

Epsom Property News

UK market sees first monthly fall in asking prices this year

Asking prices in the UK fell by 0.2% in the 12 months to July 2019 and also by 0.2% month on month, the first monthly fall so far in 2019, the latest index shows, taking the average to £308,692. The price of newly listed property in the four bedroom plus market fell by 1.1% month on month, according to the figures from property portal Rightmove, while lower and middle sector properties are holding their price better.

The firm says that the figures indicate that it is likely to be a buyers' market in the second half of 2019. Less property is coming to market, but it is taking longer to secure a buyer, so estate agents' average stock per branch is at its highest since July 2015. Year on year prices fell in Greater London by 1.7% and month on month by 0.2% to £617,941, in the South East they fell 0.5% on an annual basis and were unchanged month on month at £409,905, while in the South West they were up on an annual and month basis by 0.7% and 0.3% respectively to £312,176.

In the East of England asking prices fell by 0.6% year on year and were unchanged month on month at £354,104, in the East Midlands they were up on an annual basis by 0.5% but fell month on month by 1.3% to £227,551 and in the West Midlands the annual increase was 1.2% but on a monthly basis there was a fall of 0.3% to £230,435. The data also shows that the time it takes to secure a buyer is at the longest at this time of year for six years while overall market stability remains sound apart from confidence, and buoyant mortgage approvals indicate more resilient activity in the lower and middle sectors. It is buyers at the upper end, who are less likely to need a mortgage, who appear most hesitant to engage.

'With continuing political uncertainty, we expect buyers in market sectors where there is an oversupply to have a stronger hand negotiating lower prices in the coming months. With sound underlying market fundamentals, apart from the lack of confidence caused by the uncertain political outlook, there should be a better bargaining opportunity for those who have hesitated and missed the busier spring market if they can now find the confidence to engage without waiting for more certainty,' said Miles Shippside, Rightmove director and housing market analyst.

'The housing market fundamentals remain largely sound in many parts of the country, but the current political climate means that the crucial ingredient of confidence has been impaired, and that is causing some potential buyers and sellers to hesitate. With record employment, low interest rates and good mortgage availability, buyers have a lot in their favor apart from the lack of political certainty,' he pointed out.

A breakdown of the figures shows that newly market homes fell by 7.8% in July year on year and sales are being agreed are down by 4.6% in the year to date compared to the same period last year.

Estate agents' total average stock per branch is higher than at any time in the last four years. Average stock is now running at 53.3 properties, the highest number since the 54 that was recorded in July 2015. In addition, the average time to secure a buyer is at 62 days, the highest at this time of year since 2013. This longer time to secure a buyer, coupled with higher property stocks, suggest that it will be more of a buyers' market in the second half of 2019.

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3 WAYS TO RENT QUICKLY AND HASSLE FREE

With Direct Residential you'll receive an award-winning service that is tailored to your needs to find your perfect property. Here's 3 tips to rent quickly and hassle free:

1. Provide positive references – Line up your HR department and current Landlord to ensure they answer quickly and positively.
2. Visit lots of properties – This will give you a better sense of what is out there. Direct Residential have plenty to show you so book in for a tour!
3. Pay rent on time or upfront – This may sound obvious but forward plan your finances to ensure you can move on with a glowing landlord reference.



Growing free-to-list property portal has tripled its listings since April

The latest property portal to take on Rightmove and Zoopla claims it is gaining traction after promising never to charge agents to list properties on its site. Residential People, who operate in the UK as well as six other countries, claim that it has now signed up 1,000 estate agents in the UK.

These include franchised businesses Belvoir and Open House. The portal launched officially in February this year and by April had 11,400 property listings in the UK. It now lists 18,910 sales properties and 15,620 rental properties.

"We believe that Residential People offers a unique value proposition to agents, and something that is becoming more and more relevant as things such as Brexit and most recently, the tenant fees ban, which squeeze profits for agencies even further," its spokesperson Dominic Gabriel told The Negotiator

Radical reform for agency industry to be signed off by minister

Some of the most radical reforms ever proposed for estate and letting agents are thought to be signed off today by housing minister Heather Wheeler MP. The government-backed Regulation of Property Agents working party, known as RoPA, met for the final time last Thursday and is believed to have won unanimous agreement from its membership for the reform proposals.

Members of RoPA include representatives from the NAEA, ARLA and TPO, several other trade organizations as well as pressure groups; it has met several times since its inaugural session last autumn. It is expected that the government will quickly endorse the recommendations being put to Wheeler today, with an announcement thought to be made later this week confirming that the government will legislate to enact the proposals over the next two years.

The recommendations are thought to include:

- A new and overall regulator for the industry; it is so far uncertain how this will work in tandem with existing bodies such as the TPO, NAEA and ARLA
- Mandatory qualifications for agents and all those in 'consumer facing' positions dealing with buyers, sellers, landlords or tenants;
- Every qualified agent would become 'licensed' and only license holders would be able to engage in a list of 'reserved activities' - core selling or letting activities;

London's first high-end "build-to-rent" homes

London's first high-end "build-to-rent" development aimed at wealthy finance and tech bosses has been launched in St John's Wood. Tenants living in the five new townhouses in Blenheim Terrace, near Abbey Road studios, will pay £5,500 a week, or £286,000 a year, for the unfurnished homes.



The five-bedroom, 4,025 sq ft houses were built in response to soaring demand from American banks, tech firms and other companies looking for accommodation for executives relocating to London. One was rented "off plan" to an American investment bank before the scheme was finished, in an echo of the sales of luxury apartments during the boom years of the London property market.

But higher property taxes and uncertainty about Brexit mean wealthy foreigners have been far more reluctant to commit to buying a "trophy" home in London over the past three years, with many opting to rent instead. Most prefer unfurnished properties then arrange their own furniture "rental packages" which can cost from £30,000 to £50,000 a year or even more.

For any specific advice on Buy-to-Let please contact Ian at: ian@directresidential.co.uk

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