



Market update

House Prices The latest stats from Hometrack show that average UK house prices in May rose by 2.1%. See top 20 cities (right).

Halifax have reported that the demand for properties remains stable, with mortgage approvals just above the long-term average.

Rents We significantly increased rents this year, by around 15% overall. We've experienced little or no pushback from tenants. That, in turn, suggests we may be able to increase rents further next year.

Nicola Ainslie sets out what we're finding on both rents and the changes on Scottish leases, in the attached factsheet.

City	Current price	%yoy May-19	%yoy May-18
Liverpool	£123,000	5.0%	3.4%
Belfast	£135,400	4.6%	3.2%
Nottingham	£154,700	4.5%	5.3%
Leicester	£178,900	4.5%	6.2%
Manchester	£170,300	4.3%	5.8%
Edinburgh	£229,400	4.0%	4.8%
Birmingham	£165,800	4.0%	5.4%
Glasgow	£125,400	4.0%	3.3%
Cardiff	£209,800	3.9%	4.3%
Sheffield	£139,000	3.6%	4.0%
Leeds	£166,900	3.4%	3.4%
Bristol	£280,000	2.1%	3.2%
Newcastle	£128,200	1.3%	2.5%
Bournemouth	£293,300	1.2%	5.0%
Southampton	£228,200	0.8%	2.3%
Portsmouth	£238,700	0.5%	4.0%
Oxford	£407,300	0.5%	-0.4%
London	£482,200	-0.4%	-0.6%
Cambridge	£422,700	-0.5%	0.1%
Aberdeen	£158,800	-4.2%	-5.8%
20 city index	£256,200	1.8%	1.7%
UK	£219,200	2.1%	2.9%

Powered by hometrack

Health Check Update

A growing number of clients have trialed our new Health Check service. Here's what they say...

	Why did you first invest?	How has the Health Check helped you?
 C.D. Fund Manager	I made some money from a previous house sale and saw the returns were good in property ... And got a taste for it!	I've increased my returns and I'm expanding my portfolio, with no new cash in. I'm also setting up a new structure to hold my properties in, which will be more tax efficient and will be better for IHT purposes.
 Shona E Entrepreneur	To get a better return than having money in savings or other places	More properties, higher return on investments and better tax efficiency.
 M.R. Company Director	Income	It helped us realise the capital in our existing portfolio, allowing us to acquire an additional property without a further cash injection.
 Canice M. Oil Sector	Investment / Pension	Own 1, adding 1 now with no cash in. I plan on another with no cash in. Owner since 2006. HC was the kick start for it all. We realized the potential and decided to grow.

- [Click here](#) to watch a video about Health Checks.
- [Click here](#) to request a free Health Check.

Please give us your feedback: michelle.grant@grantproperty.com



Rent increases and tenancy changes

July / Aug 2019



Nicola Ainslie, Head of Property Sourcing and Letting in Grant Property, explains what's happening with rents and occupancy.

Background

We are in the busiest time of year from a letting perspective. Despite this, overall occupancy remains at 95%.

We've made good progress with the changes of rental laws in Scotland, which have given tenants the ability to end a lease with one month's notice. We've been monitoring who's been serving notice and what we can do with rents, and rental tactics, going forward.

Tenants ending their lease

- English leases are unaffected by the new legislation in Scotland.
- Within Scotland, professional lets are not impacted.
- Scottish based 2nd and 3rd year students are also less of an issue, as they tend to continue leases for another year. It's a lot of work to move to a different property.
- Students in Scotland, who have finished their final year are the ones to focus on. They've completed their university studies and are the group most likely to end their lease early, to travel and or start a job in a new city.

Rents

We decided to increase rents this year by 15%. There has been little or no push back from tenants on the increases. That leads us to think we can go even further!

Looking ahead

We plan a few changes to address the challenges and to also take advantage of the market opportunities. We'll increase all rents again next year by between another 10% and 15%, overall, for two reasons.

Demand for our properties is high, and there are supply shortages.
If you don't ask you don't get!

In Scotland, we will favour 2nd and 3rd year students over 4th year students for the reasons outlined above.

Returning to this year, a relatively small number of landlords have been impacted by their tenancy being ended ahead of what they would expect. If you are one of these, we will call you and recommend we increase rents immediately – why wait another year(!). Prime areas will as always command the highest rent increases, but we'll work things through case by case.

Any questions?

Contact me, I'm here to help!

Nicola Ainslie

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