



# **RESIDENTIAL**

## **MARKET REPORT**

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**April 2021**



**NEXAPROPERTIES.COM**



# KEY STATISTICS

## UNITED KINGDOM

- **RESIDENTIAL TRANSACTIONS REACHED 190,980**
- **ANNUAL PRICE CHANGE 8.6%**
- **AVERAGE PRICE OF A UK HOME £254,606**

PROPERTY TYPE	FEBRUARY 2021	FEBRUARY 2020	DIFFERENCE
Detached	£383,088	£351,042	9.1%
Semi-Detached	£239,307	£219,734	8.9%
Terraced	£204,418	£187,607	9.0%
Flat or maisonette	£214,114	£200,659	6.7%
All	£250,341	£230,609	8.6%





Figure 2: Average UK house prices have remained at a peak of £250,000 since December 2020

*Average house price, UK: January 2005 to February 2021*



Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland, and Office for National Statistics - UK House Price Index





# MARKET OVERVIEW

With lockdown restrictions easing and the momentum of the property market continuing, we are predicting a busy Spring for buyers and sellers alike. Increasing demand, shortage of supply and attractive sale prices all look to play a part in a positive market.

## PEAKING CONSUMER CONFIDENCE

Since the first lockdown in **March 2020**, consumer confidence is at its **highest level**. Coupled with external factors including restrictions beginning to ease and business activity increasing, buyers and sellers are reaping the benefits. Purchasing behaviour remains shifted as **lifestyle changes** such as working from home impact the property needs of buyers. Homeowners are no longer prioritising proximity to offices and instead are looking for **outdoor space**, additional rooms for home offices and more **rural locations**.

The extension of the **stamp duty holiday** and introduction of the **95% mortgage guarantee** scheme has seen demand rocket with homeowners and first time buyers taking the leap to purchase a new property, with Zoopla reporting buyer demand since the start of 2021 is **13% higher** than the average across the whole of 2020 and the total supply in 2021 to date is **down 13%** compared to the 2020 average.

Similarly, RightMove has reported that demand in March was **34% higher** than that of the previous year, while the **The Royal Institute of Chartered Surveyors** reported a **42% increase** in new buyer enquiries. Their research has predicted that the recent excess of demand over supply will see house prices sustain a positive trajectory, making it **an ideal time to list a property for sale**.

# REGIONAL REVIEW

- NORTH WEST SEES HIGHEST PRICE INCREASE **11.9%**
- HOUSE PRICE IN WALES INCREASE BY **8.4%**
- PRICE INCREASE OF RURAL PROPERTIES **6.22%**

## REGIONAL CHANGE IN HOUSE PRICES

COUNTRY AND GOVERNMENT OFFICE REGION	PRICE	MONTHLY CHANGE	ANNUAL CHANGE
England	£268,291	0.2%	8.7%
Northern Ireland	£147,593	3.0%	5.3%
Scotland	£161,529	-1.7%	8.0%
Wales	£179,861	-0.7%	8.4%
East Midlands	£213,967	0.8%	10.6%
East of England	£306,346	-0.9%	6.0%
London	£496,269	-1.4%	4.6%
North East	£138,370	-1.6%	9.0%
North West	£184,351	1.3%	11.9%
South East	£345,075	0.9%	8.5%
South West	£279,242	0.0%	9.0%
West Midlands Region	£215,451	0.8%	8.3%
Yorkshire & The Humber	£182,220	0.6%	10.9%





# AVERAGE HOUSE PRICE BY COUNTRY

## JANUARY 2005 - FEBRUARY 2021

Figure 3: England house prices remain the highest in the UK

Average house price by country, UK: January 2005 to February 2021



Source: HM Land Registry, Registers of Scotland, Land and Property Services Northern Ireland, and Office for National Statistics – UK House Price Index





# WHAT WILL HAPPEN TO HOUSE PRICES IN 2022?

*As 1 in 5 homes are selling within a fortnight of coming to market.*

One of the most astounding things that has happened in the last 12 months was something that did not happen. Even after the country saw the deepest recession since the Great Freeze of 1709 with GDP dropping 28% in one quarter, one would have expected a large fall in house prices would follow. Yet...

## **House prices are higher than 12 months ago.**

Even though buying and selling property was put on ice for the first time in the history of the property market last spring due to the Covid 19 outbreak, as the property market wobbled on the edge of deep recession, it stepped back in early summer and now it is rocketing upwards as...

## **25% of homes are selling within a fortnight of coming to market.**

Some commentators have suggested the end of the Stamp Duty holiday together with the ending of the furlough scheme on the 30th September 2021 could be the catalyst for a drop in house prices. Even the Government's own regulator of finances expects UK house prices to fall around a couple of percentage points in 2022 whilst some others have predicted around a 5% drop as unemployment levels increase post furlough.

However, other property market forecasters believe that property values in 2022 won't drop against the background of robust British economic recovery in Q3 and Q4 of 2021.

You can discover more on our predictions for the property market in the next 12 months, here [www.nexaproperties.com/blog/what-will-happen-to-house-prices-in-2022/](http://www.nexaproperties.com/blog/what-will-happen-to-house-prices-in-2022/)



