

reallymoving House Price Forecast

October 2019: House prices continue to defy expectations as Brexit deadline looms large

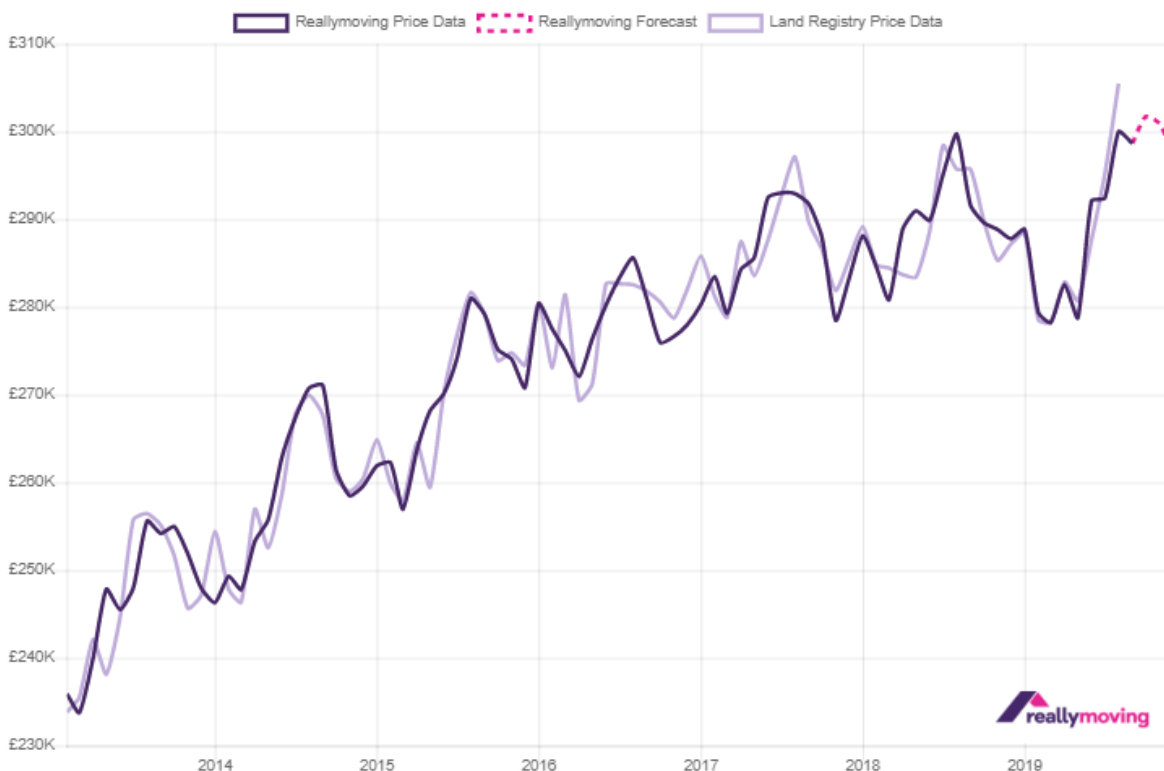
- House prices to dip marginally by just 0.3% over the next three months (October to December 2019)
- Overall the housing market in England and Wales continues to show resilience and stability
- Annual growth will remain in positive territory through to the end of the year according to the [Forecast](#)

Month	Average price agreed	Monthly change %	Annual change %
August 2019 (actual)	£300,004	2.6%	0.1%
September 2019 (actual)	£298,666	0.4%	2.4%
October 2019 (forecast)	£301,728	1.0%	4.2%
November 2019 (forecast)	£300,919	-0.3%	4.2%
December 2019 (forecast)	£297,663	-1.1%	3.4%

House prices in England and Wales are set to dip by a modest 0.3% over the next three months, as the market continues to show resilience and stability in the face of continued uncertainty over Brexit, according to the reallymoving October 2019 House Price Forecast, released today.

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). This forecast is based on mix adjusted data from sales agreed in July, August and September which will complete over the next three months.

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



Monthly price changes

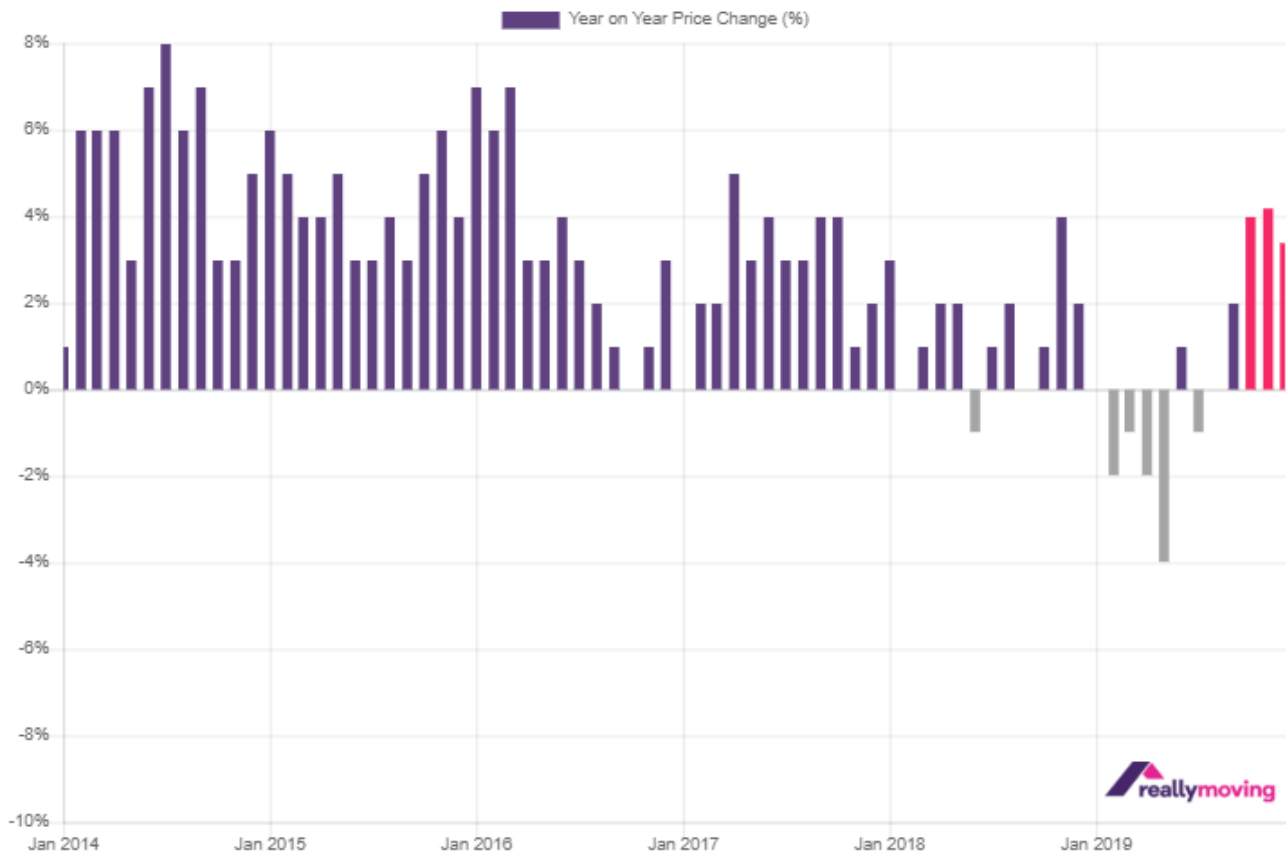
The housing market continues to defy expectations with price growth remaining stable in the short term. Average house prices are on course to increase by 1% in October before falling by 0.3% in November and 1.1% in December. The impact of a UK departure from the EU on 31st October, with or without a deal, will not be evident until sales agreed in October and November complete in January and February 2020.

Annual price changes

Year on year, house prices have been consistently higher than the previous year since August 2019. Looking ahead, annual growth is on course to remain positive through to the end of 2019, with an increase of 4.2% forecast in October and November - the highest level seen since October 2017 - followed by 3.4% in December.

Transaction levels are down by 7% for the year to date, according to Land Registry, but the housing market has adjusted to the ongoing political instability of the past three years and prices continue to be supported by a shortage of stock for sale, pent up demand from buyers who need to move and historically low borrowing costs.

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

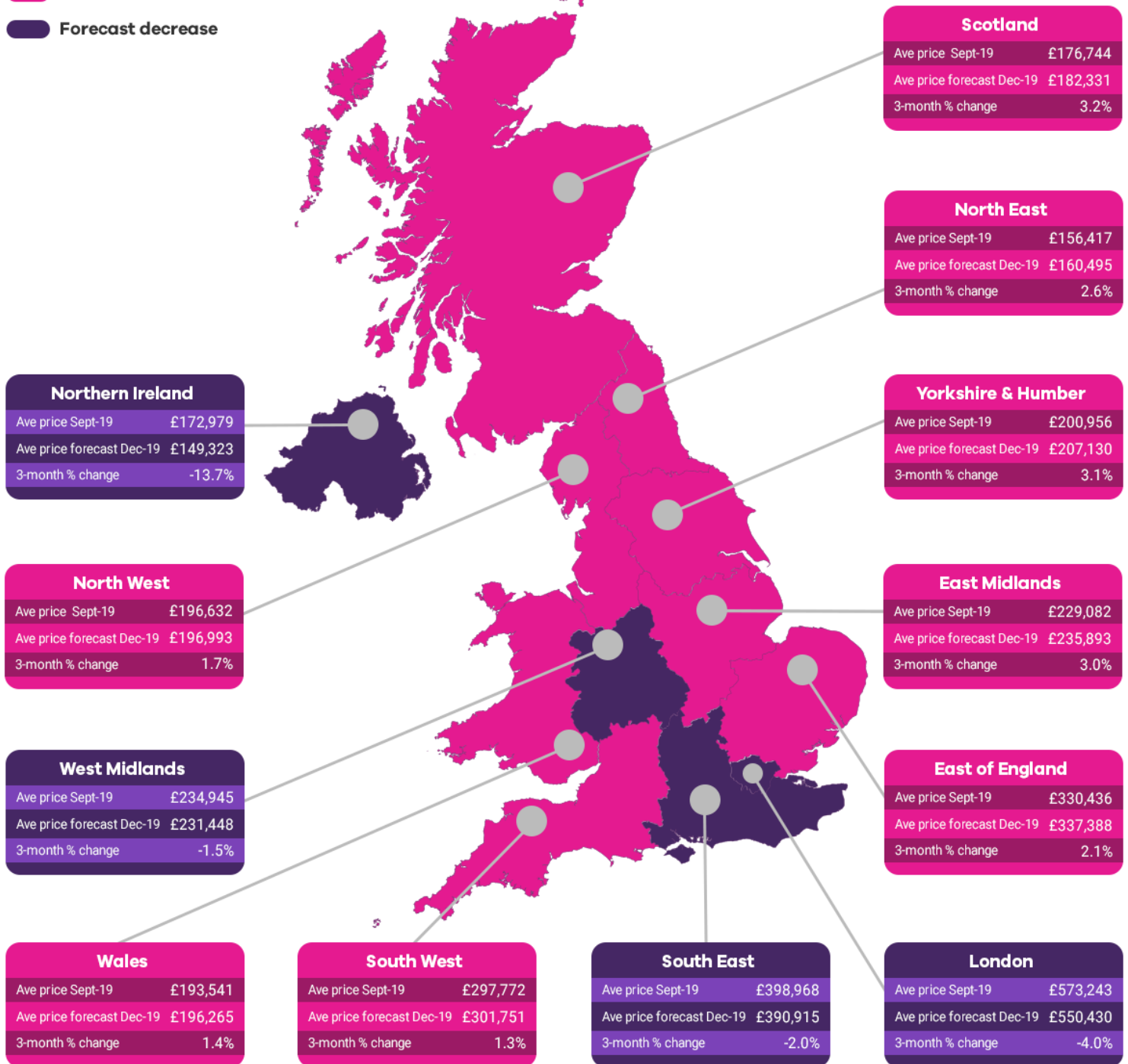


Regional Forecasts



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

● Forecast increase
● Forecast decrease



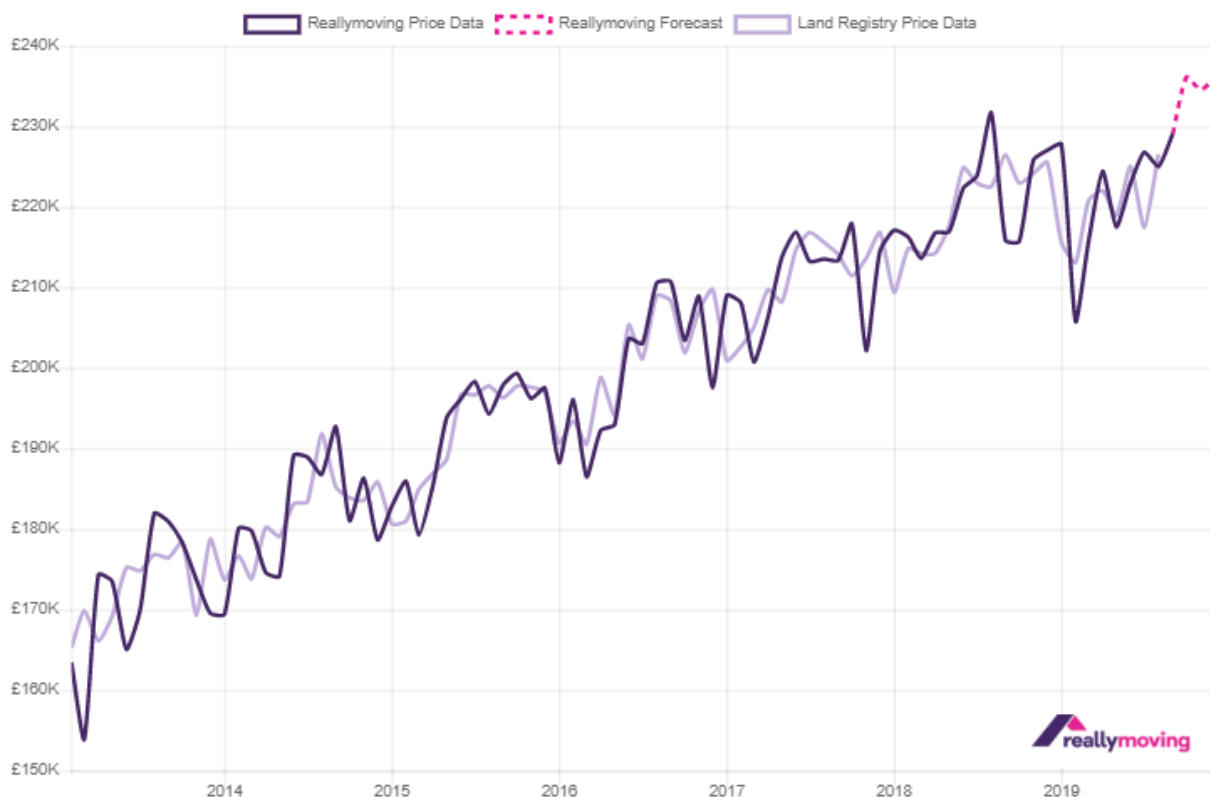
Regional 3-month price forecasts

Two thirds of the regions of the UK are expected to see average house prices rise during the three months to December 2019, with the strongest gains in Yorkshire & Humber (3.1%), the East Midlands (3% - see Graph 3) and the North East (2.6%). This data suggests that in most parts of the UK, buyers and sellers are continuing to agree deals undeterred by the wider political context.

London is forecast to experience the heaviest price falls between now and Christmas, with values set to fall by 4% from £573,243 in September to £550,430 in December 2019. The South East will follow a similar trend with prices expected to fall by 2% over the next three months.

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 the East Midlands, average prices are set to increase by 3% over the next three months, building on broadly positive growth since March 2019. Average house prices in the East Midlands will end the year at £235,893, which is 3.9% higher than twelve months previously in December 2018.

Graph 3: reallymoving House Price Forecast (East Midlands)





Analysis and commentary

Rob Houghton, CEO of reallymoving, comments: *“The fact that house prices are on course to remain broadly stable over the next three months, alongside positive annual growth, suggests that buyers and sellers have adjusted to a ‘new normal’ and become resigned to doing deals against a backdrop of political instability. While our Forecast looks beyond the current Brexit deadline of 31st October, the impact of a departure from the EU at the end of this month will not be evident in the data until January and February 2020, when the deals agreed in October and November complete.*

“If a deal with the EU is approved by 31st October, or indeed if Article 50 is revoked, we would be likely to see an injection of optimism in the housing market that could prompt prices to rise by up to 5% from the new year as uncertainty melts away. Transaction volumes are restrained currently and if those buyers who are currently holding back were motivated to return to the market this would quickly result in more sales being agreed and potentially higher prices.

“If we have a No Deal Brexit, we could expect a fairly significant economic hit which would possibly tip us back into recession. A lack of consumer confidence is the biggest risk to the housing market and if buyers are nervous about committing, particularly if we see unemployment starting to rise, this would really hold the market back for at least two or three years.”

-- ENDS --

Notes to Editors

About the reallymoving Property Price Index

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 October to December 2019 is based on registrations from July to September 2019 respectively.

The data is mix adjusted with seasonally adjusted data also 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 October 2018 – September 2019, reallymoving analysed data from 78,160 completed conveyancing quote forms to form the basis of its average property price projections for October to December 2019.

About reallymoving

Launched in 1999 and celebrating its 20th birthday this 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 2018 reallymoving received 270,000 registrations and generated 990,000 quotes on behalf of its UK-wide network of partners, representing approximately £200 million worth of work in 12 months. reallymoving believes approximately 8% of the UK's home movers in 2018 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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