



Savills Newbury Home Truths

Tuesday 29 September 2020

Welcome and thank you for joining.

You are on mute for the duration of the webinar.

We will begin shortly.

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Welcome

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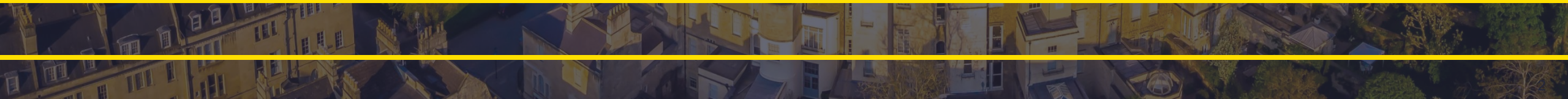


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Q&A Panelists



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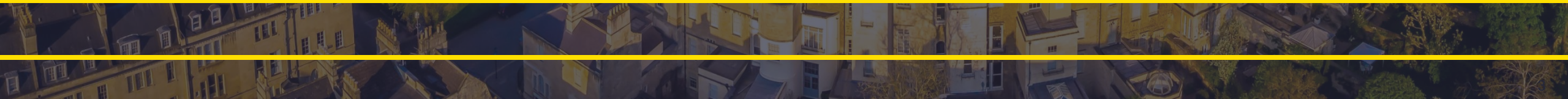


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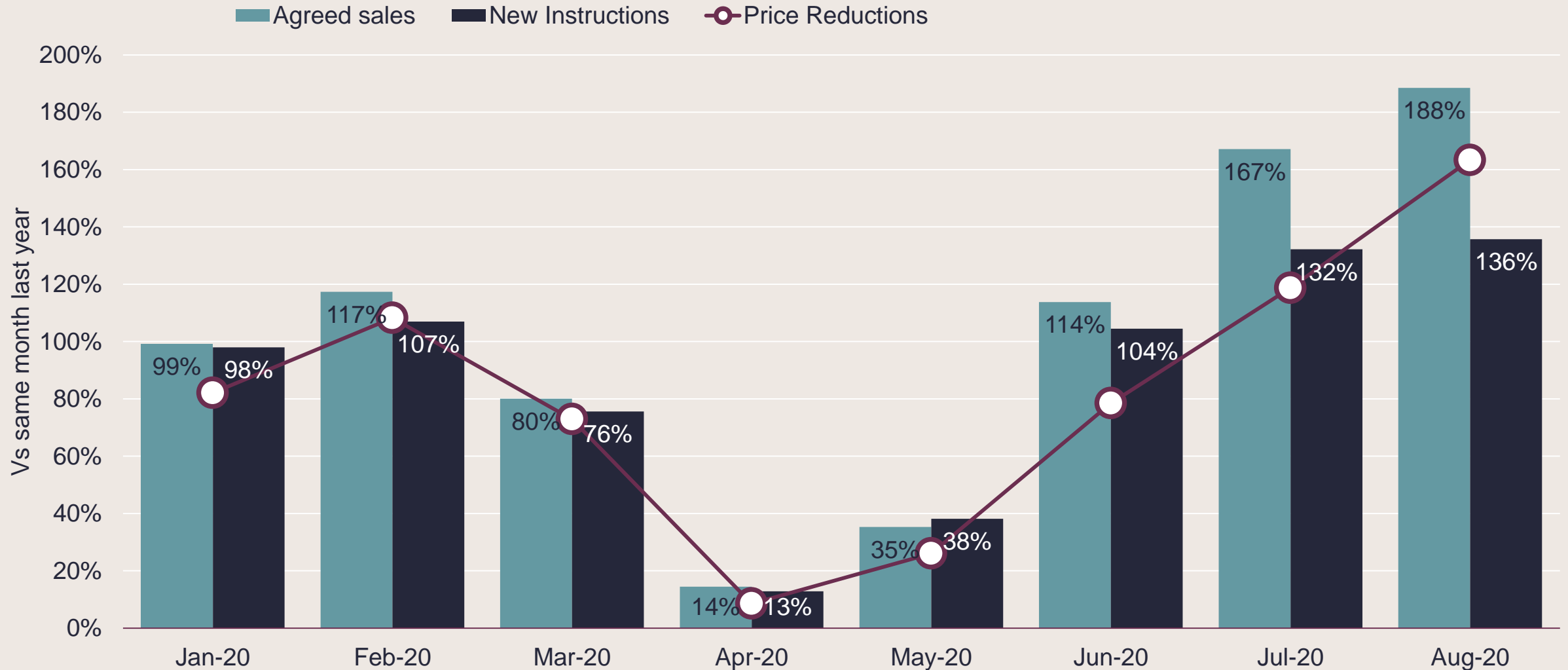




UK Residential Update

Jessica Tomlinson, Residential Research

A remarkable recovery, but the market remains price sensitive



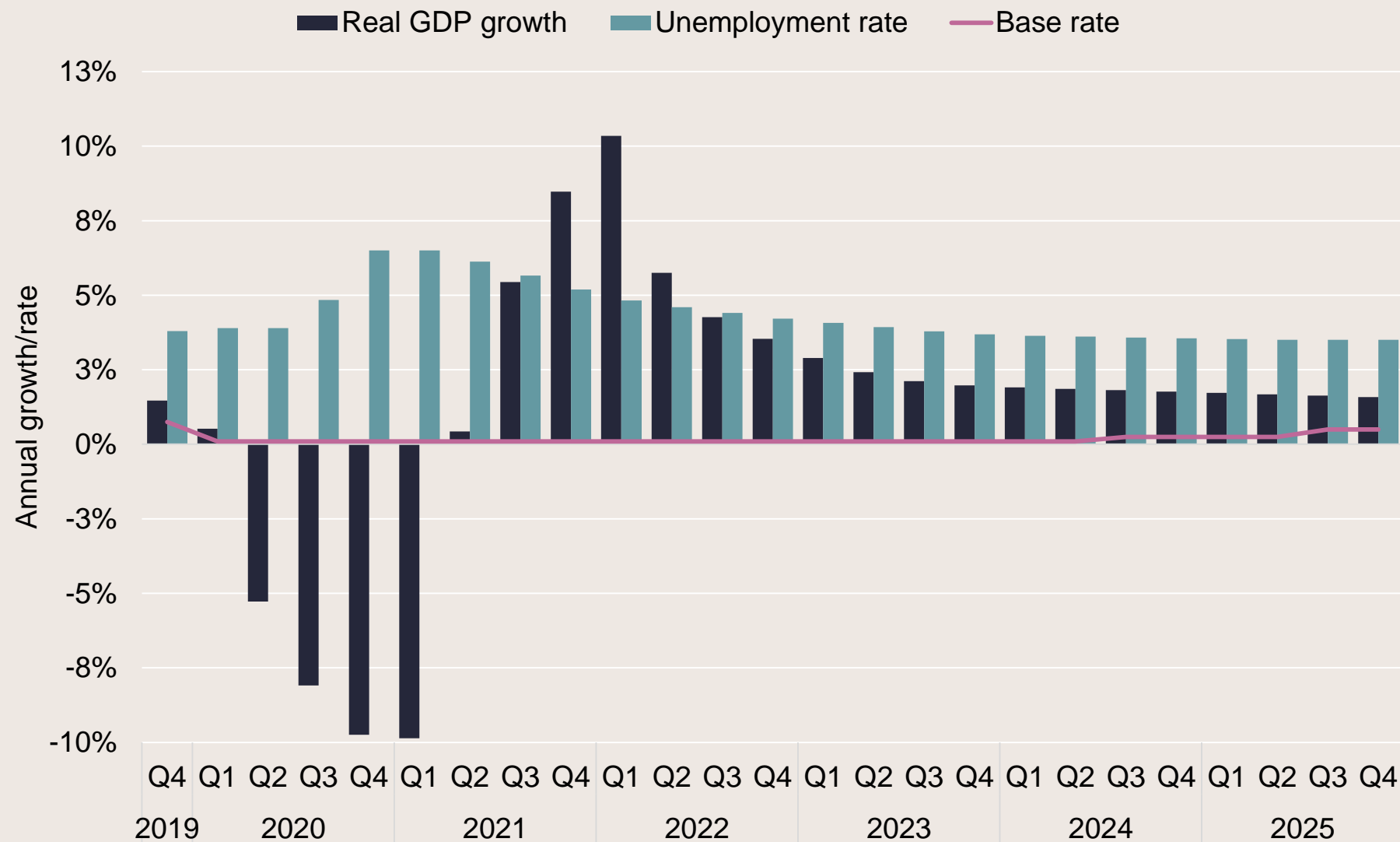
+7.3%

Mortgage approvals
July 2020 v July 2019

-24%

Completed transactions
August 2020 v August 2019

The economic outlook has deteriorated

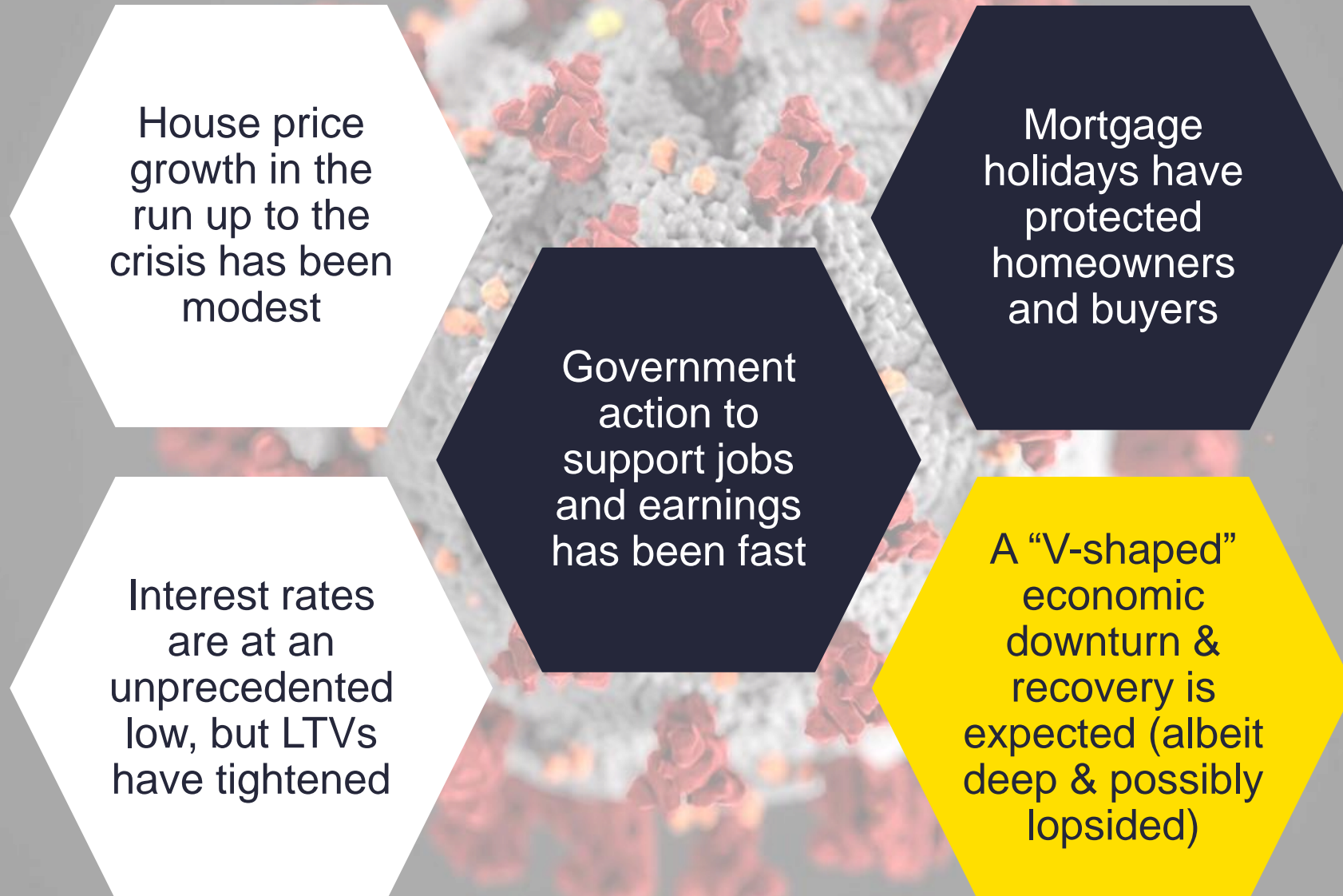


Sharp fall and rebound in GDP

Unemployment to hit 6.5% by end 2020 but lower than post GFC

Interest rates much lower for much longer

What differentiates the current situation from previous downturns?



Lockdown has driven a change in buyer requirements



56%

more inclined to **work from home** in the future



66%

of those anticipate that they will do so for **3+ days** a week



57%

said a **separate place to work from home** has become more important



48%

said a **WIFI / a good internet** connection has become more important



62%

said a **garden and other outside space** has become more important

80% under 40

Local average
transaction values

£405k

West Berkshire

£342k

Basingstoke & Deane

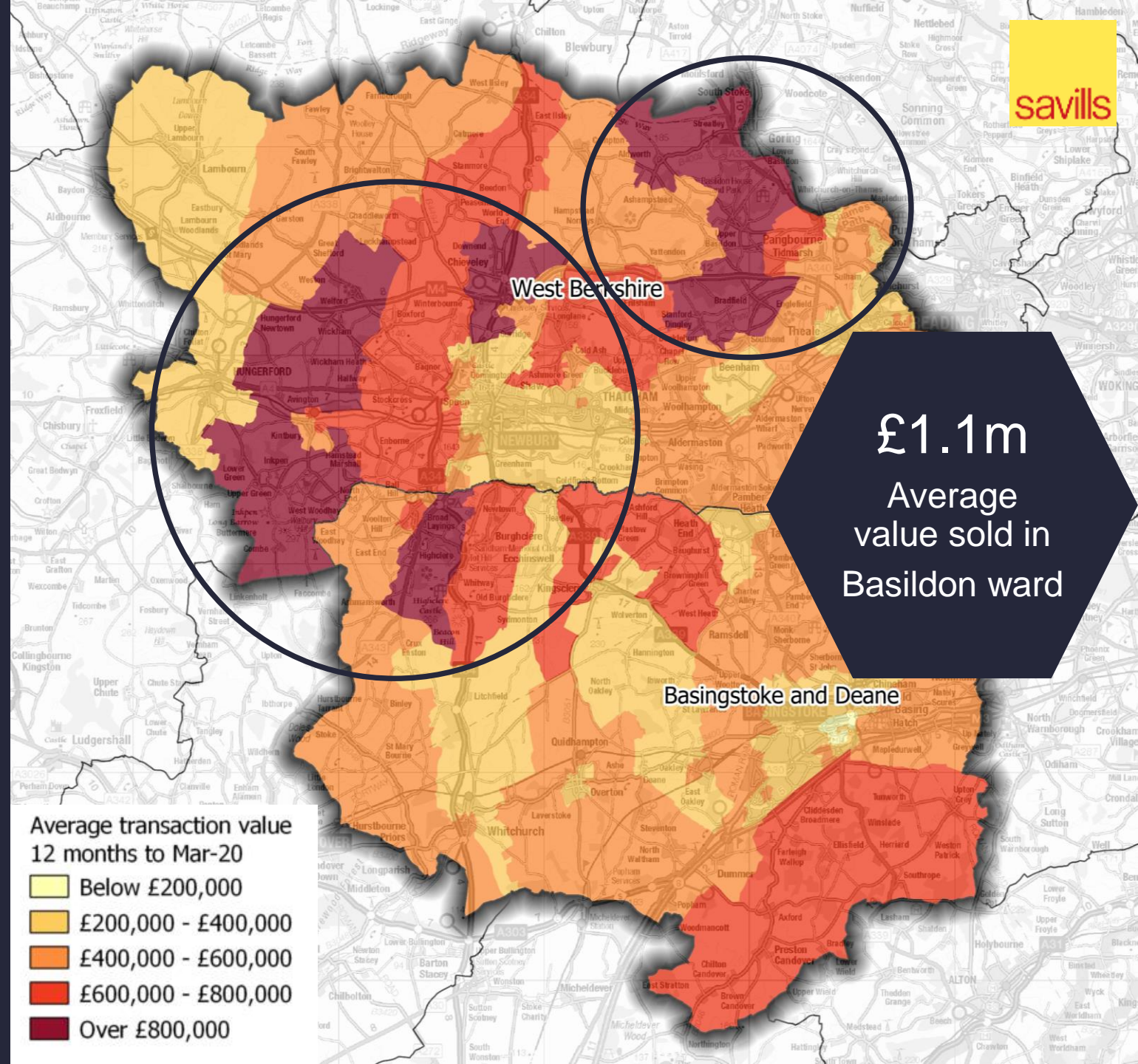
Chieveley

Bucklebury

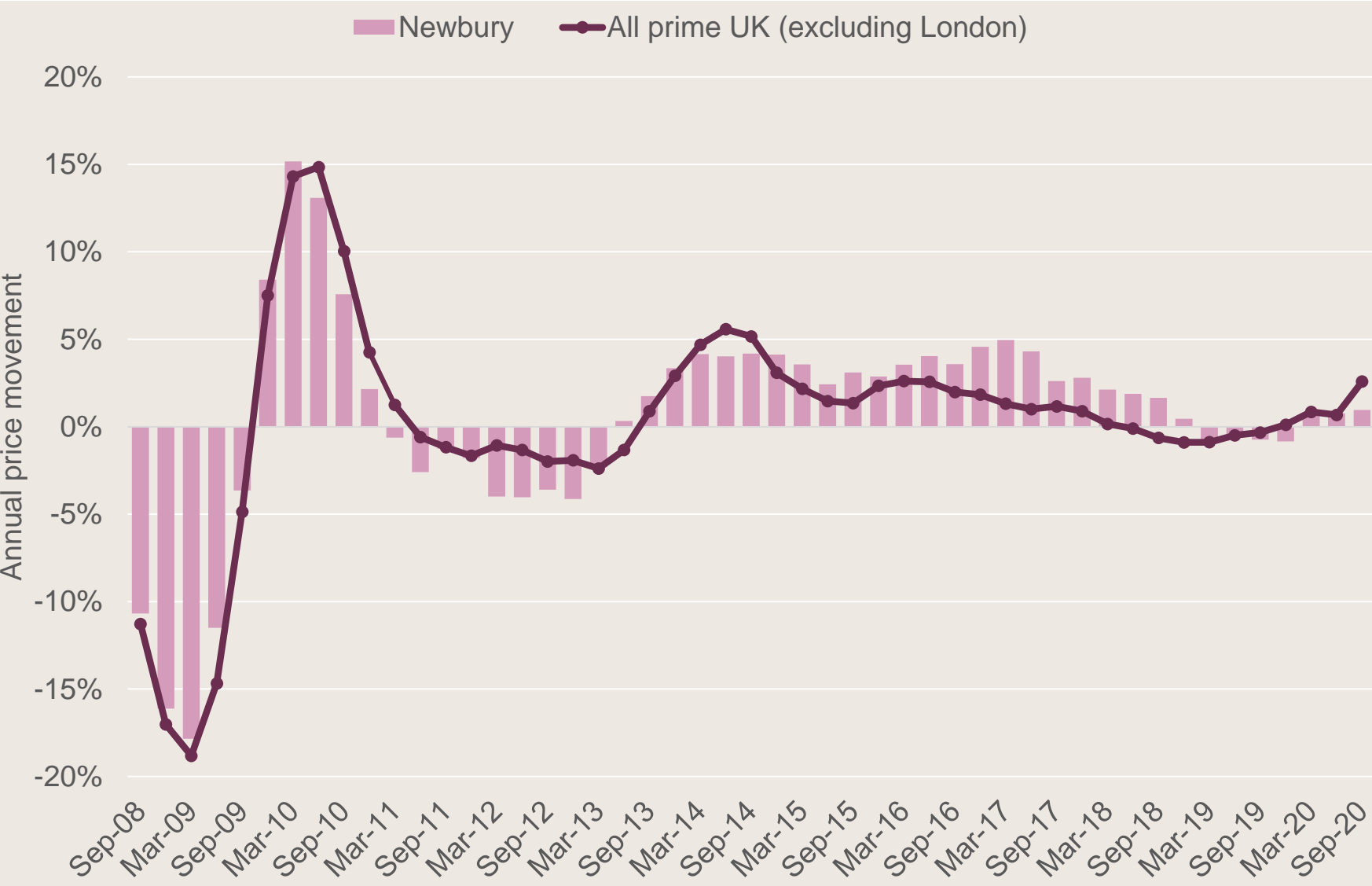
Kintbury

All above £650k

Source: Savills Research using Land Registry



Prime price movements



5 year growth

+8.3%
Prime Newbury

+4.8%
All Prime UK (excluding
London)

Newbury
below £1m

+1.6%

Annual growth

Newbury
£1m+

0.0%

Annual growth

Changing lifestyle priorities & the value gap will underpin the market

Unwinding of government support & Brexit will make it difficult to sustain current momentum

Buyers & sellers will need to remain pragmatic

Stamp duty holiday & surcharge will distort buyer behavior in the short term

Mortgage debt remains incredibly cheap but is proving difficult to access

The wider tax environment may act as a drag on future price growth

And for the prime rental markets across the commuter zone



Prime commuter zone
rents

+1.2%

Quarterly

Prime commuter zone
rents

+2.7%

Annual

The Savills logo, consisting of the word "savills" in a red, lowercase, sans-serif font, is centered within a solid yellow square. The background of the entire slide is a photograph of a traditional English-style house with a steep, tiled roof, multiple dormer windows, and a brick chimney. The house is partially obscured by lush green foliage in the foreground.

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Thank you

The background of the slide is a photograph of a large, ancient stone tower, likely a castle or fortress. The tower is made of dark, weathered stone and features a prominent circular section on the left. It has several windows and a crenellated top. The tower is situated on a grassy hill, and the sky is a clear, pale blue.

Local Market Update

Liz McLean, Head of Newbury Residential

An overview of our recent activity



Buyer
registrations
+80%



Sales
agreed YTD
+200%



Multiple
Offers
59%



Guide price
achieved
96%



Buyers from
London
32%

Our market in 2020



- We have had an 80% increase in new buyer registrations year on year, with viewing numbers also up 71% vs. August 2019
- Our current average guide price has risen from £1.05 million in 2019 to £1.3 million in 2020
- This August we agreed 3x more sales than we did in August 2019
- Lifestyle changes: 32% of our buyers are from London vs. 22% in 2019
- All areas of the market are performing well since May 2020

Sold properties



**Peasemore,
Newbury
Guide £450,000**



**Westridge Green,
Streatley
Guide £1.25 million**

**Garden Close Lane,
Newbury
Guide £1.1 million**



**Linkenholt,
Andover
Guide £4.45 million**



Snelmore Common
Guide £1.7 million



Currently under offer



What do you get for.... £1 million?

Top left

Wildhern, Andover – Guide £1.1 million

Top right

Sulhamstead Hill, Sulhamstead – Guide £1.1 million

Bottom left

Baydon, Marlborough – Guide £1.2 million

Bottom right

Lambourn, Hungerford – Guide £1.1 million



What does your money buy you in London?

- Superb apartment with views of the River Thames
- Guide £925,000
- 2 bedrooms
- 892 sq ft
- Leasehold



- Beautiful apartment over two floors in the heart of Westminster
- Guide £995,000
- 2 bedrooms
- 811 sq ft



New Instructions

Here are a selection
of our New
Instructions coming
soon to the market



Summary



- Buyer demand started rising in January 2020
- Pent up demand with London families moving out rose sharply after lockdown
- Gardens and office space are key
- Less need for easy commuting
- Access to schools remains important



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Thank you

Q&A