

CHICHESTER

PROPERTY NEWS



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The cost of a bedroom in Chichester

Many first-time buyers will start out with a small 'starter' home, which is both suited to their needs and matches their modest earnings at the beginning of their careers. But as time goes by there's a tendency for extra possessions to pile up and for extra people to emerge in your life! This made me think - what's the cost of needing an extra bedroom in Chichester?

Let's start with a one-bedroom property (normally a flat). The average price for one of these in Chichester is £199,750. As many will appreciate, the first step is often the hardest and that's no exception when it comes to buying a property. The income and deposit you'll require to afford even the most modest of homes in Chichester is probably the greatest barrier to getting on the property market.

Once you do though, and you hopefully rise through the ranks in your chosen career whilst growing your nest, the increase in price to afford an extra bedroom becomes a little easier as time goes by.



The above shows that whilst the outright cost grows, the comparative growth in percentage terms lessens as a property expands. The exception to this is the jump from three bedrooms to four; a difficult leap to make due to the relative price increase as well as a lack of supply of four-bedroom homes compared to the more readily available three-bed.

Of course, the price increase as you climb the ladder isn't just for an extra 'bedroom'. As the number of bedrooms grow, so will the size of the other rooms throughout the

house as well as the outside space and amenities e.g. garden/garage/driveway.

It does however demonstrate that it's the first couple of steps that are the toughest on the property ladder, which is why I feel it's right that government policies and incentives focus primarily on first-time buyers.

It would be nice though if they also considered that the need for an additional bedroom effects the 'upsizers' at a time when the financial strain (a new child being the most common) is often at its greatest.

Properties in Chichester





Is it time to increase the rent?

Now, I should stress that I don't see it as 'the norm' to increase the rent as a matter of course. I particularly dislike tenancy agreements that have onerous automatic rent increase clauses built into them. In fact, I would far rather reward a tenant by not increasing the rent, if they have paid on time each month and looked after their home; thus retaining them for a longer period.



Nevertheless, some landlords will take a less pragmatic view and will wish to ensure they're receiving the 'going rate' at all times. For these landlords a rent review should assess what the market rate is for the property by analysing the supply on the market (just like you would when you initially let a property).



The average rent in Chichester is currently £1,000pcm, which is almost identical to the average one year ago (£999pcm).

It's not surprising therefore that, having recently completed the rent reviews for my landlords, in 87% of cases the current rent being paid matched what I would expect to re-market the property for; so no rent increases were recommended. In the other cases a modest increase of £20pcm-£50pcm could have been warranted, but my landlords took the same view as me in maintaining the status quo.

Unfortunately, the landlords amongst you will be well aware of recent changes to taxation regimes negatively affecting landlords. As such, my previous 'relaxed' attitude to increasing rents, in favour of adopting a good long-term relationship with a tenant who is known to pay the rent and look after

the property, is having to be adjusted somewhat.

I suspect other landlords are having the same dilemma, and their reluctance to increase rents, even when it would be reasonable to do so, will have to harden, ultimately leading to more rent increases to existing tenants.

If you'd like a 'rent review' for one of your properties, please get in touch and I'll be happy to provide one free of charge.

did you know?

The average sale price in Chichester stands at **£381,085**.

That's up **5.2%** compared to a year ago and is **69%** higher than the UK average of **£225,621**.




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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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