

Property&interiors

Market moves...

● THE market may be rising but so is people's dissatisfaction with estate agents. Complaints to the Property Ombudsman by disgruntled renters and home sellers have risen sharply during the past year — investigations are up by 20 per cent for sales, and by a whopping 80 per cent for lettings. The bulk of rental gripes are about references, deposits being forfeited if prospective tenants don't go ahead with renting a property and inspection visits. Sellers are annoyed at having to pay for a Hip when a property doesn't sell. Some have found themselves paying double fees after switching agents.

● DEVELOPERS may be sleeping easier compared with this time last year, but the past 12 months have still taken their toll. The Estate Gazette's annual rich list shows how much money some property big hitters have lost. The biggest loser in the past year has been Blackpool Tower owner Trevor Hemmings whose fortune, which was valued at just over £1bn last year, is now worth £300m. London's West End investor Chris Lazari has also been hit hard — his wealth totalled £680m in 2008 but is now £425m. But not everyone has had a bad year — the Candy brothers' profits have shot up, according to the Gazette, rising from £120m last year to £330m.

● THE latest planning application for Battersea Power Station has been submitted, and the new owners of the iconic 40-acre site are promising to keep and restore the four chimneys and two turbine halls. The plan is to turn the dilapidated building into 3,700 luxury flats as well as shops, offices and restaurants. The bill for the redevelopment is expected to top as much as £5.5bn.

● RICHMOND-BORN Keira Knightley, right, is reportedly now the second highest-paid actress in Hollywood and, at the tender age of 24, already owns a £1.5m flat in Mayfair. Now she's on the lookout for something overseas — she has been spotted in Tuscany and is rumoured to be looking at property near Barga, in the Garfagnana valley.



FALLING PRICES HAVE MEANT FIRST-TIME BUYERS CAN SNAP UP

We never dreamed we could buy here

IF YOU thought that buying your first home in a well-heeled, Zone 2 location such as West Hampstead, Clapham or Stoke Newington was just a pipe dream, think again.

During the past year property prices have come down significantly enough for first-time buyers to be able to afford homes in the trendy, hitherto out-of-reach environs of Maida Vale, Kensal Rise and Putney.

Many buyers who had assumed they would be relegated to the outer zones of the Tube map to get a foot on the property ladder have found they can now buy in more central areas — where they actually want to live.

"We had a client who was only looking in Finchley because they thought that would be all they could afford, but they have now been able to buy in West Hampstead," says Jo Eccles, of Sourcing Property.

According to Ms Eccles, prices are still about 10 per cent lower than the peak prices of October 2007. "Something that was on at £550,000 can now be bought for £500,000," she says.

Because of the price drops, young Londoners have been able to invest in the areas brimming with their favourite bars and clubs, where previously they had only been able to rent.

PR executive Laura Parsons, 31, was living in the suburbs of Surbiton but had always dreamed of buying a place in edgy Brixton, where all her friends from university live.

After renting in Brixton for 10 months, she bought a two-bedroom flat on her street that was reduced by £15,000 to £280,000. "The developers

BY ALEX KASRIEL

were desperate to get the money back from their investment as the banks had pulled the amount of money they would loan for their next project," she says. "They were quite aggressive about progressing the sale. I got the keys at the end of August."

In addition to capitalising on the lower cost of apartments, Ms Eccles says customers have also taken advantage of the savings on what would have been high stamp duties.

"£500,000 is a stamp duty threshold," she says. "Over £550,000 and you pay four per cent but otherwise you're paying three per cent — so you're saving another £5,000 as well as £50,000 on the price."

For many first-time buyers, the return of the £200,000 flat, in surprisingly desirable areas, has meant they are able to get on the property ladder without having to compromise on location.

One-bedroom conversions, some even with gardens, as well as ex-local authority properties, have become available around this price, after disappearing from the market for several years. And for flats priced £20,000 or even £30,000 above that, sellers are now usually prepared to negotiate.

"If your budget was £200,000 18 months ago, you wouldn't have been able to buy a one-bed flat in the worst part of London," says Elan Silver, manager of the Haringey branch of Winkworth.

"What you would have got was a studio flat with not enough room to swing a cat. Now there is more choice."



Location was

ALLY STEELE, 27, who works for a media intelligence company, and his girlfriend Sarah Nurse, 32, a TV producer, bought a two-bed new-build apartment in fashionable Stoke Newington in March for £280,000. Ally says: "We definitely noticed we could get more for our money in the same area than when we first started looking in October. Our budget was £280,000 but we were looking at places for more than £300,000 hoping people would take offers quite a bit lower. It was on for £300,000 and we offered £280,000, which was accepted in March."

Big step: Ally and Sarah bought a flat in Stoke Newington

On his patch — Turnpike Lane and Manor House — you could easily afford a one-bedroom, maybe even a two-bedroom flat, he says.

For £200,000 you can even get an attractive flat in the more desirable neighbouring areas of Stroud Green, Crouch End and Highbury.

South London is experiencing similar price drops. "Anything that was priced at £250,000 or £275,000 18 months ago is now going for £200,000," says Luke Wooster, of Wooster & Stock. Justin Bhoday of

Kinleigh Folkard and Hayward's Kennington branch has seen property prices drop by as much as 20 per cent in Oval and Stockwell, with two-bedroom flats falling from £400,000 to £320,000.

While the market is recovering, with prices rising in the capital by 0.8 per cent in August (according to figures from the Land Registry), lenders are now prepared to offer mortgages with a 15 per cent deposit, so it's a better time than ever to purchase the well-appointed pad you've always wanted.

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