

# R3 MARKET INSIGHTS October 2024

# R3 RESIDENTIAL SALES DASHBOARD

## What to make of the Budget?

### More splash than storm?

As far as the property market is concerned the extended hype surrounding the budget may have been more splash than storm (see our contribution in [PrimeResi](#)). Will it promote stability in the property market in the long-term? Stimulate it? Or stall it altogether? We take a look at the major announcements that will affect the property market in London, and their likely consequences.

### Taxes

- **Stamp Duty Land Tax:** an immediate increase to the higher rate of SDLT for second homes from 3% to 5% will impact both buy-to-let investors (an additional disincentive for Landlords, possibly pushing rents up in the medium-term) and for international buyers although over time such tax changes often end up being priced-in. The £Nil band rate will drop back to £125,000 in April 2025, adding to the tax burden in particular for first time buyers. The later is unlikely to affect the Prime and Super Prime market.

- **Capital Gain Tax:** Much speculation surrounded the possible increase in CGT rates for residential property disposals, but this turned out not to be the case (it remains at 18% or 24% depending on your tax band). This may have slowed the market over the last three months on the expectation of a rise, and may boost transaction levels over the coming quarter now that the rate has remained unchanged.

### Other announcements

- The abolition of non-dom status may well prove to be the measure with the biggest impact in the long-term to London's luxury property investment landscape, slowing down foreign investment, with international buyers seeking alternative locations to park their wealth. This effect might only be lessened by London's status globally, and the stable political and economic environment it still provides.

## R3 Launches "new" acquisition service

### Leveraging on our reputation for excellence

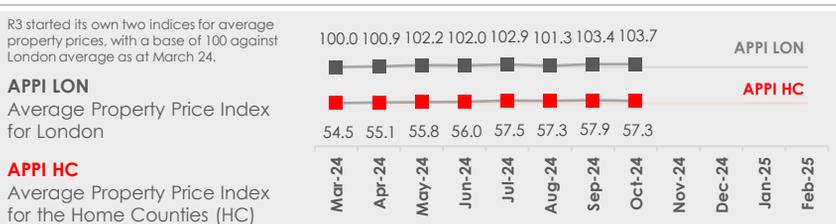
"New" in inverted commas because providing this type of support is not new to us, and we have helped many in the past buy property. To find out more about our exciting Search & Acquisition Service, how it leverages on our reputation for excellence, and how we can provide deep market understanding and analysis to inform prospective buyers, please visit our website on [LINK](#).

### A leading voice in the industry

R3 has established itself as one of the leading voices in the industry with views published in publications such as The [Telegraph](#), [PrimeResi](#), [PropertyWeek](#), and the [London Magazine](#) along side key players in the industry.

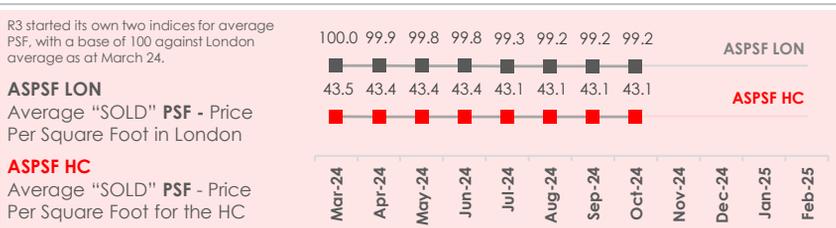
**FIGURE 1 - R3 Residential Indices**

Average property prices as at the end of the month of the date of this Newsletter



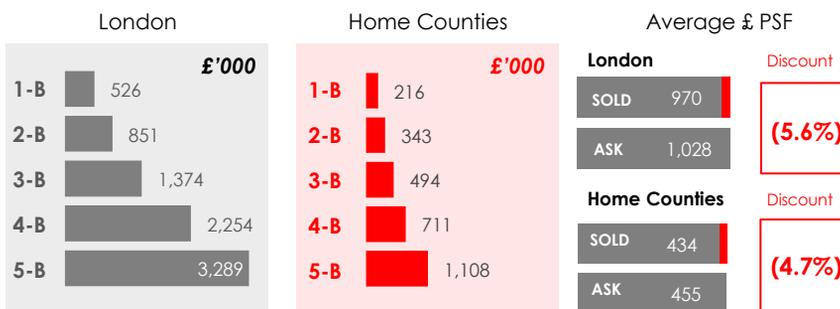
**FIGURE 2 - R3 Average SOLD Price per Square Foot (PSF) Indices**

Based on average property values as at the end of the month of the date of this Newsletter



**FIGURE 3 - Market Key Performance Indicators**

Average property values and average ask and sold PSF, including inherent market discount on sales



### Marco Previero

Director and Research Lead at R3

"We have seen a significant shift in the market this month, with the trend sliding further towards a much more balanced market in London and the home counties."