



## Quarter 2 2020 - Market Report



# Overview

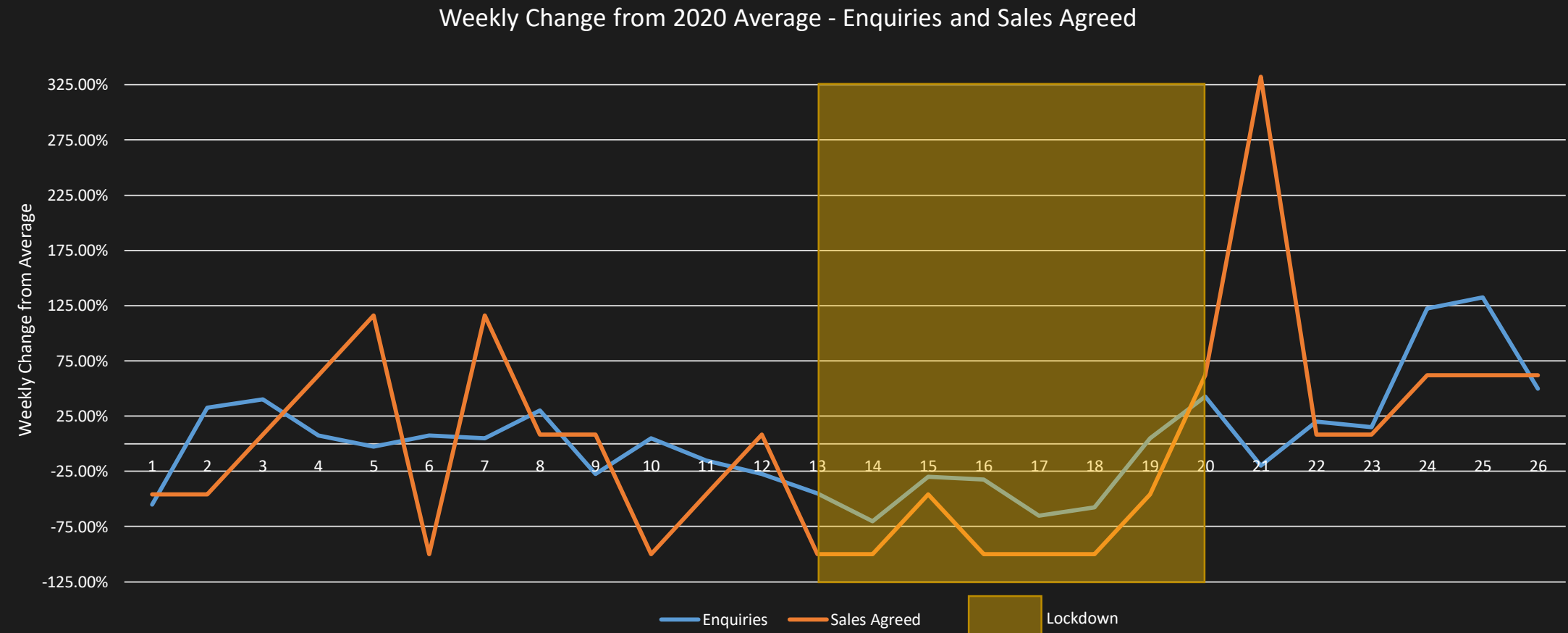
The 2<sup>nd</sup> Quarter of 2020 started as the UK entered its second week of the strict lockdown that was introduced on 23<sup>rd</sup> March. The World Health Organisation had recently classified the Covid-19 virus as a worldwide pandemic and the economic forecast looked extremely bleak. In response, the Chancellor introduced a series of measures to attempt to stabilise and boost the economy. A package initially thought to be worth c. £350Bn. This was combined with the Bank of England's reduction of interest rates to a record low of 0.1%.

Fast-forward to the end of Quarter 2 and there is no doubt that Covid-19 has caused and will continue to cause a major shock to the economy and that all the markets will need to absorb and continue to react at a rapid pace.

Throughout all of this, Pedder Development Consultancy have been hard at work and we have seen a remarkable recovery of the new homes sales market, to levels above an already elevated quarter one. This fast recovery of the market, especially with first-time buyers and the recently announced temporary stamp duty relief, gives us hope for a strong recovery in these uncertain times going into the last two quarters of 2020 and beyond.

Harry Millington  
Development Director

# Impact of Lockdown



Source – Internal Data

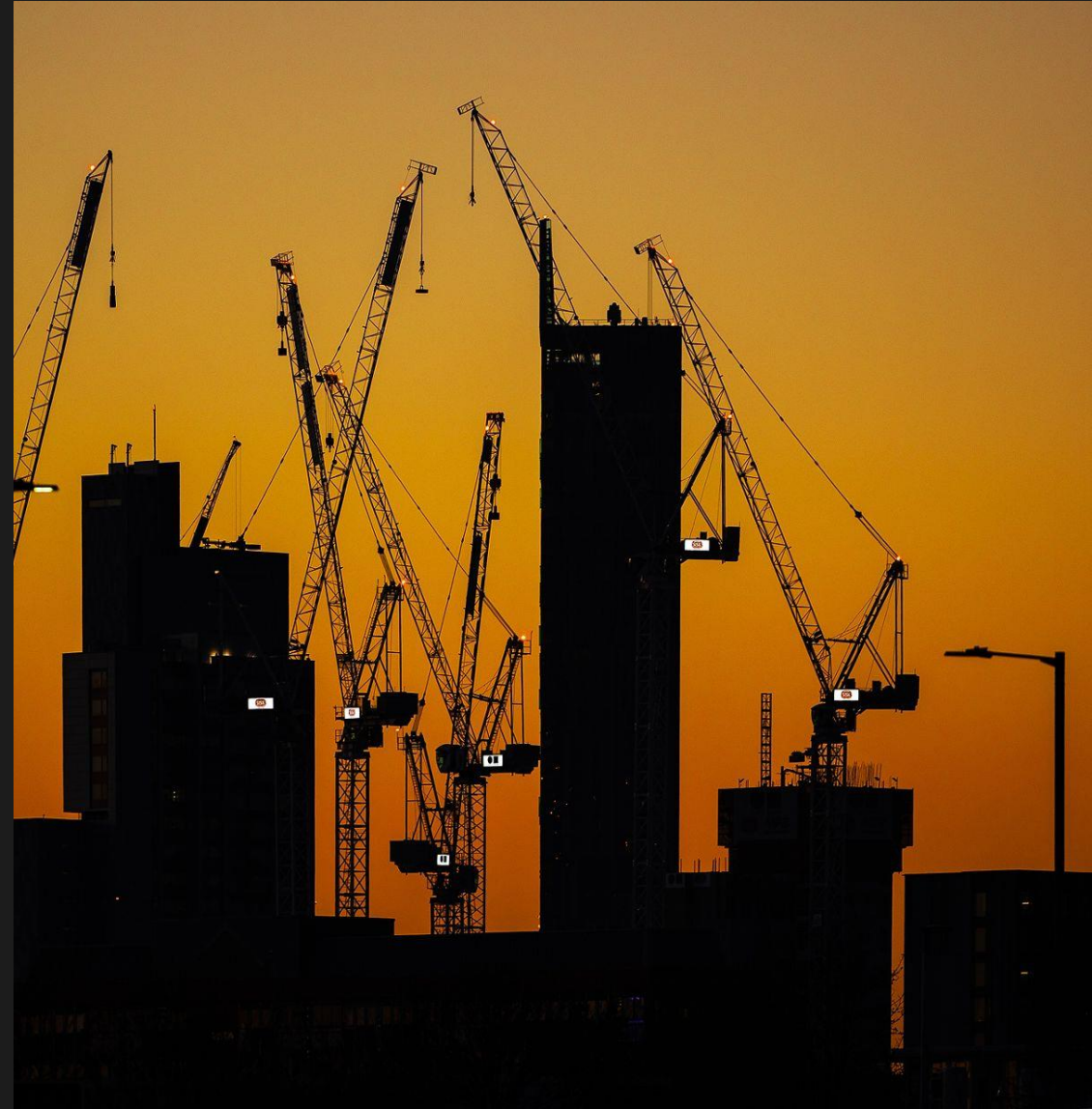
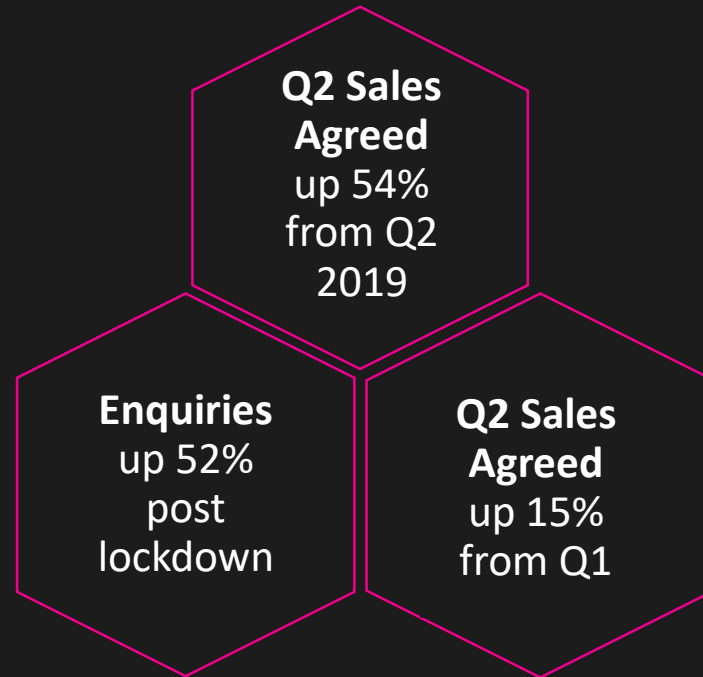
# Beyond Lockdown

We saw a strong start to the year in Q1, with agreed sales at the same level as Q1 2019. As can be seen by the graph on the previous page, there was a significant drop off in enquiries/sales agreed as Covid-19 took hold going into Q2.

We remained hard at work throughout the lockdown and once the restrictions eased, there was a surge of enquiries/sales agreed from week 20 onwards. As a result, despite eight weeks of lockdown, the Q2 total enquiries were up 8% on Q1 and Q2 sales agreed were 15% higher than Q1 and 54% higher than Q2 2019.

It would appear that this demand

was more than just the backlog from lockdown as the enquiries/sales agreed have remained consistently higher than Q1 since the lockdown eased.







# Performance vs Competition

Whilst the market has no doubt responded positively to the easing of the lockdown restrictions, we have been busy ensuring we continue to provide the best service to our clients. Our positive and diligent attitude throughout lockdown enabled us to be one of the first to safely return and get back to achieving sales for our clients ahead of the competition.

We have sold out of several schemes since lockdown, including all the units at a site in West Norwood in a week.

On our joint-agency sites, we have outperformed every other agent:

- Streatham – **72%** of the sales

- Peckham – **80%** of the sales
- Thornton Heath – **100%** of the sales

We have also seen the return of strong off-plan sales in certain areas and have sold 5 out of 6 units in a scheme in Crystal Palace without any online advertising.

With more schemes coming to market in Q3/Q4 2020, we will continue to provide our clients with our market leading marketing and sales service.

We are always looking to take on more top quality sites, so please get in touch to discuss how we can be of assistance:

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**pedder** | **DEVELOPMENT  
CONSULTANCY**