

Alfreton & Ripley

PROPERTY NEWS

Issue  6

Does the type of property you buy... **MATTER?**

In the UK we have many different types of property including, detached, semi-detached, terraced, bungalow, townhouse, apartments and flats.

When choosing a property to live in or as an investment, your budget will of course always be the deciding factor but once that is established the type of property you buy should also be one of your first considerations.

I've recently done some research on how each property type has performed over the past 12 months in the Alfreton and Ripley area.

Alfreton

OVERALL
AVERAGE
+6.85%



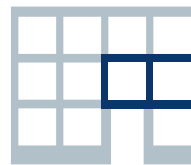
Detached
+6.95%



Semi Detached
+5.52%



Terraced Properties
+7.84%



Apartments / Flats
+6.82%

Ripley

OVERALL
AVERAGE
+1.29%



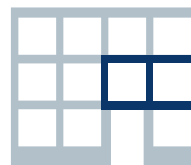
Detached
+4.83%



Semi Detached
+3.85%



Terraced Properties
+0.50%



Apartments / Flats
-1.42%

So what does this mean for the Alfreton and Ripley property owner?

Over the past 12 months both towns have seen an overall increase in property prices, but this increase has differed substantially across property types. Although all property types in Alfreton have seen an increase, people who invested in a terraced property should have seen the highest return if the property was placed on the market for sale. On the other hand, these figures show that investments made on flats in Ripley have seen a much lower return or possibly a decrease in the value of their property.

Of course statistically, very few people sell their property after one year of ownership. In the UK the average time we spend in our home before moving is around 7 years and the average time that tenants stay in a rented property is about 18 months. It is always wise to take a look at how much the market has changed since a property was purchased and review the market year on year to see whether it is increasing or decreasing in value. As with any other type of investment, it pays to know when the market is working in your favour.

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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HEART or HEAD

WHICH ONE RULES?

This is the month that **LOVE** is traditionally in the air, but if you are thinking of buying a property, should you be ruled by your **HEART** or your **HEAD**?

We all have our own aspirations with regard to the property that we're looking to purchase, but our individual visions of loveliness differ widely, from a country cottage with roses around the door to the chic penthouse flat. For some of us it is very easy to fall in love with the property that we're viewing. At the first look, many investors place the same ideals and emotions onto an investment property that they do when looking to buy a property to live in.

When buying your own home you might base your opinion on whether you get a warm feeling when you walk through the door, you might also consider how closely the property is located to good schools. You might think about the price with regard to your budget but without really taking into account the re-sale value of the property in the future.

*You really do want to **fall in love** with your future home.*

When buying an investment property however, your list of requirements for that property may be different and be based much more on financial and practical issues. Here are a few things that you might want to consider...

- **The size of the property...**
2 bedroom properties as a general rule let faster than larger properties.
- **The type of property...**
Terraced houses are traditional rental properties, but a semi-detached property is likely to have a better re-sale value in the future.
- **The location of a property...**
Transport links and the level of business/industry in an area can mean that the area has a higher level of tenants looking to rent.
- **The outside space of a property...**
Sometimes even the most conscientious of tenants are not always best at maintaining the outside space. A small or low maintenance garden might be preferred. Off road parking is always a bonus and can help you to charge a slightly higher rent.

The primary aim of any investor is generally to make money. It is important however not to lose sight of your goal and objectives when buying a property, so always remember to put away those rose-coloured spectacles and look at your prospective investment property through the lens of the impartial investor.