



THE UK HOMEBUYER WISH LIST

2019

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To say the last three years have represented a challenging period for the UK's property market would be an understatement. As one of the country's leading bridging loan providers, we have seen first-hand how homebuyers, investors and brokers have struggled to keep up with the events in Westminster and the vast amount of conjecture about house prices.

Indeed, the 38-or-so months that have passed since the EU referendum in June 2016 have been filled with political and economic uncertainty; such a climate will cause problems for any industry, and the real estate sector is certainly no exception.

However, despite much speculation that Brexit – or the mere threat of it – would undermine the strength of bricks and mortar as an asset class, these claims have proven largely unfounded. While house prices in some parts of the UK have stagnated or dipped slightly, predictions that huge value would be wiped off residential property have not come to pass.

In September 2019, Halifax released new data showing that UK house prices had, in fact, increased by 1.8% year-on-year. Figures from rival firm Nationwide provide a more conservative year-on-year growth estimate of 0.6%.

Nevertheless, the statistics demonstrate the property market's continuing resilience in the face of challenging conditions. Since June 2016 the country has seen a general election and two new Prime Ministers move into 10 Downing Street; interest rates have remained below 1% and rumours of a house price crash have surfaced on a weekly basis.

Yet the market has stood strong, supported by continuing demand – and a shortage in supply – among homebuyers and investors, both domestically and internationally.



DEMAND FOR RESIDENTIAL PROPERTIES REMAINS

Based on the latest figures from 2018, between 70,000 and 85,000 property transactions are completed in England and Wales every month. The old adage that Britain is a country obsessed with homeownership still, evidently, holds true.

For those investing in residential properties – whether for rental yields or long-term capital growth – the question is, therefore: what represents an attractive asset? What types of houses and flats are likely to garner interest when an investor looks to sell the asset?

To help provide clarity and insight within the current climate of uncertainty, **Market Financial Solutions** (MFS) has conducted a new piece of research to answer these pertinent questions.

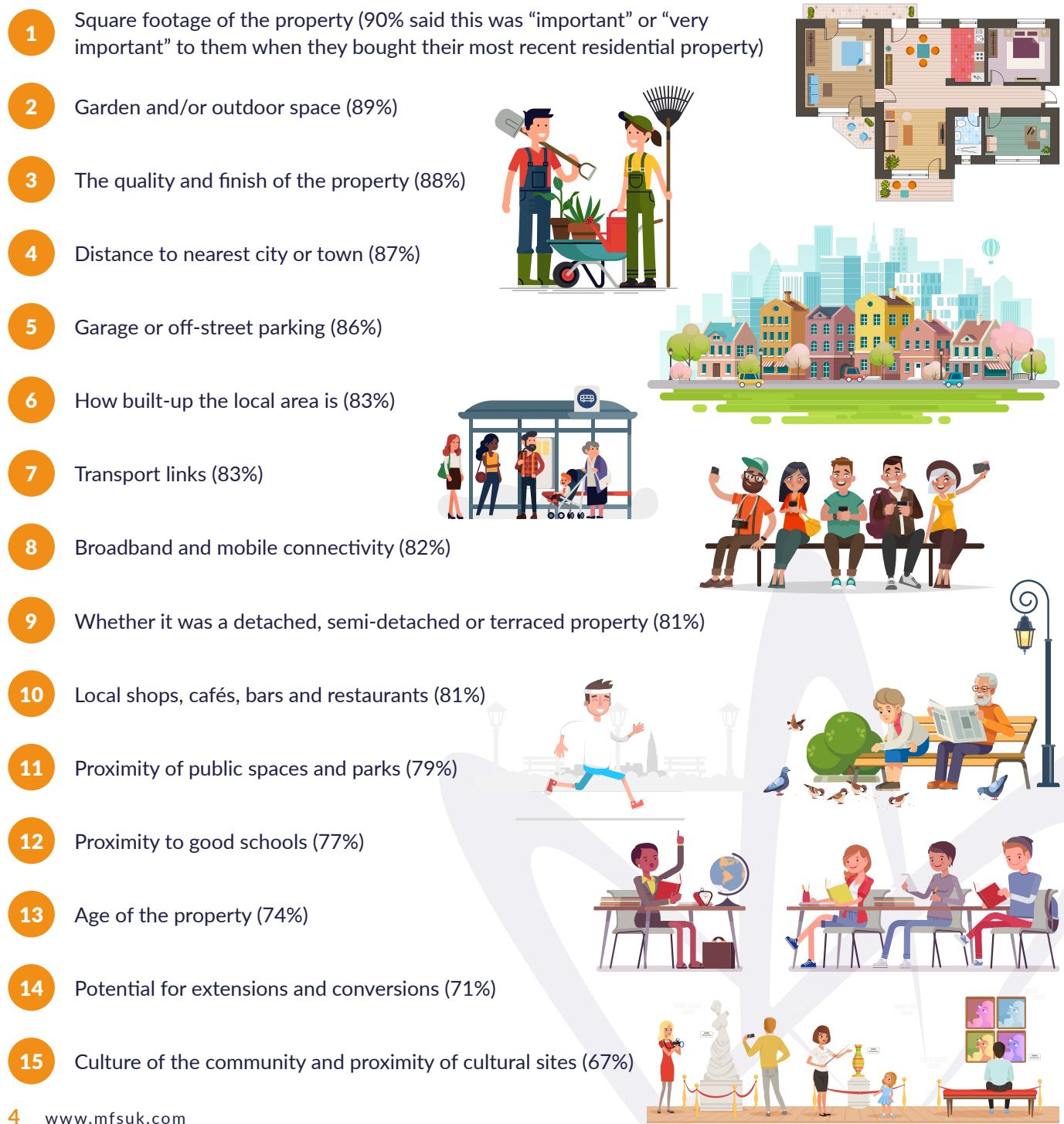
Between August and September 2019, MFS commissioned an independent survey of more than 1,000 UK-based homebuyers and property investors to discover the factors that matter most to people when hunting for a house or flat to buy.

This valuable resource will illustrate what matters most to prospective homebuyers, ensuring property investors target the right properties for their portfolios – ones that will attract interest from future buyers.



THE DEFINITIVE UK HOMEBUYER WISH LIST

Based on the survey of 1,000 UK-based homebuyers and investors, these are the most important factors people look for when buying a residential property:



ASSESSING THE FINDINGS



The size of the property, the inclusion of outdoor space and its overall quality of finish emerged as the three most important factors. These are, essentially, the fundamentals of the property itself – the most rudimentary factors homebuyers are evidently considering when viewing a potential property to buy, which will come as little surprise to readers.

However, elsewhere MFS' survey showed that UK house hunters actually deemed broadband and mobile connectivity as being marginally more important than local amenities or the proximity of parks and good schools.

Today, a property's surrounding infrastructure includes far more than simply transport links or having shops and restaurants nearby; digital connectivity is clearly extremely important to Britons, which means property investors must ensure suitable technological infrastructure is in place when purchasing real estate if they are to maximise their chances of renting out or selling on the property.

Delving further into the findings, MFS' research also uncovered that the potential to extend a property and the culture of the local community were deemed the least important factors when people were looking for a new home.

Given the square footage of a property sits at the top of homebuyers' list of priorities, it is somewhat surprising to note that fewer buyers are actively seeking homes that can be extended (outwards or upwards) – extensions are not only a way to add space to a property one lives in, but crucially they are also one of the most effective ways to add value to a bricks and mortar asset in the long-term.

Paresh Raja, CEO of MFS, reflected on the findings: *"The research delivers many interesting findings. The old adage that property investment is all about 'location, location, location' still holds true, but this extends beyond local amenities or schools. Homebuyers are prioritising infrastructure; and crucially, this does not just include transport links but also digital connectivity.*

"Moreover, it's surprising that the potential to extend a property is so low down on the list of priorities for house hunters. Extensions and conversions are effective ways to bolster the value of a property – and with square footage the most important factor for UK homebuyers, it's vital they remember that they can always increase the size of a house or flat through outward or upward extensions."





PREPARING FOR LIFE AFTER BREXIT

Since the appointment of Boris Johnson as the UK's new Prime Minister in July 2019, it has looked increasingly sure that Brexit will take place on 31 October, regardless of whether a deal is agreed with the EU. Homebuyers and property investors must prepare for this event diligently.

Importantly, turbulent events such as Brexit can cause difficulties for property buyers when they look to secure the finances they require to move ahead with an acquisition – some lenders retreat and withdraw services at times like these, pulling away the support buyers need.

At MFS we pride ourselves on only agreeing to deals that we are 100% committed to following through with. Moreover, with multiple strong funding lines in place and a growing team of bridging loan experts, MFS has the capabilities to finance loans from £100,000 up to and beyond £10 million, and can release funds within a matter of days.

With demand for residential property in the UK remaining high in spite of the current uncertainty, MFS seeks to support investors and their brokers by not only providing fast bridging loans, but also honest guidance to help people better understand market trends.

We hope this report acts as a valuable tool for investors as they shape their real estate portfolios – by demonstrating prospective buyers' ultimate property wish list, investors can now ensure they are targeting residential properties that come complete with the right facets and features to improve their chances of achieving the resale value or rental yields they are striving for.

To find out more about MFS' bridging loan services, for either direct clients or brokers, [click here](#).

Or get in touch with a member of the MFS team by emailing info@mfsuk.com or calling 0207 060 1234.





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