

reallymoving House Price Forecast

February 2020: Average annual growth for next quarter to reach pre-Referendum heights

- Annual growth in house prices to average 4.3% over next three months (Feb – April 2020)
- This is the highest level seen since Feb to April 2016, just prior to the EU Referendum (4.5%)
- Strong monthly house price growth will deliver 2.4% rise in average prices over coming quarter

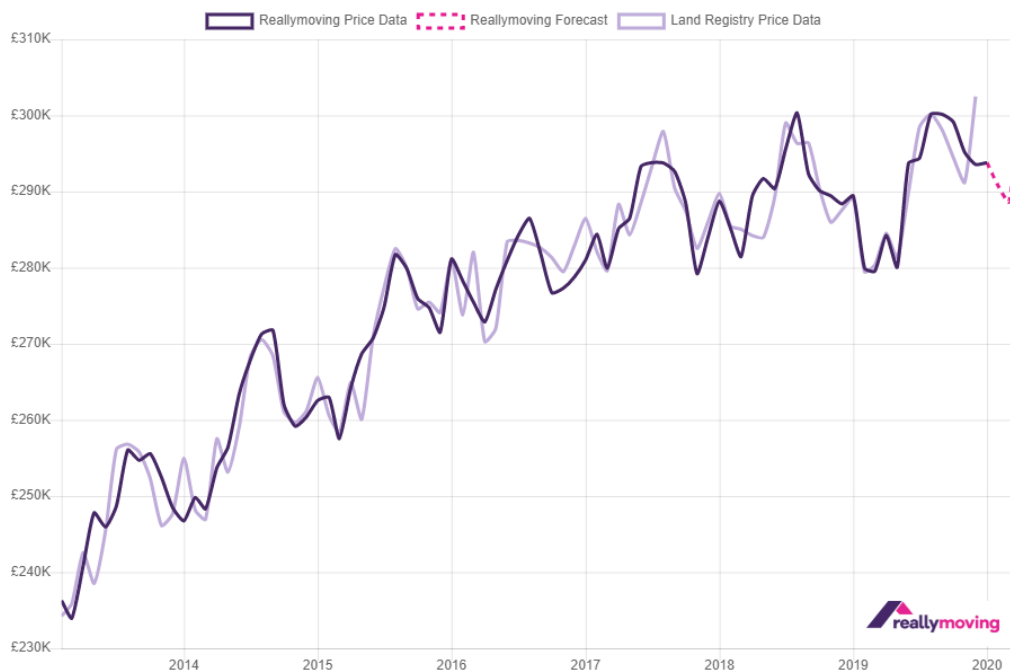
Month	Average price agreed	Monthly change %	Annual change %
December 2019 (actual)	£293,560	-0.5%	1.8%
January 2020 (actual)	£293,801	-0.1%	1.5%
February 2020 (forecast)	£290,703	-1.1%	3.8%
March 2020 (forecast)	£288,630	-0.7%	3.3%
April 2020 (forecast)	£300,995	4.3%	5.9%

Average annual growth in house prices in England and Wales over the next three months (February to April 2020) is on course to reach 4.3%, according to the reallymoving House Price Forecast February 2020. This will be the highest level seen since same period just prior to the EU Referendum (February to April 2016) when average annual growth hit 4.5%.

Price rises are also evident in the monthly data, with growing confidence and optimism among buyers in January resulting in a 4.3% monthly increase in average house prices forecast for April 2020 when those New Year deals complete.

As homebuyers register for quotes for home moving services on the site typically twelve weeks before their purchase completes, reallymoving is able to provide an accurate three-month property price forecast based on the purchase price agreed. Historically, reallymoving's data 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

Average house prices in England and Wales are on course to increase by 2.4% over the next three months, from £293,801 in January to £300,995 in April 2020. Dips in February (-1.1%) and March (-0.7%) will be mitigated by strong monthly growth of 4.3% in April, as the so-called 'Boris bounce' reported in the New Year becomes evident in completed sales.

Growing confidence among buyers and sellers following the General Election result and its implications for Brexit is rapidly translating to greater competition among buyers, prompting increases in the value of deals agreed.

Annual price changes

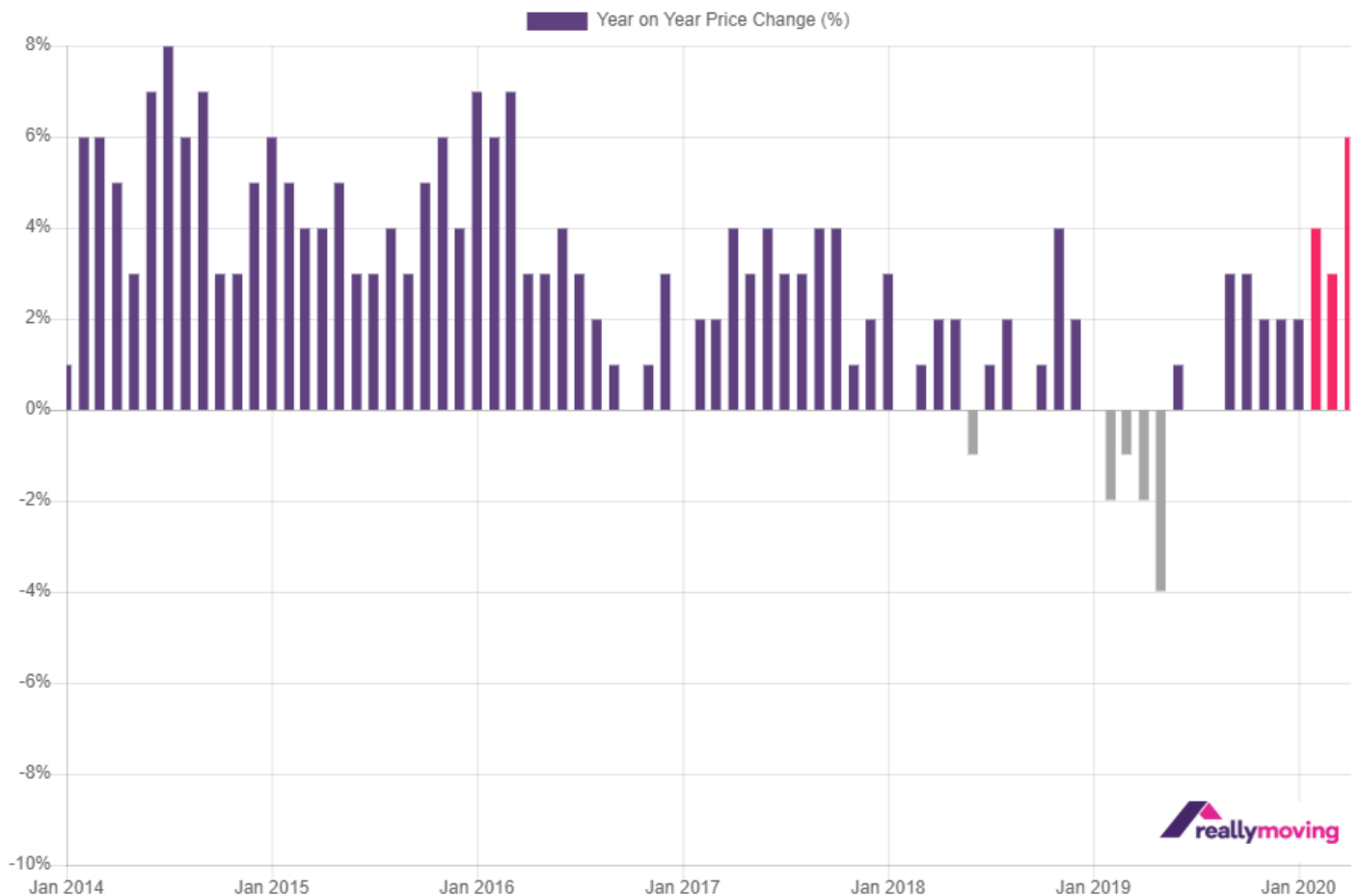
Year on year price growth for the next three months will average 4.3%, the highest level seen since the same period in 2016 (February to April), just ahead of the EU Referendum. This suggests that the worst of the Brexit-related malaise in the property market could be over, at least for the time being, with house price growth in England and Wales enjoying a period of more consistent and sustained growth well into the spring (see Graph 2).

Annual growth of 5.9% in April 2020 will be the largest year-on-year increase recorded since March 2016 when house prices in England and Wales rose 7% year on year (see Graph 3).

Graph 2: Annual Monthly Growth (England and Wales)

Year on Year Percentage Change: England & Wales

Reallymoving has analysed UK property prices based on data given on Conveyancing forms.



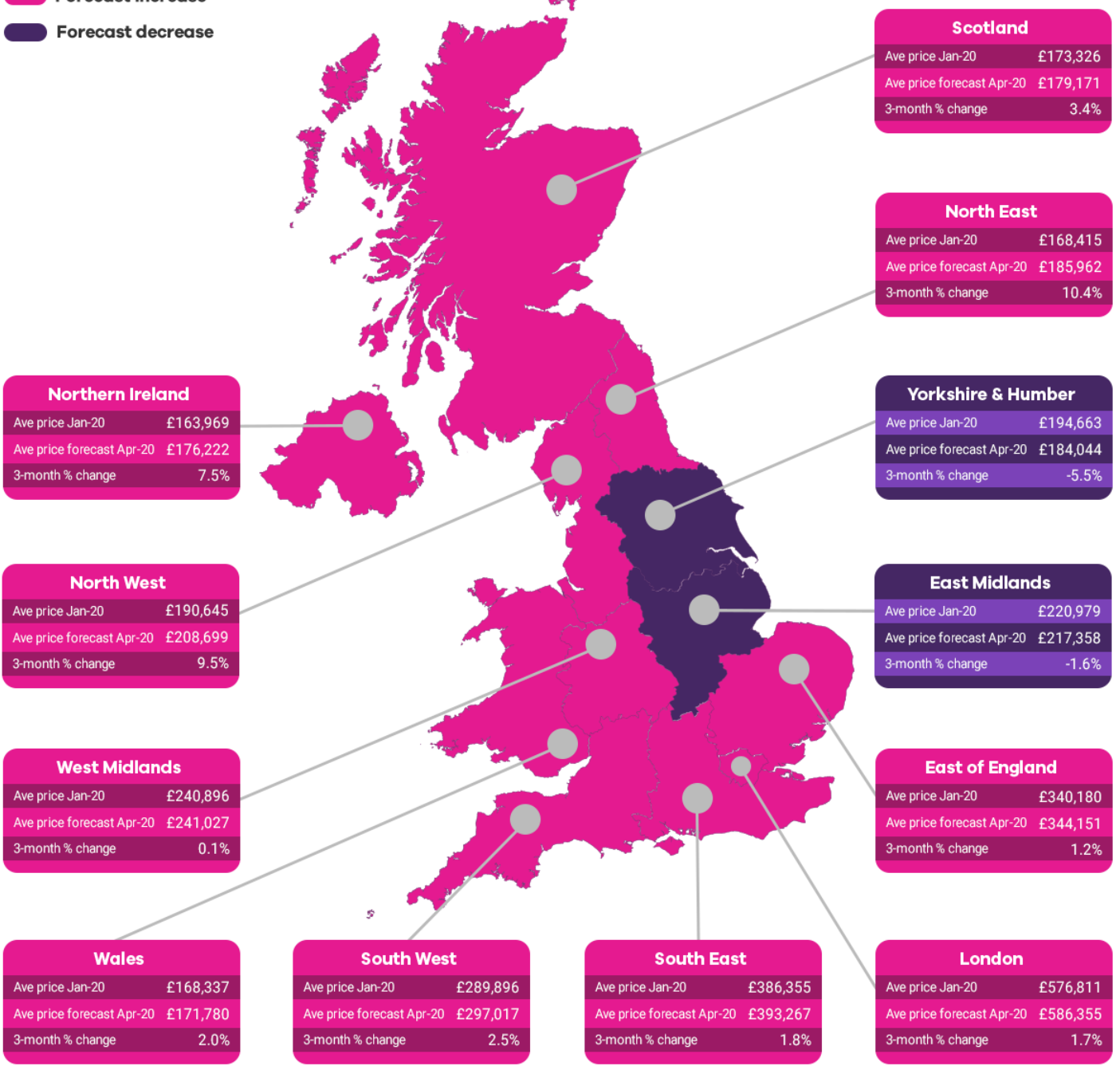
Regional Forecasts

The map below shows the forecast percentage change in regional house prices for April, relative to current figures seen in January. 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

Of the twelve regions of the UK, ten are forecast to see prices rise during the three months to April 2020, indicating that an improved outlook for the property market and a growing desire to do deals is being felt across the country. The same pattern seen nationally is being repeated on a regional level in most areas, with particularly strong price growth in April driving up the average monthly growth figure for the quarter.

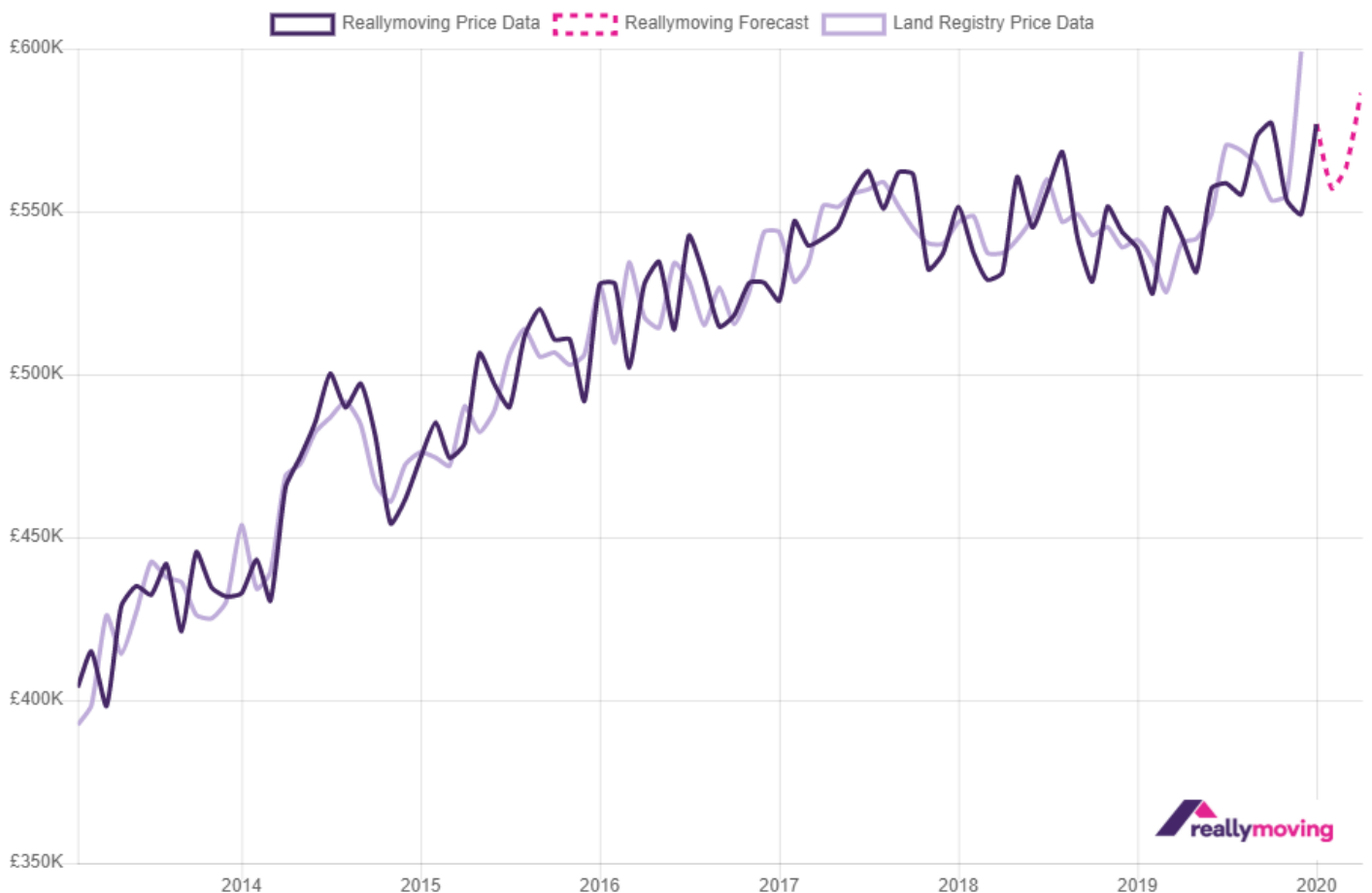
The strongest gains will be seen in the North East (10.4%) and North West (9.5%), while only the East Midlands and Yorkshire and Humber will see prices fall over the period (-1.6% and -5.5% respectively).

Reallymoving's online [House Price Forecast](#) is an interactive tool providing house price information and forecasts for every region of the UK, from January 2013 to present, alongside Land Registry price paid data. Highlighting London this month, average prices are set to rise by 1.7% over the next three months from £576,811 in January 2020 to £586,355 in April. Although the capital remains price sensitive, it too has benefited from a significant dose of new year optimism and is on course to hit 8.1% annual growth in April.

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

House Price Index for: London

Reallymoving has analysed UK property prices based on data given on Conveyancing forms.





Analysis and commentary

Rob Houghton, CEO of reallymoving, comments: *“Our forecasts for annual growth indicate that we’re on course to see the strongest period of year on year price increases since just prior to the EU Referendum in 2016.*

“Growing certainty about the UK’s future direction following the General Election appears to be prompting the release of some of the pent-up demand in the market from buyers and sellers who have adopted a policy of ‘wait and see’ over the last few months. This surge of optimism is clearly evident in sales agreed in January, which we anticipate will be visible in Land Registry data in April.

“However, if trade talks between the UK and the EU fail to progress well this brighter outlook for the housing market could be short-lived, in which case this spring could present the best window of opportunity to sell for some time.”

-- 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 February – April 2020 is based on registrations from November 2019 – January 2020 respectively.

The data is mix adjusted with seasonally adjusted data 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 November 2019 – January 2020, reallymoving analysed data from 19,000 completed conveyancing quote forms to form the basis of its average property price projections for February – April 2020.

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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