



ECONOMICS



UK Residential Market Survey

May 2024

Recovery in buyer demand falters slightly amid interest rate uncertainty

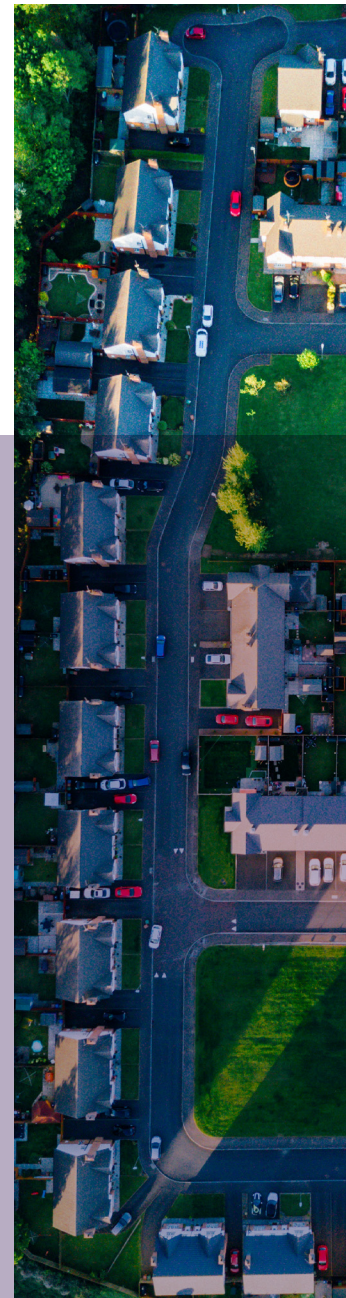
- New buyer enquiries see a modest dip alongside a general softening in momentum reported across the sales market
- National house price indicator slips back into slightly negative territory
- Near-term expectations still point to the recovery getting back on track in the months ahead

The May 2024 RICS UK Residential Survey results are symptomatic of a slight setback for the sales market over the month, with most of the indicators tracked deteriorating to a certain extent. This appears to be linked to the recent scaling back in expectations around the degree of monetary policy loosening likely to be pushed through by the Bank of England during the second half this year. Nevertheless, respondents still foresee a modest recovery in residential sales volumes getting back on track over the months ahead.

For the aggregate new buyer enquiries series, the latest net balance reading of -8% is down from a figure of -1% beforehand. As such, this is consistent with a modest drop-off in demand over the month. Furthermore, the latest return marks the softest reading for this metric since November of last year. When viewed at the regional level, the most noticeable decline in buyer enquiries came in the South East and South West of England (exhibiting net balances of -27% and -23% respectively).

At the same time, respondents also reported a fall in the number of sales agreed during May, evidenced by a net balance reading of -13% being recorded for this month (down from +4% last time). Going forward, despite the recent stumble, near-term expectations point to sales volumes picking up modestly over the coming three months (posting a net balance of +6% compared to zero previously). Moreover, the outlook for twelve-months ahead remains relatively upbeat, with a net balance of +43% of survey participants anticipating an uplift in sales activity (an increase from a figure of +33% in April).

Alongside this, the flow of sales instructions

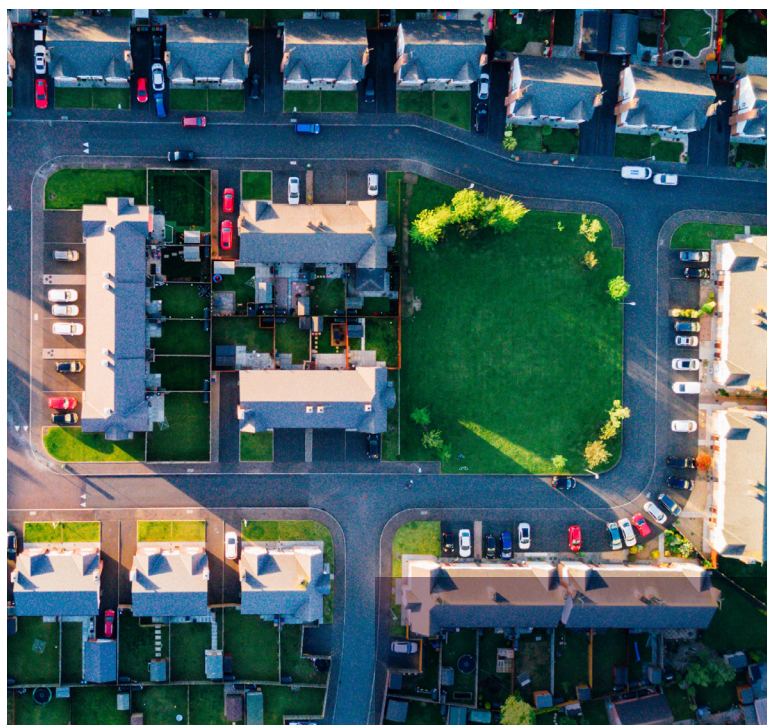


coming onto the market continues to rise, with the new listings indicator registering a net balance of +16% in May. As a result, the volume of fresh instructions coming onto agents books has now improved for six consecutive months. Painting a similarly positive picture for changes in supply on the second hand market, a net balance of +17% of respondents report that the number of market appraisals undertaken of late is higher than a year ago (representing the fifth reading in expansionary territory for this metric).

Looking at the most recent trend in house prices, the headline series retreated in May, posting a net balance of -17% compared to -7% in the previous iteration of the survey. Consequently, having held broadly steady in both March and April, the latest reading (being the most negative return since January) suggests that house prices fell slightly during the month. That said, while prices pulled back to a certain degree in virtually all regions of England during the latest survey period, Scotland and Northern Ireland continue to see a very different picture, with prices remaining on an upward trajectory in both cases.

With respect to the near-term outlook for prices at the national level, expectations suggest that some further downward pressure could be seen in the coming three-months, albeit the net balance of -12% is only very marginally negative. At a slightly longer timeframe however, contributors remain firmly of the view that house prices will move higher over the next twelve months. In fact, the latest net balance of +41% for the year-ahead price expectations indicator is the most elevated reading since April 2022 (up from +38% last time).

In the lettings market, tenant demand appeared to regain some momentum over the month, with the May net balance climbing to +35% compared to a reading of +10% previously (part of the non-seasonally adjusted monthly lettings dataset). Alongside this, landlord instructions were more or less flat (net balance -3%), marking the first occasion since August 2022 in which this measure has moved into neutral territory. Going forward, near-term expectations point to rental prices continuing to move higher, even if the pace of growth is likely to be more modest than that seen during much of the last eighteen months (the current net balance of +35% is noticeably more moderate than the +53% average reported throughout 2023).



Methodology

About:

The RICS Residential Market Survey is a monthly sentiment survey of Chartered Surveyors who operate in the residential sales and lettings markets.

Regions:

The 'headline' national readings cover England and Wales.

Specifically the 10 regions that make up the national readings are: 1) North 2) Yorkshire and Humberside 3) North West 4) East Midlands 5) West Midlands 6) East Anglia 7) South East 8) South West 9) Wales 10) London.

The national data is regionally weighted.

Data for Scotland and Northern Ireland is also collected, but does not feed into the 'headline' readings.

Questions asked:

1. How have average prices changed over the last 3 months?
(down/ same/ up)
 2. How have new buyer enquiries changed over the last month?
(down/ same/ up)
 3. How have new vendor instructions changed over the last month?
(down/ same/ up)
 4. How have agreed sales changed over the last month?
(down/ same/ up)
 5. How do you expect prices to change over the next 3 months?
(down/ same/ up)
 6. How do you expect prices to change over the next 12 months?
(% band, range options)
 7. How do you expect prices to change over the next 5 years?
(% band, range options)
 8. How do you expect sales to change over the next 3 months?
(down/ same/ up)
 9. How do you expect sales to change over the next 12 months?
(down/ same/ up)
 10. Total sales over last 3 months i.e. post contract exchange (level)?
 11. Total number of unsold houses on books (level)?
 12. Total number of sales branches questions 1 & 2 relate to (level)?
 13. How long does the average sales take from listing to completion (weeks)?
 14. How has tenant demand changed over the last 3 months?
(down/ same/ up)
 15. How have landlords instructions changed over the last 3 months?
(down/ same/ up)
 16. How do you expect rents to change over the next 3 months?
(down/ same/ up)
 17. How do you expect average rents, in your area, to change over the next 12 months?
(% band, range options)
 18. What do you expect the average annual growth rate in rents will be over the next 5 years in your area?
(% band, range options)
- Questions 6, 7, 17 and 18 are broken down by bedroom number viz. 1-bed, 2-bed, 3-bed, 4-bed or more. Headline readings weighted according to CLG English Housing Survey.

Net balance data:

- Net balance = Proportion of respondents reporting a rise in prices minus those reporting a fall (if 30% reported a rise and 5% reported a fall, the net balance will be 25%).
- The net balance measures breadth (how widespread e.g. price falls or rises are on balance), rather than depth (the magnitude of e.g. price falls or rises).
- Net balance data is opinion based; it does not quantify actual changes in an underlying variable.
- Net balance data can range from -100 to +100.
- A positive net balance implies that more respondents are seeing increases than decreases (in the underlying variable), a negative net balance implies that more respondents are seeing decreases than increases and a zero net balance implies an equal number of respondents are seeing increases and decreases.
- Therefore, a -100 reading implies that no respondents are seeing increases (or no change), and a +100 reading implies that no respondents are seeing decreases (or no change).
- In the case of the RICS price balance, a reading of +10 should not be interpreted as RICS saying that house prices are going up by 10%, but that 10% more surveyors reported increases rather than decreases in prices (over the last three months).
- A change from +30 to +60 does not mean that the variable grew by 30% in one period and by 60% in the next period, but it does indicate that twice as many surveyors reported an increase compared to a decrease than in the previous period.
- Likewise, if we get a reading dropping from +90 to +5, this still means that more respondents are reporting increases than decreases overall, but the breadth of those reporting increases has fallen dramatically; meanwhile, a shift in the reading from -90 to -5 still means that more respondents are reporting decreases than increases overall, but the breadth of those reporting decreases has fallen dramatically.

Seasonal adjustments:

The RICS Residential Market Survey data is seasonally adjusted using X-12.

Next embargo date:

June survey: 11 July
July Survey: 8 August

Number of responses to this month's survey:

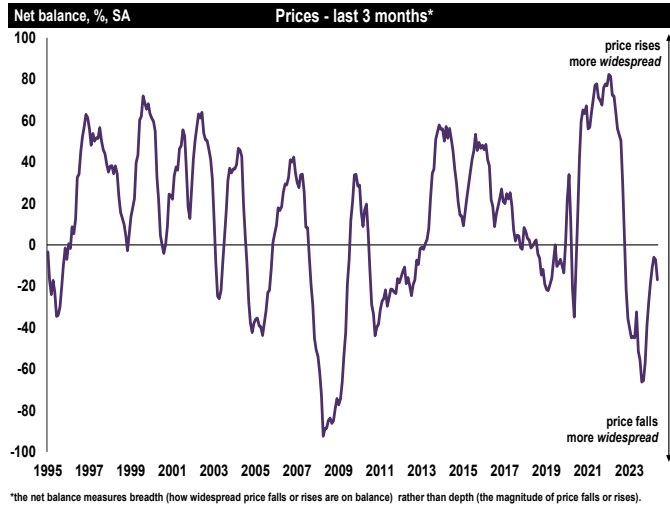
This survey sample covers 536 branches coming from 252 responses.

Disclaimer

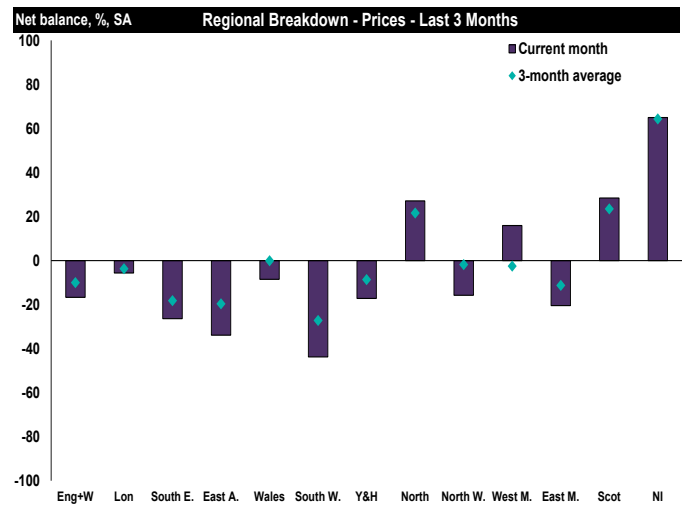
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Sales market charts

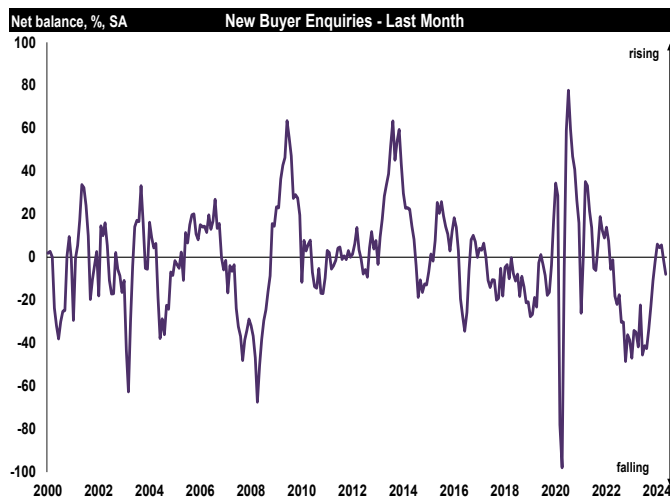
National Prices - Past three months



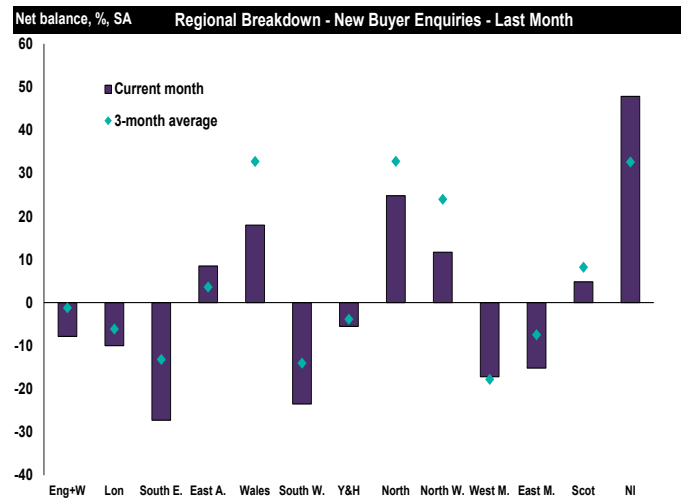
Regional Prices - Past three months



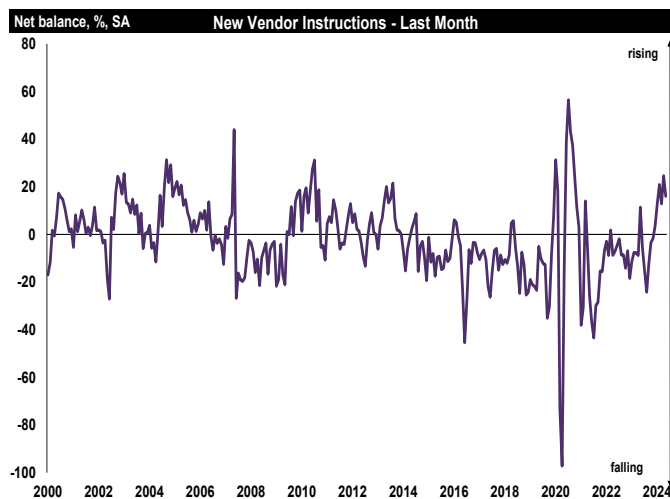
National Enquiries - Past month



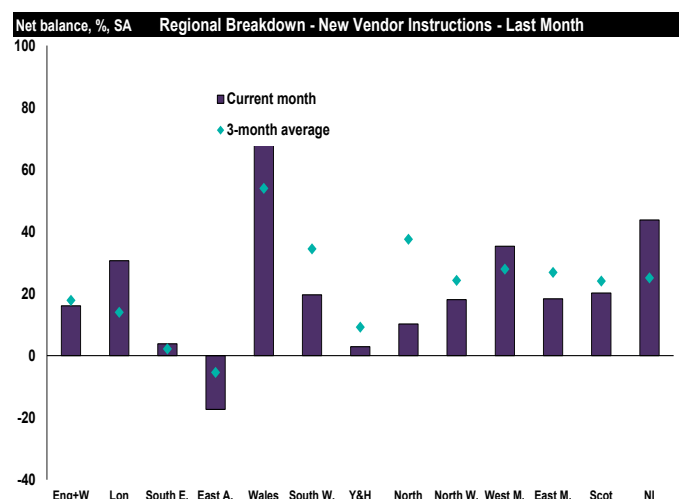
Regional New Buyer Enquiries - Past month



National New Vendor Instructions - Past month

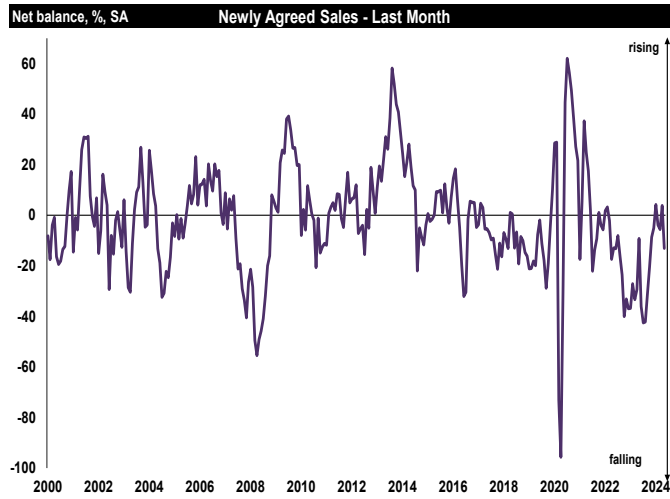


Regional New Vendor Instructions - Past month

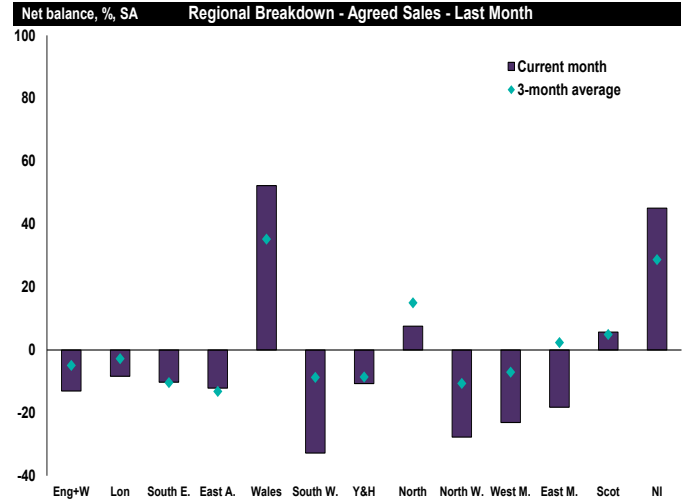


Sales market charts

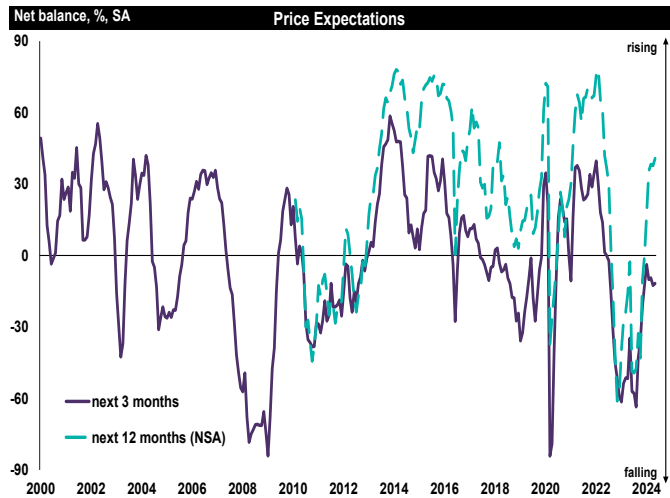
National Newly Agreed Sales - Past month



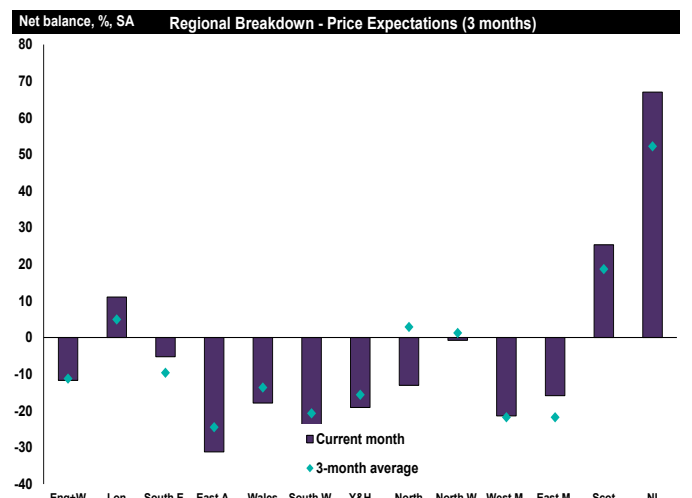
Regional Newly Agreed Sales - Past month



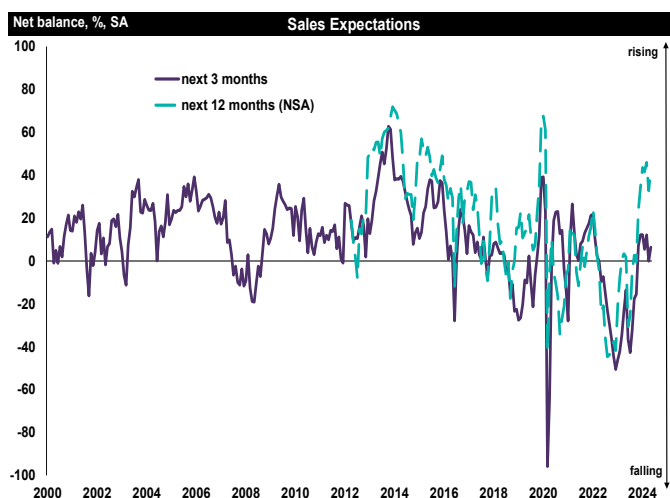
National Price Expectations - Three and twelve month expectations



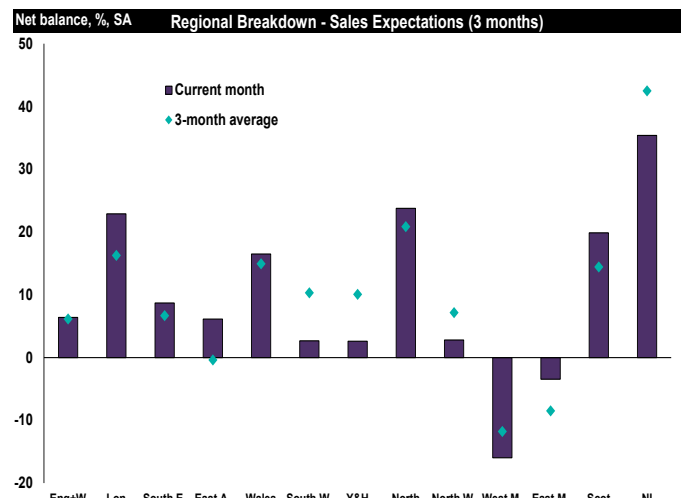
Regional Price Expectations - Next three months



National Sales Expectations - Three and twelve month expectations

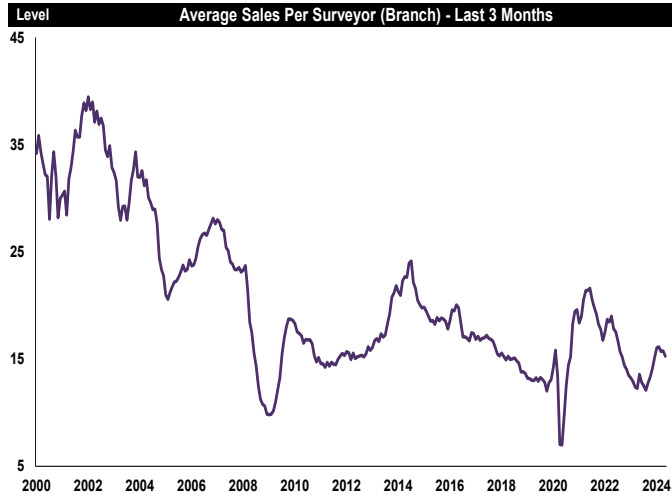


Regional Sales Expectations - Next three months

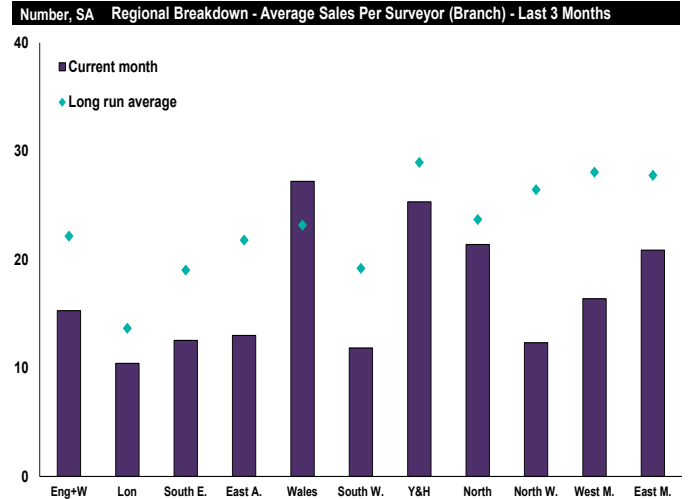


Sales market charts

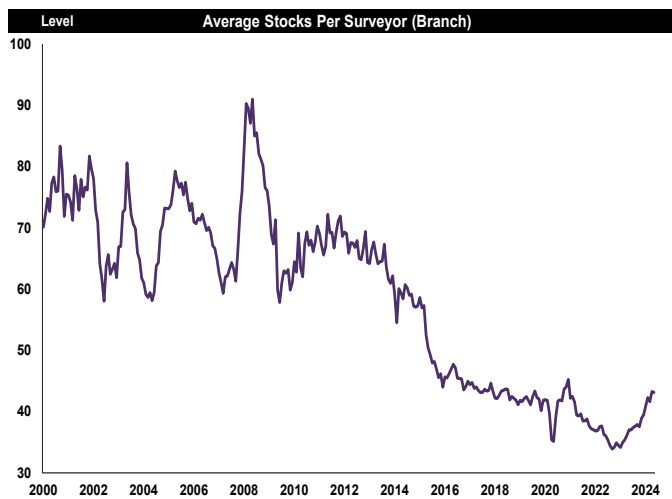
National Average Sales Per Surveyor - Past three months



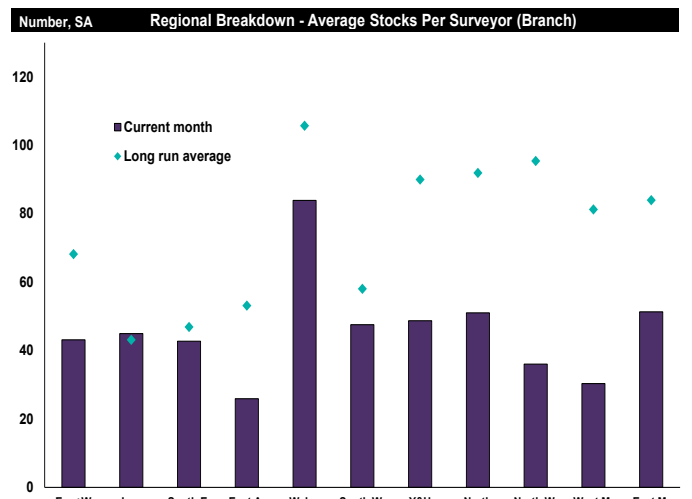
Regional Average Sales Per Surveyor - Past three months



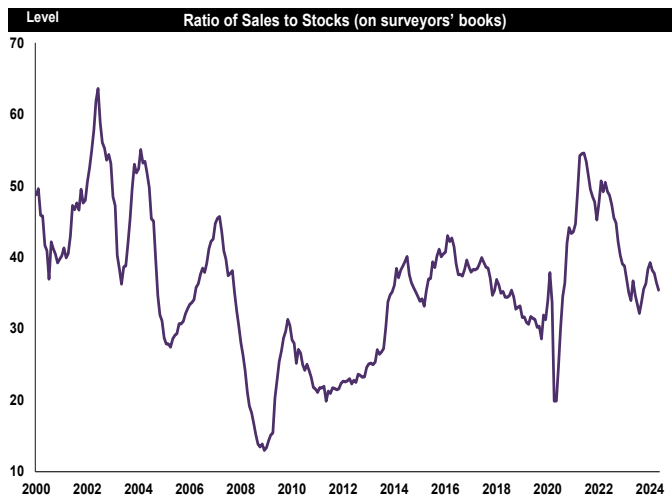
National Average Stocks Per Surveyor



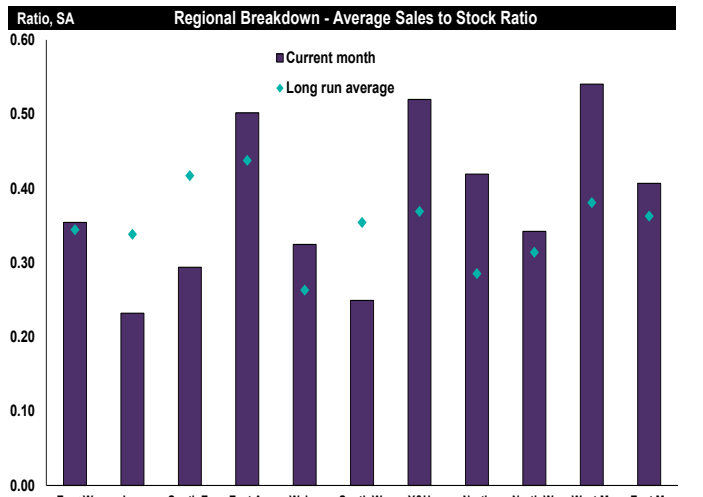
Regional Average Stock Per Surveyor



National Sales to Stock Ratio

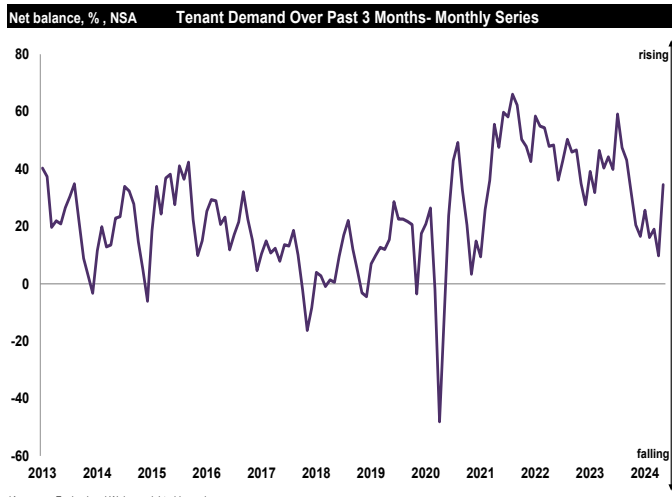


Regional Sales to Stock Ratio

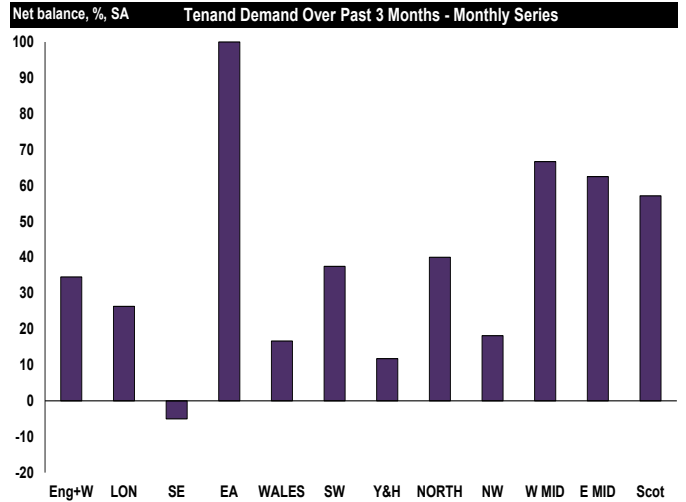


Lettings market charts

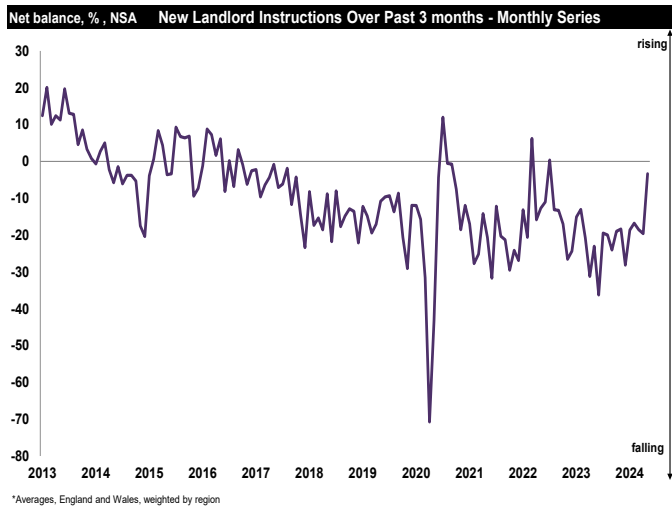
National Tenant Demand - Past three months



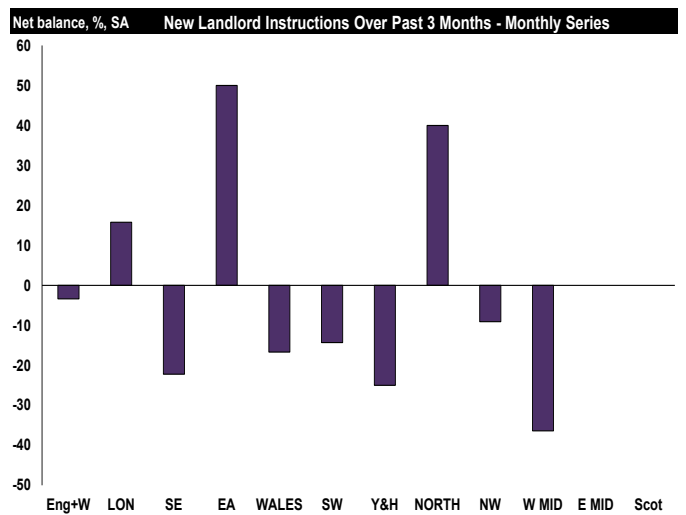
Regional Tenant Demand - Past three months



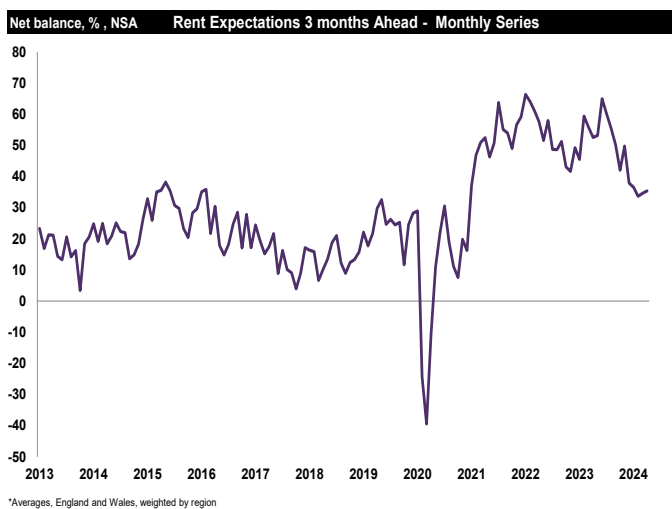
National New Landlord Instructions - Past three months



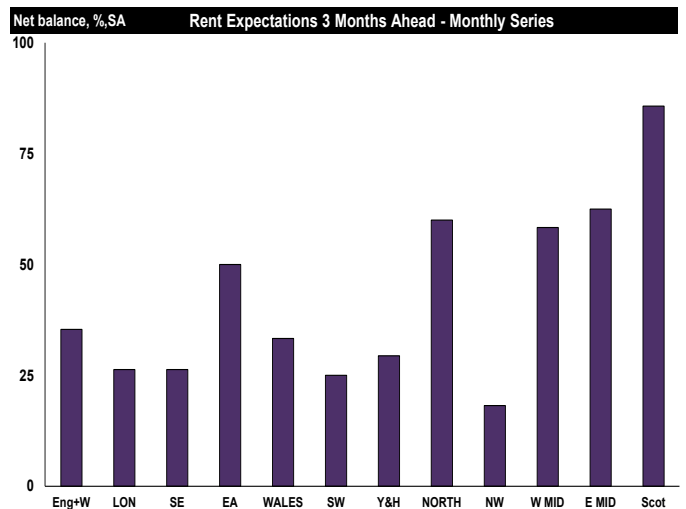
Regional New Landlord Instructions - Past three months



National Rent Expectations - Next three months

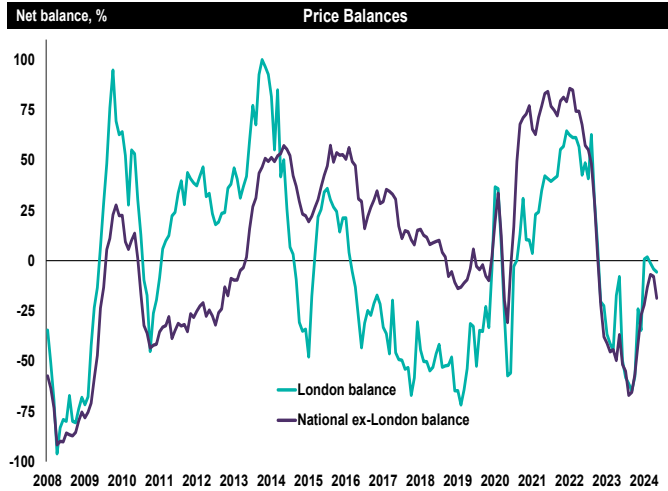


Regional Rent Expectations - Next three months

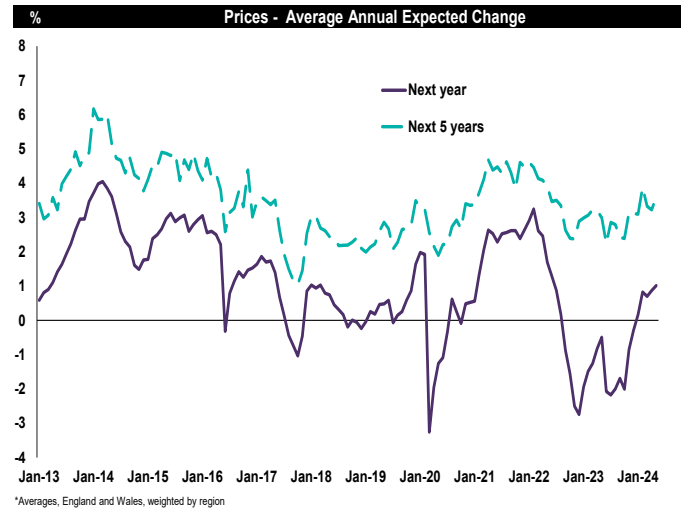


Expectations and other data

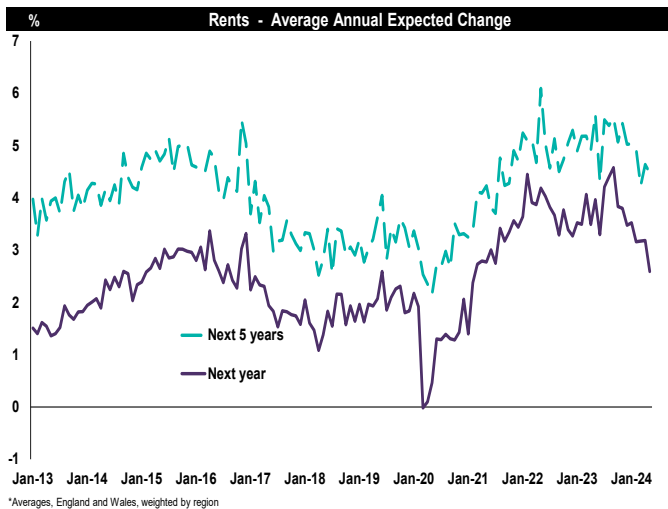
National Price Balance (excluding London) and London Price Balance - Past three months



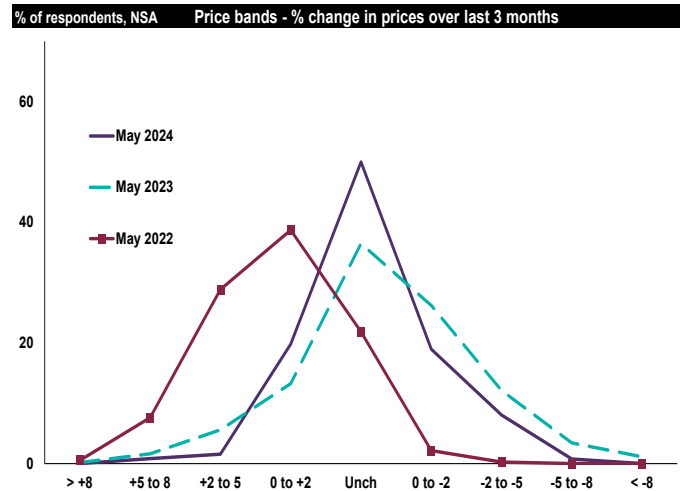
National Average Annual Expected Price Change (point estimate) - Next one and five years



National Average Annual Expected Change in Rents (point estimate) - Next one and five years



Price Bands - Past three months



Surveyor comments - Sales

North

Neil Foster, MRICS, Hadrian Property Partners, neil@hadrianproperty.co.uk, Hexham - Although gradual, the pace of sales appears to be slowing with the impact of higher borrowing costs now coupled with pending political (and taxation policy) uncertainty ahead of the general election. Offers are more commonly negotiated off rather than added to guide price. Equilibrium? Miles away!

Paul Mcskimmings, BSc(Hons) MRICS, Edward Watson Associates, paul@edwardwatson-assoc.com, Newcastle Upon Tyne - Busy month with good level of enquiries and instructions. It will be interesting to what, if any, impact the impending election will have on the market.

Shaun Brannen, AssocRICS, Brannen & Partners, shaun.brannen@brannen-partners.co.uk, Whitley Bay & Coastal - The market is certainly continuing strongly, and one hopes that the good weather helps also.

Simon Hobbs, MRICS, London & City Estates Ltd, simonh@londonandcity.co.uk, Newcastle - General sentiment is more positive due to the perception that inflation is now under control and interest rates must fall as a consequence

Yorkshire & the Humber

Alex Mcneil, MRICS, Bramleys, alex.mcneil@bramleys1.co.uk, Huddersfield - A welcome upturn in activity as some good new stock has come to the market. A replacement for Help To Buy required to convince a generation of renters that home ownership is achievable. An Englishman's home will be his three bed semi.

Ben Hudson, MRICS, Hudson Moody, benhudson@hudson-moody.com, York - Increased optimism with falling inflation and an expectation of falling interest rates, although there is likely to be a slower period during the General Election as in previous elections with a post election bounce.

Bruce Collinson, FRICS, Adair Paxton, bruce@adairpaxton.co.uk, Leeds - The market is holding its breath with the election and interest rates stubbornly stuck. Volumes are down across the board yet curiously on survey, I am regularly seeing prices agreed over the guide. Properties ticking all the boxes (location, presentation and price) attract offers.

James Brown, MRICS, Norman F Brown, james@normanfbrown.co.uk, Richmond - During this pre-election period, some buyers will be holding back with their plans. We shall see what happens to the housing market post election.

James Watts, MRICS, Robert Watts Estate Agents, jameswatts@robertwatts.co.uk, Bradford - Sales numbers are still strong and prices are holding up well particularly for houses up to £250,000 in our area. There are still a large number of down valuations by the lenders so caution is still advised on realistically pricing houses.

John Haigh, BSc MRICS FAAV, Lister Haigh Ltd, johnhaigh@listerhaigh.co.uk, Knaresborough - The residential market is still challenging and there is some uncertainty with buyers with mortgages and cost of living.

Kenneth Bird, MRICS, Renton & Parr, ken@rentonandparr.co.uk, Wetherby - New instructions and sales have now been healthy for the past two months so far largely unaffected by the pending election in July.

M J Hunter, MRICS, GRICE AND HUNTER, griceandhunter@btconnect.com, Doncaster - We anticipate a pause in activity until the conclusion of the General Election.

North West

Amin Mohammed, Le Baron Haussmann Ltd, aminm7@gmail.com, Greater Manchester - Market little sluggish due to Holidays and interest rates.

Anthony Kingdon, AssocRICS, N/A, anthonykingdon@gmail.com, Stockport - We may see house prices rises above 2.5% this year as actual (not CPI) inflation soars as a by-product of rising building material costs. Home insurance will no doubt follow this trend.

Brian John Boys, MRICS, B&E Boys Limited, john.boys@beboys.co.uk, Bacup - A good month for sales but some indications that activity levels may be stabilising in the run up to the election.

John Williams, FRICS, MEWI, Brennan Ayre O'Neill LLP, john@b-a-o.com, Wirral - Demand steady but General election result could change dramatically depending if Conservative party loses overall control.

Jonathan Clayton, FRICS, JPA Surveyors, jonathan@jpasurveyors.co.uk, Lytham - Plenty of demand for fairly priced property although transaction times seem to be a drag once again. We really need an improvement in the method of house transfer.

Robert Keith Dalrymple, FRICS, Keith Dalrymple Chartered Surveyor, keith.dalrymple@outlook.com, Isle Of Man - UK General Election is creating market uncertainty, with labour shortages and supply chain difficulties affecting construction.

East Midlands

John Chappell, BSc(Hons), MRICS, Chappell & Co Surveyors Ltd, john@chappellandcosurveyors.co.uk, Skegness - Lots of new instructions coming to market. Deals to do for the pragmatic seller! All eyes on the June meeting of the MPC as the market hopes for rate cuts to bolster buyer enthusiasm.

Stephen Gadsby, BSc FRICS, Gadsby Nichols, stevegadsby@gadsbynichols.co.uk, Derby - Signs of limited market recovery with increased activity although still a price sensitive market.

Tony Wing, RICS, Robert Bell & Company, tonywing@robert-bell.org, Lincoln - Although there is much pent-up demand, buyers and sellers are acting cautiously as we head towards an Election, and await interest rates to show signs of falling.

West Midlands

Alex Smith, FRICS, ALEX SMITH & COMPANY, alex@alex-smith.co.uk, Birmingham - Awaiting election result - property market very reliant on interest rates and fair price dependent.

Andrew C M Oulsnam, MRICS, Oulsnam, andrew@oulsmam.net, Birmingham - The residential market continues its slow but steady improvement with the election having little effect. First time buyers may be holding off for lower interest rates.

Cheryl La, AssocRICS, , cheryl.la@cwsurveyors.co.uk, Wolverhampton - FT buyers and in particular the homes movers are anticipating BOE to cut interest rates.

Colin Townsend, MRICS, John Goodwin, colin@johngoodwin.co.uk, Malvern - It feels as though the market is stalling. New instructions are up but sales are down. Chains are proving to be a challenge and the time needed to bring them to a conclusion is increasing significantly.

John Shepherd, ShepherdVine, john@shepmsn.couk, Solihull - The expectation of interest rates falling failed to happen and with an impending election, we anticipate the market faltering further.

Mark Killeen, AssocRICS, , k1l133n44@hotmail.com, Coventry - Interest rates are being spoken about in terms of falling, this is causing interest in buyers who have been on the sides watching and waiting. Rental demand is high with tenants as more landlords leave the sector. I expect the market to cool off with sales through the election period.

Richard Franklin, MRICS, Franklin Gallimore Ltd, richard@franklingallimore.co.uk, Tenbury Wells - Mortgage lenders criteria is hampering some sales, their desire for vanilla lending is extreme. Much higher end stock is over-priced - causing a log-jam in this price sector. Awaiting realisation to dawn or interest rates to reduce to more acceptable levels.

East Anglia

David Boyden, MRICS, Boydens Ltd, david.boyden@boydens.co.uk, Colchester - Enquiry levels remain relatively static however deals in the book have vastly increased showing those looking at committed.

Mark Wood, MRICS, Blues Property Ltd, mark@bluesproperty.com, Cambridge - Good properties in good locations generate interest, although need to be flexible on price. Properties in poorer locations are struggling to generate interest even with sensible pricing.

South East

Christopher Clark, FRICS, Elty Langley Greig, chrisclark@elgsurveyors.co.uk, Eastleigh - The signs are that interest rates will fall this summer and lenders are beginning to factor this into lower mortgage rates, providing some stimulus to the market. The forthcoming general election could however muddy the waters, if for example we were to end up with a hung Parliament.

David Parish, FRICS, Gates, Parish & Co, professional@gates-parish.co.uk, Upminster - There appears to be more confidence in the market and the number of viewings has increased. Sellers are accepting prices below asking prices. There may be a reduction in market activity until after the General Election.

Edward Rook, MRICS, Knight Frank, edward.rook@knightfrank.com, Sevenoaks - Until interest rates reduce, the market will remain subdued.

James Farrance, MNAEA, FARLA, Braxton, jfarrance@braxtons.co.uk, Maidenhead - Sales market up to £2m very active, pricing needs to be accurate to attract interest.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Feltham - More instructions are coming onto the market that has increased viewings and general activity.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Amersham, Buckinghamshire - There is a little more confidence in the market and we are seeing this with increased activity but still very much a purchaser marketplace.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Langley, Berkshire - The market is still balanced towards the purchaser, it is essential to price property correctly to create competition to achieve the best price for the vendor.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Beaconsfield, Buckinghamshire - Still price-sensitive, but there are committed buyers.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Chalfont St Peter, Buckinghamshire - Very price-sensitive market. Buyers are cautious but will purchase if the house is right for them.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Staines - We are currently seeing more properties come to the marketplace, however, purchasers are waiting for better mortgage rates and are not committing currently.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Gerrards Cross, Buckinghamshire - Having enjoyed a slight return to form in April, this tailed somewhat in May and we have been left with lower activity levels in the month. We have a good quality property register of available properties currently so we had expected to receive a much better response.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Slough, Berkshire - The market has been difficult as many potential purchasers are waiting for mortgage deals to become more competitive, this has affected the number of agreed deals.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Ashford - The expected bank lending rate cut has not occurred (May) and many buyers are waiting for more preferable mortgage terms unless they can purchase on good terms.

Mark Eshelby, MRICS, Latchmere Properties Ltd, mark@latchmere-properties.co.uk, Surrey - Market is active at sub £1,000,000 but sluggish over these levels. Buyers seem to be sitting on the proverbial fence just now whilst election results awaited and in hope of reduced interest rates.

Michael Brooker, FRICS, Michael Brooker Estate Agents, michael@michaelbrooker.co.uk, Crowborough - Plenty of activity but indecision. High level of viewings not leading to sales. Many hoping for interest rate cut and election over.

Paul Loveridge, FRICS, The Frost Partnership, Loveridges@ntlworld.com, Reading - Election and potential new government.

Paul Lynch, AssocRICS, First for Auctions, part of the LRG, plynch@firstforauctions.co.uk, Wokingham - First for Auctions sell by traditional online auction across the country, primarily southern counties. We have found most properties exceed the guide price by 16 - 25%, and 86% of our stock is sold and exchanged during the auction. Freehold properties requiring significant modernisation are popular.

Perry Stock, Fellow of the RICS, Registered Valuer, Capitello Estates Ltd, perry@perrystock.co.uk, Guildford - A growing volume of enquiries but a static level of decisions.

Tim Green, FRICS, Green & Co.(Oxford) Ltd, tim.green@greenand.co.uk, South Oxfordshire - Increased activity in the market appears to be resilient for now, in the face of so much happening in the wider economy. It feels that confidence is listening more to the future for interest rates than the General election but only time will tell.

Tony Jamieson, MRICS, Clarke Gammon, tony.jamieson@clarkegammon.co.uk, Guildford - The market has reached a state of inertia with everybody wanting for a Bank of England interest rate cut and the result of the general election. Even houses competitively priced are not getting as much interest as we would expect. We are hopeful of a good final quarter after the summer holidays.

Trevor Brown, FRICS, Trevor Brown Surveyors Ltd, tbrownsurveyors@btinternet.com, Southend - Despite a few recent optimistic articles, the number of transaction and survey instructions are low for this time of year. Prices appear stable as this is the most active time of any year. I anticipate a slight fall in values later in the year. Nothing will change until interest rate do!

South West

Graham Thorne, FRICS FCIQB, Thornes, graham@thornes.org.uk, Poole East Dorset - The market has been slow since the election has been called as expected.

Howard Davis, MRICS, , howard@howard-homes.co.uk, Bristol - It's a price sensitive market with an increased stock of 1 & 2 bedroom flats coming from landlords who no longer wish to continue letting.

Ian McNaught Davis, FRICS, Avon Construction Services Ltd, office@avonconstruction.co.uk, Malmesbury/Cirencester - Proposed election causing lack of confidence.

James Wilson, MRICS, Jackson-Stops, james.wilson@jackson-stops.co.uk, Shaftesbury - The election announcement appears to have reduced market activity in terms of sales, as new instructions increase.

Jeff Cole, MRICS, Cole Rayment & White, jeff.cole@crw.co.uk, Wadebridge - Still busy with good levels of instructions and sales although the market is still price sensitive.

John Corben, FRICS FCABE, Corbens, john@corbens.co.uk, Swanage - Whilst the market remains slow, there is an increase in interest from genuine applicants and more sales are being agreed.

Julian David Lawrence Bunkall, FRICS, Jackson-Stops, julian.bunkall@jackson-stops.co.uk, Sherborne/ Bridport/ Dorchester - The market is in an uncertain phase due to the upcoming General Election and continued uncertainty over interest rates.

Mark Lewis, FRICS, Symonds & Sampson, mlewis@symondsandsampson.co.uk, Sturminster Newton - Buyers are cautious and even those who are 'cash' appear discombobulated by world events and the impending election even if they turn away from the news. There is more activity but we often have only one or two people competing at auction. Buyers are easily spooked by the smallest problems.

Richard Charles Addington, MRICS, Jackson-Stops, richard.addington@jackson-stops.co.uk, Devon - The calling of the General Election on the 22nd May reduced activity from an already very low base. An uptick in July will be anticipated.

Roger Punch, FRICS, Marchand Petit, roger.punch@marchandpetit.co.uk, South Devon - For the time being, stock levels exceed willing and capable buyers, which, combined with the usual dampening effect of the run up to a General Election, means that cautious pricing is essential for success.

Simon Cooper, FRICS, Stags, s.cooper@stags.co.uk, Wellington - The sales market remains tough. An improving level of instructions but a lack of proceedable buyers means that sales agreed are hard to generate though we have a much bigger pipeline than last year. Competitive pricing is the key. With a General Election called, it is likely going to be a quiet June.

Simon Lord, AssocRICS, Simon Lord Property Group, simonlord60@icloud.com, Bath - There is a notable aura of hesitancy amongst buyers given the imminent General Election and the recent mixed signals over interest rate direction. For motivated sellers, the resultant price sensitivity is necessitating flexibility in negotiations.

Simon Milledge, MRICS, Jackson-Stops, simon.milledge@jackson-stops.co.uk, Blandford Forum - After a very slow (weather affected) March and April, in May the market was showing signs of strength and stability. That disappeared on the calling of the general election on the 4th July. This usual happens when an election is on the horizon, and it usually recovers.

Wales

Anthony Filice, FRICS, Kelvin Francis Ltd., tony@kelvinfrancis.com, Cardiff - Good activity in the middle to upper price ranges and sales being agreed when Vendors are realistic about offers. Buyers have a wide choice, so vendors need to be flexible. Transactions are extended, with some solicitors raising small details, at a late stage.

David James, FRICS, James Dean, david@jamesdean.co.uk, Brecon - Sales are good although purchasers are careful and will only buy the property that is right for them.

Melfyn Williams, MRICS, Williams & Goodwin The Property People Ltd, mel@tppuk.com, Anglesey - Local property market sees cautious improvement across all price ranges. In the second half of the month, we've seen a noticeable uptick in activity across all price ranges. While buyers and sellers are still proceeding with caution, the momentum is definitely picking up.

Paul Lucas, FRICS, R.K.Lucas & Son, paul@rkluccas.co.uk, Haverfordwest - The sales market is sluggish but bubbling along.

Tim Goodwin, AssocRICS, Williams & Goodwin The Property People, tim@tppuk.com, Gwynedd - We have yet to see any real impact following the announcement of an election, with seasonal factors having a greater influence for the present.

London

Allan Fuller, FRICS, Allan Fuller Estate Agents, allan@allanfuller.co.uk, London - Sales enquirers have been slow during May and even slower since the election has been called, increasing number of landlords selling nervous of what controls a new government could introduce.

Christopher Ames, MRICS, Ames Belgravia, ca@amesbelgravia.co.uk, London - The General Election on 4th July is causing market hesitancy - but signs of pent-up activity in late summer.

David Parris, AssocRICS, Fraser & Co, davidaparris@gmail.com, London - Pre election hesitancy coming into the market. Rise in investor landlords looking to exit due to interest rates and a potential change in Government.

James Perris, MRICS, De Villiers, james.perris@devilliers-surveyors.co.uk, London - The market has generally seen a pick up in activity over this last month. Buyers have more confidence that prices are not going to fall and with the every increasing rents in the London area buying is proving a more affordable option.

Javier Lauret, MRICS, Hurford Salvi Carr, javier.lauret@h-s-c.co.uk, London - The only properties selling in the City Fringe are the 'best in class', those properties with extremely attractive or unique features.

Jeremy Leaf, FRICS, Jeremy Leaf & Co, jeremy@jeremyleaf.co.uk, Finchley - Market appraisals and sales listings picked up this month as buyers and sellers gained confidence in the expected southerly direction of travel for inflation and interest rates. However, buyers still hold sway so only competitively-priced homes are attracting most attention.

John King, FRICS, ANDREW SCOTT ROBERTSON, jking@as-r.co.uk, L.B.Merton - A quiet end to the month having been interrupted by half term. The month saw a greater number of reductions in asking prices due to a slow down in viewings.

John King, FRICS, ANDREW SCOTT ROBERTSON, jking@as-r.co.uk, Wimbledon - We are beginning to notice a change in the market, while new registrations have increased along with market appraisals and instructions this quarter, viewings figures have slowed, maybe a blip but it feels more like a change in direction.

John Righiniotis, MRICS, Sampas Surveyors Limited, john@sampassurveyors.co.uk, London - Although interest rates are not expected to fall significantly in the near future, there is a rise in interested buyers.

Len Stassi, MRICS, Delancies Ltd, lenstassi@delancies.com, London - Interest rate rises have had a bearing on investors who are off-loading smaller flats leading to their subsequent slight reduction in value.

Marcus Goodwille, MRICS, Savills Plc, marcus.goodwille@savills.com, Prime London - Confidence has returned to the prime markets, as inflation falls and mortgage rates stabilise. We expect some uncertainty in the run up to the general election. With wealthier households more likely to be impacted by new tax policies following a potential change in government.

Richard Going, MRICS, Farrar, richard.going@farrar.co.uk, Royal Borough Of Kensington & Chelsea - Buyers still seem to be sitting on the fence a bit pending an interest rate reduction which needs to happen ASAP as people are struggling with the cost of living crises at the moment. BOE please listen to the markets and start getting interest rates down.

Robert Green, MRICS, John D Wood & Co., rgreen@johnwood.co.uk, Chelsea - Activity has improved for sensibly priced property as buyers deem the market could strengthen as interest rates fall in the coming months. The general election has not impacted the market so far, which is good as the next six weeks are usual some of the busiest in the year.

Rupert Merrison, RICS, Dexters, rupertmerrison@dexters.co.uk, London - With buyer demand in London remaining high and plenty of motivated sellers coming to the market, we are looking forward to a busy summer market.

Scotland

Alan Kennedy, MRICS, Shepherd Chartered Surveyors, alankennedy@shepherd.co.uk, Fraserburgh - Supply and demand currently in balance across most sectors of the market, though flats remain difficult to sell, as are houses requiring upgrading or renovation.

Ben Fox, MRICS, Savills, bfox@savills.com, Edinburgh - A slight hiatus with buyers waiting for interest rates to start decreasing and election result.

Craig Henderson, MRICS, Graham & Sibbald LLP, craig.henderson@g-s.co.uk, Ayrshire - We have had a very busy month, with a noticeable increase during May in the number of new Home Report instructions. There is no obvious reasons for this, but demand appears to continue to match the supply, which is positive.

Grant Robertson, FRICS, Allied Surveyors Scotland, grant.robertson@alliedsurveyorsscotland.com, Glasgow - Supply issues are easing slightly due to the unexpected delay in base rate changes driving some lending rates up from 2 months ago. Homes are staying longer on the market giving greater choice. This needs to be seen against a very low level of stock over the past few years.

Ian Morton, MRICS, Bradburne & Co, info@bradburne.co.uk, St Andrews - General election distractions have slowed an already steady market and buyers are more cautious in offering over the Home report value. Closing dates for offers have also reduced compared to last year.

Marion Currie, AssocRICS, RICS Registered Valuer, Galbraith, marion.currie@galbraithgroup.com, Dumfries & Galloway - Late spring/early summer market is encouraging. Vendors coming to market at the right price are seeing positive reaction and good results. There is a marked increase in instructions in the first 5 months of the year compared to 2023.

Thomas Baird, MRICS, Select Surveyors, thomas.baird@selectsurveyors.co.uk, Glasgow - Mortgage rate cuts particularly to the struggling BTL sector should have a positive impact on the rest of the year.

Northern Ireland

Daniel Mc Leron, FRICS, McLernon Estate Agents & Valuers., damcleron@gmail.com, Omagh - Stock levels remain low. Some new builds coming to the market.

Jonathan Dickson, , Simon Brien Residential, jdickson@simonbrien.com, Belfast - Positive market sentiment with demand still outstripping supply.

Kirby O'Connor, AssocRICS, GOC Estate Agents, kirby@gocestateagents.com, Belfast - The sales market has continued to go from strength to strength. Incredible prices and supply outstretches demand especially in period homes.

Samuel Dickey, MRICS, Simon Brien Residential, sdickey@simonbrien.com, Belfast - The sales market is getting busier with more supply but still demand is stronger.

Surveyor comments - lettings

North

Neil Foster, MRICS, Hadrian Property Partners, neil@hadrian-property.co.uk, Hexham - Might we finally be seeing a levelling off of rent increases? Demand remains ridiculously high due to the structural deficit of private rented housing stock but rent increases appear to be diminishing. Perhaps a change in the political climate might help to rebuild the supply of homes to rent?

Rodrica Straker, MRICS, Leazes Estate Office, rodrica@leazesestate.co.uk, Hexham - The confusion over the Renters Reform Bill has thrown landlords and tenants alike. The wait for a newly formed Government has been reduced, so cautious optimism with underlying concern has slowed down opportunistic movers, most enquiries are for tenants whose landlords are selling. How to predict?

Shaun Brannen, AssocRICS, Brannen & Partners, shaun.brannen@brannen-partners.co.uk, Whitley Bay & Coastal - There is still a strong demand for all rental properties, just unfortunately not enough supply to meet this.

Yorkshire & the Humber

Alex Mcneil, MRICS, Bramleys, alex.mcneil@bramleys1.co.uk, Huddersfield - There continues to be a reduction in rented stock as more landlords decide to sell. Rents remain buoyant and sustainable with more applicants than properties.

Ben Hudson, MRICS, Hudson Moody, benhudson@hudson-moody.com, York - Steadier lettings market although still a shortage of properties to rent.

Bruce Collinson, FRICS, Adair Paxton, bruce@adairpaxton.co.uk, Leeds - Shortage of stock and newbuild numbers continue to drive demand and landlords continue to review their position. The "blob" has adopted a narrative wherein the issue isn't total numbers, it's tenure. I am unconvinced that this is anything other than economic illiteracy.

David John Martindale, MRICS, F S L Estate Agents, david.martindale@fslea.com, Wakefield - Demand continues to be strong and rents continue to increase.

John Haigh, BSc MRICS FAAV, Lister Haigh Ltd, johnhaigh@listerhaigh.co.uk, Knaresborough - Remains strong, with new rental properties attracting numerous viewings.

North West

Amin Mohammed, , Le Baron Haussmann Ltd, aminm7@gmail.com, Greater Manchester - Rentals are starting to pick up but the need to be realistic due to more choice especially at the higher rental levels.

Brian John Boys, MRICS, B&E Boys Limited, john.boys@beboys.co.uk, Waterfoot Rossendale - Rental market remains strong with limited supply.

Jonathan Clayton, FRICS, JPA Surveyors, jonathan@jpasurveyors.co.uk, Lytham - Plenty of tenant demand with multiple applicants for many mid and lower priced properties.

East Midlands

Charles Ball, MRICS, Bury & Hilton, Charles@buryandhilton.co.uk, Buxton - Whilst tenant demand remains strong, Landlords selling up continues apace. The only constraint on rent levels is the local seasonal economy and the poor weather for the season to date has impacted on hours available to those working, who are seeing incomes lower than normal for this time of year.

Tony Wing, MRICS, Robert Bell & Company, tonywing@robert-bell.org, Lincoln - Demand still strong.

West Midlands

Andrew C M Oulsnam, MRICS, Oulsnam, andrew@oulznam.net, Birmingham - There are very low levels of new instructions with landlords leaving the rental market in droves. Good quality rental homes are snapped up by tenants.

Cheryl La, AssocRICS, , cheryl.la@cwsurveyors.co.uk, Wolverhampton - No changes from last time.

Colin Townsend, MRICS, John Goodwin, colin@johngoodwin.co.uk, Malvern - The rental market is much the same as it has been for the last twelve months. High demand, short supply and rents rising.

Graham Boardman, MRICS, Graham Boardman & Co, graham-boardman@btconnect.com, Solihull - Landlords are selling property in Council Licensing Schemes as soon as opportunities arise.

James Butterfield, MRICS, Evenbrook, james.b@evenbrook.co.uk, Birmingham - More supply returning to the market giving tenants more choice. Expect to see rental growth slowing.

Jason Coombes Asscorics, RICS Registered Valuer, Cottons Chartered Surveyors, jcoombes@cottons.co.uk, Birmingham - Rental supply isn't growing, perpetuating the 'perfect storm' for rental prices; increased demand, reduced supply and a necessity for landlords to cover their increased costs. As a result of this, we are seeing tenants struggling to cover rents and having to sacrifice on other essentials.

John Shepherd, , ShepherdVine, john@shepmsn.couk, Solihull - General Election.

Richard Franklin, MRICS, Franklin Gallimore Ltd, richard@franklingallimore.co.uk, Tenbury Wells - Landlords are being particularly selective with a small pool of property available - meaning many good applicants are finding it very difficult to find accommodation. Action is required to properly fund private rented sector rather than Councils pay for expensive temporary accommodation.

East Anglia

David Boyden, MRICS, Boydens Ltd, david.boyden@boydens.co.uk, Colchester - Another month of positive results, lots of new landlord enquiries. Rents remaining the same rather than the previous high rates of increase, however the market is slow to react with lots of high rents remaining for those on the market.

South East

David Parish, FRICS, Gates, Parish & Co, professional@gates-parish.co.uk, Upminster - There is a shortage of rented accommodation at present. However, the intention of the Government not to proceed with the abolition of Section 21 Notices will be of some consolation to landlords who may now decide to continue letting rather than selling.

James Farrance, MNAEA, FARLA, Braxton, jfarrance@braxtons.co.uk, Maidenhead - Demand still outweighing supply.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frost-surveyors.co.uk, Feltham - Still an active letting market but needs to be priced right as there is some resistance from renters due to affordability.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frostsurveyors.co.uk, Beaconsfield, Buckinghamshire. - Noticeable shift in applicant registration and affordability. Far fewer enquiries than we had been seeing. For the first time in over a year, we are having to reduce property prices especially larger houses which is strange for this time of year as usually busy with the school market.

John Frost, MRICS, The Frost Partnership, jf.beaconsfield@frost-surveyors.co.uk, Ashford - The negotiating 'balance' between the Landlord and Tenant is becoming more balanced and previously achieved rents in some cases can not now be obtained in the marketplace.

Michael Brooker, FRICS, Michael Brooker Estate Agents, michael@michaelbrooker.co.uk, Crowborough - Lack of supply high demand. Rental levels probably peaked for now.

South West

Howard Davis, MRICS, , howard@howard-homes.co.uk, Bristol - Demand from tenants still very high for 1 and 2 bedroom flats in the central districts as so many are looking at selling their portfolios.

Marcus Arundell, MRICS, HomeLets, marcus@homeletsbath.co.uk, Bath - Continued robust applicant demand with pressure on supply, albeit easing. Landlord disposals beginning to tail off and investor sentiment steady. Near term election cycle seemingly weighing on legislation progress.

Simon Cooper, FRICS, Stags, s.cooper@stags.co.uk, Wellington - Tenant demand remains strong with the lack of supply means that prices are still edging up. Good quality property will always meet with good demand with a selection of quality tenants to chose from.

Wales

Anthony Filice, FRICS, Kelvin Francis Ltd., tony@kelvinfrancis.com, Cardiff - Tenants now have more choice, so Landlords are negotiating on rents. Portfolios are still reducing, with Landlords selling up because of the increasing amount of regulation, encouraged by anti-landlord sentiment from some quarters.

David Cook, MRICS, retired, dave.bern@btinternet.com, Caerphilly - General election pledges supporting tenants are concerning.

Paul Lucas, FRICS, R.K.Lucas & Son, paul@rkluccas.co.uk, Haverfordwest - Rental properties are still in high demand.

Tim Goodwin, AssocRICS, Williams & Goodwin The Property People, tim@tppuk.com, Gwynedd - Landlords continue to leave the market due to fear of bureaucratic controls and tenant demand remains extremely strong resulting in higher rents and numerous applicants desperate for the same property.

London

Allan Fuller, FRICS, Allan Fuller Estate Agents, allan@allanfuller.co.uk, London - Tenant demand still strong, stock levels low and landlords leaving the market concerns about change of government, we need them to be encouraged so more stock is available and that will reduce rents, it's all about supply and demand!

David Edward Harding, MRICS, cubit consulting limited, david.harding@cubitconsulting.co.uk, London - With the increase in demand, there has been a deterioration in the quality of tenants who are not passing rent insurance enquiries.

David Parris, AssocRICS, Fraser & Co, davidaparris@gmail.com, London - Steady but remaining strong.

Javier Lauret, MRICS, Hurford Salvi Carr, javier.lauret@h-s-c.co.uk, London - Market is turning around and rents starting to come down due more lettings stock available.

Jeremy Leaf, FRICS, Jeremy Leaf & Co, jeremy@jeremyleaf.co.uk, Finchley - We might have expected the fall in letting instructions would support higher rents but the reverse is true. The quantity and quality of tenants has reduced too as continuing concerns about the cost of living and affordability remain.

Jilly Bland, , Robert Holmes & Co, jilly@robertholmes.co.uk, Wimbledon London - The Lettings market remains static and budgets are conservative - there is more activity in the pipeline but it is a cautious and turbulent time.

John King, FRICS, ANDREW SCOTT ROBERTSON, jking@as-r.co.uk, L.B.Merton - High demand for 1/2 beds is driving up enquires while family sized houses struggle to achieve asking rents.

John King, FRICS, ANDREW SCOTT ROBERTSON, jking@as-r.co.uk, Wimbledon - Stock levels are improving in the family house sector while the high demand for 1/2 bed apartments remains.

Marcus Goodwille, MRICS, Savills Plc, marcus.goodwille@savills.com, Prime London - Demand remains strong but with more stock, tenants now have more choice. We expect rents to increase over 2024 but at a slower pace than recent years. However, the general election casts uncertainty over the rental market.

Mark Wilson, MRICS, Globe Apartments, mark@globeapt.com, London - Quiet market with static rents and lower levels of demand. Still lots of renewals with rent increases. Expecting some international students over the coming months to bolster demand.

Rupert Merrison, RICS, Dexters, rupertmerrison@dexters.co.uk, London - Summer is traditionally the busiest time of the year for the lettings and this year is no different. There are more property available than this time last year but plenty of good quality tenants as well. Like the sales market, we're looking ahead to a busy summer.

Will Barnes Yallowley, AssocRICS, Tate Residential, will@tateresidential.co.uk, Kensington - Affordability is having an impact but the shortage of properties is still noticeable.

Scotland

Carolyn Davies, MRICS, Savills, cmadavies@savills.com, Dumfries - Continued lack of supply of property continues to push rents ever higher in an area where demand is far outweighing supply, and where rents still tend to be lower than UK average. Continue to see applicants from outwith the area only looking at property as the rent is more affordable.

Craig Henderson, MRICS, Graham & Sibbald LLP, craig.henderson@g-s.co.uk, Ayrshire - There are still challenges in this sector, and we continue to see landlords exit the market, citing rent controls measures on top of everything else is the final straw for them. I expect to see this continue and will result in a significant shortage supply of rented homes.

Grant Robertson, FRICS, Allied Surveyors Scotland, grant.robertson@alliedsurveyorsscotland.com, Glasgow - It's the same story of recent times. Landlords leaving or not entering the BTL market. New BTR schemes being delayed and even without Partrick Harvie the Scot Gov refusing to see sense and drop the ill conceived and poorly formed Housing Bill and listen to industry experts and help the market.

Ian Morton, MRICS, Bradburne & Co, info@bradburne.co.uk, St Andrews - Demand from tenants continues with a lack of suitable properties available to let. Rent increases continue after some relaxation of government controls in the spring.

Paul Letley, FRICS, Pavillion Properties Limited, paul@pavillion-properties.com, Dundee - The Rent Cap in the Cost of Living Bill has ended and rents are being out up where possible to a near market level. Dundee continues to have a shortage of quality 1 and 2 bedroom flats which is pushing rents up. Tenants with resources go for quality flats and avoiding dated poorly furnished flats.

Northern Ireland

Kirby O'Connor, AssocRICS, GOC Estate Agents, kirby@gocestateagents.com, Belfast - Rental market strong, not enough stock for the demand. All students properties let very early this year.

Samuel Dickey, MRICS, Simon Brien Residential, sdickey@simon-brien.com, Belfast - Rentals are in high demand as always.

Contacts

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Access to the data is available via a paid subscription. Redistributing/recreating the underlying survey data is prohibited without the permission of RICS.

All subscription enquiries to: economics@rics.org

Silver package: POA

Housing and lettings market data (excluding questions 6, 7, 13, 17, 18 and 19)

Gold package: POA

Housing market and lettings market data package (questions 1-18). This is the complete data set excluding the bedroom breakdown and question 19.

Platinum package: POA

Housing market and lettings market data (questions 1-19). This is the complete data set including the bedroom breakdown for questions 6-7 and 17-18.

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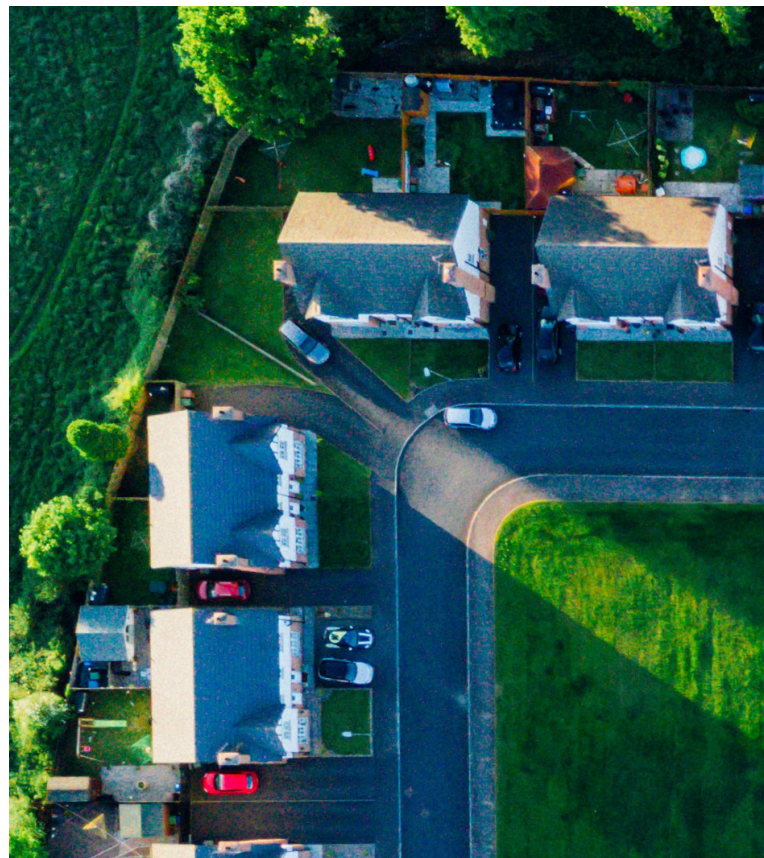
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