



SCOTTISH VIEW

Property Market Focus - Winter/Spring 2012

Knight Frank



WELCOME

Welcome to our latest edition of Scottish View, which brings you fresh insight into the local and wider property markets and showcases some of our finest properties, both for sale and sold.

Before we consider activity in our local market, it is useful to first analyse that of the wider country property market, and how that compares with prime central London.

There is no denying that the country property market has struggled to compete with London. In the UK generally, country house prices have fallen by 1.7% over the past 12 months, whilst in London there has been an 11.4% increase over the same period.

In normal times the country property market would follow the growth cycle set by the central London market, with a time lag of 12 to 18 months; London booms, the country house sector follows. But these are not normal times.

Though the old picture of market ripples flowing from London remains evident in parts, notably the South East, there is a significant difference between London and country - and this comes down to international buyers and the domestic economy.

London has benefited enormously from international buyers seeking a 'safe-haven' investment and switching from country to city. Almost 50% of sales in London over £1m go to international

buyers whilst for the country market, the UK average is nearer 12%. Scotland is very much a special case and international buyers are still very active, drawn by the unique scenery, architecture and sporting opportunities that Scotland can offer. This is particularly the case at the upper end of the residential and estate market where international buyers account for about 25%.

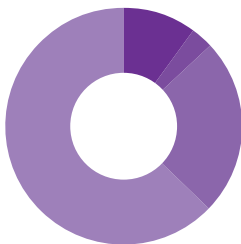
The Scottish market is influenced by a great number of wider factors such as the domestic, European and world economies; some areas are influenced by the profitability of the oil industry; some areas rely heavily on tourism and the second-home market; the central belt is influenced by the profitability of industry and the service sectors and by job security. In short, the strongest influence is confidence.

Over 2011 the market in Scotland just about held its own. There has been disparity however between vendors and purchasers, which has affected the volume of transactions. Sellers are now acutely aware that there will be no quick fix to the current financial situation and that we find ourselves in the new "normal". We expect to see increased supply in 2012 and higher transaction levels as a result.



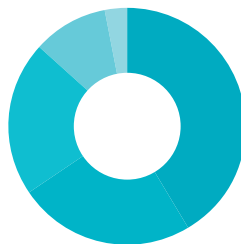
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Where do our buyers come from?



International	10%
London	12%
Rest of UK	24%
Scotland	54%

Sales by price band



under £750k	41%
£750k to £1.5m	25%
£1.5m to £2.5m	21%
£2.5m to £3.5m	10%
£3.5m to £5m	3%

*Figures reflect activity up to and including Q3 2011.



KNIGHT FRANK FINANCE

KNIGHT FRANK FINANCE IS A COMPLETELY INDEPENDENT MORTGAGE ADVISORY SERVICE FOR ALL, REGARDLESS OF WHICH ESTATE AGENT PEOPLE ARE BUYING THROUGH.

The main benefits of using Knight Frank Finance lie in the relationships they have built up with a wide variety of lenders. This allows them access to deals not available to other brokers and also enables them to get decisions very quickly, even where the circumstances are complex. By knowing the heads of credit at many of the lending organisations they can often go straight to the decision makers when helping clients.

Knight Frank Finance takes pride in helping clients and their families with all their mortgage requirements - there is no minimum deal size for new or remortgages. The organisation often arranges funding, for example, when a

child is studying in the UK and needs a flat near their college or university. It does however specialise in ultra-flexible mortgages from over £1m to in excess of £50m.

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NEW EDINBURGH OFFICE

THIS JANUARY THE SCOTTISH RESIDENTIAL TEAM OPENED NEW FLAGSHIP PREMISES IN THE HEART OF THE CITY'S BUSY NEW TOWN.

The move represents more than a serious commitment to the market as Ran Morgan, Head of Residential Property in Scotland explains; "During our long history in Edinburgh we have never had an office with such presence. The location also provides a wonderful and unrivalled shop front enabling us to showcase our clients' properties. The old adage 'location, location, location' may be over exposed in property circles but it is certainly the case here. It is one of the busiest locations in Edinburgh."

"We have been looking for the right site for some time and with our recently expanded team – we need something a little bigger and somewhere that will grow with us. 80 Queen Street does just that."

In addition to the Edinburgh office Knight Frank has a team led by James Denne based at Lauder, in the Scottish Borders.

Across Scotland the team provides a range of services including; Sales, Finance, Renewable Energy, Valuations,

Consultancy and Strategic Estate Advice.

Knight Frank's new Residential head office is based at 80 Queen Street, Edinburgh, EH2 4NF. Ran Morgan and his team can be contacted on T: 0131 222 9600.



COUNTRY PROPERTY



Ran Morgan

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Stabilisation has started to take hold within the country house market which has resulted in more transactions. This is entirely due to vendors accepting the difficult market conditions of 2011 and pricing accordingly.

PROPERTIES FOR SALE

DUMFRIES & GALLOWAY

A classical Georgian House with 7 bedrooms & coastal garden



Offers Over £1,800,000

EAST LoTHIAN

Magnificent A listed country house set within private grounds



Offers Over £8,000,000

WEST LoTHIAN

Exceptional country house close to Edinburgh



Guide Price £2,350,000

DUMFRIES & GALLOWAY

Unique property in a spectacular coastal position



Offers Over £850,000

HIGHLAND

An imposing and spacious Victorian farmhouse



Guide Price £575,000

DUMFRIES & GALLOWAY

Picturesque five bedroom farmhouse



Guide Price £475,000

SOLD PROPERTIES

PERTHSHIRE

An enchanting Laird's house dating from the Queen Anne period



SOLD Offers Over £1,950,000

KINROSS-SHIRE

An elegant Scottish Baronial country house with 8 bedrooms



SOLD Offers Over £2,750,000

ABERDEENSHIRE

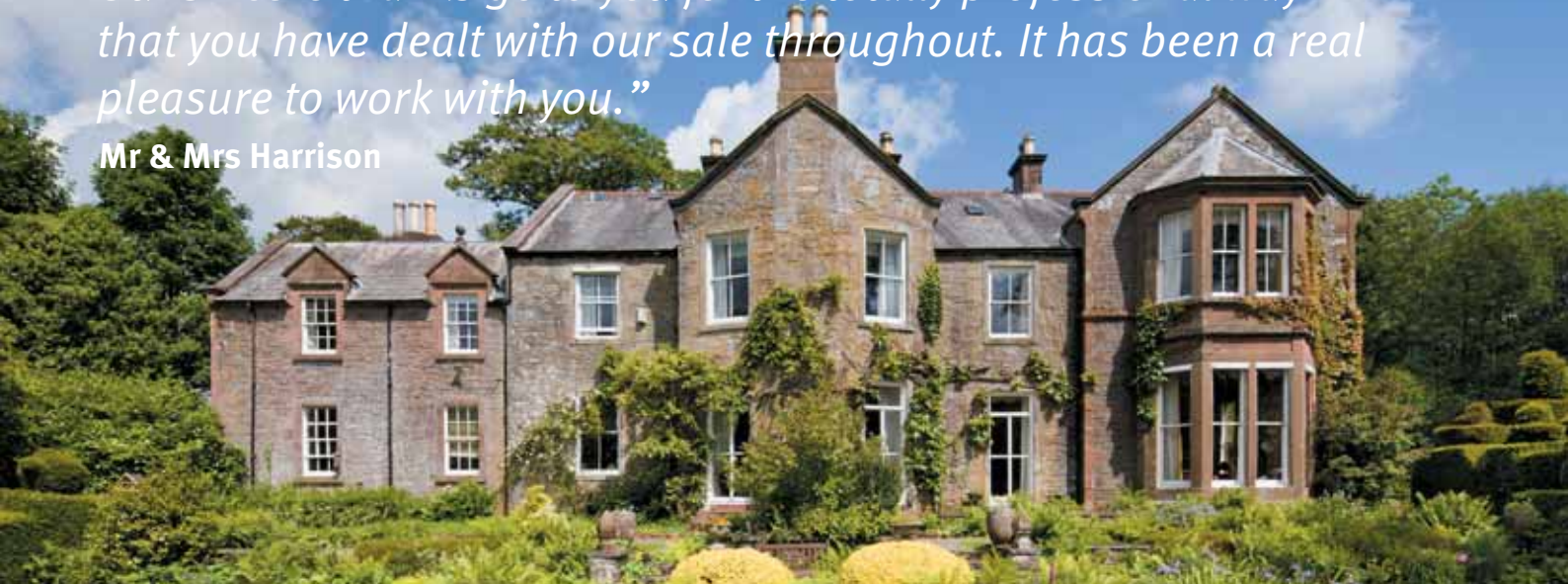
Exceptional 16th-century castle



SOLD Offers Over £3,200,000

“Our sincere thanks go to you for the totally professional way that you have dealt with our sale throughout. It has been a real pleasure to work with you.”

Mr & Mrs Harrison



DUMFRIES & GALLOWAY

A superb Georgian country house with 9 bedrooms



Offers Over £1,395,000

BERWICKSHIRE

Castle, houses, lodges, cottages and fishing in the Scottish Borders



Offers Over £2,200,000

PEEBLESSHIRE

A striking country house in a superb location



Guide Price £1,700,000

DUMFRIES & GALLOWAY

Magnificent country house set with 32 acres



Offers Over £1,400,000

MORAY

Country house within magnificent historic mansion



Offers Over £425,000

PERTH & KINROSS

Superb family house with magnificent views



Offers Over £795,000

DUMFRIES & GALLOWAY

Lovely residential farm with a secluded country house



SOLD Offers Over £1,200,000

ARGYLL & BUTE

Victorian coastal house with magnificent views



SOLD Asking Price £625,000

ARGYLL & BUTE

Lochside country house in beautiful surroundings



SOLD Offers Over £675,000

COUNTRY PROPERTY



James Denne

Partner

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Whilst the market for smaller country houses has softened, there is undoubtedly movement where sellers' expectations are realistic. Farms, on the other hand, are still in demand from lifestyle buyers, tax hedgers and investors, as well as from farmers. Land is always in short supply, particularly when it is a relatively "safe" bet.

PROPERTIES FOR SALE

DUMFRIES & GALLOWAY

A classic coastal home



Offers Over £895,000

DUMFRIES & GALLOWAY

A modernised farmhouse with land in a peaceful rural location



Offers Over £495,000

DUMFRIES & GALLOWAY

Magnificent Georgian house set in wonderful gardens



Offers Over £775,000

WEST LOTHIAN

A beautifully presented, privately situated country house



Offers Over £1,500,000

BERWICKSHIRE

Eye-catching Borders farmhouse with fantastic views



Guide Price £650,000

BERWICKSHIRE

Beautifully restored country house with views to the Cheviot Hills



Offers Over £1,250,000

SOLD PROPERTIES

DUMFRIES & GALLOWAY

On the waters edge with stunning views of Loch



SOLD Offers Over £965,000

WEST LOTHIAN

Victorian country house in a rural setting



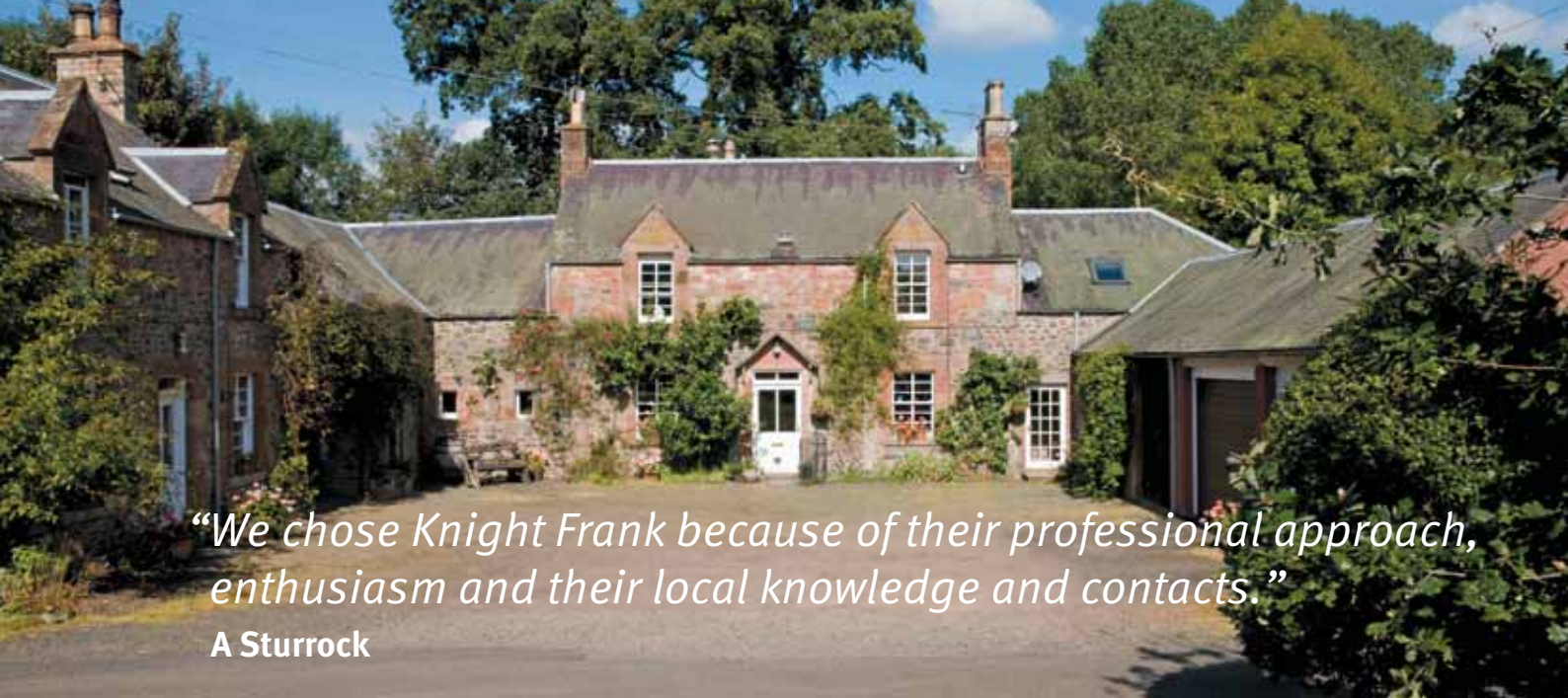
SOLD Offers Over £650,000

WEST LOTHIAN

An attractive and well-proportioned Georgian house



SOLD Offers Over £485,000



"We chose Knight Frank because of their professional approach, enthusiasm and their local knowledge and contacts."

A Sturrock

PERTH & KINROSS

Beautifully presented lochside home



Offers Over £595,000

PERTH & KINROSS

Readily accessible family home in the heart of rural Perthshire



Offers Over £500,000

MIDLOTHIAN

Attractive family home in a highly accessible location



Offers Over £800,000

SOUTH AYRSHIRE

Well-equipped equestrian establishment with productive farmland



Offers Over £1,250,000

SELKIRKSHIRE

An exceptional category A-listed villa



Guide Price £1,300,000

ROXBURGHSHIRE

A superbly situated family house with a colourful garden



Fixed Price £695,000

BERWICKSHIRE

An attractive residential farm with Class 2 arable ground



SOLD Offers Over £1,330,000

BERWICKSHIRE

Prime arable farm with 358.95 acres



SOLD Offers Over £1,940,000

BERWICKSHIRE

A first-class arable farm with traditional farmhouse



SOLD Offers Over £3,300,000

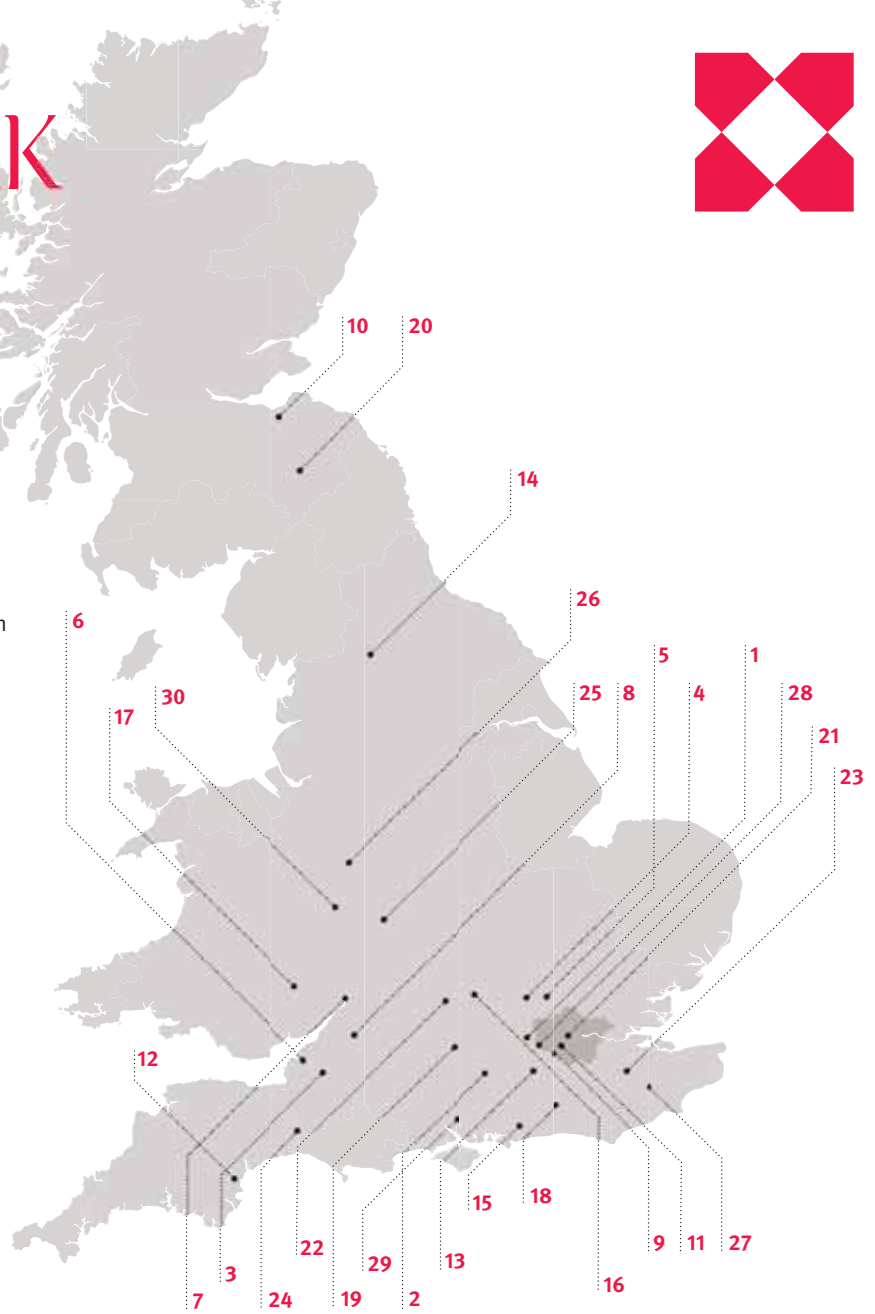
UK NETWORK

Knight Frank



- | | |
|----------------|------------------------|
| 1 Ascot * | 16 Henley |
| 2 Basingstoke | 17 Hereford |
| 3 Bath | 18 Horsham |
| 4 Beaconsfield | 19 Hungerford |
| 5 Berkhamsted | 20 Lauder |
| 6 Bristol | 21 London |
| 7 Cheltenham | 22 Oxford |
| 8 Cirencester | 23 Sevenoaks |
| 9 Cobham * | 24 Sherborne |
| 10 Edinburgh | 25 Stratford-upon-Avon |
| 11 Esher * | 26 Sutton Coldfield |
| 12 Exeter | 27 Tunbridge Wells |
| 13 Guildford | 28 Virginia Water |
| 14 Harrogate | 29 Winchester |
| 15 Haslemere | 30 Worcester |

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ENGLISH RUSSIAN CHINESE FRENCH GERMAN ITALIAN PORTUGUESE SPANISH

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