

Demand for family homes quietens as tenants' motivations change

Letting is largely a seasonal market, heavily influenced by the academic year – particularly inside Oxford. The Autumn tends to be when things start to slow down, but across our eight offices we are noticing not so much a drop in demand as a shift in tenants' requirements in Quarter 3 (July, August and September).

A frenzied summer

The summer letting market was frenetic across the county. Our Witney team described the summer months as 'frenzied' and many offices let a large number of properties on the first viewings, including the property in Photo 1: a beautiful 2 bedroom barn conversion just north of Banbury.

Change in motivation

With new build property taking a while to come on stream across the county, demand remains high overall. Figure 1 shows Finders Keepers' total number of lets across the county in the summer months. The average rent as of the end of September is up 3.5% year on year. Despite the family market quietening down in September, demand from professionals has continued as new jobs start at any time, making this market less seasonal. Across the county applicants' motivation seemed to be changing:

- In **Banbury** there was a noticeable increase in the number of people looking for 'part time' homes with couples looking for a convenient weekday place away from their main home and families needing smaller properties near the main earner's work, having moved the family home out to the country. Photo 2 is one such property: a 1 bedroom, furnished cottage in Byfield marketed at £600 pcm.

- In **North Oxford** we noticed a new trend: tenants looking for homes to live in from Monday to Thursday to avoid the daily traffic jams while roadworks are carried out in the city (Photo 3).

- Tenants continue to look in **Abingdon** where the rents are (relatively) lower whilst still being a short journey away from Oxford. However, there has been an increase in the number of sharers as they realise that splitting the rent will get them more space and probably higher specifications than renting separate, smaller properties (Photo 4).

- Bicester** is increasing in popularity as new housing developments progress and the transport infrastructure improves; a good location in its own right as well as somewhere within good commuting distance of Oxford or London.

Be flexible

When applicants have less pressure to take the first property they see in their desired location, the focus moves to the property itself. So unlike in July and August where properties were letting on the first viewing, applicants have slightly more time to decide

in September and October and typically properties which are well presented and marketed at the right rent tend to be the ones to let first. The most successful landlords are those who are prepared to be flexible: reduce the rent, consider accepting a pet or improve the property's presentation. A glance on Rightmove will tell you that family homes are struggling now – even gilt-edged North Oxford is not immune – so it's time for a serious conversation with your letting agent.

Consider short lets

If you have been trying to sell your property with little success, now is the time to cut your losses, accept a short let and get some income over the winter. Whilst we wouldn't advise taking a 6 month tenancy in June (who wants to move out at Christmas?) a short let in November is much more attractive as the contract will come to an end in May, which is the start of the high season. The landlord of the property in Photo 5 has done exactly this, and the short let suited the tenants too who needed somewhere to live until they can move back into their own rental property in Coventry.

Increasing legislation

A recent trend spotted in Banbury is that more landlords are relying on our managed service (rather than using us just to find a tenant and managing the property themselves). This is the result of increasing regulation and changes to the legislation – from managing the tenancy deposit to fulfilling gas and electrical health and safety requirements, and monitoring CO₂ emissions. The recent announcement that they may be made responsible for evicting illegal

immigrants (part of the forthcoming Immigration Bill, launch date TBC) is just the latest measure that is keeping conscientious landlords awake at night. By instructing a professional letting agent they are buying themselves peace of mind. The last thing anyone wants is to fall foul of the law through lack of knowledge.

In Central Oxford HMOs have been enjoying a revival – something which sounds attractive in theory: letting 'by room' leads to greater total rent. However, they are complicated to manage with multiple sets of application forms, IDs and references and constant management and negotiation as flatmates fall out, pair up and move on or simply relocate.

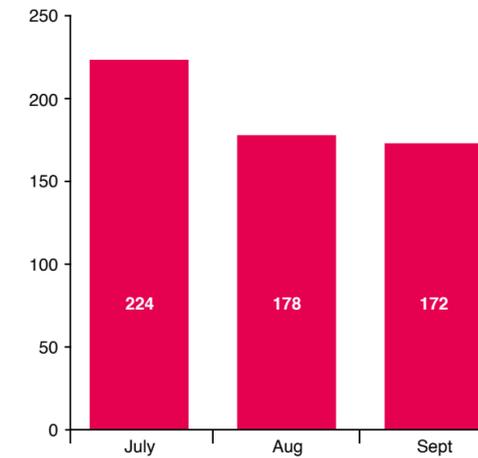


Figure 1 Total lets across the summer



Charmed by a doggie CV

One property in East Oxford was quite a special let. It had been the landlord's home, and it was the first time that she had let it through Finders Keepers. The tenants are a young couple with a baby – and an adorable miniature Schnauzer called Herky (short for Hercule). The landlord had already said that she was prepared to discuss pets, but she (and we) were absolutely bowled over by the tenants' application – including a detailed CV for Herky, and a reference for him from their previous landlord. The CV detailed Herky's languages (Estonian and basic English) and best tricks (standing on his hind legs and walking round in a circle).

