

'A conservatory, a Porsche, free flights - how can I tempt you to buy my house?'

In a flat market, sellers are making desperate offers to get a buyer, but price remains the crucial factor, writes Graham Norwood.

Jeffrey King is not one to let a drastically slowing housing market stop him selling his apartment. Fifteen months after he put it up for sale, he has already knocked more than £50,000 off the price and is now offering to swap his three-bedroom flat in a converted Arts & Crafts country house with any equally frustrated seller in East Sussex or west Kent.

'We've twice reached the position where we had a buyer and got right to the day of exchanging contracts when a problem arose. There must be someone in a 25-mile radius who wants to move to this sort of property, but there's no mechanism for seeing if they'll do a swap,' complains King, who is director of a property firm and a part-time toastmaster.

Like other frustrated sellers, he can find little to toast in the current market. Research by the property website Rightmove suggests that there are 25 per cent more homes on the market now than at the start of the year. It claims that in some places there are 15 properties on sale for every registered buyer. Each of the site's agents has an average of 75 unsold homes, a record since the site began keeping records in 2003, and many have been on the market for more than a year.

Two vendors selling through Carter Jonas have bought the homes of their own buyers in the Lake District in order to keep chains intact, aiming to rent them out and sell when the market improves. Others say they will improve their properties to buyers' specifications if a deal goes through at the asking price - one vendor of a property near Wolverhampton is willing to add on a conservatory for anyone who will pay full whack.

Developers are being equally adventurous and are going way beyond the usual incentives of paying stamp duty, throwing in a furniture package or just reducing the price.

'In the last market slowdown of the Nineties, I'd do anything for business. I'd part-exchange anything to help sell. That's why I survived and others didn't,' says David Trathen, a developer specialising in flats at the lower end of the market. One second-homes scheme, Horizons in Newquay, won fame this year when, 12 months after completion, it was found to have only one elderly person living in it.

Telephone Trathen and you'll discover what 'doing anything' means. 'We'll part exchange homes, cars, bikes, yachts, even horses. We'll look at anything with real value to help sell our homes,' says a spokeswoman.

Things are no better at the top end of the market, despite signs early in the year that sales of £1m-plus properties were continuing apace. While super-rich buyers rarely take out mortgages and are therefore unaffected by credit restrictions, they still like a bargain. As a result they are sitting on their hands, expecting prices to fall further.

The Land Registry says that in the year to March (well before the crunch bit hard) the number of homes sold at between £1m and £1.5m fell by 23 per cent. For homes priced from £1.5m to £2m, the drop was 28 per cent.

So even vendors of expensive properties have to resort to stunts. Emma Westbrook, who built a six-bedroom executive house in Surrey with 5,800 sq ft of internal space and large grounds, secured 18 viewings in the first six weeks but had no offers. It is on sale at £3.15m, but she is not prepared to cut the price. Instead, she is offering lifetime membership of a private jet club, with at least three free short-haul flights a year. 'The people who will buy this house have the Porsche, they don't worry about a mortgage, they're aspirational. Now I hope they'll be drawn by the prospect of having access to a private jet,' she says.

But the experts say such tactics are unlikely to work. 'For 99 buyers out of 100, it all comes down to price and that's what sellers should focus on,' says Jo Eccles, who runs Sourcing Property, a buying agency operating in all sectors of the London market. 'In the current market most people don't have to buy and if they're choosing to do so it's because they think they'll get a bargain, not because they'll win a trip in a private jet. If the price is reduced, they can pay for all of that from the saving they've made anyway.'

She warns that the more outlandish the extra deal, 'the more it will make most buyers run a mile'.

Rightmove spokesman Miles Shippside adds: 'With approximately half the mortgage funds available, sellers have to decide whether to try and attract the half of buyers that can still buy. For most sellers, that means whatever they were thinking of asking, they need to take at least 10 per cent off.' Watch this space to see whether 10 per cent becomes 20 per cent before long.