

Thame | Chinnor

parkers

Market Insight

The Thame and Chinnor areas have homes for a broad spectrum of lifestyles, from first time buyers in new build urban apartments, to families in period detached rural homes, and downsizers. As a result, it isn't surprising that house prices continue to rise.

6.9%

Price growth in the Thame and Chinnor areas*

The national housing market



5.4%

Annual house price growth, South East

compared to 5.8% for UK

Source: ONS, February 2017



£18.2bn

Gross Mortgage Lending

Closely matches the £18.1bn lent in February 2016

Source: Bank of England, February 2017

SOLD

£1.56m

Thame

Most expensive sale in last three months

Source: Land Registry

SOLD

£2.1m

Chinnor

Most expensive sale in last three months

Source: Land Registry

UK average house prices rose by 5.8% in the 12 months to February (ONS), and 5.4% in the South East, taking the price of an average property sale in the South East to £312,000. Asking prices also continued to rise.

Fewer homes are coming to the market. According to RICS, levels of available stock per agent fell to a record low in March 2017. The amount of mortgage lending to home-movers (those with a property to sell) is falling, and first time buyers or those seeking to re-mortgage are driving the lending figures.

The rate of mortgage lending dipped in March 2017, suggesting that demand may be starting to slow as consumer spending is tightened. Almost a fifth (18%) of all sales in 2016 were second homes or investments, when measured by the number of transactions that have incurred the 3% stamp duty surcharge for additional properties since April 2016.

The supply of rental property fell in February 2017 according to ARLA Propertymark but demand remains strong. As across the sales market, limited supply supports price growth, with the average rent paid by tenants across the UK rising by 2% in the year to March 2017 (ONS private rental index).

The Economy

Inflation breached the Bank of England's 2% target in February for the first time since 2013. At 2.3%, it is likely to put pressure on wages and household spending.

The consensus forecasts published by the Treasury are for GDP growth of 1.7% in 2017 and inflation (CPI) of 3% by the end of the year, before falling back to 2.5% over 2018.

LOW MORTGAGE RATES

1.37% MARCH 2017

Average mortgage rates have fallen over recent years to record lows in March.

Based on average 2 year fixed mortgage and Loan to Value ratio of 75%.

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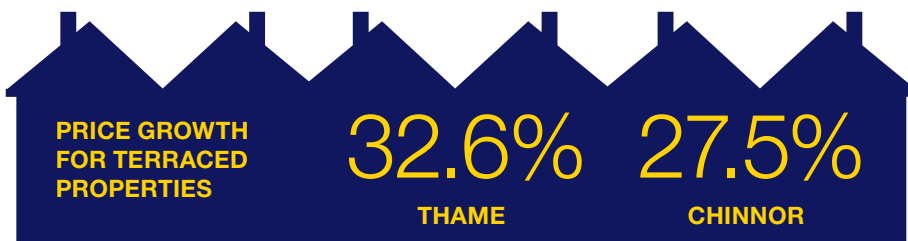
Our market

Sales

Over the last 12 months, the local housing markets in Thame and Chinnor have outperformed the South East, achieving growth in average house prices (re-sales only) of 14.6%* and 8.3% respectively*.

First time buyers are currently the largest source of demand in the Thame and Chinnor local housing markets, at 45% and 55% respectively. Investors, who are competing for the same stock as first time buyers, make up a further 10% but have been less active over the first few months of the year.

Over the year price growth has been strongest for terraced homes in both Thame and Chinnor.



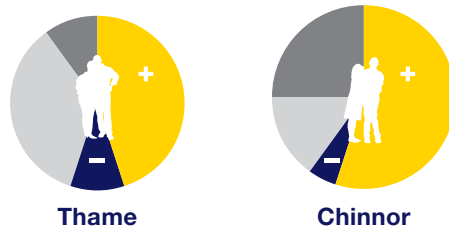
Source: dataloft/Land Registry, Parkers

Who are our buyers? Buyer profile

The higher costs of buying, in the form of higher stamp duty and the second home levy, are significant barriers to house price growth in the local market.

Source: dataloft/Parkers Q1 2017

First time buyers Investors
Home movers local Home movers relocation
+ Indicates an increase while - shows a decrease.
All others show no significant change.

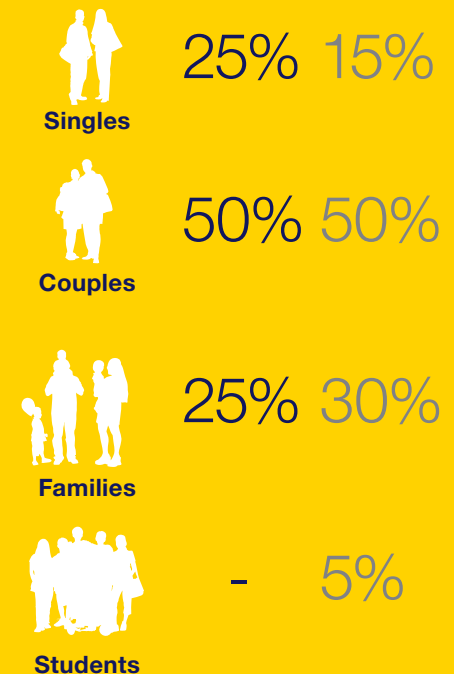


Lettings

The rental market in Thame is currently in good shape. The number of lets, rental values, tenant enquiries and new instructions all increased slightly over the first few months of 2017. Low supply in the Chinnor area allows the market to remain buoyant. The market remains steady.

Who is renting? A profile of our tenants

Thame Chinnor



Source: dataloft/Parkers Q1 2017

* from front cover including new build, between March 2016 and February 2017, vs same period a year earlier.

Disclaimer: This report has been prepared in good faith on the basis of calculations that rely on a set of assumptions that will vary considerably between geographical regions and over time. They illustrate hypothetical examples of returns that may be possible under the given set of assumptions, however no warranty is given as to the accuracy or completeness of information contained in this report. Accordingly, this report is for general information purposes only and no liability is accepted by Parkers, its associates, employees, directors and representatives for any negligence in relation to the information, forecasts, figures or conclusions contained in this Report or for any loss, damage, or consequence whatsoever, arising from any action taken based on its content. This report does not constitute and must not be treated as investment advice or guidance and users should always obtain independent professional advice before making any investment decision. The content is strictly copyright and reproduction of the whole or part of it in any form is prohibited without the express prior written permission of Parkers.
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PROPERTY MARKET INTELLIGENCE.

Parkers is an independently owned estate agency that has been proudly serving the community in and around Thame and Chinnor for over 55 years.

Founded in 1948, Parkers is one of the South East's most well-established and respected estate and lettings agencies. Our focus is on providing an honest and straightforward approach, and high quality customer care to achieve the very best results for our valued clients.

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