

Leeds Property Market News

for LS16

January 2021

What happens to Leeds when (or if) the Stamp Duty holiday ends?



On the 8th July 2020, Chancellor Rishi Sunak announced a stamp duty holiday. The logic was simple; the home buying process is hugely important to the national economy. Stamp duty holidays are a tried and tested method of shoring up faltering property markets.

This holiday is due to end on the 31st March 2021. We've seen it's positive impact in the Leeds property market first hand - it really is helping people. The average property price in Leeds is £305,000. Before the holiday, buyers paid no tax on the first £125k, then 2% on the next part up to £250k then 5% up to £925k (then two bands above that). The change meant that no tax was payable on the first £500k, which meant the average home buyers saved £5,234 - fantastic money to spend on a new home.

So who in Leeds has benefitted the most? Well, first time buyers are already exempt from stamp duty on homes costing up to £300,000. If the property is under £500,000 then no SDLT is payable on the first £300,000. Therefore, would-be home owners trying to get on the property ladder will see no particular benefit. It's buyers of more expensive properties that will end up saving the most, up to £15,000 in some cases.

So what happens after the Stamp Duty holiday ends in March 2021? A sudden increase in the tax burden on these people could cause entire chains to collapse. The conveyancing process is slow at the best of times, and lockdowns in the face of increased sales have not helped. However, this is also a key opportunity time so please get in touch today.



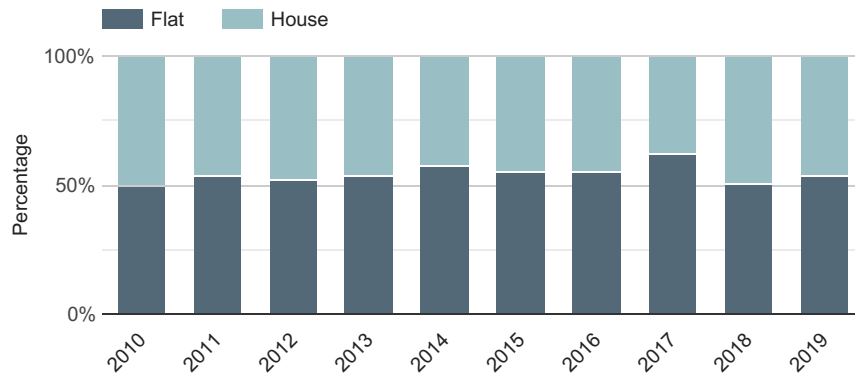
Average home buyers saved £5,234, a fantastic amount of money to spend on a newly bought home.

Got a question about the local market? Talk to an expert today

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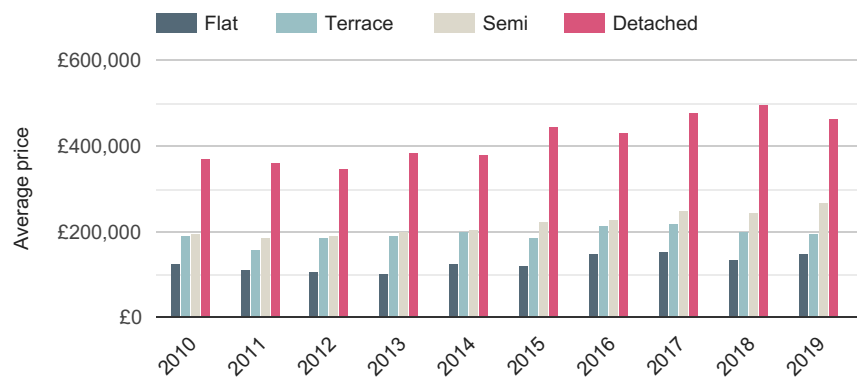
The annual sales split (houses vs flats)

In some parts of the country, the split between house and flat sales is very extreme while elsewhere there is more of a balance. It primarily comes down to how densely populated the area is. Rural, semi-rural and suburban areas are dominated by houses whereas urban districts are awash with flats.



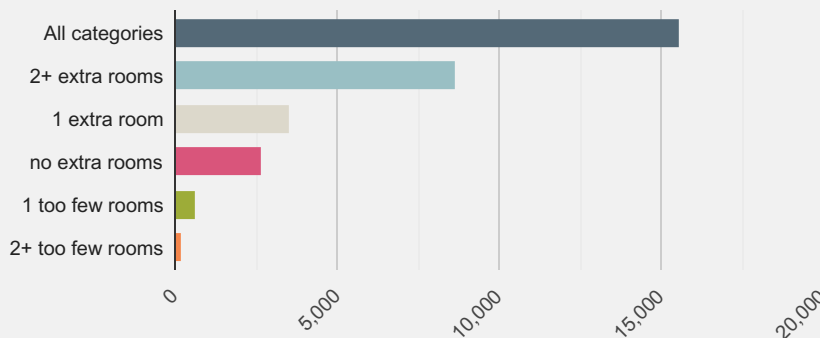
Property prices by house type

The last few years have been something of a rollercoaster ride for property markets up and down the country and our area is no different. Here we show how prices of different house types have changed relative to one another over time.



Local occupancy ratings

Some people rattle around in their home like two beans in a can whilst others are packed in like sardines in a tin. There is a formula, created by the Office for National Statistics which gives the occupancy rating of each home. This number shows whether a property has the 'right' number of rooms given the number of people living there. This shows the picture in our local housing market.



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