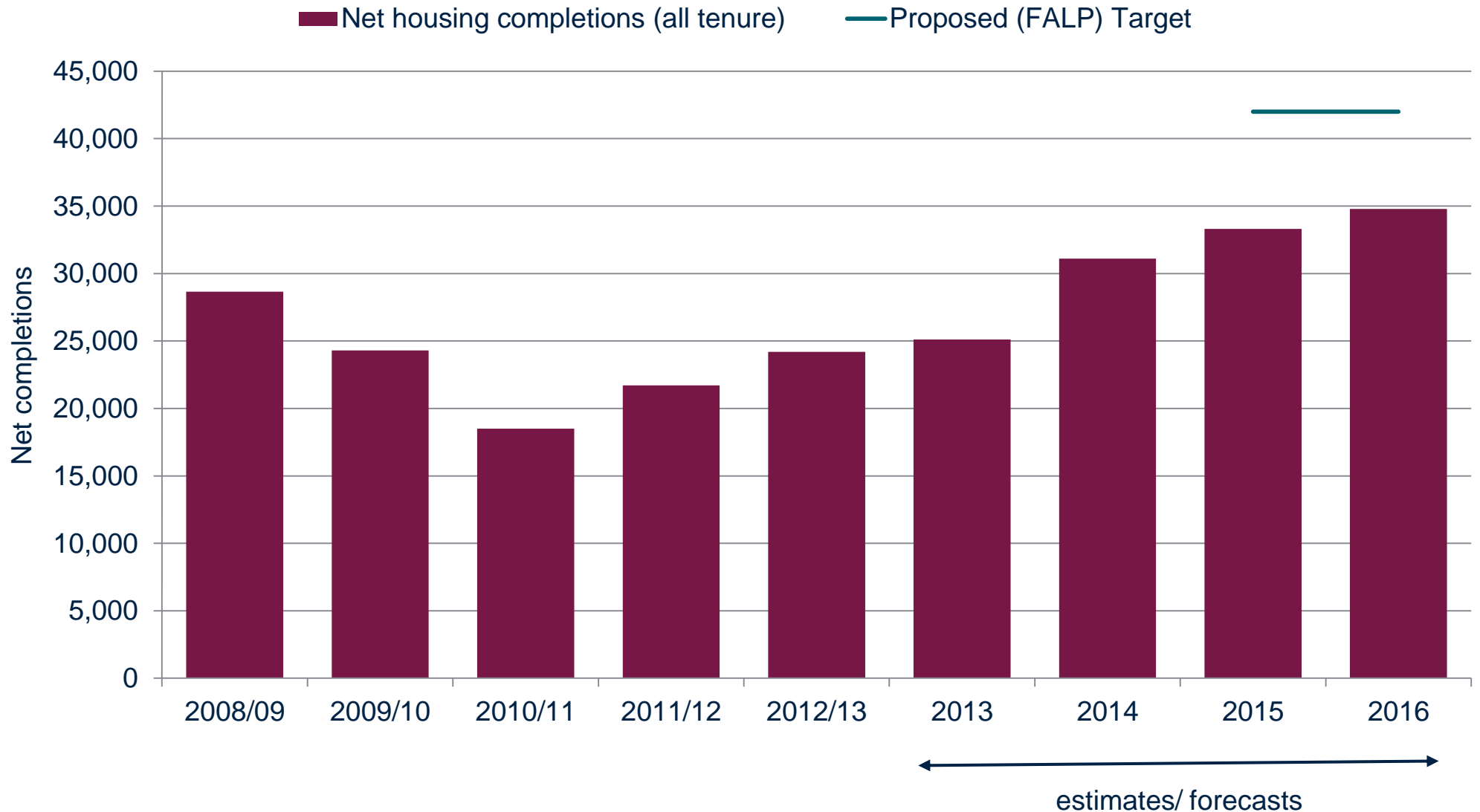




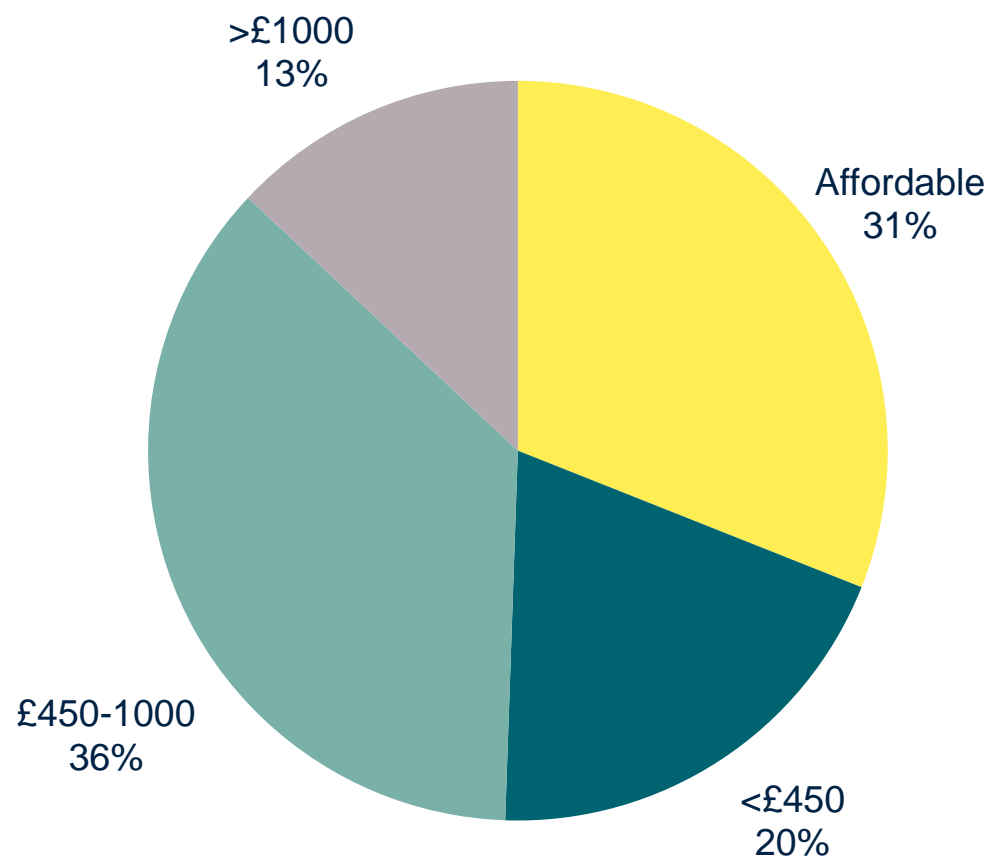
# We are forecasting record levels of new housing supply in London, supported by new investment in site development and buy to let homes



# Buyers of new homes in London

- 40% of buyers are investors who are predominantly seeking an income return
  - => let to Londoners
- 15% of sales are to overseas buyers\*
  - most significant in prime >£1,000 per sq.ft.
  - least significant in markets <£450 per sq.ft.
- Significant international investment in development schemes which are sold to a range of buyers
- Partial occupancy:
  - Pied-a-terre
  - Student accommodation
  - Overseas work placements
  - Second homes owned by global wealthy
  - Winter lock up and leave

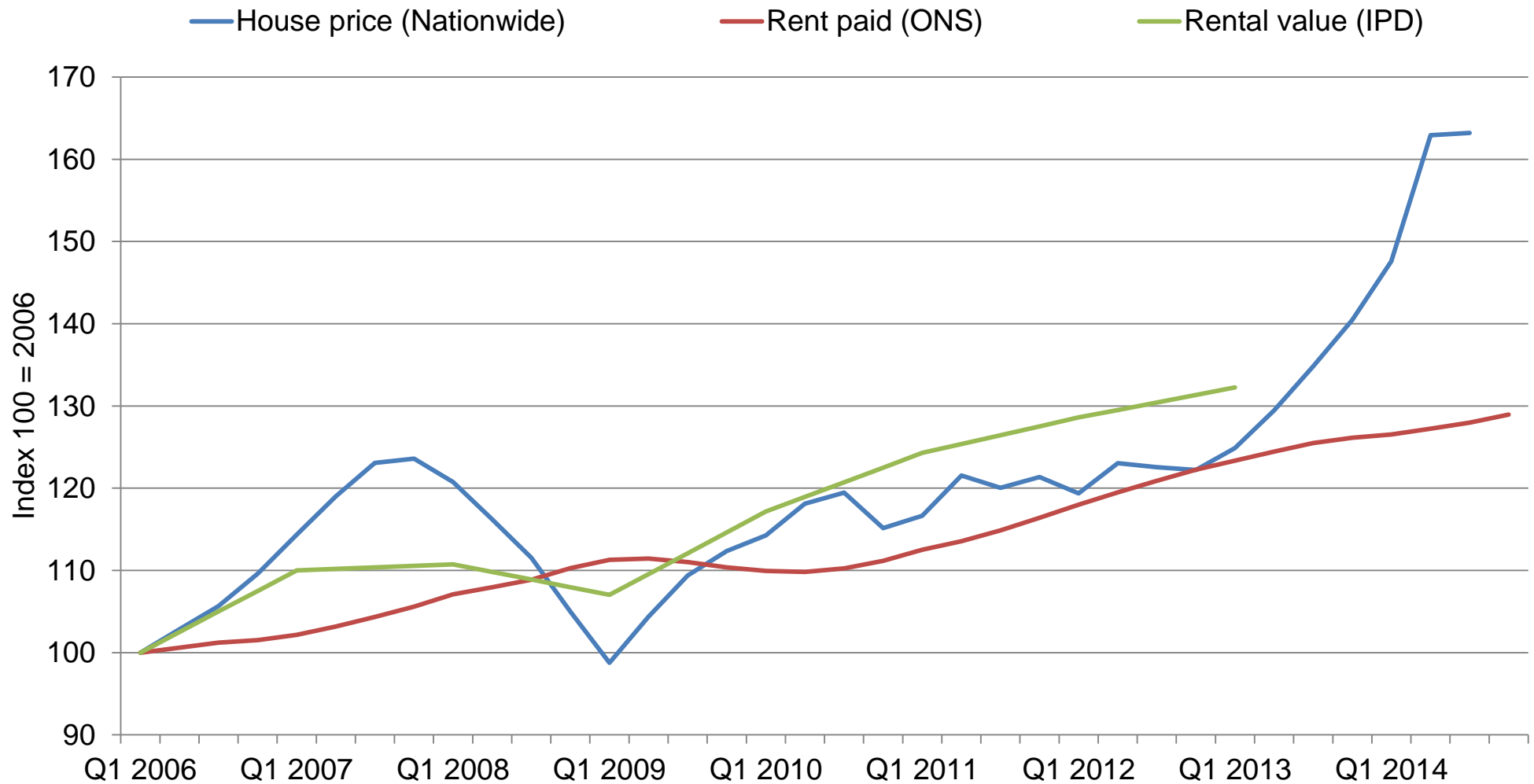
London new housing supply in 2012/13 by price band (price per sq.ft.)



\* Source: Molior for BPF

Source: Savills (net housing completions)

# London's house prices have risen significantly faster than rents



Source: London indices from Nationwide, ONS, IPD