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Whatâ€™s the Good News for Property Investors? publication date: Oct 27, 2009

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2009 has been an odd year for anyone involved in property. At the start of the year there were some fantastic bargains to be had as the media told 'doom and gloom' stories on a daily basis. However, all this 'end of the world' news meant that most sellers who didn't have to move took their properties off the market and have stayed put.

Meanwhile, the dramatic drop in interest rates and the government's tightening of regulations on lenders repossessing property has meant that the amount of stock on the market has fallen almost, if not more than, demand fell last year!

So we are now in a situation whereby in the auction houses, according to www.eigroup.co.uk data there are less repossessions going through than there were before the credit crunch!

Investors are also hampered by the lack of finance available as well as tightening criteria, which means only cash rich buyers can really take part in what bargains can be found at the moment.

So is there any good news for current or wannabe investors? Of course there is, and here are our top 10 good news stories for investors:-

1. Property prices are 20% less than they were at their peak in 2007. Woohoo!
2. Property prices are expected to return to their 2007 levels from 2013 so, for the right property, in the right area, there is potentially 20% capital growth or more available in the next 4-5 years.
3. Although deposits have increased from 15 to 25%, if you can bag a bargain, this might mean you don't need any more actual cash. For example, if a property was selling for £200,000 in 2007, you'd need 15% x £200k = £30k deposit. If you can get the same property for £120,000, then the deposit is the same.
4. There are less investors, buyers and developers around to compete with you on price.
5. If you are into Buy to Let, rents are forecast to grow between 5-10% in 2010, now the accidental landlord stock has virtually disappeared.
6. If you want to self build or build to let, plot prices are down by 20%, you typically only need a 10% deposit AND if you get your sums right, you'll earn a 30% uplift in value PLUS any market increase.
7. The new HMO legislation has given investors that get this property strategy right, a great barrier to entry, so less competition.
8. The economic hardship has lead to more people needing to rent than buy – some local authorities and charities will take properties off your hands for three years and sign a contract to maintain and return it in exactly the same condition at their cost.
9. The number of 'accidental landlords' has now decreased to such a level that rental income, in the main, is starting to increase which will result in less voids for 2010.
10. Some areas and property types will be in very short supply over the next five years (some won't though!) so careful property investors will be able to make some exceptional returns!

Excited about property investment – don't make a move until you've read our ['bad news' article for property investors!](#)

[Thinking about Buy to Let or already a Buy to Let investor?](#)

STOP - don't do anything without purchasing one of our [Buying and Renting a Buy to Let Property Packs](#) to ensure you avoid costly mistakes with your property investments. The pack is full of comprehensive information covering all aspects of buying and running a buy to let property. Each pack also comes with a **FREE Which? Book** - [Renting and Letting](#) or [Property Investor's Handbook](#), plus full access to the [Designs on Property](#) website, and all the expert and independent help you require from the UK's leading property experts.

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