



Spatial Economics Research Centre

Monday, 10 November 2014

Who buys new homes in London?

There's some interesting figures in this [British Property Federation report](#) from earlier this year on purchases of new homes in London (which I somehow missed first time round).

Headline figure is that various forms of investor acquire around 60% of new units with owner occupiers taking 40%. Around half of those investor purchases are by overseas buyers (defined as buyers who are normally registered as overseas). There's little evidence that those overseas buyers are leaving properties empty.

There are interesting variations across price ranges and locations - with owner occupiers acquiring around 80% of sub £450 per square foot properties (mostly in outer London) but only around 30% of £1,000-£1,500 per square foot properties (mostly in inner and 'prime' central London).

Overseas buyer activity varies by location as well - accounting for 50% of prime, 20% of inner London and only 7% of outer London (I think this is total of investors and owner occupiers).

As always, figures from the property industry come with a big fat health warning (there's lots of private data and expert adjustments in use here) but I found the overall numbers interesting - and a useful counter point to some of the media reporting which suggests much more overseas buyer activity.

Posted by [Prof Henry G. Overman](#) on [Monday, November 10, 2014](#)



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