MARKET UPDATE

February 2025

For High Value Homes Q1 2025

How the local property market has kicked off the new year... and what we can expect to see through 2025

Here's What's In Store:

- The early market trends in 2025 and my crystal ball predictions
- Interest rates and Inflation: what's happening and how are you impacted?
- The TRUMP effect
- Plus: our top 5 tips to sell your home this year!

A Brief Look Back At 2024

For most of us in the property world, and especially our area, 2024 felt like a step in the right direction. Compared with 2023, which was tough, with the lowest number of transactions recorded since 2012, the last 12 months or so have seen a big uptick in transactions: around a 10% increase year on year.

Analysts predict that 2025 will see 1.15 million property transactions, suggesting more improvement in market conditions.

Selling in 2025?

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.

Why? So, we can plan together! Different styles of homes and different values of properties have different optimal months to go to market, in order to maximise interest levels and price.

CURRENT UK INTEREST RATE: 4.5%
Next review 20th March 2025 – Prediction: 4.5%

UK Interest Rates and The Economy

On 6th February, The Bank of England reduced the UK interest rate (or bank base rate) from 4.75% to 4.5%.
However, while announcing the February rate decision, the Bank also cut its growth forecast for the UK economy in 2025 from 1.5% to 0.75%.
It expects the UK to only narrowly avoid falling into a recession, where the economy shrinks for two quarters in a row, and predicts that inflation will rise towards 4% later in 2025.
The Bank is concerned about the possible impacts of increases to the amount of National Insurance paid by employers and the minimum wage, both of which take effect in April, and therefore is likely to leave the interest rate at 4.5% for a while.
President Trump may impact future decisions (read The Trump Effect further on for more details).

Early Market Trends in 2025

2025 started with a bang for us, with year-on-year increases in viewings, offers and sales.

In January, the market between £1,000,000 and £2,000,000 was red hot, with multiple viewing requests and offers on homes in this price range. Into February, this momentum has spread into the £2 million+ price range.

Homes on the market for £2 million or more, that had previously had little to no interest, are now seeing viewings and offers come in.

Now, looking into our trusty 'crystal ball'...

"We predict that over the next 10–12 weeks, into the more traditional selling months, we'll see all of the momentum in the market that has built up at the lower end of the market will spread consistently to properties within the higher price ranges. With the interest rate reduction, this will bring both more sellers and buyers to the market, fuelling the whole market into a very strong Q2."

Here's how we see it playing out:

- As more offers are accepted around the UK on homes under £1 million the more proceedable buyers will move into the marketplace.
- Momentum will continue to grow, with the 'hot' market ending Q1 a step up in price bracket: between £1 million and £1.5 million.
- The more 'traditional' selling periods of March–May will help fuel the market momentum.
- 2025 will be a busy market for selling high value homes.

The Trump Effect

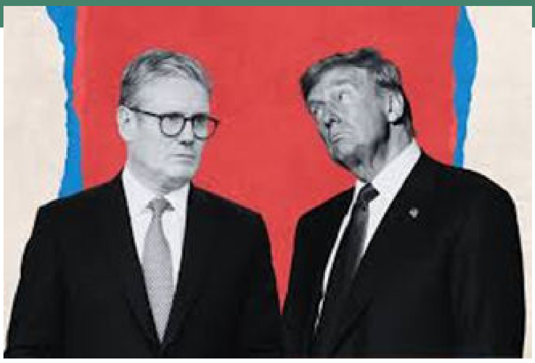
Divisive figure Donald Trump was sworn in as the US President for the second time in January. He has spent his first weeks in office announcing many radical ideas. The most poignant for the purpose of this letter, and impact on the UK economy, is a potential increase in tariffs.

Canada seems to be getting the brunt of this at the moment, but attention could turn to the UK at any time with Trump suggesting that 'the UK is way out of line'.

Trade wars anywhere in the world usually cause some level of financial uncertainty and slower growth, which is rarely a good thing for property markets and is likely to result in increases in mortgage rates.

Trump's policies are 'America First' and are likely to lead to a strengthening of the dollar. With 35% of UK imports paid in dollars, this will increase costs and add to inflation. This will halt any thought of the Bank of England reducing interest rates.

A potential counter to this is if the President can stop the war in Ukraine, as he promised to do. This would bring about a sense of economic stability.



RECORD BREAKING

In 2024, Hawksman had a record number of listings, offers, sales and most importantly, completion than any other year.

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Cobham 01932 505505

Esher 01372 235135

Oxshott 01372 237800

Berkshire 01344 426767

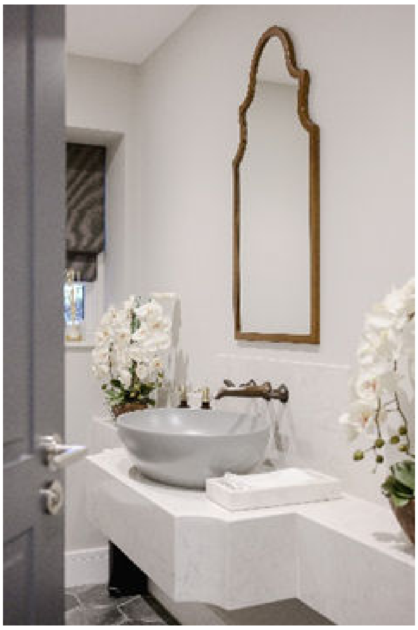
5 Tips to Maximise Your Home’s Value

Are you, or someone you know, thinking of selling sometime this year?

If so, here are our top 5 tips to maximise the sale price for you and your property...

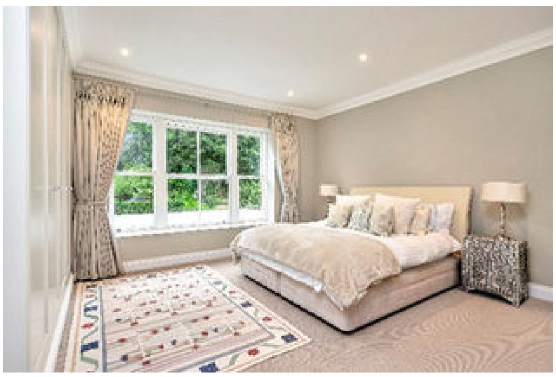
Tip 1 – First Impressions Matter

In today’s market, first impressions are made before buyers even set foot through your door – thanks to online listings. Make sure the exterior of your home looks impeccable, both in person and on screen. This includes freshening up the paintwork on gates, windows and any outdoor structures, and keeping the garden tidy, especially in areas like driveways, walkways and the approach to your front door. With many buyers now searching from afar, ensure your property looks inviting in photos, with perhaps a splash of seasonal colour –think flowering plants, a neat lawn or even some outdoor lighting to add warmth to evening views. The goal is to create an immediate sense of “I want to be there” from the moment they see your listing online.



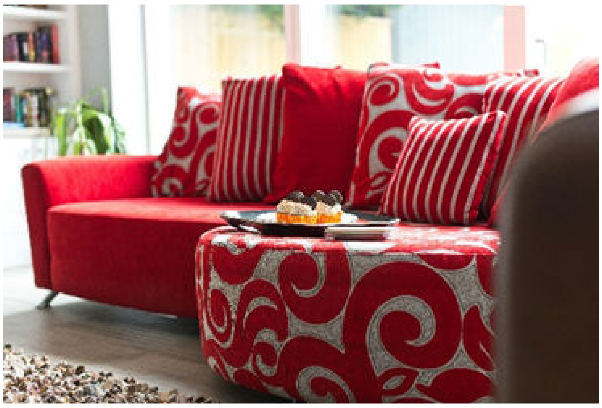
Tip 2 – A Fresh Coat of Paint

A fresh coat of paint can work wonders in 2025 – especially if you’re aiming for a modern, light and airy feel. Neutral tones are still a winner. A well-painted room can make a home look crisp, well-maintained and cared for – qualities that buyers will pick up on. Think of it as setting the stage for them to imagine their own lives in the space, and ensure that the colours you choose feel fresh and in keeping with the style of the home. It’s an investment that pays off, particularly for high-end homes where the quality of finishes can really set you apart.



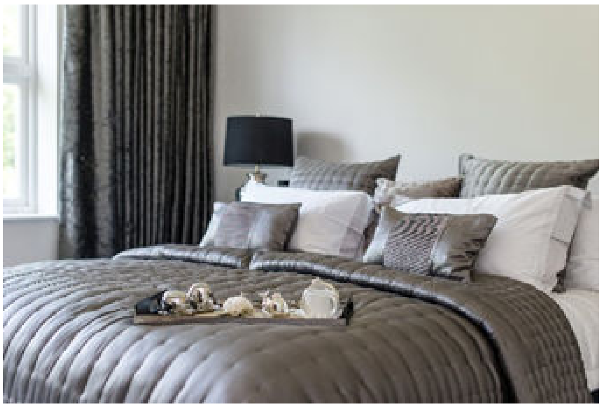
Tip 3 – Create an Inviting Atmosphere - Even Virtually

In 2025, in-person viewings may still be crucial, but online marketing has become just as important for reaching buyers – especially those from farther afield. Whether in person or online, aim to create an immersive experience by enhancing the atmosphere. Leave soft, ambient lighting on to highlight key features of the home, and consider lighting a fire to bring a sense of warmth. Subtle background music (maybe a light jazz playlist or acoustic sounds) can set a relaxed mood, helping potential buyers feel at ease. If you want to go the extra mile, bake something aromatic like fresh bread or a cake before a viewing – it's an age-old trick that makes your home feel welcoming and lived-in, allowing buyers to imagine themselves settling in.



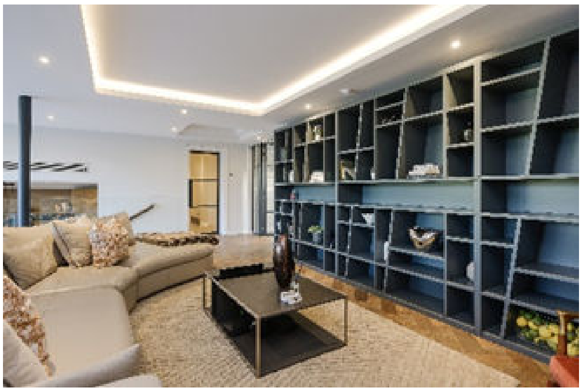
Tip 4 – Style Bedrooms Like a Luxury Retreat

Buyers are looking for homes that offer not just a place to live but a retreat from the stresses of modern life. Your bedrooms should reflect this – think of them as personal sanctuaries. Aim for a hotel-style aesthetic, but with a modern, understated twist. Invest in high-quality, simple bedding – crisp white or soft muted tones – and add touches like matching lamps and a beautiful throw to complete the look. The goal is to create an atmosphere that feels like a five-star hotel room – relaxing, calming and beautifully appointed – so the buyer imagines themselves unwinding in the space.



Tip 5 – Less Is More with Styling

While buyers are increasingly drawn to minimalist, clutter-free homes, this is especially important when showing off a high-value property. The '3-5-7 rule' still stands (group items in odd numbers to make them more aesthetically pleasing), but now it's even more essential to give buyers the space to envision their own lives in your home. Clear surfaces and open spaces help buyers focus on the true potential of each room. Consider removing personal items like family photos or excessive décor that could distract from the property's beauty. A clean, simple aesthetic creates an environment where buyers can imagine themselves in the space, without being overwhelmed by the previous owner's style. Remember, less clutter equals more space.



Once you've nailed these tips, your home will be exponentially more saleable and you're ready to make the call and to go to market...

So What's Next?

A chat over a cup of tea (preferably Yorkshire) is our favourite way of getting to know you and your home, and discovering your future plans.

You'll never be wasting our time. It's our job to help the owners of high value homes in Oxshott and surrounding areas to make informed decisions, whether you're planning on selling now or in 3 years' time.