

Today's other Property Investment news:

[Scotland economy strengthens at start of year](#)



Kensington, London, one of the UK's most expensive property markets Photo: [Tracylee](#)

Figures from Crayson show that sales increased in 2013, while prices per square foot also increased.

Indeed, in Notting Hill, Holland Park and Kensington the total value of homes sold exceeded £1.8 billion, a rise of £662 million compared to the total value in 2012.

The growth in the prime market occurs in the face of rising taxes, with the government introducing a 7 per cent stamp duty rate for homes worth more than £2 million in 2012. Indeed, the super-prime sector enjoyed the highest growth in sales last year, rising 77 per cent.

The report also reveals that almost half of homes sold in Kensington (45 per cent) fetched over £2 million from buyers, up from just a quarter (25 per cent) five years ago - an indicator of just how much the [London property](#) market has grown since the recession.

"Since January demand from new applicants for homes in our area has continued showing little sign of the market slowing," said [Nick Crayson](#). "Whilst a resurgence in the housing market nationally has taken some attention away from London, we continue to see strong growth in both prices and activity."

Crayson predicts that prime [London property](#) prices will continue to rise in 2014, with prices expected to climb 5 per cent by the end of the year, although the interference of global factors in house prices make forecasting trends "increasingly difficult".

Scotland economy strengthens at start of year

Scotland's economy is strengthening at the start of 2014, according to the Bank of Scotland. Expectations from businesses are now at the highest level since mid 2007, before the start of the recession, with 41 per cent of firms surveyed enjoying increased turnover in the three months to February 2014.

Donald MacRae, chief economist, Bank of Scotland said: "The surge in economic activity identified in summer 2013 has been maintained through autumn and winter with the latest quarter showing the second best result in six and a half years. Expectations for 2014 are at their highest level since mid 2007 suggesting the recovery will continue throughout 2014 and will become increasingly embedded. An increase in investment by firms would further enhance the recovery."

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