



Family Friendly Market

"The secession of trading during the usually busy Spring months, due to Government restrictions, led to an unseasonally buoyant Summer market which persisted into the Autumn. With time to reflect on life and housing needs earlier in the year, it has been families looking to make changes to lifestyle and living arrangements which have been a key component of the post-lockdown market."



Rob Taylor
Managing Partner
Newcastle Upon Tyne

Key Findings

- Average house prices in Newcastle have risen 2% year-on-year to September 2020 despite the pandemic.
- Demand is strongest for quality family homes, and larger apartments with outdoor space, as households re-evaluate aspirations and requirements.
- There was a strong rebound in activity in the Summer and Autumn markets.
- Despite the lockdown, the total number of properties that have come to the market so far in 2020 is only -3% down on 2019.

A Need for Space

The average house price in Newcastle in September, during the traditionally buoyant September market, was £171,000, up 2% on September 2019. This annual increase, combined with the robust recovery of values in the wake of lockdown restrictions being lifted, is indicative of buyer demand.

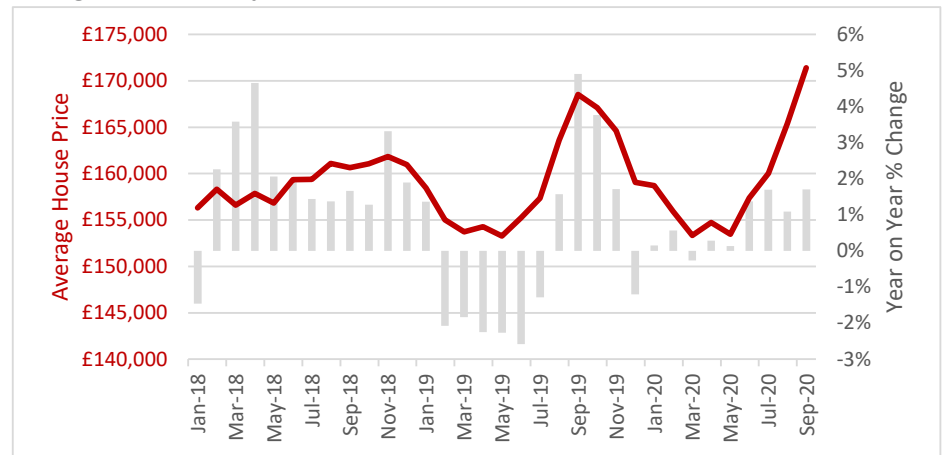
The number of sales has been more acutely impacted by the Covid-19 pandemic. In the Spring, the supply of homes coming to the market dropped to near zero before rebounding to above 2019 levels through the Summer and Autumn markets. However, the total number of properties that have been brought to the market in Newcastle over the year to October remains -3% down on the same period in 2019. This reduction in supply and effective closure of the Spring market meant that, in the first half of 2020, recorded sales were down around -30% year-on-year. While activity in Q3 is likely to narrow this annual shortfall, it appears that 2020 will still see a reduction in the level of sales for the year as a whole.

Also of note is the split in demand across the market. High quality family houses have been attracting the most attention, while smaller apartments have seen less demand as households have re-evaluated their priorities and needs during the lockdown period. This has meant that there has been an increase in discounting across the Newcastle market as some sellers try to ensure sales. Where discounts have been offered in 2020, the average discount rate has been around -5%.

On balance, those looking to sell quality family homes and larger apartments, especially with some form of outdoor space, will find persistent buyer demand. However, as we move into the Winter market, sellers of some property types may find activity diminishing and sales less easy to secure.

Fig.1 The average house price in Newcastle was £171k in September 2020

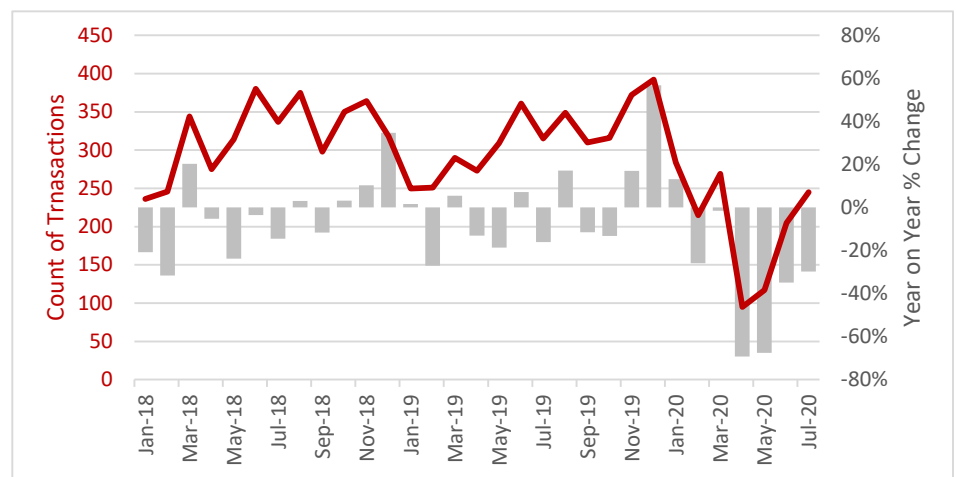
Average House Price by Month in Newcastle



Source: Land Registry

Fig.2 Transactions fell sharply in Spring 2020 due to the pandemic

Count of sales by month in Newcastle and Year-on-Year % Change



Source: Rightmove

£171k +2%

Average House Price in Newcastle in September 2020.

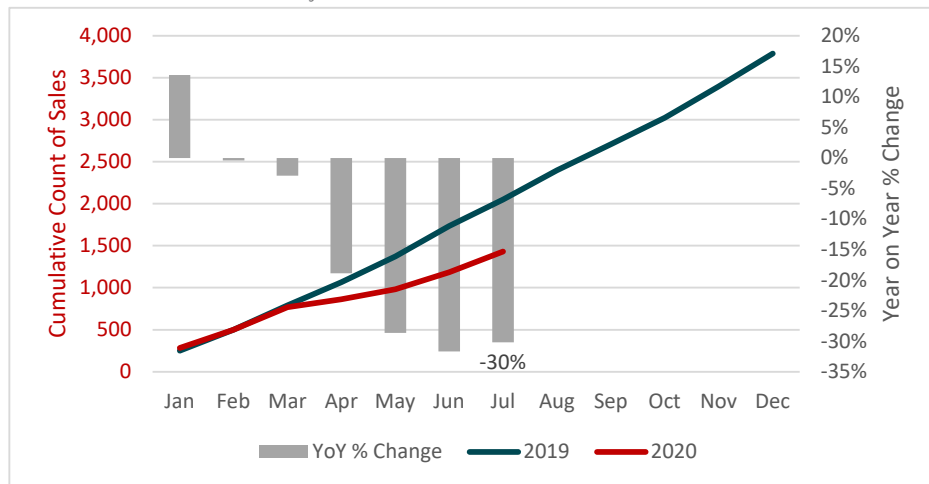
Change in average house price September 2020 versus September 2019.

-30%

Cumulative count of properties sold in 2020 to date versus the same period in 2019.

Fig.4 The total value of sales in 2020 has been around -30% lower than in 2019

Cumulative Count of Sales by Year



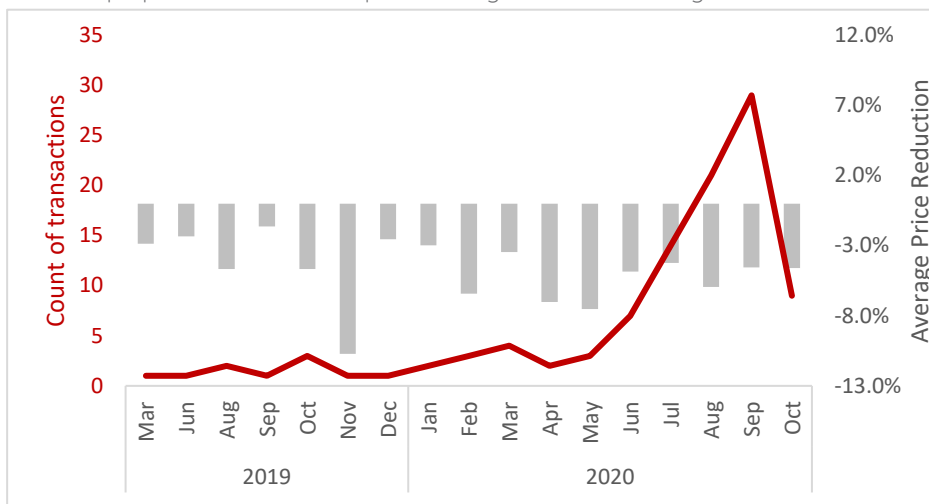
Source: Rightmove

-5.0%

Average price reduction of discounted properties listed on Rightmove in Q1-Q3 2020.

Fig.5 There has been a spike in discounting post-lockdown to secure sales

Count of properties with reduced prices on Rightmove and average % discount



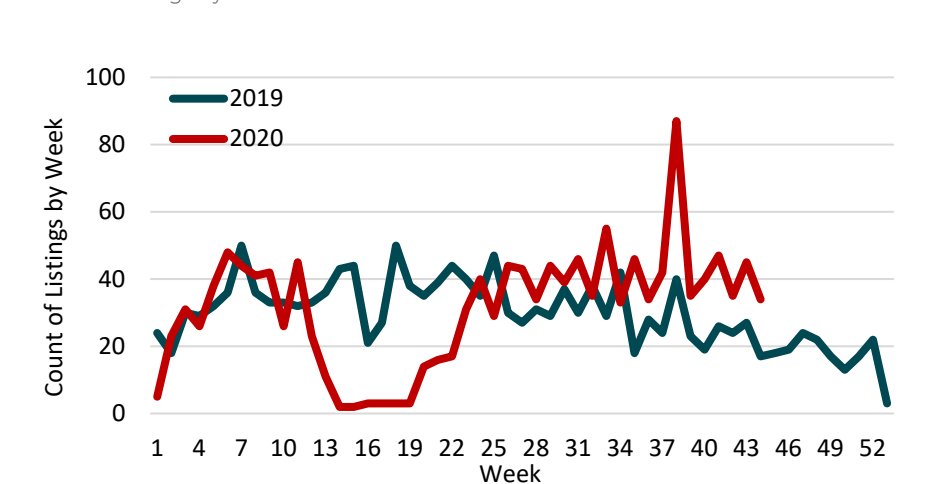
Source: Rightmove

-3%

Housing stock coming to the market is marginally down compared to the same period last year

Fig.6 Stock levels spiked as agents returned to the market

Count of Listings by Week and Year in Newcastle



Source: Rightmove

Properties for Sale



Jesmond Park East
Jesmond, NE7
Offers Over £2,700,000
4 Beds, 4 Reception



Jesmond Portfolio
Jesmond NE2
Offers Over £800,000
5x Two Bed Apartments



Osbaldeston Gardens
Gosforth
Price £795,000
4 Beds, 3 Reception



Featherstone Grove
North Gosforth
Price £400,000
5 Beds, 3 Reception



Burden Terrace
Jesmond, NE2
Price £395,000
3 Beds, 2 Reception



Grey Street
Newcastle, NE1
Price £395,000
2 Beds, 1 Reception



Rothbury Terrace
Heaton, NE6
Price £350,000
5 Beds, 2 Reception



Selborne Gardens
Jesmond, NE2
Price £350,000
3 Beds, 2 Reception



Westfield Avenue
Gosforth, NE3
Offers Over £325,000
3 Beds, 1 Reception



Mayfair Road
Jesmond, NE2
Price £300,000
4 Beds, 1 Reception



Montagu Court
Gosforth, NE3
Offers Over £295,000
2 Beds, 1 Reception



Whitebridge Parkway
Gosforth, NE3
Guide Price £295,000
3 Beds, 1 Reception



Dene View
South Gosforth, NE3
Price £285,000
3 Beds, 3 Reception



Fern Avenue
Jesmond, NE2
Price £265,000
2 Beds, 1 Reception



Tankerville Terrace
Jesmond, NE2
Price £250,000
2 Beds, 1 Reception



Keel House
Garth Heads
Price £240,000
2 Beds, 1 Reception

Your Local Team



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