

Housing Insight Report

propertymark

August 23

KEY FACTS AND FINDINGS

29%

increase in the number of new properties for sale at each member branch compared to the month before.

9%

increase in the number of sales agreed per member branch compared to last month.

68%

of member branches felt rents have risen month on month.

5%

increase in the number of potential new tenants actively looking for a new property compared to July 2023.

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The sales market is strong as we see a 29% rise in the number of new properties for sale when compared with last month. This shows that many people are continuing to find an affordable middle ground when coming to the market with negotiations well underway.

We imagine this picture will only get stronger with more sales completing in the coming months given the recent positive news of inflation rates remaining unchanged. This will give much needed encouragement to those buyers who were hesitant.

As for the lettings market, the picture remains the same. There has been little urgency from governments across the UK to address the supply and demand issue by incentivising investment for landlords. We continue to see this gap widen as more people come to the market to look for a home, with very few properties available to rent.

This continues to put pressure on rents as 68% of our member branches felt rents have risen compared to last month.



Nathan Emerson
CEO | Propertymark

DEMAND FROM HOUSE HUNTERS

With inflation and interest rates remaining higher than previous years, market conditions remain demanding.

We are however likely to be reaching the peak of that curve and are potentially starting to see very early signs of forward motion again. The average number of new prospective buyers registered per member branch is up to an average of 81 in August 2023 from 64 in July 2023.

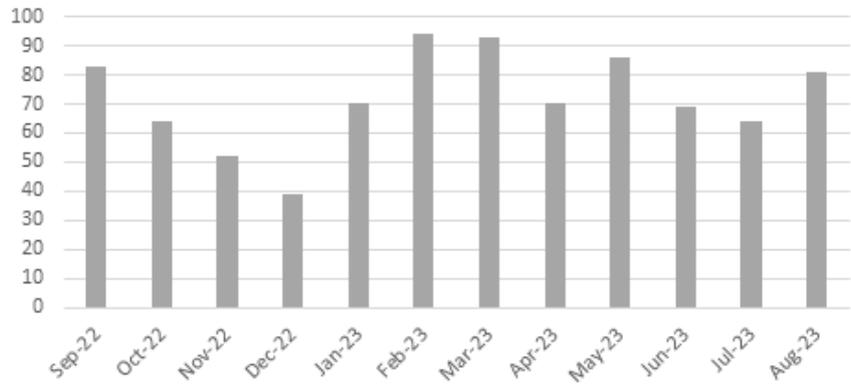


Figure 1: Average number of new prospective buyers registered per member branch.

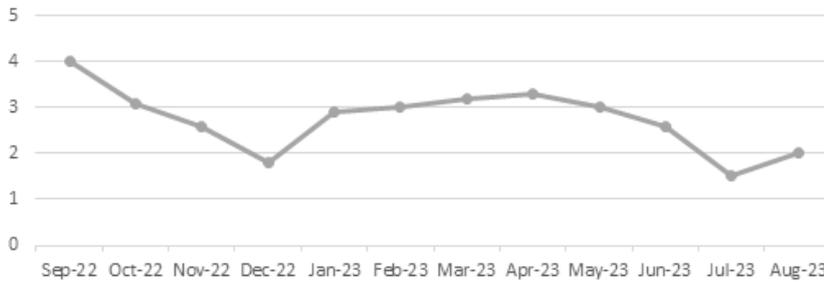


Figure 2: Average number of viewings per property per member branch.

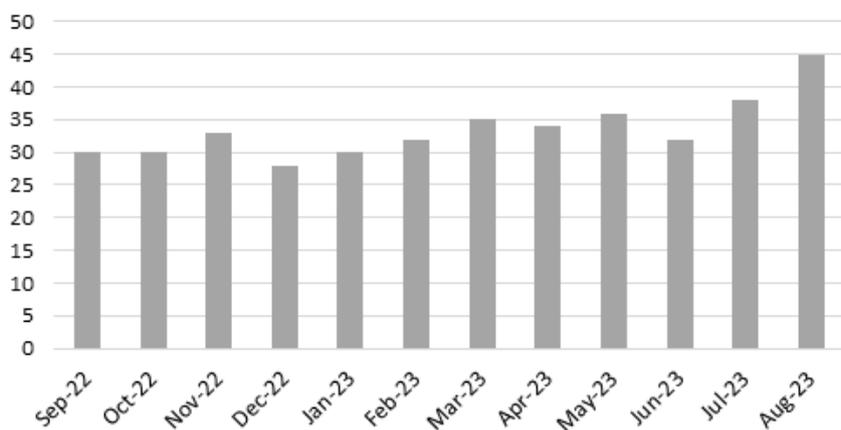
The average number of viewings per property is also starting to show potential early signs of forward momentum once again. In August 2023 the average number of viewings per available property was 2 compared to 1.5 in July 2023. This indicates the possible balance of higher interest rates and in some cases lower house prices has equalised and is enabling people to consider a property transaction more easily than earlier this year.

Supply showing positive signs of growth

The supply of new homes placed for sale per member branch showed another positive uplift in August 2023 – now at an average of 13 per member branch. The average number of sales agreed per member branch remained static however, when compared to the month previous.



Figure 3: New instructions to sales agreed per member branch.



The average number of properties available per member branch showed a positive climb to an average of 45 in August 2023 compared to 38 in July 2023.

This represents the highest figure since pre COVID.

Figure 4: Average number of properties for sale per member branch.

The average number of market appraisals conducted per member branch also showed an upbeat picture - up from an average of 21 in July 2023 to 25 in August 2023.

Again, demonstrating the sector is starting to see forward traction.

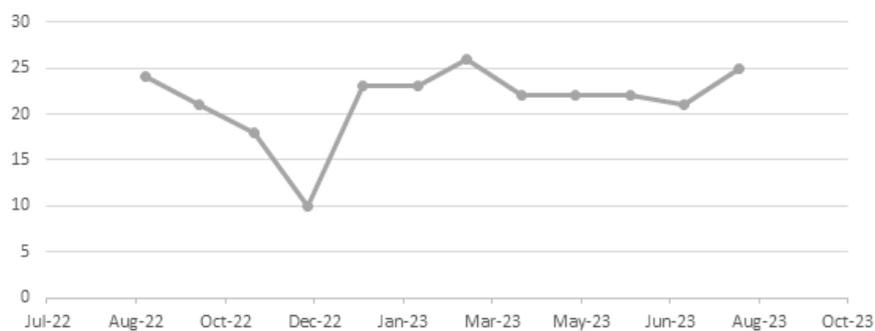
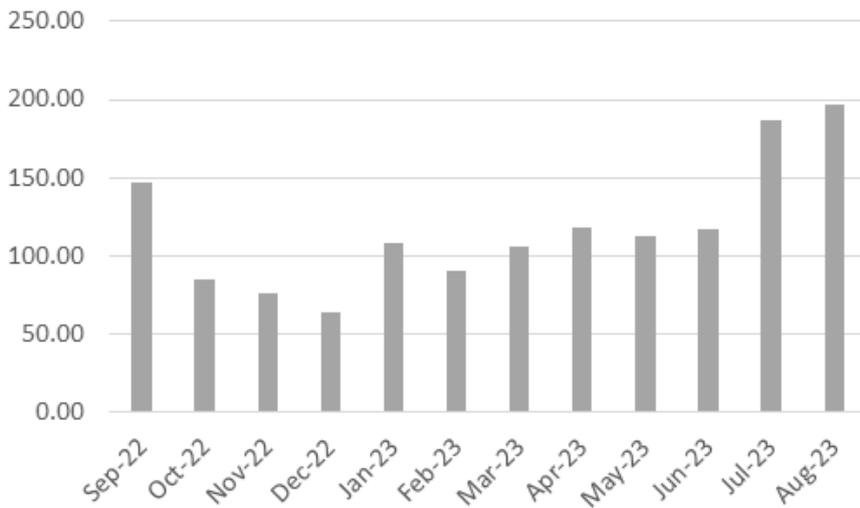


Figure 5: Average number of appraisals conducted per member branch.

LETTINGS

DEMAND



Demand continues to out strip supply

The number of new prospective tenants registered per member branch showed a further climb.

August 2023 had an average of 197 prospective tenants registering compared to 149 in July 2022.

Figures in August 2023 were up almost 32% year on year and demonstrate a trend that continues to spiral.

Figure 6: Number of new applicants registered per member branch.

SUPPLY

Available rental stock remain testing.

The number of properties available to rent per member branch dipped in August to an average of 11.

This number remains drastically below what is needed to keep up with current market demand.

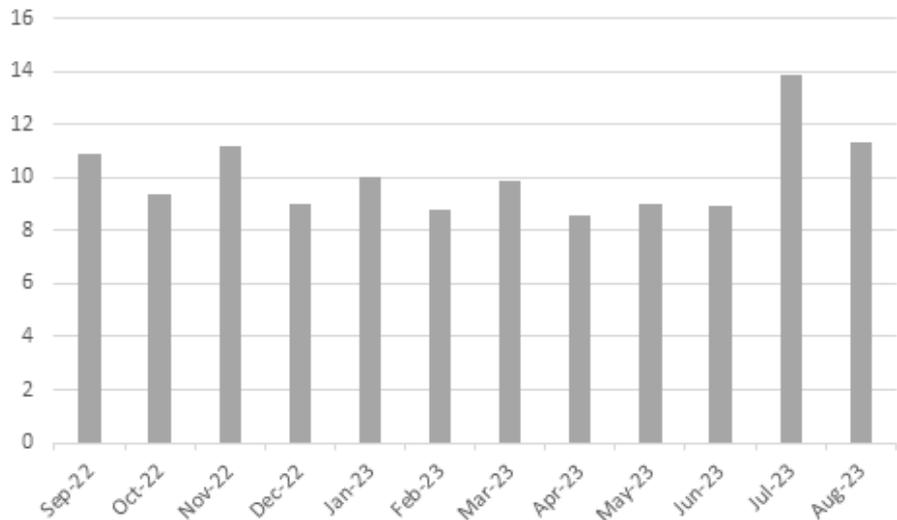
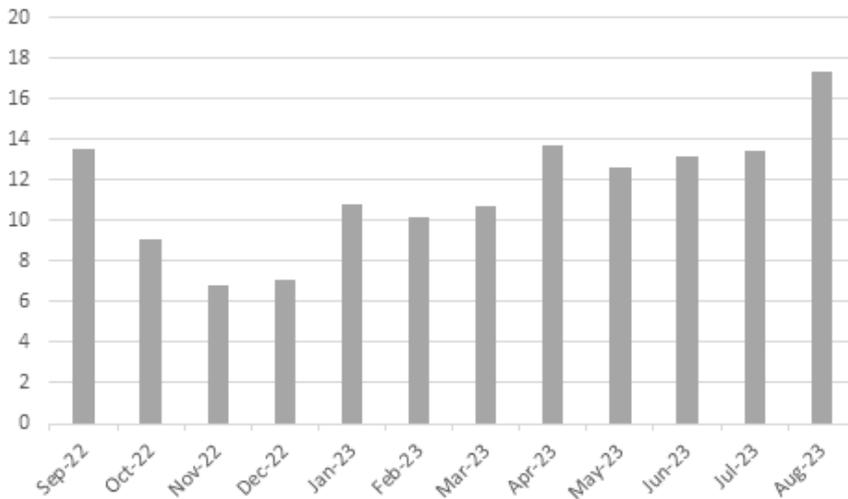


Figure 7: Properties available to rent per member branch.



With needs up and stock levels urgently low, there remains a serious mismatch between supply and demand and this continued to be evident in August 2023.

An average of 17 new prospective tenants registered per available property at each member branch across August.

Figure 8: Number of new prospective tenants registering per available property to rent.

RENTS

The squeeze remains on regarding the cost of renting.

69% of responding agents reported rents increasing month-on-month on average at their branch in August 2023.

While this is high, it did remain static from the month previous.

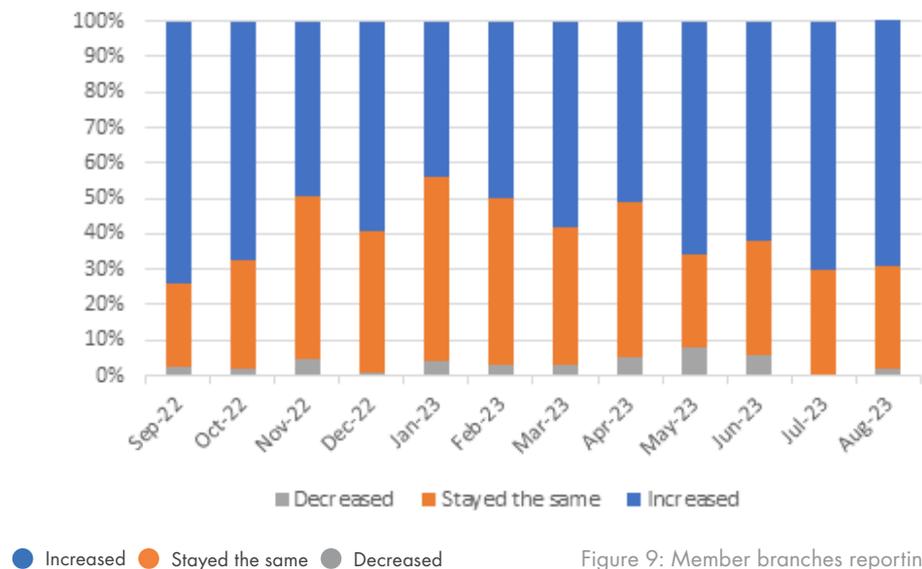


Figure 9: Member branches reporting month-on-month changes in rents.

ENDS

ABOUT PROPERTYMARK



Propertymark is the leading professional body for estate and letting agents, commercial agents, auctioneers, valuers, and inventory providers comprising over 17,500 members. We are member-led with a Board which is made up of practicing agents and we work closely with our members to set professional standards through regulation, accredited and recognised qualifications, an industry leading training programme and mandatory Continuing Professional Development.

EDITOR NOTES

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