

# Surge in UK apartment purchases

Just two weeks ago Ms L.Y. Chan, 34, became the proud owner of a central London apartment, an investment prompted by the falling British pound.

"The pound is quite low and property is still quite bullish in London in the medium to long term," says Ms Chan, a lawyer, who bought a one-bedroom apartment in the Old Street area with a friend.

She cites the restrictions on buying a second property here as another reason for her recent overseas purchase, which cost slightly over £600,000 (\$1.14 million).

Just five years ago, in 2008, the sterling's exchange rate against the Singapore dollar was \$2.65. Today, the rate has fallen to

**LAUNCHES:**  
There were **65** UK property launches here last year, up from 30 in 2009



PHOTO: CBRE

\$1.89 (on Friday). This has made "London properties much more affordable for Singapore investors," says Mr Richard Levene, director of international properties, South-east Asia, at Colliers International.

Adds CBRE's Darien Bradshaw, executive director of international project marketing, Asia: "People are saving 30 per cent all of a sudden."

"Moreover," says Mr Levene, "London

**"We would never sell a £2 - 5 million property in London off the plan. Today, buyers are just walking in and buying off the plan."**

MR STEPHEN HO, CBRE's director of international project marketing in Asia. More people are turning up at UK property launches in Singapore, such as that of Fitzroy Place in London last November at the Regent hotel (left)

is considered a relatively safe place for investment."

He adds that in the last 12 months, Colliers International has seen a 40 per cent increase in the average number of people attending its property exhibitions. The agency launches at least one new overseas property on most weekends.

Not only are people browsing, they are buying too.

Estimated sales figures of United Kingdom properties here have gone up, says CBRE's Mr Bradshaw. He highlights that in 2009, there were 30 UK property launches in the Singapore market, with sales amount-

ing to £100 million.

Last year, estimated sales rose to £550 million and the number of launches more than doubled to 65.

"It's just gaining momentum at the moment," says Mr Bradshaw, adding that in the first four months of this year alone, there have been about 24 UK property launches.

Real estate agencies say Singaporeans typically buy property in London, Australia, Bangkok and Malaysia.

London and Australia are usually the top picks "because some investors have children going to these places to study," says Ms Lee Lay Keng, head of Singapore research at DTZ.

Entrepreneur John Tan, 31, who bought his London property in mid-2011 says he had thought the pound was "already low at the time".

Although the pound has fallen even further since he made the £780,000 investment, he has seen some capital gains on his two-bedroom apartment at Imperial Wharf in Southwest London.

"I guess I'll keep it for a while," says Mr Tan, who is married with two children.

Since the decline of the pound, the profile of UK property buyers has also changed.

Ms Linda Chern, head of international project marketing (residential) at Knight Frank, says the mix of buyers is "more diverse".

She says there is a "wider group of people, ranging from HDB dwellers to landed home owners". Whereas, a few years ago, the buyers were mainly private property owners.

First-time buyers are also making more forays into the UK market.

This could also be due to "investors taking advantage of the attractive exchange rates... to further expand their investment portfolio into overseas markets, such as the UK", says Mr Levene.

And repeat buyers are, of course, not letting this chance slip by.

Says Mr Stephen Ho, CBRE's director of international project marketing in Asia: "In the last six to nine months, we've really seen the increase in confidence."

Previously, he says "we would never sell a £2 million to £5 million property in London off the plan. Today, buyers are just walking in and buying off the plan."

Melissa Sim