

HARDISTY

Quarterly Market Update

Q2 | 2025



Head Office

70 St. Mary Axe, London EC3A 8BE
info@lomond.group

brandvaughan

 Chase Evans

 Charters

Dale Eddison

D.J.ALEXANDER

HARDISTY

 John Shepherd

JULIAN
WADDEN

Kinleigh Folkard & Hayward

LINLEY &
SIMPSON

Michael
Jones

 miles&barr

 THORNLEY
GROVES

Table of Contents

Introduction

Ed Phillips, Group Chief Executive

Lettings

Strong growth, constricted supply
Rental pricing and regional idiosyncrasies

Sales

Story of stabilisation
Imbalances in price growth

Scotland

Demand driving traction
Seasonal shifts in progress | Sentiment and supply

Yorkshire

Stability meets opportunity
A resilient market | Demand for landlord protection | Sales market activity

North West

Strong price trajectories
The secrets to success | Long-term security | Renewed optimism

Midlands

Adapting with confidence
A wealth of knowledge | Shifting rental preferences | Increased investor activity

London and International

The Capital and beyond
Seasonal surges | Strength in numbers | A split personality

Kent

A safe investment
Tipping the balance | Regional connections | Widening supply gap

South Coast - East

Unlocking regional potential
Tides of change | Shared accommodation spikes

South Coast - Central

Staying ahead of the curve
Trust expanded | Markets within markets

Lomond Investment Management

A unique market proposition
Integrated service offerings | Trends and intelligence | Growing BTR sector

Our WISE Values

Excellence in property services



Lomond: a vision in action

Leveraging Lomond's network to supercharge growth

Lomond's hallmark of excellence is clearly visible as I reflect on what's been delivered over the past six months within the Group. Not only have we successfully acquired 8 new businesses, but we've been awarded, for the second year running, two important accolades that reflect the quality of our talent and company culture: Great Place To Work and Sunday Times Best Places To Work. I'm immensely proud of the nearly 3000-strong team that delivers our goals at pace and with our values at heart, and the **Sunday Times**

Best Places to Work award is for everyone at Lomond to celebrate. It isn't an accolade that sits gathering dust - each year businesses must earn their place, measured on metrics relating to job satisfaction, empowerment and recognition, against very discerning benchmarks. To achieve this whilst integrating new businesses at the pace at which we are, is a monumental feat, denoting the strength of our brands and our organisation's commitment to a shared vision.

London has undoubtedly been a focal region for us over the course of the year so far, as we welcomed Kinleigh Folkard & Hayward in January, shortly followed by Hamnett & Ganpot, Vantage and recently Draker; our consolidation within the capital is a fitting reflection of our laser focus on Private Rented Sector epicentres around the UK. We will continue to see further realisations of the same strategy play out over the rest of the year.

Acquisition is just one side of the coin, however – we are equally committed to delivering excellence to our existing clients, as we are to attracting new ones.

A standout example of this intention is our recent national landlord event series, comprising five in-person events held across the country at which we shared expert market insight, heard from highly respected guest speakers and gave essential guidance on strategies for navigating the upcoming Renters' Rights Bill changes. The series sold-out and our next 10-event series is already in preparation, to be held in late November, early December.

Along similar sector-leading lines, we have also delivered our Property Management Masterclass training to over 150 team members in three locations, sharing key learnings and techniques that our teams can deploy to further set our clients' experience apart. Initiatives like these demonstrate the value of our network in tangible terms, both for our staff and for our clients. This dual focus is at the core of our purpose; we believe that what is valuable for our people is invaluable for our clients, and these masterclasses reflect the pride and passion we apply to property management – the backbone of our business and often undervalued within our industry. I'm pleased to see case after case where clients are actively benefiting from the



“Our landlord event series demonstrates the value of our network in tangible terms.”

referral potential as our coverage expands, allowing them access to new markets with confidence in experiencing the same best-in-class service.

Shaping what's to come

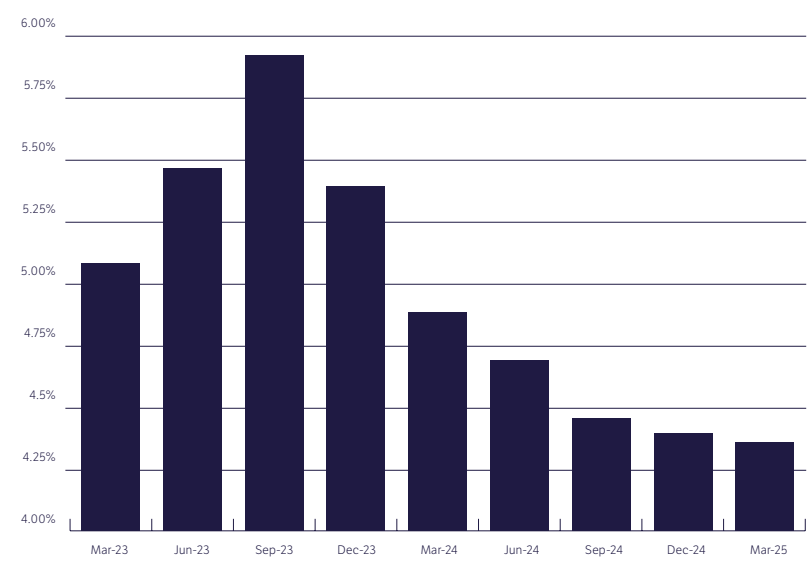
As we look ahead to the next six months, we remain focussed on opportunities in our target markets and innovation within ourselves. We are continuing to build new initiatives, ways of working and technologies to help drive better customer experience by underpinning our employees' ability to deliver the stellar service for which we are becoming known. Above all, we're creating an environment where our people thrive. Our culture is embodied within our senior leadership, and with that being said, it is my pleasure to welcome some new key members to our leadership team: Kate Swann joins as Chair of the Board, Sam Mitchell as Chief Commercial Officer and Doug Conely as Chief Technology Officer. These individuals are sure to play a defining role in shaping what is to come.

Ed Phillips
Group Chief Executive

Lettings

Strong growth, constricted supply

Buy-to-let Mortgage Interest Rates



Source: Bank of England: Two year 75% LTV buy-to-let fixed rate mortgages

Rental pricing and regional idiosyncrasies

Upwards pressure on rents, stimulated by a persistent lack of supply, remain the headline story across the UK Private Rented Sector. The Office for National Statistics (ONS) cites private rental price increases of 7% across the board (Price Index of Private Rents), in the 12 months to May 2025. Regional idiosyncrasies are playing out beneath this, with more affordable areas such as the Midlands and the North West seeing more pronounced price increases, albeit at a steadier pace than in previous years. London, having historically experienced some of the sharpest price growth, has experienced

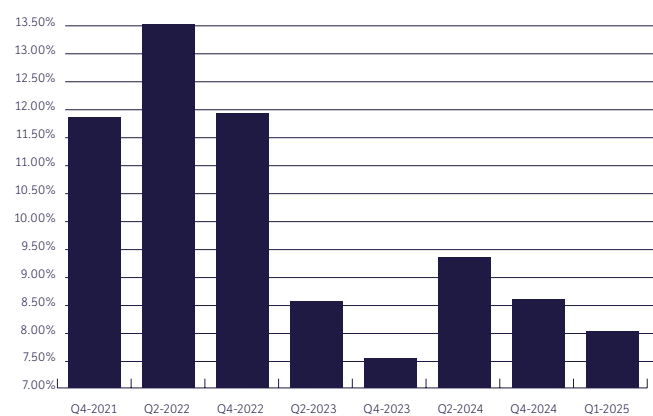
more conservative increases of 4-5% over 12 months to May, which aligns to the same moderate uptick at play in Scotland. This moderate to strong rental growth supports yields, so in a market with slower capital appreciation, landlord returns are still protected. The conditions favour landlords looking to hold rather than exit the market, and portfolio expansion opportunities are plentiful to evaluate.

Demand remains high, underpinned by population growth, constraints in the sales market and positive net migration. The Lomond reach, accessing the trends at play on a national level, as well as the hyperlocalised insights of our unique urban markets, is available to all clients across the UK.

This official data, supplemented by our own data points in this report, denotes a continued undersupply in rental homes, which institutions and professional landlords are best placed to address. Policy updates, such as the anticipated passing and implementation of the Renters'

Buy-to-let Mortgages

Percentage of total loans to individuals for the purpose of buy-to-let.



Source: FCA

Market Metrics

Average rents Q2 2025	£1,308
Annual change June 2025	+0.7%
England rent annual inflation Q2 2025	7.0%
Change since Q2 2024	-5.0%
% Of income spent on rent Q2 2025	33.0%
Annual change June 2025	+0.2%

Bank of England, HMRC, ONS, Homelet

Rights Bill within the next six months, and the consequent opportunities for landlords, are being monitored and strategised for by our experts. Our next landlord event series, taking place in November and early December across 10 key markets including, London, Manchester, Leeds, Brighton, Birmingham and Edinburgh, promises to unpack the latest impacts and implications of the Bill as it graduates into becoming law. Professional landlords are advised to approach the Bill with pragmatism and in partnership with a professional agent that is equipped to navigate the sector shakeup. Regulatory shifts require proactivity and optimisation - landlords are advised to focus on yields, stay compliant and hold firm.

Performance across our network



Supply
New instructions
5,170
Q2 2025



Demand
Tenants
66,788
Q2 2025



Activity
Tenancies agreed
6,117
Q2 2025



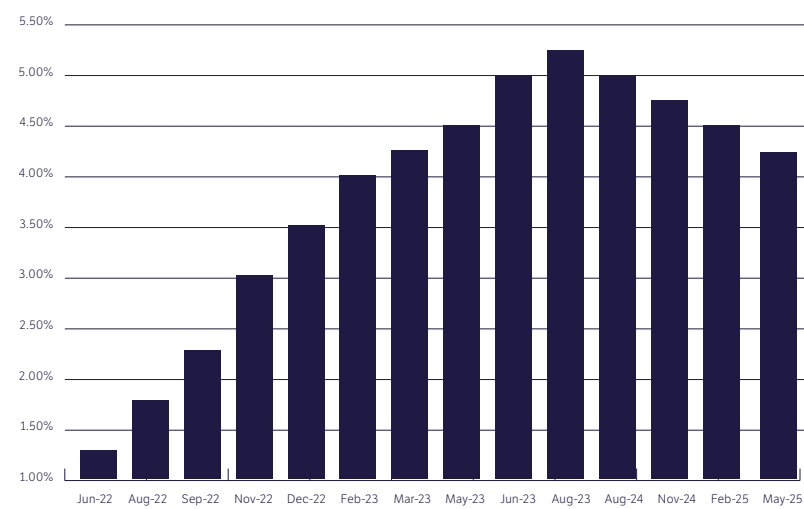
Supply/demand
Tenants per instruction
13
Q2 2025

Group wide totals during time period specified

Sales

Story of stabilisation

Bank of England Base Rate



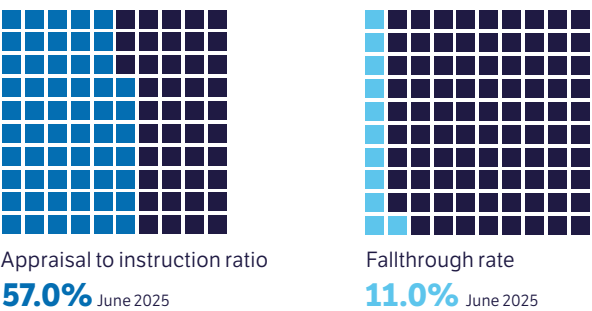
Source: Bank of England Base Rate

Imbalances in price growth

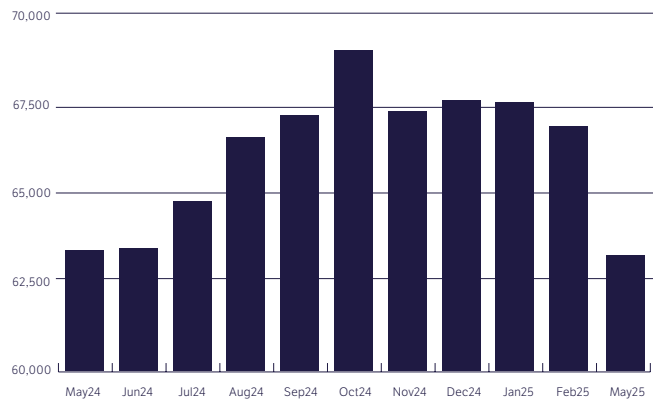
Whilst the steep upwards property price trajectories of previous years do not define today’s landscape, there is still growth in the market. The ONS House Price Index identifies a growth rate of 3.9% in the 12 months to May 2025; this moderation is encouraging in the face of broader uncertainties in the global economic landscape. Diving deeper into the data, it is clear that growth is not an evenly distributed metric, with London figures sitting at less than 1% annually.

Buyer confidence is measured, but positively underpinned by interest rate reductions, loosening the reins on borrowing costs and pointing towards a stable market in which people are poised to act. Transaction volumes have risen modestly as a result. Capital growth which, alongside yields, is a key consideration for investors points towards a consistent and more predictable market. Mortgage approvals, particularly amongst first-time buyers are on the rise according to the Bank of England, and predicted rate cuts throughout the latter half of 2025 could further strengthen sales activity prospects. Landlords considering portfolio expansions or rebalancing are well placed to do so with an agency partner adept at identifying opportunities in this measured marketplace – regional value and rental return will define the most favourable portfolio position.

Market Confidence Q2 2025



Mortgage Approvals



Source: Bank of England

Market Metrics

Residential property sales Q1 2025	339,350
Change since Q4 2024	+7.4%
UK Economy growth Q1 2025	0.7%
Change since Q4 2024	+0.6%
Average property price May 2025	£268,652
Change since May 2024	+3.9%
New homes built Q4 2024	29,356
Change since Q1 2024	+36%
Bank base rate Feb 2025	4.25%
Annual Change	-0.5%

Bank of England, HMRC, ONS

Performance across our network



Group wide totals during time period specified

Scotland

Operating the largest lettings agency in Scotland, our branch network covers the strategic locations of Edinburgh, Glasgow, St Andrews, Aberdeen & Dundee.

D.J.ALEXANDER
Sales & Lettings

Founded in 1982, DJ Alexander has been a trusted name in residential sales and lettings across Edinburgh, Glasgow, Dundee, Aberdeen and St. Andrews. DJ Alexander has expanded significantly, now managing over 10,000 properties across Scotland, supported by a team of over 200 professionals.

LETTINGS

Typical seasonal upticks came to fruition, as predicted.

Activity
Tenancies agreed
▲ 31%
Q2 2025
1,331 vs 1,016 Q1 2025

Supply
New instructions
▲ 24%
Q2 2025
574 vs 462 Q1 2025

SALES

A healthy influx of properties coming to the market with subdued buyer demand affecting activity.

Supply
New instructions
▲ 23%
Q2 2025
202 vs 164 Q2 2024

Demand
Buyers
▼ -19%
Q2 2025
1,116 vs 1,370 Q2 2024



“In the lettings market, we are observing the typical seasonal uplift associated with the warmer months. While Q1 was subdued, activity has since picked up.”

Kevin Fraser
Managing Director

Demand driving traction

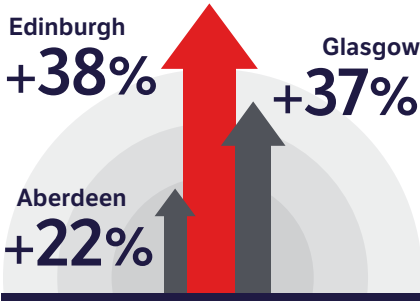
Seasonal shifts in progress

Our network in Scotland offers clients distinct advantages. DJ Alexander’s national reach is unmatched, and when combined with the expertise of our sister brands in England, we provide a level of insight and local knowledge that is second to none.

In the lettings market, we are observing the typical seasonal uplift associated with the warmer months. While Q1 was subdued, activity has since picked up. Rental values continue to rise, albeit at a more moderate pace than the sharp increases seen during the pandemic. This presents attractive opportunities for renters and is drawing new stock to the market, which is helping to meet tenant demand. We expect tenant demand to remain strong through Q3.

The usual post-semester student turnover has increased the supply of student accommodation, which we anticipate will be absorbed by incoming students ahead of the new academic year. The relaxation of rent restrictions in April has allowed rents to realign with market conditions, enabling landlords to better assess investment opportunities. However, challenges remain, particularly around the Land and Buildings Transaction

5 Year Private Rent Growth



5 year average private rent change to March 2025 - ONS

Tax and Additional Dwelling Supplement, which continue to limit portfolio expansion. Build-to-rent activity is concentrated in Edinburgh and Glasgow, with a steady pipeline of developments. One and two bedroom properties in city centres continue to attract the highest demand, with Glasgow offering some of the most favourable yields for investors. Demand remains concentrated in the central belt, and urban hubs are therefore consistently attracting investor attention, not least because city properties have better resale liquidity compared to their rural counterparts. Depending on investment strategies, Aberdeen and Dundee closely follow Glasgow with respect to the highest yields, whereas Edinburgh offers a balance between capital growth and solid rental yields.

Sentiment and supply

Turning to the sales market, properties with a Home Report value up to £300,000 are attracting the strongest demand and enjoying the quickest conveyancing timelines. On average, properties are currently taking 22 days from listing to offer accepted, with conveyancing adding a further six to seven weeks to proceedings. Two bedroom flats and affordable family homes continue to perform well. Activity at the higher end of the market was more subdued in Q2, but sentiment is improving as interest rate reductions are announced, and both enquiries and viewings are on the rise.

Supply has also improved, partly driven by increased mortgage affordability relative to rent. Higher entry points for landlords remain a barrier, particularly in Edinburgh, where the Council has introduced the maximum 100% second home council tax surcharge. As a result, more second-home owners are choosing to sell.

DJ Alexander’s extensive national network positions us as the ideal partner for landlords and vendors navigating these evolving market dynamics.

Yorkshire

From Harrogate and York to Leeds and Sheffield, our branches span the breadth and depth of Yorkshire.

LINLEY & SIMPSON
HARDISTY
Dale Eddison

Whether you're a seasoned landlord with an extensive portfolio or a first-time investor, a buyer or a seller, our expertise ensures your property is handled with professionalism and attention to detail. Thousands trust us for seamless tenant placement, proactive support and management.

LETTINGS

Yorkshire reflects a balance between supply and demand despite an overall reduction in tenant enquiries.

Activity

Lets agreed

▼ -13%

Q2 2025

1,258 vs 1,447 Q2 2024

Demand

Tenants

▼ -22%

Q2 2025

8,628 vs 11,117 Q2 2024

SALES

Yorkshire sales market remained steady throughout Q2 showing consistency in the market.

Supply

New instructions

▲ 8%

Q2 2025

362 vs 346 Q2 2024

Activity

Sales agreed

▶ 0%

Q2 2025

284 vs 283 Q2 2024



“The market presents an attractive opportunity for landlords partnered with agents who are equipped to navigate the anticipated changes to regulations.”

David Mear

Managing Director

Stability meets opportunity

Resilient lettings market

The dynamics of supply and demand are fairly balanced across the lettings market in Yorkshire, with good quality properties letting quickly, particularly two or three bedroom terraced homes. The slight reduction in activity can be characterised as a stabilisation of the market, possibly on account of the present waiting period before the Renters' Rights Bill passes in the Autumn.

The expected lettings legislation has created uncertainty for many landlords. However, Lomond's robust network across Yorkshire ensures clients are well informed and supported ahead of these potential changes, helping them prepare to remain compliant and up to date as new regulations come into effect.

Returns in Yorkshire remain strong, and there are investors actively expanding their portfolios, with professional landlords uncovering new opportunities. Sheffield and Hull continue to attract interest with favourable yields, averaging at 7%, and lower rental prices at a minimum of £500pcm. Harrogate and York also appeal to investors looking for affordable properties with solid returns.

Demand for landlord protection

In the Yorkshire region there has been a significant increase in demand for our

auxiliary services, with over 40% client uptake of Lomond's Rent & Legal Protection and No Deposit Scheme. The increased appetite for these protections is largely driven by the additional new benefits that these products provide to landlords when it comes to safeguarding against arrears or other concerns landlords may have in anticipation of the changes associated with the Renters' Rights Bill. To stay informed about the latest legislative developments landlords are advised to attend our second Renters' Rights Bill event, scheduled for 20th November 2025, with further details to be shared in due course.

Being part of the Lomond network provides clients with the advantage of dealing with a single, trusted company regardless of location in the UK. Our regional teams work closely to provide an integrated approach and clients are regularly referred to expert partners within the network, ensuring consistent and high-quality support.

Our relationship with Lomond Investment Management (LIM) strengthens this further by allowing us to collaborate with institutional investors and offer large-scale opportunities that support business growth.

Sales market activity

The Yorkshire sales market remained steady throughout the second quarter,

showing consistency with the previous quarter. Buyer demand continues to be strong, particularly among families looking to upsize or downsize. Family homes, particularly three and four bedroom properties, are performing well, while investor interest remains focused on one to three bedroom homes that offer low upkeep and solid returns.

Following a period of high activity driven by the stamp duty deadline, transaction timelines have slightly slowed. Many transactions that were close to completion were pushed through quickly, leaving a pipeline filled with newer transactions that are still in early stages. As a result, solicitors are requesting more searches and documentation, which is extending exchange times slightly. However, fall-through rates remain stable, with around 20% of pipeline transactions falling through monthly consistent with previous periods.

Looking ahead to Q3, we anticipate continued demand across sales and lettings in Yorkshire driven by both lifestyle and investment motivations. Interest rates have been slowly dropping, which has underpinned buyer confidence. The market remains active across all property types indicating that momentum will carry through the remainder of the year.

North West

Covering Manchester, Stockport and Chester, our local experts have an unrivalled depth of knowledge in key cities in this region.



Managing thousands of properties in the greater Manchester area, providing expert services in property sales, lettings, and management. Using advanced technology, our teams deliver seamless and flexible service to landlords and homeowners across the region.

LETTINGS

A strong lettings performance bringing new properties to the market despite a slight drop in tenant demand.

Supply

New instructions

▲ **34%**

Q2 2025

443 vs 330 Q2 2024

Demand

Tenants

▼ **-11%**

Q2 2025

9,240 vs 10,378 Q2 2024

SALES

New instruction base rate reduction leads to increased buyer activity and a bouyant second half of the year.

Supply

New instructions

▼ **-13%**

Q2 2025

536 vs 615 Q2 2024

Demand

Buyers

▲ **10%**

Q2 2025

5,755 vs 5,252 Q2 2024



“Despite upcoming changes under the Renters’ Rights Bill (RRB), we’ve seen no signs that tenants intend to exploit these freedoms.”

Matthew Smith
Managing Director

Strong price trajectories

The secrets to success

We are entering a new phase in the lettings market where landlords must remain alert and adaptive. Investors face a strategic choice: city centre properties offer strong yields, while suburban locations provide potential for long-term capital growth. However, success increasingly lies in balancing both. Areas such as Prestwich and Stockport are outperforming, with yields exceeding 6% and solid appreciation making them investment hotspots.

Rental prices continue to climb across all tenancy types, with the strongest growth seen in periodic tenancies. This points to sustained tenant demand, though tenants are increasingly prioritising stability.

Long-term security

Despite upcoming changes under the Renters’ Rights Bill (RRB), we’ve seen no signs that tenants intend to exploit these freedoms. On the contrary, renewal rates remain strong, particularly for fixed-term agreements. Tenants are choosing homes with long-term intent, guided by factors such as school catchment areas, transport links and lifestyle convenience, which is reflected in their preference for 12-month lets. To retain quality

tenants, landlords must ensure their properties are well-maintained and competitively priced. The rise of build-to-rent developments in city centres has raised expectations, offering modern design and premium amenities as standard. Our property management team continues to work closely with landlords to optimise their assets, aiming to add long-term value while improving tenant satisfaction.

Similarly, landlords are prioritising financial security. Approximately 70% of our managed landlords have opted for our Rent & Legal Protection policy, safeguarding their investment from rental arrears, damage and legal costs. With the RRB approaching, we expect uptake to increase even further.

We anticipate a busy summer lettings season, particularly driven by student demand from UK and international students. The ‘Bills Included’ package, offering tenants a hassle-free solution, has been a standout success, with an 88% uptake in our core student areas. As more students seek city centre living, we’re exploring opportunities to expand this offering beyond traditional student accommodation.

Renewed optimism

The number of properties entering the sales market has increased over the

last quarter, creating more choice for buyers, but also more competition for sellers. As a result, vendors must be realistic with pricing to remain competitive. Buyer demand remains healthy and the prospect of a Bank of England base rate reduction is generating renewed optimism in the market. While the changes to Stamp Duty Land Tax (SDLT) thresholds have led some first-time buyers to temporarily pause, this hasn’t acted as a deterrent, rather, it has prompted a reassessment of affordability, purchasing power and in some cases, property expectations.

Auctions continue to prove their value as a strategic route to sale. Over the past four years, awareness and adoption have grown significantly as vendors recognise the benefits such as speed, certainty and completion within 56 days. This is far beyond the outdated perception that auctions are only for difficult-to-sell or un-mortgageable properties.

We expect the Q3 market to remain buoyant and any reduction in the base rate, bringing lower monthly mortgage costs, is likely to add further momentum, encouraging even greater confidence from both buyers and sellers alike.

Midlands

Our Midlands region extends our reach from Birmingham to Nottingham and Derby.



With over 8,000 properties under our care across the Midlands, we're trusted by landlords to deliver the best service possible. Whether you are a professional landlord or are thinking about renting out your own home, our expert team are here to help.

LETTINGS

Lettings market remaining healthy in the face of legislation challenges.

Supply

New instructions

▼ -5%

Q2 2025

399 vs 419 Q2 2024

Demand

Tenants

▼ -13%

Q2 2025

4,035 vs 4,560 Q2 2024

SALES

Sales opportunity improving as landlords expand their portfolios, with buyer interest also increasing.

Opportunities

Market appraisals

▲ 74%

Q2 2025

375 vs 216 Q2 2024

Demand

Buyers

▲ 35%

Q2 2025

1,335 vs 998 Q2 2024



“Thanks to the additional benefits of our Rent and Legal Protection product, interest in our auxiliary services has risen remarkably. Our enhanced offering is just one of the advantages clients can access.”

Richard Crathorne
Managing Director

Adapting with confidence

A wealth of knowledge

As part of Lomond, John Shepherd clients benefit from broad industry expertise that spans national and international markets. Our collaborative approach creates opportunities across regions, supported by recent London acquisitions which have extended our reach and introduced us to a wider client base

Shifting rental preferences

The Midlands rental market remains healthy, with tenants showing clear priorities. Features such as en suite bathrooms, which were previously considered a luxury, are now viewed as essential by tenants, and location is ever-important alongside. Properties close to transport links, amenities and leisure facilities are in higher demand, reflecting a shift toward lifestyle-led renting.

Landlord clients are increasingly capitalising on our ancillary services, furnishing properties with our furniture solutions - an efficient way to ensure quality, convenience and style. This approach enhances a property's appeal and helps to secure tenants more quickly.

Interest in our Rent & Legal Protection plans has also risen significantly in this quarter. This is driven by the enhanced benefits now available to landlords and a growing need for security as the Renters' Rights Bill approaches.

Sensible landlords are prioritising protection to help them stay compliant and safeguard their investments. To help navigate the upcoming changes, our next Renters' Rights Bill event will take place on 27th November 2025. The session will offer insights and strategies and feature keynote speakers from the industry.

With respect to the sales market in the region, this quarter has reinforced the importance of accurate valuations. With plenty of housing stock entering the market, clients require accurate market insight and tailored advice to deliver the best outcomes. Given the protracted conveyancing timelines, auction interest continues to grow, with clients attracted to the speed and simplicity. Sales via auction must complete within 56 days, and perceptions of the approach are shifting as the benefits are evident.

Increased investor activity

Alongside the owner-occupier sales market, there are signs of increased

investor activity in the region. Birmingham and Nottingham remain popular locations for investors due to their strong rental markets and stable growth potential. These cities offer a solid balance between returns and risk. While interest rates remain a consideration for many landlords, properties in these locations can yield net returns of up to 6% attracting investors seeking consistent performance. Pragmatic landlords are aligning their portfolios with long-term goals to manage risk and maintain flexibility in a changing market.

The Midlands property market is expected to remain resilient in Q3, with strong tenant demand for well-located, modern rentals continuing. Landlords are prioritising protection and furnished offerings as legislation approaches, driving uptake in ancillary services. Accurate valuations and faster routes to sale, such as auctions, will see sustained appeal. Both lettings and sales markets are predicted to perform steadily, with flexibility and expert guidance being the key to success.

London & International

Expanding our foothold in the capital, with our flagship brands affording access to global as well as local investors.



Chase Evans

Adam Holden
Managing Director - Chase Evans



Kinleigh Folkard & Hayward

Esmee Jones
Lettings Director



Kinleigh Folkard & Hayward

Lisa Mackenzie
Sales Director

We deliver a comprehensive range of estate agency and property services across London, priding ourselves on providing unrivalled service, communication and results to both national and international clients.

LETTINGS

Continued lettings growth, despite overall applicant numbers returning to more 'normal' levels.

Supply

Demand Lettings applicant registrations

▼ **-39%**

Q2 2025
17,298 vs 28,300 Q2 2024

Activity

Tenancies agreed

▲ **12%**

Q2 2025
1,223 vs 1,096 Q2 2024

SALES

London remains a stable market, with internal referrals helping to drive growth in the region.

Supply

New instructions

▲ **6%**

Q2 2025
2,259 vs 2,132 Q2 2024

Activity

Sales agreed

▲ **6%**

Q2 2025
1,606 vs 1,519 Q2 2024



"Portfolio landlords benefit from a single point of contact within the network, improving returns through improved property management and better tenant sourcing."

John Ennis
Chief Revenue Officer

The Capital and beyond

Seasonal surges

The period from June to October, just overspilling the third quarter, is traditionally the busiest of the year for London's lettings market. True to form, activity in Q2 has indicated a build-up towards this anticipated peak. Regarding rental values, in London these have steadily increased over the years, albeit plateauing from the peaks seen in 2024. Many tenants are choosing to renew leases rather than relocate. Demand remains robust in spite of the downturn in applicants volumes, reflecting a stabilisation compared to the heightened levels characteristic of the past two years. Prospective tenants currently benefit from greater choice and a surplus of supply, while landlords are advised to focus on securing reliable tenants and averting void periods caused by unrealistic rental price expectations.

Two primary factors are influencing these elevated stock levels and applicant volumes respectively. Firstly, a more lethargic sales market has led to an increase in 'boomerang' rentals, i.e homes that re-enter the rental market after unsuccessful sale attempts. Secondly, the usual seasonal arrival of international students over the summer has been enhanced by the suspension of international student visas in the United States, which is driving prospective candidates to seek education in the UK.

Strength in numbers

Lomond's extensive network, led in London by Kinleigh Folkard & Hayward

Annual % Change Rents



5 year average private rent change to March 2025 - ONS

and Chase Evans, provides clients with comprehensive market insight and strategic advice in a complex environment. Portfolio landlords benefit from a single point of contact within the network, improving returns through improved property management and better tenant sourcing. Partnerships with Lomond Investment Management further support our clients in exploring portfolio expansions and investment opportunities across urban hubs.

Business referrals across the UK are rising, reflecting the positive client reception of the enhanced service as people migrate in and out of the capital offering available within the Group. International clients based outside the London market particularly value trusted expertise. Complementary products, such as Rent & Legal Protection, are gaining traction alongside our traditional services.

Lomond's coverage expanded in the Capital in Q2 with acquisitions including Vantage, serving international clients,

Hamnett & Ganpot, and Draker, now integrated with Chase Evans and Kinleigh Folkard & Hayward respectively.

A split personality

The sales market in London is increasingly binary. Central London, typically a more discretionary market, is affected by political factors such as changes to Non-Domicile tax status and international events including US tariffs. Nevertheless, London maintains its reputation as a safe haven amidst global uncertainty. Contrastingly, the outer London market, driven more by essential housing needs, is less sensitive to global political developments but continues to respond to changes in interest rates. Quality homes here are selling well, although prolonged conveyancing processes are causing some chain delays and breakdowns.

Lomond's Group-wide capabilities are particularly beneficial in supporting moves from London to commuter counties, as well as further afield to northern cities and Scotland, where our sister brands provide significant local expertise. August is expected to be quieter in sales activity and clients across the board are encouraged to consult experts for guidance on the optimal strategy.

Kent

The ever popular 'Garden of England', Kent is a property hotspot serviced by our team at Miles & Barr.

HEAT MAP

Buyers registering with Miles & Barr are concentrated within commuter belt from Kent to London



LETTINGS

Regional expansion and helping to drive lettings market growth in Kent.

Supply

New instructions

▲ 17%

Q2 2025

330 vs 283 Q2 2024

Activity

Tenancies agreed

▲ 22%

Q2 2025

265 vs 232 Q2 2024

SALES

A widening gap between supply and demand in the wake of Stamp Duty changes.

Supply

Available properties

▲ 11%

Q2 2025

Activity

Sales agreed

▲ 4%

Q2 2025



With over 25 years' experience in helping people in Kent sell and let properties, our aim is help clients achieve their property goals with service and expertise that exceeds expectations.



“Being part of the Lomond network means our clients increasingly benefit from trusted local expertise across the UK’s major cities, creating opportunities for seamless portfolio expansion.”

Mark Brooks

Managing Director

A safe investment

Tipping the balance

Following a stable first quarter, Kent's lettings landscape has shifted in Q2. A steady influx of quality tenants, combined with lower-than-expected rental stock volumes, has tipped the balance and demand is once again outpacing supply. It is not unusual for accidental landlords to explore selling options but investor landlords continue to benefit from strong rents and occupancy, both locally and from out-of-area buyers through our unique national network.

Regional connections

Since joining the Lomond network, our clients increasingly benefit from trusted local expertise across the UK's major cities, further creating opportunities for seamless portfolio expansion. For landlords considering investment in Kent, we have seen rents remain high relative to local average salaries, particularly in areas surrounding major employers such as UK Border Force in Dover. Tenant demand is strong and the tighter regulatory environment is contributing to higher retention and stability, making Kent a relatively safe investment.

Herne Bay and Broadstairs continue to offer excellent value for money for investors, with average yields of 4-5%

and strong capital growth. Two and three bedroom terraced properties are most popular with tenants, and on average attract between 5-8 prospective tenants per property.

Demand is expected to remain strong, ideally balanced by a rise in available properties as more landlords choose to relet. By our next update, the Renters' Rights Bill should be entering its final stages and stage and a more solution-focussed narrative should follow in the media landscape. Our clients will continue to enjoy clear, actionable guidance. Following the success of our inaugural Landlord Event in Q1, and due to high demand from clients, our second event will take place on 4th December 2025 offering more guidance and advice for landlords.

Widening supply gap

The Kent sales market saw an increase in available properties during Q2, with stock levels up approximately 11% year-on-year. However, the number of sales being agreed has risen by just 4% over the same period, widening the gap between supply and demand.

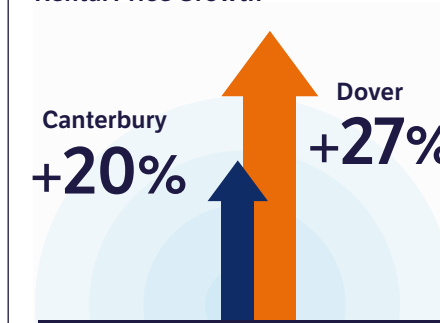
This dynamic reinforces a key trend: sensibly priced properties continue to attract strong interest and sell quickly, but seller motivation and market awareness are critical to

achieving success. While many transactions were motivated to cross the line before 1st April stamp duty deadline, the three months following this has somewhat surprisingly seen our conveyancing timeline improve.

The average time from 'sale agreed' to completion now stands at 115 days, down from 124 days in Q1, perhaps an encouraging sign of process efficiency returning.

A notable driver of demand in Kent continues to be London-based buyers, seeking more space, better value and lifestyle change. Now, as part of the Lomond network, our access to this audience is stronger than ever, giving sellers in the region a distinct advantage in reaching motivated, well financed buyers.

Rental Price Growth



5 year average private rent change to March 2025 - ONS

South Coast - East

Reaching from Brighton to Worthing, our branches in the South Coast - East region are market leaders for sales and lettings.



We've called Sussex home for decades. Our team is built on strong local roots, offering honest advice and real support to help you find the right property or make the best decision for your future. We're not just about transaction volumes, we're connected the people and places we know.



“The region’s popularity, connectivity and rental resilience continue to prove its merit as a long-term investment destination.”

Paul Broomham
Managing Director

Unlocking regional potential

LETTINGS

Despite falling tenant demand, landlords should have no concerns about the ability to let their property.

Supply
New instructions

▲ 8%

Q2 2025
260 vs 240 Q2 2024

Demand
Tenants

▼ -33%

Q2 2025
3,987 vs 5,995 Q2 2024

SALES

Brighton and Worthing remain popular with buyers commuting to London, fuelling the sales market.

Supply
New instructions

▼ -4%

Q2 2025
512 vs 536 Q2 2024

Demand
Buyers

▼ -9%

Q2 2025
2,245 vs 2,476 Q2 2024

Tides of change

The value landlords and vendors derive from the Lomond network across the South Coast stems from the region's proximity to London and its enduring appeal as a more affordable, lifestyle-driven alternative to the Capital. Thanks to our close links with Kinleigh Folkard & Hayward, clients benefit from direct access to this migration trend.

Those seeking to diversify their portfolios across other UK rental hotspots are equally well served through referrals within our wider network. Landlords also enjoy preferential rates on ancillary services such as Rent & Legal Protection, the uptake of which continues to rise as a precursor to the advent of the Renters' Rights Bill.

Whilst demand has decreased in Q2 across the region relative to the same period last year, this reflects a market normalisation rather than a downturn. Demand is still high relative to stock volumes and we are seeing a typical surplus of 15 applicants per property. While Brighton has long been considered the south coast's beating heart, surrounding areas namely Worthing, Shoreham, Lancing and

Goring-by-Sea, are experiencing a notable surge in appeal. Tenants are increasingly prioritising family-friendly housing, outdoor space and value for money, traits which these areas have in abundance.

Unsurprisingly, landlord interest has followed to these peripheral towns and villages. Localised regulations such as Article 4 of the Planning Act make HMO licensing in central Brighton increasingly challenging, drawing the attention of investors elsewhere.

Michael Jones and Brand Vaughan clients benefit from seamless access to local expertise through our partner firms. A growing inclination towards longer-term tenancies reflects tenants' continued preference for stability over a series of costly moves, which in turn puts upward pressure on rents. With the anticipated transition from Assured Shorthold Tenancies to periodic contracts under the Renters' Rights Bill, landlords can take comfort in the fact that we're encountering a stabilising market, and those in doubt can be reassured by the Scotland's prior navigation through this legislative shift in December 2017 with the passing of the Private Housing Act (2016).

Shared accommodation spikes

The region is experiencing renewed demand for shared accommodation, as younger renters increasingly favour HMOs over solo living housing in studio or one bedroom dwellings. Landlords considering capitalising on this trend are advised to seek expert guidance as to the planning constraints regarding HMO licenses, to review and assess the viability.

Sales volumes remain healthy, driven by sustained activity among first-time buyers and family movers. While the market is undeniably sensitive to price, competitively priced and attractively presented homes continue to generate strong interest. Conveyancing delays remain a key cause of transaction fall-throughs, leading some vendors to turn to our Auctions service for guaranteed outcomes.

Shifting interest rates are driving modest fluctuations, but investor appetite for the South Coast remains consistent with the advantageous quantum factors at play. The region's popularity, connectivity and rental resilience continue to prove its merit as a long-term investment destination.

South Coast - Central

Stretching along the coast from Portsmouth to Southampton and up the M3 corridor all the way to Winchester and Farnham.



At Charters, we are proud to employ the finest creative property experts who deliver a truly bespoke service tailored to meet our clients' unique needs. Our exceptional track record speaks for itself - we are proud to hold a market-leading position bolstered by an abundance of glowing reviews on Google and Trustpilot, reflecting our unrivalled standards in the industry.

LETTINGS

Merging Beals and Charters has driven lettings growth in key markets in the south of England.

Activity

New lets agreed

▲ 46%

Q2 2025

505 vs 347 Q2 2024

Demand

Tenants

▲ 3%

Q2 2025

3,867 vs 3,206 Q2 2024

SALES

Nationwide reach helping the flow of buyers out of London towards the south coast.

Supply

New instructions

▲ 31%

Q2 2025

992 vs 759 Q2 2024

Activity

Sales agreed

▲ 23%

Q2 2025

600 vs 486 Q2 2024



“City centres remain rental hotspots, driven by the popularity of build-to-rent (BTR) developments. With deep insight into upcoming new homes, we maintain a competitive edge with exclusive access to the most desirable properties.”

Elliot Trodd

Managing Director

Staying ahead of the curve

Trust expanded

Our innovative technology continues to strengthen connections between tenants and landlords across the Lomond network. Notably, landlords are extending their portfolios along the coast, with growing interest in Brighton and Southampton. On account of our unified operations, these landlords benefit from the same trusted expertise, support and streamlined processes they’ve come to expect from their local brand, wherever they choose to invest.

City centres, such as Southampton, Portsmouth and Winchester remain rental hotspots, driven by the popularity of BTR developments. With deep insight into upcoming new homes, we maintain a competitive edge by offering landlords and tenants exclusive access to the most desirable properties ahead of the market.

Tenants are becoming increasingly pragmatic and price-conscious in a market with plenty of available stock. In urban areas, two bedroom properties with parking remain highly desirable, while outside the city,

practical family homes in popular school catchment areas are in high demand.

Looking ahead, we anticipate a steady market, with landlords showing resilience and a long-term view. The most successful landlords will be those who stay ahead of the curve by preparing for the upcoming Renters’ Rights Bill. Partnering with the right agent is more important than ever.

Many of our clients are already taking proactive steps by opting for our Rent & Legal Protection, which safeguards against rental arrears, property damage, legal expenses and more, helping to provide peace of mind in a changing landscape.

Markets within markets

Following the Stamp Duty Land Tax (SDLT) changes at the end of Q1, we have seen a market has been led by committed buyers and motivated sellers. While exchange timelines have lengthened slightly, as anticipated after a quarter of intense activity, momentum is already returning.

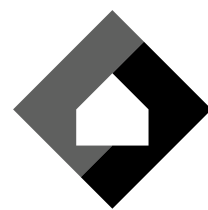
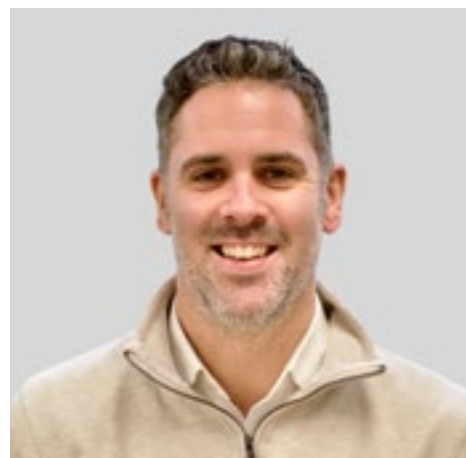
The lower to mid-market remains particularly resilient. However, the

region is characterised its ‘markets within markets’ whereby freehold properties transact more smoothly, whilst higher-value homes must be priced with greater precision to attract serious interest.

As with our lettings network, sales clients benefit from our nationwide reach, in particular the flow of London buyers into regional hubs. Towns such as Farnham, Alresford and Winchester remain popular relocation destinations. Our close collaboration with Kinleigh Folkard & Hayward ensures these buyers, often chain-free and with healthy budgets, are expertly supported throughout their move.

Our New Homes division continues to lead the market, making us the top New Homes agent in the area and a trusted specialist in this growing sector.

We anticipate continued market stability throughout Q3, with opportunities for well-positioned sellers and competitively priced properties.



LOMOND
Investment Management

“The enduring imbalance between strong housing demand and inadequate supply is expected to persist. Whilst there are signs of optimism, investors and developers need to continue striving to unlock projects and achieve viability”.

Brent Stojanovic
Managing Director

A unique proposition

Lomond Investment Management is an institutional-grade operator, managing assets and portfolios across the spectrum of rented living sectors including Single Family Housing (SFH), the Private Rented Sector (PRS), Build-to-Rent (BTR), House of Multiple Occupation (HMO) and Co-living in the United Kingdom.

The operating platform is underpinned by a scalable asset management systems and infrastructure teamed with the local-market expertise, leasing and revenue firepower provided by Lomond’s nationwide network of leading agency brands situated in every major UK rental market including London, Manchester, Birmingham, Glasgow, Nottingham and Exeter, in addition to suburban locations such as the South East, Anglia and North West.

This structure enables institutions, investment managers, private equity managers and professional investors to access a unique blend of nationwide proactive asset and portfolio management, robust reporting, stringent risk mitigation and compliance alongside the deep local insights from those close to the real estate offered through our agency leasing specialists.

Green Shoots

Sector activity at large currently encourages somewhat of a mixed bag of sentiment. 65,117 rental homes now

have detailed permission, which serves as required dry powder to support spades in the ground and our future construction pipeline. The number of consented homes has also risen 25% compared to Q2 2024, for which those bringing forward high-quality schemes, along with Local Authority planning teams, must be given credit. The continued growth of the Single Family Housing market has played a central role in this expansion with 30,854 rental houses currently complete or under construction.

Earlier in 2025, more than £500 million was allocated to developing BTR schemes in urban locations, shifting the course of the more subdued activity in the forward funding of large-scale developments we have been seeing. International investors continue to target the UK rented sector which is hallmarked by compelling fundamentals including steady government (in global terms), supply shortages, purchase affordability constraints, rising rents and long-term demand.

Whilst the data around consents and investment paints a comparably favourable picture versus histories, there are plenty of reasons for investors to remain cautious. Development across the country is being hindered by long wait times at the Building Safety Regulator (BSR), while rising construction costs, the cost of land and other macro factors continue to thwart the viabilities of projects across the country. These

combined pressures are delaying the progression of projects and threatening the delivery of much-needed housing.

Recent data tells us that it now takes an average of 36 weeks to secure gateway approval on new build projects, three times longer than the original 12-week target and longer than the 19 weeks average at the end of 2024. Yet there are signs of improvement on the horizon: as inflationary pressures ease and the government’s reforms to streamline the BSR process and promise to hire around a 100 additional staff begin to take effect, including the new fast-track system, we expect an uptick in new starts, helping to restore delivery momentum.

Many investors and developers are turning to co-living projects, which provide much-needed density and income opportunity, and Single-Family Housing, which are of course not required to participate in the building control regime for higher-risk buildings and benefit from low operational costs and extended occupancy by families, to put their capital and capabilities to work. These two rented residential classes are increasing nationwide in their scope, and regional cities like Birmingham are playing a key role in overall BTR growth, with nearly 60 per cent of construction outside London and Manchester.

Contact: lim@lomond.group

Lomond DNA

Q2 2025



Our ethos of excellence in property services

Lomond is an established network of high quality regional sales and lettings agents spanning length and breadth of the UK.

At the core of our success is our commitment to **wisdom**, investing in talented professionals whose expertise and ambition enable our clients to make smarter property decisions. We uphold the highest standards of **integrity**, fostering transparency and trust in every interaction. Our brands consistently achieve **success**, delivering exceptional results and

industry-leading customer satisfaction. Through continuous **evolution**, we embrace innovation and strategic growth, ensuring we remain at the forefront of the property sector. These form our **WISE** values, something everyone at Lomond strives to uphold.

With a proven track record of acquiring and transforming independent agencies, we provide the resources, technology and operational expertise to enhance performance and accelerate growth. Our ambition is to expand our footprint in PRS hotspots across the UK, strengthening existing markets and unlocking new opportunities.



THE SUNDAY TIMES
T Best Places to Work 2025
BIG ORGANISATION



**Quarterly
Market
Update**

HARDISTY