

# CHICHESTER PROPERTY NEWS

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Issue 4

Spring 2015

## What the census tells us about property in Chichester

It seems a distant memory that four years ago we were filling out our Census forms, but as the final chunks of data about property are released it's becoming a real treasure trove of information.

Information is vital when making decisions on what (or not) to buy when investing in property. So let's take a look at Chichester's figures as a whole (correct as of March 2011's census).

In the city there are a total of 49,848 households, of which just under seven out of ten are owner occupied (33,481 to be precise or 67.2%).

20,210 of these households don't have a mortgage to worry about, meaning 40.5% of Chichester households are owned outright by the occupant (compared to 31% nationally).

This not only reflects the relative affluence throughout the city (and perhaps a nod to its demographics) but is also important when considering the future of its housing market.

You see, the biggest impact upon house prices could be an increase in interest rates. But, as there's a greater percentage of Chichester households without mortgages, a rate rise will have less impact on the overall market. This should help insulate Chichester from any sharp drop in property prices.

I'm also interested in looking at the number of renters and what this suggests about the strength of the local rental market. With 6,356 householders renting their home (12.8%) compared to nearly 15% nationally, you may think Chichester's rental market is a little weak.

In actual fact it has positively boomed over the previous decade, increasing by a whopping 51.3% since the 2001 Census.

Has this additional supply led to a glut of properties to rent, the result of which would drive down prices?

In the lettings industry, it is recognised there will always be 5% of the rental market up for rent at any one time. This means there should be 318 properties to let today in Chichester (5% of 6,356 as mentioned above). I am pleased to tell you there are only 175 as I write this article, confirming rental property in Chichester is becoming an ever sought after commodity due to this under-supply.

That doesn't mean you can get away with woodchip wallpaper and outdated fixtures and fittings though. Tenants are becoming more discerning in the properties they rent. However, present your Chichester property to a good standard whilst pricing it right and you should do very well.

The average property in Chichester is now valued at **£366,120**

Prices in the past 12 months are **UP 5.2%**

Rental yields in Chichester average **5.2%**

## Which is the most expensive street around Chichester?

Parts of the Manhood Peninsula (Birdham, Itchenor and West Wittering) and Bosham feature heavily amongst the most expensive local streets, when ranked by their average property value.

Spinney Lane in Itchenor holds the honour as the most expensive street in the PO18-PO21 postcode districts, with an average property value of £2,044,672, according to Zoopla.

Chunks of West Wittering then follow, with East Strand (£2,023,697), Rookwood Lane (£1,892,867) and West Strand (£1,864,977) just outgunning Bosham Hoe and Smugglers Lane in Bosham, averaging £1,779,208 and £1,499,110 respectively.

I was surprised that Brandy Hole Lane and parts of Chichester's city centre and Summersdale did not feature in the list. In fact, no street in the PO19 district is able to break the £1m average value mark.

Focussing on the most expensive street, Spinney Lane, the last sale was in March 2012 for a staggering £3.825m. This same house sold for £1.3m in 2003 and £600,000 in 1999; that's some impressive capital growth of 638% in 13 years!



## Median rental price by property type



1 bed flat



2 bed flat



2 bed house



3 bed house



4 bed house

## Which buy-to-let is right for you?

Different circumstances call for a different approach to property investment.

'Bargains' can be elusive in and around Chichester, as it is a location in high demand. Modest rental yields should give way to better long-term prospects for capital growth in the area though.

Modern properties will require less maintenance and should attract good quality tenants. This type of property can give you a quieter life but at a higher purchase price, impacting your initial rental returns.

Consider the following if you are thinking about investing in buy-to-let:

- What is your budget?
- Are you looking for a project?
- What return are you seeking?
- What is your timeframe for investment?
- What type of tenants do you want?
- Which location best suits your criteria?
- How much spare time do you have?
- Do you have the knowledge to manage it?



If you would like some friendly advice, whether you are an existing landlord or new to the market and thinking about investing for the first time, please contact Clive Janes, local landlord and owner of CRJ Lettings in Chichester.

You can also read more Chichester property news at [www.crjlettings.co.uk/blog](http://www.crjlettings.co.uk/blog)

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