



# Introduction to Quarter 3 2016 Review



The UK property market has had an interesting year so far, weathering the ongoing lack of housing stock pushing up prices, policy changes in the buy-to-let sector and the uncertainty around the vote to leave the European Union earlier this summer. The impact of these trends has most definitely been felt in the managed retirement property sector, as well.

As the country's leading retirement property specialist, we have a unique view on this niche but growing sector. While we are affected by many of the same issues of the general property market – a lack of suitable housing stock remaining by far the biggest – there are certain factors that influence viewings and sales figures.

For instance, our team saw a surprise uplift in August, with this year bucking the usual trend of a busy first half, before slowing down in the summer. The first half of 2016 saw fewer transactions, as buyers held off making decisions before the EU Referendum vote in June, while August has been the second busiest month this year in terms of sales.

One potential explanation for this surge in confidence can be found in research by national estate agency Haart, which found that the housing market has prospered in areas of the country that voted to leave Europe, but slumped in those that hoped to remain. Haart claim that the 'psychology of Brexit' has driven big regional differences in the buying and selling of homes since the referendum with a 50% surge in abandoned sales in branches in towns and cities that voted to stay in the EU, but a 2% drop in branches in Leave areas.

As data from Lord Ashcroft polls showed, those aged over 65 were more likely to vote Leave (60% compared to 40% remain), it could be that this buoyancy has carried through to the retirement property market.

Looking ahead to the end of the year, we expect this confidence to continue, albeit following the usual seasonal patterns we see towards the end of the year, as activity peaks in October, before decisions pause around the holiday season.

2017 is not going to be an easy year for predictions. Prices are

still likely to rise (as ever driven by the lack of new instructions coming to the market) but beyond that we have the falling pound, the beginning of the "leave" process with the triggering of Article 50 and the subsequent start of formal Brexit negotiations. Will the stock market continue to race ahead? Will we run out of Marmite!?

I think there will be caution across the whole market in the first quarter but a desire to "get on with things", particularly in the retirement niche, should see improvements as the year progresses. Prices will rise but may be pegged back to around 3% as the economic picture becomes clearer.

We hope you enjoy the Q3 edition of the Retirement Homesearch review.

A handwritten signature in black ink that reads "Nick Freeth". The signature is written in a cursive, slightly slanted style.

**Nick Freeth, Managing Director,  
Retirement Homesearch**

# Retirement Property Dashboard

	Qtr. 3 2016	Qtr. 3 2015	
 <b>New Buyers registered</b>	4,465	6,059	-26%
 <b>Viewings</b>	2,551	3,167	-19%
 <b>New Instructions</b>	504	533	-5%
 <b>Ave Value of New Instructions</b>	£136,300	£128,800	+6%
 <b>New Sales</b>	387	386	=%

## Rental Market View

“The demand for renting in retirement continues to flourish and there has been no adverse effect on the retirement lettings market since the Brexit vote. The security of renting on an assured tenancy together with the flexibility it offers has proved an attractive proposition for many down sizers. We are able to continue to buy retirement properties to rent, although some sellers are holding out in the hope of achieving a better price than we are able to pay and market demographics show they will sell given time.”

**Gillian Girling**  
Chief Executive, Girlings Retirement Rentals Ltd

# In Focus – Modern Retirement Lifestyles

People are now living around a third of their lives after the age of retirement, giving them more time to spend with family, travel abroad, enjoy their hobbies and learn new skills. This has important implications for the retirement housing sector.

A recent study by Age UK demonstrates this zest for life among the older generation, finding that 82% of over 65s say they have felt happy or content either most days or every day for the past two weeks – the highest percentage for any age group including 16-24 year olds.

One of the reasons for this could be an increase in healthier and more active lifestyles among older Britons. The same research study found that nearly three quarters of over-65s have been involved in leisure activities or hobbies in the last two weeks.

Another lifestyle trend emerging among retired Britons is an increase in digital savviness and a willingness to embrace new technology. Our parent company, FirstPort, has found through its newly-launched 'Digital Eagles Tea & Teach' sessions that older residents realise the benefits that technological advances bring to their day-to-day lives.

Gwenfyl Malkin, 96, from Cwrt Brynteg used our Tea & Teach session to learn how to send her first ever email to her daughter-in-law, whilst a session at our Saxon Court development facilitated a live online chat with Tesco mobile for a resident who wanted to find out her mobile phone balance. Many of the residents joined in and

contributed to the chat, and even rated their customer experience using the online form.



Gwenfyl Malkin sending her first email



Saxon Court taking part in an online chat

The trend of having a more active, social retirement affects both retirement property developers and managers. From a development perspective, forward-looking retirement properties now need to be built with more open plan areas, social spaces and gardens to serve a more active community. In our own developments we are seeing the communal areas packed with residents attending Digital Eagles Tea & Teach sessions and other social events and evenings.

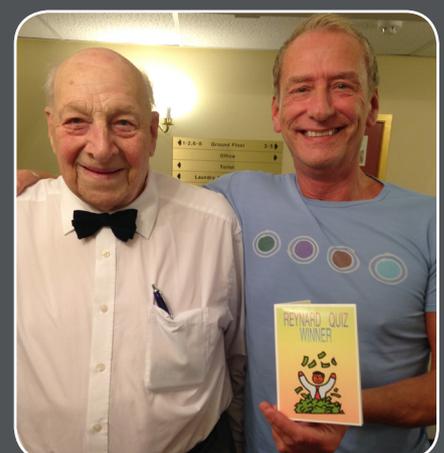
This means retirement property managers must also be equipped with certain skills, such as the ability to bring residents together, encourage new hobbies and activities and help them to engage with the latest technologies and innovations. A number of our Development Managers now put on regular film nights, tea parties and even yoga classes for retired residents keen to try new things.

For older Britons, the decision to move into a retirement property will increasingly be based upon

their social lives and a sense of community. As Nick Freeth, MD of Retirement Homesearch opines: "Retirement developments are no longer a collection of individual homes; they are vibrant communities, home to people leading full and active lives – something which property managers, developers and the wider industry will need to accommodate in the future."

## Quiz-tastic Reynard Court

Quiz nights are popular social activities in retirement developments. Not only do they keep residents' minds active, they are also great social events that encourage people to chat and get to know each other from the comfort of their development lounge. Residents at Reynard Court in Purley know a thing or two about what makes a good quiz – resident and Quiz Master, Reg Dunn (pictured below with fellow resident, John Kelleher) has been hosting monthly quiz nights since 2007. They are extremely well attended and create quite a buzz, keeping everyone on their toes. They've recently reached their 100th quiz milestone and worked out that, in that time, they've answered over 3,000 questions between them.



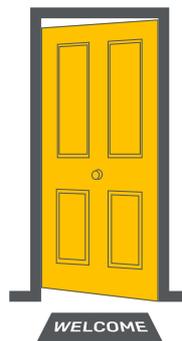


We've been helping people find their perfect retirement property for

**25 years**



We've registered over **23,000** new buyers over the past twelve months...



...and have arranged over **13,000** viewings



So whether you're looking to buy or sell a retirement property...



...our **highly experienced team** are dedicated to helping you