

Why now is a good time for sellers

Family homes in good areas and condition are being snapped up by eager buyers, but you still need to get the price right, says Jessie Hewitson

A house on the edge of Bath in Somerset did not sell despite being on the market for more than a year, so the vendor decided to rent it out, while waiting for the market to improve. After 12 months the seller put the property back on the market and quickly received an offer at asking price, which they accepted, honourably declining a second offer from someone trying to gazump the initial bidder.

Meanwhile, the owners of a property near Taunton in Somerset accepted an offer from the first people who viewed their home. The buyers offered more than the guide price to stop the house being put on the open market.

These two homes, which went under offer through the same office of Knight Frank two weeks ago, are evidence that a change is happening in the market.

Guy Gittins, the managing director at Chestertons, a London-based estate agency, says that demand is "bouncing back", yet there are 28 per cent fewer homes on the market now than there were at the same time in 2018.

Yet the increase in demand isn't confined to London. Knight Frank reports that in the prime markets outside London the number of new potential buyers per office is at its highest level since 2013, while the average number of viewings is the highest since 2011.

This is increasing competition in the market, making it more likely that vendors will find it easier to sell for close to the asking price compared with a year ago. If you are thinking of putting your property on the market, here is what you need to know.

Is it a good time to sell?

Yes, says Adrian Black, the managing director of Youhome Property Gurus, a central London agency. He argues that interest rates will inevitably go up, increasing the number of properties being out on the market by landlords

facing rising mortgage costs. This means that if you put selling off for too long you may find yourself up against more competition.

James McKillop, a partner of the country department at Knight Frank, says: "Buyers seem to have accepted that they have to move quickly to secure a property before others put in an offer."

If you have a "best in class" home, it's definitely a good time. Gittins says that a lack of properties that "tick all the boxes" — excellent locations, close to top schools and in need of little to no investment — is leading to the return of sealed bids in some parts of London.

Good family homes and lateral apartments in central London developments are in high demand, especially from overseas buyers, who are finding them between 25 and 50 per cent cheaper compared with prices in 2014, because of the weak pound and price reductions that have taken place.

Desirable homes have a rarity value and "when correctly priced are getting much more interest and even eliciting multiple bids", says Paul Cosgrove, a director at the London-based agency Finlay Brewer.

If you are trying to sell a tricky property — maybe a basement flat, or one that is on the fourth floor with no lift — there are still potential buyers, Black says, but they will need to feel as though they are getting value, so be careful when setting your price.

Should I sell if I'm a downsizer?

It makes sense to sell in a tricky market if you are upsizing because if you get 5 per cent less than you want for the home you are selling but can negotiate 10 per cent off the more expensive home that you are buying you are still quids in. This is not the case if you are downsizing.

Whether it is a good decision to downsize depends on how property prices change. If you feel — as Black does — that prices are unlikely to go up soon, it does make sense. "I think that the market outlook is flat and housing

spend is going back to more normal levels," he says. "The market has been artificially propped up by quantitative easing, low interest rates and very kind taxes, particularly with buy-to-let and government schemes such as Help to Buy, but these are all going. A rising market is not a certainty."

Can I be greedy with my asking price?

No. Buyers are looking for value and are increasingly knowledgeable about the market. "They are not prepared to pay silly money just because pickings are slim," says Clare Coode of Stacks Property Search, a buying agency, in Cornwall. "There are plenty of examples of lovely properties languishing on the market because owners simply won't drop their price to a sensible level at which buyers would be queuing up."

What is happening elsewhere?

"While Brexit is a strong consideration

for those living in London and the South East, the impact has not been as widely felt in the North, Midlands or West Country, where house prices continued to rise throughout last year," says Iain McKenzie, the chief executive of the Guild of Property Professionals. "At the beginning of the year the East Midlands was England's most strongly performing region: in 2018, 4.9 per cent of homes sold, compared with 3.6 per cent across London."

In Cornwall the pent-up demand from buyers can be extreme, Coode says. "There has been a dearth of good properties on the market and buyers are circling like hungry sharks for retirement cottages, family homes and prestige holiday houses," she says.

"It's a seller's market for period mid-sized houses in Cornwall at the moment — this sort of property is the least available and most viciously fought over. Three to four-bedroom period



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village properties are in high demand, as are pretty family homes with an acre or two of land. A four-bedroom farmhouse for renovation was recently listed for £650,000 and went for £725,000. Prime waterfront properties are also being sold for above expected prices.”

Bob Cherry, a partner with Galbraith, an estate agency based in Ayrshire, says that homes in Glasgow and Edinburgh are changing hands quickly and “the strength of the market in the cities is fuelling demand in the outer fringes and in rural markets — Ayrshire is having another great quarter.

The properties most in demand are houses in rural areas with a small amount of land, ideally five to ten acres.” He adds that English buyers are purchasing homes with land for £350,000 to £400,000 in Ayrshire, and in some cases they are relocating there to be mortgage-free.



This eight-bedroom house in Chiddingfold, Surrey, is on sale for £30 million through Knight Frank. Left: in St James's, central London, this house is on the market for £25 million, also with Knight Frank

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