

The Opportunity of Uncertainty: Is this a winners' market?

Sit on the fence and you may still fall. But this uncertain market could be a boon for buyers brave enough to zig while others zag, says Robert Bailey Property's Will Hollest.

As I write this the United Kingdom and, it seems, our economy are on a knife edge. The political parties are promising devolution plus for Scotland and greater powers for England. Will Wales and Northern Ireland also be granted the power to set their own tax rates and budgets? While it seems the union has been saved in nominal terms at least, the aftermath of the Scottish referendum is creating uncertainty as to how the country will be governed going forward. Even with the Scottish vote in hand, this uncertainty is having a knock-on effect on the property market.

Nothing breeds discontent quite like uncertainty. With a general election looming lots of would-be buyers are sitting on the fence which is understandable, really. At least two of the major parties are threatening to introduce a mansion tax if elected, interest rates may rise and one bank even went so far as to say that if the union should break apart, it would plunge Britain into the next Great Depression.

I personally think there is a bit of hyperbole going on here but my own thoughts aside, the pendulous swings of the property market can be frustrating. London property is characterised by periods of extreme growth followed by stagnation. The basic underlying fundamentals have not changed, though: currently interest rates are at historic lows and even if they do rise, they aren't going to be massive rate hikes anytime soon. There is still a massive housing stock shortage in the face of a growing population, the Green Belt makes it difficult to build many of the new homes that are needed and most importantly, people still need to move. It is astonishing how quickly people forget this.

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If you look at the true winners in the property market game, it is those who zig when others zag. It is the developers who buy properties just as the country is going into recession and bring them to the market just as the country is emerging from it. It is the private homebuyer who senses the investor's panic and submits a cheeky offer only to find it's accepted. It is those who view lulls in the property market as buying opportunities and feverous periods as selling opportunities.

One of the advantages of being a buying agent is that we are never under pressure to "talk up" the market. We can simply call it as we see it. Yes, the market has slowed but I think that come June next year, people would look back on this period and see that it was a buying opportunity... in England, at least!



Image: 'Agent Zigzag', AKA Edward Arnold (Eddie) Chapman (1914-1997), Gangster, double agent. German Iron Cross holder. Photographed by MI5 after being parachuted back to England, 1942. Buy Ben McIntyre's biography of Chapman [here](#).

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