

Dear Reader,

In this issue of our newsletter we look at current trends in the local property market and the effect that the Banks of England's decision to hold the base rate could have.

Plus, we have a selection of events in the Brighton and Hove area and with the Festival on at the moment, we know you'll not be short of things to do.

With a second bank holiday round the corner, let's hope the sunshine holds out!

Regards,

David Maslen M.N.A.E.A.
Director



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Interesting Times

As you read the various reports all claiming to point to the future of the property market, you may well be prompted to ask the question "is now a good time to buy or not?" Although nobody really knows the answer, historically property has long been an excellent (tax-free) investment.

But let's just look at some facts. Whatever the economy, prices only ever fall when supply of properties significantly outstrips demand. At the moment, there is an increase of property available on the market. However, this is by no means the type of flood that would cause a crash. It is simply a minor cumulative effect of a slower sales cycle. In other words, few people are rushing to sell, but those on the market are not selling unless they are keenly priced. They remain available and can become stale on the market.

On the other hand, demand remains strong as we currently have an overall undersupply of property in relation to the housing requirements of the population in this country. This is apparently set to continue for decades. Indeed, with the heat taken out of the market, developers have less incentive to build, making the problem worse.

The buy-to-let market, which has over recent years partly replaced the first time buyer market, remains strong. This is not so much from the amateur buy to let investor who may struggle to raise mortgage funds, but from cash-rich professional landlords who are filling their boots. They can buy repossessions cheaply at auction and rent them for an excellent return due to the increased rental demand from those who either could not afford to buy, or could not secure a



mortgage.

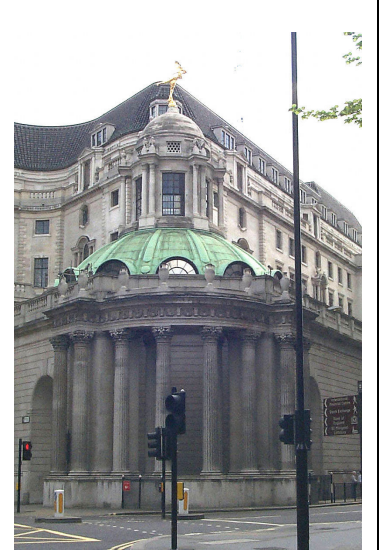
So cash is king in this market. Once the banks have sorted themselves out, and they will, because they are in the business of lending, and mortgages become more fluid, I suspect those who have bought today will be feeling quite smug!

NEWS – Interest rates held for another month

The recent decision to hold the base rate at 5% in order to restrict inflation is believed to be positive for the property market. Continuing a pattern of holding the base rate one month then cutting rates the following month, the latest announcement from The Bank of England bodes well.

According to reports, the majority of mortgage owners have so far remained largely unaffected by the recent changes made to the interest rates. Locally, the property market has stabilised and we are no longer seeing the meteoric rises in house prices of former years. Rocketing prices were unsustainable and for those getting their foot on the property ladder and people upgrading the minor drop in prices can actually go in their favour.

It is also worth remembering that most current buyers and sellers aren't motivated by the market but by the demands of their life; family and work, plus practicality, pleasure and convenience, are all non-market dependent reasons people move. Buyers do currently have more properties to choose from so are taking more time to make a decision. This means you need to be realistic when selling and set a sensible asking price to secure a sale. It's also never been more important to make the most of your property's best features – when it comes to houses first impressions really do count!



DATES FOR YOUR DIARY

- **14th May 2008 – New film and video from the Arts Council Collection –** A season of six new showcases. Projected films from a wide range of influences and looking at the question of 'truth'. Screenings are free and start at 10 am at the Hove Museum & Art Gallery.
- **17th May 2008 – Conservation Workday –** Come along and help maintain and build benches alongside the Easy Access Path around the Sheepcote Valley. Please wear appropriate clothing and footwear for working in the countryside. Meet outside East Brighton Park Cafe at 10.30 am.
- **18th May 2008 – Preston Manor Artists Open House –** Part of the Brighton Festival. Featured artists will be available to meet visitors and talk about their work – all work is for sale. Adult admission is £2.25 during the festival (children free). Open from 10 am.



N.B. Please check dates, times and venues before setting off

GET IN TOUCH

At Maslen Estate Agents we want to make moving home as stress-free and enjoyable as possible. As one of Brighton's leading independent estate agencies, our reputation is built on an ethos of honesty and integrity and always putting the customer first.

Whether you are buying or selling, our professionalism and unrivalled knowledge of the local property market makes us a refreshing estate agent to deal with.

To ease the process of buying and selling property further, we also have an independent mortgage advisor available to advise our customers on all aspects of taking a mortgage. We also offer conveyancing, advice on life assurance, critical illness policies, mortgage protection policies and buildings/contents insurance.

Contact us by emailing, popping in to one of our offices, or call us on 01273 677001.

For the latest Brighton properties or to get a market appraisal get in touch

Click here or call us on 01273 677001