

**Over a month on from lockdown**

It has been over a month since the lockdown restrictions have been lifted and the industry was once again allowed to help people get moving. What does the market look like since reopening and how have things changed as agents settle into life after lockdown?

We spoke to a few Members of The Guild of Property Professionals about what is happening in the market post-lockdown.

**Activity surged as the market reopened; are you still seeing high levels of activity?**

Gary Lund, Director at Royston & Lund, says: “We are currently experiencing very high levels of activity with many new instructions, as well as viewings and offers. Each buyer and seller seem to have their own perspective or viewpoint with many being unconcerned and carrying on as normal, while some are nervous yet, committed to moving house due to personal circumstances.  Most sellers have sympathy with us working in difficult conditions, while many are expecting a “business as usual” service.”

According to Kirsty Keeton, Director at Richard Watkinson & Partners, the unexpected high levels of activity have continued in Nottinghamshire, with sales in May equalling May 2019, even being in lockdown for half of it and June, exceeding 2019 by 30%.  She adds that there is a large amount of pent up demand, however, market sentiment and confidence remains high.

Ian Harris, Senior Valuer at Watsons Property and Advisory Board member for NAEA Propertymark, says that now the market has got through the “bounce” period immediately after lockdown ended, signs are encouraging.  “By the midpoint of June, we had agreed more sales than the same period last year,” he adds.

**Have you seen changes in the behaviour of vendors and buyers?**

“Yes,” says Keeton, “lockdown has caused many life changes.  Vendors are keen to move their lives forward following a large period on hold. Brexit, COVID-19 and lockdown has exasperated their initial reasons for moving.  Buyers have prioritized property over other luxury material items such as holidays and cars.  Making a home to live, in the right location seems to be en vogue.”

According to Harris, more people are looking for second homes and quoting ‘reassessment of priorities’ in the decision-making process.

**Are buyers and tenants happy to do a virtual viewing first, or are they insisting on physical viewings from the onset?**

Gary Lunds says that it would appear that the majority of viewers are happy with a virtual viewing, particularly in lettings. However, there are many that are desperate for a physical viewing and will do whatever it takes to see the house of their dreams.

Harris comments that while virtual viewings are not ideal, there is the realisation that people cannot just view a property on a whim.

According to Keeton, people were happy to do virtual viewings during lockdown which resulted in sales, but now restrictions are easing, buyers are insisting on physical viewings. “It the largest purchase of most people’s life and something that is very difficult to do virtually. House browsers are happy with virtual viewings and the number of viewings we have arranged reflects this shift.”

**Have you seen any trends develop since the market reopened?**

Harris answers that potential second homes are selling best, and city apartment sales are tentative.  “In regard to the latter point, offices are still empty with people largely working from home, hospitality remains firmly closed and theatres and cinemas are not open – we will have a clearer picture about the city market when those venues and facilities are operational again.”

Keeton says she has definitely seen trends develop. “Trends of open space, gardens and home office are all true.  Villages that were previously seen as remote have gained traction and the urban rural shift and north shoring from London to the East Midlands is real.  Londoners are the biggest to re-evaluate, particularly if their companies are now allowing an element of home working. We’ve seen a 20% rise in applicants registering from out of area post lockdown,” she adds.

**What has been the most challenging aspect since the market reopened?**

Philip Jackson, Director at Maguire Jackson in Birmingham, says: “The COVID-19 crisis has allowed a lot of comment to be made to be made in the media regarding the likely UK housing market post lockdown. Much of this has been negative, with some commentators looking back at the banking crisis of 2008 and now forecasting sharply falling prices. As an agency we have witnessed some buyers since we reopened bidding well below the asking prices then being surprised when the vendors have rejected their offer. There is currently no market evidence of prices falling.

We are currently agreeing sales and seeing pre lockdown deals continuing to go through at or very near asking prices. This minute whilst there is full banking confidence in the system there is little or no reason for prices to remain other than stable. Certainly, we recommend potential buyers to ought to take advantage the increasing supply, as the pent-up Spring stock reaches the market, if they see something that fits their desires and has the location sought. We do not think this imbalance will last long.”

According to Lund the biggest challenge has been ensuring staff are happy to return to work and making sure they are able to take the precautions to keep everyone safe and happy. “During lockdown it was important to keep in touch which hopefully I did to the right level. It has been particularly difficult in rental, as I have had to keep staff on furlough which is a delicate situation to manage. Getting hold of the correct PPE was a challenge in itself! Moving forward from a business perspective another huge challenge has been working through the backlog of enquiries, market appraisals and viewings that came in over the lockdown period,” he adds.

Harris says that his biggest challenge has been time. “People need our time more than ever.  This ranges across everything from discussions with potential clients about the market to explanations about our COVID-19 Health protocols,” he adds.

According to Keeton, their biggest challenge has been persuading people to do virtual viewings, particularly those who are not proceedable. “Also respecting the rules on physical viewings and not bringing the whole family and extended family.  We have been clear with our policies, re-enforcing these in our confirmation email and text messages for viewings,” she says. “Also, personally, as a business owner and working mum, juggling work, children, staff, offices, reduced staff hours due to childcare issues and customer expectation was tricky.  The market re-opened very early after lockdown, with 12-hours’ notice, which presented an enormous backlog, on top of bringing staff back off Furlough and pent up demand. Those weeks I do not wish to re-live, it would have been nice to have a date to work to like every other industry!”

**Any predictions on the market moving forward?**

“The market currently seems strong and we are unlikely to see price drops in the coming months. There is a hope that more properties are likely to come onto the market over the coming months which would be great after a couple of years where transactions have been low within the industry,” says Lund.

Harris predicts that the rental market will continue to be strong, however, he adds that much will depend on how retail and hospitality do over the summer. “We could have a stable situation at the end of the year.”

Keeton concludes by saying, “I think the wrath of lockdown will be felt for a while and the regions will ultimately remain stable and potentially strengthen further, with digital communication and connectivity improving, leaving lower demand for London to live and work.  The city and town centres need to diversify and regenerate away from mass retail, to create more community based live/work/play centres, which will ultimately have positive effects on the environment and sustainability.”

**-ENDS-**

**Editors’ Notes**

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