

# PROPERTY MARKET

It is a very strange world out there in the property market at the moment as there is a wealth of commentators all predicting what the market will do in the next twelve months, and all predicting very different outcomes! So how does anyone not 'in the know' have any idea where they stand?

The general feeling in much of the press is one of doom and gloom, with endless stories of prices dropping and the market grinding to a halt. So, is this true? My first reaction is to point out that any references the writers make to the market slowing down must be taken in context against the frenzied market that we all saw after the first lockdown. This was never going to be sustainable in the long term. Any reports of prices dropping by a few percentage points never seem to remind people that prices were rising by about 10% a year in the frenzy!

To me, the real yardstick of the market is 2019, pre-pandemic.

We are considerably busier now than we were then, and that cannot be ignored. The Tettenhall Office received forty instructions to sell houses in January this year, this year, which is far higher than we would usually expect in January. Exactly the same number of sales were agreed in January this year as in January 2019.

The UK's largest housebuilder, Barratt Developments, has reported that there was an uplift in their sales in January. Martin Lewis, the well-known Money Saving Expert, recently asked his followers on Twitter to vote on whether they felt that house prices were likely to rise or fall over the next twelve months. Receiving over 44,000 votes almost a third of voters felt that prices were likely to rise, which was higher than the number of voters that thought that prices were likely to drop.

A further potentially positive influence on the housing market is the fact that mortgage lenders are beginning to lower mortgage rates, despite the Bank Of England continuing to raise the base rate. Both HSBC and Virgin have recently launched sub 4% remortgage deals and Virgin has also launched a five year fixed deal at 3.99% for house purchases.



These are the first mainstream sub 4% deals for some time. Maybe all is not doom and gloom after all?

On an entirely different note, the issue over rogue agents continues to hover over all estate agents heads. I reported in an article for this magazine several months ago that estate agents are one of the least trusted professions in the country. The recent case of the head of a Wolverhampton Letting Agency who has been sentenced to 28 months in prison for, amongst other crimes, defrauding tenants and ordering his staff to make false claims will not help matters. It is hard to comprehend the amount of misery that a rogue agent can cause for innocent people, and equally hard to comprehend how anyone could put somebody through such a nightmare.

It is vital that you take care when choosing an estate or letting agent to act for you that you ensure that they are regulation compliant and that they are a member of a regulatory body. The vast majority of agents are honest, hard working people, but you should still choose carefully. It goes without saying that Berriman Eaton will pass all of your checks!

