

Weaker pound, cheaper UK assets for Malaysians

By Azlan Abu Bakar
alan@nstp.com.my
2009/03/05

THE gloomy market environment may not be entirely bad as it has opened up opportunities for Malaysians to buy property in London at lower prices.

The pound sterling has fallen 25.08 per cent against the ringgit over the last year, with almost half of the fall happening in the last six months, figures from Currencies Direct show.

"The pound's slide against the ringgit has seen an influx of bargain-hunting shoppers to London, keen to take advantage of the most competitive rate of exchange for a long time, especially in the property market," Currencies Direct director of dealing Mark O'Sullivan said in a statement.

Currently, the supply of quality new properties in London is low and the economic downturn has seen many projects put on hold or scrapped altogether, he added.

Berkeley Homes (Capital) Ltd operations director Piers Clanford said that while UK folk were having a difficult time stretching their money, Asian buyers were benefiting as properties now cost less in relation to their currencies than 12 months ago.

"Although house prices in London are subdued for now, it is widely seen as a short-term issue.

"London remains a safe long-term investment. So a property purchase now, while the market is at its lowest point and the pound is weak, should appeal to Malaysian residents," Clanford said.

Berkeley Homes, one of the UK's well-known developers, in cooperation with Henry Butcher Real Estate Sdn Bhd, will hold an exclusive exhibition on the London property market in Penang this Saturday and Sunday.

According to Clanford, Berkeley Homes has a key London development with apartments that would appeal to Malaysian purchasers.

The City Quarter at 99 Leaman Street E1, for example, consists of two phases of newly built apartments and penthouses as well as one phase of apartments and penthouses created inside a Grade II listed Victorian warehouse.

"Living at this much-coveted address allows residents to be within walking distance of historic landmarks such as Tower Bridge and the Tower of London," Clanford said.

Prices for the properties start from STG345,000 (RM1.8 million).