

# PROPERTY MARKET INSIGHT

## SHOREDITCH & BOW

"With conditions across the housing market predicted to remain subdued during 2018, choosing an agent with local knowledge, experience and honesty is paramount to securing a successful deal." Michael Woolley, Director

# £594,532

Average price of a property across  
Shoreditch and Bow

dataloft / Land Registry Q4 2017

# 26.1%

increase in viewings undertaken,  
January 2018 compared to  
January 2017

dataloft / Butler & Stag

# £1,777

Average monthly rent for an  
apartment across Shoreditch and Bow

dataloft using Rent4sure, tenancies agreed 2017

# 56.3%

of properties sold for under  
£500,000 across Shoreditch and  
Bow during 2017

dataloft / Land Registry



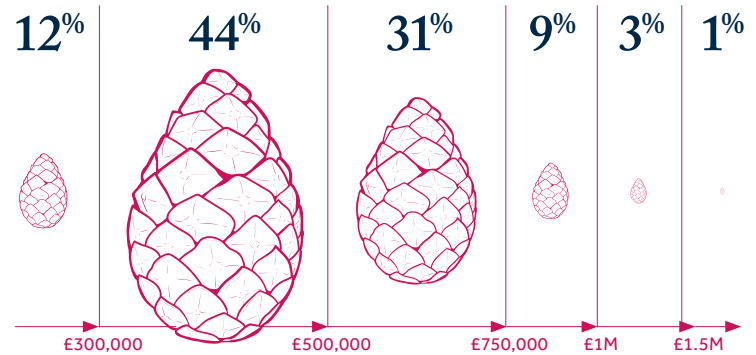
# Market review

Across the UK, 2017 proved a similar year to 2016 for the housing market. A year that included a snap general election, first interest rate rise in over a decade and the abolition of stamp duty for the considerable majority of first-time buyers, would, in most eras be a memorable one. However, compared to the turbulence of 2016, with the introduction of a 3% surcharge on additional properties and the Brexit vote, eyebrows were hardly raised. Official figures predict there were just 7,000 fewer transactions than in 2016, while annual house price growth remained broadly stable.

In London, market reaction has been considerably different. Annual price growth has fallen, with price adjustments of up to 10% commonplace across many of the prime residential markets. Despite this, prices have remained stable across both Shoreditch and Bow. While the market remains challenging, our areas continue to attract interest as their regeneration and revitalisation marks them out as locations of choice for today's cosmopolitan Londoners.

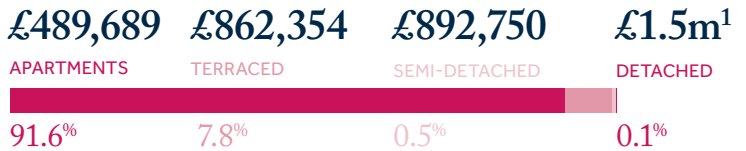
## Three-quarters of sales are between £300,000 and £750,000

### Sales by price band



dataloft / Land Registry, based on 2017 sales

### Sales by property type / average price



dataloft / Land Registry, <sup>1</sup>based on 2016 and 2017 sales

## Sales

2018 has started in a more positive vein across our Shoreditch and Bow offices. We saw an increase in new buyer registrations and viewings in January compared to a year ago. Favourable mortgage deals, low interest rates and less competition for properties all offer opportunities for prospective purchasers. We witnessed a small uptick in valuations and encourage those considering selling to contact us.

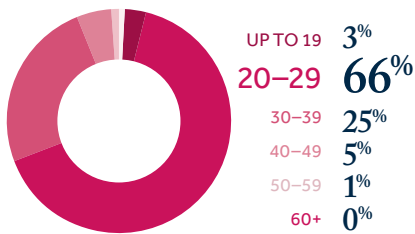
Excellent links to East London's Tech City as well as the financial heartland of the capital make the area a hotspot for young professionals looking to establish

their first home. Prices are still relatively low compared to other areas. Over half of all properties sold here within the last year were under £500,000, allowing first-time buyers to make a saving of £5,000 thanks to the removal of stamp duty for the first £300,000.

Sales of apartments accounted for 92% of all residential sales throughout 2017. The average price per square foot for apartments was £698, down just 1.3% on a year ago. Where vendors are realistic in their pricing, properties are selling for close to or within 5% of their initial asking price.

Two-thirds of new tenancies agreed during 2017 were to those aged 20–29

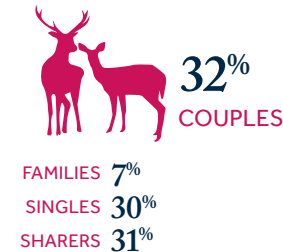
Age profile of tenants



dataloft using Rent4sure, all tenancies agreed in 2017

Nearly a third of all renters are couples

Rental households



Average rents / % change in annual rents



dataloft using Rent4sure, all tenancies agreed in 2017

Rentals

30% of households across the capital now privately rent: a significant increase from 10 years ago when less than one in five households fell into the same category. High supply and softening prices characterised the rental market during 2017. As we start 2018, constant demand and an easing of new stock levels are beginning to rebalance the equation.

Across our market area, two-thirds of new tenancies agreed over the last year were for tenants aged 20–29 working in a wide range of employment sectors. One bedroom properties are in particularly high demand, suitable for single

professionals and couples and rent quickly. Average monthly rents of such properties rose over the last year, compared to a slight fall across the rental market as a whole.

For savvy investors, gross rental yields, particularly in Bow remain attractive at around 4.2% for one bedroom properties, up to 4.6% for three bedroom properties<sup>1</sup>. Larger ex-council properties are often converted for sharers, who account for close to a third of our rental market. The top 25% of three bedroom properties let across our area attract monthly rentals in the region of £2,500. <sup>1</sup>Zoopla

New build investment

Both Shoreditch and Bow have witnessed a surge in new build activity in recent years as developers have been attracted to up-and-coming areas of the capital. Over a third of sales across our area during 2017 were for new build apartments, far exceeding the London average.



The housing stock across our area has increased by nearly 13,000 in the last five years and development activity continues apace. There are close to 300 schemes currently at application or permission stage across our area, with another 120 schemes under construction. Those currently at construction phase are set to add close to 14,000 units, with half set to complete during 2018, of which over a quarter are already fully sold or let.

Price growth (apartments)

	SHOREDITCH AND BOW	PRIME LONDON <sup>1</sup>
since 2015	12%	-4%
2012	47%	32%
2007	63%	80%

dataloft / Land Registry, ONS, DCLG, <sup>1</sup>prime London refers to the Royal Borough of Kensington & Chelsea

“Such is the excitement of development in the East End, average price growth across our area has exceeded that of prime residential areas of the capital over the past few years.”

Michael Woolley, Director

# London's traditional estate agent

We are your local, independent estate agency, with over 25 years of London property experience. Specialising in all aspects of residential property, our friendly and enthusiastic nature ensures that our clients continually return to sell, let, buy and rent through us.

Located within and part of a thriving community, we are involved with local initiatives including the Roman Road Trust and the East End Trades Guild.

Proud to be environmentally friendly, we provide our staff with branded bicycles, encouraging them to cycle to property viewings instead of driving.

Our latest office in Theydon Bois specialises in fine Essex Country Homes, offering the finest standards of living within a heartbeat of London.



LONDON EXPERTISE. LOCAL KNOWLEDGE



**James Brough**  
Office Manager  
(+44) 20 3589 6501  
Direct line  
james.brough  
@butlerandstag.com



**Michael Woolley**  
Director  
(+44) 20 3589 6505  
Direct line  
michael.woolley  
@butlerandstag.com



**Shoreditch**  
96a Curtain Road  
Shoreditch, London  
EC2A 3AA  
020 7613 5550  
shoreditch@butlerandstag.com



**Bow**  
508 Roman Rd  
Bow, London  
E3 5LU  
020 8102 1236  
bow@butlerandstag.com

**dataloftconsult**

Data, analysis, editorial and design  
by Dataloft

dataloft.co.uk

Disclaimer: This report is produced for general information only. While every effort has been made to ensure the accuracy of this publication, Dataloft Ltd accepts no liability for any loss or damage of any nature arising from its use. At all times the content remains the property of Dataloft Ltd under copyright and reproduction of all or part of it in any form is prohibited without written permission from Dataloft Ltd.

Date of publication: February 2018

butlerandstag.uk