

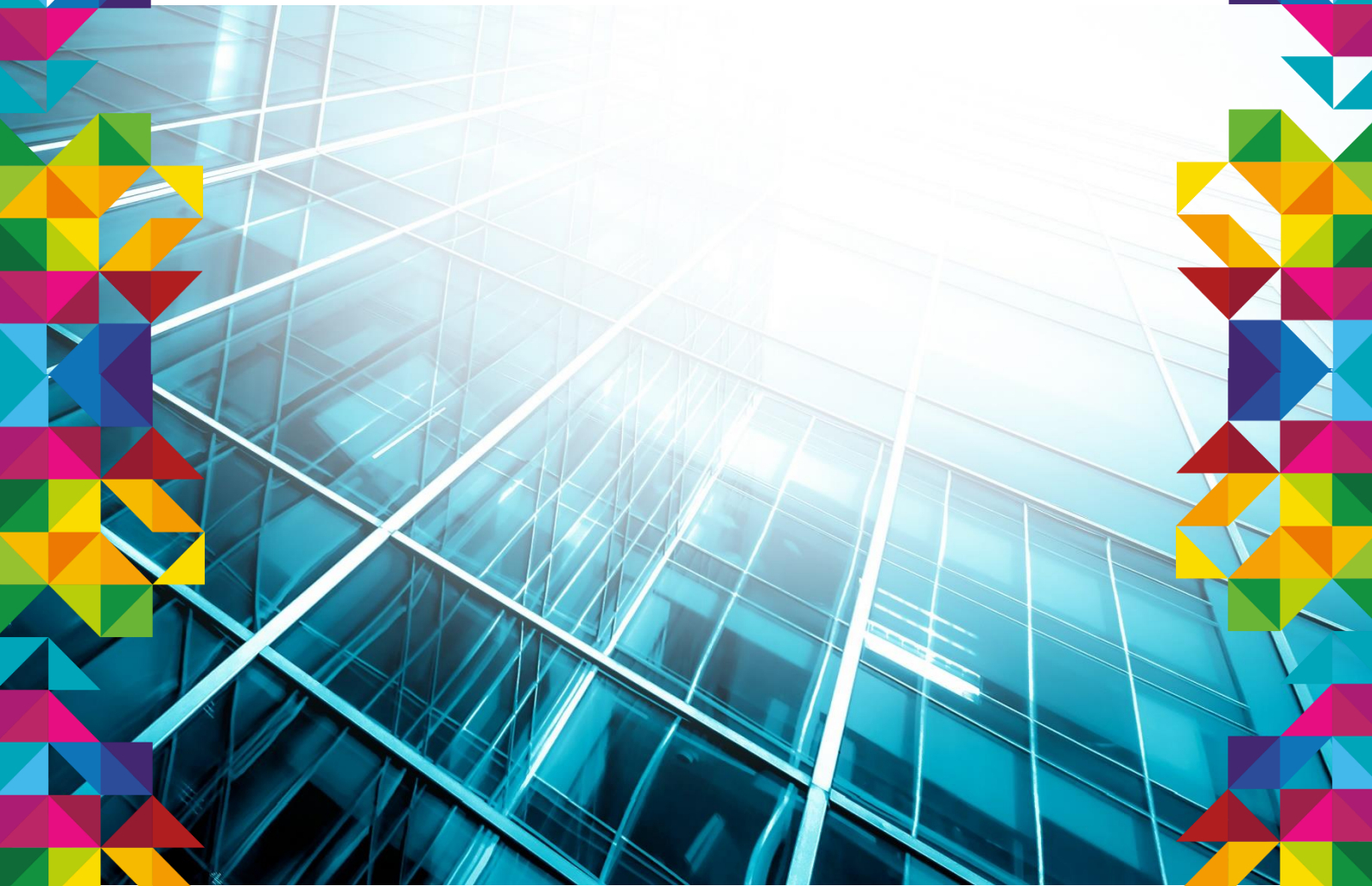


Real Estate
Network

Myerson Real Estate Network Survey

Key Results Report

Tuesday 9th June 2020





Introduction

At Myerson, we have always admired the engagement and passion of our friends and colleagues in the property industry. Over recent weeks, with the impact of COVID-19, we have missed the sense of community and drive we are all so used to within this sector, which is why we created the Myerson Real Estate Network.

This network aims to reinforce the engagement and knowledge shared between property professionals, creating a hub of information for you to access, bringing you up to date with legal changes quickly and also enabling us all to connect on a more informal, social basis.

Alongside the launch of the network, we asked for your input by completing a specially developed survey in order to ascertain the impact on property professionals across the UK, and gain valuable insight into the effects of and approach to tackling the COVID-19 crisis from the property sectors point-of-view.

We had a fantastic response to the survey, which ended on 20th May 2020.

Positive Reading

The survey results made for overall positive reading.

Almost 40% of respondents are proceeding with transactions as normal and 55% are aiming to complete property transactions during lockdown, if possible. 44% are waiting for the market to stabilise before entering into further transactions and it was encouraging to see that 2/3 of respondent property owners and developers are aiming to take advantage of any downturn in the market to further invest.

It was interesting to see a split in the approach of respondents, with 80% of surveyors anticipating a slow period with uncertainty when lockdown is lifted, compared with only 50% of property owners and developers. They are a little more optimistic, with the other 50% anticipating a slow start, but things returning to normal once lockdown is lifted.

It would appear that different sectors have been affected differently, as might be expected, given the continuing impact of the lockdown on the retail and leisure industries in particular. Some property professionals are reporting uncertainty surrounding future occupier demand, which leads to questions of how this will impact rental levels and lease lengths and the consequent uncertainty of anticipated exit yields within appraisals.

All of the landlords who took part in the survey have taken the decision to allow concessions to tenants, including deferring or writing off rent payments for a period and allowing monthly rather than quarterly payments of rent. A number have sought to redress their loss by calling on rent deposits, personal or parent company guarantees or previous tenants.

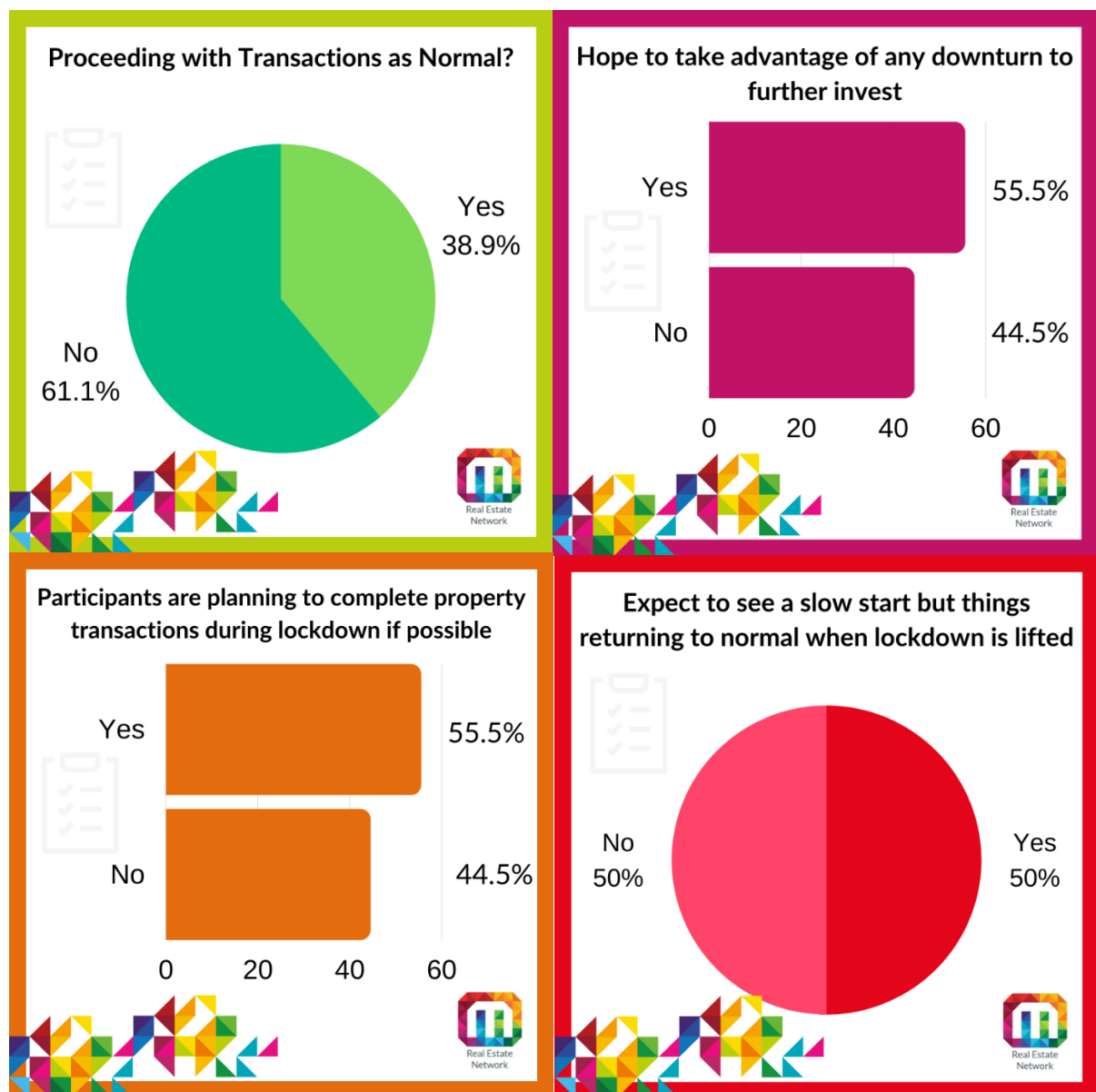




Future Planning for the Myerson Real Estate Network

The overwhelming response has been that property people from all parts of the sector would like to continue to access legal update comment and attend discussions and Q&A sessions with sector experts. Social events also proved an attractive prospect and we are working on a programme which will cater for all of these needs.

All Participants – Key Results










All Participants – List of Completed Results

In answer to the questions:




Have you changed your approach to the property market as a result of lockdown?

-  **38.9%** are proceeding with transactions as normal
-  **44.44%** are waiting for market to stabilise before entering into further transactions
-  **16.66%** have pulled out of transactions because of uncertainty (*all of which were surveyors*)

Have you completed / do you plan to complete any property transactions during the lockdown period?

-  **55.5%** of participants are planning to complete property transactions during the lockdown period if possible
-  **44.5%** are not planning to complete property transactions during the lockdown period



How have you found lenders?

-  **44.44%** have not had to approach lenders
-  **22.22%** have found that lenders have given them the funding which was needed without difficulty
-  **16.67%** found that lenders have allowed the deferral of loan repayments



What help have you been able to get?

-  **61.11%** of respondents have had help from furloughing staff

When the lockdown is lifted, what do you expect to see in the property market?

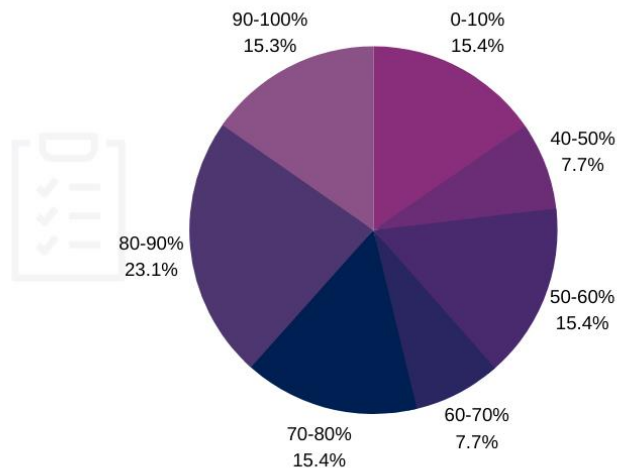
-  **50%** of respondents expect to see a slow period with uncertainty when lockdown is lifted
-  **50%** expect to see a slow start but things returning to normal

Do you think your business will benefit from a downturn in the market?

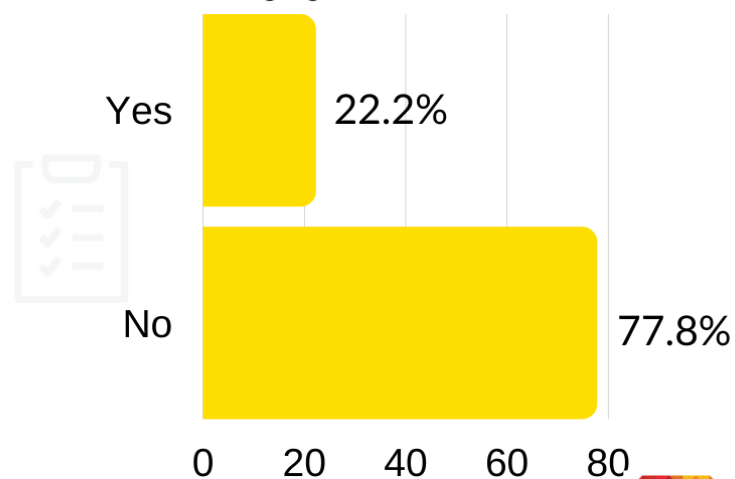
-  **55.5%** hope to take advantage of any downturn to further invest
-  **44.5%** will not be in a position to invest for some time



What percentage of your tenants have paid their latest rent invoices?

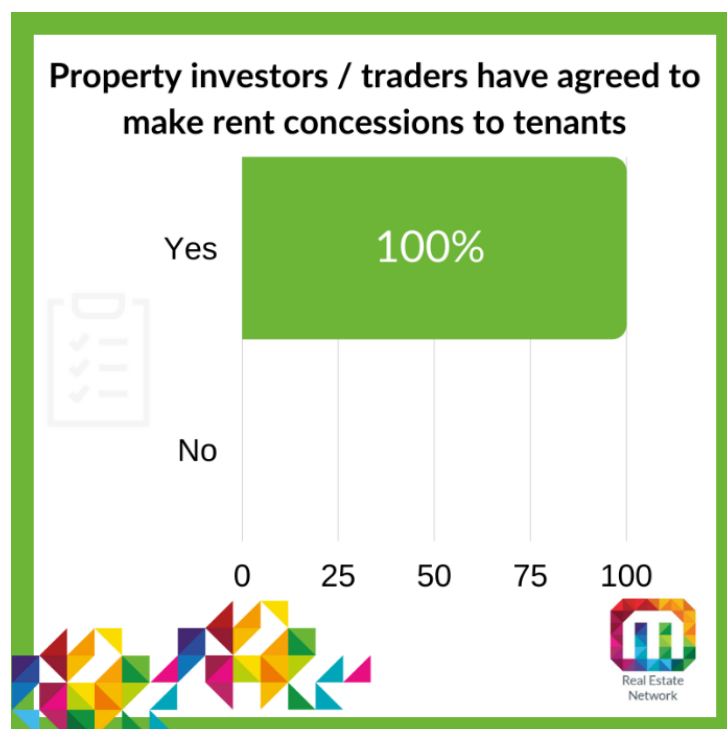
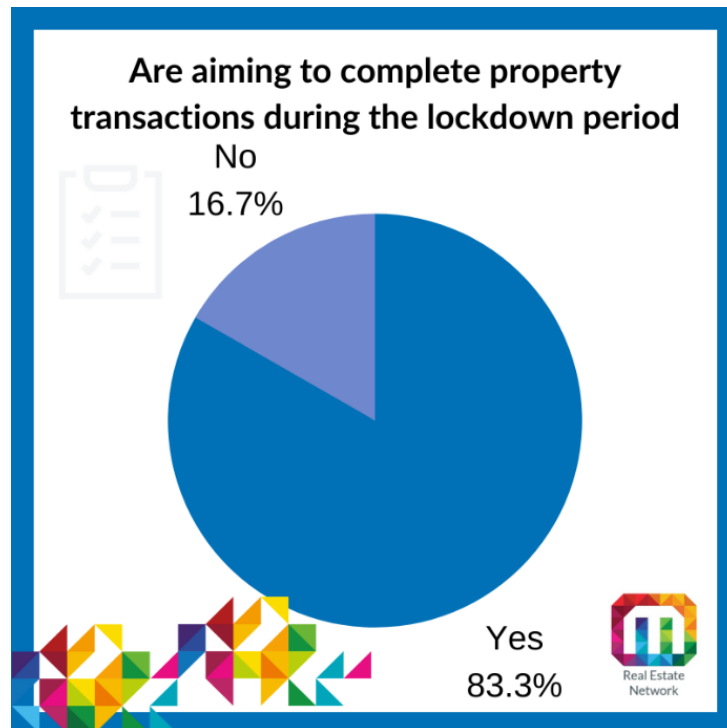


Are you experiencing any difficulties in continuing to run your property business during lockdown in terms of access to software and email, property keys, contractors eg board and signage contractors?





Property Investors, Traders & Developers – Key Results







Property Investors, Traders & Developers – List of Completed Results

In answer to the questions:


Have you changed your approach to the property market as a result of lockdown?

-  50% are proceeding with transactions as normal.
-  50% are waiting for the market to stabilise before entering into further transactions.



Have you completed / do you plan to complete any property transactions during the lockdown period?

-  83.3% are aiming to complete property transactions during the lockdown period


Have you agreed to defer any rent payments or made any other concessions to your tenants?

-  100% of property investors/ traders have agreed to make rent concessions to tenants



When the lockdown is lifted, what do you expect to see in the property market?

-  50% expect to see a slow start but things returning to normal when lockdown is lifted
-  50% expect a slow period with uncertainty when lockdown is lifted

Do you think your business will benefit from a downturn in the market?

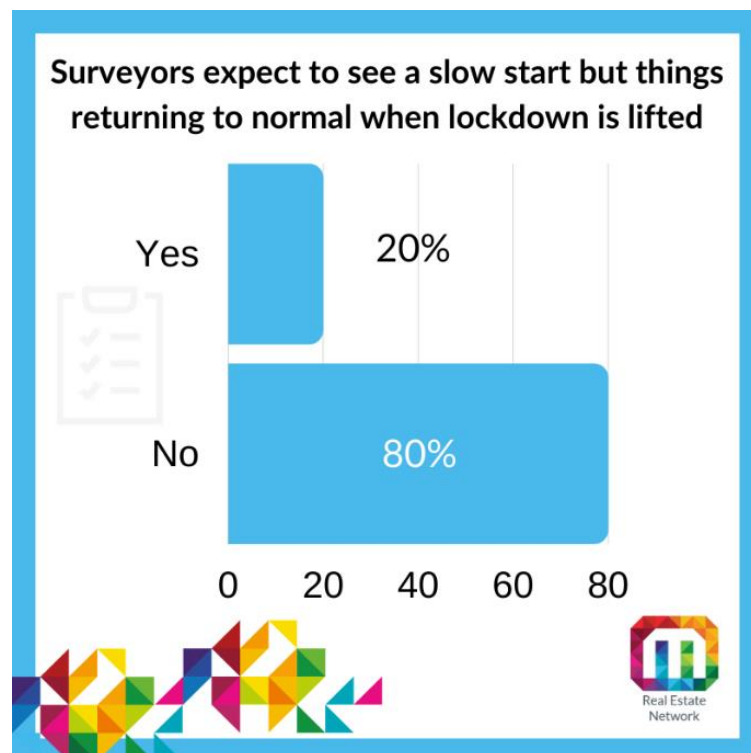
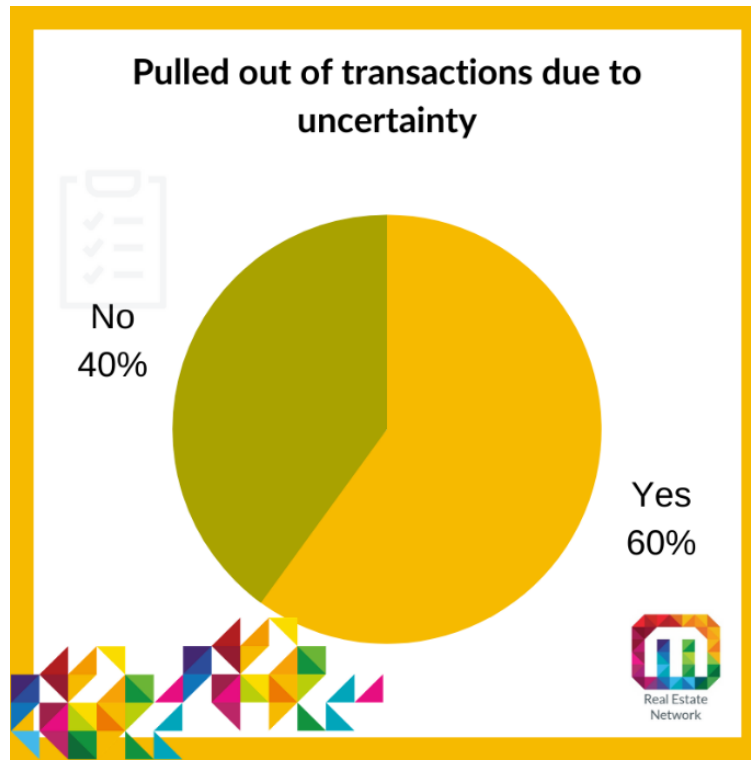
-  66.67% think their business will benefit from a downturn in the market and hope to take advantage of any downturn to further invest

What help have you been able to get?

-  66.67% have not had any help
-  33.33% of respondents have had help from furloughing staff



Surveyors – Key Results









Surveyors – List of Completed Results

In answer to the questions:



Have you changed your approach to the property market as a result of lockdown?

-  **60%** have pulled out of transactions due to uncertainty.
-  **20%** are waiting for the market to stabilise before entering into further transactions
-  **20%** are proceeding as normal. A number are finding clients are largely withdrawing from market for now.

Have you completed/do you plan to complete any property transactions during the lockdown period?

-  **60%** have no plans to complete transactions during lockdown or will try to, but they are finding conditions very difficult to do this.

When the lockdown is lifted, what do you expect to see in the property market?

-  **80%** of surveyors expect to see a slow period with uncertainty when lockdown is lifted
-  **20%** of surveyors expect to see a slow start but things returning to normal when lockdown is lifted



Need help or advice?
Call the Myerson Real Estate Team on:
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