

reallymoving House Price Forecast

August 2020: Housing market boom continues with 14% price growth over next quarter

- House prices are on course to rise by 14% between August and November 2020
- Annual growth forecast to hit 11.4% in October and 14% in November based on deals already agreed
- Strong demand evident in 55% annual increase in conveyancing quote volumes this summer
- Spike expected to be short-lived, with prices returning to more normal levels in Q2 2021

Month	Average price agreed	Monthly change %	Annual change %
July 2020	£316,753	2.7%	7.2%
August 2020	£296,485	-6.4%	-1.4%
September 2020 (forecast)	£314,235	6.0%	4.7%
October 2020 (forecast)	£333,331	6.1%	11.4%
November 2020 (forecast)	£336,946	1.1%	14.0%

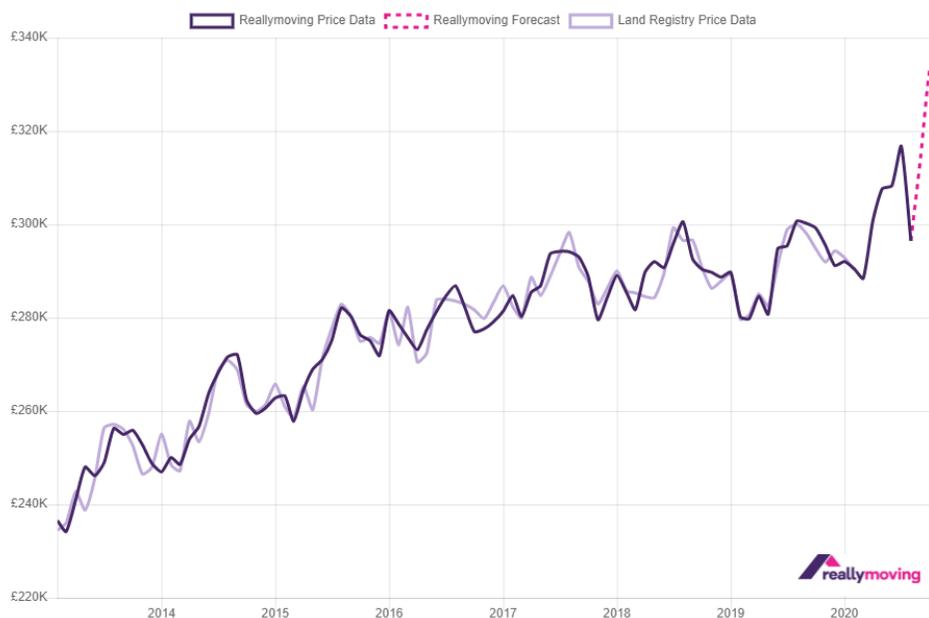
There's no correction on the horizon yet for the property market in England and Wales which is on track to see average prices increase by 14% over the next quarter based on deals already agreed, reports the reallymoving House Price Forecast August 2020, released today.

Significant pent-up demand and an urgency to benefit from the temporary stamp duty holiday is driving activity in the market, with conveyancing quote volumes on reallymoving 55% higher during the three months from June and August than over the same period last year. As homebuyers register for quotes for home move 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

House Price Index for: England & Wales

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



Monthly price changes

Average house prices in England and Wales are on course to increase by 14% in the three months between August and November 2020, from £296,485 to £336,946. High levels of activity in the housing market and rising asking prices have been widely reported, but the Forecast provides the first real glimpse of the impact on prices before they show in Land Registry data later in the autumn. A significant surge in the value of deals agreed between buyers and sellers through the summer will result in 6% growth in house prices in September, 6.1% in October and 1.1% in November.

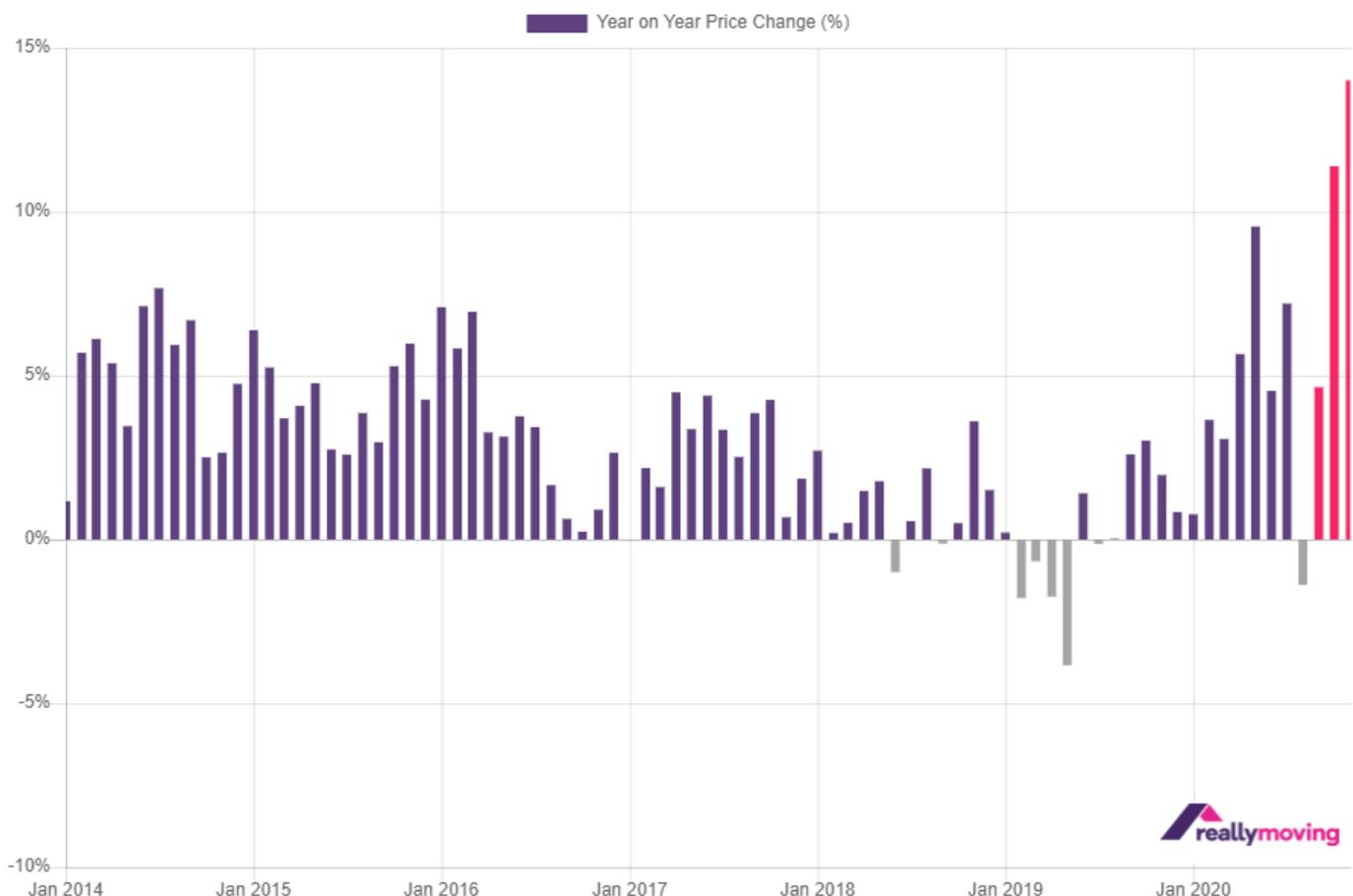
Annual price changes

Following a 1.4% dip in August as a result of the spring lockdown property market freeze, annual growth is now rocketing. Compared to twelve months previously, the average property price is set to be 4.7% higher in September 11.4% higher in October and a remarkable 14% higher in November 2020. However, economic forecasts remain unfavourable and with a second national lockdown now being mooted, this is extremely likely to be only a short-term hike driven by strong demand from equity-rich homebuyers seeking extra space.

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

Year on Year Percentage Change: England & Wales

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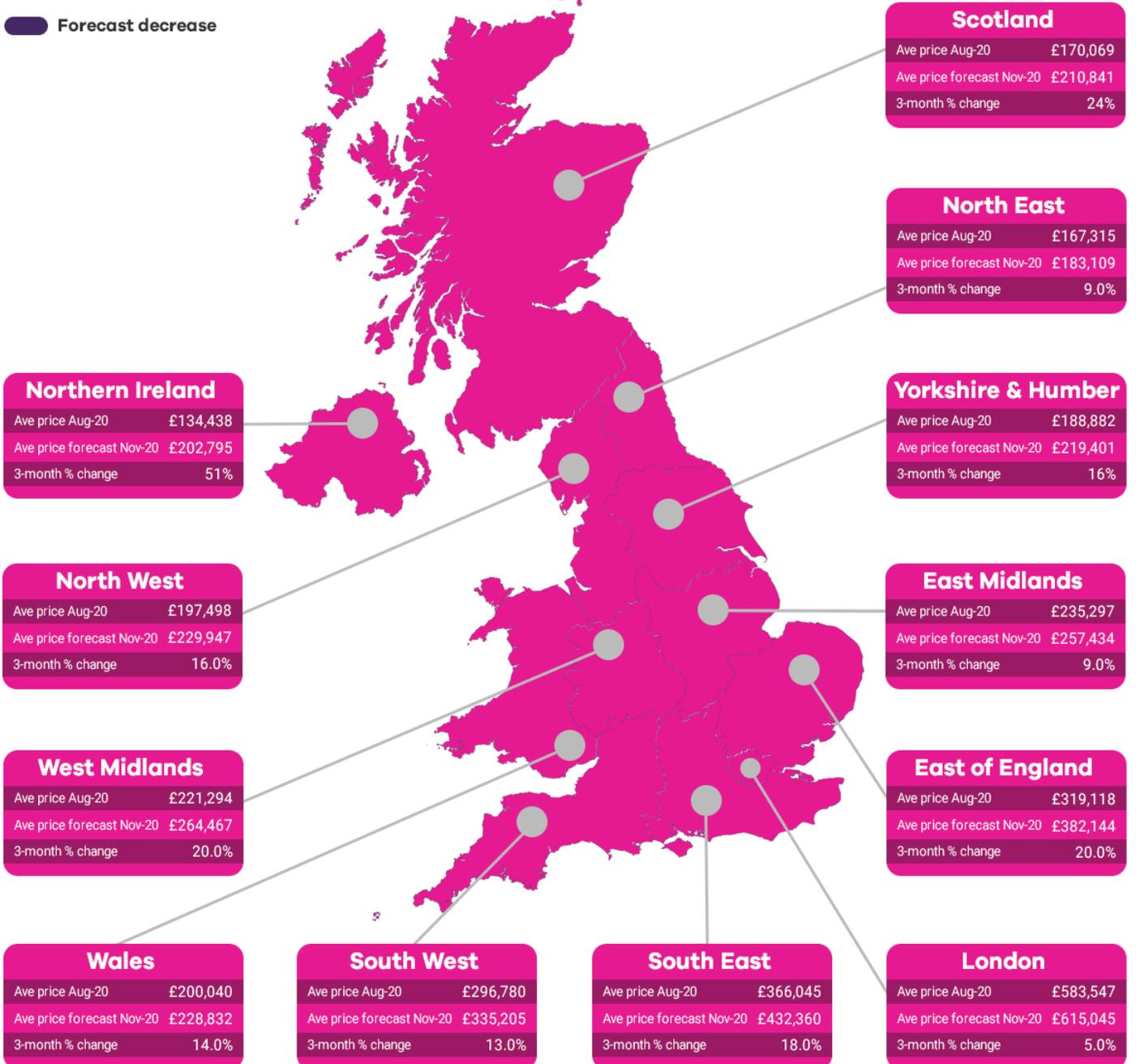
Regional Forecasts

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

Every region of the UK is set to see prices rise between August and November this year. The regional markets have all followed the national trend, bouncing back strongly since lockdown with high levels of buyer activity leading to increased prices being achieved by sellers. Scotland's property market is booming, with prices on course to increase by almost a quarter (24%) over the next three months.

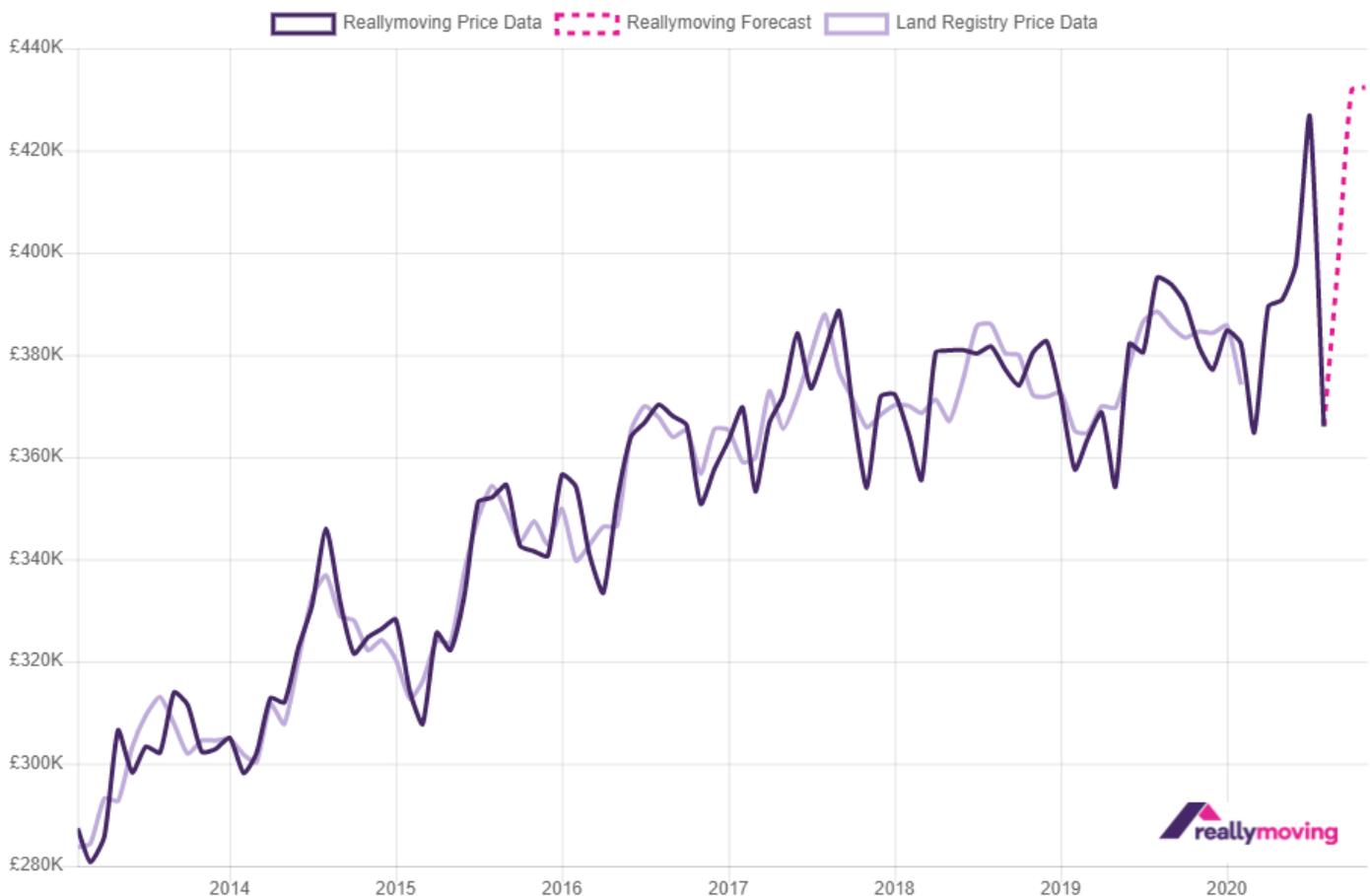
London is performing the least strongly, probably as a result of buyers no longer being required to work in offices in the capital who are now seeking homes further afield where they can benefit from more space and larger gardens.

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 East this month, average prices are set to rise by 18% from £366,045 in August to £432,360 in November, as buyers rush to move to larger properties before the stamp duty holiday ends.

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

House Price Index for: South East

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



Analysis and commentary

Rob Houghton, CEO of reallymoving, comments: *"Buyers are determined to make their move now, despite the fact that the current spike in prices will in many cases wipe out the stamp duty savings. For those higher up the ladder*

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with secure finances, a healthy level of equity in their property and little other debt, gloomy economic forecasts are only encouraging them to press ahead with the move rather than sit tight and wait out what could be a long and painful recession.

“More than ever people’s homes are their castles and their offices – and with borrowing costs likely to be rock bottom for the foreseeable future, paying over the odds on a purchase isn’t too painful if you’re also getting over the odds on your sale and making a stamp duty saving. It’s a different story for First Time Buyers though, who aren’t benefitting from stamp duty savings in most areas and who have seen low deposit mortgages all but wiped out. This explains why the proportion of First Time Buyers in the market has dropped by 19% since May.

“We anticipate that this boom will be relatively short-lived. With the end of the furlough scheme around the corner and the prospect of further lockdowns on the horizon, not to mention the growing likelihood of a No Deal Brexit, demand is likely to drop off through the late autumn and winter, reversing the current spike in house prices.”

-- 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 September – November 2020 is based on registrations from June – August 2020 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 June – August 2020, reallymoving analysed data from 29,850 completed conveyancing quote forms to form the basis of its average property price projections for September – November 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.

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

www.reallymoving.com

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