

For Immediate Release: 19 April 2021

House prices on course for summer bounce

- Homebuyers agreed to pay 2.8% more in March, following the stamp duty holiday extension
- This summer bounce will be reflected in Land Registry Price Paid data in June 2021
- House prices were heading down before the tax holiday extension, but this trend has been reversed
- Annually, completed sale prices will fall in May (-1.2%), but return to positive growth (+4.4%) in June

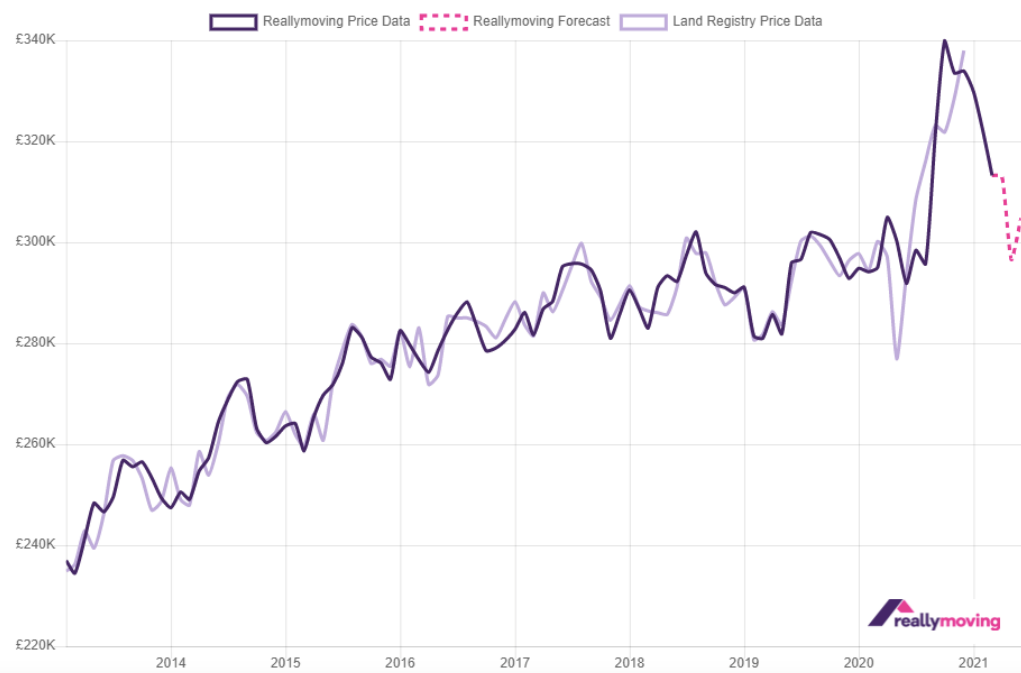
House prices will rise in June as a result of deals agreed between buyers and sellers in March, following confirmation of the stamp duty holiday extension, according to the Reallymoving House Price Forecast March 2021.

Conveyancing quote volumes began to accelerate around Budget Day (3rd March), and by mid-March had reached 51% above normal levels, rising to 101% higher by the end of the month. As buyer demand surged, supply failed to keep up, resulting in a 2.8% increase in the average value of deals being agreed, which will be reflected in Land Registry Price Paid data in June.

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).

House Price Index for: **England & Wales**

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



In the first three months of the year house prices followed a downward trend, as values recovered from strong growth in the second half of 2020 to more normal levels, in anticipation of the end of the stamp duty holiday. The announcement of its extension led to a clear and immediate change in direction, with a rapid surge in buyer demand accelerating through the month.

Freed from making the substantial up front tax payment on purchases up to the value of £500,000 until the end of June and £250,000 until the autumn, buyers are enjoying greater affordability and a boost in confidence, with many also having accrued substantial cash savings during lockdown. Meanwhile, Rightmove reported the greatest excess of demand over supply seen in the last decade.

Prices will remain stable in April (0.0%) and dip by 5.3% in May, before rising by 2.8% in June – three months after the stamp duty holiday extension announcement.

Rob Houghton, CEO of reallymoving, comments: *“Agents and portals across the UK have been reporting a surge in buyer demand following the stamp duty extension announcement, and now through our analysis of conveyancing quote data, we’re seeing the first clear evidence that this activity has led buyers and sellers to agree deals at higher prices in March, which will become evident in Land Registry data in the early summer.”*

“Many homebuyers have cash in the bank, money is cheap to borrow and, with lockdown restrictions now beginning to ease, people are feeling optimistic about a future where they may be less tied to an office-based 9 to 5, giving them greater freedom to live where they choose.”

“First Time Buyers are currently enjoying a 56% market share and with the first Government guaranteed 95% loans expected to become available any day now, we’re optimistic that they will continue to maintain these activity levels despite greater competition for homes and rising prices.”

-- ENDS --

Notes to Editors

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

For press information please contact: Sarah Lawrence sarah@lawrencepr.co.uk 07984 422 461