



How much would you pay for a sea view?

Behind the bidding battles for a British holiday home. By [Carol Lewis](#)

The property market is frenetic, with almost 191,000 homes changing hands last month as buyers try to outbid each other while sellers revise prices upwards. Nowhere is this more evident than near Britain's beaches.

"It is crazy. I used to work in central London and it feels like it did just before

the crash in 2008. The difference is people have money. Every property has 20 to 30 viewings and almost immediately goes to best bids," says Spencer Cushing, the manager of Sowerbys' Burnham Market branch in Norfolk. "We are coming out of

lockdown and the coast is visibly busier — the market is on steroids."

The prospect of staycation summers has sent buyers scrambling to bid on



anything that offers even the slimmest of sea views. Some 45 per cent of those moving to coastal homes are cash buyers, according to Hamptons: mortgage-free, chain-free buyers who are pushing to complete before the summer holidays.

"I had a £1million place in Budleigh Salterton, Devon. We had 49 people view it. Everyone was ready to proceed. It's amazing," says Richard Speedy, the director of sales in the southwest for Strutt & Parker.

Tamsin Kemp of Hamptons' prime and country house department on the south coast says: "Quite often the first person to see it buys it in excess of the asking price, with some international

buyers buying after watching video tours. There is no compromise, though. They want a direct sea view with no other buildings between them and the sea."

The overheated market is leading to irrational behaviour, with reports of sellers demanding more money after offers have been accepted — some even bullying agents to relist properties quietly. Gazumping is rife, and frazzled agents, who ought to be eyeing big bonuses, are considering career changes. "People say, 'I will pay £100,000 more than your highest bidder if you give it to me,' but that's not the way it works. I won't entertain gazumping," Speedy says.

At the root of the problem is a lack of homes to sell, and although many believe that the dearth elsewhere in the country will ease with the lifting of lockdown restrictions and the delivery of the second round of vaccinations, it could remain tight on the coast. "Usually there is a six to seven-year cycle," Cushing says. "Second-home owners buy somewhere and do it up. They use it loads, then as they start using it less they rent it out. They realise the difference between gross and net rent, get bored and sell. That's not happening now."

Oliver Rodbourne, a partner in Knight Frank's country house department who sells homes on the Sussex and Kent coast, says: "If you own a place overlooking the water you're probably thinking, 'What a wonderful place and aren't we lucky?' The reasons everyone wants to buy these places now are the reasons owners want to hang on."

Likewise, the prospect of a summer in which those who would usually holiday abroad are prepared to pay top prices for the best rental properties has led

investors to hold tight. Others cram in as many guests as they can before moving day and buyers look on eagerly to get a slice of the action. According to Hamptons, 18 per cent of coastal buyers are looking for main homes, 16 per cent are investors, 12 per cent are first-time buyers and 9 per cent are second-home buyers.

"I have a buyer who has asked me to find him somewhere he can put on [the lettings website] Unique Homestays. People are definitely looking for somewhere upmarket they can rent out," says Clare Coode, a buying agent with Stacks Property Finders in Cornwall.

Christopher Bailey, the head of waterfront sales for Knight Frank, says: "I haven't seen it this busy for at least ten years. It's a combination of things — not just lockdown, but the easing of Brexit uncertainty and the staycation environment. There is a blurring of lines between first and second homes. People want places they can spend long periods of time. It's a bonus if they want to rent it out because they can get back-to-back bookings all summer if they want."

Cornwall, home to 141 beaches, according to the mooring specialist Aquavista, is locked in a buying frenzy, with 26 buyers chasing each new property listed at Jackson-Stops' Truro branch. Newquay was recently named the hottest market in Britain by the property portal Rightmove, with 82 per cent of all properties put up for sale this year already sold subject to contract.

One of the most frenzied markets is in the tiny village of Mawgan Porth, just north of Newquay. "Prices are getting crazier. Houses which were £1.2 million

a couple of years ago were £1.65 million last year and £2 million now," Coode says. "The reason that it is suddenly popular — in the past it was seen as the poor cousin of Polzeath — is because everyone wants a sea view and because of its geography. It's in a bowl so all the houses look over each other to the sea."

And people will pay a premium for

that sea view. Last year buyers in England and Wales paid an average of £346,100 for a home within 100m of the coast — £64,393 more than a comparable home up to 1km away. The highest percentage premium of 34.4 per cent was paid in Yorkshire and the costliest average premium of £79,798 was shelled out by buyers in the South West, according to Savills. Frances Clacy, who carried out the research, says: “Second-hand property located within 100m of the coastline in England and Wales costs an average of 22.9 per cent more than that located up to 1km farther inland. However, the premium for frontline positions with direct views of the water can be considerably more.

“The most expensive coastline is in southwest England, where the average second-hand sale price of properties within 100m of the sea is £411,000, 24.1 per cent higher than their more inland counterparts. For those looking to buy right on the coastline of prime markets of Sandbanks and Canford Cliffs, Dorset, this figure is well in excess of £1 million.”

Cushing adds: “At the moment valuing something is almost impossible. People are buying with their hearts.” As a result, he says, one property on the market for £550,000 sold for £750,000 and another on for £850,000 sold for £1.25 million.

These burgeoning prices are forcing people to look further away from spots such as Polzeath and St Mawes to the Lizard peninsula, and from Brighton and Hove to East Preston in the hope of finding better value for money.

Buyers may need to look much further afield — to Scotland. Here supply has been given a boost by legislation making it possible to convert bothies, farm and industrial buildings into homes without the burden of planning restrictions.

“On average there is a premium of just 1.3 per cent for coastal properties north of the border,” Clacy says. However, Jennifer Campbell from the agency Baird Lumsden warns that the recent reversal of the Scottish government’s proposed plan to clamp down on short-term lets is something second-home buyers need to bear in mind, “because it surface again”. It is doubtful that even this will dent our enthusiasm for a home by the sea.

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Morning campers
The upmarket makeover of the UK's holiday parks
In The Sunday Times



A five-bedroom Arts and Crafts house overlooking Torbay, near Torquay in Devon, is on sale with Knight Frank for £1.85 million



In Cargreen, near Saltash, Cornwall, this five-bedroom house is for sale for £895,000 through Knight Frank

Above: a five-bedroom house overlooking Budleigh Salterton and Lyme Bay in Devon is on the market for £1 million through Strutt & Parker



Left: St Ives, Cornwall. Above left: on Porthmeor Beach in St Ives, this one-bedroom flat is on sale for £930,000

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