

RESIDENTIAL

MARKET REPORT

JUNE 2021





KEY STATISTICS

UNITED KINGDOM



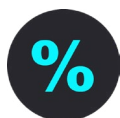
AVERAGE UK PROPERTY PRICE

£256,405



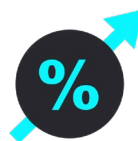
AVERAGE UK PROPERTY PRICE INCREASED

1.8% FROM FEB - MARCH



UK RESIDENTS TRANSACTIONS

179.5% HIGHER THAN APRIL 2020



29% INCREASE

IN DEMAND YTD



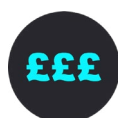
TOTAL STOCK OF HOMES DOWN

20.8% (YTD V 2020 AVERAGE)



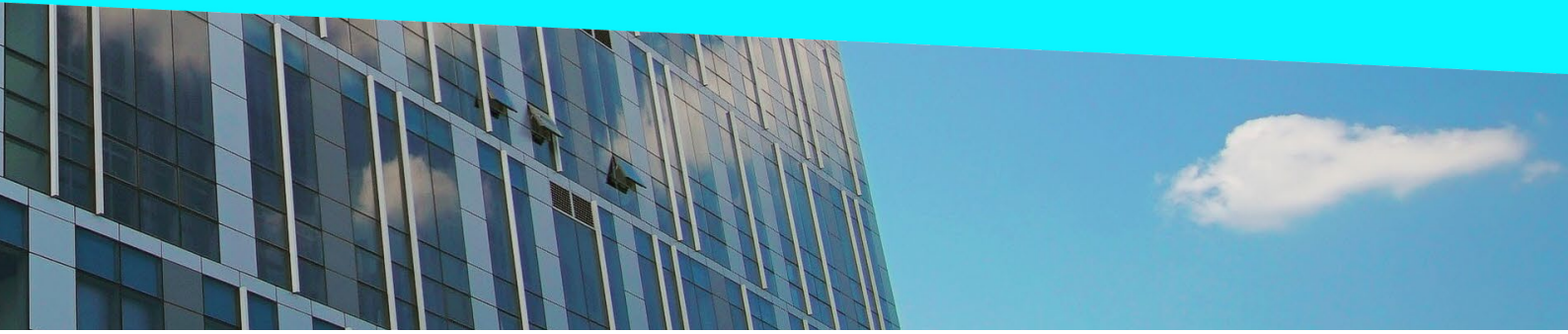
VALUE OF RESIDENTIAL SALES IN 2021

FORECAST TO BE £461 BILLION



RESIDENTIAL SALES COMPLETIONS

FORECAST TO REACH 1.5 MILLION IN 2021



RESIDENTIAL MARKET OVERVIEW

UK house prices increased by **10.2%** in the year to **March 2021** and additionally up from **9.2%** in **February 2021**. While we continue to see a 'property boom' happening across the UK, markets remain highly localised.

Easing off

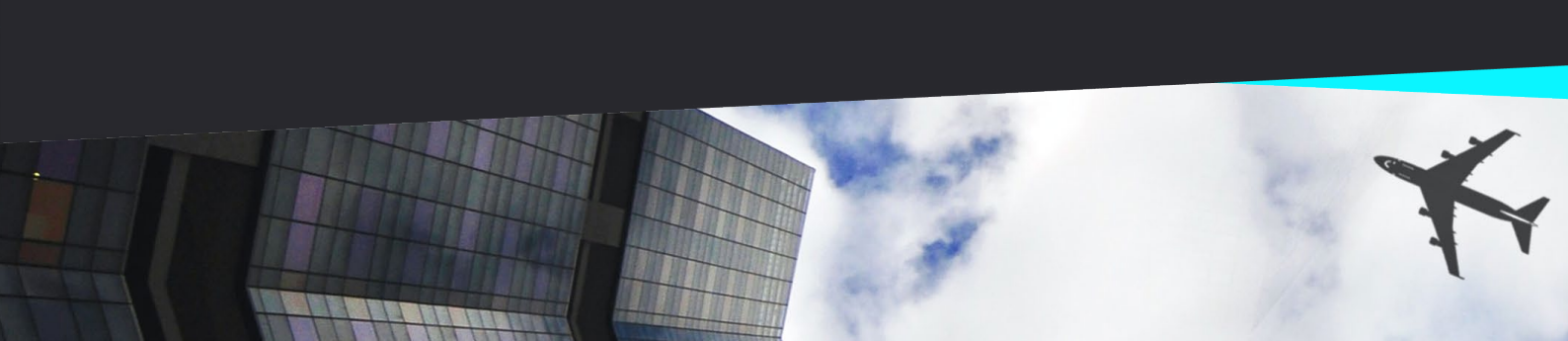
As restrictions continue to ease with access to outdoor and indoor facilities, and sights still hopefully set on June 21st being the end of the UK's lockdown, buyer demand looks to start reducing. Although, still maintaining an increased demand level compared to levels typically seen from previous years, with 2021 set to be one of the busiest sales markets in more than a decade.

A seller's market remains with demand continuing to outpace supply and the need for all types of properties remains evident across the market.

Affordability

Affordability remains a key aspect of the market, with price growth being greatest in areas with the strongest property affordability. Mortgage affordability is just above the national long-term average of **25%**, demonstrating property is still obtainable despite concerns. Demand for homes from first-time buyers is also set to grow with the introduction of a **5%** mortgage scheme.





TRANSACTIONS

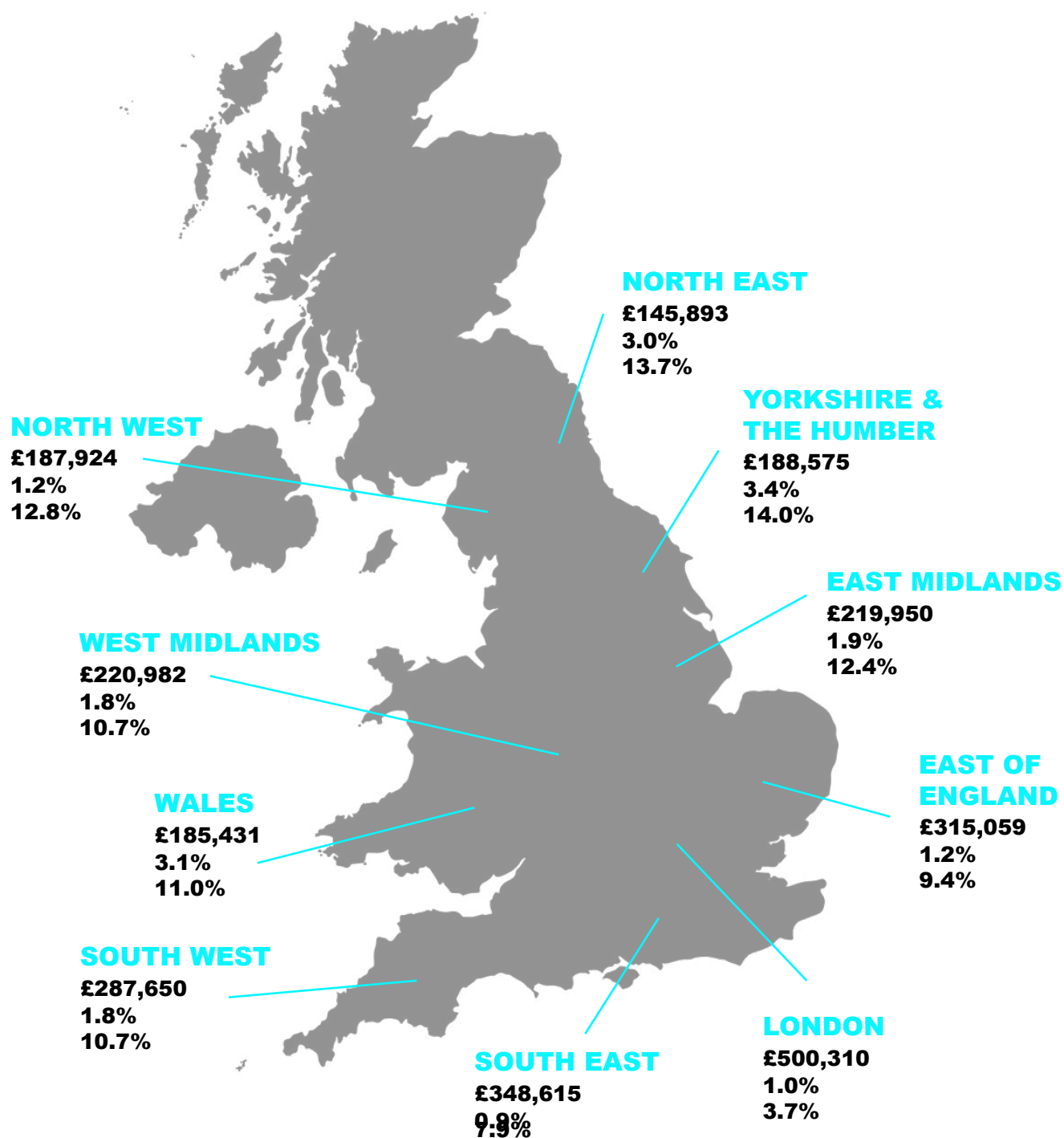
Key statistics:

- o **117,860** transactions in April 2021
- o Total down **35.7%** in April compared to March
- o Residential transactions highest since 2007

Month and year	Non-seasonally adjusted UK residential transactions	Seasonally adjusted UK residential transactions
April 2020	37,360	42,160
May 2020	46,150	48,250
June 2020	67,400	62,080
July 2020	80,640	70,770
August 2020	85,040	81,380
September 2020	99,040	95,570
October 2020	121,680	107,170
November 2020	121,100	115,150
December 2020	132,820	125,120
January 2020	97,710	120,230
February 2020 (provisional)	121,050	144,910
March 2021 (provisional)	173,410	183,170
April 2021 (provisional)	111,260	177,860



REGIONAL OVERVIEW





THE PROPERTY MARKET BOOM

'UK property prices rising at record levels' has been a common headline recently and rightly so as they have seen incredible growth, despite initial predictions from economists who predicted house prices to drop significantly during the pandemic in line with previous trends from the last six recessions experienced since WW2. Many homeowners may have recalled when prices dropped by 19% in 2009 and potentially the early 1990's where they dropped over 40% in four years.

The mix of Government support programmes (including bounce back loans, grants, and furlough), the change to remote working, stamp duty tax holiday, pent-up demand from the 'Boris-Bounce' and the 0.1% Bank of England interest rates to keep borrowing low, have all helped sustained, the growth of property values compared to the previous 12 months.

Affordability and first-time buyers remain priority concerns, along with future interest rates.

A modern interior space featuring a wide, light-colored stone staircase with a dark wood handrail and glass balustrade. In the foreground, a light-colored sofa with patterned and solid-colored cushions is visible. The background shows a large, open-plan living area with a high ceiling and a modern chandelier. The overall aesthetic is clean and contemporary.

NEXA

**LIKE AN ESTATE AGENT.
ONLY MUCH BETTER.**



