

Client: Londonnewcastle
Source: Daily Mail (Main)
Date: 26 July 2013
Page: 77
Reach: 1914126
Size: 454cm2
Value: 21465.12

WHY BUY OFF-PLAN?

Lauren Thompson
on the trend for
buying homes that
have yet to be built

BUYING a home before it's even been built requires faith. But more and more of us are doing it. Estate agency Savills reports that 80 per cent of its new-build sales are now 'off-plan'.

And Robert Fraser, of London estate agency Fraser & Co, says: 'Some people had their fingers burnt buying off-plan during the downturn. But if you're confident in the developer, scheme, location and local market, it can be a great way to buy.'

Buying on a building site has become the norm in sought-after areas of London. This often means putting down a deposit

of thousands of pounds without even stepping foot in a showroom.

New homes in the Nine Elms area of South-West London have been selling like hot cakes — months before construction begins. And of 866 apartments in phase one of Battersea Power Station, 844 have sold, yet won't even be finished until 2016.

All 541 apartments at nearby Embassy Gardens — due for completion in 2015 — have gone.

Richard Oakes, at Embassy Gardens, says: 'The regeneration at Nine Elms has created a buzz because it's such a large area of central, riverside London.'

Buying off-plan means you can pick the best plots. Guy Jenkinson, at consultancy Bidwells, says: 'You are in a strong position to negotiate with the developer, who may offer discounts to achieve sales that help off-set the costs. You can also choose fixtures and fittings, and even redesign some of the rooms.'

Unusual developments outside London are being snapped up, too. Bristol County Ground, overlooking Gloucestershire County Cricket Club, offers sports lovers the

ultimate 'room with a view'.

Of the 147 apartments being built by Linden Homes, 25 sold off-plan with no showroom. Prices start at £140,000 through Savills.

At Berkeley's Queensbury Gardens in Ascot, half of the 23 homes were bought before a showroom was launched. Those remaining start from £845,000, through Knight Frank. Jonathan Michell, 25, bought his first home off-plan at the Barratt Homes development Acacia Park, in Basildon, Essex. The deputy store manager is living with his parents until he can move into his two-bedroom apartment.

He says: 'I wasn't in a hurry to move, and buying off-plan meant I could choose the apartment I wanted.' Prices for a two-bedroom apartment start at £171,995.

When buying off-plan, you generally agree a price with the developer there and then, and hand over a deposit — often 10 per cent. You pay the remaining funds once your home is finished, even if this is several months or years down the line.

It pays to be cautious. After the credit crunch, some people who'd bought apartments off-plan found the value had fallen by up to 35 per cent when they came to complete. This meant the mortgage offer was withdrawn and they were unable to go ahead. Many lost deposits worth tens of thousands of pounds.

Kate Faulkner, at advice site propertychecklists.co.uk, says: 'If you are buying off-plan in a rising market, you could get a bargain. If you agreed a price for, say, £150,000 and two years later it's worth £160,000 or more, you'd be happy.'

Buyers should ensure the developer is reputable and has insurance so

that if they go bust, you will get back your deposit. Use an independent lawyer to check the paperwork.

Robert Soning, co-founder at developer Londonnewcastle, says: 'Look at other properties by the developer to get a feel for the quality and layout.'

Find out when the rest of the development will be finished, otherwise you risk living in a building site for the first few years.

Under the Consumer Code for Home Builders, you have the right to withdraw from a purchase and receive a full refund if the completion date is unreasonably delayed by more than six months.

■ *NINE ELMS on the South Bank, nineelmslondon.com; Savills Bristol, savills.co.uk; Knight Frank Guildford: knightfrank.co.uk.*

**MORE PROPERTY —
TURN TO NEXT PAGE**



Client: Londonewcastle
Source: Daily Mail (Main)
Date: 26 July 2013
Page: 77
Reach: 1914126
Size: 454cm2
Value: 21465.12



Powering ahead: An artist's impression of London's Battersea Power Station development

