

reallymoving House Price Forecast

April 2021: House prices to rise sharply this summer

- Average prices set to rise by +2.9% in June and +3.7% in July as boom continues
- Homebuyer spending spree and competition for homes sees deals agreed at higher values
- Annually, average prices in June and July will be significantly higher than in summer 2020

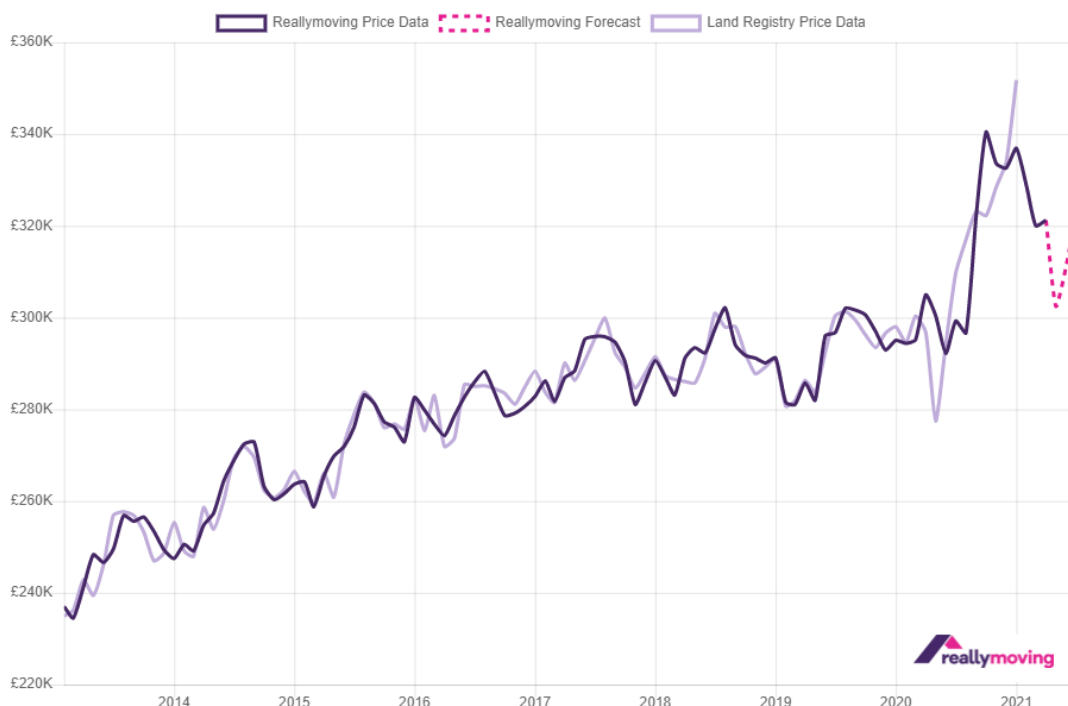
Month	Average price agreed	Monthly change %	Annual change %
March 2021	£320,016	-2.6%	+8.4%
April 2021	£321,233	+0.4%	+5.3%
May 2021	£302,470	-5.8%	+0.7%
June 2021	£311,111	+2.9%	+6.5%
July 2021	£322,672	+3.7%	+7.8%

The post-lockdown property boom is showing no signs of letting up heading towards the summer, with deals agreed between buyers and sellers during March and April resulting in monthly price increases of +2.9% in June and +3.7% in July when those deals complete, according to the Reallymoving House Price Forecast April 2021.

Despite warnings from agents and surveyors of limited new supply, activity remains exceptionally strong with conveyancing quote volumes in April at around 60% higher than normal levels for the time of year.

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 1).

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



Monthly price changes

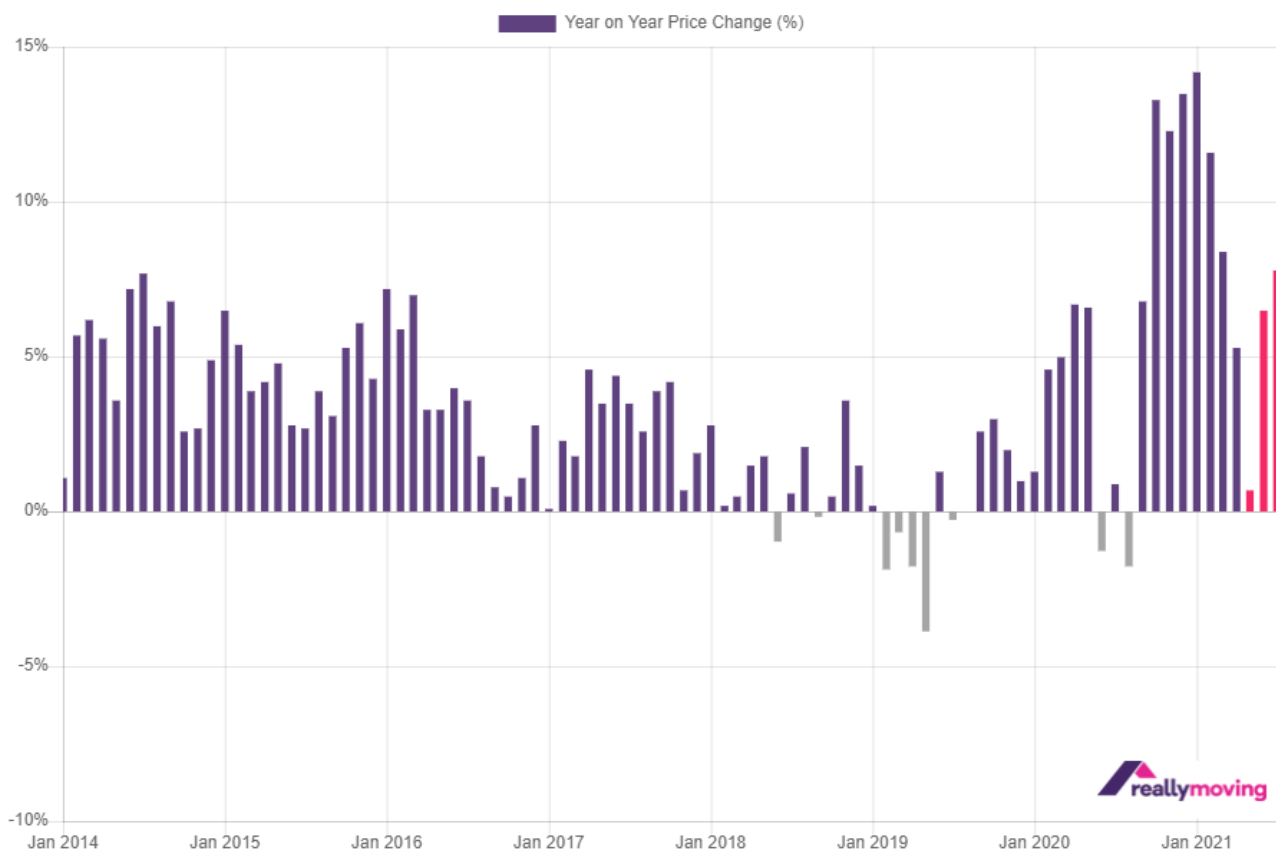
Completed sale prices in England and Wales will dip in May, as a result of buyers and sellers agreeing to pay less in February prior to the announcement of the stamp duty holiday extension. However, following the announcement on 3rd March there was a clear surge in the value of deals being agreed which will result in price rises of +2.9% in June and +3.7% in July, when those deals complete and are registered with Land Registry.

Stamp duty savings may have been wiped out by price rises, but buyers are undeterred, with a large proportion having accrued substantial savings during lockdown and in a position to review their location thanks to permanent flexible working arrangements. Borrowing costs remain low and those with plenty of equity are in a strong position to move up the ladder to a property that better meets their new requirements.

Annual price changes

Annually, prices have remained in positive territory since September last year, with annual growth accelerating in the run up to the New Year and then slowing in the first few months of 2021. From June annual growth will begin to rise strongly again based on deals agreed this spring, with prices in June 6.5% higher than a year previously, and in July 7.8% higher year on year.

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

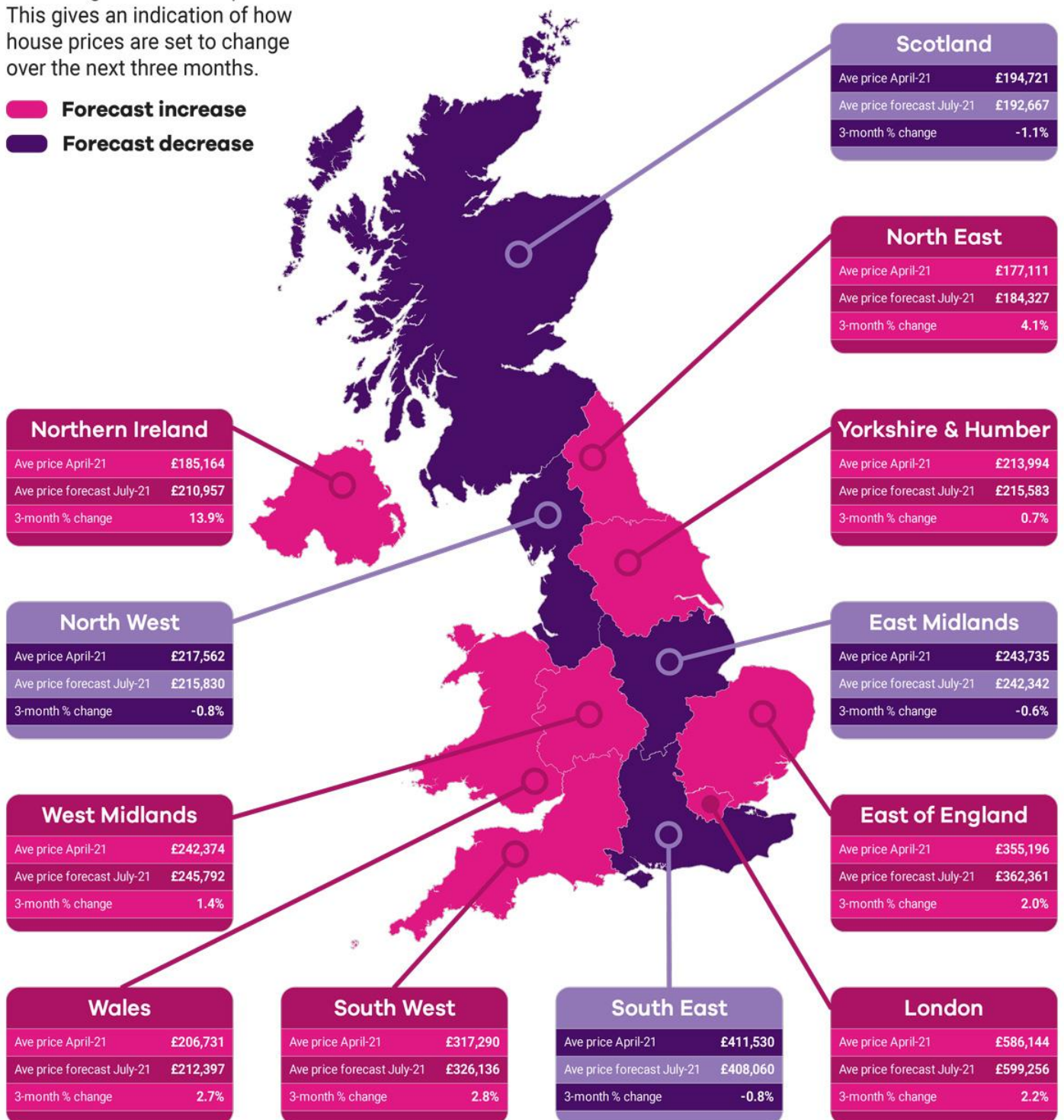


Regional Forecasts

The map below shows the forecast percentage change in regional house prices for July 2021, relative to current figures seen in April. This gives an indication of how house prices are set to change over the next three months.



Forecast increase
Forecast decrease

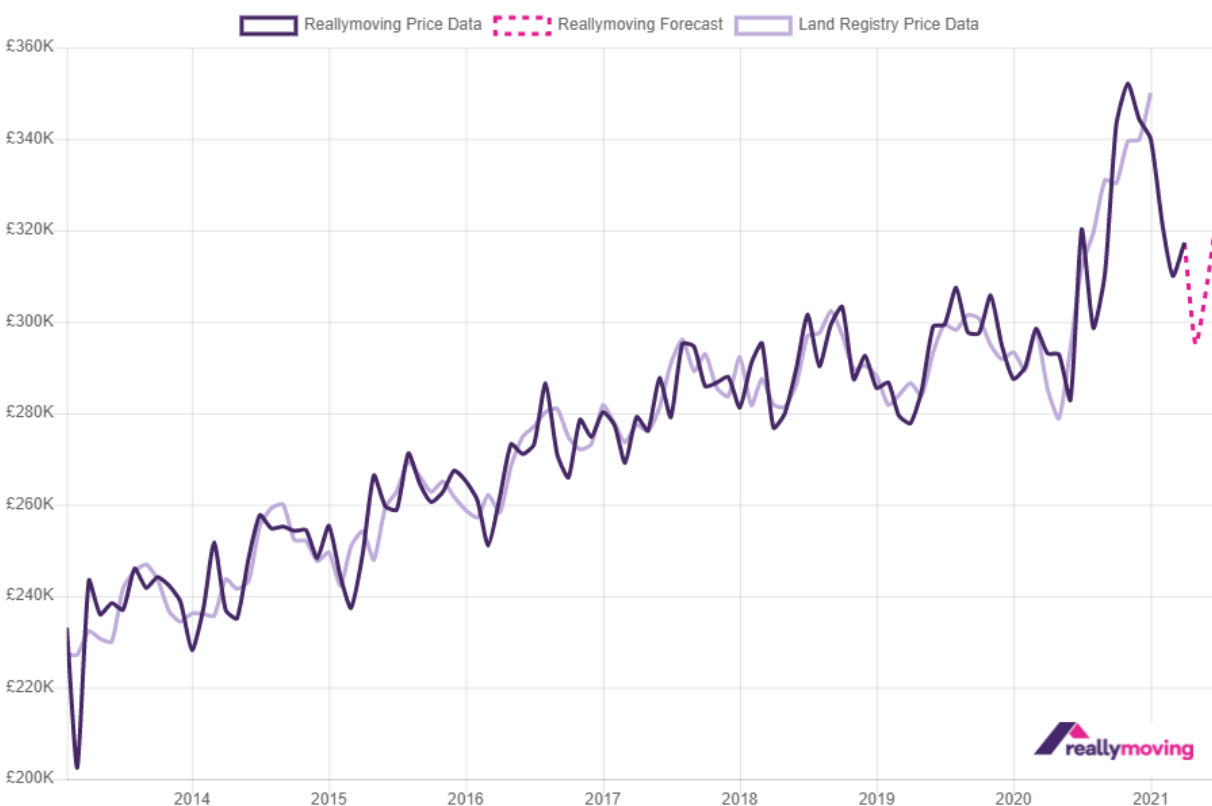


Regional 3-month price forecasts

Eight out of twelve regions of the UK will see positive price growth over the next quarter (May – July), but looking at the monthly changes the national trend is clearly evident, with price falls in May, as a result of the assumed stamp duty holiday end three months earlier, followed by price rises in June and July reflecting deals agreed following the holiday extension. The most significant gains in July will be seen in Wales (+10.4%), the North East (+6.9%) and the South West (+5.7%).

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 the South West this month, average prices are set to fall by -7% in May, then rise by +4.6% in June and +5.7% in July taking the average house prices in the region to £326,136.

Graph 3: reallymoving House Price Index South West including 3-month price forecast



Analysis and commentary

Rob Houghton, CEO of reallymoving, comments: *“Looking ahead to the summer we’re continuing to see an exceptionally strong performance from the housing market across the UK, with buyer demand showing no signs of abating. A shift in the priorities of homebuyers has resulted in strong demand from equity-rich homebuyers higher up the ladder who, freed from their daily commute, are able to look further afield for a home with the kind of space and location they’ve long dreamed of.*

“Backed by lockdown savings and encouraged by rock bottom interest rates, many people are determined to secure a home that meets their new needs, despite fierce competition – and it’s these movers who are driving sharp increases in average prices. Despite this, First Time Buyers continue to maintain a market share of around 55% – which could rise further now the Government-backed 95% loans are available.”

-- 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](https://www.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 May to July 2021 is based on registrations from February – April 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 February – April 2021, reallymoving analysed data from 31,000 completed conveyancing quote forms to form the basis of its average property price projections for May – July 2021.

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

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