



ECONOMICS



UK Residential Market Survey

July 2024

ECONOMICS

Buyer demand steady over the month while the near-term outlook appears to be brightening

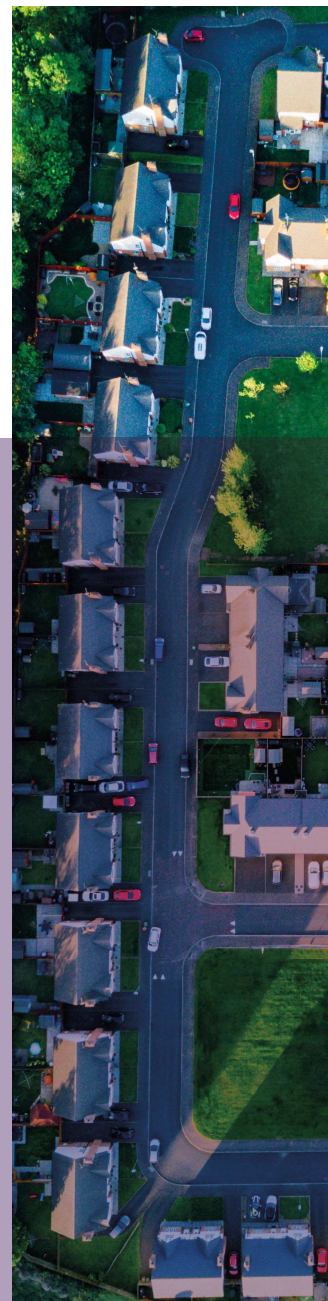
- New buyer enquiries and agreed sales both hold steady in July
- Respondents increasingly anticipate market activity will gain momentum in the months ahead
- National house price indicator remains negative but near-term expectations strengthen slightly

The July 2024 RICS Residential Survey results signal a largely stable trend in market activity, with some of the negativity found previously diminishing slightly. Moreover, likely supported by the modest easing in mortgage interest rates in recent weeks, respondents do now anticipate a meaningful pick-up in sales volumes moving forward.

At the national level, the new buyer enquiries indicator posted a net balance of +2% in July, up from -6% last time. Importantly, this is the first reading in four months that has been outside of negative territory. Even so, the latest figure is still only signalling a broadly stable trend in demand at present, rather than a genuine upturn.

Looking at agreed sales, the July net balance of -2% marks a slight improvement compared to the more downbeat readings of -13% and -6% posted in May and June respectively. Furthermore, respondents appear to be gaining confidence with respect to the prospects for sales activity moving forward. Indeed, a net balance of +30% of survey participants now foresee sales rising over the coming three months. This is up from a net balance of +22% beforehand and marks the strongest reading for the near-term sales expectations series since January 2020. At the twelve-month time horizon, a net balance of +45% of respondents anticipate an increase in sales activity, up slightly from 40% in the June survey.

On the supply front, the new instructions indicator returned a net balance of +2% this month, signalling a broadly flat trend. Similarly, the headline measure of market appraisals is also consistent with a generally stable picture, posting a net balance reading of +1% (unchanged from the previous iteration of the survey).



Meanwhile, the headline measure capturing changes in house prices registered a net balance reading of -19% this month, marginally more negative than -17% last time. When disaggregated, virtually all regions across England exhibit flat or negative net balances for the house price series, with particularly weak readings coming through in East Anglia and Yorkshire & the Humber. Continuing to go against this broader picture however, both Scotland and Northern Ireland once again saw upward moves in house prices according to survey feedback.

Interestingly, the net balance for near-term price expectations (at the headline level) came in at +9% this month, up slightly from +6% in June. Although the latest reading is only marginally in expansionary territory, it does represent the strongest sentiment for the near-term price outlook since April 2022. From a twelve-month perspective, a net balance of +46% of respondents expect prices to be higher in a year's time (slightly up on a reading of +41% seen last month). When broken down, all parts of the UK are anticipated to see some pick-up in house prices over the year ahead, with expectations particularly elevated in Northern Ireland, the East Midlands and London.

In the rental market, tenant demand rose modestly according to a net balance of +18% of respondents (part of the seasonally adjusted quarterly lettings dataset). That said, tenant demand growth appears to have softened of late, with the latest net balance noticeably more moderate than the average of +32% seen over the past twelve months.

Alongside this, the new landlord instructions series returned a net balance reading of -16%, which once again suggests the flow of listings coming onto the rental market is deteriorating. Looking ahead, a net balance of +33% of contributors envisage rental prices rising over the coming three months. Although this measure remains indicative of rents remaining on an upward trajectory, the latest readings are the least elevated for the rental expectations metric since Q1 2021.



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:

August survey: 12 September
September survey: 10 October

Number of responses to this month's survey:

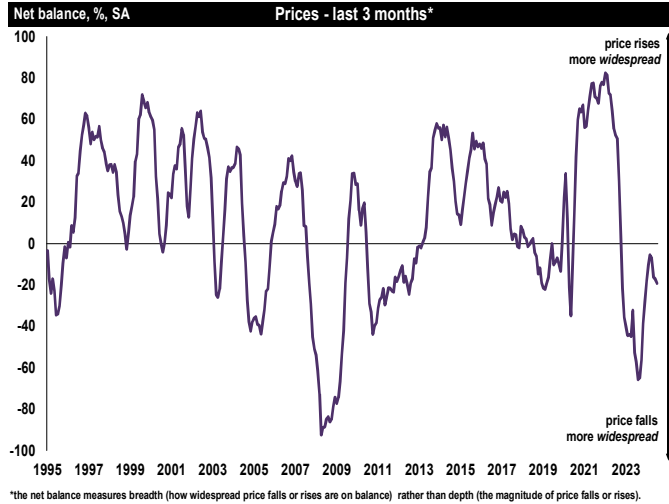
This survey sample covers 350 branches coming from 227 responses.

Disclaimer

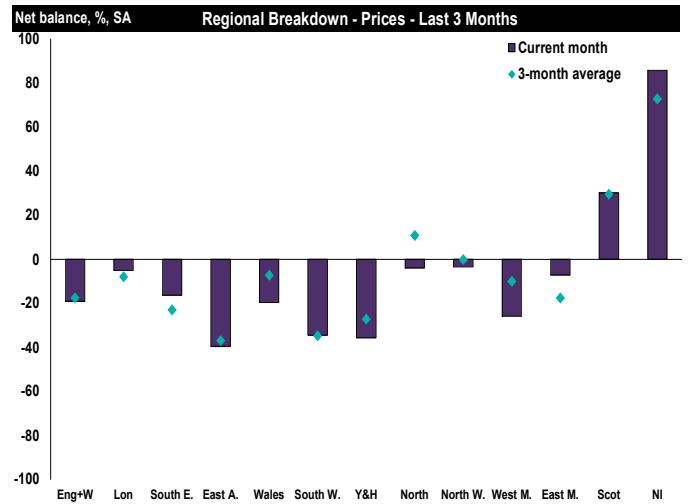
This document is intended as a means for debate and discussion and should not be relied on as legal or professional advice. Whilst every reasonable effort has been made to ensure the accuracy of the contents, no warranty is made with regard to that content. Data, information or any other material may not be accurate and there may be other more recent material elsewhere. RICS will have no responsibility for any errors or omissions. RICS recommends you seek professional, legal or technical advice where necessary. RICS cannot accept any liability for any loss or damage suffered by any person as a result of the editorial content, or by any person acting or refraining to act as a result of the material included. All material appearing in this work ("content") is protected by copyright under Copyright laws and is the property of RICS. You may not copy, reproduce, distribute, publish, display, perform, modify, create derivative works, transmit, or in any way exploit any such content, nor may you distribute any part of this content over any network, including a local area network, sell or offer it for sale, or use such content to construct any kind of database. You may not alter or remove any copyright or other notice from copies of the content. You are permitted to use this work for your personal use only. Any unauthorised act in relation to the content may result in civil or criminal actions. All rights reserved.

Sales market charts

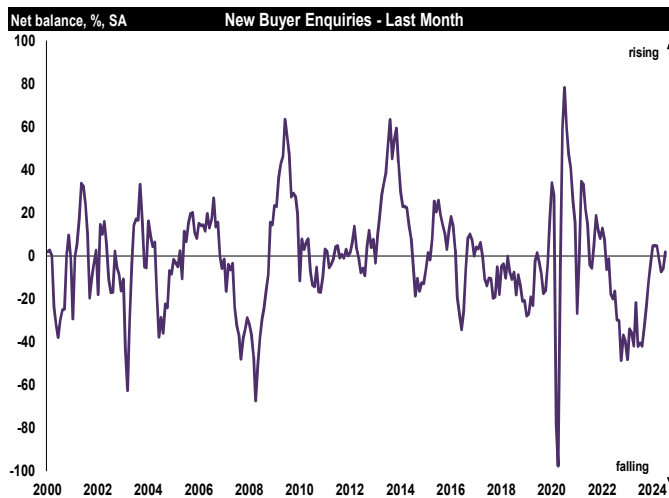
National Prices - Past three months



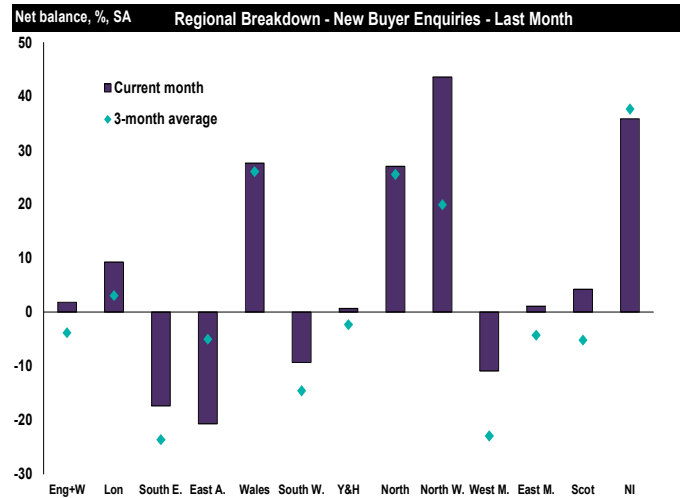
Regional Prices - Past three months



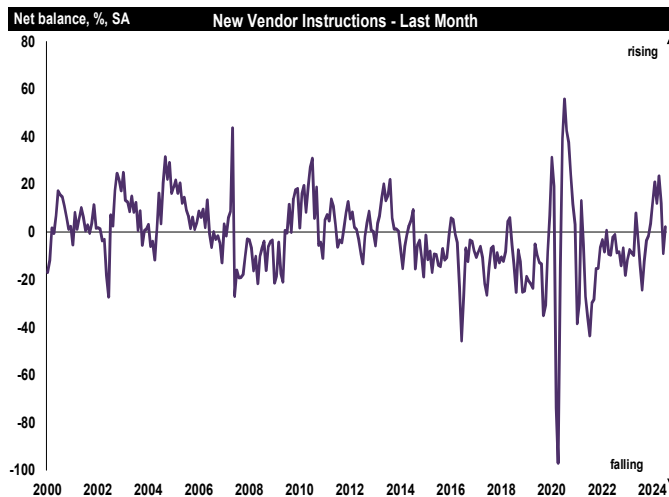
National Enquiries - Past month



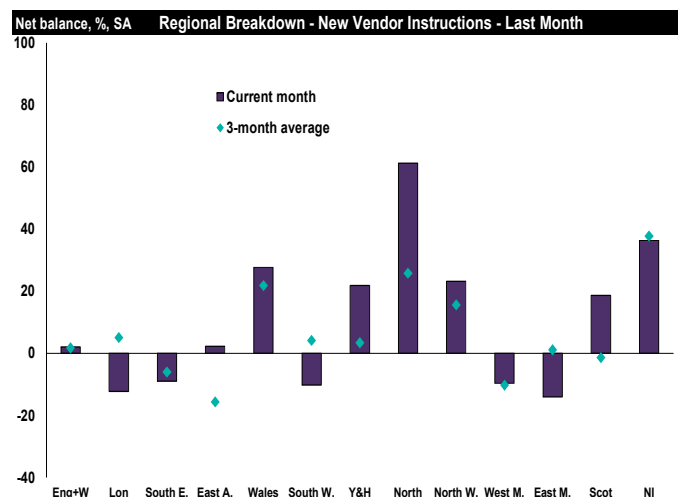
Regional New Buyer Enquiries - Past month



National New Vendor Instructions - Past month

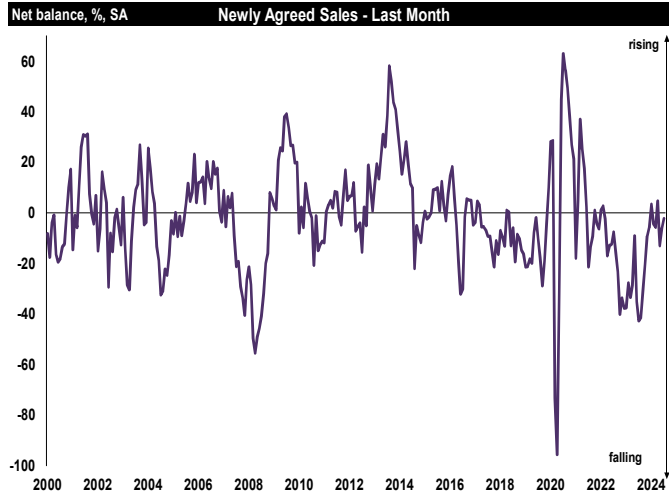


Regional New Vendor Instructions - Past month

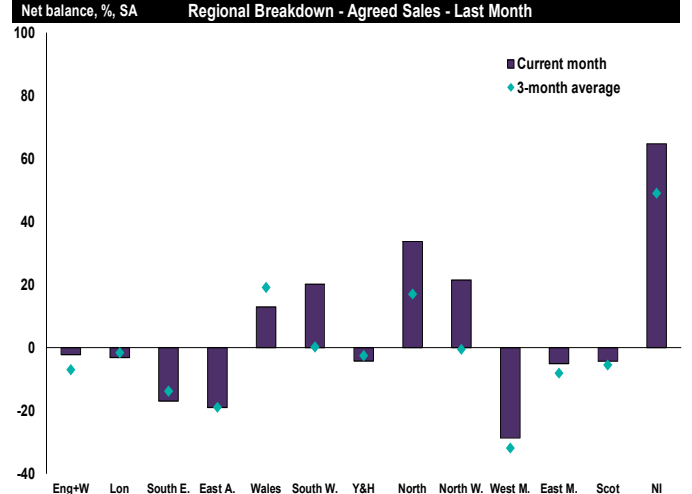


Sales market charts

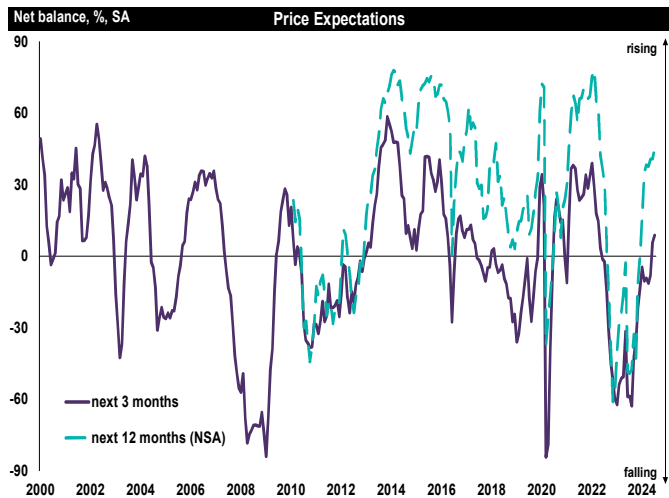
National Newly Agreed Sales - Past month



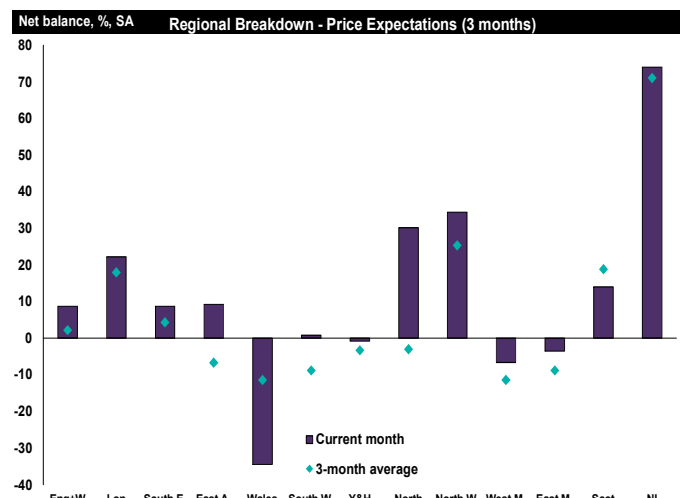
Regional Newly Agreed Sales - Past month



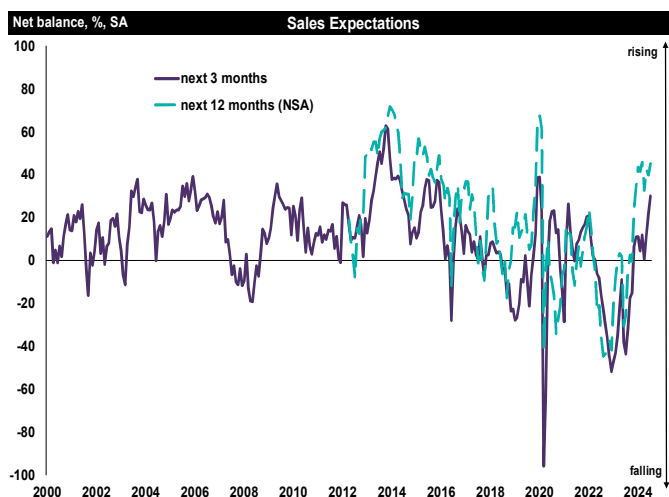
National Price Expectations - Three and twelve month expectations



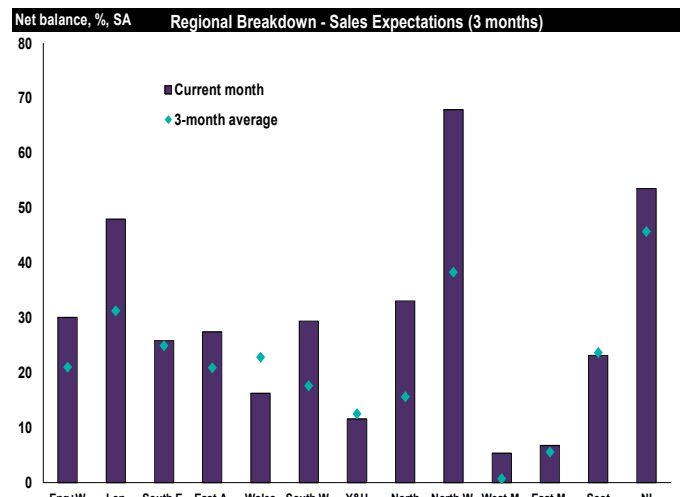
Regional Price Expectations - Next three months



National Sales Expectations - Three and twelve month expectations

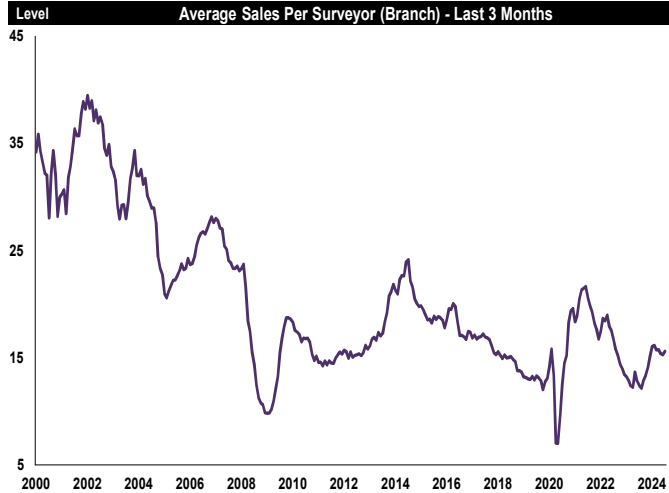


Regional Sales Expectations - Next three months

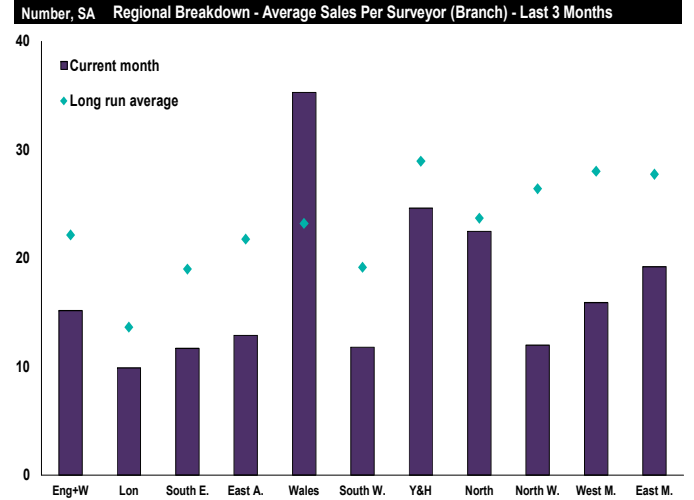


Sales market charts

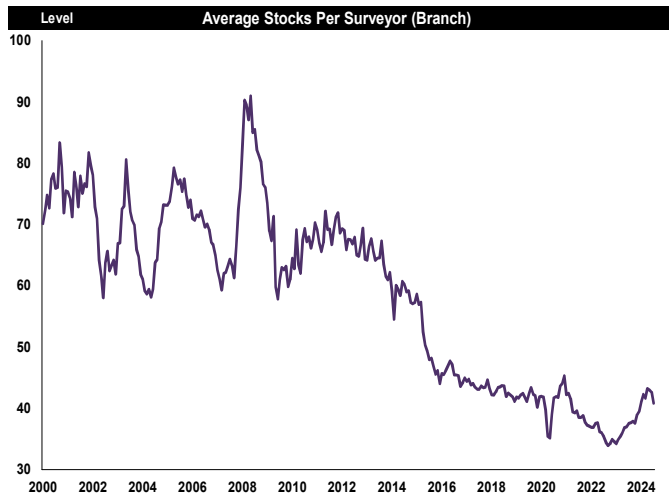
National Average Sales Per Surveyor - Past three months



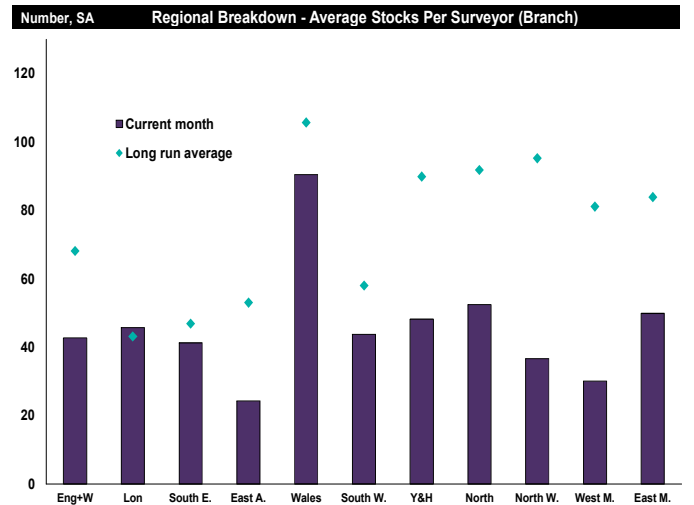
Regional Average Sales Per Surveyor - Past three months



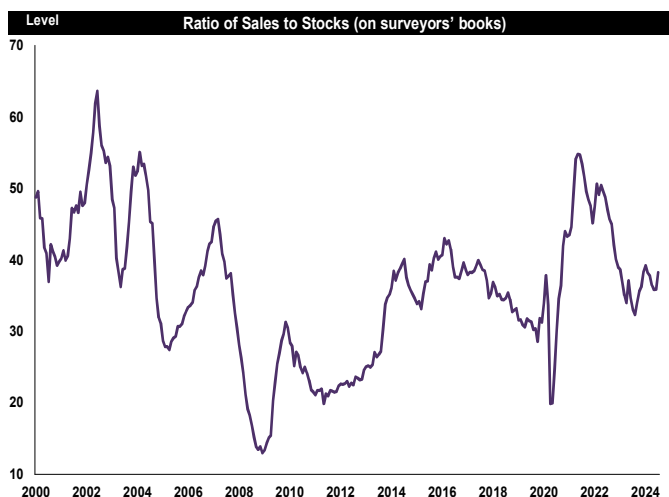
National Average Stocks Per Surveyor



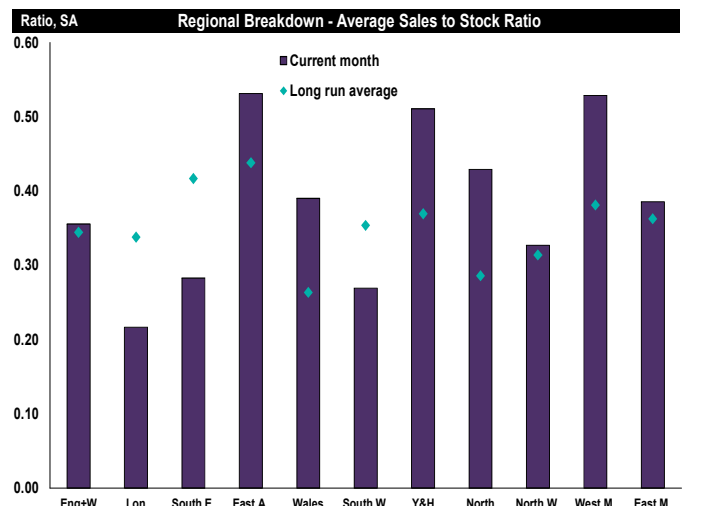
Regional Average Stock Per Surveyor



National Sales to Stock Ratio

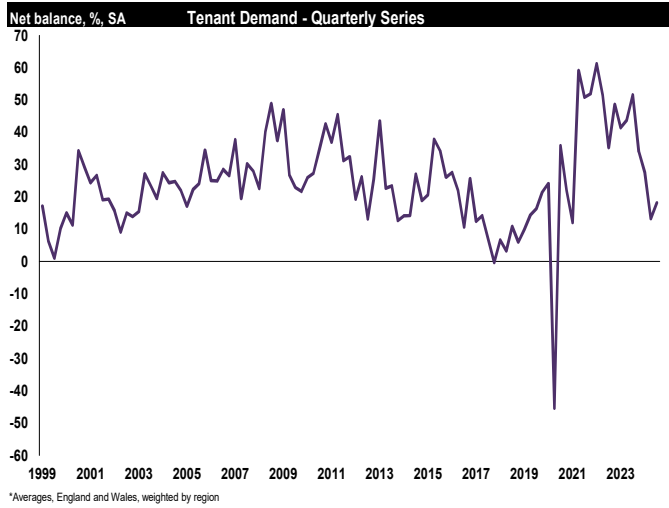


Regional Sales to Stock Ratio

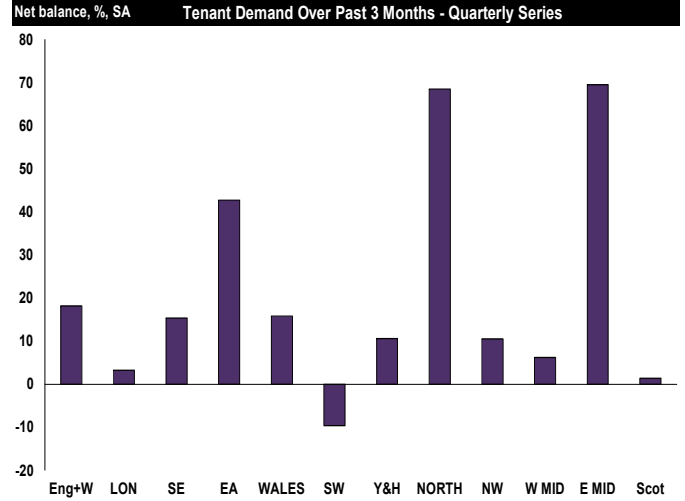


Lettings market charts

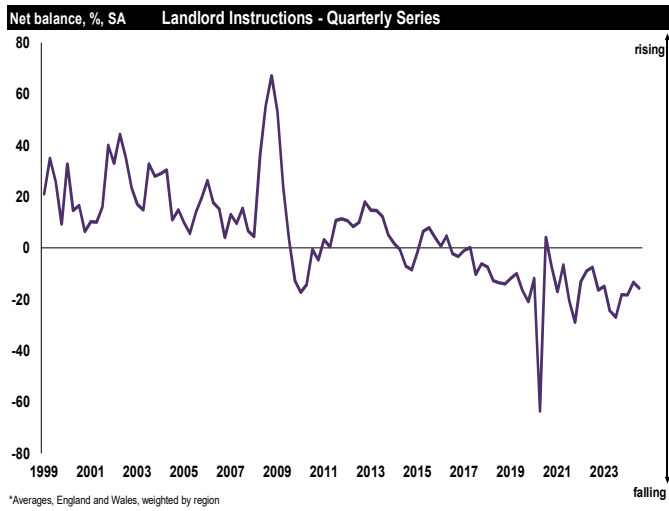
National Tenant Demand - Past three months



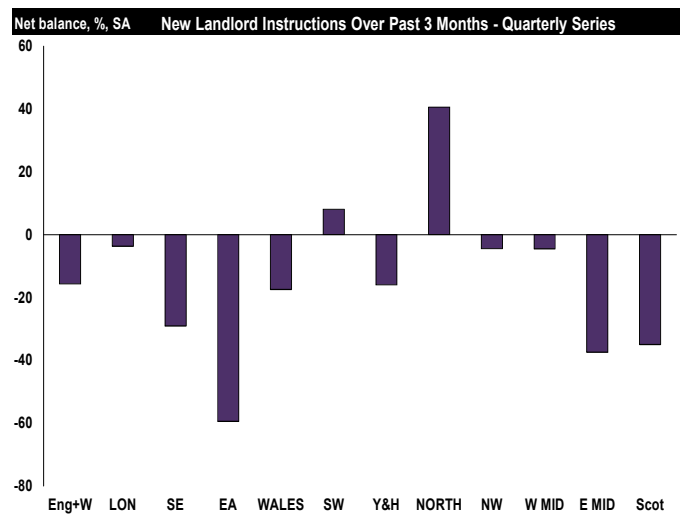
Regional Tenant Demand - Past three months



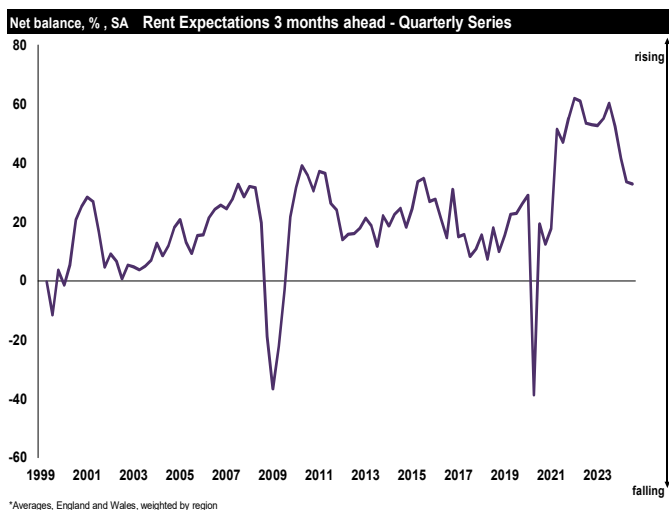
National New Landlord Instructions - Past three months



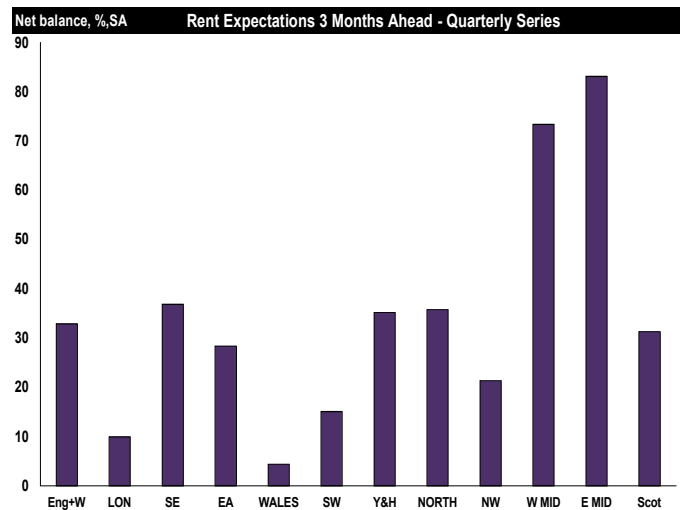
Regional New Landlord Instructions - Past three months



National Rent Expectations - Next three months

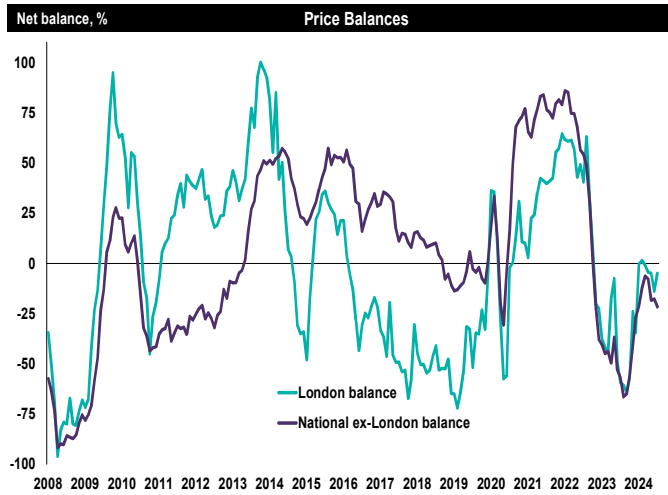


Regional Rent Expectations - Next three months

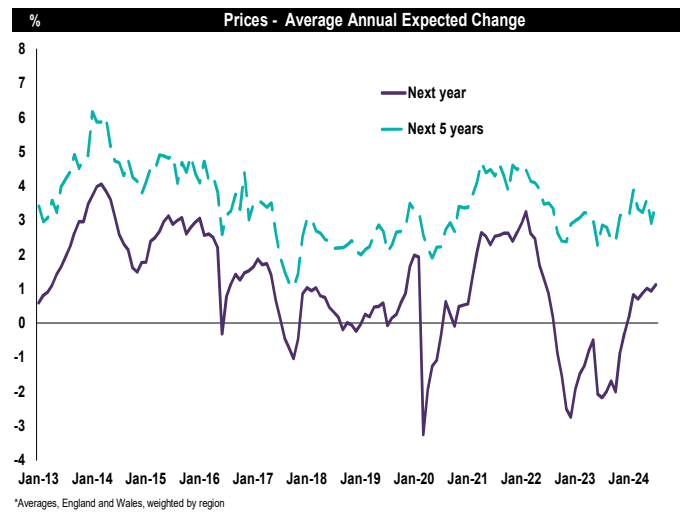


Expectations and other data

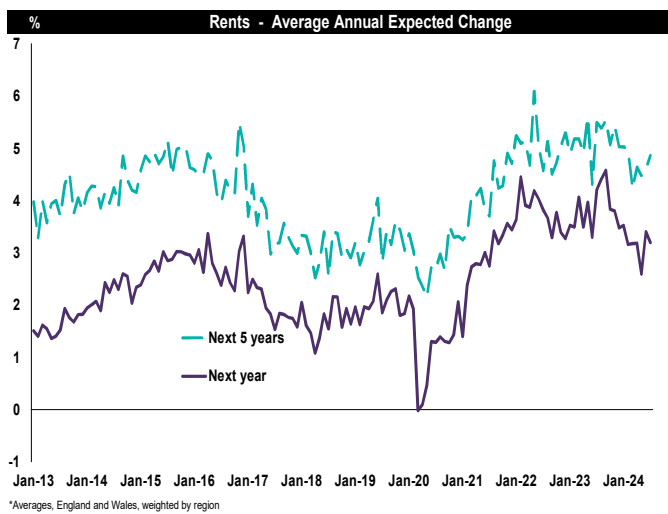
National Price Balance (excluding London) and London Price Balance - Past three months



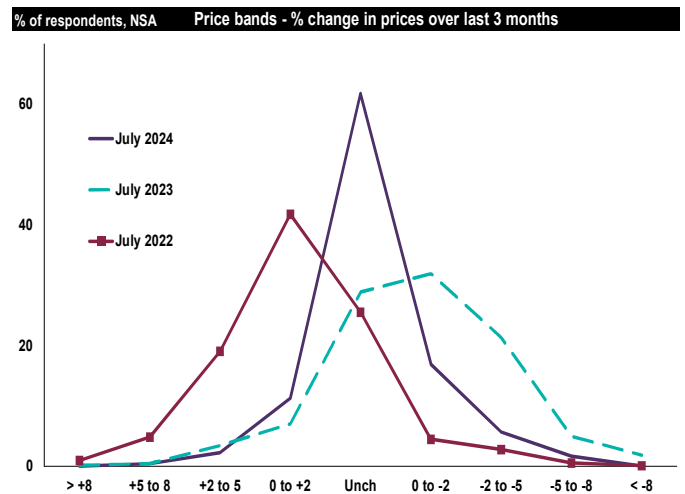
National Average Annual Expected Price Change (point estimate) - Next one and five years



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



Price Bands - Past three months



Surveyor comments - Sales

North

David Shaun Brannen, AssocRICS, Brannen & Partners, shaun.brannen@brannen-partners.co.uk, Whitley Bay & Coastal - There appears more positivity surrounding the property industry post election so one hopes this translates to a continued strong market.

Keith Pattinson, FRICS, Keith Pattinson Ltd, keith.pattinson@pattinson.co.uk, Newcastle Upon Tyne - Quick way to increase supply would be to allow all caravan sites to operate whole year, as caravans/lodges insulated better than houses. Owners selling their current house to move to holiday park increases supply, more properties for sale will slow price rises, making houses more affordable..more ideas!

Neil Foster, MRICS, Hadrian Property Partners, neil@hadrianproperty.co.uk, Hexham - Stock availability in prime locations continues to lag behind demand but sale fall throughs and renegotiation appear to be on the rise. The fiscal policy of the new Government could have indirect but dramatic consequences for the housing market.

Simon Hobbs, MRICS, London & City Estates Ltd, simonh@londonandcity.co.uk, Newcastle - Downsizing is fuelling the market.

Yorkshire & the Humber

Alex Mcneil, MRICS, Bramleys, alex.mcneil@bramleys1.co.uk, Huddersfield - There continues to be a low level of market activity. Stock levels are slowly increasing. The market could do with a kickstart to improve confidence.

Ben Hudson, MRICS, Hudson Moody, benhudson@hudsonmoody.com, York - A more traditional summer market with steady interest in properties when priced correctly .

Bruce Collinson, FRICS, Adair Paxton, bruce@adairpaxton.co.uk, Leeds - Generally, still sluggish. Properties continue to be over-priced with mid-range stock attracting lower offers and mortgages still problematic. In City Centre sales there is a discernible shift away from leaseholds, whereas in Harehills (of recent note) modest freehold houses have gone well.

James Brown, MRICS, Norman F Brown, belindandjames@hotmail.co.uk, Richmond - Post election, I haven't seen any change in the way that the market has performed.

James Watts, MRICS, R Watts Ltd t/a Robert Watts Estate Agents, jameswatts@robertwatts.co.uk, Cleckheaton - Post election sentiment, sales and confidence are generally bullish. Stock levels are still relatively low but buyers are more relaxed that interest rates may fall soon and with rents rising due to lack of stock, sales at the lower to middle end of the market up to £300,000 are buoyant.

John Haigh, BSc MRICS FAAV, Lister Haigh, johnhaigh@listerhaigh.co.uk, Knaresborough - With the pending government changes to legislation for landlords, I believe many landlords are choosing to sell their properties, so more properties are coming to market alongside new builds. Inevitably, this is leading to a downward trend on sale price.

Kenneth Bird, MRICS, Renton & Parr, ken@rentonandparr.co.uk, Wetherby - Steady market on all fronts. Today's interest rate reduction could encourage those sellers that have sat on the fence to now make their move.

Robert John Newton-Howes, MRICS, Yorkshire Surveyors Limited, robert@yorkshiresurveyors.com, Slaithwaite, Huddersfield - Increasing evidence of landlords exiting the market, which accounts for a large proportion of new sales instructions.

North West

Champsurv Surveyors, MRICS & Registered Valuer, CHAMPSURV, championdavid@ymail.com, Blackpool, Fylde Coast, Preston, Lancaster & Southport - Since the general election, there has been some apprehension in the market and agreed prices lower than asking price in most cases. Recent interest rate cut may jolt some purchaser to commit now.

John Williams, FRICS MEWI, Brennan Ayre O'Neill LLP, john@b-a-o.com, Wirral - Market indicators continuing to show an encouraging upward trend whilst the modest interest rate cut is likely to further improve sentiment.

Lawrence Grant Copeland, FRICS, Elbonmill Limited T/A Lawrence Copeland, lawrence@lawrencecopeland.com, Manchester City Centre, Salford Quays And Suburbs - Activity has slowed due to annual holidays. Market active up to £300,000 but after that interest rates need to drop and issues with high service charges and doubling ground rents, cladding issues etc

Robert Keith Dalrymple, FRICS, Keith Dalrymple Chartered Surveyor, keith.dalrymple@outlook.com, Isle Of Man - The Island's market is expecting increased confidence following the recent U.K. General Election.

East Midlands

Stephen Gadsby, BSc FRICS, Gadsby Nichols, stephagadsby@gadsbynichols.co.uk, Derby - Fairly static market but realistically priced properties will still attract interest and sell.

Tom Wilson, MRICS, King West, twilson@kingwest.co.uk, Stamford - With the dust settling on recent General Election white noise, the market appears encouraged. Inflation numbers might just encourage the BoE to tweak interest rates near term, which is sure to encourage buyers still further.

West Midlands

Alex Smith, FRICS, ALEX SMITH & COMPANY, alex@alex-smith.co.uk, Birmingham - Mortgage rate dependent.

Andrew C M Oulsnam, MRICS, Oulsnam, andrew@oulznam.net, Birmingham - The housing market fell during the election both in terms of sales and new instructions and has not picked up at all in July. We expect to see an improvement on the back of today's interest rate reduction.

Cheryl La, AssocRICS, , cheryl.la@cwsurveyors.co.uk, Wolverhampton - In the last few months, the housing market was caught in the crossfire of general election and economic uncertainty. Today, the BoE has lowered the interest rates, there will be war in the mortgage market!

Colin Townsend, MRICS, John Goodwin, colin@johngoodwin.co.uk, Malvern - Not a bad month. The market remains very resilient with a big rise in sales achieved.

Johnshepherd, , ShepherdVine, john@shepman.co.uk, Solihull - The election and now summer holidays.

Mark Turner, Godfrey-Payton, mark.turner@godfrey-payton.co.uk, Warwick - Interest rate drop today will help market activity.

Nick Millinchip, MRICS, Phipps & Pritchard, nmillinchip@phippsandpritchard.co.uk, Stourport On Severn - The market remains very flat. Sales are still being agreed but typically below already keen asking prices, due to limited competition to purchase. I feel that many are watching and waiting to see what happens with interest rates. All eyes on Threadneedle Street come 1 August 2024.

Richard Franklin, MRICS, Franklin Gallimore Ltd, sales@franklingallimore.co.uk, Tenbury Wells - The market activity has been buoyed post-election with a particular interest locally in market town property rather than rural and bungalows highly sought. Encouraging signs of higher volumes not helped by unhelpful lenders, who seem to introduce new reasons for not lending every week!

East Anglia

David Boyden, MRICS, Boydens Ltd, david.boyden@boydens.co.uk, Colchester - A good positive start following post election, with promising new sales agreed and a general positive feeling amongst buyers and sellers, looking forward to a busy autumn.

Kevin Burt-Gray, MRICS, Pocock + Shaw, kevin@pocock.co.uk, Cambridge - Reasonably busy last 3 months but quietening as we go into the school summer holiday period.

Mark Wood, MRICS, Blues Property Ltd, mark@bluesproperty.com, Cambridge - Less buyers around, those who are in the market to purchase are negotiating hard to get a deal. School holiday periods in a buoyant market have no effect but in slow market conditions, they give potential purchasers a break and the ability to wait and see if interest rates start to fall.

South East

Damian Bartram, , Bartrams, damian@bartrams.co.uk, Beaconsfield - With a new Labour government & Bank of England rates remaining the same, there has been little visual impact, incentives or confidence to kick start the market, more re-adjustments of asking prices. Some positive mortgage news with fixed rates but unlikely to see anything until Autumn budget.

David Parish, FRICS, Gates Parish & Co, professional@gates-parish.co.uk, Upminster - The market is a little quiet due to the holiday period. However, the recent reduction in interest rates is likely to help the market and we expect more activity in September. Sellers are becoming more amenable to accepting offers below the asking price.

Edward Rook, MRICS, Knight Frank, edward.rook@knightfrank.com, Sevenoaks - All eyes on a potential rate cut.

Eoin Hill, MRICS, SDLsurveying, eoin.hill@talk21.com, Newbury - Pricing is paramount & market remains subdued but patchy.

James Farrance, MNAEA, FARLA, WD Braxton Limited, jfarrance@braxtons.co.uk, Maidenhead - Market generally active across whole market range.

James Goodman, MRICS, Green & Co., james.goodman@greenand.co.uk, Wantage - Market stalling due to GE and summer holidays, September and BoF rate reductions will be key to the rest of the year.

Martin Allen, MRICS, Elgars, m.allen@elgars.uk.com, Wingham, Canterbury - A rush of interest after the election but now quiet for the summer holidays.

Paul Loveridge, FRICS, The Frost Partnership, loveridges@ntlworld.com, Reading - Uncertainty remains in the market as it is not yet known what Government measures will be.

Paul Lynch, AssocRICS, First for Auctions, part of the LRG, plynch@firstforauctions.co.uk, Wokingham - Very busy auction sale in July for us, second largest of the year, competitively priced properties attracting high levels of interest and bidding well in excess of guide prices.

Sean Steer, MRICS, Brian Gale Surveyors, sean@briangalesurveyors.com, Reigate, Surrey - Activity has been steady with order numbers similar to last year but with the general election behind us and the anticipated drop in interest rates we expect activity and prices to rise in the second quarter of the year.

Stan Shaw, AssocRICS, Registered Valuer, Mervyn Smith & Co, stan@mervynsmith.co.uk, Ham, Surrey, Between Richmond And Kingston - Definitely a post-election upswing in activity now supported by an interest rate cut. So far, it's translating into more sales rather than increased prices but that might follow.

Tim Green, FRICS, Green & Co.(Oxford) Ltd, tim.green@greenand.co.uk, South Oxfordshire - The market continues to tick along on low volumes while the wait for some confidence to return continues. There may be larger numbers waiting in the wings but few have been brave enough to step out since the general election yet.

Trevor Brown, FRICS, Trevor Brown Surveyors Ltd, tbrownsurveyors@btinternet.com, Southend-On-Sea - Prices have stabilized during the 'best selling period' but this is now almost over - the number of completed transactions is relatively low, interest rates remain high, prices may fall slightly during the rest of the year, competitive pricing is essential.

South West

David J Robinson, AssocRICS, David J Robinson Estate Agents & Auctioneers, david@djrestateagents.co.uk, Cornwall, West Devon & Torridge - Much improved market conditions up till Election Day then a pause for consideration as to what next tax target will be by new Govt. Deals being struck but biggest issue is time taken to exchange contracts on agreed sales- too much time for buyers to pull out if spooked by media comment.

Howard Davis, MRICS, , howard@howard-homes.co.uk, Bristol - A cautious sales market with all eyes on interest rate changes. Steady increase of landlords selling all or part of their portfolios.

Ian Mcnaught Davis, FRICS, Avon Construction Services Ltd, office@avonconstruction.co.uk, Malmesbury/Cirencester - Sluggish but expecting to improve.

James Wilson, MRICS, Jackson-Stops, james.wilson@jackson-stops.co.uk, Shaftesbury - The market appears to lack direction with limited numbers of viewings, although we have seen an increase in deals

Jeff Cole, MRICS, Cole Rayment & White, jeff.cole@crw.co.uk, Wadebridge - The market continues to be tough. We are still agreeing sales but transactions are taking longer than ever leading to frustrations. The election definitely had an effect & although sales have improved since we are now in Cornwall's peak holiday season which can also affect the market.

John Corben, FRICS FCABE, Corbens, john@corbens.co.uk, Swanage - The situation remains very subdued with lots coming to the market but few genuine buyers. Hopefully, with a fall in interest rates this will stimulate demand.

John Doody, FRICS, John S Doody FRICS, johndoody@msn.com, Gloucestershire - Awaiting effect of government changes.

John Woolley, FRICS, john woolley ltd, john@johnwoolleyltd.co.uk, Salisbury - We wait to see the impact of the change in Government.

Julian Bunkall, FRICS, JSS Professional Services z(Dorchester) Ltd, julian.bunkall@jackson-stops.co.uk, Dorchester / Bridport/ Sherborne - With the reduction of interest rates and the impact of the General Election receding, the market should revive in all sectors.

Mark Lewis, FRICS, Symonds & Sampson, mlewis@symondsandsampson.co.uk, Dorset - Some buyers seem to be very keen and excited to buy but the longer the sale goes on interest wanes and the sale falls through. The reasons are varied, most spurious. It remains a fragile market so we are not boycotting any buyer however badly they behave!

Nicholas Jonathan King, MRICS, The Hills Group, nick.king@hills-group.co.uk, Swindon - Slow but steady.

Robert Cooney, FRICS, RJC Estates Ltd, robert@robertcooney.co.uk, Taunton - Given a General Election and change of government, July has been remarkably resilient with higher than average levels of sales being agreed, although Viewings and Instruction levels did fall during this period.

Roger Punch, FRICS, Marchand Petit, roger.punch@marchandpetit.co.uk, South Devon - The expected pause over the pre-Election period was not as pronounced as predicted, due to the strong expectation of the outcome. A significant feature, though, was the continued climb in fresh instructions which will, therefore, require competitive pricing to affect sales.

Simon Lord, AssocRICS, Simon Lord Property Group, simon.lord@exp.uk.com, Bath - With pre-election uncertainty removed, and with BoE reducing rate 1st August, I see measured growth in buyer appetite and confidence and forecast an increase in transaction numbers in the Autumn market. However, in my view, price sensitivity will linger as we go into 2025.

Wales

Anthony Filice, FRICS, Kelvin Francis Ltd., tony@kelvinfrancis.com, Cardiff - Even in holiday season, we have seen a steady flow of viewings, offers and sales. Some vendors are waiting for September, meaning continued instructions. Some vendors are not accepting a re-alignment of values and regretting refusing earlier good offers. Buyers more confident that mortgage rates will ease.

H Hollingsworth, MRICS, ESurv, helenjoliver@live.co.uk, Newport - Since the election was called, there has been an unexpected increase in activity from both buyers and sellers. Despite a higher number of transactions, prices have remained steady. Conveyancing, particularly for flats, is slow.

Paul Lucas, FRICS, R.K.Lucas & Son, paul@rkluccas.co.uk, Haverfordwest - The market remains sluggish mainly as a result of so many economic uncertainties at present.

Tim Goodwin, AssocRICS, Williams & Goodwin The Property People, tim@tpuk.com, Gwynedd - There has been a decline in new instructions coming to the market in recent weeks, and a large amount of the available stock is at optimistic price levels with vendors having to reduce their expectations on offers.

London

Allan Fuller, FRICS, Allan Fuller Estate Agents, allan@allanfuller.co.uk, Putney - We have created more sales in July than any month for over a year. Combination of anticipation of lower interest rates, vendors being realistic on pricing, the hoped for reduction in interest rates in August is vital for property and commerce generally.

James Perris, MRICS, De Villiers, james.perris@devilliers-surveyors.co.uk, London - Very pleasing to see a reduction in interest rates today which will hopefully put some impetus into the market. Activity has quietened this month due to the school holidays. Assuming the BoE decrease rates again we should start to see a much stronger buying market and upward pressure on pricing.

Javier Lauret, MRICS, Hurford Salvi Carr, javier.lauret@h-s-c.co.uk, London - Prices remain stable but number of sales in City Fringe have doubled over the last six months versus last year.

Jeremy Leaf, FRICS, Jeremy Leaf & Co., land@jeremyleaf.co.uk, Barnet - The election seemed to have had relatively little impact on housing market activity in the past month. Buyers have been holding off in anticipation of a cut in base rates which has been expected for several months, and this is likely to significantly 'move the dial'.

John King, FRICS, ANDREW SCOTT ROBERTSON, jking@as-r.co.uk, Wimbledon - A good month seeing a number of exchanges happen but the market has slowed as we enter the summer recess and no real signs of this changing until we see a rate cut.

John King, FRICS, ANDREW SCOTT ROBERTSON, jking@as-r.co.uk, L.B.Merton - The pace of the market has slowed with fewer registrations this month compared to June. Both appraisals and new instructions have also slowed this month. Maybe we are in for a quieter summer than we were expecting last month.

John Righiniotis, MRICS, Sampas Surveyors.co.uk, john@sampassurveyors.co.uk, London - The expected drop in interest rates are a positive driver for buyers interest. However, the general sentiment, although positive, remains "wait and see".

Marcus Goodwille, MRICS, Savills Plc, marcus.goodwille@savills.com, Prime London - Prime London's housing market remained resilient ahead of the election. London's domestic market looks positive given the recent cut in BoE base rate. However, parts of the Central London market remain cautious over amendments to the proposal for abolishing non-dom status.

Roshan Sivapalan, MRICS, Blakes Surveyors Ltd, roshan@blakesurveyors.com, Kingston Upon Thames - Slight uptick in sales market activity for entry level flats from first time buyers but more muted in the mid to upper end of the market, with evidence of slight price reductions for 3 and 4 bed properties, being those that have benefitted from significant price gains since the COVID pandemic.

William Delaney, AssocRICS, Coopers of London Limited, william@coopersonlondon.co.uk, West End - The interest rate cut will have a positive influence on confidence. However, a combination of factors underpin the health and stability of the sales market. I believe any significant price movement in Central London will be in abeyance until the government fiscal measures are clarified

Scotland

Grant Robertson, FRICS, Allied Surveyors Scotland Plc, grant.robertson@alliedsurveyorsscotland.com, Glasgow - The long anticipated rate cut is upon us. This will help confidence but probably not affect values in the short term. This cut is already factored into mortgage rates but should encourage the post summer market buyers out in great force. The feeling is that we've turned a corner.

Kieran Bonner, MRICS, Shepherd Surveyors, Kbonner1102@gmail.com, Stirling - Slightly less instructions in July due to typical holiday season but consistency remains.

Marion Currie, AssocRICS, RICS Registered Valuer, Galbraith, marion.currie@galbraithgroup.com, Dumfries & Galloway - Buyer activity is good with the numbers of buyers registering for alerts more than double that of last July. Whilst stock levels are up on last year, there is still competition amongst buyers for those properties in the best locations such as coastal villages.

Thomas Baird, MRICS, Select Surveyors, thomas.baird@selectsurveyors.co.uk, Glasgow - Competitive mortgage rates between the major lenders should have a positive impact on sale figures going forward. Rental demand still strong despite ongoing rent increases.

Northern Ireland

Daniel Mc Leron, FRICS, D A Mc Leron Estate Agents & Valuers., Hillview House, Gortin Road, Omagh, Co. Tyrone. BT79 7DA, Omagh, Co. Tyrone. - More stock required. Demand still good. Prices improving.

Donald Leslie, MRICS Registered Valuer, Donald Leslie & Co Ltd, donald@donaldleslie.co.uk, Amersham - Activity and volume in the market all hinges on mortgage rates. If there is a decrease, volumes could increase significantly.

Kirby O'Connor, AssocRICS, GOC Estate Agents, kirby@gocestateagents.com, Belfast - The sales market continues to be strong and we are still seeing parties coming from England to purchase family homes. New build is very popular.

Samuel Dickey, MRICS, Simon Brien Residential, s.dickey@sky.com, Belfast - The holiday season is having an impact but still numbers of viewings are high and demand outstrips supply.

Surveyor comments - lettings

North

David Shaun Brannen, AssocRICS, Brannen & Partners, shaun.brannen@brannen-partners.co.uk, Whitley Bay & Coastal - The new Government must entice landlords back into the PRS, as the supply must increase significantly to keep pace with the constant high demand.

Keith Pattinson, FRICS, Keith Pattinson Ltd, keith.pattinson@pattinson.co.uk, Newcastle Upon Tyne - Why do students not pay council tax, unfair on graduates or working tenants, but landlords get more rent. If tenants have budgets they would reduce rent offer. Big danger about Section 21, when brought in, allowed people working abroad to keep house. People in Army, vicars etc house for when retire confident.

Neil Foster, MRICS, Hadrian Property Partners, neil@hadrian-property.co.uk, Hexham - Am I the only respondent to consistently report the structural imbalance between supply (lack of and diminishing) and demand (massively over heated). Labour's Renters Rights Bill is only set to worsen the chasm and put further pressure on rent inflation.

Rodrica Straker, MRICS, Leazes Estate Office, rodrica@leazesestate.co.uk, Hexham - Market confidence is showing a cautious upturn following the elections, time will tell when interest rates catch up. If they remain level, rental demand unlikely to vary from present, if they decrease then rentals may spike initially as property owners sell & look to upgrade.

Yorkshire & the Humber

Alex Mcneil, MRICS, Bramleys, alex.mcneil@bramleys1.co.uk, Huddersfield - Rents remain strong as there continues to be a shortage of houses to let. Still a trend of long standing landlords selling.

Ben Hudson, MRICS, Hudson Moody, benhudson@hudson-moody.com, York - More of a calmer market place as we go into the summer months.

Bruce Collinson, FRICS, Adair Paxton, bruce@adairpaxton.co.uk, Leeds - Tenant demand has eased off somewhat but this may be seasonal. Investors seem to be shifting from leasehold flats to freehold houses, even in inner city areas. Government's distraction with Rumsfelds and away from leasehold reform won't help the flat investment market.

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

James Watts, MRICS, R Watts Ltd t/a Robert Watts Estate Agents, jameswatts@robertwatts.co.uk, Cleckheaton - There is still tremendous uncertainty from landlords about new government legislation, particularly no fault evictions, but demand is very strong and rents are bullish. We do however feel rents generally have peaked for the time being and both landlords and tenants are waiting for the government.

John Haigh, BSc MRICS FAAV, Lister Haigh, johnhaigh@lister-haigh.co.uk, Knaresborough - With the pending government changes to legislation for landlords, I believe many landlords are choosing to sell their properties therefore there will be fewer rental properties available.

Robert John Newton-Howes, MRICS, Yorkshire Surveyors Limited, robert@yorkshiresurveyors.com, Slaithwaite, Huddersfield - Landlords are increasing rents to cover increased costs, or exiting the market.

North West

Amin Mohammed, MRICS, Le Baron Haussmann, aminm7@gmail.com, Greater Manchester - The new government pledge for 1.5m homes over 5 years is encouraging - a wait and see if this helps the overheated demand in the capital and South East.

Lawrence Grant Copeland, FRICS, Elbonmill Limited T/A Lawrence Copeland, lawrence@lawrencecopeland.com, Manchester City Centre, Salford Quays And Suburbs - Rentals starting to peak above £1300 pcm due to over supply.

East Midlands

John Chappell, BSc.(Hons), MRICS, Chappell & Co Surveyors Ltd, john@chappellandcosurveyors.co.uk, Skegness - Several more Landlords withdrawing from the sector to sell up, especially since seeing rumours of the new Government's plans for further strengthening of tenant's rights. No self-respecting professional supports poor housing or Landlords but this has the potential to cause a supply shortage crisis.

West Midlands

Andrew C M Oulsnam, MRICS, Oulsnam, andrew@oulslam.net, Birmingham - The letting market continues the same with too many would be tenants chasing not enough property. The flow of landlords leaving the market continues with less new landlords replacing them. The letting continues to decline.

Colin Townsend, MRICS, John Goodwin, colin@johngoodwin.co.uk, Malvern - A very steady month. Rents continue to rise.

Dean Taylor, MRICS, Fishers, dean@fishers.co.uk, Harborne/Birmingham - A little quieter with tenant inquiries but properties we have available are still letting with relative ease.

James Butterfield, MRICS, Evenbrook, james.b@evenbrook.co.uk, Birmingham - Active market, tenant demand appears to be increasing further. Supply fluctuating but generally not keeping pace, rents continue to increase. .

Johnshepherd, , ShepherdVine, john@shepman.co.uk, Solihull - Buyers are expecting an interest rate cut.

Richard Franklin, MRICS, Franklin Gallimore Ltd, sales@franklingallimore.co.uk, Tenbury Wells - Number of good applicants is few and we are amazed at the lack of attention from those who express interest. One modern house attracted over 40 viewing requests, when we requested applicants fill in a simple form pre-viewing less than 1 in 14 could be bothered !

East Anglia

David Boyden, MRICS, Boydens Ltd, david.boyden@boydens.co.uk, Colchester - Another positive month, demand remains high, stock dipped a little throughout the month but seems to now be recovering again post election.

Kevin Burt-Gray, MRICS, Pocock + Shaw, kevin@pocock.co.uk, Cambridge - A shortage of stock remains with multiple applications being received on most property types.

South East

Damian Bartram, , Bartrams, damian@bartrams.co.uk, Beaconsfield - Demand for rentals has slowed down as tenants have remained rather than incur higher rents from moving. Nervous landlords await what will come from the new government to scrap section 21 notice and as well as shed further light on taxation. Could we see private landlords who are already squeezed by high rates, await and see or leave.

David Parish, FRICS, Gates Parish & Co, professional@gates-parish.co.uk, Upminster - All properties are attracting high levels of interest due to the shortage of available properties. More Landlords are likely to retreat from the market due to increasing regulatory requirements and likely increases in Capital Gains Tax. The Government should be doing more to encourage Landlords.

Eoin Hill, MRICS, SDLsurveying, eoin.hill@talk21.com, Newbury - Falling supply continues to drive rent increases.

James Farrance, MNAEA, FARLA, WD Braxton Limited, jfarrance@braxtons.co.uk, Maidenhead - Rents being further driven higher due to continued landlord exodus.

Martin Allen, MRICS, Elgars, m.allen@elgars.uk.com, Wingham, Canterbury - Yet more landlords wanting to regain possession to sell or selling upon tenants leaving rather than reletting.

Paul Loveridge, FRICS, The Frost Partnership, loveridges@ntl-world.com, Reading - Uncertainty remains in the market as it is not yet known what Government measures will be.

South West

Howard Davis, MRICS, , howard@howard-homes.co.uk, Bristol - Demand constantly outstripping supply mainly due to landlords selling their portfolios.

Marcus Arundell, MRICS, HomeLets, marcus@homeletsbath.co.uk, Bath - Applicant demand shows little signs of easing amidst continued landlord instructions. Now we are through the election cycle and out the other side, this is already showing signs of an uptick in market confidence.

Wales

Anthony Filice, FRICS, Kelvin Francis Ltd., tony@kelvinfrancis.com, Cardiff - There is a good choice of available properties, so tenants can pick and choose more. Rents have stabilised and some landlords are even accepting lower rental offers.

David Cook, MRICS, Na, Dave.bern@btinternet.com, Caerphilly - The ongoing preference to support tenants is a risk to the rental market.

Paul Lucas, FRICS, R.K.Lucas & Son, paul@rkluccas.co.uk, Haverfordwest - Government policies and actions have led to a significant fall in availability of available letting properties. Many Landlords are completely pulling out of the market, and at the present time there is no one available to fill the hole in availability of properties.

Tim Goodwin, AssocRICS, Williams & Goodwin The Property People, tim@tppuk.com, Gwynedd - We are still experiencing landlords reducing their portfolios, and demand at increasingly high levels resulting in multiple applications for available property and rental levels increasing.

London

Allan Fuller, FRICS, Allan Fuller Estate Agents, allan@allanfuller.co.uk, Putney - Supply still outstripping supply, in fact its getting worse because landlords are anticipating legislation that will be too biased towards tenants and are already selling. The PRS must be fair to good landlords and good tenants and deal effectively for landlords and tenants that abuse the system.

Clive Greenwood, AssocRICS, Anderson Wilde & Harris, clive.greenwood@awh.co.uk, London - See what effects the change of government will make to the market.

Javier Lauret, MRICS, Hurford Salvi Carr, javier.lauret@h-s-c.co.uk, London - Landlords have begun to accept rents are slightly softening after last year's boom.

Jeremy Leaf, FRICS, Jeremy Leaf & Co., land@jeremyleaf.co.uk, Barnet - Continuing concerns about the impact of the government's new rental laws on regaining possession from disruptive tenants is encouraging some landlords to sell and deterring new entrants. The result is demand exceeding supply and rents still rising - albeit a little more slowly.

John King, FRICS, ANDREW SCOTT ROBERTSON, jking@as-r.co.uk, Wimbledon - Registrations have begun to slow down but presently 1/2 bed flats remain popular while renewals indicate that tenants are staying longer in rented accommodation than expected.

John King, FRICS, ANDREW SCOTT ROBERTSON, jking@as-r.co.uk, L.B.Merton - The number of enquires has dropped off this month overall, but smart 1/2 bedroom apartments remain the most popular of choices.

Marcus Goodwille, MRICS, Savills Plc, marcus.goodwille@savills.com, Prime London - While Prime London rental values are still rising, the annual rate of growth has softened significantly from the highs of the past few years. Market conditions have continued to stabilise as more stock enters the market and affordability barriers constrain further significant rental increases.

Mark Wilson, MRICS, Globe Apartments, mark@globeapt.com, London - Whilst the market is somewhat subdued, looking forward there is some good international student demand for September, which makes us bullish for the autumn. For now, rents are stable or slightly increasing.

Will Barnes Yallowley, AssocRICS, Tate Residential, will@tateresidential.co.uk, Kensington - Affordability continues to be an issue for applicants as rents are pushed upwards by government intervention.

William Delaney, AssocRICS, Coopers of London Limited, william@coopersoflondon.co.uk, West End - Headline rent increases have paused, mostly due to affordability. However, further rent increases this year are inevitable as the PRS shrinks. Faced with yet more legislation, a dysfunctional court service, and an unfair tax regime, the appeal of retaining their investment considerably diminished.

Scotland

Grant Robertson, FRICS, Allied Surveyors Scotland Plc, grant.robertson@alliedsurveyorsscotland.com, Glasgow - This summer, the rental market has eased with students having the confidence, or lack of cash, to give up their tenancies and re-enter the market in Autumn. Upward pressure on rents has temporarily eased in the non student market because of the better supply conditions. This lull won't last long.

Paul Letley, FRICS, Pavillion Properties, Paul.letley@gmail.com, Dundee - There seems to be a move away from larger flats leaving a glut of HMO's. The poorer ones are not attracting tenant. Demand for quality one bedroom flats has noticeably increased.

Northern Ireland

Kirby O'Connor, AssocRICS, GOC Estate Agents, kirby@gocesta-teagents.com, Belfast - Rentals are very strong, no let up in the interest for new listings.

Samuel Dickey, MRICS, Simon Brien Residential, s.dickey@sky.com, Belfast - There is much speculation on legislative change coming down the track with a new government. Time will tell. In the meantime, the market is still performing well.

Contacts

Subscriptions

Access to the data is available via a paid subscription. This will include the full historical back set, regional breakdown, and, where applicable, the seasonally and not seasonally adjusted data.

Redistributing/recreating the underlying survey data is prohibited without the permission of RICS.

All subscription enquiries to: tparsons@rics.org

Economics Team

Simon Rubinsohn

Chief Economist
srubinsohn@rics.org

Tarrant Parsons

Senior Economist
tparsons@rics.org

Donglai Luo

Senior Economist
dluo@rics.org

Adib Munim

Economist
amunim@rics.org

Market Surveys & Reports

Download RICS Economic market surveys and reports:
www.rics.org/economics

- UK Residential Market Survey (monthly)
- UK Construction Market Survey (quarterly)
- UK Commercial Market Survey (quarterly)
- UK Facilities Management Survey (quarterly)
- Global Construction Monitor (quarterly)
- Global Commercial Property Monitor (quarterly)
- RICS /Spacious Hong Kong Residential Market Survey (monthly)
- RICS /Ci Portuguese Housing Market Survey (monthly)

*All packages include the full historical back set, regional breakdown, and, where applicable, the seasonally and not seasonally adjusted data.



Delivering confidence

We are RICS. Everything we do is designed to effect positive change in the built and natural environments. Through our respected global standards, leading professional progression and our trusted data and insight, we promote and enforce the highest professional standards in the development and management of land, real estate, construction and infrastructure. Our work with others provides a foundation for confident markets, pioneers better places to live and work and is a force for positive social impact.

Americas, Europe, Middle East & Africa

aemea@rics.org

Asia Pacific

apac@rics.org

United Kingdom & Ireland

contactrics@rics.org



[rics.org](https://www.rics.org)