



PORTSMOUTH RESEARCH

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RESIDENTIAL MARKET REPORT



7.4% OF PORTSMOUTH WORKERS WORKED FROM HOME BEFORE COVID-19 – WONDER HOW MANY MORE DO NOW?

Before the Covid-19 pandemic hit, 8,401 Portsmouth people worked mainly from home, or about 7.4% of Portsmouth's 113,075 workforce (compared to the national average of 14.9%). Yet over the last few weeks many thousands more Portsmouth workers have joined them in their spare rooms or at their kitchen or dining room tables.

Amongst warnings from the Government that some lockdown constraints could stay in place into 2021, businesses are dealing with an unexpected cultural shift in how many of us do our work. Talking to many Portsmouth people who have been asked to work from home, for many it has been a pleasant success.

Working from home does have some negatives though. I have found myself still working at 8pm/9pm and beyond as I have forgotten to clock out and whilst many people might think working from home means doing less work, more often than not, the reverse is true for industrious and hardworking employees. When you don't have that break of the commute to the office, the workday can blend into ones home life. Talking of commuting, the average British worker has a daily commute of 11.9 miles, whilst locally...

The average daily commute for a Portsmouth worker is 8.4 miles

At least working from home, the commute is only to the dining room table or spare bedroom. Speaking to some friends of mine that are new to working from home, they said to me that they can feel out of the office-loop as they miss the 'water-cooler' moments or spur-of-the-moment brainstorming session over a brew, it's tough to reproduce that from home.

Don't forget to get into your garden (if you have one), stretch those legs. Ensure you are taking advantage of the daily exercise allowance. I see so many people walking around our neighbourhood daily who I haven't seen before. Let's hope they keep up the habit once lockdown is removed. You have to admit, it's quite nice especially as there are far less cars on the road.

Portsmouth workers commute 794,512 miles a day to work

That's to the moon more than three times - every day!

Some people find it difficult to adjust to working from home and feel guilty if they don't reply to co-workers emails or phone calls straight away. My friends stated that they didn't want their team-mates to wonder if they were taking it easy rather than pulling their weight. The best advice I can give from working with my team, is to over communicate, and I suggested (as I do to you) to tell their bosses and colleagues what they are doing and share their accomplishments using those video conferencing software packages.

The really hard part is having a dedicated space in your home. Attempt to set up a workspace and make it out of bounds to the rest of your household while you are working (although that is very difficult when you have children or your partner is having to work from home as well). Is there anything worse than being on an important call to your boss or a client, only to have a delivery driver knocking on the door or having your kids and dogs yelling and barking in the background? It's a balancing act!

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Interestingly, looking at the stats and this internment in Portsmouth people's homes could be a catalyst for people wanting to move home later in the year be it for rent or for sale, thus giving a vital boost to the Portsmouth property market. Would it surprise you that...

31,174 Portsmouth households are either at full capacity or officially overcrowded?

The definition of full capacity is when the household has enough bedrooms for the occupants. The definition is set out in 'The Allocations Code of Guidance', which recommends that the 'bedroom standard' is adopted as a minimum measure of overcrowding.

This means one bedroom should be provided for each adult couple.

any other adult aged 21 or over.

two adolescents of the same sex aged 10 to 20.

two children regardless of sex under the age of 10

That means 31.34% of Portsmouth households do not have a spare bedroom for their occupants to work from

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(compared to the national average of 16.64% of household)

Even worse, I suspect there are many Portsmouth families with two teenage boys or two teenage girls, and guidance is suggesting they can share a bedroom – do they live in the real world? This means there are probably even more Portsmouth households that are at full capacity or even more overcrowded than the stats suggest, meaning plenty of people will be working from dining room tables (if they have a dining room that is) and quite probably the kitchen table ... a recipe for even more people wanting to move home later in the year.

So, I don't know how many Portsmouth people are working from home, yet looking at the newspapers the consensus is that it has at least doubled. For all the reasons mentioned in this article, this looks like we could have a pressure cooker scenario of demand for Portsmouth property once the restrictions have been fully lifted.

Meanwhile, a message to all you new homeworkers in Portsmouth. Working from home is a tough one. The best advice I can give is to change your way of thinking. I know many friends who are missing their offices right now, yet is office-working really so great? Consider the relentless risk of disturbance when you are trying to finish that important project, the recirculated air conditioning with its germs, the shortage of quiet meeting rooms and as I have already mentioned before, the drawn-out and expensive commute.

Try breaking the cycle of thinking that being at work – time is productive and not being at work – time is only leisure. The new way of thinking that accepts the concessions of home-working and discards the traditional 20th Century conventions of office working. Yes, the downside is that as humans we are very sociable creatures and we acutely feel the need to be in face to face contact with each other often, meaning lockdown is quite tough for many of us. Yet, if we are able to connect the positive prospects for the future working and the situation that Covid-19 offers us, then together as a society we should be able to find the right balance between working from home and coming together. In the meantime, be considerate of each other and keep safe we are all in this together and we will all overcome this together.

Interview with Matthew Marsh, Client Director and Mortgage Advisor at NEXA.

Who are you? And what do you do at NEXA?

Hi, I'm Matt, I'm a Mortgage Advisor and Client Director for Nexa Properties. (I'm a 41 year old father of 4, soon to be 5 if you want to embellish)

How long have you been in property?

After coming out of the Royal Navy, I got into banking and finance in 2002, where I ran my own mortgage brokerage. I branched into estate agency in 2008 as felt a natural addition to mortgages as I specialised in purchases and have been working property & finance since then. (over 18 years if you want a shorter version).

What makes you different? (RBM Solutions)

We're unique in the basis that we keep it a true one solution proposition, where we can market your property, properly vet your buyers (and where they are happy to, process their mortgage for simplicity) as well as facilitate your onward purchase. This simplifies the whole buying & selling experience by controlling the flow of information, tying the process up with much more transparency.

We also work around our clients, rather than them working around us, so if buyers, vendors or any client need to be seen or spoken to at hours to suit them, we can facilitate that, either electronically, at their home, neutral venue or in the office to be truly customer centric.

What makes NEXA different?

The one solution approach, giving the client a focal point and an accountable client director for all their needs, while supported by an amazing team. The outside the box thinking and dynamic approach to business, from flexible client directors to fit the needs of their clients, superb marketing approach outside the standard advertising and the general can do attitude, all completed in a professional and astute manner.

What impact is the Corona Virus having on the property market?

The positive news is the property market is still open for business, it just requires adaptation to keep the wheels turning, which I am pleased to see we have here at NEXA.

The real impact is of course, a slow down as buyers & vendors are not able to go out to view homes physically, but due to virtual tours, facetime/skype/video call appointments, this can still be met.

From a finance prospective, more high risk lending has slowed significantly or withdrawn, but standard borrowing continues, with many specialists still lending. Lenders also are adapting to how they value property, much in the same we buyers need to, but with addition of desk top / automated valuations where possible.

Turn around times will take longer due to staffing at solicitors and lenders, but will get there, as long as clients expectations are well managed.

Is now a good time to buy?

I would look for the positive here and if I was a buyer, I would feel that anyone wanting to buy is in a good position to do so as vendors who have been on the market for more than a month may now be more open to a lower offer or keen to agree a sale while they are set on their own forward plans. Just being mindful the process may take longer than normal to process. Also, while lenders are offering good terms, to take advantage of this too, before any more withdrawals or rate rises.

Is now a good time to Sell?

If you're selling to move onward, then the same as for buyers above. However, the other advantage to marketing now is you have a captive audience right now, so huge potential to sell with a wide, captive audience, while other people considering selling maybe waiting to list their homes once all of this has passed. By waiting, you may get less than you would now if the market takes a downturn (as its not likely to increase due to slowed economy) and also you'd be going into the market when everyone else will be doing the same, therefore having more competition when selling your home so less buyers available to you, all resulting in a potentially lower price achieved due to having to sell lower to remain attractive to buyers.



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