000 sq ft, as a sole occupier. This highlights that big businesses and global giants, like IBM - with all its experience of owning and occupying buildings, can see the benefit in having someone else supplying their office space 'as a service'.

This increasing importance being placed by occupiers on 'service' and customer experience, and the enormous deal at South Bank Place, has implications for property owners and operators of all sizes in South London. As the needs and desires of occupiers change it becomes necessary for landlords, and their professional advisors to adapt to the market's demands. While short-term leases are now commonly accepted by investors, the expectations of tenants are increasingly focused not just on cost and flexibility but also on the "customer experience" of their staff. Often these expectations have been raised by operators like WeWork and a focus on customer experience is becoming as important for small offices and development schemes as it is at major projects like South Bank Place.

This raises the question as to how owners and developers of small and self-contained offices should respond to the major serviced office operators, particularly if they wish to attract the small businesses and start-ups that have fast-growth potential. As highlighted elsewhere in this report, demand for office space across South London is high and has been driven by such businesses in the TMT and creative sectors, often attracted by the area's supply of "character" warehouse space.

One of the great success stories from the South London market has been that of Pickle Mews near Oval tube station (see page 6), which confirms the benefits of place making as part of a development and the value that providing a range of services and additional facilities for occupiers can bring to an office investment.

Sales slowing – enquiries, valuations and achieved sales are down. This is likely a result of years of unsustainably high growth, uncertainty (politically and economically) but also the summer months being traditionally one of the quietest times of the year.

SALES

The South London market has slowed slightly during the summer months, with the number of enquiries, pre-marketing valuations and the volume of transactions down on the previous quarter. While this period is traditionally the quietest time of the year for residential sales, the reduction in activity also needs to be seen relative to the high growth witnessed in previous years. Such dramatic growth has, inevitably, proved unsustainable, not least because of the prevailing political and economic climate.

At KALMARs, we have witnessed a weakening of buyer sentiment since Brexit referendum result in 2016. However, it was the spring's snap General Election, and the uncertainty over a weakened government, that had the most dramatic and notable impact upon the market. Sales activity and enquiry levels fell almost immediately with the market becoming significantly quieter than previous years.

Our expectations are that it will take some time for buyers and sellers to regain confidence in the market and that in the coming quarters we will begin to see low levels of capital appreciation. This could present a more stable market without volatile levels of growth that London has seen over the last five years, presenting buyers and sellers with a more stable and predictable market.

By Sebastian Kalmar
Residential Director

THERE HAS BEEN A **SIGNIFICANT** REDUCTION IN ENQUIRY **LEVELS**

SALE

SALE VALUES **APPEAR** TO HAVE SOFTENED

THE NUMBER OF PROPERTIES ON THE MARKET HAS **REDUCED**

CURRENT ASKING PRICES					
Average SE1: £1,311,979 | Average SE16: £595,415					
PROPERTY TYPE	1 BED	2 BEDS	3 BEDS	4 BEDS	5 BEDS
HOUSES					
SE1	£599,500	£1,467,500	£1,335,366	£1,526,250	£1,323,800
SE16	£135,000	£317,000	£819,367	£951,752	£1,174,975
FLATS					
SE1	£735,262	£1,303,799	£2,483,810	£2,820,829	-
SE16	£427,672	£567,213	£774,838	£537,500	£600,000
ALL					
SE1	£731,799	£1,306,298	£2,382,625	£2,497,184	£1,323,800
SE16	£422,150	£559,324	£786,329	£921,067	£983,317

BROWNING STREET, SE17 - 1 BED
Sale Agreed
Asking Price: £515,000

PENTHOUSE, HOP STUDIOS, SE1 - 2 BED
Sale Agreed
Asking Price: £975,000

After a slight fall in demand for lettings in June and early July, there has been a surge of enquiries throughout August.

LETTINGS

Continuing on from the early part of 2017 we have had a strong showing over the last trading period with month on month growth in transaction levels. The residential department has been consistently growing and many of our long term clients still rely on our expertise as they have throughout our 50 years. June/July, albeit the traditional holiday period, remained stable but saw a reduction in rents as landlords limited their void periods. However, August has been a very different proposition with the influx of thousands of students to the market fighting for the last of the property, as applicant numbers increased by more than doubled. A marked spike in activity has brought a highly successful end to the month and further bolstered our position in an ever competitive market.

With the recent changes in SDLT (Stamp Duty Land Tax), landlords are looking to longer tenancies as a way of avoiding vacant periods. The tax ultimately eats into the bottom line of any landlord's investment thus we have been working closely with our clients to implement new strategies to compensate. With the certainty of uncertainty ahead, tenant satisfaction is ever more pertinent to ensure they remain for longer periods. Despite this relative uncertainty in the market, we expect to see good levels of enquiries through until the end of October with quick up-take as late summer is traditionally one of two peaks during the year.

By Sebastian Kalmar
Residential Director

THERE HAS BEEN LITTLE OR **NO GROWTH** IN RENTAL LEVELS WITH SOME REDUCTIONS BY LANDLORDS TO **REDUCE VOIDS**

THERE ARE HIGH LEVELS OF **COMPETITION** WITH AN ABUNDANCE OF NEW BUILD STOCK, PARTICULARLY IN THE **ELEPHANT & CASTLE** AND CANADA WATER MARKETS

THE SUMMER MONTHS ARE THE PEAK SEASON FOR STUDENTS WITH HIGH LEVELS OF DEMAND FROM THIS IMPORTANT SUB-SECTOR

CURRENT ASKING RENTS					
Average SE1: £2,411 | Average SE16: £1,978					
PROPERTY TYPE	1 BED	2 BEDS	3 BEDS	4 BEDS	5 BEDS
HOUSES					
SE1	£2,022 pcm	£2,246 pcm	£2,656 pcm	£3,034 pcm	£4,069 pcm
SE16	£1,006 pcm	£1,656 pcm	£2,419 pcm	£3,831 pcm	£2,378 pcm
FLATS					
SE1	£1,958 pcm	£2,563 pcm	£2,936 pcm	£3,542 pcm	£3,641 pcm
SE16	£1,473 pcm	£1,906 pcm	£2,804 pcm	£2,911 pcm	-
ALL					
SE1	£1,960 pcm	£2,556 pcm	£2,897 pcm	£3,405 pcm	£3,909 pcm
SE16	£1,430 pcm	£1,891 pcm	£2,747 pcm	£3,439 pcm	£2,378 pcm

AMISHA COURT, GRANGE ROAD, SE1
SIZE: 2 bedrooms
PRICE: £425PW

BLUE ANCHOR LANE, SE16
SIZE: 2 bedrooms
PRICE: £550PW

Sales slowing – enquiries, valuations and achieved sales are down. This is likely a result of years of unsustainably high growth, uncertainty (politically and economically) but also the summer months being traditionally one of the quietest times of the year.

HOMES

The Government's 'Help to Buy' scheme continues propping up new homes market. In one case an offer of half a million pounds was increased by £80,000 when Help to Buy became available on the particular development.

Enquiry levels and sales remain at a good level for attractively priced, well-marketed and good quality developments. With the current uncertainties within the market, it is vital to have all elements of the marketing well planned and in place. There are instances where developments have suffered from having a low profile where large reductions in pricing have become necessary to achieve sales.

The market has also seen a large increase in the popularity of PRS (Private Rental Sector) developments, with many clients, who would traditionally dispose of their assets, choosing to retain and rent the units, even in areas considered less desirable for renters.

In the coming quarter we hope to see enquiry levels increase as we come out of the summer months with the number of transactions on the rise as sellers and buyers all aim to secure their sales prior to the end of the year.

CURRENT ASKING PRICES

Average SE1: £1,311,979 | Average SE16: £595,415

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OFF PLAN SALES ARE PROVING MORE **DIFFICULT** THAN THOSE FOR FINISHED APARTMENTS

BUY TO LET INVESTORS ARE FINDING IT INCREASINGLY **DIFFICULT TO SECURE** FINANCING FROM LENDERS

COMPETITION HAS **INCREASED** DRAMATICALLY WITH THE STOCK OF NEW HOMES **GROWING**

EAST DULWICH GROVE, SE22

SIZES: 2 bedrooms

PRICES ON APPLICATION

- 9 units
- Available to purchase off plan

ZOLA HOUSE, SE19

SIZES: 2 bedrooms

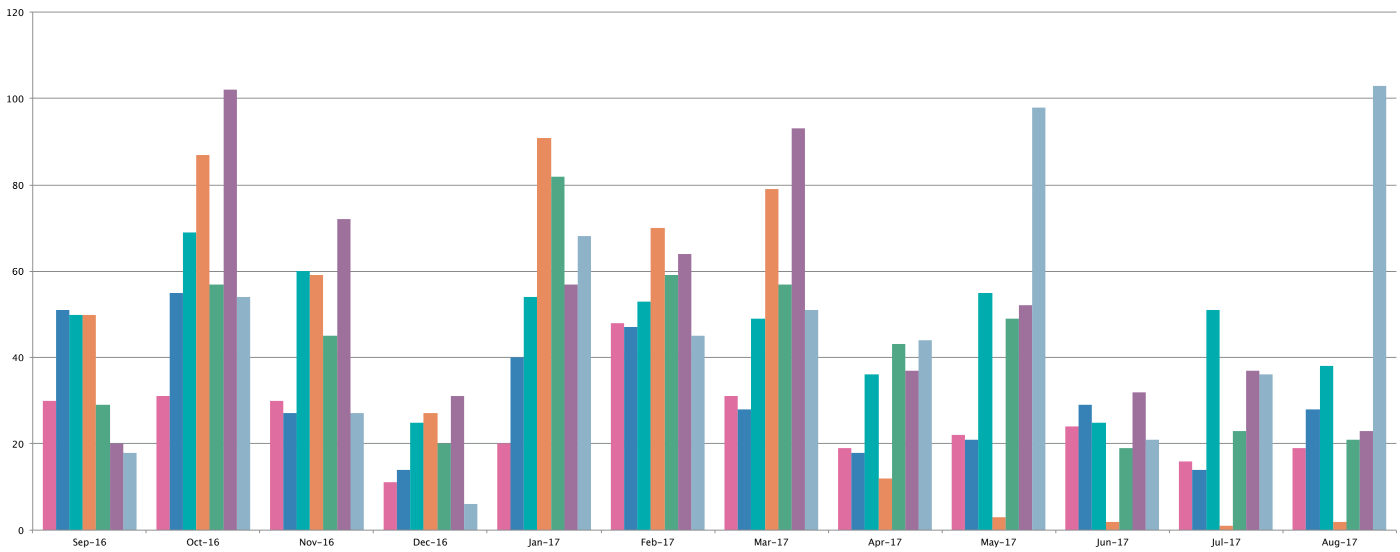
PRICES FROM: £500,000

- 9 units

APPLICANTS

ALL APPLICANTS														2016		2015	
Applicant	Sep-16	Oct-16	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17	Aug-17	Average	Total	Average	Total	Average	Total
Developers	30	31	30	11	20	48	31	19	22	24	16	19	25	301	28	337	47	565
Office	51	55	27	14	40	47	28	18	21	29	14	28	31	372	41	489	85	1020
Industrial	50	69	60	25	54	53	49	36	55	25	51	38	47	565	57	678	85	1017
Church	50	87	59	27	91	70	79	12	3	2	1	2	40	483	52	622	74	893
Retail	29	57	45	20	82	59	57	43	49	19	23	21	42	504	43	516	99	1191
Total Commercial	210	299	221	97	287	277	244	128	150	99	105	108	185	2225	221	2642	391	4686
Residential Sales	20	102	72	31	57	64	93	37	52	32	37	23	52	620	98	1176	107	1420
Residential Lettings	18	54	27	6	68	45	51	44	98	21	36	103	48	571	72	867	117	1478
Total Residential	38	156	99	37	125	109	144	81	150	53	73	126	99	1191	170	2043	224	2898
Overall Total	248	455	320	134	412	386	388	209	300	152	178	234	285	3416	390	4685	632	7584

APPLICANT NUMBERS



- Developers
- Office
- Industrial
- Church
- Retail
- Residential Sales
- Residential Lettings

Source KALMARs database

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