

# CHICHESTER

## PROPERTY NEWS

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## Which month is busiest for Chichester's property market?

**I was chatting with a landlord recently who had decided to sell their rental property, but was struggling to do so. He was therefore considering re-letting the property rather than holding out for a seller who might not come along, having waited several months already.**

I wondered if the 'Summer lull' in the property market could be the problem, whereby people are too busy taking in the sunshine at The Witterings, or further afield, rather than traipsing around looking for a new home.

I thought if I looked up the number of property sales in Chichester in each month of last year, I might be able to find whether this is indeed the case.

March saw far more property sales in Chichester than in any other month in 2016. BUT this is something of a red herring, as 2016 was quite unique due to the government's meddling. A 3% stamp duty levy that came in on 1st April 2016 for landlords and second home owners, meant there was a huge increase in the number of transactions getting pushed through in March (and January & February) to avoid this additional cost.

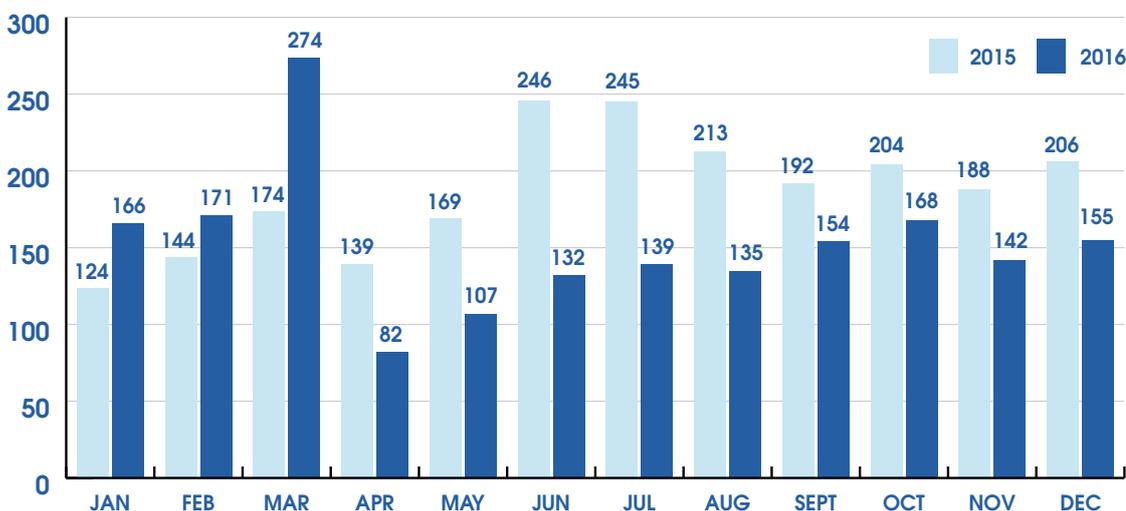
Because of this, I thought it best to go back another year to 2015 (a year that wasn't distorted by government policy), where I found the number of property sales in Chichester were far more evenly spread than in 2016.

The comparison between the two years highlights what a drastic affect the stamp duty changes have had on Chichester's property market, as every month after they came into force there have been fewer properties sold in Chichester than in the same month the year before.

Back to my original question though, about which month is busiest in Chichester's property market, and it would seem the peak in property sales in 2015 occurred in June and July, where 246 and 245 properties were sold in Chichester respectively.

Bear in mind though that these figures (from Land Registry) are when a property sale is completed, rather than when it is first agreed between buyer and seller. With the legal process taking at least a couple of months, we can conclude that the majority of sales are agreed in April and May and that there is indeed a 'Summer lull' in the property market.

Month-by-month total property sales in Chichester



CHICHESTER

TOTAL PROPERTY SALES IN 2015

**2,224**

TOTAL PROPERTY SALES IN 2016

**1,825**

# Will Chichester's youngsters ever be able to afford their own home?

**Chichester's house prices have risen faster than the UK average over the past few decades. This has made it increasingly difficult for young people to own their own home locally.**

Due to record low interest rates though, the monthly cost of a mortgage might be more affordable than many expect.

The problem for wannabe first-time buyers is that Chichester's higher than average house prices means getting together the upfront money required to purchase their own home (deposit, stamp duty and legal fees) is increasingly difficult.

A large proportion of Chichester property owners are older; notably around 1 in 4 people in Chichester are 65 or older, compared to a far lower 1 in 6 nationally. There are also 60% of Chichester's 33,481 homeowners who don't have a mortgage, whereas the national average in this privileged position is less than 49%.



A report by Knight Frank surveyed 3,500 private tenants nationwide. It highlighted the growing importance the private rental sector will have on the property market, as 24% of responders said they do not expect to ever buy their own home.

Less than a quarter expect to leave the rental market within the next two years. Interestingly, there is also a growing trend amongst some tenants who choose to rent rather than buy. One third of the tenants polled said that renting either suited their lifestyle or that they didn't want the commitment of homeownership.

It is clear that many people no longer view the private rented sector as merely a short-term solution to their housing requirements. An increasingly mobile workforce is actively seeking the convenience of renting their home rather than committing to buy, whilst many more simply cannot afford to buy in Chichester.

The availability of good-quality rental property will therefore become increasingly important for the future of Chichester's housing market. This continued demand from tenants is of course good news for Chichester landlords, many of whom are taking advantage of the current low interest-rate environment to expand their portfolios.

**Did you know?**  
There are **49,848** households in the Chichester district.  
**20,210 (41%)** of these are owned outright by their occupant, compared to **31%** nationally.



## Median asking price by property type



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.

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