

Capital housing supply highest in a decade

The Edinburgh property market has had a record-breaking start to 2019, with the highest number of properties listed for sale in more than a decade.

Despite the prospect of Brexit, Warners Solicitors and Estate Agents listed 99 properties for sale last month – an annual increase of almost 40% compared to January 2018.

In addition, buyer activity has also risen over the last year. During the month of January, Warners recorded 78 sales – an increase of 70% annually which also marked the highest level recorded by the firm since the onset of the credit crunch over ten years ago.

David Marshall, Operations Director with Warners, said: “It’s been a really brisk start to the year for the property market with a substantial upturn in both the number of homes coming onto the market and the number of sales being agreed.

“One of the pleasing things that we have seen recently – and this has been the case since the middle of 2018 – is that there has been a steady improvement in the number of homes for sale in Edinburgh and the Lothians.

“The rise in new listings has meant that there is a more even balance between supply and demand leading to a healthier marketplace.”

With the number of homes available for sale higher than ever, conditions have become more favourable for buyers than they were at the beginning of 2018 – despite an increase in demand in January.

While the majority of properties are still selling quickly and

achieving offers in excess of their Home Report valuation, the premiums that buyers are paying to secure a property are lower than they were a year ago.

In January, properties sold by Warners achieved an average of 3.1% over the Home Report valuation – down from 7.5% in 2018 and back in line with the figure recorded in 2017.

David added: “It is still a good market for sellers but there is no question that conditions have improved for buyers over the last six or seven months.

“The premiums being paid over valuation are back at 2017 levels and house price inflation has started to ease towards levels that would be more sustainable over the longer term.

“The ongoing negotiations around Brexit will naturally present the biggest downside risk to the housing market as we move forward in 2019.

“There is still little clarity in terms of how these negotiations will be resolved and if this uncertainty were to be prolonged, it is possible that some people may opt to delay moving home which could lead to a short-term dip in activity.

“So far though there have been no signs of this being the case with sellers and buyers coming out in droves early in the year.”