



HOME BUYERS' CONFIDENCE – UP

HOUSE SALES – UP

PROPERTY PRICES - ?

House buyers have been remarkably active during the past four months across the region with some areas, particularly the Central Borders, experiencing a volume of sales not seen since 2006.

A combination of poor financial returns for investors, coupled with the raising of the Stamp Duty threshold, appear to have had a significant impact in the regeneration of the buy to let market and our Berwick upon Tweed and Galashiels offices in particular have reported substantial growth in sales to investors. Rental returns have also improved with gross yields of 4.5% to 6.5% per annum being typical.

Despite homeowners south of the Border suffering greater reductions in sale prices they still see the Borders area as representing excellent value for money with a huge variety of sizes and styles of homes available to suit all tastes. Prices in our region would appear to have stabilised although there are always exceptions to the rule and, in particular, good quality individual building plots and large individual homes are showing signs of a slight increase in value.

Serviced building plots have always been popular and Edwin Thompson LLP probably account for over 50% of all building plot sales in the Borders area combining our marketing skills with the expertise of in-house building and architectural departments and planning specialists and advisers.

The advent of the Home Report in Scotland, after a bumpy start, is now readily accepted as part and parcel of the home selling process. With inflated guide or asking prices having thankfully become a thing of the past, firms like Edwin Thompson LLP who are members of the Royal Institution of Chartered Surveyors, are the only professionals who can carry out the Home Report. The Report includes an Energy Performance Certificate, single survey and generic mortgage valuation and, through our many years of local experience of surveying and valuing all classes of property, we are well placed to advise vendors accurately on values and likely sale price. Most sales through our offices have been within 3% - 5% of the Home Report valuation and most prospective purchasers when identifying a property of interest are viewing the Home Report prior to making an offer.

Residential lettings have also been increasingly buoyant since July 2009, whether a one bedroom town flat or a six bedroom rural farmhouse, and rents have shown a small increase in the last twelve months, despite the market being flooded with properties to rent at the start of the year by owners who were unable to sell their property choosing to let for six or twelve months hoping for an improvement in the market. Edwin Thompson have a dedicated team of property management specialists at each office who offer a choice of service levels, managed or non-managed, to suit the individual landlord's requirements.

The average time from initial marketing to finding a suitable tenant at our offices for 2009 has come down from 27 days in 2008 to 23 days and our Galashiels office has let an average of five properties per week in the last eight months covering an area from Kelso in the east to west of Hawick and from Bonchester Bridge in the south to Heriot in the north.