



# The power of the annexe

Converted coach houses, one-bedroom cottages and even studio flats are now on the shopping lists for country houses, buying agents tell Arabella Youens



Mill House in Somerset has a self-contained flat. Chesterton Humberts (01935 812323), £750,000

**D**ESCRIBING the most desirable country houses on the market, agents often pick off the top selling points on their fingers: views, privacy, architectural purity, setting and a combination of the ‘trimmings’ (which can refer to a swimming pool, tennis court or outbuildings). It’s the condition or presence of these elements that make up the perfect package.

Rising up the hierarchy of must-haves, however, is the ability to house people—be they staff, family or friends—somewhere outside of the main house. ‘The general rule is the bigger the house, the greater the demand for an annexe,’ explains Nick Ashe of Property Vision. ‘At the top end, buyers will want it for staff, teenage children or the parents; lower down the market, buyers see it as an opportunity to generate revenue as a rental or holiday let.’ They’re also proving popular as somewhere to house guests, adds Jonathan Bramwell of Prime Purchase, who believes the American trend for accommodating them under a different roof has arrived on British shores.

The same is true of au-pair rooms: once they were confined to a small box room, but today, it’s preferable to give them their own space.

The conversion of a coach house or outbuilding can cost as little as £150 per square foot, thereby requiring an investment of less than £100,000 to convert a 600sq ft barn into a two-bedroom property. Edward Sugden, who heads up the country team at

PropertyVision, advises that having good ground-floor accommodation with bedrooms appeals to the increasing number of buyers housing dependent parents.

The challenge is securing planning permission on a listed property. ‘It’s significantly more difficult to obtain planning permission to convert a barn for residential use, as planning policy now dictates that all uses

that may potentially generate employment must be explored and exhausted before permission will be granted,’ warns Property Vision’s Edward Heaton. One of the council’s responsibilities is to explore appropriate new uses for historic farm buildings to avoid them falling into disuse, and it’s generally easier to obtain permission for tied accommodation to the main house, so aspects such as shared access and amenity space mean the building will lend itself well to some form of extra residential accommodation. Applicants will then have to accept a tying condition for it either to be occupied by staff employed by the main house or as a granny annexe.

Mr Bramwell believes that having an annexe or converted outbuilding can add 10% to the value of a house. ‘It comes down to the hassle and the cost of the planning process and doing the work. Whenever we buy somewhere that doesn’t have ancillary accommodation, we’ll advise clients that it could restrict the marketability of the property in the future, even if it’s not a deal-breaker for the moment.’

## Mayday alert: is it time to fix Single Farm Payment exchange rates?

The Single Farm Payment (SFP) application is due by May 17, and there’s an important decision for farmers to make before then. As the payment is denominated in Euros, the amounts they eventually receive are affected by where the Euro/sterling exchange rate is trading. The conversion rate is set by the European Central Bank on September 30 and, last year, the SFP rate of 0.9093 was the highest yet.

‘However, this may soon be just a distant memory as the negative news emerging from Europe continues to take hold of the Euro,’ explains Chris Brits, head of agriculture at World First (0800 783 6022). ‘The list of member states whose credit ratings are under review continues to grow, and it looks likely that the Euro will weaken further against sterling during 2010.’

You can avoid exposure to currency fluctuations by opting

to be paid in Euros and then fixing an exchange rate with a foreign-exchange broker in advance. ‘If farmers do this, they’ll know how much sterling they’ll get for their SFP in advance, making it easier for them to budget and plan ahead for their business,’ adds Elisabeth Dobson, head of private clients at World First. ‘It’s not about making money, but about protecting against exchange-rate fluctuations.’

As well as using a ‘forward contract’ to fix the rate, there are several other ways farmers can protect their SFP from exchange-rate moves,

including a ‘currency option’ to protect them from the rate getting worse, which also allows them to benefit if the rate improves. Another option is ‘contract for difference’, which removes the risk inherent in foreign exchange by protecting against potential losses from negative rate moves.



## Top 5 properties of the week



### Somerset, £1.8 million

Crickleaze House, Chard  
5 bedrooms, pool, 2-bedroom cottage, 32 acres  
Jackson Stop & Staff (01823 325144)  
John and Joanne Gray bought Crickleaze from the actor Charles Dance eight years ago. 'He built the tennis court and swimming pool, and we've added a conservatory and wine cellar,' explains Mr Gray. 'We've also bought back several acres of ancient woodland, some of which is carpeted with bluebells at the moment.'

### Cumbria, £3.95 million

Lorton Park, Cockermouth  
5 bedrooms, 3-bedroom cottage, 2 houses, 40 acres  
Carter Jonas (01539 722592)  
This refurbished Regency house boasts antique Barr Limestone floors. 'My late husband, who was on the Board at the Royal Botanic Gardens in Edinburgh, and I transformed the garden from a wilderness,' explains Deborah Nicholson.



### Devon, £835,000

New Place, Tiverton  
7 bedrooms, stream, 7 acres  
Winkworth (01392 422320)  
Steve Flaws, vendor of Grade II-listed New Place, says: 'I've known the house since I was a child and had always wanted to live here, so when the opportunity arose, we grabbed it with both hands.' A former stable block may be available by separate negotiation.

### Kent, £1.2 million

Parklands, Sheldwich  
5 bedrooms, outbuildings, 2½ acres  
Chesterton Humberts (01227 452780)  
'This house is very bright—that's what attracted us,' explain its Italian owners, Dr and Nicla Rolla. 'Plus it has panoramic views over open countryside. Because of its secluded position, it's also great for entertaining, as you can make as much noise as you like!'



### Powys, £825,000

The Old Rectory, Llanfilo  
5 bedrooms, Aga, stables, 0.7 acre  
Strutt & Parker (01584 873711)  
Lawrance and Hilary Blazey have lived in this refurbished Grade II-listed house for nine years. 'The landscape and the proximity of the church caught our eye,' recalls Mr Blazey. 'We'll be sorry to say goodbye to the village, which has a lively community spirit despite being small.'

## Property news



### £195,000: Knightsbridge

A double-fronted house (above) in Crescent Place, London SW3, has come to the market for £195,000. The catch is that it's for sale on a non-enfranchisable lease, meaning the buyer will have no right to claim a lease extension or remain in occupation after March 24, 2013. Charlie Findlater of Friend & Falcke (020-7581 3022) says: 'This will suit someone who's looking for a rental property. The purchaser gets a large property for a short term on what amounts to a good-value rental, albeit one that needs to be paid up front. The cost per month is about £5,700; a property of this kind would usually rent for about £6,900 per month.'

### London rebounds

Prime London house prices rose by 1.3% in April, according to the latest report from Knight Frank. Research reveals that values are now 21% higher than their post-crash low in March 2009. International buyers account for 56% of purchases above the £2 million mark, and demand from Greece for houses in this bracket has doubled in the past year (albeit from a modest starting point of 3%).

### Fine polo estate

Savills (020-7016 3740) have launched Devereaux Farm, one of the most prestigious, and largest, equine and polo properties in Australia, to the market with a guide price of AUS\$60 million (£36 million). The property has state-of-the-art facilities, prime cattle grazing and luxury accommodation, and is just an hour from Perth's central business district.