

JANUARY 2023



RESIDENTIAL  
Market Review



KEY

# Statistics

- Average UK property price £296,422
- Annual UK property prices increased 12.6%
- Annual property prices in Wales increased 11.8%
- Asking prices 5.6% higher than 2022
- Buyer demand is up 4% from 2019
- Views of homes up 11% on Rightmove



## RESIDENTIAL

# Market Overview

Despite seeing prices of properties fall, the annual UK property increased 12.6% and asking prices remain 5.6% higher than 2021. As we see mortgage rates settle, we can anticipate that buyer demand will continue to rise again as confidence in the market returns. Rightmove has reported that the number of views of homes for sale on their site was up 11% in December 2022 compared to December 2021, which indicates there are many potential movers who are monitoring the market in detail and weighing up their options.

## Average price by property type

Property type	October 2022	October 2021	Difference
Detached	£468,376	£417,561	12.2%
Semi-detached	£287,383	£252,391	13.9%
Terraced	£242,690	£212,714	14.1%
Flat or maisonette	£235,237	£216,574	8.6%
All	£296,422	£263,333	12.6%

# NUMBER OF Transactions

Month and year	Non-seasonally adjusted	Seasonally adjusted*
October 2013	101,920	94,910
October 2014	114,990	100,790
October 2015	119,950	107,040
October 2016	98,070	95,690
October 2017	107,560	101,380
October 2018	109,020	100,580
October 2019	107,100	99,200
October 2020	121,740	108,350
October 2021	85,890	78,600
October 2022 (Provisional estimates)	110,850	108,480

\*Measures and removes the influence of predictable seasonal patterns



# REGIONAL Overview



## 1. England

Price: £316,073  
Monthly Change: 0.2%  
Annual Change: 13.2%

## 2. Northern Ireland (Quarter 3-2022)

Price: £176,131  
Monthly Change: 4.1%  
Annual Change: 10.7%

## 3. Scotland

Price: £194,874  
Monthly Change: 1.1%  
Annual Change: 8.5%

## 4. Wales

Price: £223,824  
Monthly Change: 0.1%  
Annual Change: 11.8%

## 5. East Midlands

Price: £254,079  
Monthly Change: 0.0%  
Annual Change: 13.9%

## 6. East of England

Price: £362,865  
Monthly Change: 0.0%  
Annual Change: 11.5%

## 7. London

Price: £541,720  
Monthly Change: -0.9%  
Annual Change: 6.7%

## 8. North East

Price: £168,367  
Monthly Change: 1.9%  
Annual Change: 17.3%

## 9. North West

Price: £220,292  
Monthly Change: 0.5%  
Annual Change: 16.1%

## 10. South East

Price: £404,990  
Monthly Change: 0.1%  
Annual Change: 12.0%

## 11. South West

Price: £339,206  
Monthly Change: 0.5%  
Annual Change: 14.9%

## 12. West Midlands Region

Price: £257,382  
Monthly Change: 0.9%  
Annual Change: 14.6%

## 13. Yorkshire and The Humber

Price: £214,036  
Monthly Change: 0.2%  
Annual Change: 15.1%



BLOG

# Could this be the reason things look a bit brighter in the 2023 property market?



By Neil Thorpe, Group Managing Director

Decorations are down, there's the shocking sight of Easter eggs on the supermarket shelves and you have all those good intentions to keep your resolutions. Last year brought many highs and lows as well as a wealth of predictions on what the future holds. Yet amidst all the forecasts, there are signs that things could be a bit brighter for the property market in 2023 than expected.

### Rightmove data

Rightmove's House Price Index in December stated that 2022 ended with new seller asking prices 5.6% higher than a year ago, and the number of views of homes for sale was up 11% compared with this time last year. There was a suspicion that the normal surge of properties on Boxing Day may not be as record breaking as in previous years. Yet December 26th 2022 saw the highest number of new properties put up for sale than has ever been recorded on any Boxing Day. This was up by a staggering 46% compared with the same day the previous year.

Even with the all the uncertainty around, people still seem ready to invest in a move. This was confirmed by the increase in the number of people contacting estate agents between Boxing Day and New Year's Day. According to Rightmove, this was the highest recorded number in a week since early September, valuation requests, too, were up on 2022 by 29%.

Rightmove's property expert, Tim Bannister, said: *"Boxing Day is traditionally the start of activity ramping up into January and the spring selling season after Christmas, as people return to their search or consider a new year move. We've seen some promising activity and familiar patterns over the festive period this year, which are good signs for the year ahead."*

*While we expect a calmer market this year than we've had since the pandemic started, the record number of sellers who chose to come to market this Boxing Day indicates there is a group of motivated sellers ready to move, who perhaps held back and now feel more confident.*

*After such frenetic market conditions over the last few years, this year's calmer market will better suit measured movers who prefer to take their time to find the right property. The jump in number of views of properties for sale pre and post-Christmas is another good sign that the new choice available is getting a lot of attention from future buyers.*

*After a pause for the festivities, those wanting to buy this year will be ready to get back to their plans and assess where they'd like to live and what they can afford. Those sellers who got a head start and have their home already up for sale will now be benefiting from the jump in viewings over the next few weeks, as people settle back into their usual routines."*

From conversations we have had with buyers and sellers there is still an air of caution, the market will be slow but we anticipate that it will be solid with opportunities.

### Mortgage rates

What a year it has been for homeowners, the base rate rose in January from 0.25% within the space of twelve months to 3.5%. There don't seem to be many reasons to be joyful about mortgage rates this year. According to Nationwide, cheaper mortgages will help avoid forced sales from mortgage defaults and, as a result, aid the housing market.

Robert Gardner Nationwide's chief economist, stated: *"With the chaotic backdrop and elevated mortgage rates in recent months, it wouldn't be surprising if potential buyers have opted to wait until the New Year to see how mortgage rates evolve before deciding to step into the market. Longer-term interest rates, which underpin mortgage pricing, have returned towards the levels prevailing before the mini-Budget."*

*"If sustained, this should feed through to mortgage rates and help improve the affordability position for potential buyers, as will solid rates of income growth (with wage growth currently running at a c.7% pace in the private sector), especially if combined with weak or negative house price growth."*

*But the main factor that would help achieve a relatively soft landing (especially for house prices) is if forced selling can be avoided, and there are good reasons to be optimistic on that front."*

In addition, in a shift from fixed to variable interest rates, Halifax on 3 January relaunched their mortgage tracker rates for the first time in four years. This continues what we have been seeing over recent months with lenders reducing their tracker interest rates. Last month also saw NatWest introduce two new 95 per cent loan-to-value products of equivalent value.

Whether you're a first time buyer or looking to remortgage this year, we would highly recommend you use a mortgage broker to navigate the mortgage market.

### Local trends

National and local trends can vary in the property market, discussing your needs with a local estate agent will ensure you have a full understanding of the property market and how your home is expected to perform. If you're looking to move in 2023, maybe things could be a bit brighter than you originally thought. Come and talk to our team at NEXA Properties today to find out more.



BLOG

# Could living near water be the secret to happiness?





We have had a wet few days, so you may be sick of the sight of water. The restorative benefits of nature has been wildly spoken about, even your local GP in the High Peak has the option to prescribe spending time in the outdoors to support patient well-being. This is nothing new: the Victorians used to take the sea air as a treatment for melancholy, and for centuries, the French spent time in natural springs to treat ailments. Spending time near green spaces is commonly known to be beneficial for your mental health; now, new studies highlight that living near water could be the secret to happiness. As your local estate agent, we wanted to discuss what these benefits are...

### Blue spaces

From the sound of rain whilst you're snug and warm, watching a stream dancing down the countryside, waves gently lapping at the shore, to a water fountain creating a relaxing environment in your garden. You don't have to be physically close to the ocean to gain the benefits of blue spaces – urban water, such as rivers, canals, fountains and pools, counts as well, and even just listening to or watching videos of water can have the same effect.

Scientific Reports published a study in 2021 which had surveyed people in 18 countries. They explored the association of natural settings with mental health. They found that people who lived in 'greener/coastal neighbourhoods reported higher positive well-being,' and particularly those that frequently visited blue spaces expressed lower mental distress and, overall, a better well-being. Nature is in no way a substitute for medication or therapy, but it can surprisingly help us to feel calmer.

In his book *Blue Mind: The Surprising Science that Shows How Being Near, In, On, or Under Water Can Make Us Healthier, Happier, More Connected and Better at What You Do*, marine biologist Wallace J. Nichols states that when we are near water: "Your creativity is going up, your stress hormones are going down, your ideas are expanding, your sense of yourself, you can hear yourself breathe, you're connecting with the water." He calls this 'Blue Mind'.

### The benefits

There are several ways that being in or close to water can benefit your mental well-being. Being around water creates a sense of awe, expanding our minds a little and giving us a sense of something greater than ourselves. If you have ever sat and watched the waves, you may have experienced a soothing of your senses. It isn't just the sight of the waves, but the sound of them crashing, the salt and even the sand under your feet. You don't need to be at the ocean to have a sensory experience near water, and as such, a calmer state of mind.

Because of its motion, water has the ability to grab our attention; it is dynamic in many ways, especially in how it encourages us to rest, should we be floating within it. It is this strength that helps to facilitate mindfulness and reflection, watching water can help to clear our minds and sooth our souls.

### Medical reasons

You would be shocked to receive a prescription from your GP to go and spend some time within nature, but following a successful pilot project in Scotland, that is about to happen. During the original trial, it was found that 74% of those prescribed benefitted from a nature prescription. It also helped to change habits, with 87% saying that they would try to spend time in nature to help to support their health and well-being.

The RSPB, in collaboration with the Peak District National Park Authority, will be seeing the first green prescriptions being issued in the High Peak, Derbyshire with the hope they can be rolled out across the country.

### Home effect

When buyers are viewing a property they want to feel at home in, they are no doubt filled with nervous excitement, and it is important to try to create a calm and relaxing environment which will allow them to relax. As the weather starts to get warmer, and hopefully drier, and you start to maintain your garden or outside space, why not have a think whether a water feature would enhance the space. This could not only be transformative to your health but could also, potentially, make buyers feel at home.

For advice on buying or selling a property, contact our team at NEXA today.

NEXA

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