



Quarter 3 2021 - Market Report





Overview

As predicted in our Q2 Market Report, we have seen a lull in the market in Q3 likely as a result of a huge number of applicants taking advantage of the stamp duty savings prior to the end of June 2021. There were still stamp duty savings to be had up to the end of September, but given these savings were considerably smaller than earlier in the year, we have seen a minimal impact. With the slowdown in the market, there has also been a noticeable reduction in prices across our South London market. It was likely that the prices were going to reduce by the value of the stamp duty as it became payable again, but in some areas, we have seen a further reduction due to the lack of demand.

After our record Q2 2021, we had a significantly quieter Q3 in terms of both sales agreed and enquiry levels. The main problem we faced was that we sold out the majority of our stock in Q2, with 4 launches on back-to-

back weekends that all sold within a week. Towards the end of Q3 we have seen the market start to pick up with the enquiries starting to increase alongside the launch of some new schemes, which will hopefully translate into a strong Q4 2021.

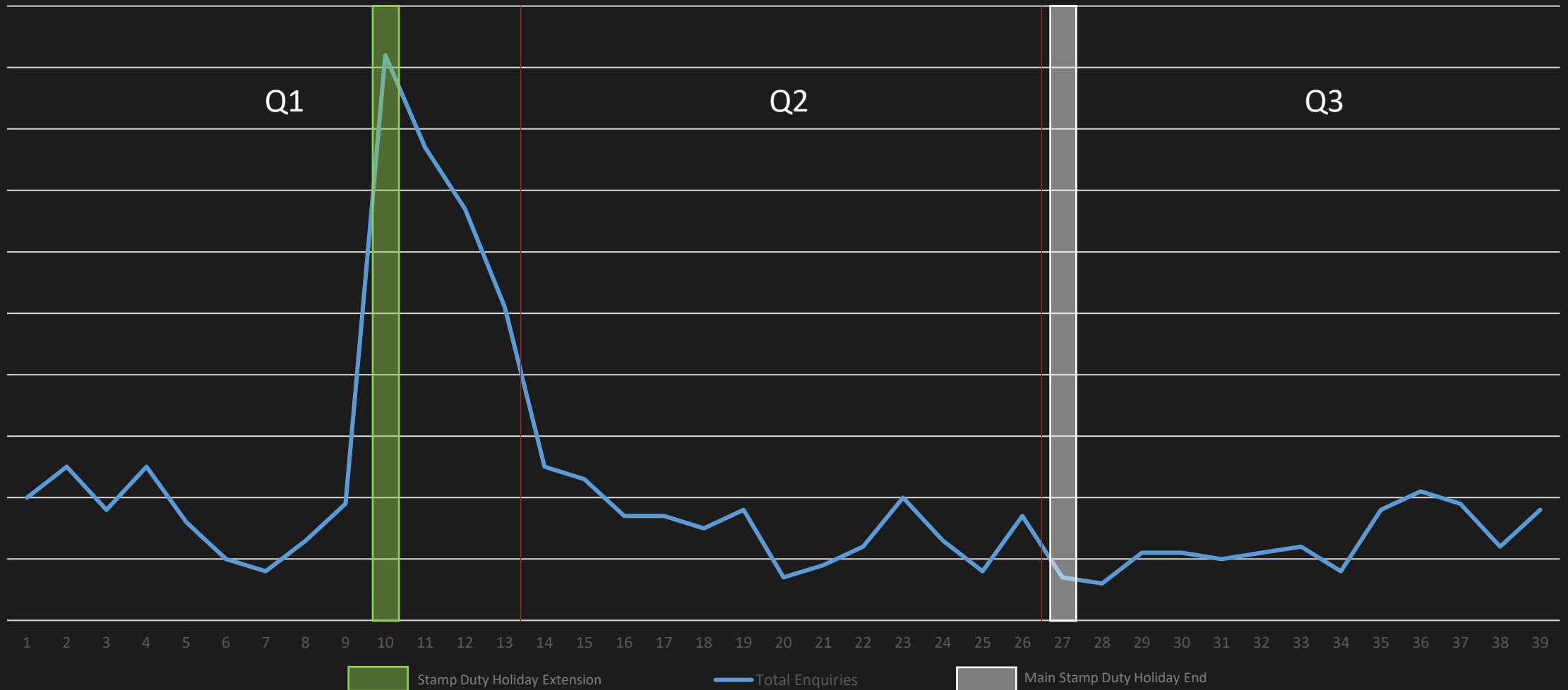
The land market has also faced a turbulent quarter with a continued shortage of sites at the right price and the build costs increasing rapidly due to supply and labour issues. We are hopeful that build cost rises will settle down and start to return to the level they were earlier in 2021.

Moving into Q4 2021, we're embarking on a large and exciting expansion of our operating areas into key commuter towns within Kent and Surrey.

Harry Millington
Development Director

Impact of Stamp Duty Holiday Ending?

New Homes Enquiries - Q1-Q3 2021



Source – Internal Data

Area Expansion

As a result of our ongoing success and growth over the last 3-4 years, we're looking forward to continuing this growth. With the changing habits of homeowners and our residential developer clients, we are delighted to announce that we will be extending our areas of operation in to Kent and Surrey. Our focus will be on areas with key commuter links into London.

We are able to use both our experienced land and new homes teams to serve the needs of our clients. Whether it be sourcing and acquiring development opportunities with or without planning consents, or providing dedicated on site sales staff for new homes sales.

We have experience in acquiring all types of opportunities, from single units up to 200+ unit sites, and also

selling large new homes schemes from on site sales offices.

Please let us know your current requirements and if you have any opportunities to discuss in our traditional London postcodes or in our new patches of Kent and Surrey.

info@pedderdevelopment.com

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Land Market

The land market in Q3 2021 has been a turbulent one. We have seen a slight reduction in house prices effecting GDV's alongside sharp rise in build costs as a result of a shortage of labour and materials. Some reports have suggested that these issues have added up to a 20% increase in build costs. The result, is that fewer sites than usual have been stacking. However, we are confident that this is a short term problem and are hopeful that supply chain issues will ease, reducing the pressure on build costs.

Despite these issues, we have enjoyed a good quarter. With most notably, an acquisition of a 6 unit site with planning in Brockley and agreeing sales on several more prominent sites across South London.

With a big push planned for Q4 and beyond into Kent and Surrey, we're expecting many more sites coming to market and a significant increase in the number of off-market opportunities we'll be able to offer to our clients. We are well placed to source your next site, sell your scheme or provide invaluable consultancy work.

We are always looking to take on more top quality new homes schemes and land sales/acquisitions so please get in touch to discuss how we can be of assistance:

harry@pedderproperty.com



**Q3
HIGHLIGHTS**

ACQUIRED

SALE AGREED

LAUNCHED

SOLD OUT

pedder | DEVELOPMENT
CONSULTANCY

 RICS REGULATED - TRANSPARENCY ASSURED 