



2023 YEARLY REVIEW

After having another rewarding year HH are pleased to share our take on the market and business, as well as our plans for the new year ahead...

The HH Team



The Market in 2023

Whilst we'd like to avoid it, there is one subject in particular which has dominated conversation in our profession in 2023. The Bank of England's base rate has always had an impact on the property market. However, in our 18 years in the industry we don't recall it being such a hot topic of discussion when speaking with clients, buyers, sellers and in the media.

The sharp incline in interest rates which followed Liz Truss's mini budget in September 2022 may have helped to curb inflation, an objective which can't be argued with when considering the cost of living, but it certainly made its mark across all aspects of the property sector. The increase from 0.1% in October 2022 to 5.25% by the following August didn't only impact affordability for potential buyers of commercial, development or residential properties, but it also put a huge dent in the confidence of buyers, who understandably expected the cost of borrowing to have a direct impact on property values. Whilst this impact can be seen in house price statistics to some extent, so far the doomsday predictors look like they may have underestimated the resilience of the property market, and the general public's ability to 'tighten their belts' and cut down on unnecessary costs (takeaway coffee maybe?) in order to service increased mortgage payments. In fact, repossession levels amongst private individuals were lower in 2023 than the year before.



Holmes Hosking in 2023

It's been a big year at Holmes Hosking, and the business looks pretty different at the end of the year to how it did at the start. Firstly, we're now in a new office! With almost twice as much space and better facilities, 151 Hastings Road provides us with a great base from which to continue to expand the business, in a location which is central to our areas of operation, and is easy for our clients to find. So please pop in to see us if you're passing by. Our team has expanded, having started the year with 4 members of staff we finished with 6 - Brian and Caleb have joined our site sourcing team, Olive is now our office manager, and Matty is assisting us in all departments.

Our apprenticeship program is going from strength to strength with both Brian and Caleb passing their first course with flying colours and both due to embark on the next stage of their studies. Meanwhile they have proved invaluable assets to the company, and are developing their knowledge and expertise on a daily basis.

In terms of business, despite a trickier market than we would have liked, we still consider 2023 to have been a success. The aforementioned office move and our recruitment drive would not have been possible if we hadn't managed to conclude a number of transactions, including several conditional development deals, the sale of some landmark consented sites, acquisition of numerous HMO's, a number of refurb opportunities and a steady flow of New Homes to add.

Away from the office we've also managed to enjoy trips to the polo, a handful of other client events, a celebratory dinner to commemorate 3 years of HH and a great Christmas party!



Case Studies - Developments



Holmes Hosking, acting on behalf of a local developer, successfully sold this freehold development site. Located in a prime position within East Dulwich, planning consent has been granted for the construction of 17 luxury apartments. Construction is underway and we look forward to being involved in the sale of the new flats!



- Mixed used building
- Sold to an investor who has achieved planning consent for residential redevelop of the uppers and rear yard



- Vacant freehold building
- Cash buyer to undertake redevelopment into two semi-detached houses



- Industrial unit
- Application for a scheme of family houses

Case Studies - Developments Continued



This exceptional Victorian Manor house presents an incredible opportunity for freehold development. With planning consent already granted for its conversion into six units, this property was sold on behalf of a prominent property investment/development company. The transaction was facilitated by an attended exchange. The purchaser has ambitious plans to revisit the planning process to secure an even more favourable consent. Once obtained, this magnificent property will be revitalised and restored to its former glory. The newly created units will be marketed and sold by HH New Homes, who are eagerly anticipating this exciting venture.



- Freehold building
- Planning consent for the conversion of the existing building and construction of a detached house in the garden



- Mixed-use freehold building
- Potential for extension and conversion into residential units



- Mixed-use freehold building
- Obtained a HMO licence
- Tenant secured for ground floor commercial space

Case Studies - Commercial



SYDENHAM ROAD
SE26

This freehold mixed-use property offers potential for conversion in the upper parts with Starbucks reoccupying the ground floor, providing its renowned coffee. HH successfully managed the unconditional purchase of this property with exchange of contracts taking place within 72 hours. The entire process, from purchase to completion, was finalised within 8 weeks. Currently, the upper parts of the property are undergoing conversion to create 12 HMO rooms. A large office space is also being refurbished whilst Starbucks continues to serve coffee to its customers.



NUTFIELD HIGH ST
RH1

- House in desperate need of refurbishment
- Aquired on behalf of investor client to either refurbish or sell on open market



KIMMERIDGE ROAD
SE9

- Freehold vacant unit
- Converted into a HMO
- Retail sold off seperately on long lease



TAIT ROAD
CR0

- Yard to let on Tait Road Industrial Estate
- Tenant sourced within 24 hours of going to market
- Lease completed for a local business

Case Studies - Commercial Continued



Formerly a Barclays Bank, this detached freehold building is situated in a prime town centre location. It was acquired on behalf of a local business and the acquisition was finalised in June 2023. Following the planned reconfiguration and redevelopment, the purchasers will be relocating their head office to these new custom-designed premises.



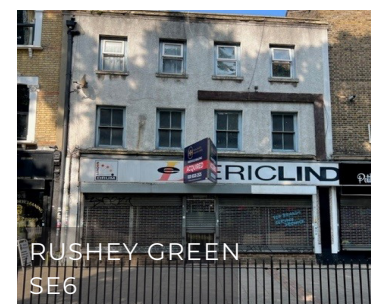
- Vacant freehold building
- Conversion into a six bed HMO



- Derelict bungalow
- Further development potential
- Sold to a local developer



- Freehold house in need of refurbishment
- Property has been added to a large North London portfolio
- Sold off market



- Virtual freehold retail space
- High street location, adjacent to hospital
- Acquired on behalf of a local investor

Available Stock - New Homes

4 bedroom detached house...



Selection of 2 & 3 bedroom cottages...



Two new build, 2 bedroom apartments...



Newly converted development of 1 & 2 bedroom flats...



Leaves Green, Keston, BR2



In April 2023, we at Holmes Hosking, secured a site for PACK Developments. The 800 sqft bungalow, in poor condition due to repossession, offered potential for improvement and extension.



As the builders worked, our HH New Homes team advertised the finished product using CGI visuals, floor plans, and creative writing to attract off-plan buyers.

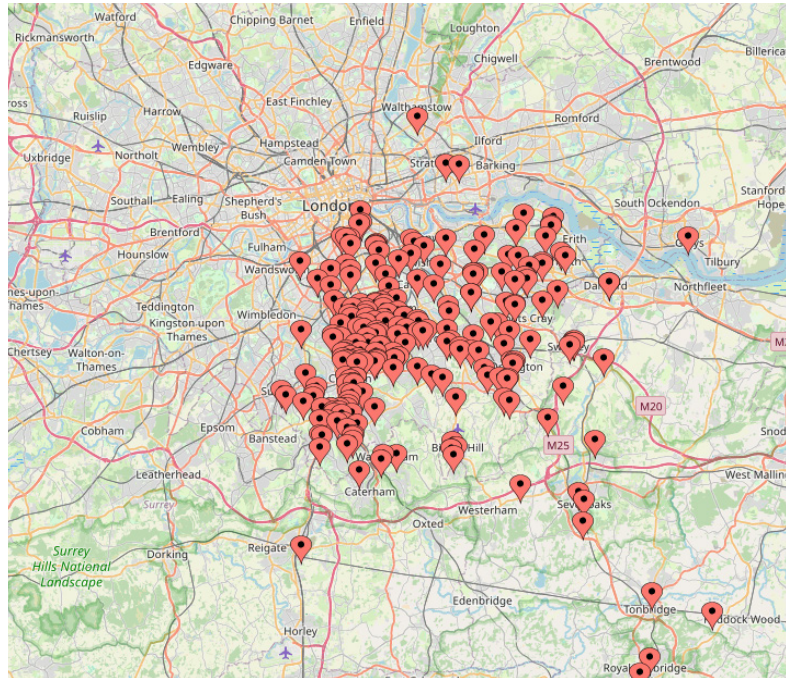


In January 2024, our buyers moved into their new home, with HH securing a competitive price and generating a tidy profit for our client within 8 months. It was a significant win for us and the developers.

Site Sourcing

The core of our business has remained the same since we started in 2020, to find new development opportunities through our site sourcing department. Over the last 3 years we have managed to compile a database of over 3000 sites which we believe offer potential for value add by redevelopment. As time goes on, we continue to add to this list, consistently converting these opportunities into business, achieving a premium beyond the market value for the sellers and providing a flow of great sites to our clients.

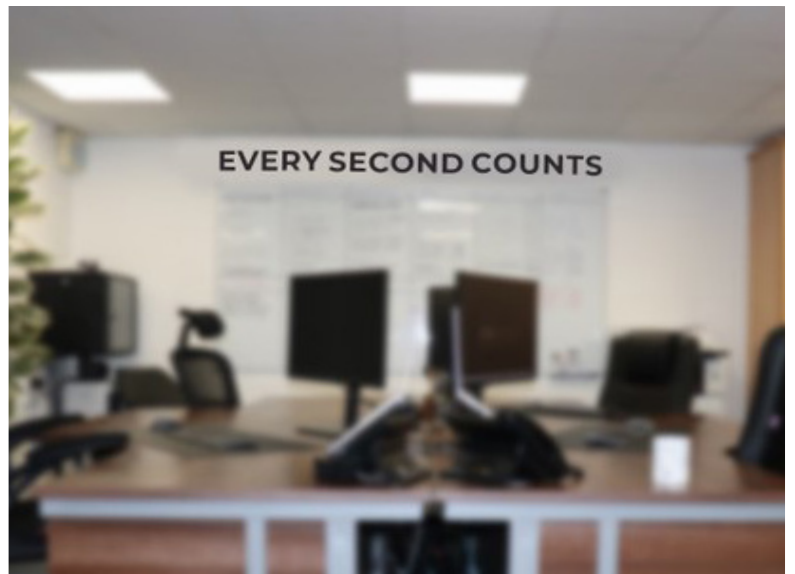
Our clients currently have 8 sites under conditional contracts in planning with various local authorities in South London and Kent, and 5 more in planning which were purchased unconditionally. Site sourcing is hard work, and can be monotonous, but it works and is the lifeblood of Holmes Hosking.



If you're looking for development opportunities in South London or Kent, give us a call. Whether it's a conditional deal you're after, you like to 'go big or go home' and buy uncon, or you don't fancy dealing with the local planning department and would sooner buy a consented site and build out a fantastic product, we'll have something for you!

Goals and Looking Forward

HH have a New Years resolution; Every Second Counts! We've never been a business to stand still and like to think that we're a pretty energetic and productive bunch, but there is always room for improvement and we get the feeling that 2024 is going to present some good opportunities for us. We plan to make the most of every single one of them. In terms of what we're looking to achieve with our new mindset, HH are currently searching for a second premises in Kent, where we plan to replicate the team we have assembled in Bromley, and hopefully in time will be able to mirror its success. Our longer term plan has always been to cover a larger geographical area. We also have our eyes on a spot in West London, Surrey and Essex, but all in good time.



Away from business Adam's main objective is to survive the remainder of the football season watching Roy Hodgson's Crystal Palace team stink up every game they play in, whilst Danny plans to get his teeth even whiter somehow, remove every single crease from his face and invent even tighter t-shirts for himself.



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