



RECORD
YEAR



Quarter 4 2020 - Market Report



Overview

Following on from our Quarter 3 report where we detailed the sustained levels of enquiries and sales across our new build schemes, there was generally a positive market sentiment heading into the final quarter of what has been a remarkable 2020.

Just 3 weeks into what had so far been a good Q4, the tiering system was enforced across London and the UK. Starting with Tier 1, which rapidly became Tier 2 and led to a 2nd national lockdown in November. Fortunately for the whole industry, construction and agencies were allowed to continue to operate. However, the impact of the different tiers and lockdown began to show as the quarter went on. There was a reduction in the enquiries and sales agreed.

As the 2nd lockdown lifted in December, the enquiries/sales started to increase from their

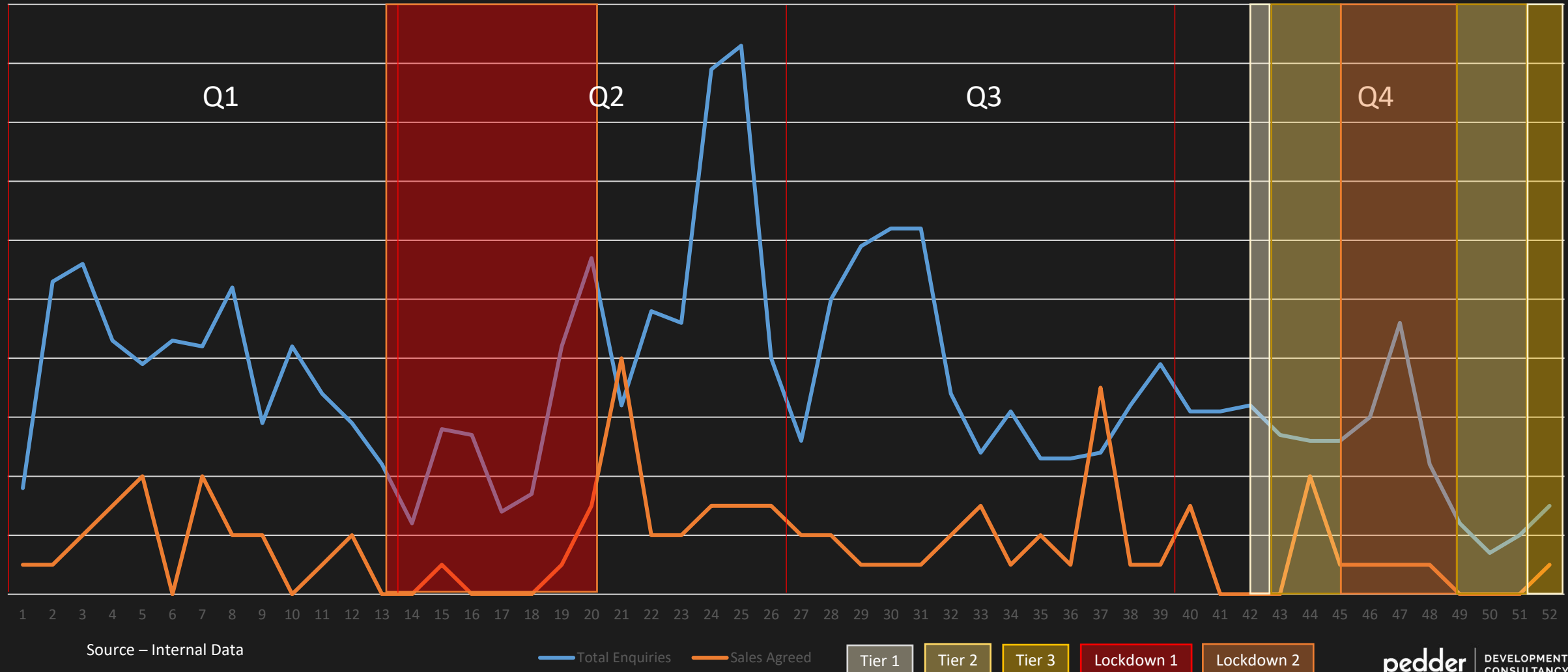
lowest point of 2020, and we experienced the usual uptick of activity on Boxing Day and throughout the Christmas period.

Looking forward to Q1 2021, the overall state of the market is still positive. First time buyers using the new Help-to-Buy scheme will continue to be extremely active, even if they miss out on the stamp duty holiday. As I write this, we have just been plunged into a 3rd National lockdown, which will create a familiar set of challenges, but we will get through this and continue to service our clients needs effectively. The demand remains strong so sales will continue to be made and we are hopeful that there will be another surge in activity when the lockdown restrictions are eventually lifted.

Harry Millington
Development Director

Impact of the Tier System

Enquiries and Sales Agreed per Week



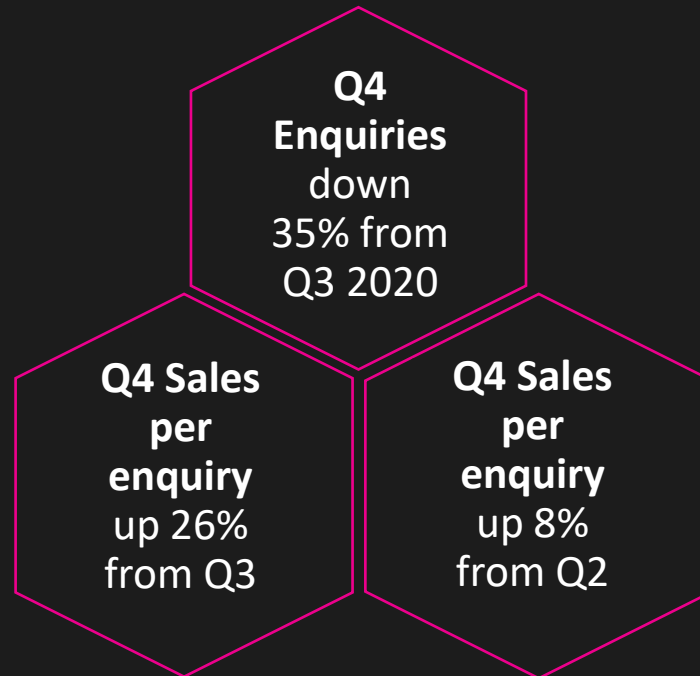
Tiers and Lockdown

The impact of the tier system and lockdown are clear to see on the graph on the previous page. The sales agreed started to decline as the restrictions became more severe. The number of enquiries also showed a downward trend through Q4, although interestingly during the 2nd lockdown in November, the enquiry levels increased, likely due to people browsing from home.

The positives that can be taken are that demand remains strong for high quality/well located new build schemes on Help-to-Buy, even during periods of heightened restrictions. This was proven when we launched a scheme in Tier 2 (week 44) and sold 70% in the first week. More than ever, it is key to provide a product that's finished to a high standard and priced correctly, as a successful initial launch will significantly reduce the

sales period.

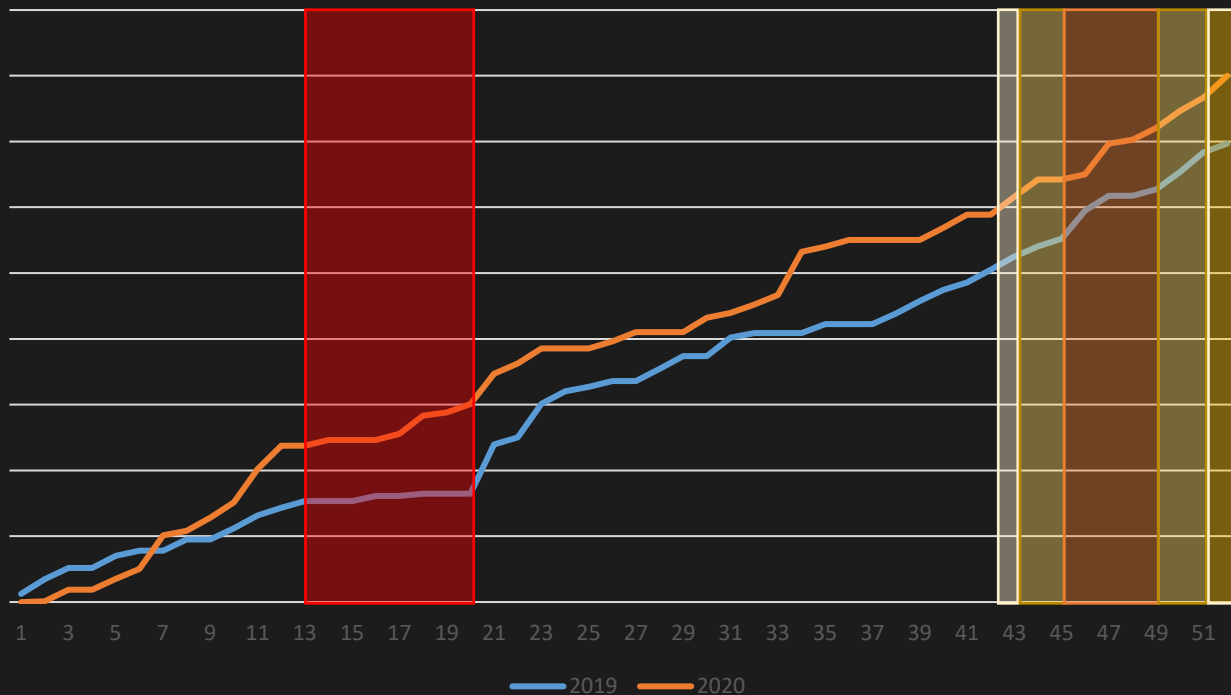
Q4 sales per enquiry increased significantly from Q3 (26%). This is likely a combination of reduced enquiry numbers and only the most serious buyers being active during the restrictions.





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2019 vs 2020 Land and New Homes Sales



Record Year

Looking back at 2020, more specifically the turmoil we all faced in March when the first lockdown was announced, we certainly didn't think that Pedder Development Consultancy would be ending the year celebrating our record year.

To finish the year 12.5% up on 2019, having spent 3 months in total lockdown and a further 2.5 months under some form of restriction is testament to all the hard work of our clients and our team.

With more schemes coming to market in Q1 2021 and large numbers of purchasers already booked into these launches, we will continue to provide our

clients with the leading marketing and sales service in South London.

The land market has also turned a corner, with an increase in more 'reasonably' priced sites entering the market. This has been long overdue and we are already putting together some very interesting deals for 2021.

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



Q4
HIGHLIGHTS



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