



ACTIVITY NATURALLY SLOWING



Jonathan Cunliffe takes a look at the South West prime property market

In the last 15 years alone the UK property market has suffered turbulence from the global financial crisis, Brexit and of course more recently the coronavirus pandemic.

The first of these actually began on Wall Street, where certain banks had invested heavily in the US 'sub-prime' property market.

Turning to Brexit, hindsight has shown that Brexit itself didn't destroy the UK property market but the political uncertainty beforehand certainly did and the market had no sooner shrugged off the preceding global financial crisis when it had stalled once again.

In the second half of 2019 with that uncertainty out of the way, the property market started gradually strengthening, but then in early 2020 along came the coronavirus pandemic. It was soon widely predicted by com-

mentators and economists that this too would be very tough on the British economy and specifically the housing market.

As history shows, the consensus view is often wide of the mark and the last two years have been no exception. The first serious lockdown in spring 2020 caused huge pent-up demand which when combined with foreign travel restrictions put rocket fuel under the domestic property market, not just in Cornwall, but in most rural and coastal regions across the country.

Although not nearly as serious in their restrictions, the later lockdowns of November '20 and Jan/Feb '21 added yet more fuel to the fire.

With foreign holidays still complicated buyers also became very motivated to buy a property near the coast prior to the summer break, with further urgency caused by relocating



This elegant Grade II listed residence in Truro is for sale with a guide of £2m

families leading up to the September return to school.

At present it looks as if this feverish activity has naturally slowed since last summer, partly because sellers couldn't find anything to move on to. At the same time demand seems to be gradually returning to more normal levels - partly due to the return of foreign holidays.

The supply of new properties coming up for sale has been very tight

since last summer - with no traditional autumn market last year - although there are signs this may be at last starting to change as we come into spring.

So what's next for the rollercoaster? Well the above shows there will always be shocks to the economy and housing market, of both a positive and negative nature. What we don't know is what they will be, when they will occur and whether they will actually

cause a negative or positive effect.

Huge sums are invested to be able to try to predict such events and the respective results, but the last two years alone shows we are actually none the wiser. We do know that over the long term the value of land and property has appreciated, so try to ignore the 'white noise' in the short term and buy for the long term.

For more information visit jonathancunliffe.co.uk.