

Castle Homes are Derby's fastest growing lettings agent, we pride ourselves in offering only quality properties, quality tenants and...

a quality service, whilst guaranteeing the **LOWEST PRICED MANAGEMENT FEE PACKAGE**. Castle Homes are an independent company with over 10

years experience in this market. Our focus is simple...we never forget that your property is your asset and we will ensure it stays that way.

CASTLE HOMES
QUALITY PROPERTIES • QUALITY TENANTS • QUALITY SERVICE
Inside

PROPERTY

Reluctant Landlords

RELUCTANT Landlords – people forced to rent because they were unable to sell in a sluggish property market are moving out of the rental sector with the sales upturn, say property experts. People who turned to renting as a temporary measure to ease financial pressures are returning to the sales market according to email4property.co.uk an online network of estate agents. Reluctant landlords entered the sector during summer 2008 and email4property.co.uk saw the number of people looking to rent their properties rise by more than 50%.

Now, as this number starts to recede, with many now hoping to sell, fierce competition among landlords is expected to decrease. Steven Lees, head of marketing for email4property.co.uk, said "Conditions have now finally tipped in favour of reluctant landlords after a long period

of intense competition, during which tenants were able to significantly bargain down rents.

Until recently it was hard for owners to recoup a decent return on their property".

"With many reluctant landlords now looking for their route back into the sales market, availability has decreased, allowing landlords to be more bullish on rents and conditions of tenancy".

Bill Rockett, of Rockett Home Rentals in Staffordshire, adds: "Earlier this year there was an extraordinary amount of stock available on the lettings market, and rents suffered as tenants seized the opportunity to secure a bargain.

"However, we are now experiencing a turnaround, with decreasing stock combining with renewed demand from tenants to push rents upwards. Many experienced landlords are now looking to expand their lettings portfolios in order to capitalise on the current strength of the market".

Landlord information centre

Castle Homes says it has revolutionised the lettings industry thanks to the introduction of a landlords information centre. This online facility allows landlords to access the Castle Homes website with a username and password, to find out the amount of viewings booked, get feedback on viewings and discover how many people have looked at the property online and printed off details. Andy Varney, Managing Director for Castle Homes, said "viewing feedback had been lacking within the industry but the new system allowed landlords access to feedback within 24 hours".

To find out more call Castle Homes on 01332 206655



B&Q Discounts

All Landlords of Castle Homes can now get a B & Q trade discount card.

Any Landlord taking a card will be entered into a free prize draw which will be drawn at the end of December (prize to be confirmed).

On the 17th December B & Q are holding a trade event which Landlords are invited to there is another prize draw on this day.

They must say they are Landlords of Castle Homes for full details of the trade card contact B & Q on 01332 777620 ask for John or Wayne

We will give YOU £69

We have a new incentive, if you recommend another landlord to Castle Homes, we will give you up to £69 'cashback' OR if you have another property we can rent for you, we'll give you £69.*

* No charge will be made for your first months rental. £69 is the monthly rental charge on properties over £600 per month. If the rental is below £600 per month, no charge will be made for your first months rental of £45.

CHRISTMAS OPENING

Our Christmas Opening hours are as follows: Closed 24/12/2009 and Re-open 4/1/2010

LANDLORD JOKE!!

A housewife called up a pet store and said, "Send me thirty-thousand cockroaches at once."

"What in the world do you want with thirty-thousand cockroaches?" asked the astonished clerk.

"Well," replied the woman, "I am moving today and my landlord says I must leave the premises in exactly the same condition I found them..."

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Cheer for Landlords

RENTS have remained steady this month, further highlighting the market stabilisation that began in the spring. They are now 0.2% higher than in April. Since then, rents have risen by £10 per month. The stability has sent out a positive signal to professional landlords who generally take a long term view of the markets. In addition, the stock of rental properties declined sharply this month (-6.2%) the largest monthly fall since the beginning of 2008.

However, the stock of properties available to rent remains 37% higher than a year ago. Nevertheless, take up of empty rental properties, particularly at the lower end of the market, by students starting college or university courses and first jobbers, has

helped to reduce surplus stock in a busy autumn market. The revival of activity in the sales market has also encouraged reluctant landlords to sell previously rented properties. However; buy to let finance remains limited, putting a brake on residential property investment. Rental yields are 4.56%, in line

The annual rate of decline for rents on houses has fallen, however with rents £37 down on September 2008. The average house is currently £866.

with the average of the past four months, but slightly lower than a year ago (4.78%). Rents sought by landlords rose in five regions and fell in six, the increases occurring in Scotland, South West England, the West Midlands, Yorkshire and the Humber, as well as London. The pick-up in rents in the capital may be an indication of recovery in London's rental market, though yields still dipped slightly as property values rose.

The market has been particularly encouraging for flats. Having generally fared less well in terms of rents achievable this year, flats have seen two months of rising rents, up by a £2 or 0.2% since June. Even though the annual rate of decline has slowed down, rents on flats at £750 remain £41 lower than a year ago. As for houses, a four month trend of rising rents has been broken this month, with a fall of 0.2% in August.

The improvement as regards to flats has been caused by a reduction in supply and the fact that rents are sought after the current climate.

Michael O'Flynn, director of FindaProperty.com, said "There's notably less rental stock available as the market gets busier in September with cheaper properties, including flats and smaller houses most in demand. "In other circumstances this higher level of activity might have led to an upswing in rents, but with stock remaining historically high they are, in fact, stable. The good news for landlords who hold existing portfolios is that borrowing costs are at historically low levels".



Buyers Return

BUY-TO-LET investors are returning to the auction room as UK house prices **SHOW SIGNS OF RECOVERY, ACCORDING TO AN EXPERT AT A SPECIALIST LENDER**. Statistics show the auction market is dominated by private investors rather than people buying for their own occupation. In June, 93% of purchases bought for investment – up from 78% in February.

In July, the rate remained high at 86% and the amount raised at property auctions was £490m, compared to £470.5m 12 months earlier. Chris Baguley, director at Auction Finance Limited, which provides finance for investors buying property at auction, says interest in buy-to-let is rising. "People are seeing the benefits of investing in residential property. For many investors, they're providing an alternative to savings rates which are still extremely low", he said.

"This trend coincides with the fact that the average yield on investment property (the gross profit on capital investment) currently stands at an average of 8.5%"

David Sanderman from the Essential Information Group, which tracks auctions,

said: "There are still real bargains to be had and in many auction rooms up and down the country, it's standing room only. "Whereas, in recent months, many people were cautious and simply observing, we're now seeing serious bidders as confidence returns, and house prices start to increase".

