

reallymoving House Price Forecast

October 2021: House prices set to increase this New Year

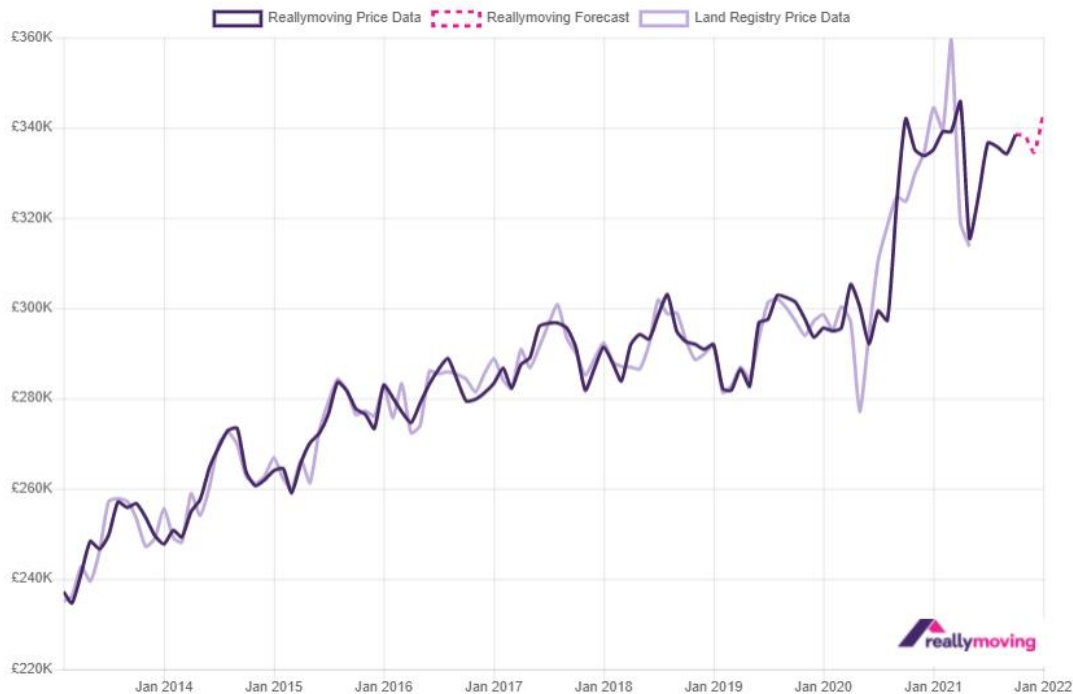
- House prices in England and Wales will rise by 1.3% in three months from November – January 2022
- Small monthly price falls in November and December will be wiped out by +2.5% increase in January
- Shortage of stock is countering negative impact of rising inflation and the threat of interest rate rises
- Annual growth will remain positive through to New Year, with +2.3% annual increase in January

Month	Average price agreed	Monthly change %	Annual change %
September 2021	£334,179	-0.5%	+3.4%
October 2021	£338,470	+1.3%	-1.0%
November 2021	£338,187	-0.1%	+0.9%
December 2021	£334,549	-1.1%	+0.2%
January 2022	£342,836	+2.5%	+2.3%

The property market in England and Wales is on track to see an upturn in house prices in the New Year based on sales agreed in October, as a nationwide shortage of stock pushes forces buyers to compete to secure a home, according to the reallymoving House Price Forecast October 2021, released today. A storming summer for the housing market led to a change of tempo in the early autumn, which will result in completed sale values dipping marginally in November (-0.1%) and December (-1.1%, before surging again by +2.5% in January 2022).

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 below).

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



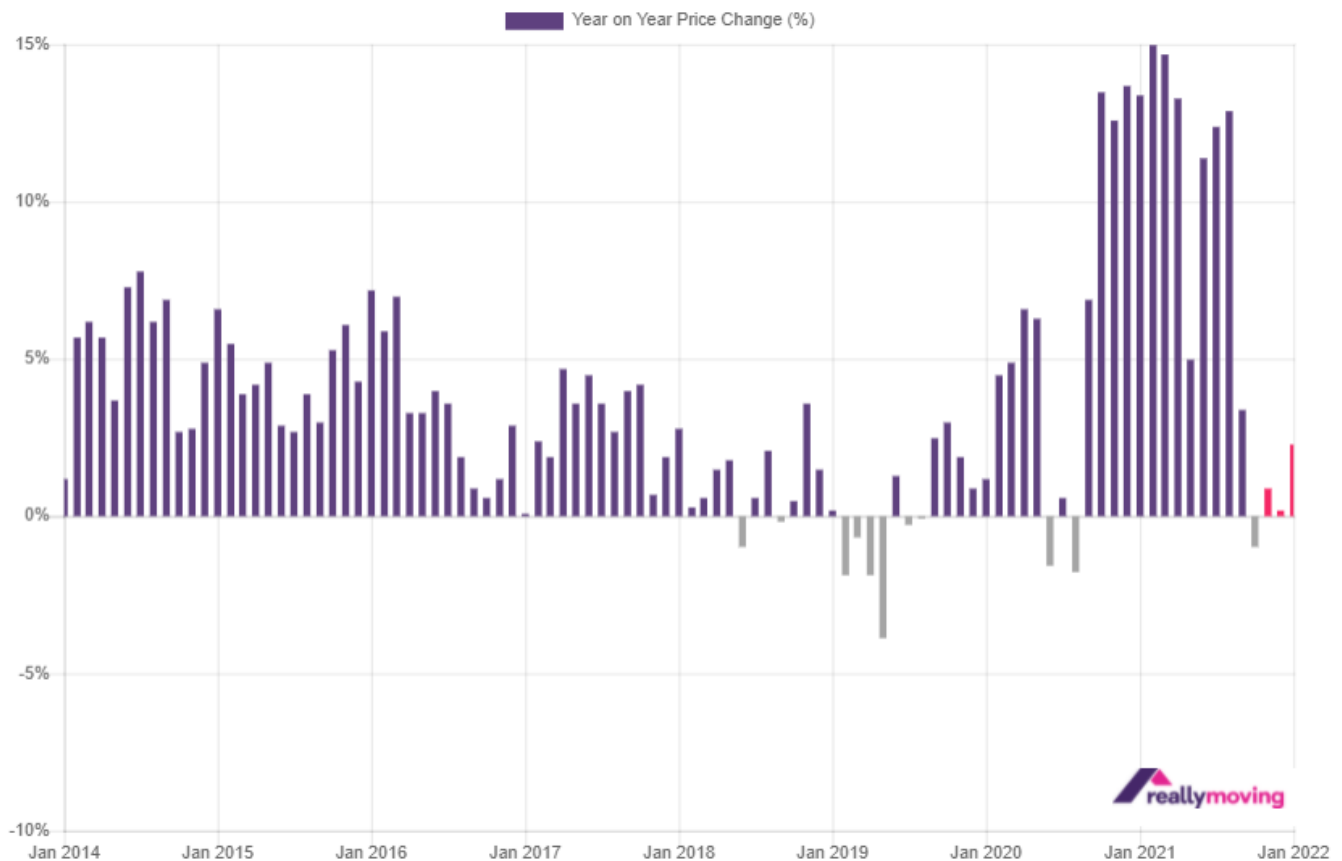
Monthly price changes

Prices will dip by -0.1% in November and -1.1% in December 2021 as a result of deals agreed between buyers and sellers in August and September, when the impact of the stamp duty holiday subsided and buyer demand returned to more normal levels for the first time this year. Sellers may also have been motivated to price more competitively in order to attract a buyer and complete before Christmas. But this lull will be short-lived, with buyers and sellers agreeing deals at higher prices in October, which will result in a +2.5% increase in the New Year taking the average completed sale price to £342,836 in January 2022.

Annual price changes

The shortage of stock as reported by agents has supported values as the market adjusted to the end of all stamp duty incentives, alongside reassurances from the Bank of England that rate rises, if and when they do begin, will be moderate and steady. The long period of double-digit year on year price increases we've seen over most of 2021 is over for now but annual growth will stay in positive territory for the rest of the year, with increases of +0.9% in November, +0.2% in December – followed by a strong +2.3% annual increase in January 2022.

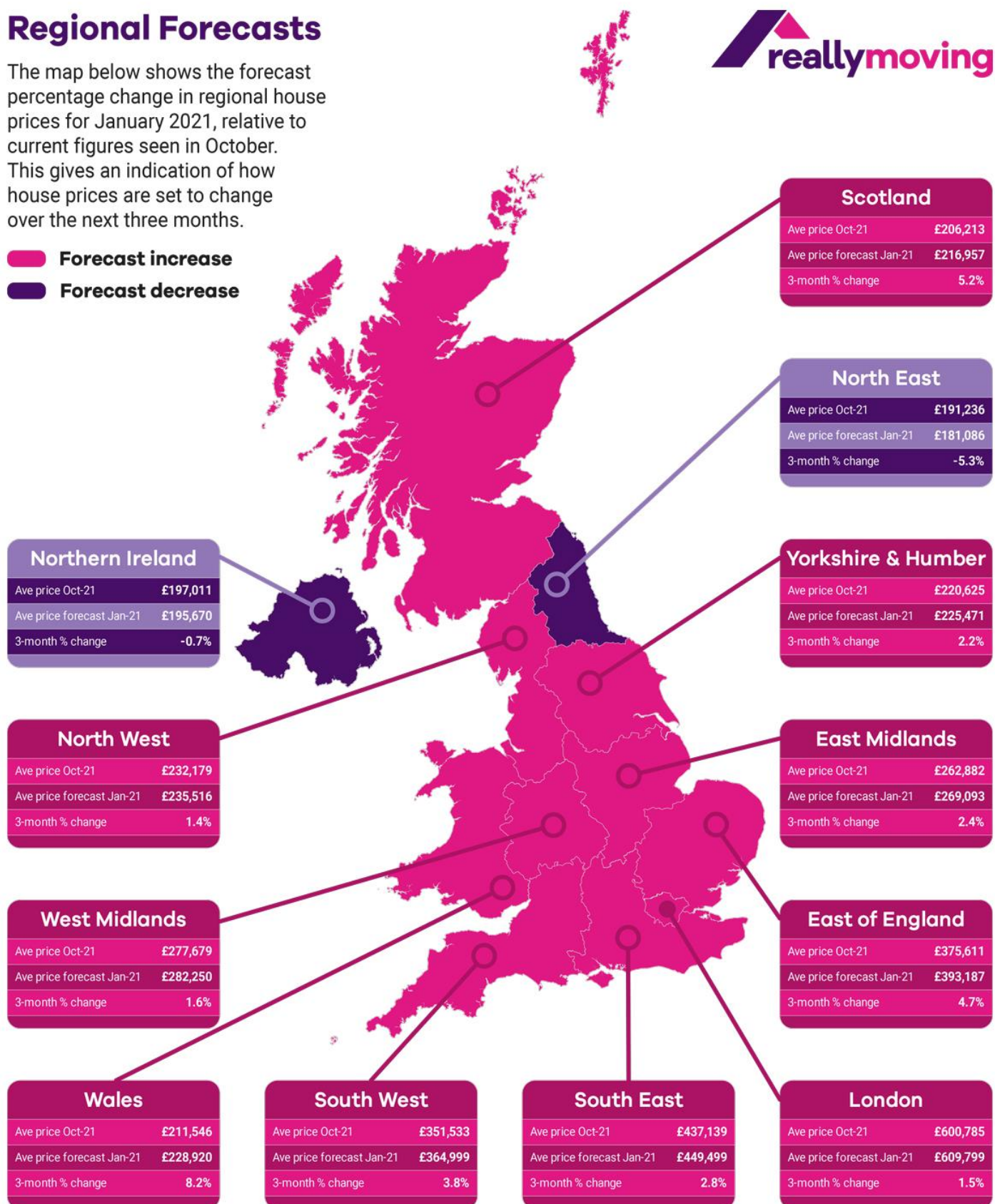
Graph 2: Year on Year average price changes (England and Wales) including 3-month forecast



Regional Forecasts

The map below shows the forecast percentage change in regional house prices for January 2021, relative to current figures seen in October. This gives an indication of how house prices are set to change over the next three months.

- Forecast increase
- Forecast decrease

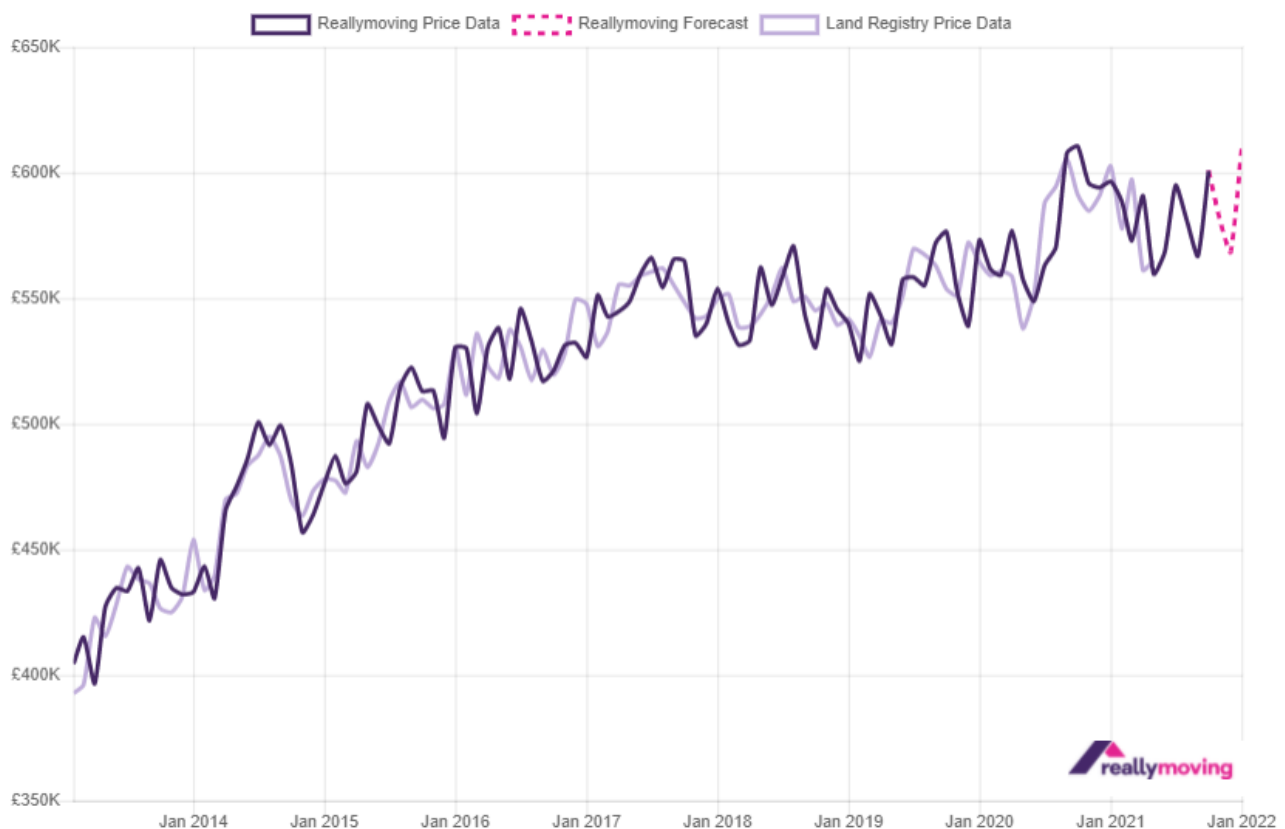


Regional 3-month price forecasts

Every region of the UK is forecast to experience rising housing prices between November and January, apart from the North East (-5.3%) and Northern Ireland (-0.7%). The strongest growth will be seen in Wales (+8.2%), Scotland (+5.2%), the East of England (+4.7%) and the South West (+3.8%), with most regions following the national trend with strongest rises in the new year.

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 London this month, average prices are set to fall by -3.2% in November and a further -2.2% in December, before rising +7.3% in January 2022 when the average house price in the capital will reach £609,799.

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



Analysis and commentary

Rob Houghton, CEO of reallymoving, comments: *“Transaction volumes are unsurprisingly down, since the end of the stamp duty holiday but the outlook for the housing market in early 2022 is positive. The most intense phase of the post-pandemic boom has now subsided bringing about a brief autumn lull, but the fundamental supply and demand imbalance continues to support prices and, while the threat of interest rate rises will give some buyers pause for thought, thanks to stress-testing by lenders most homeowners will be able to absorb small rate rises over an extended period of time without too much trouble.*”

“House price inflation for First Time Buyers has been lower than for upsizers and downsizers, meaning First Time Buyer activity levels are reassuringly high at around 54% of all buyers – an encouraging sign of market health. An anticipated surge in new listings in the new year will drive activity, boost transaction levels and help existing sellers to complete chains.”



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 November 2021 to January 2022 is based on registrations from August to October 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 August and October 2021, reallymoving analysed data from 18,000 completed conveyancing quote forms to form the basis of its average property price projections for November 2021 - January 2022.

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