

reallymoving House Price Forecast

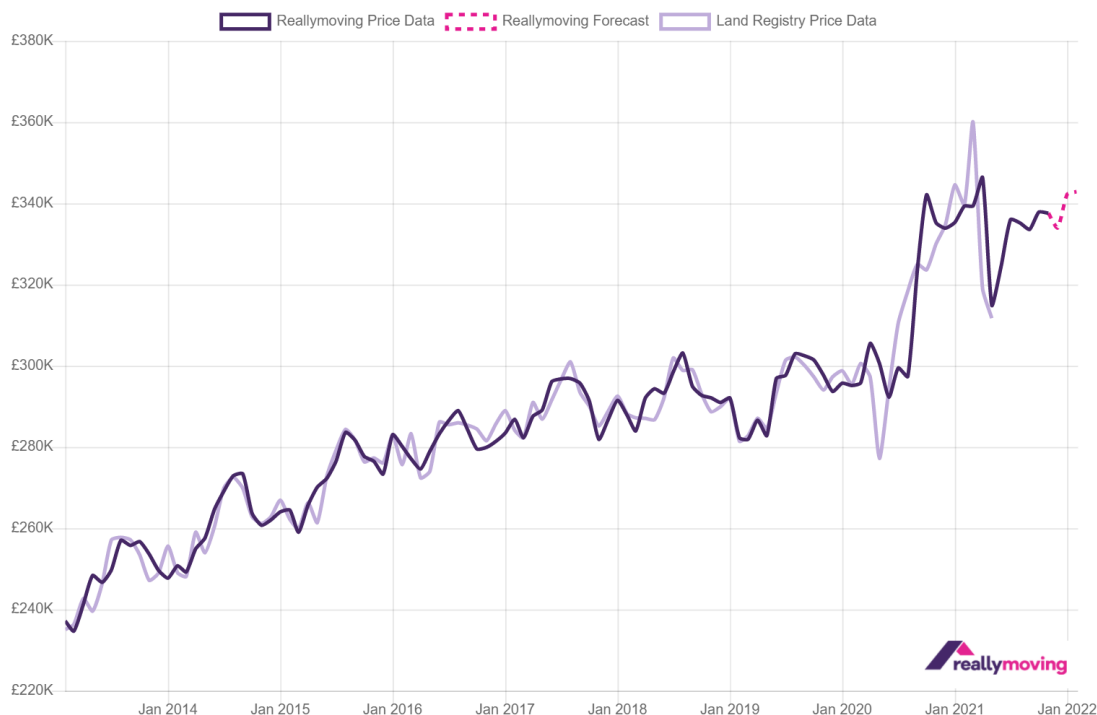
November 2021: Positive house price growth built in for early 2022

- House prices in England and Wales will rise by +1.6% between December 2021 and February 2022
- Decline of -1.1% in December will be wiped out by rise of +2.5% in Jan and +0.2% in Feb 2022
- Annually, house prices will remain moderately higher than over the same period a year ago
- Spread of Omicron variant and interest rate rise likely to impact market activity in the spring

Month	Average price agreed	Monthly change %	Annual change %
October 2021	£337,873	+1.3%	-1.2%
November 2021	£337,591	-0.1%	+0.7%
December 2021	£333,960	-1.1%	+0.0%
January 2022	£343,232	+2.5%	+2.1%
February 2022	£342,900	+0.2%	+1.0%

Average house prices in England and Wales are set to rise in the first two months of 2022 based on deals agreed in October and November, according to the reallymoving House Price Forecast November 2021, released today. Heading towards the New Year the market is facing a number of threats including the rapidly Omicron variant, rising inflation and the recent announcement of a 0.25% rise in interest rates, which combined are likely to impact buyer demand and dampen price growth in the months that follow, yet the market remains fundamentally robust with the pandemic-driven race for space continuing to play out. Reallymoving captures the purchase price buyers have agreed to pay when they search for conveyancing quotes through the comparison site, typically 12 weeks before they complete. This enables reallymoving to provide a three-month house price forecast that historically has closely tracked the Land Registry's Price Paid data, published retrospectively (see graph below).

Graph 1: reallymoving House Price Index (England and Wales) including 3-month price forecast



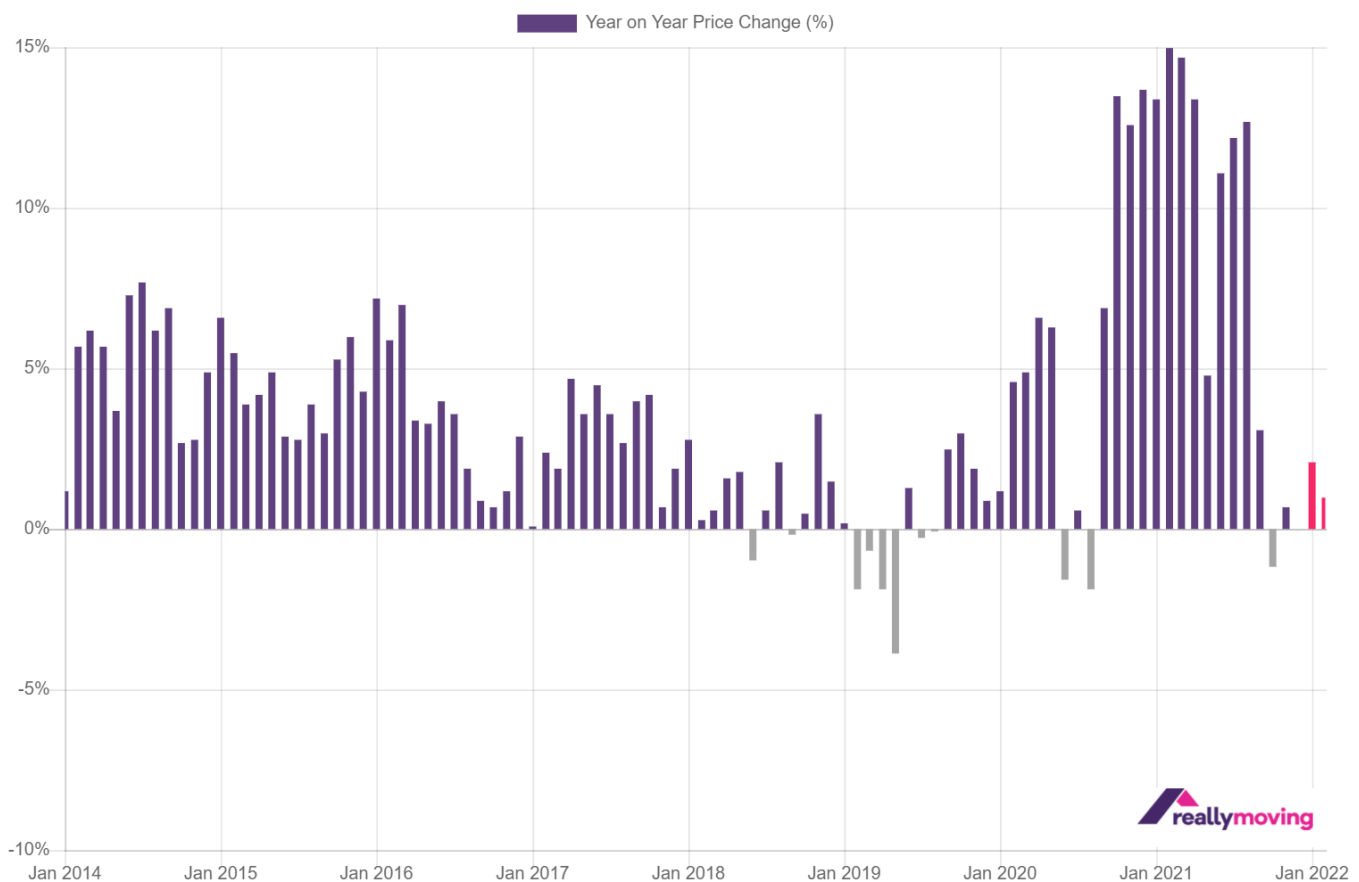
Monthly price changes

Average prices will fall by 1.1% in December as a result of deals agreed between buyers and sellers in the early autumn, when the impact of the stamp duty holiday subsided and demand fell back to be more normal levels leading sellers to price more competitively. But once again, most likely as a result of a severe shortage of new stock coming to market, the prices agreed between buyers and sellers began to rise in October and November which will be reflected in an increase of +2.5% in January, slowing to +0.2% in February 2022 when the average completed sale price will be £342,900.

Annual price changes

With the exception of October 2021 when prices dipped by -1.2%, annual growth has stayed consistently in positive territory for eighteen months. Annual house price growth will remain unchanged in December at 0%, before increasing by +2.1% in January 2022 and +1.0% in February.

Graph 2: Year on Year average price changes (England and Wales) including 3-month forecast

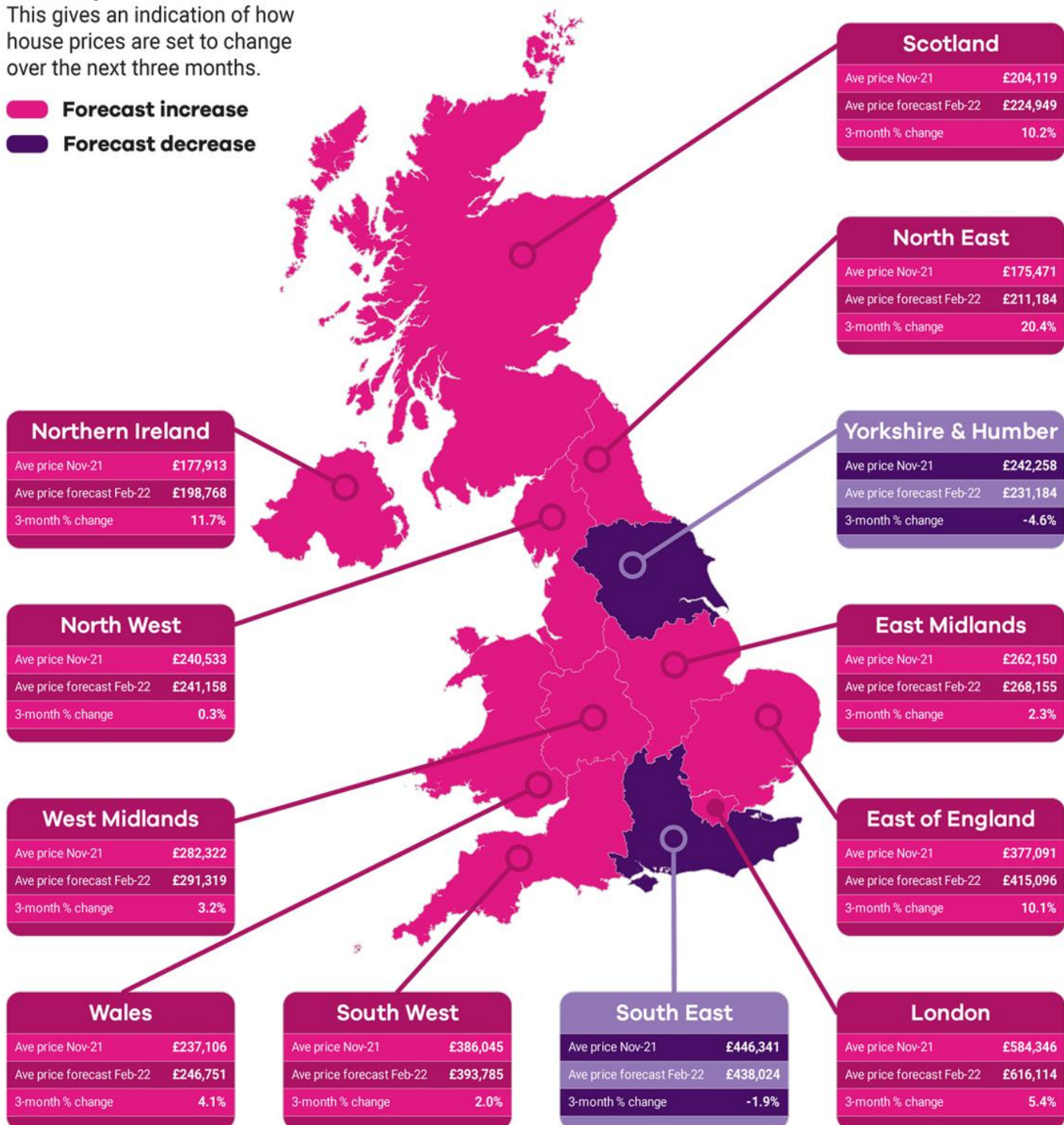


Regional Forecasts



The map below shows the forecast percentage change in regional house prices for February 2022, relative to current figures seen in November. This gives an indication of how house prices are set to change over the next three months.

- Forecast increase
- Forecast decrease

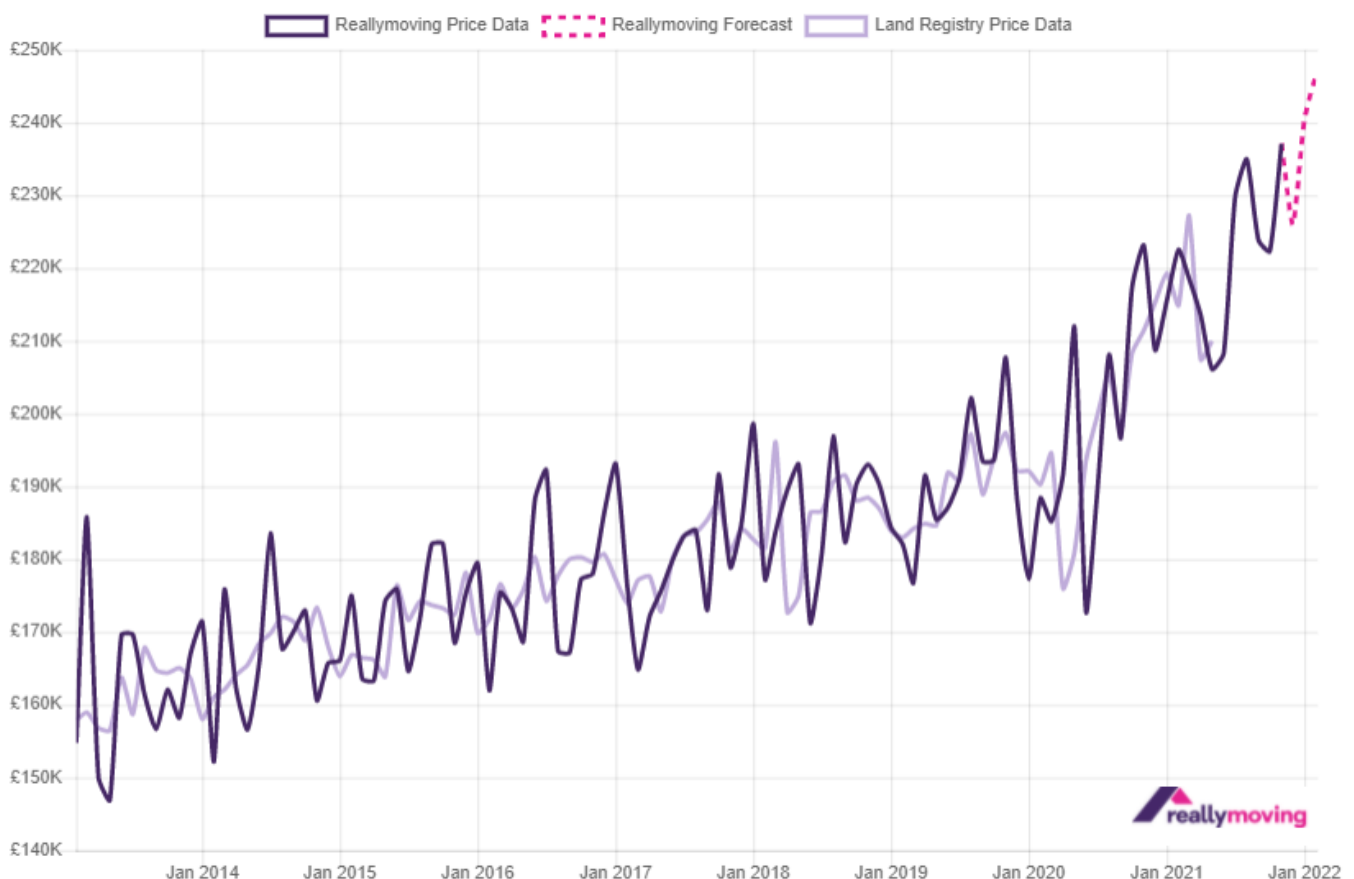


Regional 3-month price forecasts

Ten out of twelve UK regions will see prices rise over the next three months (December 2021 – February 2022), with notable increases in the East of England (+10.1%), Northern Ireland (+11.7%) and Scotland (+10.2%). London will see prices rise by 5.4%, with the biggest increase taking place in January. The South East and Yorkshire & Humber are the only two regions set to see values decline, falling 1.9% and 4.6% respectively.

Reallymoving's online [House Price Forecast](#) is an interactive tool providing house price information and forecasts for every region of the UK alongside Land Registry Price Paid data. Highlighting Wales this month, average prices are set to fall by -4.7% in December before climbing +6.5% in January and +2.6% in February to an average of £291,319.

Graph 3: reallymoving House Price Index (Wales) including 3-month price forecast



Analysis and commentary

Rob Houghton, CEO of reallymoving, comments: *“House price growth in the New Year is inevitable based on transactions already underway, following a strong market performance in the autumn when a lack of stock and continued high levels of buyer demand helped support prices. As we head towards Christmas there are a number of headwinds with the potential to impact buyer sentiment, not least the spread of Omicron which brings renewed uncertainty and concern over jobs, inflation and economic growth. Although interest rates remain very low, the first rise feels significant and shows that despite the escalating Covid-19 situation, the Bank of England won’t wait to tackle rising inflation. Rising borrowing costs will impact the affordability of First Time Buyers coming to market and those in a position to buy soon may be more tempted to press ahead and secure a fixed rate deal as quickly as possible.”*

-- ENDS --



Notes to Editors

About the reallymoving House Price Forecast

The Index, which launched in May 2019, uses average house prices calculated from data submitted on conveyancing quote forms at reallymoving.com. Registrations for conveyancing quotes are completed typically three months prior to the transaction date, giving reallymoving a unique perspective and forecast of house prices. As such, forecasted data for December 2021 to February 2022 is based on registrations from September to November 2021 respectively.

The data is mix adjusted but not seasonally adjusted. Seasonally adjusted data is available on request.

Reallymoving recognises that, as a price comparison site, its average user profile is skewed towards the lower end of the market. Therefore, forecast values are lifted by the average difference seen between reallymoving and Land Registry Price Paid data during the previous quarter. The difference is fairly constant in percentage terms.

Only non-commercial properties between £40,000 and £2,000,000 are included in the calculation, to account for errors in submitting the quote form.

Between September – November 2021, reallymoving analysed data from 16,000 completed conveyancing quote forms to form the basis of its average property price projections for December 2021 – February 2022.

About reallymoving

Launched in 1999, reallymoving has become the UK's leading provider of free instant quotes for home-moving services, serving over 2 million customers since its inception. It is an independent and privately financed company, majority owned by its management and directors.

During 2020 reallymoving received 280,000 registrations and generated almost a million quotes on behalf of its UK-wide network of partners, representing approximately £220 million worth of work in 12 months. Reallymoving believes approximately 9% of the UK's home movers receive quotes from the site.

Reallymoving provides instant quotes for Conveyancing, Surveys, Removals, Valuations, Home Reports (in Scotland) and Energy Performance Certificates.

Reallymoving also owns The Law Superstore, the comparison site for legal services.

www.reallymoving.com

For press information please contact: Sarah Lawrence sarah@lawrencepr.co.uk 07984 422 461