



ECONOMICS



# UK Residential Market Survey

September 2022

## Sales market continues to lose momentum amid deteriorating macro conditions

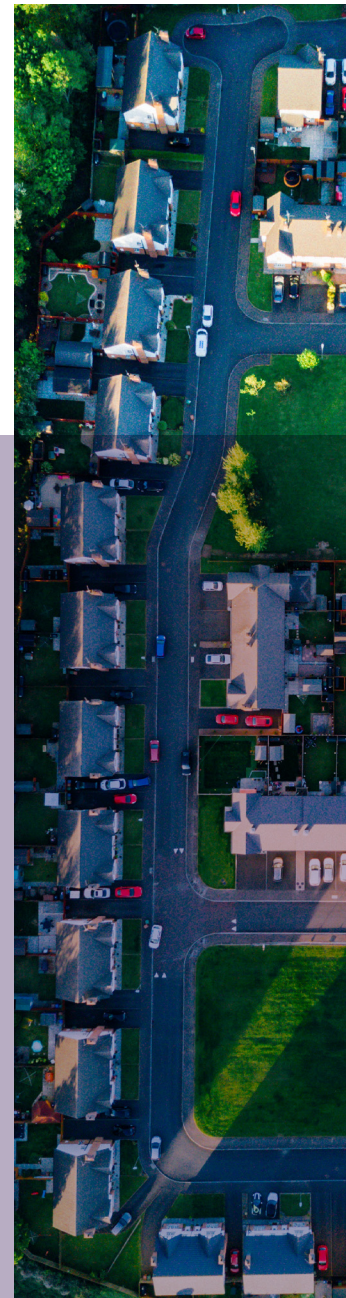
- New buyer enquiries fall for a fifth month in succession
- Indicators on new instructions and agreed sales also remain negative
- Limited supply supporting a modest rise in prices for now, although the pace of growth has faded markedly in the latest results

The September 2022 RICS UK Residential Survey results remain indicative of the sales market losing momentum, with the outlook for interest rates and the uncertain macro picture more broadly taking a toll on activity. Indeed, at least in terms of the initial reaction, the impact from the expected rise in mortgage rates over the coming six months is anticipated to outweigh any potential boost from the recently announced cut to Stamp Duty. For the time being, house prices are still edging higher across the country, underpinned by the lack of stock available. Nevertheless, the pace of growth has moderated noticeably according to the latest survey feedback, while twelve-month expectations have now turned negative.

Looking at new buyer demand, an aggregate net balance of -36% of respondents cited a fall in enquiries during September (compared to a figure of -38% last time). As such, buyer enquiries have now fallen in each of the last five months, with all regions/countries of the UK now seeing a downward trend coming through.

At the same time, new instructions also remain in decline, evidenced by a net balance reading of -13% being returned over the latest survey period (little changed from a value of -15% posted last month). As a result, stock levels are still at historic lows at the UK-wide level, with estate agents (on average) holding just 34 residential properties on their books. Moreover, given the fact that the net balance for market appraisals slipped to -20% (down from -3% in the previous iteration of the survey), it suggests that the pipeline for supply has if anything deteriorated over the past month.

For agreed sales, the latest headline net balance of -27% is consistent with a continued pull-back in sales



volumes over the month. Furthermore, the September figure represents the softest reading for this series since May 2020, having fallen deeper into negative territory for five months in succession. Looking ahead, near-term sales expectations remain comfortably negative, returning a net balance of -30% this month, which is slightly down on -26% posted last time. At the twelve-month time horizon, a headline net balance of -39% of survey participants envisage sales levels diminishing across the market, albeit this is marginally less downbeat than the reading of -45% seen previously.

With respect to house prices, although the latest national net balance of +32% is indicative of a continued increase in prices over the three months to September, it does represent a noteworthy easing in the pace of growth (down from a read of +51% beforehand). What's more, this measure has moderated sequentially in each report since April 2022, softening from a net balance of +78% five months ago. When disaggregated, the feedback around prices remains in expansionary territory across all parts of the UK but, in each case, the latest results point to a significant easing in the pace of growth.

Going forward, twelve-month price expectations have now turned negative, with respondents citing the expected further substantial rises in mortgage rates as a factor putting pressure on the market over the year ahead. At the national level, a net balance of -18% of respondents now foresee a dip in prices over the coming twelve months, down from a reading of +3% last time out.

In the lettings market, tenant demand picked-up according to a net balance of +42% of contributors (part of the non-seasonally adjusted monthly lettings dataset). At the same time, a net balance of -13% of respondents reported a further fall in landlord instructions, which is identical last month's reading. As a result, near-term expectations point to further strong growth in rental prices over the coming three months, albeit the latest reading is slightly more modest in comparison to that seen a couple of months prior (net balance 44% vs +58% back in July).



## 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:

October Survey: 10 November  
November Survey: 8 December

### Number of responses to this month's survey:

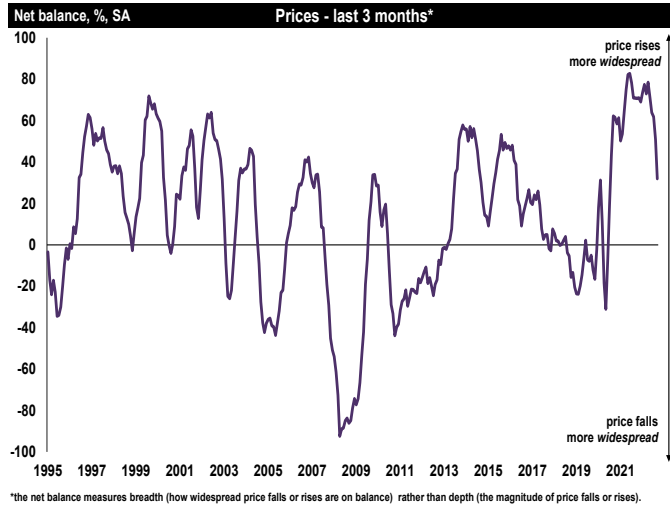
This survey sample covers 525 branches coming from 285 responses.

### Disclaimer

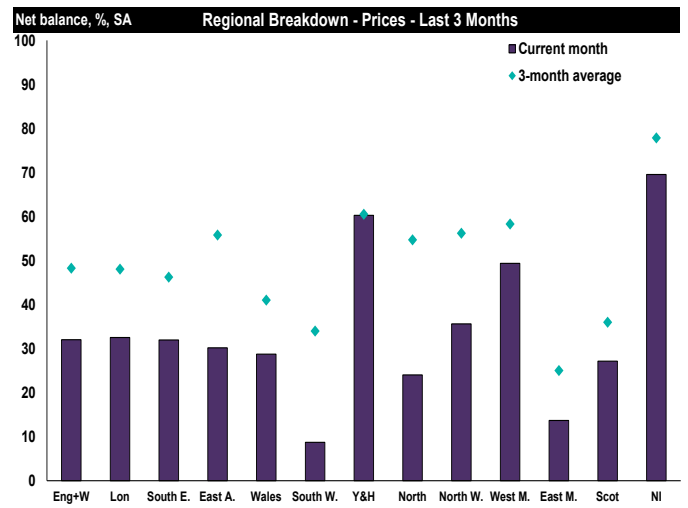
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# Sales market charts

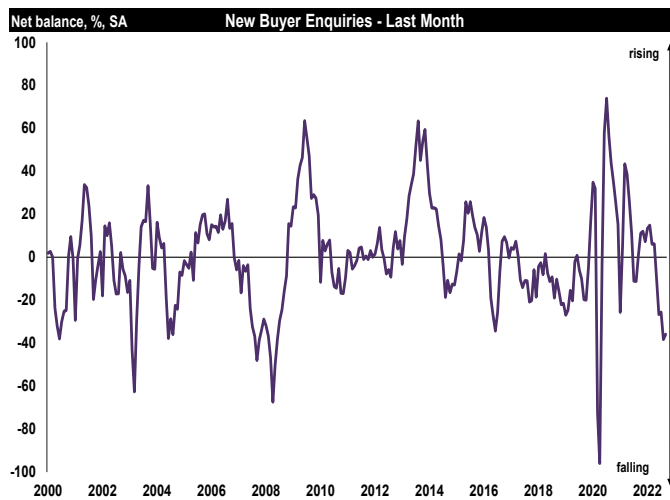
National Prices - Past three months



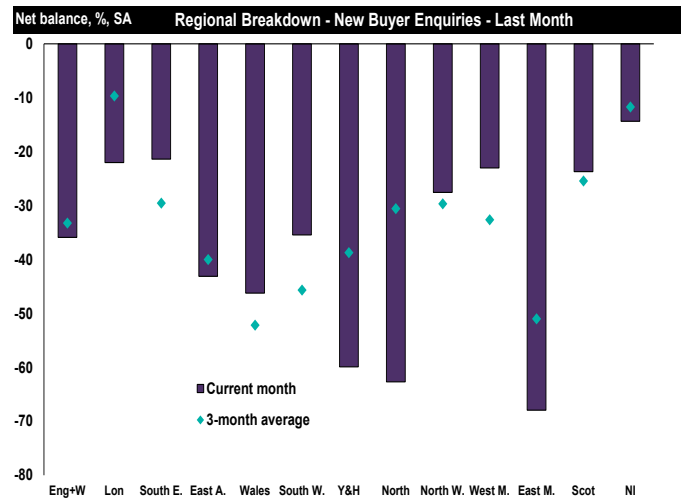
Regional Prices - Past three months



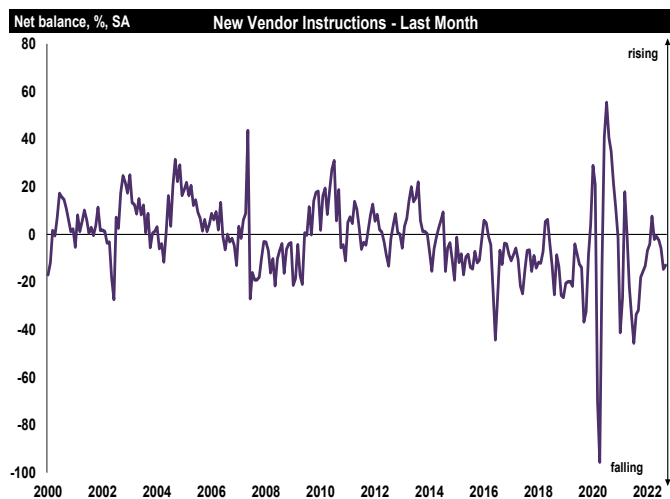
National Enquiries - Past month



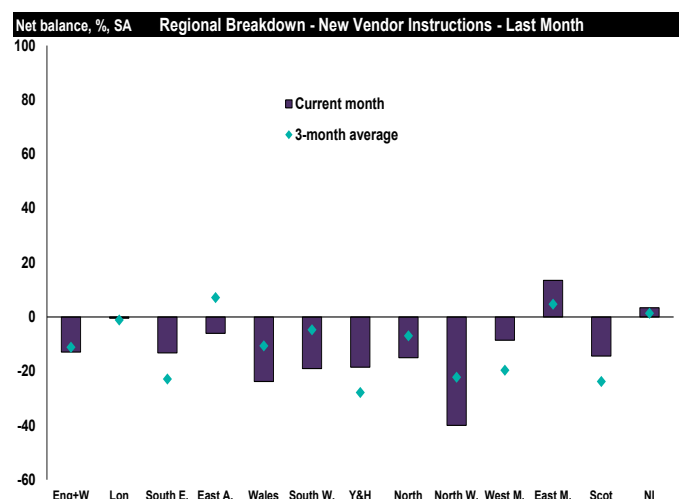
Regional New Buyer Enquiries - Past month



National New Vendor Instructions - Past month

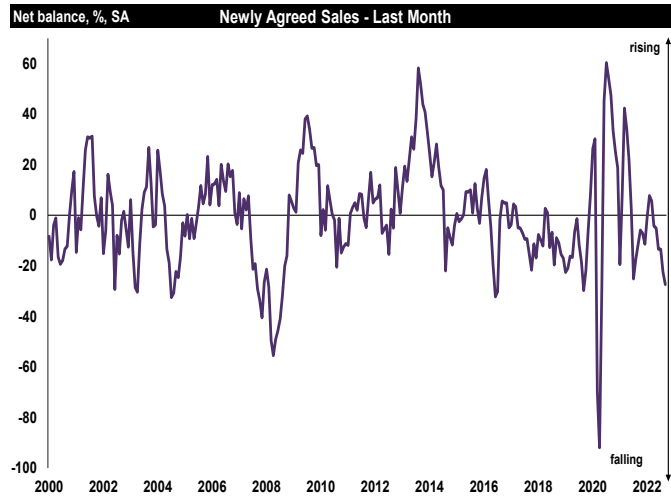


Regional New Vendor Instructions - Past month

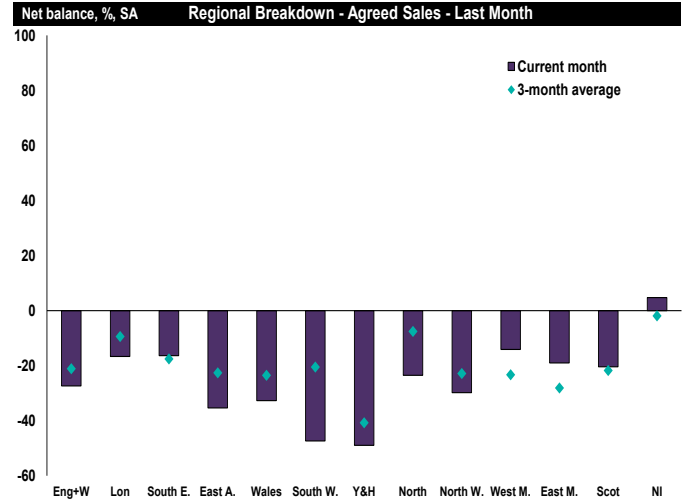


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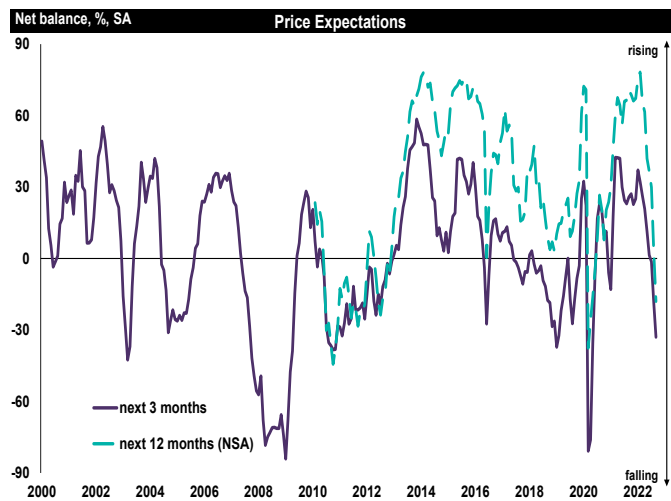
National Newly Agreed Sales - Past month



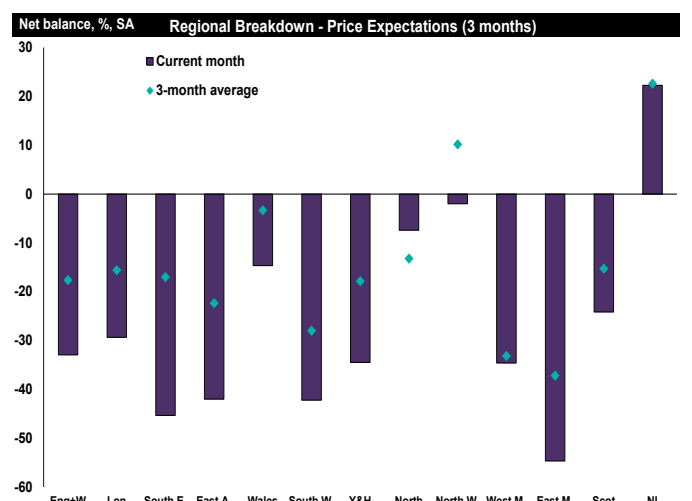
Regional Newly Agreed Sales - Past month



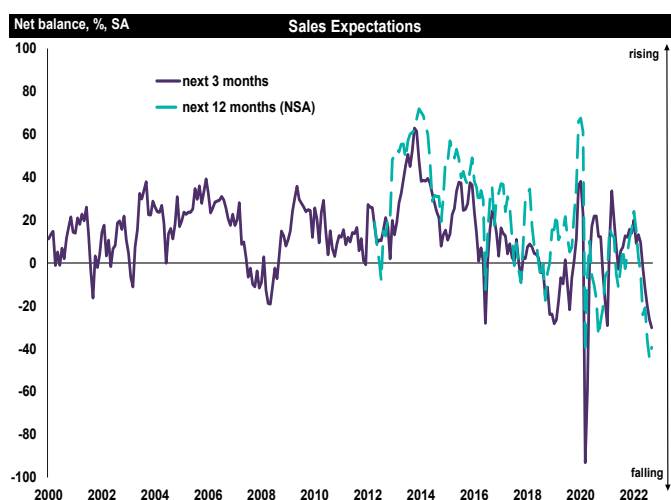
National Price Expectations - Three and twelve month expectations



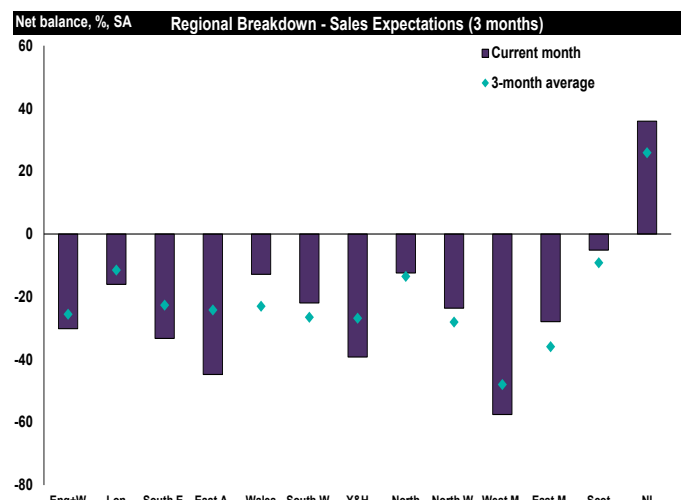
Regional Price Expectations - Next three months



National Sales Expectations - Three and twelve month expectations

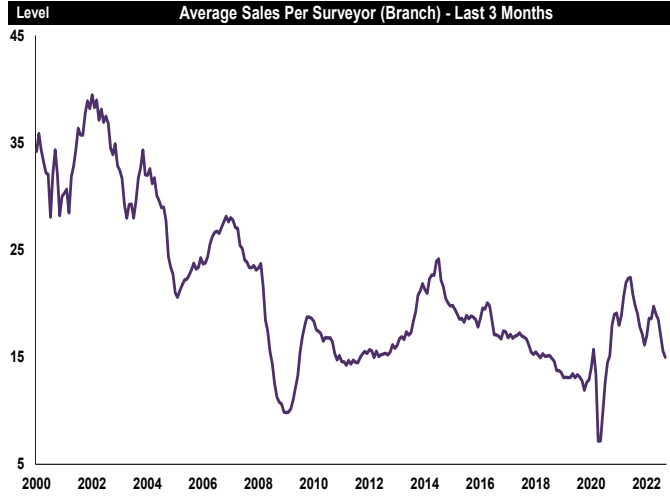


Regional Sales Expectations - Next three months

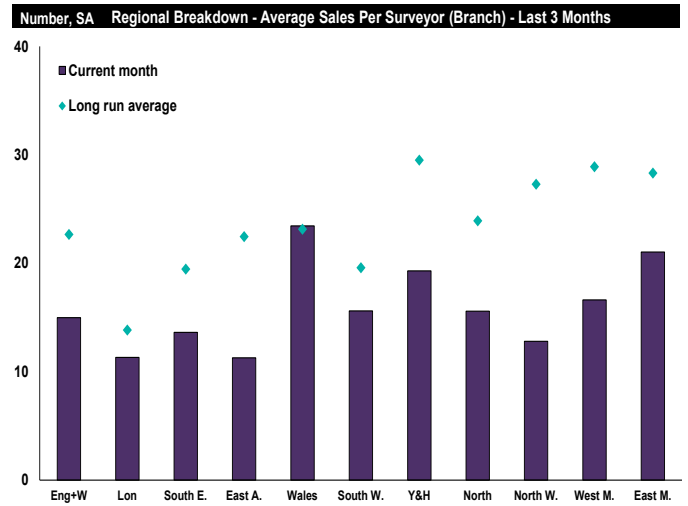


# Sales market charts

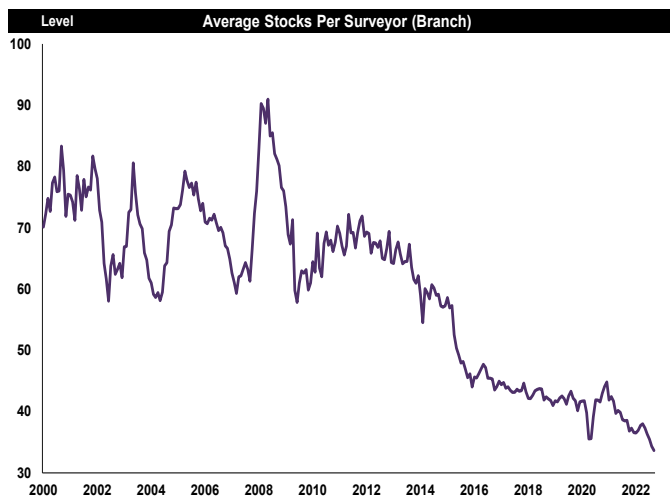
National Average Sales Per Surveyor - Past three months



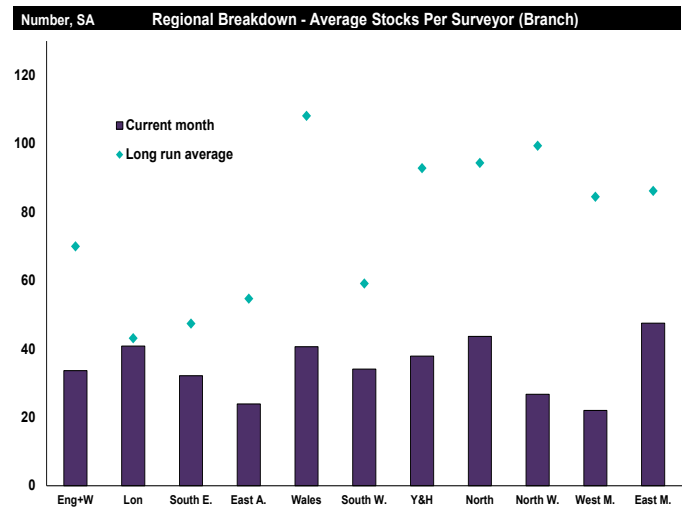
Regional Average Sales Per Surveyor - Past three months



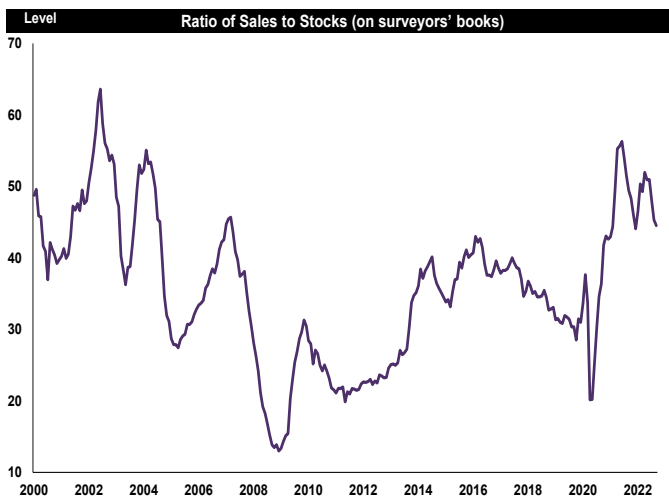
National Average Stocks Per Surveyor



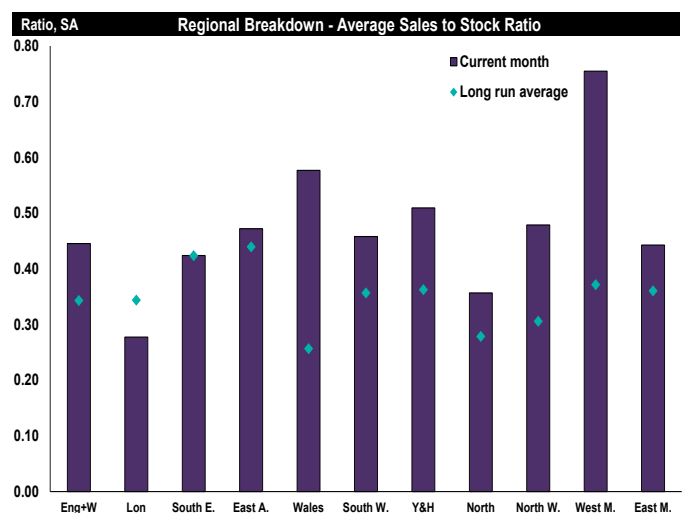
Regional Average Stock Per Surveyor



National Sales to Stock Ratio

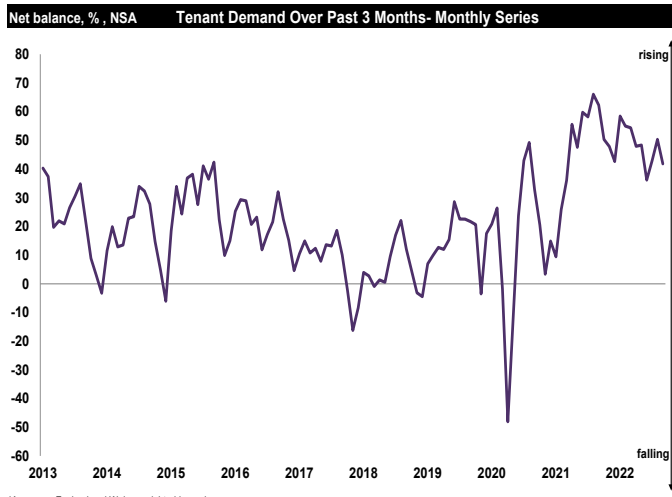


Regional Sales to Stock Ratio

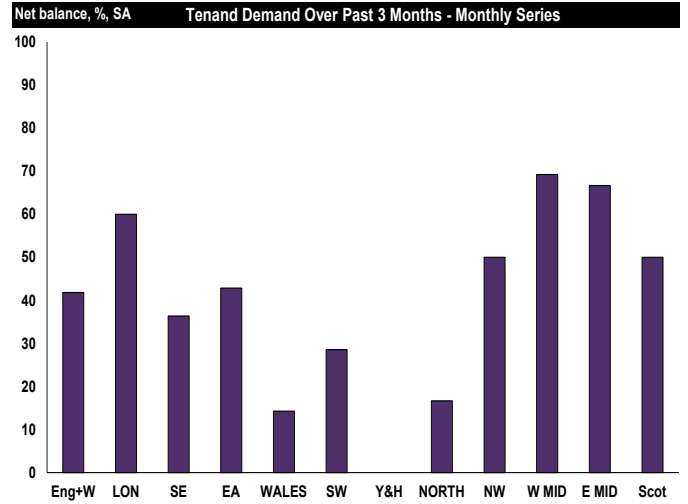


# Lettings market charts

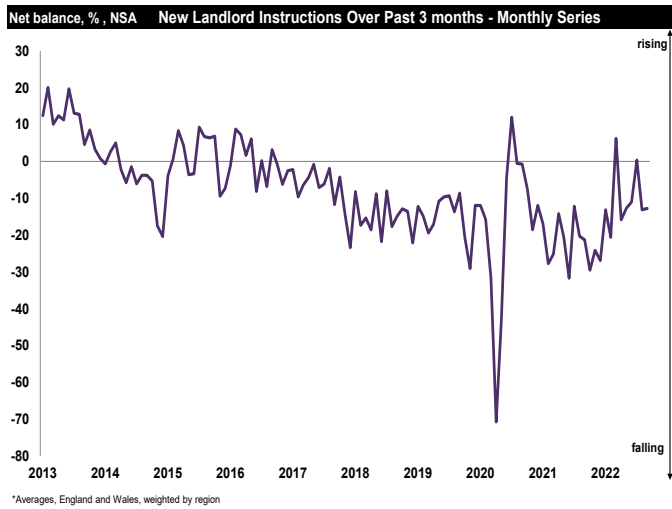
National Tenant Demand - Past three months



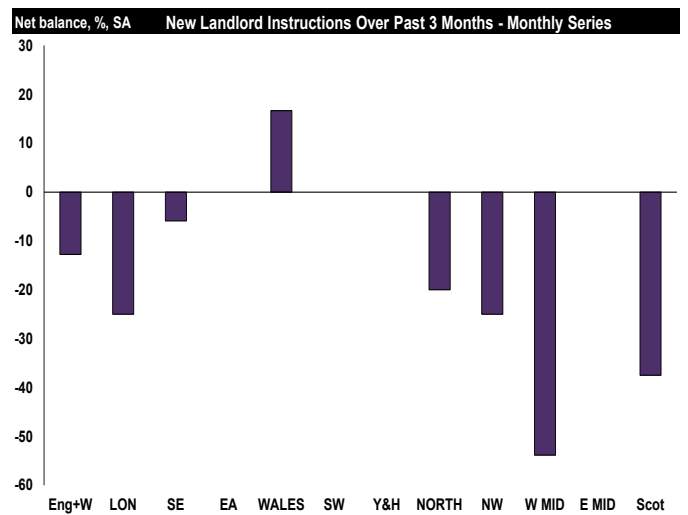
Regional Tenant Demand - Past three months



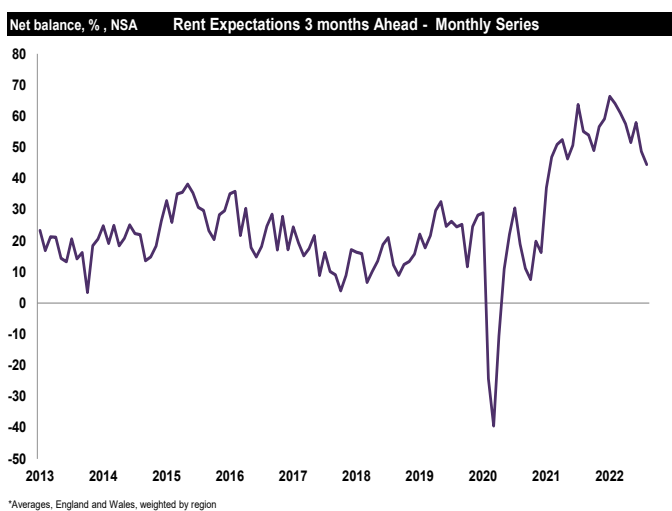
National New Landlord Instructions - Past three months



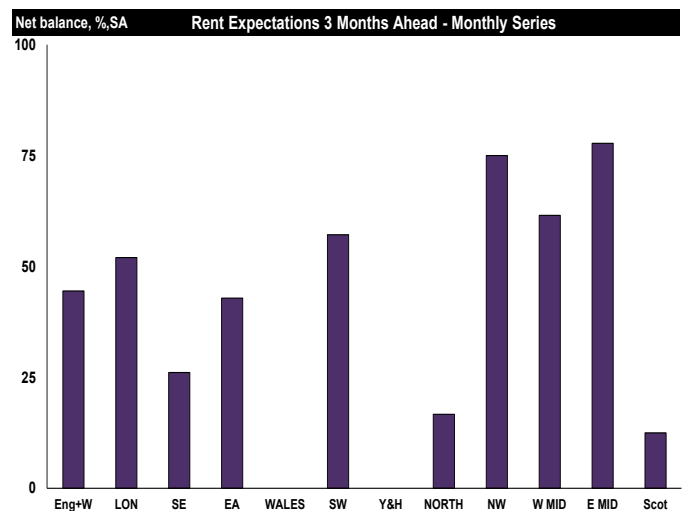
Regional New Landlord Instructions - Past three months



National Rent Expectations - Next three months



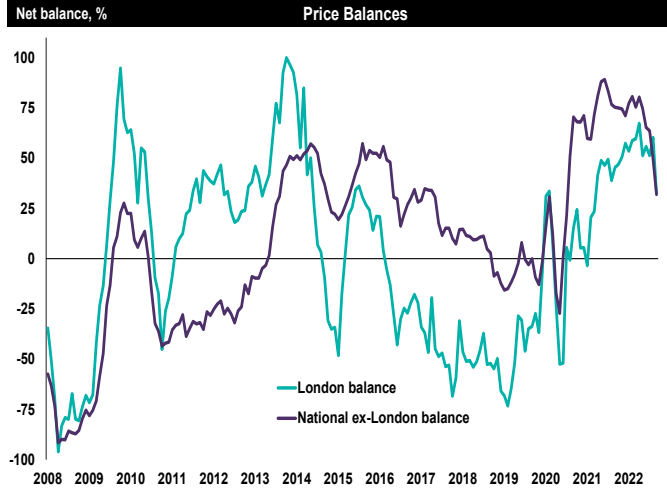
Regional Rent Expectations - Next three months



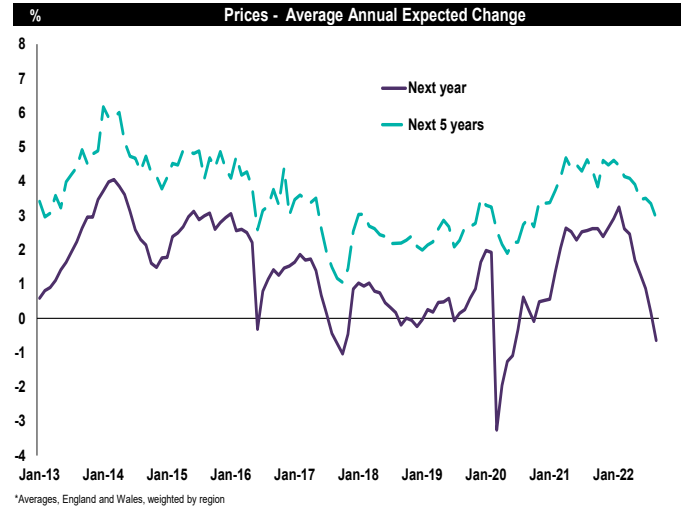


# Expectations and other data

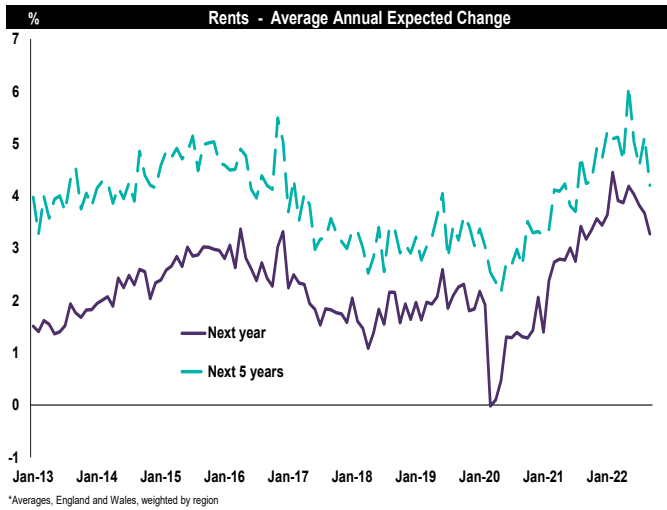
National Price Balance (excluding London) and London Price Balance - Past three months



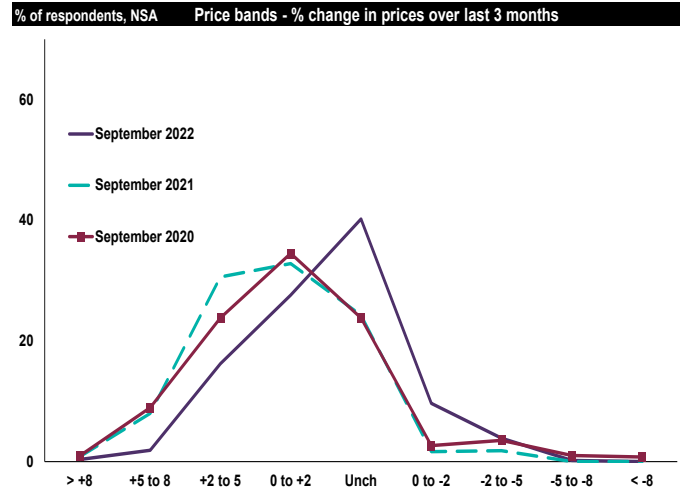
National Average Annual Expected Price Change (point estimate) - Next one and five years



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, Whitley Bay, Brannen & Partners, shaun.brannen@brannen-partners.co.uk - Still a strong market.

Keith Pattinson FRICS, Newcastle, Keith Pattinson Ltd, keith.pattinson@pattinson.co.uk - Current turmoil will produce uncertainty. More people will not trade up, due to increased costs, electricity, gas, indeed many will reduce most choice spend. Mortgage rates must rise, interest rates need to continue to rise as property market is overdue an adjustment and overheated. Help to buy big danger now.

Neil Foster MRICS, Hexham, Hadrian Property Partners, neil@hadrianproperty.co.uk - We have been purchasing for clients at a steady rate but activity has not picked up following the summer holiday season. This is partly down to ongoing short supply of new instructions to the market but there is a distinct sense that appetite amongst buyers is fading rapidly.

Simon Hobbs MRICS, Newcastle, London & City Estates Ltd, simonh@londonandcity.co.uk - Government chaos has spooked the financial markets. Mortgage offers sparse and rates all over the place leading to fear amongst prospective buyers.

Stuart Murray FRICS, Teesside, Murrayhighnam, sm@murrayhighnam.co.uk - Since the Government intervention and the rapid rise in mortgage rates, the market has visibly slowed.

### Yorkshire & the Humber

Alex Mcneil MRICS, Huddersfield, Bramleys, alex.mcneil@bramleys1.co.uk - Demand remains strong with supply still restricted. Many sales agreed in excess of asking price.

Ben Hudson MRICS, York, Hudson Moody, benhudson@hudsonmoody.com - Still selling properties despite the turmoil in the financial markets.

James Brown MRICS, Richmond, Norman F Brown, james@normanfbrown.co.uk - The market is in a state of negative flux and time will tell as to whether we end up with similar conditions to 2008. It is certainly no longer a sellers market.

James Watts MRICS, Bradford, Robert Watts Estate Agents, jameswatts@robertwatts.co.uk - The market has been noticeably less frenetic in the past 6 weeks and the financial news last week has knocked both buyers and sellers confidence but it is still too early to say what direct impact this will have. We feel it will soon revert back to more normal market conditions pre 2020.

Kenneth Bird MRICS, Wetherby, Renton & Parr, ken@rentonandparr.co.uk - Significant dip in market activity during September.

M J Hunter MRICS, Grice and Hunter, griceandhunter@btconnect.com - The number of sales, surveys and enquiries much reduced.

### North West

Amin Mohammed, Greater Manchester, Le Baron Haussmann, aminm7@gmail.com - If lenders refuse to lend and interest rates default to the market demands of 6% - repossessions on a unprecedented scale are likely.

David Champion MRICS & Registered valuer, Lancashire, Champsur, championdavid@ymail.com - No overbidding as seen 6 months ago.

Nigel French FRICS, Merseyside, ESG, nigelsussex03@gmail.com - The market may plateau in the short term after Tory problems but will improve, I believe.

Simon Wall FRICS, Formby/Southport, Stephanie Macnab Estate Agents, simon@stephaniemacnab.co.uk - Enquiries were noticeably quieter over the last week or so with the turmoil in the economic markets. Buyer confidence has certainly taken a bit of a knock. Time will tell whether this has resulted in lasting damage to confidence.

### East Midlands

Dan Elliott MRICS, Chesterfield, Wilkins Vardy Residential Ltd, dan@wilkins-varDY.co.uk - There seems plenty of new activity on the listing and valuation side, and this is bringing some buyers back into play. Offers are lower than normal but there is some good activity.

David Hawke FRICS, Worksop, David Hawke Property Services, enquiries@davidhawke.co.uk - Market confidence struggling.

Peter Buckingham, Market Harborough, Andrew Granger & Co, peter.buckingham@andrewgranger.co.uk - Uncertainty is in the air caused by governmental indecision, rising interest rates, withdrawal of mortgage deals and inflation. However, demand still exceeds supply of property for sale, and sales agreed have risen in the last month. Hopefully, the unrest will settle down.

Richard Cruise MRICS, Nottingham, Richard Cruise Ltd, richardcruise@btinternet.com - I believe the forthcoming budget and possible stamp duty holiday will increase sales but the rise in interest rates will make it more unaffordable for some buyers.

Stephen Gadsby BSc FRICS, Derby, Gadsby Nichols, stevegadsby@gadsbynichols.co.uk - Definite signs of market slowdown as purchasers show concern over interest rates and economy.

Tom Wilson MRICS, Stamford, King West, twilson@kingwest.co.uk - Some surprises to the upside within a generally more cautious market place. Buyers appear more discerning, not least as the cost of debt rises.

Vyv Wainwright MRICS, Oakham, A V Wainwright, vyv@avwainwright.co.uk - Sales seem to have ground to a halt. Perhaps the party is over?

Will Ravenhill, Leicester, Readings, wravenhill@readingspropertygroup.com - Demand still continues to outstrip supply, however, buyer numbers have definitely dropped. Popular properties that we may have organised 20-30 viewings on 3 months ago are now getting 5-6 viewings.

### West Midlands

Alex Smith FRICS, Birmingham, Alex Smith & Company, alex@alex-smith.co.uk - Mortgage uncertainty due to interest rate rise and cost of living increase.

Colin Townsend MRICS, Malvern, John Goodwin, colin@johngoodwin.co.uk - Despite all the bad news of the last month, September held up well. Sales levels were maintained and enquiries from buyers, offers and new instructions were at the same level as the previous month. We fear however that this will be difficult to sustain as we enter winter.

John Andrews FRICS, Kidderminster, Doolittle & Dalley Holdings Ltd, johnandrews@doolittle-dalley.co.uk - After a busy month of events, over the last week evidence of a slow down is apparent with mortgage offers being withdrawn. A slow market now anticipated as inflation and cost of living increases. Hopefully short lived slowdown but difficult to predict at this stage.

John Andrews FRICS, Bridgnorth, Doolittle & Dalley Holdings Ltd, johnandrews@doolittle-dalley.co.uk - Evidence of mortgage offers being in short supply over the last week resulting in some buyers facing higher interest on new products. Sales starting to be affected despite stamp duty incentive.

John Shepherd, Solihull, Shepherd Vine, john@shepcom.com - Economic issues beginning to worry buyers who are being much more cautious.

Mark Killeen AssocRICS, Coventry, k1l133n44@hotmail.com - Interest rate hikes will cool the market. Landlords will offload property if becomes unaffordable. More incentive is required for landlords.

Mark Wiggin MRICS, Ludlow, Mark Wiggin Estate Agents, mark@markwiggin.co.uk - Market very price sensitive and valuations definitely down. Will be interesting to see what impact new stamp duty measures have on the market.

Richard Franklin MRICS, Ludlow, Franklin Gallimore, richard@franklingallimore.co.uk - The talk of changes to SDLT shows how divorced the Government is from the reality of the housing market, wider economic considerations such as interest rates are the key factor and they seem to be spiralling upwards- giving in one hand and taking away with the other.

Stewart H Sherman MRICS, Birmingham, Chamberlains Chartered Surveyors, stewart@chamberlainssurveyors.co.uk - The rumour of changes to Stamp Duty thresholds today would be welcome and is likely to have a positive impact on the market.

#### East Anglia

David Boyden Bsc MRICS, Colchester, Boydens, david.boyden@boydens.co.uk - External factors have impacted on achieving new sales despite modest increase in client instructions.

Jan Hytch FRICS, Norwich, Arnolds Keys, janhytch@gmail.com - The combination of stamp duty change, interest rates climbing, economic uncertainty and political instability have undermined consumer confidence, resulting in a cautious approach to transactions for some, although retiring downsizers have at least some investment hope for the capital they release.

Jeffrey Hazel FRICS, King's Lynn, Geoffrey Collings & Co, jhazel@geoffreycollings.co.uk - Still a steady demand for lower and medium priced property but less demand for higher.

Kevin Burt-Gray MRICS, Cambridge, Pocock & Shaw, kevin@pocock.co.uk - The last few months has seen an increase in buyer activity after a slow start to the summer holiday months. However, recent Govt announcements/policies have somewhat spooked the market which now feels much more uncertain.

Mark Wood MRICS, Cambridge, Blues Property Ltd, mark@bluesproperty.com - Increase in interest rates, talk of further rises, cost of living increasing will all have a negative effect on the market with many people sitting back and waiting to see if it stabilises.

Tom Orford MRICS, Stowmarket, Savills, torford@savills.com - Interest rate increases causing issues.

#### South East

Alex Beeching MRICS, Bexhill on Sea, Home Surveying Services, Alex.Beeching@home-surveying.co.uk - On the coast demand remains resilient as there is a broader range of potential purchasers than in other areas, many of whom are down sizing and therefore have additional capital. House prices have plateaued in recent months but most properties are still achieving close to asking price.

Chris Gooch MRICS, Winchester, Carter Jonas, chris.gooch@carterjonas.co.uk - Increasing interest rates and the cost of living are feeding through to more cautious buyer sentiment, however, with stocks levels low and the impact of the mini budget yet to be revealed I believe we will see continued good market activity in the short term.

Christopher Clark FRICS, Eastleigh, Elg Surveyors, chrisclark@elgsurveyors.co.uk - Uncertain market conditions at present.

David Parish FRICS, Upminster, Gates, Parish & Co, professional@gates-parish.co.uk - Prices are likely to remain static in view of the increase in interest rates. However, they are unlikely to fall unless there is an increase in supply of properties and a reduction in demand.

Edward Rook MRICS, Sevenoaks, Knight Frank, edward.rook@knightfrank.com - Mortgage rate increases should be offset by a change in stamp duty.

Eoin Hill MRICS, Newbury/Basingstoke/Marlborough, SDL surveying, eoin.hill@sdlssurveying.co.uk - Mixed bag & patchy - good houses in good locations still popular.

James Farrance MNAEA, FARLA, Maidenhead, Braxton, jfarrance@braxtons.co.uk - Demand remains strong from qualified buyers despite reports in the 'media' of issues relating to mortgage availability.

John Griggs FRICS, Sevenoaks, Regalpoint Homes, john@johngriggsassociates.co.uk - We await any impact of recent interest rate increases etc.

Martin Allen MRICS, Wingham, Canterbury, Elgars, m.allen@elgars.uk.com - Significant change in the types of buyers - now more locally based and buying more for a home than investment. As a result, interest rate increases, inflation and energy costs are not yet affecting the market but they will.

Michael Brooker FRICS, Crowborough, Michael Brooker, michael@michaelbrooker.co.uk - Inevitable slowing market. Increasing mortgage rates will lead to stable or lower prices.

Paul Loveridge FRICS, Thames Valley, The Frost Partnership, paul.loveridge@frostsurveyors.co.uk - Housing market has not fully reacted to the rising cost in living which is reported in the media does not yet reflect the potential rise in interest rates.

Paul Lynch AssocRICS, Guildford, Romans, plynch@romans.co.uk - Economic challenges are clearly affecting the housing market and buyer confidence is very low. Buyers are telling us now they are going to sit tight and delay buying for 3 - 6 months and review the market then. Sales in the pipeline are also affected and some buyers have withdrawn or reduced offers.

Tim Green MRICS, South Oxfordshire, Green & Co.(Oxford) Ltd, tim.green@greenand.co.uk - Transaction levels have remained similar in spite of both the natural and artificial forces being placed on the property market. Enquiry levels are down in number but arguably more serious in commitment. All the usual factors holding back transaction times is allowing for slightly more casualties.

Tony Jamieson MRICS, Guildford, Clarke Gammon, tony.jamieson@clarkegammon.co.uk - Desperate lack of stock as many vendors want to try and find before selling. Lots of buyers and a lot of pent up demand. It is hoped that more vendors will come to the market although with recent events, a lot of vendors waiting to see. Correctly priced properties still attract a lot of interest.

Trevor Brown FRICS, Southend-On-Sea, Trevor Brown Surveyors, tbrownsurveyors@btinternet.com - Private survey instructions are significantly lower than last year. 2 clients cancelled this week fearing interest rises and reduced affordability. Agents report low instructions but still selling if correctly priced. Shortage of supply is holding prices steady but this may change.

#### South West

David Harrison FRICS, Taunton, Harrison's Surveyors Ltd, harrisons@sloughfarm.com - Nervous - mortgage costs and availability will be the vital driver.

G C Thorne FRICS, East Dorset, Thornes, graham@thornes.org.uk - There remains a shortage of stock coming onto the market and the shortage is still leading to higher prices.

James Wilson MRICS, Shaftesbury, Jackson - Stops, james.wilson@jackson-stops.co.uk - Supply increasing as buyer confidence starts to diminish.

Jeff Cole MRICS, Wadebridge, Cole Rayment & White, jeff.cole@crw.co.uk - We have been busy despite the news. There does seem to be more uncertainty at the lower end of the market especially with applicants requiring mortgages. The next few weeks will be interesting as its too early to say if the stamp duty and other measures will have an effect on the market.

John Corben FRICS FCABE, Swanage, Corbens, john@corbens.co.uk - The market has slowed quite dramatically due to the turbulence created by the mini budget and the prospect of higher interest rates. I expect a difficult winter.

John Woolley FRICS, Salisbury, John Woolley Ltd, john@johnwoolleyltd.co.uk - The market is static.

Mark Annett FRICS, Chipping Campden, Mark Annett & Company, mark.f.annett@gmail.com - It is too early to say how the changed economic picture will affect the property market but there are now signs of caution.

Mark Lewis FRICS, Sturminster Newton, Symonds & Sampson, mlewis@symondsandsampson.co.uk - Some sales are stuttering as a few buyers get spooked by media reports of financial armageddon but there are a lot of cash buyers and they continue to perform.

Michael Burkinshaw MRICS, Backwell, Skysurvuk, michael.burkinshaw@skysurvuk.com - Valuation instructions from lenders has reduced by circa 30% since late August. I believe the market peaked in July 2022. Falls in asking and achieved sale prices being widely found. Demand for purchase has dropped significantly now matching the shortage of available properties. Bleak outlook ahead.

Oiver Miles Frics Registered Valuer FRICS, Swanage, Oliver Miles, olivermiles@olivermiles.co.uk - Sellers are still having a good time of it at the moment but price reductions are becoming a regular occurrence. With the financial crisis and general economic outlook, a fall in prices looks likely in the winter.

Richard Addington MRICS, Devon, Jackson-Stops, richard.addington@jackson-stops.co.uk - Current hiatus in mortgage market is having an effect but we anticipate that being relatively short lived.

Robert Cooney FRICS, Taunton, RJC Estates Ltd, robert@robertcooney.co.uk - There is an underlying feeling that the market is beginning to turn. New listings not eliciting same interest levels and greater willingness of offerors to start below asking price. More appraisals being booked and price reductions return as optimistic pricing fails to gain traction.

Roger Punch FRICS, South Devon, Marchand Petit, roger.punch@marchandpetit.co.uk - The withdrawal of mortgage products and predicted interest rate rises has caused immediate nervousness in much of the market. The downturn that we had expected is now with us, and the extent, while impossible to predict, is likely to be significant.

Sam Butler FRICS, Lechlade, Butler Sherborn, sam@butlersherborn.co.uk - Demand for residential market in the Cotswolds is fundamentally strong but buyers are hesitating wondering how the Governments economic policy will turn out.

Simon Cooper FRICS, Exeter, Stags, s.cooper@stags.co.uk - The property market has cooled, not surprisingly considering what has been happening in recent weeks in the country. There are however motivated buyers who are keen to secure their property before Christmas.

Simon Milledge MRICS, Blandford Forum, Jackson-Stops, simonzmilledge@gmail.com - The state of the economy (inflation, cost of living, fuel prices etc.) is starting to have an effect. Buyers are becoming more cautious, and the ridiculously slow legal process means good deals done months ago don't look so good now and the number of fall throughs is increasing.

#### Wales

Anthony Filice FRICS, Cardiff, Kelvin Francis Ltd., tony@kelvinfrancis.com - Improving numbers of instructions, after the quieter holiday period. Viewers are taking more time before making offers. Some vendor's expectations are behind market changes and still expecting quick sales and higher prices. Attractive properties still selling, but after a longer marketing period.

Charlotte Burles Corbett MRICS, Blackwood, Newbridge, Risca & Caerphilly, William Parkman & Daughters Limited, charlotte@parkmans.co.uk - There has been uncertainty in the market in the last week due to the increase in interest rates and the mortgage providers retracting products. Positive vibes throughout our offices to return to a normal market.

David James FRICS, Brecon, James Dean, david@jamesdean.co.uk - Good September, no immediate affects following the mini budget.

Paul Lucas FRICS, Haverfordwest, R.K.Lucas & Son, paul@rklucas.co.uk - Activity in the market is slowing down and this was noticeable before the latest UK mini budget.

#### London

Alec Harragin MRICS, , Savills Plc, aharragin@savills.com - Growth in prime central London has paused as uncertainty over the UK's economic outlook takes hold, but high sales volumes point to robust demand and ongoing recovery in the market.

Allan Fuller FRICS, Putney, Allan Fuller Estate Agents, allan@allanfuller.co.uk - Todays news of the 7th interest rate hike will concern buyers who will be afraid of more to come, the final quarter of 2022 is likely to see the market slowing, the stamp duty reduction might not make much difference with so many other economic concerns.

Ashley Osborne MRICS, London, Du Val Group, ashley@duvalproptech.com - We expect the BtR and domestic sales markets to slow considerably, but anticipate that international sales will increase over the coming 12 - 24 months.

Benn Churchill , Godalming, Hamways, bchurchill@hamways.com - Buyer confidence is lowering in the South East but it is too early to tell at what pace the market will decline and by how much.

Brian Grante MRICS, England, Barnard Marcus Auctions, briangrante@gmail.com - Economy, recent holiday period, interest rates, inflation, perception.

Chris Baker AssocRICS, , McDowalls Surveyors Limited, chris.baker@mcdowalls.com - The timing on this research is key , it comes as the impact of the mini budget is being revealed and with this mornings announcement on the reversal of the cut to her 45p tax rate and pound recovering, it does make you wonder if the mortgage repricing exercise undertaken will last.

Christopher Ames MRICS , London, Ames Belgravia, ca@amesbelgravia.co.uk - We expect that the change in the \$/£ rate will encourage more investor buyers from U.S.A. and other Dollar backed countries.

Habib Sanni MRICS, Lewisham, , habib.sanni@ymail.com - Reduction of SDLT rate especially for first time buyers has helped to steady the market but likely increase in the interest rate is a major concern for new buyers or home movers.

Jeremy Leaf FRICS, Finchley, Jeremy Leaf & Co, jeremy@jeremyleaf.co.uk - A month of two parts. A steady first three weeks after many returned from holiday then bang...The financial crisis hit which reduced enquiries but we have found many buyers still want to take advantage of mortgage offers before rates rise go even higher.

John King FRICS, L.B.Merton, Andrew Scott Robertson, jking@as-r.co.uk - How to spook a market without thinking about the consequences. What appeared to be a productive month turned into one of dismay. The cost of borrowing on top of other house bills has knocked the market sideways. A feature expected is seeing overseas buyers come along and convert their currency.

John King FRICS, Wimbledon, Andrew Scott Robertson, jking@as-r.co.uk - September started slowly but gained momentum with a flourish of sales, while pipeline sales were slow to convert. Changes to stamp duty helped FTB the greatest, but the month end came with a crash with buyers pulling out as mortgage products were withdrawn following the markets reaction.

Kalumba Musambachime MRICS, London, , Kalumusa@hotmail.com - Market conditions are likely to impact on affordability with this reducing overall sales activity.

Kam Singh MRICS, Harrow, Ellis and Co - Harrow, kam-kalra@ellisandco.co.uk - General enquiries have dropped over the last few months, interest rate increase has detrimental effect on sales market.

Robert Green MRICS, London, John D Wood & Co., rgreen@johndwood.co.uk - September has been busy with lots of sales agreed across the price spectrum. Interest rate rises have had an impact, however, we are fortunate to have buyers who do not require finance, and increasingly, buyers from overseas who are willing to engage due to current exchange rates.

William Delaney AssocRICS, Central/West End, Coopers of London Limited, william@lwondon.com - Recent events have seen the market come to an abrupt pause. The badly received budget, rate rises, inflation, cost of living, war in Ukraine and political uncertainty are compounded by pessimistic predictions for the housing market in the media. We hope that some stability is restored.

William Taper MRICS, Hammersmith, Willmotts, W.taper@willmotts.com - Properties need to be finished well to sell at a good level. Properties needing work are being avoided by buyers for a number of reasons, difficulties in predicting build costs, lack of time (buyers), desire to concentrate on other things other than doing up a property.

### Scotland

Alan Kennedy MRICS, Fraserburgh, Shepherd Chartered Surveyors, alankennedy@shepherd.co.uk - Demand remains strong in most sectors, partly due to limited supply. Recent mortgage rate rises haven't yet impacted the market in this locality.

Grant Robertson FRICS, Glasgow, Allied Surveyors Scotland PLC, Grant.robertson@alliedsurveyorsscotland.com - The market remains robust (for now). Against all logical thought on cost of living and interest rate rises, the removal of mortgage products and a tightening of lending policy, nothing has significantly slipped. Surely it cant be long now for something to give in house prices.

Ian Morton MRICS, St Andrews, Bradburne & Co, info@bradburne.co.uk - The rise in the cost of living, mortgage rates and uncertainty in the governments fiscal policies have meant a general reduction in the confidence of sellers and buyers. Property values appear to have peaked leading to a return of the buyers market for those who can obtain finance.

Jennifer Campbell MRICS, DM Hall, jennifer.campbell@dmhall.co.uk - Short Terms Lets Licensing Scheme may bring previous holiday lets to the sales market. Landlords are exasperated with further legislation and there are a number of let properties and portfolios coming to the market as a result.

John B V Brown FRICS MRTPI DLE, Edinburgh, John Brown and Company, john.brown@jb-uk.com - Chill wind of autumn cometh with realism finally catching the market. Interest rates now better understood. Borrowing no longer makes buying the only sensible option in the sub 300k markets. With expected further rate increases, momentum is controlled and with added rental restrictions, Buy to Let is unattractive.

Marion Currie AssocRICS, RICS Registered Valuer, Dumfries & Galloway, Galbraith, marion.currie@galbraithgroup.com - Still seeing closing dates regularly with healthy competition amongst cash buyers who have missed other properties over the last 2 years. That pool is diminishing though, so sellers would be wise to market now to catch them.

Thomas Baird MRICS, Glasgow, Select Surveyors, thomas.baird@selectsurveyors.co.uk - Slowdown on new stock affecting home report instruction levels. An increase on portfolio valuations is evident, likely as a result of new rental restrictions in Scotland and consideration by landlords to dispose of some properties.

### Northern Ireland

Daniel Mc Leron FRICS, Omagh, Mc Leron Estate Agents, damclernon@gmail.com - Market starting to slow. Prices levelling. Media hype is not helping.

Kirby O'Connor AssocRICS, Belfast, Goc Estate Agents, kirby@gocestateagents.com - The sales side has been incredible, especially new build. We have found the sale side has slowed down in the past few weeks though.

Nicola Kirkpatrick FRICS, Belfast, Simon Brien Residential, ntann@simonbrien.com - Market remains steady with occasional viewers deciding to wait with regards the changes to the interest rates. However, the changes to stamp duty are encouraging for first time buyers.

Samuel Dickey MRICS, Belfast, Simon Brien Residential, sdickey@simonbrien.com - The demand for property of all types is still outstripping supply.

## Surveyor comments - lettings

### North

David Shaun Brannen AssocRICS, Whitley Bay, Brannen & Partners, shaun.brannen@brannen-partners.co.uk - Instructions are up on the same time last year.

Keith.Pattinson FRICS, Newcastle, Keith Pattinson Ltd, keith.pattinson@pattinson.co.uk - Good tenants will benefit from availability, but many owners selling due to Government attacks. Help to Buy increases demand, reducing props available for rent. Another folly to sell rented props to tenants on benefit. We are selling too many assets instead of helping rental stock.

### Yorkshire & the Humber

Alex Mcneil MRICS, Huddersfield, Bramleys, alex.mcneil@bramleys1.co.uk - Many reluctant landlords are now selling and with strong tenant demand rent levels are being sustained. Private rented sector diminishing and multiple tenant applications for most new properties.

Ben Hudson MRICS, York, Hudson Moody, benhudson@hudson-moody.com - Shortage of supply pushing up rents.

David J Martindale MRICS, Wakefield, FSL estate agents, david.martindale@fsla.com - Lettings continue to be very busy.

### North West

Amin Mohammed, Greater Manchester, Le Baron Haussmann, aminm7@gmail.com - The cost of living is an on-going concern to the rental market, tenants are between a rock & a hard place of rental payments and living.

JJ Clayton FRICS, Lytham, JPA Surveyors, jonathan@jpasurveyors.co.uk - Great governance is welcomed for tenants well being however landlords net returns will fall due to taxation. As a consequence, there are fewer available properties.

### East Midlands

John Chappell BSc.(Hons), MRICS, Skegness, Chappell & Co Surveyors Ltd, john@chappellandcosurveyors.co.uk - With the interest rate changes, another Client has decided to pull out of the sector, only two rental properties but no longer viable for them in view of proposed reforms to the private sector as reported in the press. I don't think they will be the last one.

Peter Buckingham, Market Harborough, Andrew Granger & Co, peter.buckingham@andrewgranger.co.uk - Increased demand causing rental prices to increase to unprecedented levels.

Will Ravenhill, Leicester, Readings, wravenhill@readingspropertygroup.com - Occupancy rates are very high, so we have very little stock available for new tenants. Many of our more established landlords now considering selling due to impending changes in EPC legislation.

### West Midlands

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

Dean Taylor MRICS, Edgbaston, Fishers, dean@fishers.co.uk - We are relatively busy albeit we have a lack of available properties to let. Whenever we have a new property entering the market we receive 5-30 enquiries and often multiple applications on each property.

John Andrews FRICS, Kidderminster, Doolittle & Dalley Holdings Ltd, johnandrews@doolittle-dalley.co.uk - As the sales market quietens, letting enquiries are on the increase but shortage of available stock will see rents continuing to rise as demand outstrips supply.

John Andrews FRICS, Bridgnorth, Doolittle & Dalley Holdings Ltd, johnandrews@doolittle-dalley.co.uk - Supply being far outstripped by demand and although there are some new instructions, this is not sufficient to satisfy demand. No sign of Government incentives for landlords to make rented property available.

John Shepherd, Solihull, Shepherd Vine, john@shepcom.com - General Shortage and demand increasing as sales market is beginning to falter.

Richard Franklin MRICS, Ludlow, Franklin Gallimore, richard@franklingallimore.co.uk - Rental stock still leaving the market and causing major shortages of family stock, which in turn is forcing rents up.

### East Anglia

David Boyden Bsc MRICS, Colchester, Boydens, david.boyden@boydens.co.uk - Encouraging quarter, rents remain high, slight dip in applicant levels but still achieving good level of lets.

Jan Hytch FRICS, Norwich, Arnolds Keys, janhytch@gmail.com - The relentless rise in rents fuelled by a shortage of PRS homes caused by increasing demand against diminishing stock (due to disillusioned landlords reacting to the unfavourable tax and legislative changes) is causing financial & actual hardship to the sector govt claims to want to help - tenants.

Jeffrey Hazel FRICS, King's Lynn, Geoffrey Collings & Co, jhazel@geoffreycollings.co.uk - Steady demand and supply.

Kevin Burt-Gray MRICS, Cambridge, Pocock & Shaw, kevin@pocock.co.uk - The rental market remains busy with still too many tenants chasing too few properties.

Nigel Morgan FRICS, North Walsham, Managed Property Supply Ltd, nmorgan@spaldingandco.co.uk - Difficult to see economic turbulence and energy prices not taking the heat out of rent rises even though demand continues to exceed supply.

### South East

David Parish FRICS, Upminster, Gates, Parish & Co, professional@gates-parish.co.uk - There is a shortage of available properties and new instructions are producing high levels of interest.

Eoin Hill MRICS, Newbury/Basingstoke/Marlborough, SDL surveying, eoin.hill@sdlurveying.co.uk - Rents are increasing steadily.

Gemma Newsome, Epsom, South Kensington Estates, gm390@hotmail.com - The supply is still down in London, so the demand is still there. However, I am concerned on the fragility of people's situations and whether bad debt will rise, compounded by the delays in the court system etc.

James Farrance MNAEA, FARLA, Maidenhead, Braxton, jfarrance@braxtons.co.uk - Demand from tenants remains very strong with a lack of supply driving rents up to historic highs.

Martin Allen MRICS, Wingham, Canterbury, Elgars, m.allen@elgars.uk.com - It will be interesting to see if a tougher market leads to an increase in vendors letting instead as happened in 2008. No sign of it yet and government policy towards let property will be a deterrent unless regaining possession easily stays as part of the process.

Michael Brooker FRICS, Crowborough, Michael Brooker, michael@michaelbrooker.co.uk - High demand. Rents rising.

Paul Loveridge FRICS, Thames Valley, The Frost Partnership, paul.loveridge@frostsurveyors.co.uk - Housing market has not fully reacted to the rising costs of living which is reported in the media.

Samantha Collins Associate, Haywards Heath, Balcombe Estate, administrator@balcombeestate.co.uk - Marked decrease in demand for larger houses which had enjoyed a growth period since Covid.

Simon Deacon FRICS, Westcliff-On-Sea, Wheeldon & Deacon, simon@wdsurveyor.co.uk - Increasing regulation in the private rental housing sector will inevitably lead to a smaller number of properties available.

#### South West

John Woolley FRICS, Salisbury, John Woolley Ltd, john@john-woolleyltd.co.uk - Tenants are reluctant to change. Landlords are pleased if they stay.

Marcus Arundell MRICS, Bath, HomeLets, marcus@homeletsbath.co.uk - Summer giving way to Autumn and still no let up, stock is beginning to flow through albeit demand levels and rent rates still at all time highs. Bring on the new government and their mini budget.

Mark Annett FRICS, Chipping Campden, Mark Annett & Company, mark.f.annett@gmail.com - The rental market is still strong and demand outstrips supply.

Michael Burkinshaw MRICS, Backwell, Skysurvuk, michael.burkinshaw@skysurvuk.com - Rental values continue to rise - likely to continue as banks/mortgage rates rise. Lots of tenants seeing rent unaffordable. There is much fear among tenants of being unable to pay and of being evicted. There is a significant shortage of BTL properties in the market, exacerbated by banks ceasing lending.

Paul Oughton MARLA, MNAEA, Cirencester And The Cotswolds, Moore Allen & Innocent, paul.oughton@mooreallen.co.uk - Property supply diminishing against a continued very strong applicant demand.

Sam Butler FRICS, Lechlade, Butler Sherborn, sam@butlersherborn.co.uk - Landlords are increasingly concerned by legislation which favours tenants and restricts their flexibility.

Simon Cooper FRICS, Exeter, Stags, s.cooper@stags.co.uk - The market remains incredibly strong with far more tenants than there are properties ensuring that rents are still increasing.

#### Wales

Anthony Filice FRICS, Cardiff, Kelvin Francis Ltd., tony@kelvinfrancis.com - Increasing numbers of landlords are selling and leaving the market. This is leading to higher demand for fewer properties and upward pressure on rents. Landlords are also more careful in choosing tenants, because of increasing tenant biased regulations.

Charlotte Buries Corbett MRICS, Blackwood, Newbridge, Risca & Caerphilly, William Parkman & Daughters Limited, charlotte@parkmans.co.uk - Vast number of tenants stating that rent increases are unaffordable generating increased workload on negotiations.

David Cook MRICS, Caerphilly, Dave.bern@btinternet.com - Rent freezes and prolonged eviction together with penalties for private rented accommodation will lead to rented properties being sold to owner occupancy and reduction of available property to Local Authorities, especially homeless people.

Paul Lucas FRICS, Haverfordwest, R.K.Lucas & Son, paul@rkluccas.co.uk - Welsh and national government policies have fuelled the shortage in available lettings as landlords are pulling out of the market in significant numbers.

#### London

Alec Harragin MRICS, Savills Plc, aharragin@savills.com - Prime London rental growth reached +14.0% in the year to the end of September 2022, as tenant demand continues to significantly outweigh supply. This is the highest growth since the firm's records began in 1979.

Allan Fuller FRICS, Putney, Allan Fuller Estate Agents, allan@allanfuller.co.uk - Demand from tenants still remains strong but we are beginning to see it slowing and anticipate the final quarter of 2022 to see a reduction in demand due to economic pressures and possible job losses. This is why we anticipate rents stabilising.

Chris Baker AssocRICS, McDowalls Surveyors Limited, chris.baker@mcdowalls.com - Supply is low with many potential FTB put off by rising mortgage costs, hence the liquidity is reducing and pushing up rents.

Jeremy Leaf FRICS, Finchley, Jeremy Leaf & Co, jeremy@jeremyleaf.co.uk - Further increases in the cost of living meant previous rapid rent rises cannot be sustained and tenants are starting to resist. Tenants on lower incomes seem disproportionately affected as many were unable to make sufficient savings during lockdown.

John King FRICS, L.B.Merton, Andrew Scott Robertson, jking@as-r.co.uk - An even better month than last, as the number of enquires continue to grow, with some landlords reviewing their portfolio. Rents will increase inline with mortgage repayments.

John King FRICS, Wimbledon, Andrew Scott Robertson, jking@as-r.co.uk - Landlords are forced to increase rents to keep pace with cost. This is not having an impact on enquires or lettings as the housing market enters a new phase of accountability we expect to see the rental market grow as returns become more attractive.

Kam Singh MRICS, Harrow, Ellis and Co - Harrow, kam-kalra@el-lisandco.co.uk - Huge surge in rents and demand, due to changes in legislation re ban on no-fault tenancies, landlords are quite concerned how to protect their investment.

Mark Wilson MRICS, London, Globe Apartments, mark@globe-apt.com - We remain busy with new listings generating a good response and we continue to suffer a shortage of stock. What will 2023 bring? Can the market sustain at these levels?

Will Barnes Yallowley AssocRICS, Kensington/West End, LHH Residential, will@lhhresidential.co.uk - Rental stock has dwindled to a trickle and rents are rocketing.

William Delaney AssocRICS, Central/West End, Coopers of London Limited, william@lwlondon.com - Rental demand continues to be robust with lack of good stock an underpinning factor supporting price rises. We expect prices to level out in the coming months as numerous factors such as the rising cost of living impact on affordability.

William Taper MRICS, Hammersmith, Willmotts, W.taper@willmotts.com - Rental market is very strong. Landlords leaving the market, less supply and increased demand from students, professional sharers, downsizers, workers etc. This is all driving rents up. The squeeze on disposal income continues to be felt by tenants.

Zoya Green MRICS, London, Res Divitiae Ltd, Zoya.green75@gmail.com - Despite instability of the financial market, the rental market is still robust showing a sign of going up. However, it still hugely depends on the area.

#### Scotland

Carolyn Davies MRICS, Dumfries, Savills, cmdavies@savills.com - Tenant demand continues to far outweigh supply, and the Cost of Living Tenant Protection bill is already leading agents to review market rents for new lettings in the light of previous Government decisions and the possibility that rent freezes could be in place until 31/3/2024.

Fraser Crichton FRICS, Edinburgh, Dove Davies, fcrichton@dovedavies.com - The announcement from the Scottish Government about a rent and eviction freeze has created a great deal of uncertainty for landlords. This will undoubtedly lead to a further reduction in the supply of residential property to let from individual and corporate landlords.

Grant Robertson FRICS, Glasgow, Allied Surveyors Scotland PLC, Grant.robertson@alliedsurveyorsscotland.com - The Scottish Governments apparent systematic determination to destruct the PRS continues unabated driven by a skewed ideology which is driving investment away from the sector rather than giving encouragement to build together the necessary homes needed within Scotland.

Ian Morton MRICS, St Andrews, Bradburne & Co, info@bradburne.co.uk - The Scottish Government introduced restrictions on rent increases and no evictions until March 2023. This may reduce the confidence of buy to let investors adding to their portfolios and in return not helping the severe shortage of rental stock.

Jennifer Campbell MRICS, , DM Hall, jennifer.campbell@dmhall.co.uk - It is not an attractive time to be a landlord in Scotland and it is high risk to take on a property with a sitting tenant given the ban on evictions and rent freeze.

John B V Brown FRICS MRTPI DLE, Edinburgh, John Brown and Company, john.brown@jb-uk.com - Whether The Scottish Government has the legal authority to restrict rent increases needs tested. Its is a blow to the heart of private investors. The impact will mean sales of units and less supply of rental stock. Stupidity obvious. Universities advise students of accommodation supply shortage.

#### **Northern Ireland**

Kirby O'Connor AssocRICS, Belfast, Goc Estate Agents, kirby@gocestateagents.com - The rental market is strong and demand still very high. All rents are up by 5/10%.

Samuel Dickey MRICS, Belfast, Simon Brien Residential, sdickey@simonbrien.com - The rental market continues to be strong.



## Contacts

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