

reallymoving House Price Forecast

September 2021: House prices to flatten in run up to Christmas

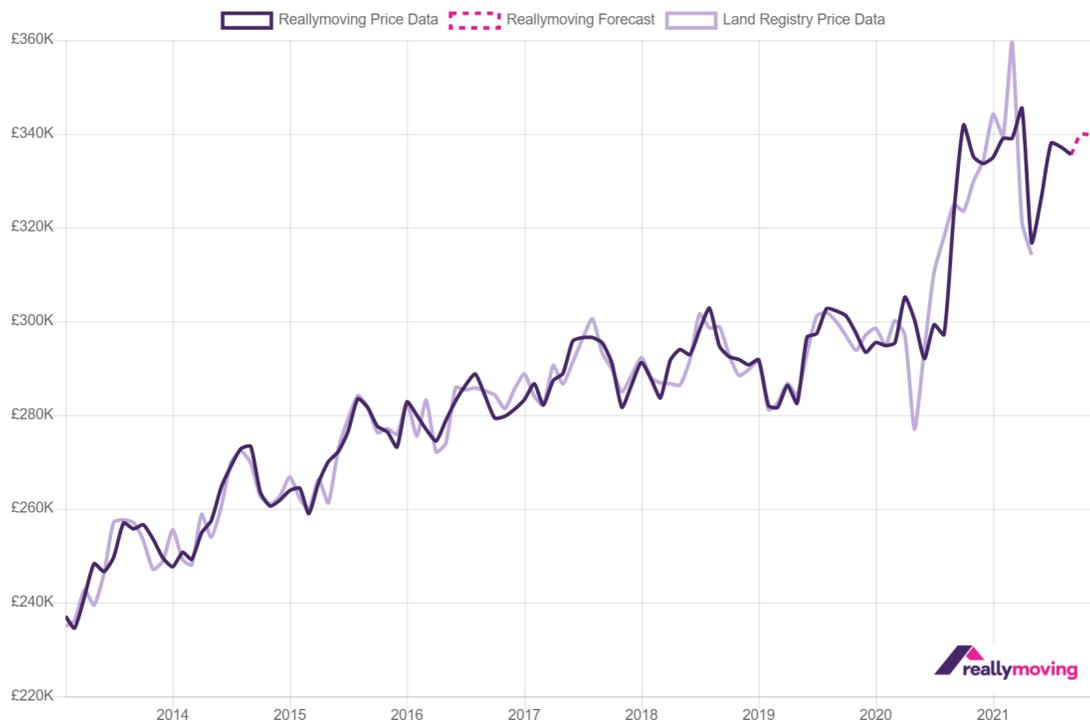
- House prices in England and Wales will rise by just 0.1% over the final quarter of 2021
- The post-pandemic property boom is subsiding as the market settles into period of slower growth
- Rising inflation, risk of rising interest rates and supply chain crisis likely to impact consumer confidence
- Annual growth to dip into negative territory in October 2021 (-0.6%) for first time since August 2020

Month	Average price agreed	Monthly change %	Annual change %
August 2021	£337,151	-0.3%	+13.5%
September 2021	£335,552	-0.5%	+3.8%
October 2021	£339,860	1.3%	-0.6%
November 2021	£339,576	-0.1%	+1.3%
December 2021	£335,924	-1.1%	+0.7%

The housing market in England and Wales is settling down into a calmer period which will see growth slowing in the run up to Christmas, with average prices rising just 0.1% in the final quarter, according to the Reallymoving House Price Forecast September 2021, released today. High levels of demand and a limited supply of homes for sale drove up the prices agreed between buyers and sellers in July, translating to an increase in completed sale prices in October, but the autumn and early winter will bring a change in tempo with prices falling by 0.1% November and 1.1% December. Conveyancing quote volumes continue to decline steadily, falling 4% between August and September, further indicating that buyer demand is settling back down to more normal levels.

House Price Index for: England & Wales

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



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 above).

Monthly price changes

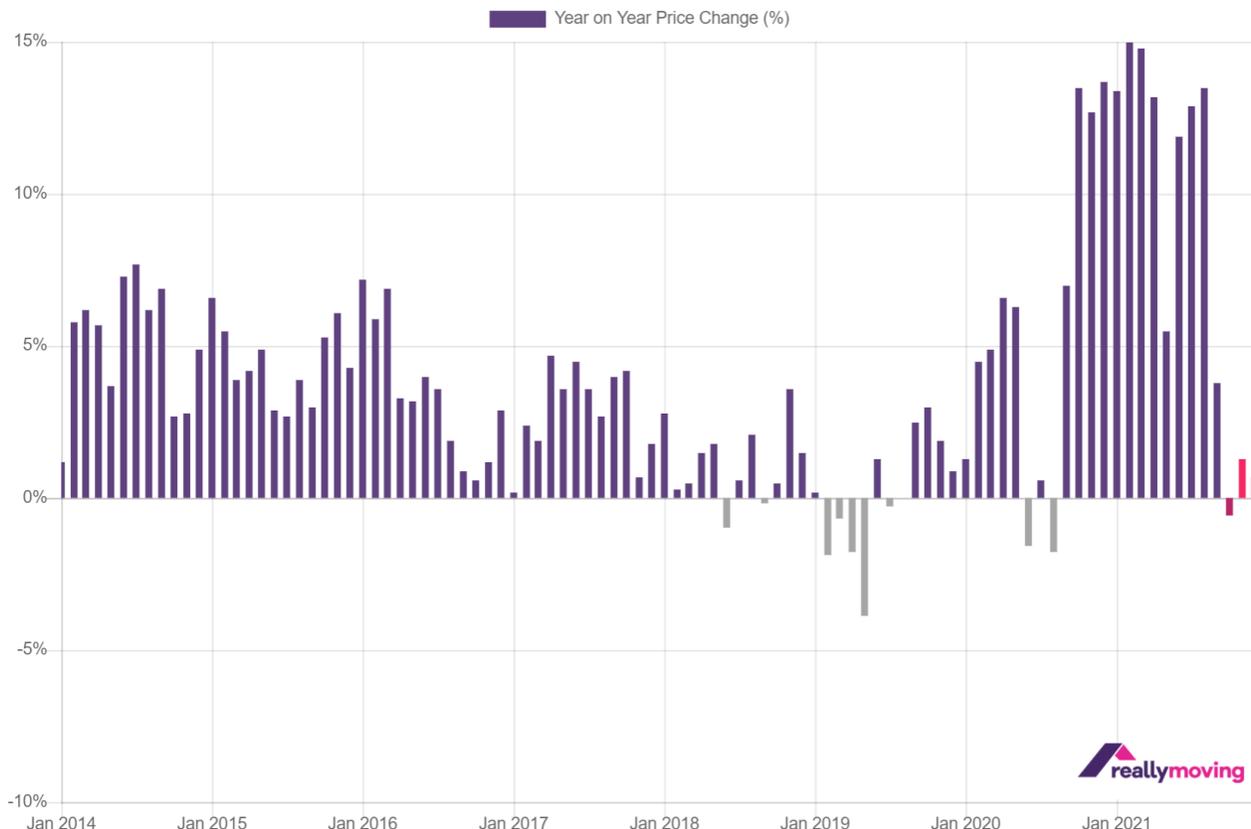
House prices will rise by +1.3% in October as a result of deals agreed between buyers and sellers in July due to continued strong demand post stamp duty holiday and the limited supply of new properties coming on the market, creating greater competition for homes. This will be followed by a marginal fall of -0.1% in November and a larger fall of -1.1% in December, reflecting a drop in demand from buyers in the late summer as the post-pandemic property boom began to subside. Following months of strong growth, house prices will rise by just +0.1% in the final quarter of 2021, bringing the average house price to £335,924 at the end of the year.

Annual price changes

The extended period of double-digit year on year price rises we've seen over most of 2021 is over, with annual growth dipping into negative figures in October (-0.6%) for the first time since August 2020, before recovering to +1.3% in November and +0.7% in December. The shortage of stock as reported by agents is supporting prices as the market adjusts to the end of all stamp duty incentives and the end of the furlough scheme, with the prospect of an imminent base rate rise an added incentive for buyers to get deals done as quickly as possible and secure a fixed rate mortgage deal while low-cost deals remain.

Year on Year Percentage Change: England & Wales

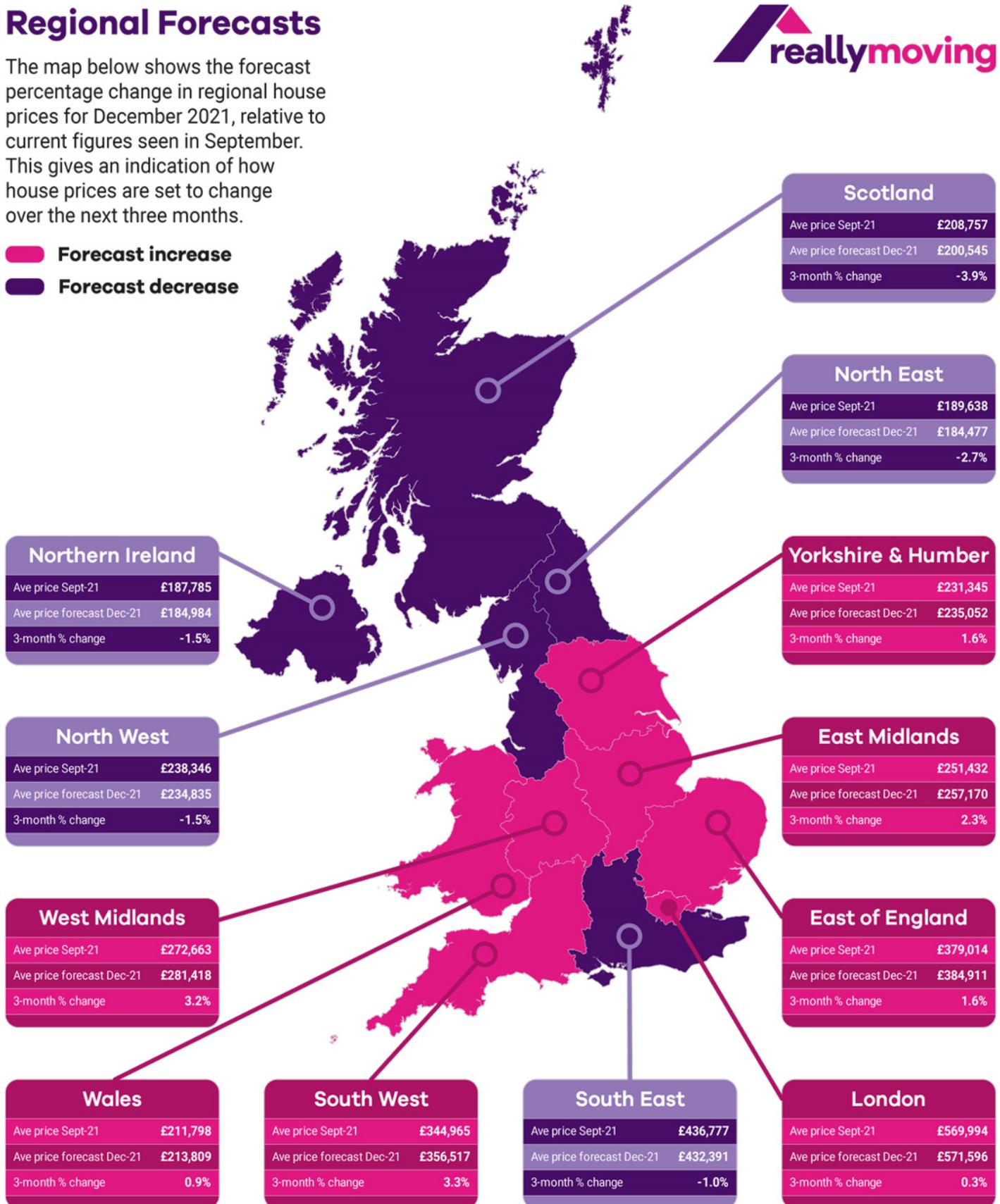
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Regional Forecasts

The map below shows the forecast percentage change in regional house prices for December 2021, 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



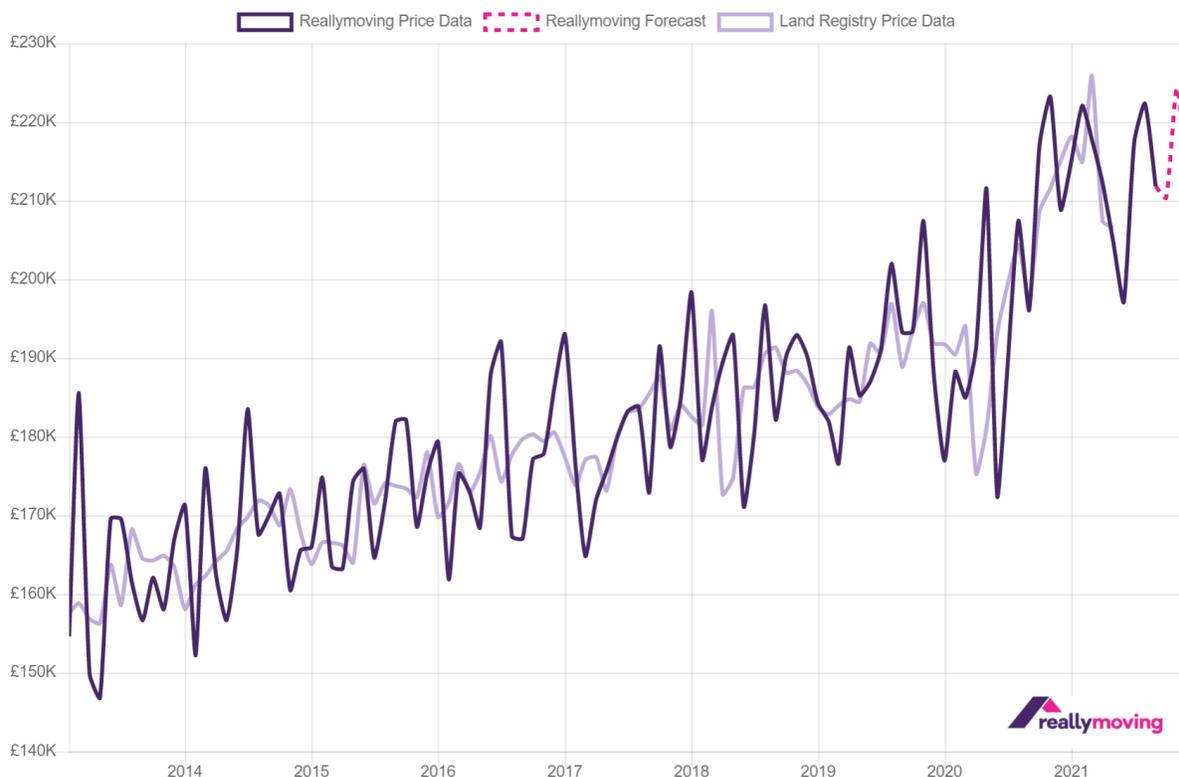
Regional 3-month price forecasts

The UK housing market outlook represents a mixed picture over the final quarter, with the south and Midlands largely seeing price rises, including London (+0.3%), the South West (+3.3%), the East (+1.6%), East Midlands (+2.3%) and West Midlands (+3.2%). Meanwhile the picture is less positive in areas of the north, including the North East (-2.7%) North West (-1.5%) and Scotland (-3.9%) which are set to see prices fall in the run up to Christmas.

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 Wales this month, average prices are set to rise by 0.9% from £211,798 in September to £213,809 in December, reflecting its continued popularity among buyers seeking a more rural location to accommodate new home-working lifestyles and the desire for additional space.

House Price Index for: Wales

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



Analysis and commentary

Rob Houghton, CEO of reallymoving, comments: *“A return to slower growth and a steadier housing market is welcome, but there are a number of factors converging which could knock consumer confidence over the coming months such as the supply chain crisis, rising inflation and living costs, plus the prospect of increasing interest rates - though it’s too early to see their impact in the data yet. While the reduced supply of new homes for sale is making things difficult, buyers who are ready to move now are keen to press ahead and lock in a fixed-rate mortgage deal, helping keep their borrowing costs low.*

“First Time Buyers who have found themselves increasingly priced out of the market will be encouraged by evidence that the post-pandemic property boom is running out of steam, with prices falling over the final quarter in five UK regions and less competition for starter homes now that stamp duty incentives are over.



“For those who have held off making their move due to the frenzied market conditions over the last few months, now is a good time to buy and lock in a five-year fixed rate deal that will insulate them from any imminent rate rises and make it easier to ride out any short-term inflationary pressures.”

-- 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 October to December 2021 is based on registrations from July to September 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 July and September 2021, reallymoving analysed data from 19,000 completed conveyancing quote forms to form the basis of its average property price projections for October to December 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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