



Wall-to-Wall Opportunities

Jason Stubbs of Phillips and Stubbs surveys the property market landscape and finds that there is some good cheer in the run up to Christmas.

Twenty years ago surprised but elated East and West Berliners rose up as one and broke down the Berlin Wall. Their action altered the political architecture of Europe. Sadly it didn't break down the boom and bust financial landscape of the UK. As we watched the historic events unfold we were just beginning to feel the effects of a deep and damaging recession. So no change there then. The Berlin Wall may now be the stuff of history but two decades later we don't seem to have moved on very far in economic terms.

1989 was at the start of a period of harsh economic adjustment but despite increasing unemployment and great difficulties in the financial and industrial sectors the property market was one of the first areas to show improvement. As we move towards 2010 there are distinct parallels to the market behaviour all those years ago.

We do not know any more now than we did then about how long the market will take to get back to good health – one spokesman from a national estate agency chain has recently gone on record to say that over the next couple of years prices could go down or they could stay the same or they could rise. It is this sort of vacuous comment from someone who should really know better that serves to underline the fact that no one can predict the future in property. However, we do have history to help guide us.

It was during the period that we spent climbing out of the economic mire in the early '90s that many people laid the foundations for their financial well being over the next twenty years – apart from a blip at the end of that decade! Then, as now, there were great opportunities in the market for asset growth.

But today we have the added advantage of low mortgage interest rates. The banks may not be falling over themselves to make so many home loans but mortgage availability is slowly getting better and this may be the last time for many years that there are real chances to find a wonderful home without the serious buyer competition that goes with a market in fast-forward.

This is a market when astute buyers will make some good money as well as find a good home. Equally there will be those who don't take this chance and come to regret that choice. So be like Germany twenty years ago. Grab the chance while it's there. For some, like those Berliners, it will be a once in a lifetime opportunity.