



## 2023 – a bit of a “mixed bag”

### *Our experiences of this year haven't always agreed with the news headlines*

Despite all this year's news headlines of the impact of high interest rates, a potential slowdown of the investment property market and a sluggish economy with little growth, our view is that this year hasn't been quite as difficult as forecast. In fact, it has been a bit of a “mixed bag”.

The year started with the sharp increase of interest rates which created inevitable anxiety and financial difficulties for mortgage holders. In theory the higher interest rates benefit those with savings who should see an increased return, however some [banks were reluctant](#) to pass on the higher rates to savers.

Interest rate fluctuations create uncertainty for property investors or those building up a property portfolio, and deciding when to invest can be tricky. Falls in interest rates can cause property prices to increase, so timing is key. [The latest Savills view](#) is that there will be modest price falls in 2024 and that affordability will start to ease, and that we will see improved market conditions compared to 2023. It is mortgage affordability and the speed at which mortgage debt falls that influence house price movements over the longer term, [as reported here](#).

Here at SLR Wealth we haven't witnessed the anticipated slowdown in investment property in 2023 – in fact if anything, there has been increased interest in property as a viable investment choice given the backdrop of stock market instability due to myriad global geopolitical issues, such as the latest crisis in the Middle East.

The team at SLR Wealth work closely with our partners at Hawkhurst Invest to exclusively source properties at below market value prices: this means our investors will always get the best possible lowest deal and the typical timing dilemma of ‘when should I invest and should I wait’ is irrelevant. We are always here to answer your questions on this, so do please get in touch.

Talking of timing – let's not forget that there is always a time to sell. Movement in the market due to landlords selling up so that they can cash in and reduce their liability is a positive thing, despite what [the media have reported](#): these divestments create opportunities for those looking to start their

investment journeys because properties come onto the market in locations with good rental and tenant history – always a boon for first-time investors.

On a personal note, we are finally seeing an end to the renovations to our new property in Sawbridgeworth, a project that has had its ups and downs as every renovation project does. Sourcing materials and good contractors is still a challenge, which goes to show that despite what the media report (again!), the opposite does appear to be true – that the building trade in every form is thriving and in demand. We are hoping to move in just in time for year end, although I am not sure that our kitchen will be quite ready for us to host a big family Christmas Day lunch yet, that may have to be next year.

2024 is already set to be an interesting year: major elections here in the UK and the US, ongoing uncertainty and wars in parts of the world and a backdrop of a still somewhat sluggish global economy. Changes in the cross-Atlantic governments always impact interest rates and investor confidence. However, we are looking forward to whatever 2024 brings and there is one thing we can be sure of: it will involve property in one way or another.

I leave you with the words of Franklin D. Roosevelt, who sums up how we feel about property investment: “Real estate cannot be lost or stolen, nor can it be carried away. Purchased with common sense, paid for in full, and managed with reasonable care, it is about the safest investment in the world.”

With our very best wishes for the festive season and here’s to a healthy and prosperous 2024.

**The SLR Wealth team.**