

Alfreton & Ripley

PROPERTY NEWS

Issue  16

Derbyshire our Fantastic County... IN THE PROPERTY SPOTLIGHT AGAIN!



I'm pleased to tell you that once again many property experts are predicting that Derbyshire is set to show one of the highest property value increases in 2018.

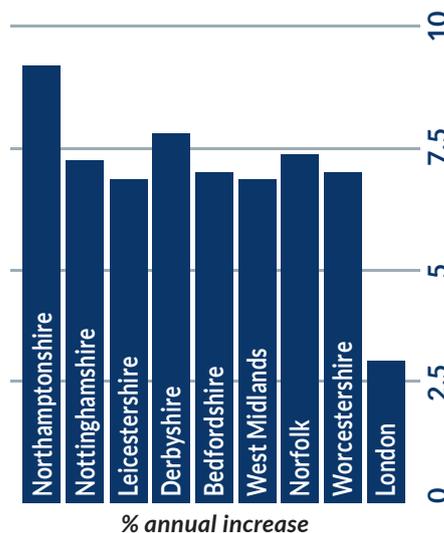
According to the property website Rightmove, asking prices in Derbyshire have increased by 7.9% over the past year at more than double the average, which is just 3.1%. The only other area in the Midlands to experience higher growth was Northamptonshire with an impressive 9.1%.

During 2017 property prices across both the West and East Midlands have increased and much of this is attributed to the fact that residential property prices in and around London have begun to slow and therefore property investors nationwide and particularly those in London are beginning to look at other areas of the country in order to achieve those much sort after returns and yields on their investments.

The East Midlands is increasingly being identified as a commercial and industrial growth area with major employers such as Rolls Royce, Toyota, Nestle and JCB demonstrating that this region can attract high calibre employers who have already made significant investments in the area. With the major city of Derby being only 90 minutes from the capital by train and the breathtaking scenery of the world-famous Peak District National Park on the doorstep, Derbyshire has much to offer those seeking to invest and reside in the Midlands.

People are recognising that this county can offer both an outstanding quality of life for those seeking excellent employment opportunities and easy access to the contrasting locations of vibrant cities and rural retreats all in the same county.

This graph illustrates how the 8 counties identified by Rightmove as experiencing a 'mini-boom' in property asking prices over the past year, compared to the London property market.



I hope you enjoy reading our newsletter and find it both informative and useful.

These articles are designed for people who have an interest in the residential property market in and around the Alfreton and Ripley areas.

We are a local, family run letting agency, passionate about property and our local area.

If you have any questions regarding the information in this article, property investment, lettings or management please feel free to contact me. I am always happy to help.



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CATCHMENT AREAS...

Do schools with good & above ofsted ratings attract property investors?

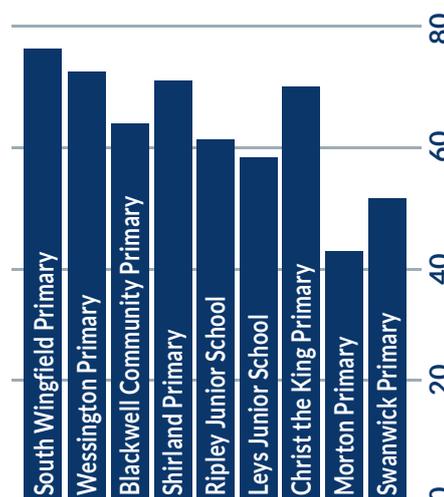
Several people who have been looking to buy in the Amber Valley area recently have asked me what the ofsted ratings are for our local schools. Whilst the majority were parents, some were simply looking to invest in bricks and mortar, and it led me to thinking about the phenomenon of how the ofsted ratings of schools are considered to be coupled with house prices in their locality.

According to my research it seems that in some areas of the country parents are prepared to spend £100,000s to get their children in the best state schools and some property experts say that where state schools are rated outstanding, homeowners enjoy an average property price premium across the country of approximately £44,000. (based on figures from 2016)

It appears from some articles that I've read that it can be cheaper to buy a property in a catchment area to get your child into an outstanding state school than to pay for private education in a public school. Not only is the education of your child 'free' in terms of spending money on expensive fees, but your house can also increase in price throughout the period of your child's education if it's in the right catchment area. Of course the school in question would need to maintain its outstanding rating.

However, a cautionary note as always to those looking to invest in property, particularly if you're looking to invest in property in an expensive school catchment area in your locality. There are unfortunately stories where parents have invested in properties in the catchment areas of schools rated outstanding only to find that after a few years the headmaster/headmistress of the school that achieved the outstanding rating moves on, and this has an impact on the rating of the school. It might also be the situation that the rating of the school begins to deteriorate generally due to other factors. The decline in the ofsted rating of schools it seems might have a negative impact on house prices in much the same way as a good ofsted rating might have a positive impact. With Ofsted inspections now being carried out every 3 years, property values in catchment areas of good and outstanding schools might fluctuate much more regularly than they did previously.

As I always say in my newsletters, or to anyone who seeks advice from me regarding the local property market, property investment like any other investment is usually a long term commitment and you should always do your homework, consider what is right for your own situation, and seek professional advice before making any investment.



% pupils meeting the expected standard in reading, writing and mathematics.