



House prices set for summer slide

Data on new deals agreed indicates house price fall of 3.8% between June and August 2020

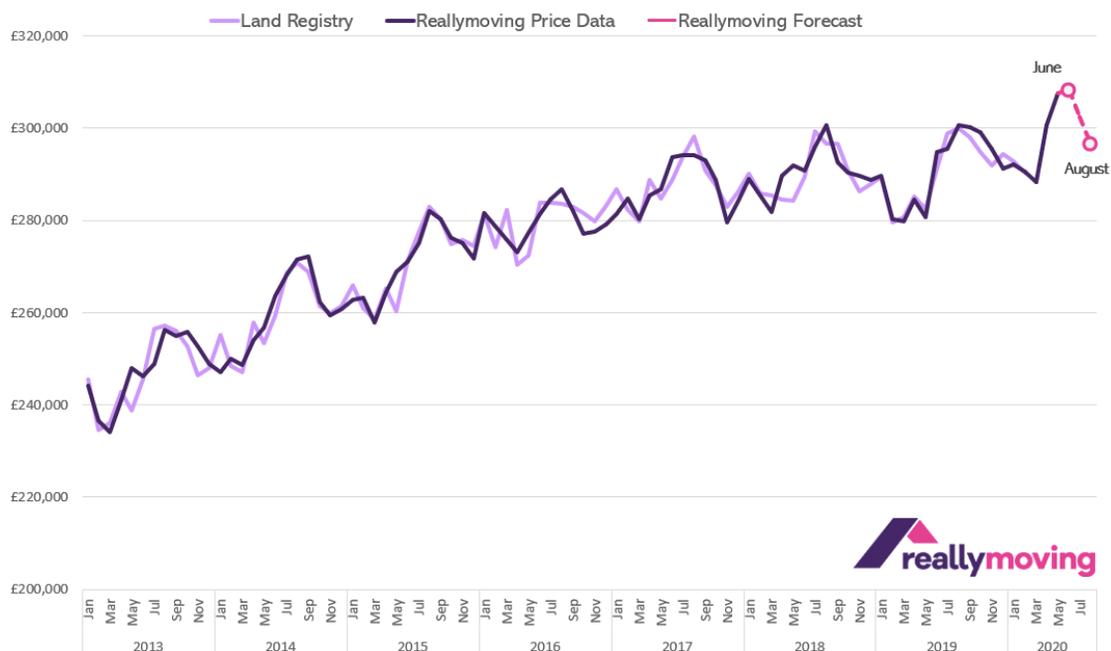
08 June 2020: Average house prices in England and Wales are on course to fall by 3.8% between June and August 2020 based on the values of new deals agreed between March and May, as the strong market performance seen in the first quarter of 2020 was brought to a shuddering halt by the Coronavirus lockdown. Adjusted seasonally, the decline in average values will be 5.1%.

Based on mix-adjusted purchase price data from over 8,000 conveyancing quotes between March and May on reallymoving, the price comparison site for home movers, the average property price will fall from £308,280 in June to £296,485 in August when those deals complete.

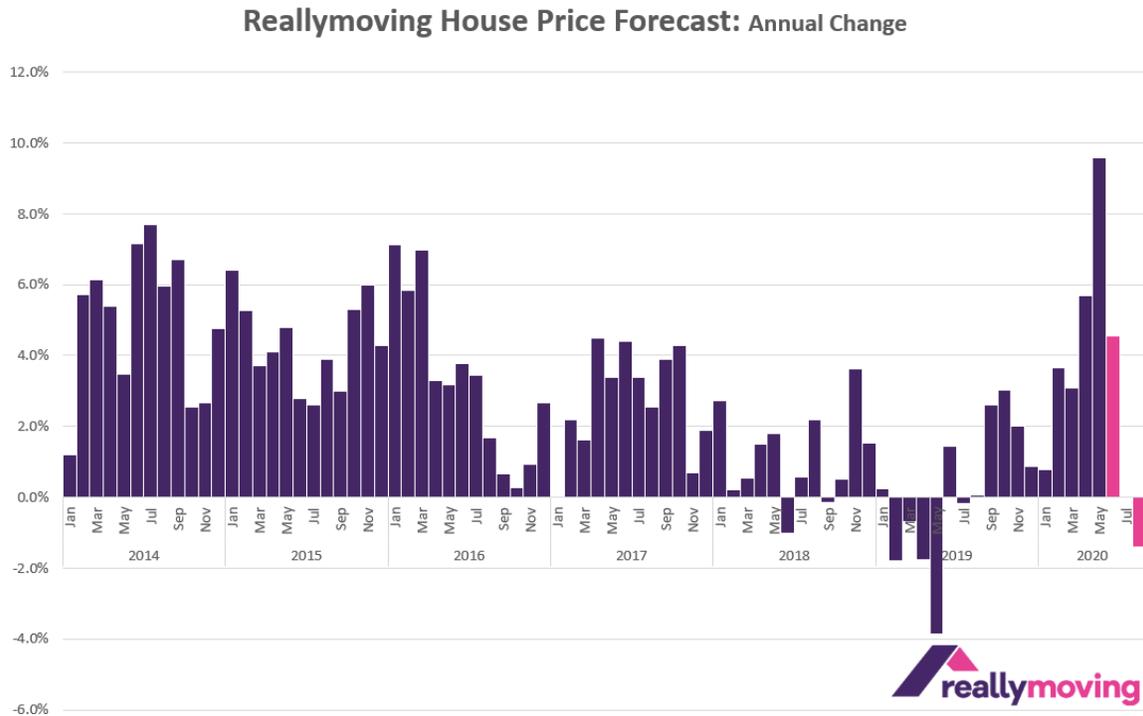
Collected at the beginning of the property purchase process, when buyers agree a deal and seek conveyancing quotes, the data provides one of the earliest snapshots of the immediate impact of lockdown on the property market and confirms that confidence in property values and the wider economy has reduced.

It's important to note that the assumption of a typical 12-week time frame between exchange and completion could be less reliable than usual as transactions take longer to conclude – and a proportion of deals already agreed prior to lockdown could have since been renegotiated.

Reallymoving House Price Forecast



Annually, house prices are on track to see the first month of negative growth in over a year this summer based on new deals agreed when the market reopened in May, falling by 1.4% in August 2020 compared to August 2019.



Commenting on the data, CEO Rob Houghton said: *“We’ll have to wait several months at least before the true impact of Coronavirus on the housing market becomes evident, but early signs suggest that while prices have fallen and buyers have undoubtedly tightened the purse strings, the initial hit may not be as severe as some analysts feared.*

“For sellers now facing a period of great uncertainty and a scarcity of buyers, doing a deal at a reduced price of 3-4% could look considerably more appealing than sitting tight and waiting to see what happens over the next few months.

“Transaction volumes are at half their normal levels and the economy is currently propped up by the Government through the furlough scheme alongside mortgage payment holidays, so although the market is open once again, its underlying health has not yet been tested.

“Levels of unemployment and confidence in the jobs market will be key factors in determining whether the housing market recovers in the autumn with a levelling out of prices or continues in a downward trajectory.”

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Notes to Editors

About the data

The Reallymoving House Price Forecast is currently paused due to reduced volumes of data collected during lockdown. This release focuses on analysis of data for March and May to reveal the change in average house prices before and immediately after the property market was paused. It excludes April during which time conveyancing quote volumes were too low to be reliable.

This analysis 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, offering a unique perspective and forecast of house prices. As such, forecasted data for June – August 2020 is based on registrations from March – May 2020 respectively.

The data is mix adjusted but not seasonally adjusted. 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.

About reallymoving

Launched in 1999 and celebrating its 20th birthday last year, reallymoving has become the UK's leading provider of free instant quotes for home-moving services, serving its 2 millionth customer at the beginning of 2018. It is an independent and privately financed company, majority owned by its management and directors.

During 2019 reallymoving received 270,000 registrations and generated 1,050,000 quotes on behalf of its UK-wide network of partners, representing approximately £190 million worth of work in 12 months. Reallymoving believes approximately 9% of the UK's home movers in 2019 received quotes from the site.

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

www.reallymoving.com

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