

Michael
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Quarterly Insights

Winter 25/26

South Coast

Reaching from Portsmouth to Brighton and along the M3 corridor to Winchester and Farnham, our South Coast region is the market leader for sales and lettings.



Our respective brands have called Hampshire and Sussex home for decades. Built on strong local roots, our teams offer 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 to the people and places we know and we genuinely care about the communities we serve.



“With the right managing agent, landlords can feel confident and informed about upcoming legislative changes. There is no need to react to short-term fluctuations when expert support is available to guide decision-making.”

Elliott Trodd
Managing Director

A year of two halves

Strong activity, measured approach

Activity across the south coast sales and lettings markets remained strong throughout 2025 and outperformed 2024. However, a measured and steady approach was evident across all sectors of the market.

A growing portfolio

Throughout 2025, landlords became increasingly aware of forthcoming legislative changes brought about by the passing of the Renters' Rights Act (RRA) and recognised the value of working with experienced professionals who can provide guidance through the full process. Undeterred by the upcoming changes, clients continued to let properties and reinvest; the number of properties available to let increased and the managed portfolio grew by 8%.

Both the supply of rental properties and the demand for them increased, by 14% and 8% respectively in 2025, compared to the previous year, resulting in a 7% increase in the number of lets agreed year on year. These factors contributed to a 10% increase in the average rental price, reflecting the continued favourable market conditions, despite the media narratives.

During the latter part of the year, landlords demonstrated increased

confidence and a stronger understanding of the changes ahead, particularly those who attended our landlord event in Q3 2025. Key concerns focused on risk around rent arrears and anti-social behaviour. However, landlords were reassured by the expertise and support available, with many choosing to transfer the management of their properties to us. Property management by professional agents will become an essential component to successfully navigating the 2026 lettings landscape.

Looking ahead, landlords are advised to remain steady and avoid reacting to short-term market movements. Selecting the right agent and maintaining a balanced portfolio across property types and locations will be crucial. Strong financial planning, regular property health checks and compliance reviews will help safeguard investments and support stable returns.

Buyer demand surges

Changes to the Stamp Duty Land Tax threshold prompted an early surge in activity as buyers sought to complete transactions before April 2025. This shifted demand earlier in the year rather than increasing overall activity. Combined with Budget speculation later in the summer, this resulted in a noticeable slowdown during Q4, giving the year the appearance of two distinct halves despite strong overall performance.

Buyer demand remained robust, with enquiries increasing by 69% compared to 2024. Supply increased by only 4%, creating a clear imbalance between buyers and available properties, and presenting strong opportunities for sellers.

Confidence entering the current year remains high, supported by a strong start and increased optimism driven by lower interest rates. This has been particularly evident among first-time buyers and the lower end of the market. Early effects of the proposed Mansion Tax have also emerged. Although not due to be implemented until 2028, some homeowners in affected properties are downsizing into the £1 to £1.5 million range. Further developments in this area will be monitored throughout the year.

Protecting investments

In preparation for legislative changes, demand for auxiliary services across the Lomond network, including Rent & Legal Protection (RLP), is expected to increase. Since 2024, approximately 50% of landlords have adopted RLP to protect their investments. This figure is forecast to rise to 80% as the RRA is implemented and awareness of the benefits continues to grow.

LETTINGS

Strong tenant activity alongside a rise in available rental homes.

Market Rent

Average Rental Price

▲ **10%**

2025 vs 2024

Supply

New Instructions

▲ **14%**

2025 vs 2024

SALES

Buyer interest surges creating strong opportunities for sellers.

Demand

Buyers

▲ **69%**

2025 vs 2024

Supply

New Instructions

▲ **4%**

2025 vs 2024



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