Market Update REPORT

FEBRUARY 2024

How the local property market has kicked off the new year... and exactly what the early indicators of 2024 mean for the value of your home

WELCOME

WHATS IN STORE?

- A look back at 2023 – A year to forget for some!
- What's happened so far in 2024, and how does this compare to previous years?
- My 'crystal ball' predictions for 2024

But let's begin with exactly what I think you need to know right now, without trawling through the whole update.

If you're thinking of selling your home this year, NOW is the time to pick up the phone and have that all-important conversation with us.

Here's why:

If you're thinking of selling your home this year, it's imperative you get the timing right.

For example, in these winter months it's a challenge to make sure the images of your home show it at its best. Plus, even though right now, interest from buyers is strong, these viewings aren't necessarily resulting in successful offers. We're finding buyers exercise caution when facing negative media reporting on the property market. Challenges like these are surmountable, so long as you have a carefully thought-out sale strategy, created by a specialist estate agent, before you commit to a launch.

A BRIEF LOOK BACK ON 2023 – A YEAR TO FORGET (MOSTLY)

Without trying to sound smug, this next section is at odds with our year. 2023 was our most successful by an absolute mile. There is a good reason for this and if you are looking to sell, I would be more than happy to share it.

Unfortunately, for most in the property world, 2023 was a year to forget. It was like payback from the 'property gods' for such a strong couple of years. In fact, according to data company TwentyEA, the UK saw the closure of almost 5,000 estate agency branches, including local closures here for both Cobham and Esher High Streets. That's almost 22% of all branches in the UK!

Property transactions in the UK last year dropped below 800,000 – down almost 500,000 from the 1.3 million houses sold in 2021. Latest predictions expect the number to rise in 2024, back to the pre-pandemic norm of around 1 million property transactions.

Towards the end of 2023, the media began to report positive signs of recovery, centred on inflation and interest rates. These, plus the launch of new < 4% mortgage products, has resulted in a strong start to the year.

2024...SO FAR

Property Consulatations

Numbers higher than we've ever seen – higher even than in 2022, a peak year. The difference with this January seems to be that the overwhelming majority of clients are actively looking to sell this year, with the impending election creating urgency for many of them.

Listings

January has been our highest ever listings month and we are excitedly preparing and filming them ready for launch this month.

Viewings

These seem to fall into three categories at the moment; a handful of red-hot buyers who are under offer and desperate to find, Local movers up and down market and London day-trippers -it happens every January and it continues to irritate me! Those without their homes on the market "wanting to get a feel for the area" before they've even had a valuation on theirs, is not the ideal enquiry we want to bring you.

As the weeks go by, those percentages will change (and I feel like the only agent in town telling some of these buyers to put their horse before the cart).

Offers

This is an interesting one. As a Company we pride ourselves on accurate valuations, we don't have as many problems as some when it comes to low offers. However, there is often a chat with a buyer armed with a spreadsheet ready to keep Sarah and me on our toes.

This data tells us that the local property market is really starting to see some positive movement and setting the scene for a super-strong spring market. So, if you're thinking of selling sometime in the next 12 months, it's important we have that conversation as soon as possible.

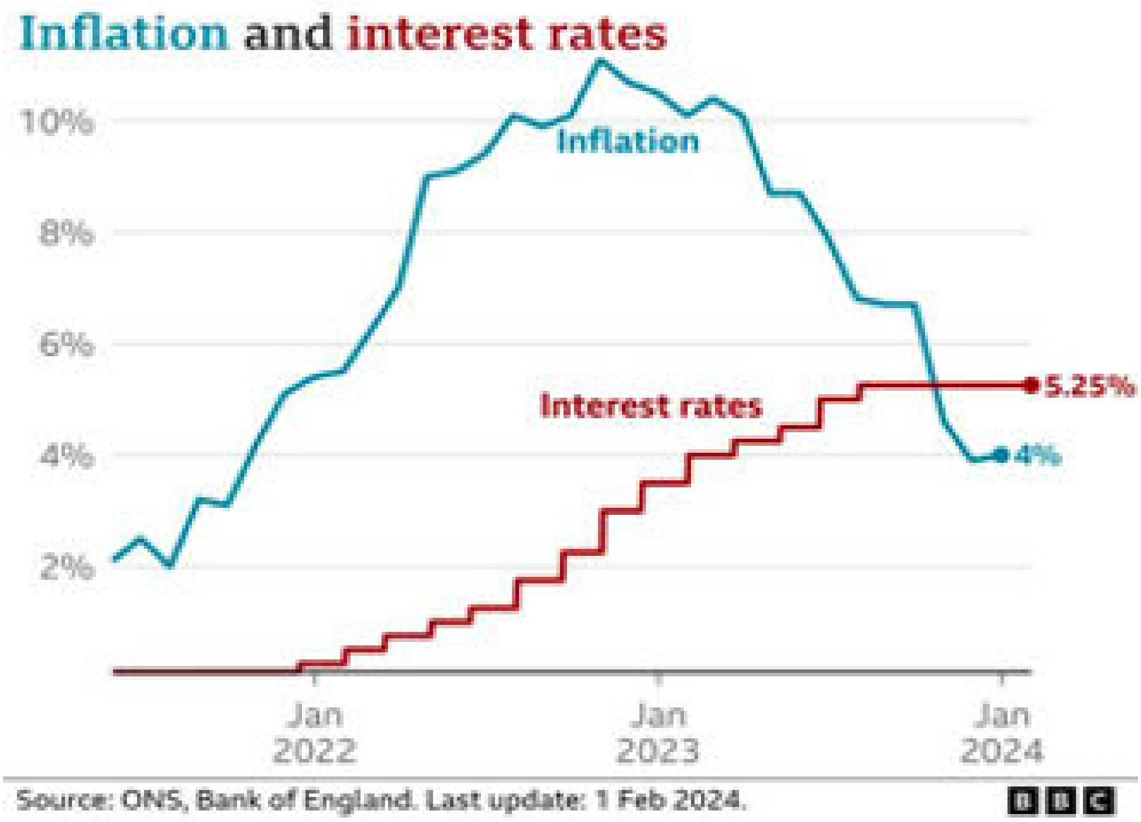
Interest rates

On 1st February, the Bank of England voted to hold interest rates at 5.25% for the fourth time in a row.

What does this mean if you're selling? Stable mortgage rates and a more certain property market, which means you can plan your move with more confidence.

The current rate is the highest for nearly 16 years and most experts (including me!) expect it to fall in the coming months. Governor Bailey commented that while the UK has "come a long way, we're not there yet".

Here's a visual so you can see how interest rates have influenced inflation over the last 2 years. (Credit: BBC)



MY 'CRYSTAL BALL' THINKING FOR 2024

Here's how I see it playing out:

- The majority of the non-proceedable buyers we're seeing right now will soon work out that in order to be taken seriously, they need to put their London homes on the market and find themselves a buyer. This will help stimulate market momentum up and down the A3;
- Interest rates will drop at least twice, leading to new and attractive mortgage products (possibly below 3% by the end of the year);
- The number of property transactions will reach 2018 levels of over 1 million this year;
- England will win the Six Nations. I hope.

What's happening elsewhere in the UK?

Georges Verdis, London Executive, Marylebone

"Buying activity continues to be slow in Prime London, while the rental market is a lot cooler than in previous years. As interest rates come down, and affordability rises, we should see the tide start to turn."

Lisa Curran, Currans Unique, Cheshire

"After a quiet end to 2023 we're seeing things begin to start moving. The demand from buyers is certainly there, but the variety of properties on the market isn't. As the season goes on we're expecting a lot more homes to come to the market. This will leave us with a very exciting Q2!"

Lucy Joerin, Stowhill Estates, Oxfordshire

"Finally, we're seeing some really positive signs! It's been a tough 12 months for sellers in Oxfordshire, but the buyers are really starting to come through now. We're expecting a busy spring."

THINKING OF SELLING IN 2024?

A chat over a cup of tea is our favourite way of getting to know you and discovering your thoughts and plans.

You'll never be wasting our time. It's our job to help homeowners in our lovely area to make informed decisions, whether you're planning on selling now or in 3 years' time.

If you'd prefer a phone chat, just email your address and a few photographs and the best number to call you on, in complete confidence, and I'll share my initial thoughts with you.

If we don't hear from you in the next couple of months, we'll catch up again in Q2.

What's a Hot Property Right Now?

These are the magic ingredients our buyers are seeking right now and are prepared to pay a premium for. (The more of them you have, the higher the value of your home in this market.)

- An attractive 'work from home' space
- Private road or estate
- Entertaining space – large kitchen/diner
- Pretty gardens or outside space
- Large primary suite with dressing room
- "Turn key" homes, ready to move into
- Easy access to stations as more people return to the office

GET IN TOUCH

3 ways you can arrange a visit with us:

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