



ECONOMICS



UK Residential Market Survey

October 2021

Lack of stock continues to hold back activity

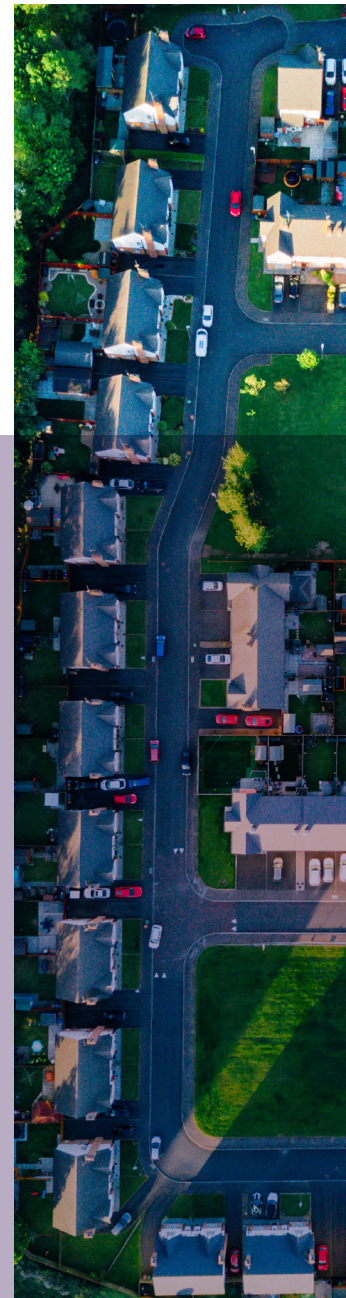
- Sales soften over the month, but buyer enquiries return to positive growth
- Lack of stock remains an issue, with new instructions falling once again
- House prices continue to rise across the UK

The October 2021 RICS UK Residential Survey results point to another small dip in the volume of sales agreed over the month. That said, with demand picking up slightly and near term sales expectations modestly positive, it looks as if sales will at least stabilise going forward. Still weighing on the market however, the lack of available supply continues to present would-be buyers with limited choice, and remains a key factor underpinning strong house price growth.

At the headline level, a net balance of +10% of contributors noted an improvement in new buyer enquiries over the latest survey period. This is up from a neutral reading of +1% previously and signals the first outright rise in buyer demand (albeit modest) since June 2021.

Although buyer enquiries picked up, this has yet to translate into an upturn in sales. Nationally, a net balance of -9% of respondents reported a reduction in agreed sales during October, marking the fourth consecutive negative reading for this metric (following strong growth cited earlier in the year during the Stamp Duty concession window). Nevertheless, the latest figure represents the least negative return throughout this stretch, and is up from -13% in September.

Looking ahead, sales expectations for the coming three months remain slightly positive, with the net balance coming in at +10% (little changed from +12% previously). At the twelve-month horizon, the headline sales expectations net balance of +4% is indicative of a flat to marginally positive trend anticipated. When disaggregated, some parts of the UK are expected to see a firm rise in transactions, with the North of England, London, Scotland and Northern Ireland all displaying a more upbeat twelve-month outlook than



the headline average.

Back at the national level, the depressed flow of new instructions being listed on the market of late remains widely referenced as a factor holding back activity. Indeed, the new instructions series has now been stuck in negative territory for seven months in succession, with the latest net balance standing at -20% (compared to -33% last time). Given this, average stock levels on estate agents book have fallen from close to 42 in March to just 37 according to the latest feedback.

The lack of supply available on the market is not only holding back sales momentum, but it also a significant factor behind house price growth being sustained at a strong rate. Indeed, during October, a headline net balance of +70% of respondents saw an increase in house prices, with the pace of growth more or less matching that seen over the past three months (in net balance terms). Furthermore, virtually all regions/countries of the UK continue to see sharply rising house prices.

With regards to the twelve-month outlook, a headline net balance of +69% of respondents still foresee a further increase in house prices, with this measure showing no sign of easing over recent months. Again, all parts of the UK are expected to see house prices continuing to rise over this timeframe.

In the lettings market, tenant demand trends remain firm, evidenced by a net balance of +49% of respondents reporting an increase in the three months to October (part of the seasonally adjusted quarterly series). As such, tenant demand has now risen in each of the last six quarters. Conversely, landlord instructions continue to weaken noticeably, with the latest net balance falling to -31% from an already negative reading of -20% last quarter.

On the back of this mismatch between supply and demand, near term rental growth expectations remain elevated, as a net balance of +54% of contributors anticipate rents rising over the coming three months. Interestingly, London now displays amongst the strongest expectations on this measure (net balance +74%). This represents a substantial turnaround considering rental expectations were firmly planted in negative territory across the capital between Q2 2020 and Q2 2021.



RICS UK Residential Market Survey: COP26 Edition

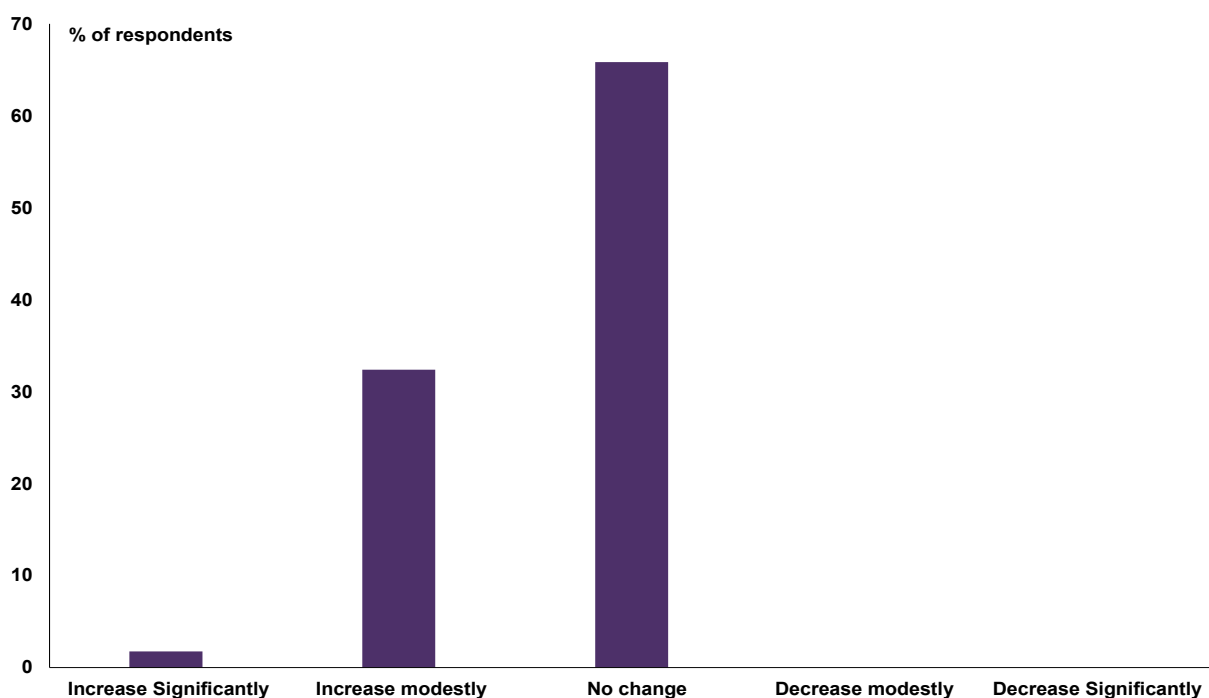
In the run up to COP26, the RICS UK October 2021 Residential Market Survey was used to draw on the expert opinions of professionals operating in the housing sector on a range of sustainability and climate related issues. The feedback suggests that such factors appear to be influencing the market, but only to a limited extent.

On balance, contributors note an increase in demand for energy efficient homes (Figure 1). Around one-third of those responding to the survey stated that buyer demand for energy efficient homes has risen over the past twelve months. That said, the majority report only a modest up-tick in buyer appetite as opposed to a significant pick-up. The remaining two-thirds of respondents noted no change in buyer appetite for

energy efficient homes in the past year, leaving the share of contributors suggesting that demand for such homes had fallen during the same period at virtually zero.

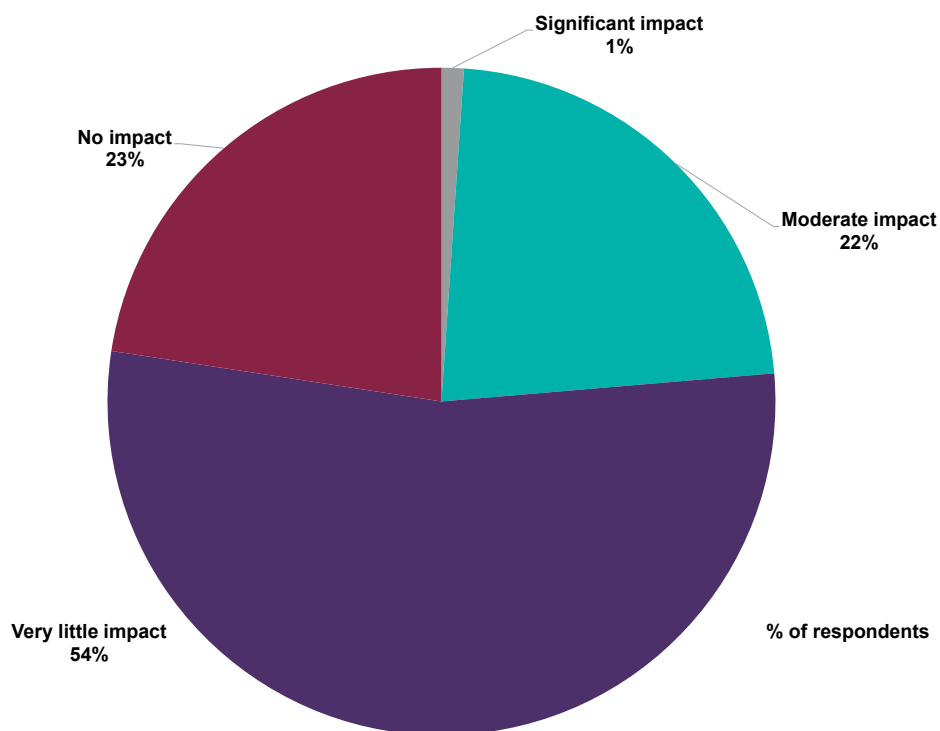
Furthermore, the majority of professionals surveyed (around 54%) state that a property's energy efficiency rating has "very little impact" on its selling price. Meanwhile, around 23% believe that energy efficiency rating has no impact on the selling price whatsoever. However, just under one-quarter of respondents see things differently, with energy performance ratings in their view having a modest influence on prices (as shown in Figure 2).

Nonetheless, it seems that the tide could turn in the coming years. Nearly three-quarters of



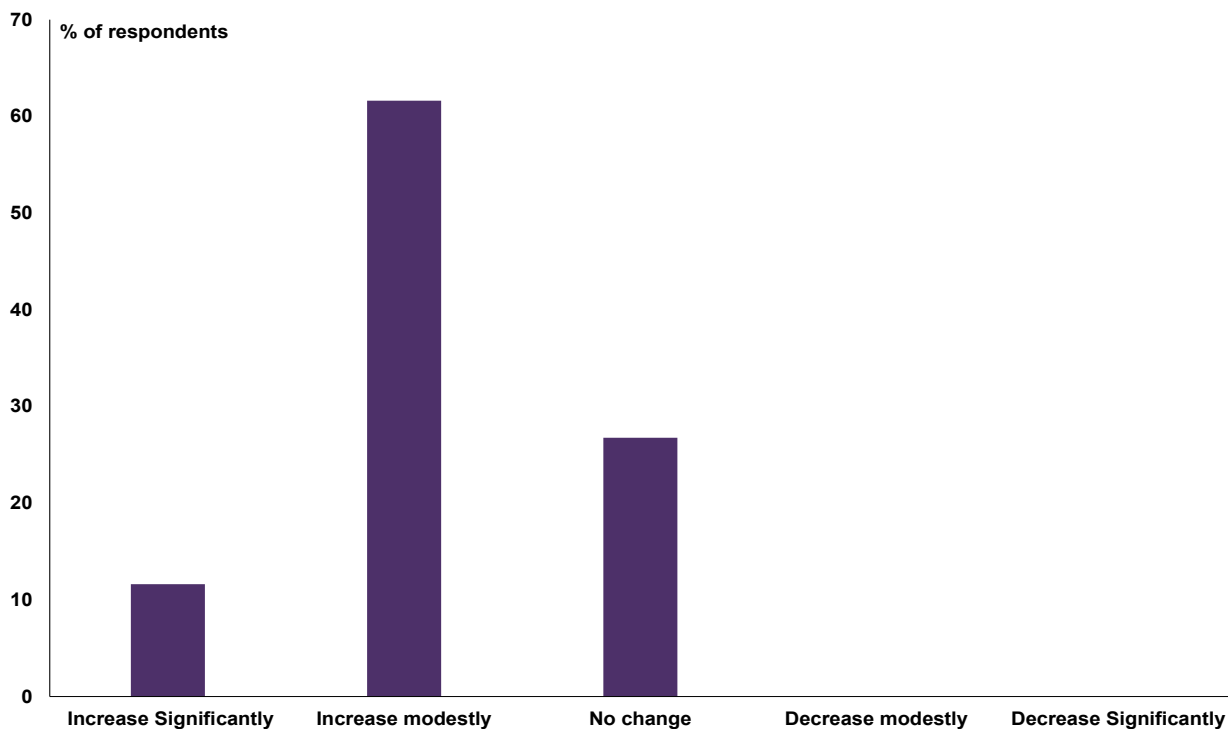
Source: RICS

Figure 1 Change in demand for energy efficient homes in the past year



Source: RICS

Figure 2 Impact of energy efficiency ratings on selling price



Source: RICS

Figure 3 How is willingness to pay for highly energy efficient/zero carbon homes likely to change in the next three years

professionals surveyed believe that willingness to pay for highly energy efficient and zero carbon homes is likely to rise over the next three years (as indicated in Figure 3).

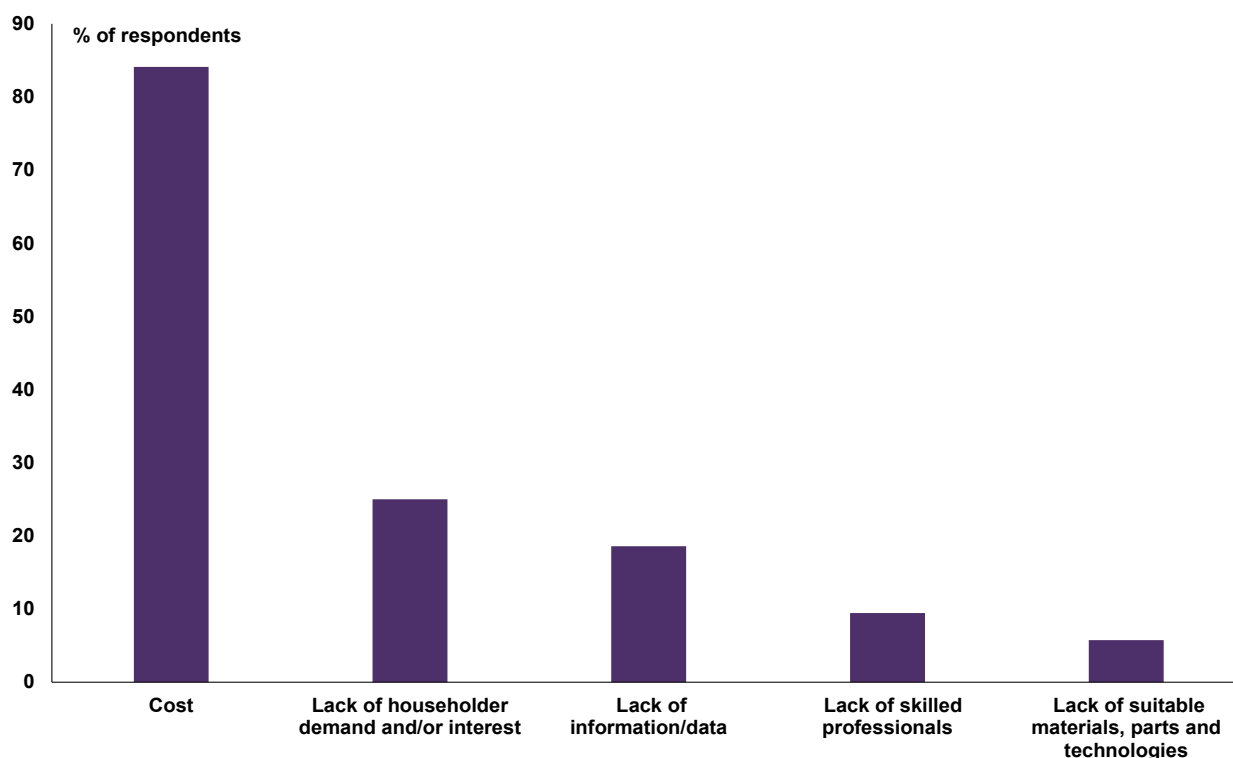
When disaggregated, around 62% feel there will be a modest rise in the willingness to pay for highly energy efficient and zero carbon homes over the coming years, while around 11% anticipate a significant pick-up.

With respect to pinpointing the principle barriers to making energy efficiency improvements in homes, feedback overwhelmingly suggests that cost is the most significant hurdle. Indeed, around 85% of professionals state that cost is the main barrier currently preventing households from making energy efficiency improvements in their

homes. Around one-quarter identify lack of householder demand and interest as an obstacle while almost one-fifth believe that it is lack of information/data (shown in Figure 4).

Interestingly, the share of respondents pointing to a shortage of skilled professionals as a barrier is under 10%, while only around 5% see lack of suitable materials, parts and technologies to be an obstacle.

This suggests that additional government funding and investment alongside new financial solutions appealing to homeowners, landlords and investors could pave the way for decarbonising UK homes.



Source: RICS

Figure 3 Barriers preventing households from making energy efficiency improvements*

*Contributors were asked what they considered to be the top two barriers

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:

November survey: 9 December

Number of responses to this month's survey:

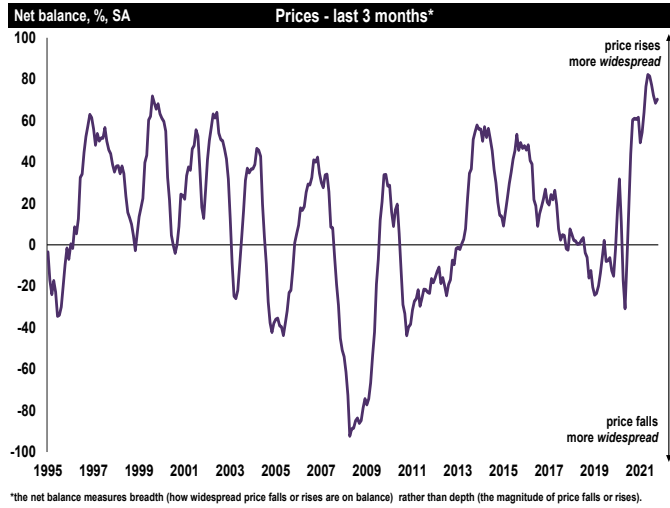
This survey sample covers 510 branches coming from 295 responses.

Disclaimer

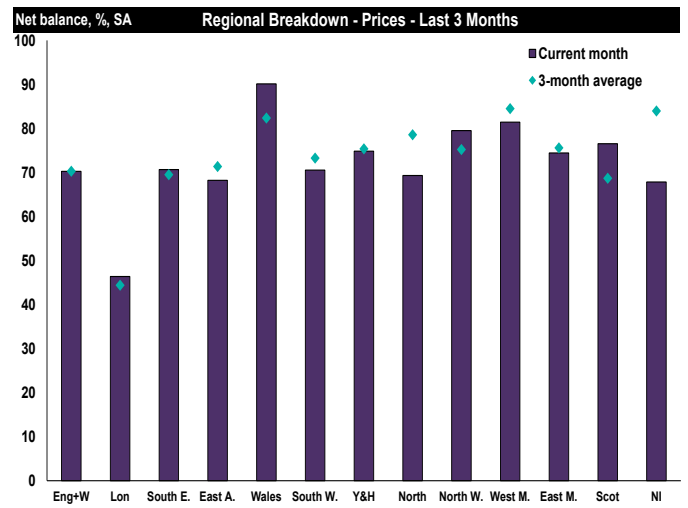
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Sales market charts

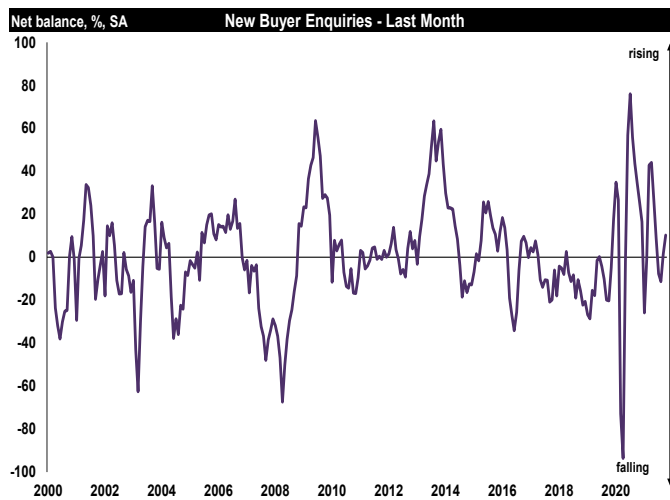
National Prices - Past three months



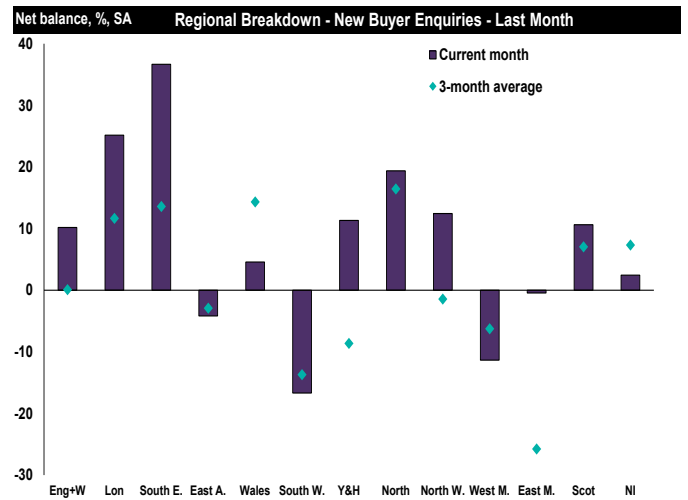
Regional Prices - Past three months



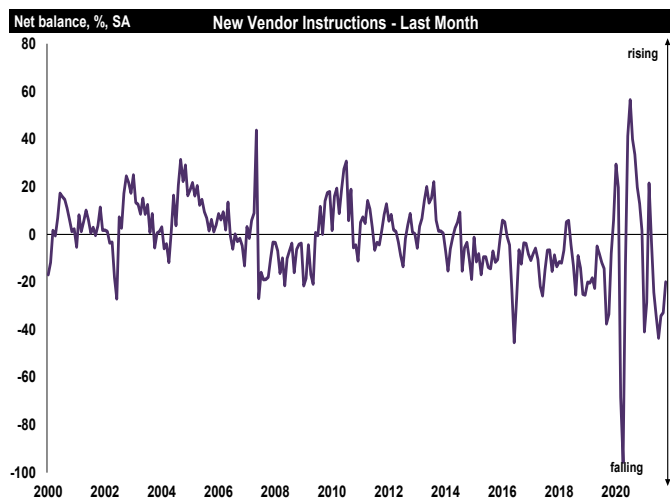
National Enquiries - Past month



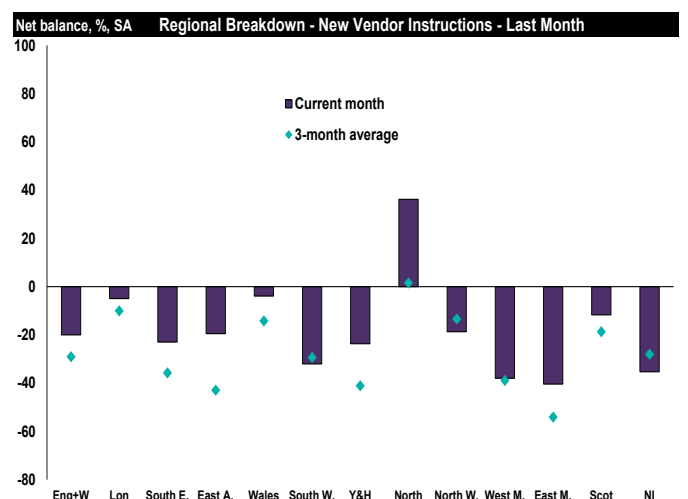
Regional New Buyer Enquiries - Past month



National New Vendor Instructions - Past month

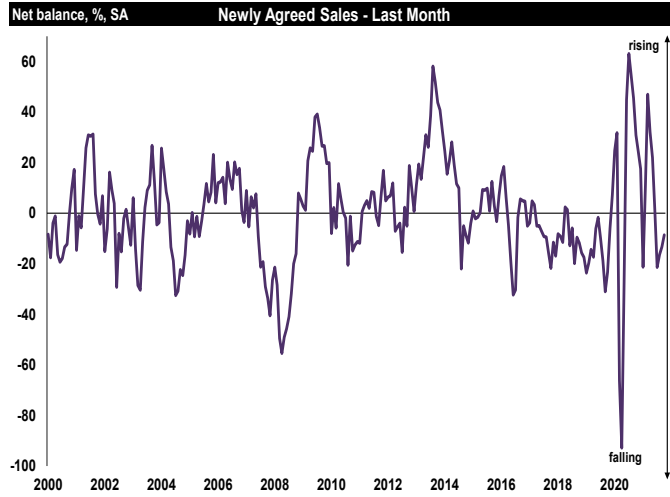


Regional New Vendor Instructions - Past month

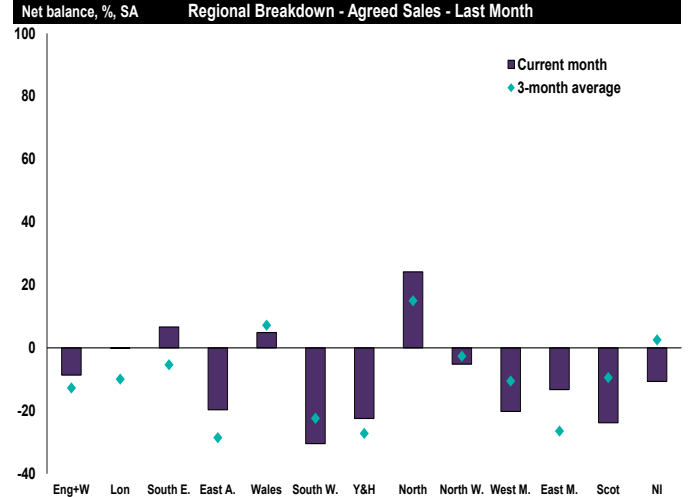


Sales market charts

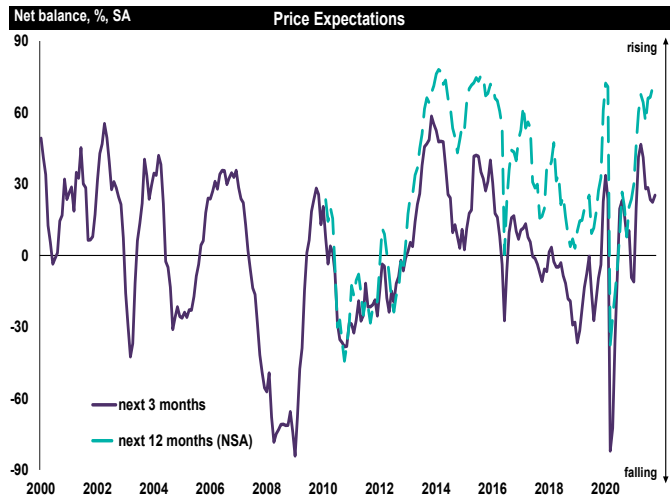
National Newly Agreed Sales - Past month



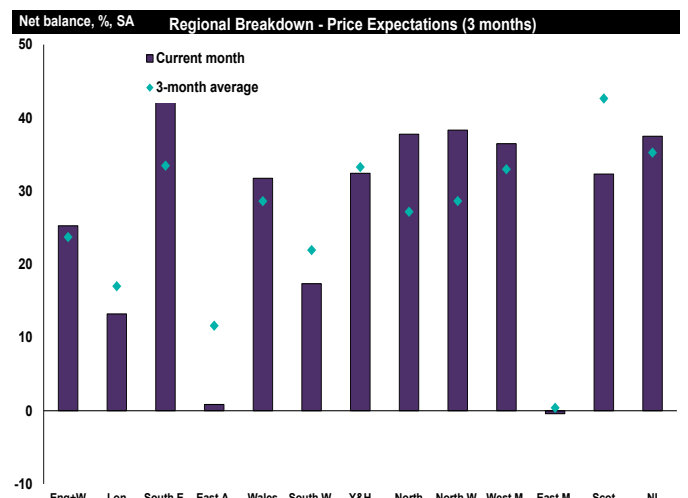
Regional Newly Agreed Sales - Past month



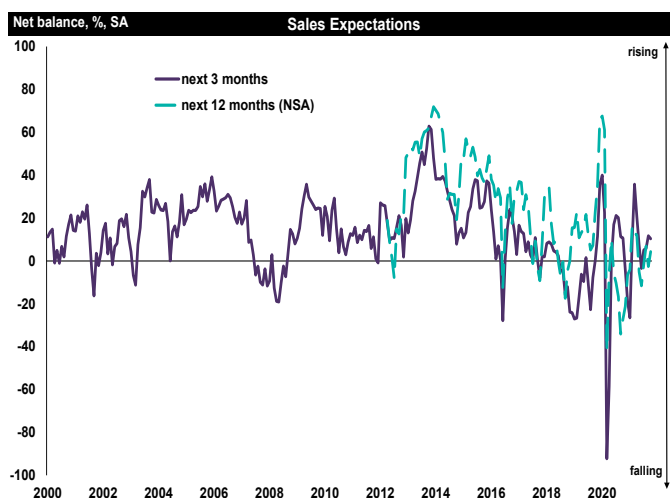
National Price Expectations - Three and twelve month expectations



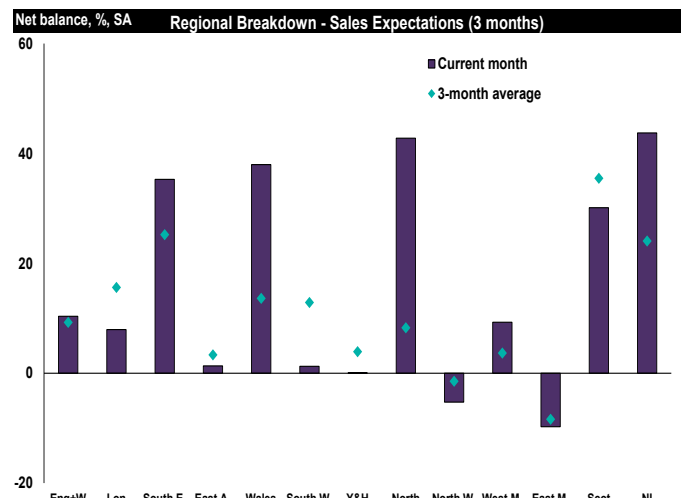
Regional Price Expectations - Next three months



National Sales Expectations - Three and twelve month expectations

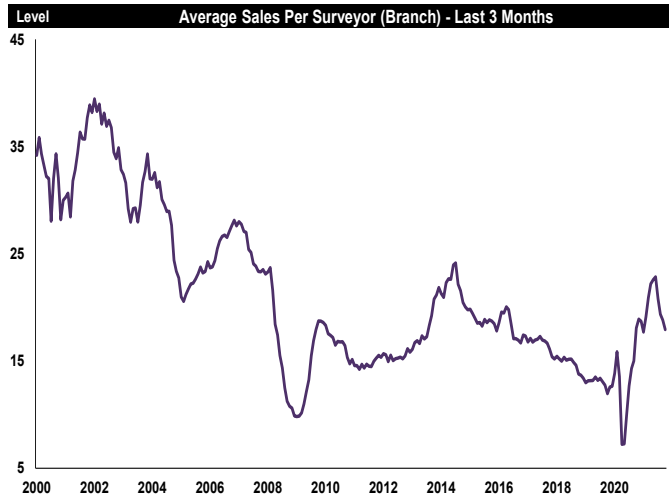


Regional Sales Expectations - Next three months

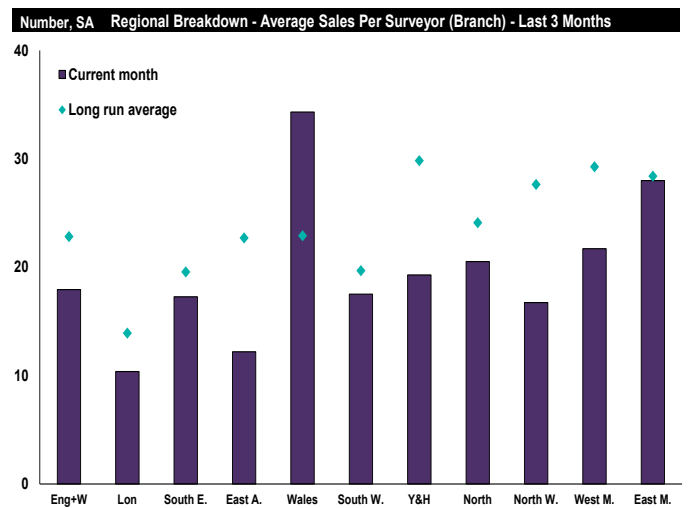


Sales market charts

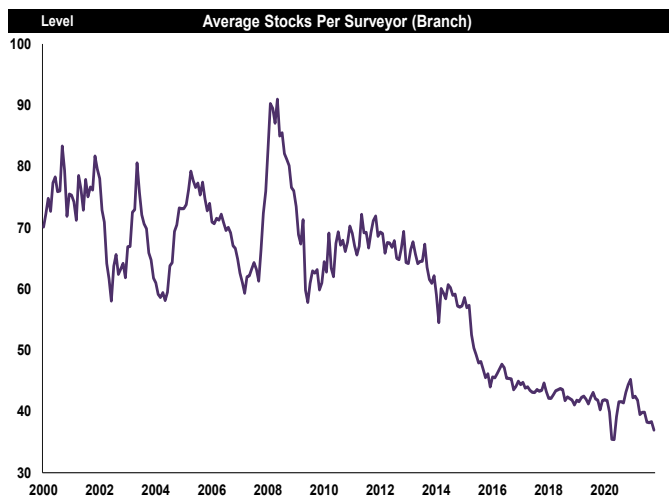
National Average Sales Per Surveyor - Past three months



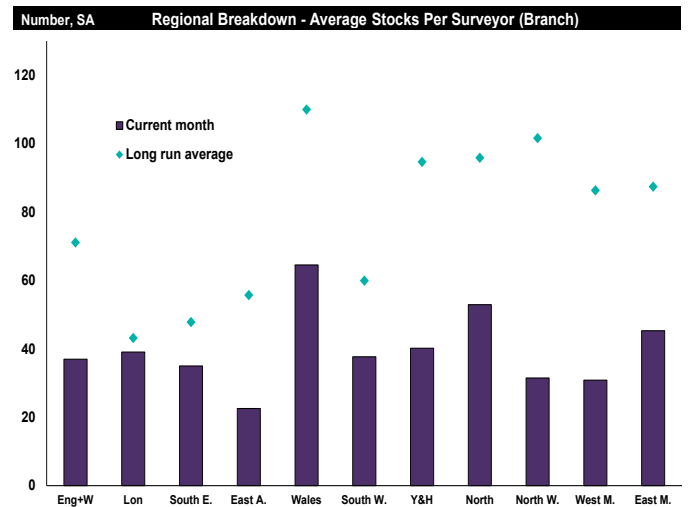
Regional Average Sales Per Surveyor - Past three months



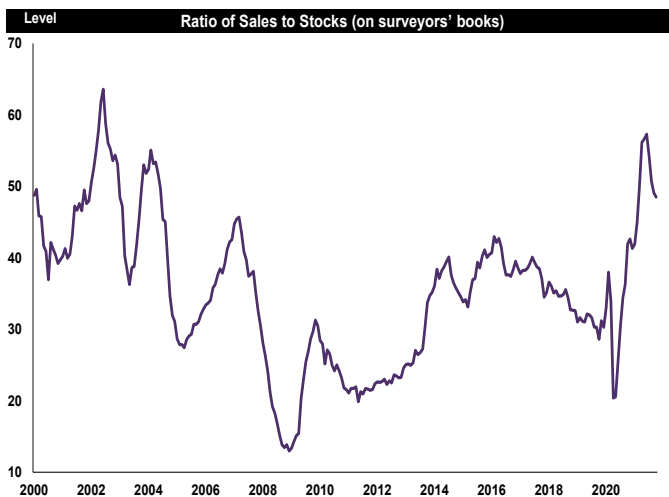
National Average Stocks Per Surveyor



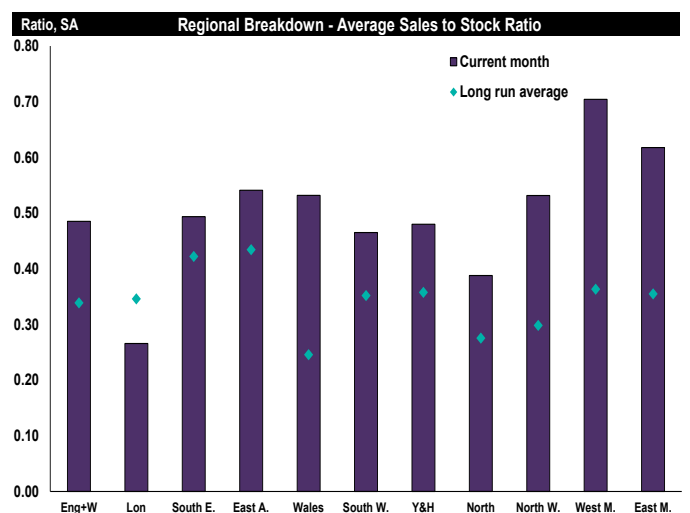
Regional Average Stock Per Surveyor



National Sales to Stock Ratio

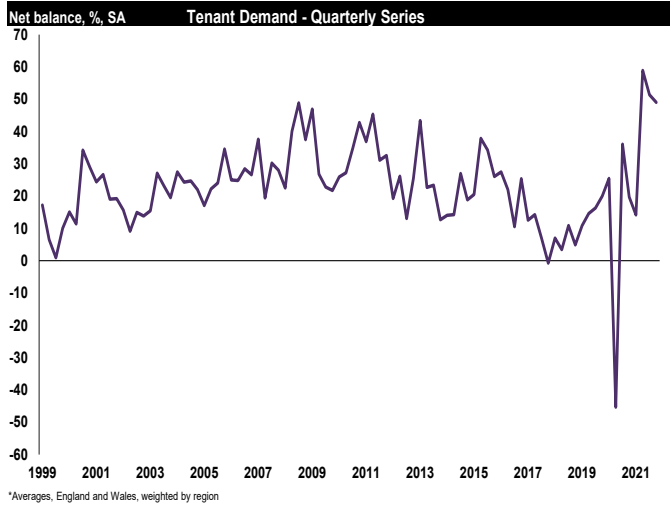


Regional Sales to Stock Ratio

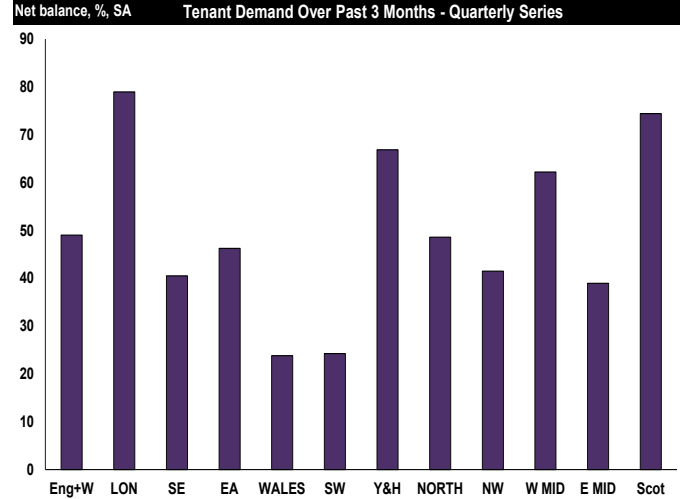


Lettings market charts

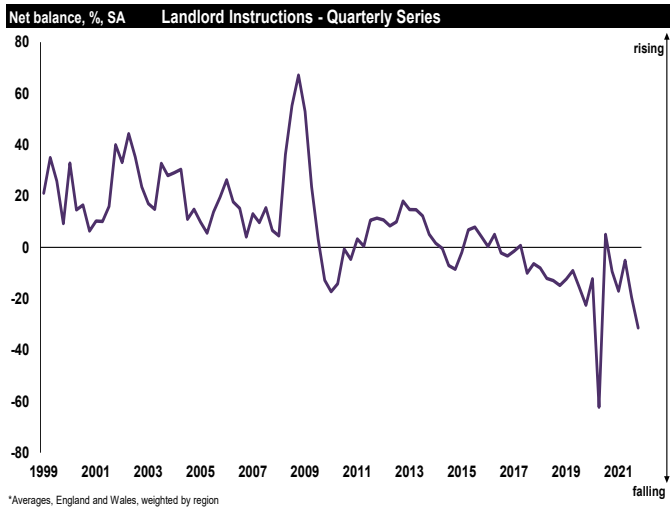
National Tenant Demand - Past three months



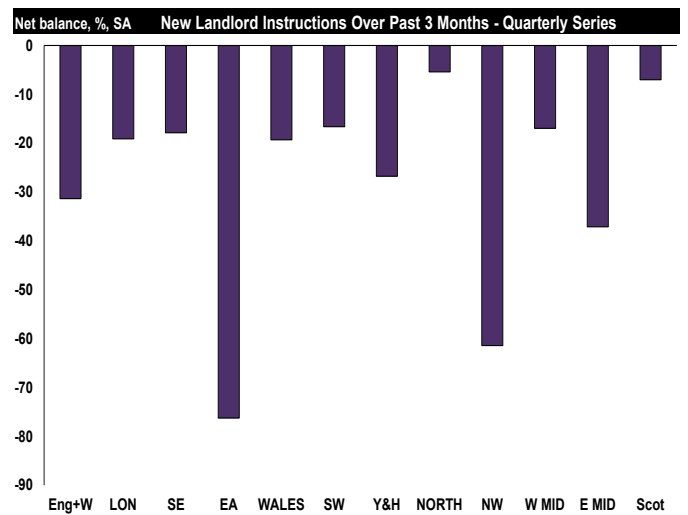
Regional Tenant Demand - Past three months



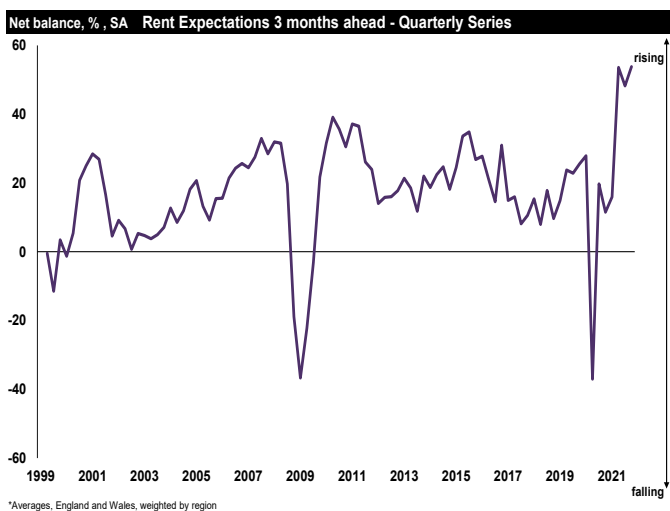
National New Landlord Instructions - Past three months



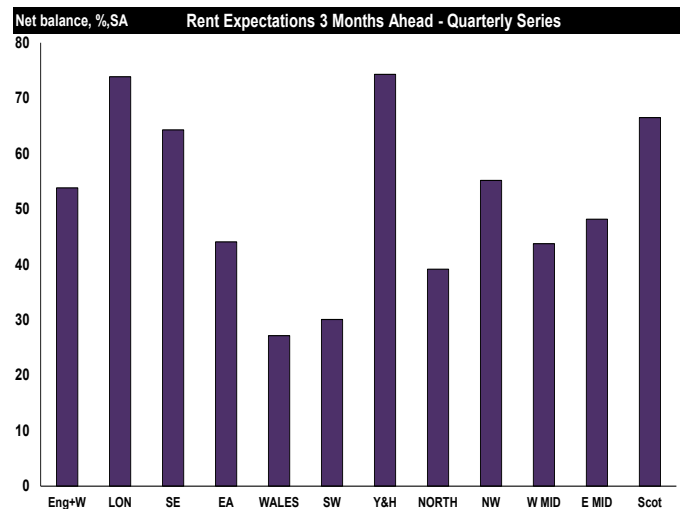
Regional New Landlord Instructions - Past three months



National Rent Expectations - Next three months

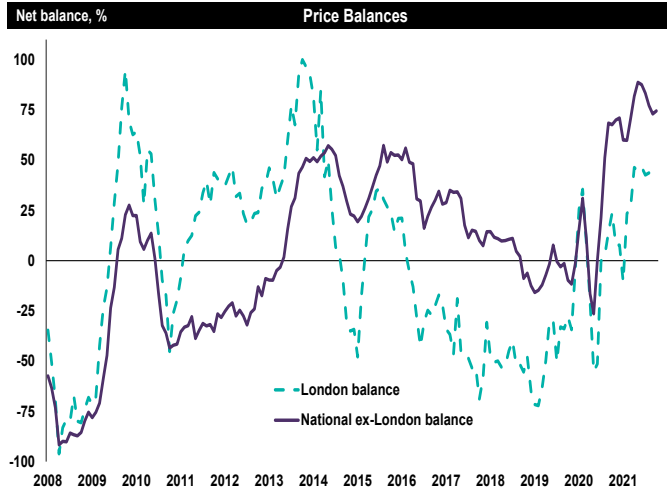


Regional Rent Expectations - Next three months

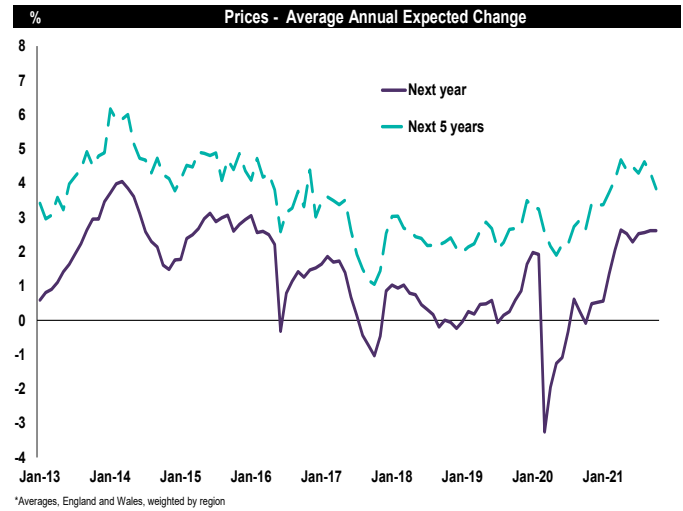


Expectations and other data

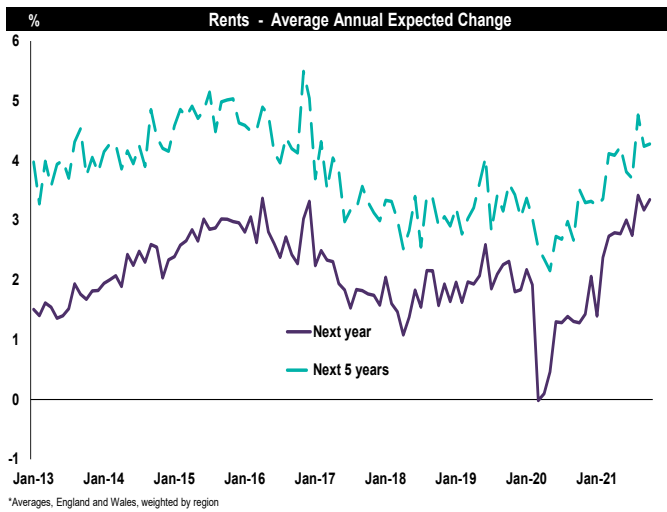
National Price Balance (excluding London) and London Price Balance - Past three months



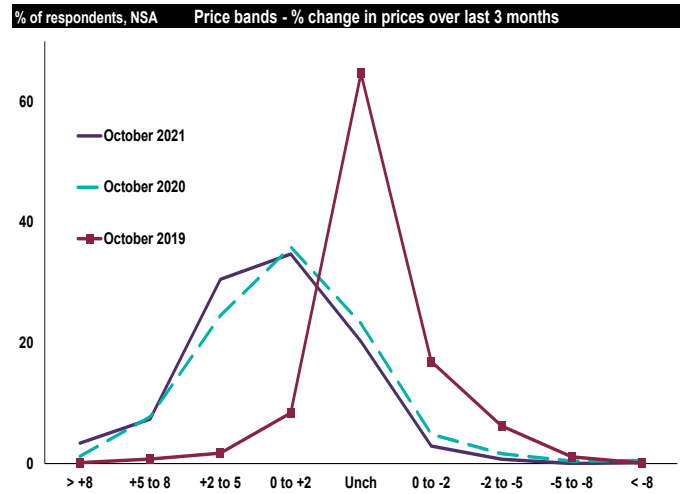
National Average Annual Expected Price Change (point estimate) - Next one and five years



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



Price Bands - Past three months



Surveyor comments - Sales

North East

Aisling Ramshaw MRICS, Miller Homes, Newcastle and Northumberland, ashlingd@live.co.uk - Lots of buyers moving North from South due to lower house prices. People all want office and outdoor space. Our coastal properties are in high demand.

David Shaun Brannen AssocRICS, Brannen & Partners, North Shields, shaun.brannen@brannen-partners.co.uk - Sales agreed levels remain high with strong demand for coastal homes.

Mr Keith Alan Pattinson FRICS, Keith Pattinson Ltd, Newcastle-Upon-Tyne, keith.pattinson@pattinson.co.uk - Buyers do not choose products whether washing machines or houses on Energy rating. We did not have central heating, but wore vests and sweaters. Lack of ventilation causes asthma. People have more disposable income as considerably less has been spent on holidays. There is now more working from home, less commuting.

Neil Foster MRICS, Foster Maddison Property Consultants, Hexham, neil@fostermaddison.co.uk - Lack of new stock continues to fuel prices and some buyers are in danger of being exposed by a correction as stock levels improve through 2022.

Yorkshire & the Humber

Alan Bolton AssocRICS, Camsure Homes Ltd, Sheffield, alanandlesley140@aol.com - Since June 2020 I have noted that demand has been significantly greater than supply and property sales have often been agreed within less than one week of the property being marketed. Recently sales volumes appear to have reduced.

Alex Mcneil MRICS, Bramleys, Huddersfield, alex.mcneil@bramleys1.co.uk - Following a rush for completions in September, a return to more normal activity in recent weeks. Demand remains strong but fewer new instructions.

Anthony James Watson MRICS, Akkeri Developments Limited, York, james.watson1972@btinternet.com - There is buyer concern around inflation and interest rates but this is not currently impacting on demand. It remains to be seen how this plays out in the coming 12 months so we expect a more steady market in terms of pricing growth but that demand will remain high.

Ben Hudson MRICS, Hudson Moody, , benhudson@hudson-moody.com - Lack of stock coming to the market driving price increases.

James Brown MRICS, Norman F Brown, Richmond, belindandjames@hotmail.co.uk - I sense that the sales market is cooling off now.

James Watts MRICS, Robert Watts Estate Agents, Cleckheaton, jameswatts@robertwatts.co.uk - Since the end of the Stamp Duty holiday, the market has slowed slightly, but demand still far outweighs supply and this is keeping values strong. There is a real fear from sellers that they will not find anything to buy so they are delaying marketing, which is further restricting supply numbers.

Kenneth Bird MRICS, Renton & Parr, Wetherby, ken@rentonandparr.co.uk - Demand remains strong and many properties still selling above asking prices.

Michael Darwin MRICS, M W Darwin And Sons, Northallerton, info@darwin-homes.co.uk - The market has cooled a little this month but still demand for any homes coming to the market.

North West

David J Champion MRICS & Registered Valuer, Champsurv, Fylde Coast, championdavid@gmail.com - Lack of first time buyer properties likely to push prices up as there is not enough good quality housing available.

Gregory Hoyle AssocRICS, Garside Waddingham Surveyors Llp, Preston And Surrounding Areas, greg.hoyle@gwsurveyors>co.uk - The market has been surprisingly buoyant despite obvious difficulties, we anticipate a general slowing down next year but hope for a steady growth which does not result in unrealistic expectations.

John Williams FRICS, MEWI, Brennan Ayre O'Neill Llp, Wirral, john@b-a-o.com - Whilst some heat has come out of the market, sales pipelines remain strong with limited supply continuing to drive price growth and over asking price offers.

Lawrence Copeland FRICS, Elbonmill Limited T/A Lawrence, Copeland Town And City Centre, lawrence@lawrencecopeland.com - Cladding issues continue to be a problem in my area, which is restricting salable properties available to the public. At least half the properties have an issue.

Robert Ikin, Rostons, Chester, robertikin@rostons.co.uk - Lack of instructions a major issue.

East Midlands

David Hawke FRICS, David Hawke Property Services, Worksop, enquiries@davidhawke.co.uk - Very quiet market.

Mark Newton FRICS, Newton Fallowell, Grantham, mark.newton@newtonfallowell.co.uk - The deluge was finally halted in October and for the first month we fell behind 2020 in all aspects, it will however be a record year.

Stephen Gadsby BSc FRICS, Gadsby Nichols, Derby, stevegadsby@gadsbynichols.co.uk - Sales still remain buoyant. Prices seem to be stabilising. Lack of new instructions coming to the market.

Tom Wilson MRICS, King West, Stamford, twilson@kingwest.co.uk - A more discerning buyer creeping into the market with less urgency than we had become used to. A lack of available property providing a floor to prices, but the market feels cautious ahead of anticipated rate rises and inflation in the New Year.

Will Ravenhill, Readings, Leicester, wravenhill@readingspropertygroup.com - Activity has dropped off a cliff since the stamp duty deadline. We currently have the lowest stock levels that we've ever had.

West Midlands

Colin Townsend MRICS, John Goodwin, Malvern, colin@johngoodwin.co.uk - Still a very busy month with plenty of buyers but not quite as intense a market as we experienced in the summer months.

Jeremy Dell, J J Dell & Co, Shropshire, property@jddell.co.uk - Lack of supply and a keen demand for certain types of properties eg modern house and bungalows. I suspect there has been some cooling off in the market due to stamp duty and time of year.

John Andrews FRICS, Doolittle & Dalley Ltd, Bridgnorth, johnandrews@doolittle-dalley.co.uk - A quieter month as reduction in new instructions results in fewer enquiries. Still high demand when property becomes available.

John Andrews FRICS, Doolittle & Dalley Ltd, Kidderminster, johnandrews@doolittle-dalley.co.uk - Evidence that the sales market is slowing but there are still sales being made. Price growth has eased but no sign of price reductions.

Richard Franklin MRICS, Franklin Gallimore, Tenbury Wells, richard@franklingallimore.co.uk - The delays and issues caused by SDLT holiday show that the current conveyance process is totally analogue in a digital world. In a fast changing market, legal progress in matters is key. The HIP was much criticised -but with technology available now, there has to be a better model.

East Anglia

Chris Philpot FRICS, Lacy Scott And Knight, Stowmarket, Mid Suffolk, cphilpot@lsk.co.uk - After slight hesitation at the end of the school and stamp duty holidays, the market has continued unchecked.

David Boyden Bsc MRICS, Boydens, Colchester, david.boyden@boydens.co.uk - Seasonal downshift in the number of instructions is apparent, however, sales are readily achieved at the right money with the stock we have.

Jeffrey Hazel FRICS, Geoffrey Collings & Co, King's Lynn, jhazel@geoffreycollings.co.uk - Steady number of appraisals being undertaken but the properties don't come to market. New instructions create strong interest. The buyers are still there.

Kevin Burt-Gray MRICS, Pocock & Shaw, Cambridge, kevin@pocock.co.uk - Property Valuations/instructions starting to fall away now as we approach the quieter run up to Christmas. Properties coming onto the market are generally generating a good response with most going under offer within a few weeks of listing. Demand still outstrips supply.

Rob Swiney MRICS, Lacy Scott And Knight, Bury St Edmunds, rswiney@lsk.co.uk - The market is starting to show signs of slowing not unusual for this time of year.

South East

Chris Gooch MRICS, Carter Jonas, Winchester, chris.gooch@carterjonas.co.uk - The autumn market is performing well but is being tempered by tight stock levels.

Chris Tremellen MRICS MAPM, Chris Tremellen Property Consultant, Southampton, chris.tremellen@outlook.com - Stamp duty, Brexit impact, and inflation.

Darran Ford MRICS, Legal & General, Chichester, darranthesigner@gmail.com - The cost both in time and effort to improve your homes efficiency is not matched by the potential returns in cost savings on your energy bill. Therefore, whilst most people like to do something about improving the energy efficiency of their home, most people don't.

David Nesbit FRICS, D.M.Nesbit & Company, Portsmouth, davidnesbit@nesbits.co.uk - More activity despite the end of Stamp Duty concessions. Supply side very low. Increase in mortgage & interest rates may limit 'silly' prices.

David Parish FRICS, Gates, Parish & Co, Upminster, professional@gates-parish.co.uk - There is a shortage of instructions at present. However, properties that do come on to the market are attracting high levels of interest and are selling readily.

Ed Rook MRICS, Knight Frank, Sevenoaks, edward.rook@knightfrank.com - Activity continues while mortgage rates remain low.

James Farrance MNAEA, FARLA, Braxton, Maidenhead, - There is an oversupply of high density accommodation such as apartments.

John Griggs FRICS, Regalpoint Homes, Sevenoaks, john@johngriggsassociates.co.uk - Market continues to be buoyant.

Martin Allen MRICS, Elgars, Wingham, Canterbury, m.allen@elgars.uk.com - Demand continues to outstrip supply. Time to get to exchange is growing due to various outside factors like funding, Land Registry and delays with searches and other legal matters.

Paul Loveridge FRICS, The Frost Partnership, Thames Valley, paul.loveridge@frostsurveyors.co.uk - Market is being talked up rather than actually increasing. Prices for flats remain stagnant or in decline.

Rob Wightman MRICS, Knight Frank, Hungerford, rob.wightman@knightfrank.com - Buyer demand remains high but stock levels are low.

Sean Steer MRICS, Brian Gale Surveyors, Reigate, Surrey, sean@briangalesurveyors.com - There is a high demand for good quality family homes needing sealed bids which has resulted in increased prices. Other property types are selling in more a realistic market zone. Limited stock and incomplete chains are stopping completions. We await the uncertainty of the next quarter.

Stan Shaw AssocRICS Registered Valuer, Mervyn Smith, Ham (Between Richmond and Kingston), stanleyshaw@hotmail.com - Although activity is less frantic, there are still competing buyers. Partly this is due to less supply of new instructions coming to market.

Timothy Green MRICS, Green & Co., South Oxfordshire, tim.green@greenand.co.uk - Demand has continued beyond the tapering of the SDLT holiday but fewer instructions coming to the market (possibly now until the New Year). Sellers could be getting too demanding which would interrupt transaction numbers.

Tony Jamieson MRICS, Clarke Gammon, Guildford, tony.jamieson@clarkegammon.co.uk - Lack of stock is still an issue. Large demand. Hand to mouth with new instructions selling well if correctly priced. Town centre 2 bed flats in Guildford still struggling to sell due to excessive supply.

South West

David Mckillop FRICS, Mckillop And Gregory, Salisbury, dm@mckillopandgregory.co.uk - October was a quiet month. Very few new properties coming on to the market. Excessive demand is keeping prices up. Exchanges taking ages to get through.

G C Thorne FRICS, Thornes, East Dorset, graham@thornes.org.uk - There is a shortage of available stock on the market and this is sustaining the general trends.

James Wilson MRICS, Jackson - Stops, Shaftesbury, james.wilson@jackson-stops.co.uk - Demand remains strong although buyers more cautious than before.

Jeff Cole MRICS, Cole Rayment & White, Wadebridge, jeff.cole@crw.co.uk - The market is still positive but has definitely slowed a little although in certain sectors demand still exceeds supply.

John Corben FRICS FCABE, Corbens, Swanage, john@corbens.co.uk - The fizz is just going out of the market and the bubbles are starting to subdue. We are anticipating a rise in interest rates in the near future which will put further brakes on the market.

Mark Annett FRICS, Mark Annett & Company, Chipping Campden, mark.f.annett@gmail.com - Lack of stock and new instructions mean pressure on supply and demand. Prices will rise again as a result.

Mark Lewis FRICS, Symonds & Sampson, Sturminster Newton, mlewis@symondsandsampson.co.uk - Buyers are becoming quite 'flaky' with a few pulling out of sales for little reason except for a change of heart. The properties are under offer again quickly but the 'bun fights' are not happening as much.

Michael Burkinshaw MRICS, Skysurvuk, Backwell, michael.burkinshaw@skysurvuk.com - Lender valuation work has nearly completely stopped during October. Demand continues to outstrip supply significantly, resulting in stable to rising prices.

Miles Kevin MRICS, Chartsedge Ltd, Totnes, miles@chartsedge.co.uk - The market is still hot with too many buyers chasing too few properties. There are signs of buyer fatigue, with potential buyers becoming fed up and telling us they will start looking again next spring.

Oiver Miles Frics Registered Valuer FRICS, Oliver Miles, Swanage, olivermiles@olivermiles.co.uk - Demand still exceeding supply. New instructions sell quickly if realistically priced.

Robert Cooney FRICS, Robert Cooney Chartered Surveyors & Estate Agents, Taunton, robert.cooney@robertcooney.co.uk - Noticeable downturn in activity levels across the board, influenced in the main by the lack of new instructions and also palpable change in buyer motivation with much less propensity to enter into competitive bidding scenarios.

Roger Punch FRICS, Marchand Petit, South Devon, roger.punch@marchandpetit.co.uk - The continuation of poor supply is frustrating the market. Prime properties are growing in price more than the lower price ranges, with obvious immediate consequences.

Simon Milledge MRICS, Jackson-Stops, Blandford Forum, simon.milledge@jackson-stops.co.uk - As per last month, shortage of stock to sell dominates the market. But buyer/new enquiry numbers falling so maybe supply and demand will start to balance during the winter. The spring might see a return to more normal market conditions.

Wales

Andrew Morgan FRICS FAAV, Morgan & Davies, Lampeter, lampeter@morgananddavies.co.uk - The market is undersupplied but that is taking into account seasonality also which we see annually in any event. We suspect that this will underpin the market for some time to come.

David James FRICS, James Dean, Brecon, david@jamesdean.co.uk - Month of two halves. First two weeks quieter, second two weeks very busy.

Delyth Davies MRICS, Clee Tompkinson & Francis, Carmarthen, delythd@aol.com - The market remains very buoyant but some price sensitivity creeping in at the top end.

Paul Lucas FRICS, R.K. Lucas & Son, Haverfordwest, paul@rklucas.co.uk - Sales have fallen simply because of the lack of properties currently available. Demand remains strong.

London

David Conway FRICS, David Conway & Co, Harrow, david@davidconway.co.uk - More interest in low cost energy homes.

Gemma White, Willmotts, London, missgemma@gmail.com - Covid has made a big difference.

James Perris MRICS, De Villiers, London, james.perris@devilliers-surveyors.co.uk - High transactional costs and the lack of overseas buyers is still holding back the market in some sectors, although generally a lack of stock and increased commitment amongst buyers is seeing the market remain strong despite the economic uncertainty.

Jeremy Leaf FRICS, Jeremy Leaf & Co, Finchley, jeremy@jeremyleaf.co.uk - Demand and price growth has slowed as the market responds to the withdrawal of government support schemes. Prices remain supported by low stock and record low interest rates which will remain unchanged at least for the next month.

John Collard, Robert Holmes & Co, SW London, jcollard@robertholmes.co.uk - Rising interest rates may affect the sales market adversely.

Joshua Homans MRICS, ECM Valuations, Stratford, ecmvaluations@outlook.com - Interest rates are on the rise, but when? The market is tone death to the BOE comments of late. I would be very surprised to see house price falls during strong general price inflation, that defeats the objective. Slow annual increases are welcome.

Robert Green MRICS, John D Wood & Co., Chelsea, rgreen@johndwood.co.uk - The Chelsea market continues to enjoy healthy demand from buyers. New instructions have been low compared to similar months in previous years, supporting modest price growth for the best properties.

Simon Aldous MRICS, Savills, London, saldous@savills.com - Central London's recovery continues, still led by houses with gardens, the market for flats is improving as international buyers and office workers return.

William Delaney AssocRICS, Lawrence Ward & Co, West End, william@lwondon.com - Threats of an interest rates rise, tax increases, another lockdown and the enormous costs of meeting climate change commitments are all combining to stifle confidence. However, the Central London market is very resilient and whilst transaction levels are subdued, prices have remained stable.

Scotland

Adrian Stott FRICS, J and E Shepherd, Lothians, a.stott@shepherd.co.uk - No slowing down due to lack of supply, prices being achieved generally in excess of home report valuations.

Alan Kennedy MRICS, Shepherd Chartered Surveyors, Fraserburgh, alankennedy84@hotmail.com - Buyer demand remains strong in most sectors, though the supply side is slowing as some sellers are reluctant to market during the winter months.

Alex Inglis MRICS, Galbraith, Scottish Borders, alex.inglis@galbraithgroup.com - Things appear to be slowing down a bit as we move towards winter but it is still a strong market for most of our sellers.

Ian Morton MRICS, Bradburne And Co, St Andrews, info@bradburne.co.uk - The market has gone from feast to famine recently and we do not see any change until into early next year. Sellers are reticent about going to the market when they cannot see a suitable property available to buy. The never ending circle continues until supply returns.

James Struthers MRICS, DM Hall LLP, Inverurie And Peterhead, james.struthers@dmhall.co.uk - I feel the regulations surrounding Minimum Energy Efficiency ratings will force people to take action and ensure their homes are more energy efficient to comply with the upcoming regulations. I also believe that the Government will have to provide grants to ensure their targets.

John Brown FRICS, MRTPI, DLE, John Brown And Company, Edinburgh, john.brown@jb-uk.com - Agents report it's difficult to get bargains concluded, missives taking too long and buyers pulling out if they can't sell their property. This is causing resales and time loss with 'chain' effects. Market is still positive but interest is reduced with concerns for mortgage rates, energy costs.

Marion Currie AssocRICS, RICS Registered Valuer, Galbraith, Dumfries & Galloway, marion.currie@galbraithgroup.com - A healthy market has remained throughout October - still seeing intense competition for rural properties leading to closing dates and excellent premiums achieved.

Thomas Baird MRICS, Select Surveyors, Glasgow, thomas.baird@selectsurveyors.co.uk - COP 26 set to impact on volume of instructions achievable for the coming weeks. October has been steady in terms of home report instructions.

Northern Ireland

Gareth Gibson FRICS, Douglas Huston, Belfast, gareth@hustonestateagents.com - Sales market is suffering from a lack of stock and continuing high buyer demand.

James Callaghan , Philip Tweedie And Company, Coleraine, james@philiptweedie.com - Lack of new instructions will continue to push prices.

Kirby O'Connor AssocRICS, Goc Estate Agents, Belfast, kirby@gocestateagents.com - The market was strong and continued past the stamp duty closure. Difficulty now is there is not enough stock on the books.

Surveyor comments - lettings

North East

David Shaun Brannen AssocRICS, Brannen & Partners, North Shields, shaun.brannen@brannen-partners.co.uk - An increase in supply has been more than welcomed though this is seen as a blip rather than a future projected pattern. One does live in hope.

Mr Keith Alan Pattinson FRICS, Keith Pattinson Ltd, Newcastle-Upon-Tyne, keith.pattinson@pattinson.co.uk - Rents rising and there is a need for more properties, partly due to more population and smaller households.

Natasha Cooper MRICS, Grainger Plc, North West, ncooper@graingerplc.co.uk - Real pick up in lettings activity towards FY end, which has enabled renewals to cautiously increase rental prices in response.

Neil Foster MRICS, Foster Maddison Property Consultants, Hexham, neil@fostermaddison.co.uk - Rents are rocketing. We have seen well over 25% growth year to date and landlords are increasingly capitalising on this evidence when AST renewals fall due.

Richard Towler MRICS, Eden Lettings And Management, Penrith, rjt@simpsonowler.co.uk - Steady demand despite a fall in applications by Europeans, supply still constrained but new property still coming forward nonetheless.

Yorkshire & the Humber

Alex Mcneil MRICS, Bramleys, Huddersfield, alex.mcneil@bramleys1.co.uk - There remains strong tenant demand which keeps upward pressure on rents.

Ben Hudson MRICS, Hudson Moody, , benhudson@hudson-moody.com - Lack of housing to let driving increases in rents.

James Watts MRICS, Robert Watts Estate Agents, Cleckheaton, jameswatts@robertwatts.co.uk - Tenant demand is increasing and with some landlords now deciding to sell to take advantage of the rising market, supply has dwindled and this has pushed up rents even further.

Michael Darwin MRICS, M W Darwin And Sons, Northallerton, info@darwin-homes.co.uk - Demand continues to outstrip supply, pushing up rents.

North West

Jonathan Clayton FRICS, Jpa Surveyors, Lytham St Annes, jonathan@jpasurveyors.co.uk - A high proportion of rentals are transferring to holiday lets and airbnb.

Lawrence Copeland FRICS, Elbonmill Limited T/A Lawrence, Copeland Town And City Centre, lawrence@lawrencecopeland.com - Red tape and ongoing regulation of the residential lettings property is choking supply. In my area, the introduction of additional HMO licensing is over the top and not necessary. Substantial extra costs for landlords and lack of thought from councils not aware of overseas landlords and the impact.

East Midlands

John Chappell BSc.(Hons), MRICS, Chappell & Co Surveyors Ltd, Skegness, john@chappellandcosurveyors.co.uk - Demand still outstripping supply, not helped by labour & materials shortages to get empty properties into re-lettable condition. Still to receive any questions about energy efficiency from any potential tenant.

Katie Wilcox-Smith AssocRICS, Purplebricks, Leicestershire & Rutland, katie-w@hotmail.co.uk - Rental housing shortage equates to tenants foremost needing to secure a property, everything else is secondary.

Kj Gregory FRICS, Gregoryresidential Ltd, Leicester, kevin@gregoryresidential.co.uk - General lack of new instructions.

Will Ravenhill, Readings, Leicester, wravenhill@readingspropertygroup.com - Demand still good and we're still adopting the pre-application process for viewings that we introduced during lockdown. However, we're finding more and more tenants are pulling out of deals, for the first time since the tenant fee ban. Holding fees will now be charged.

West Midlands

Colin Townsend MRICS, John Goodwin, Malvern, colin@johngoodwin.co.uk - Still high demand from tenants but lack of supply. Rents continuing to rise.

Dean Taylor MRICS, Fishers, Edgbaston Birmingham, dean@fishers.co.uk - We have a very limited amount of property to let. When a property enters the market we achieve a successful letting within days and usually after receiving multiple applications from prospective tenants.

Jeremy Dell, J J Dell & Co, Shropshire, property@jddell.co.uk - Very keen demand which outstrips supply. Landlords are setting a strick criteria in their applications.

John Andrews FRICS, Doolittle & Dalley Ltd, Bridgnorth, johnandrews@doolittle-dalley.co.uk - New instructions required to satisfy demand which stays at a constant high level. Rents rising and demand likely to continue at a high level.

John Andrews FRICS, Doolittle & Dalley Ltd, Kidderminster, johnandrews@doolittle-dalley.co.uk - There is no sign of demand easing, perhaps due to lack of new instructions, when property becomes available numerous applications are received. Shortage of quality accomodation driving rents upwards.

Richard Franklin MRICS, Franklin Gallimore, Tenbury Wells, richard@franklingallimore.co.uk - Good quality letting accomodation remains scarce with many suitable candidates chasing limited stock. Increase in turnover expected as SCT 21 Notices being issued under usual notice period.

East Anglia

Chris Philpot FRICS, Lacy Scott And Knight, Stowmarket, Mid Suffolk, cphilpot@lsk.co.uk - Still strong tenant demand and rents increasing.

David Boyden Bsc MRICS, Boydens, Colchester, david.boyden@boydens.co.uk - Remains buoyant with a good level of new properties coming to market and a consistent demand for good quality properties.

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

Kevin Burt-Gray MRICS, Pocock & Shaw, Cambridge, kevin@pocock.co.uk - High demand from prospective tenants with multiple applications being received on most properties due to lack of supply.

South East

David Parish FRICS, Gates, Parish & Co, Upminster, professional@gates-parish.co.uk - There is a good demand for well-fitted properties, particularly those close to the Town Centre and transport facilities.

James Farrance MNAEA, FARLA, Braxton, Maidenhead, - Government interference by increasing acquisition costs by 3% extra stamp duty, reducing the scope for landlords to offset borrowing costs against income and increasing setup costs of tenancies by the Tenant Fees Act 2019 has put off buy to let landlords, reducing stock and massively increasing rents.

Martin Allen MRICS, Elgars, Wingham, Canterbury, m.allen@elgars.uk.com - Market seems steady but rents are still being pushed upwards by lack of available properties coming onto the market.

Timothy Green AssocRICS, Hi Oxford, Oxford, timgreencrofts@gmail.com - There remains little motivation for property owners to improve energy performance of their properties.

South West

Marcus Arundell MRICS, Homelets, Bath, marcus@homelets-bath.co.uk - Applicant numbers still at robust levels albeit stock in short supply. Rents holding strong and time-on-market right down. Promising stock pipeline developing plus 22-23 student list going out shortly.

Mark Annett FRICS, Mark Annett & Company, Chipping Campden, mark.f.annett@gmail.com - High demand against low stock means rents hold up and rise.

Michael Burkinshaw MRICS, Skysurvuk, Backwell, michael.burkinshaw@skysurvuk.com - Strong demand continues following the general impact of covid-19 on household makeup. Limited supply is resulting in rising rent and this trend is likely to continue for many months. As homeowners are forced to sell due to finance/job situation and the turning economy, rent demand will rise.

Paul Oughton MARLA, MNAEA, Moore Allen & Innocent, Cirencester And The Cotswolds, paul.oughton@mooreallen.co.uk - Demand still outstripping supply by quite some margin. Government policy - present and forecast, is deterring landlords from entering or staying in the sector.

Wales

Paul Lucas FRICS, R.K. Lucas & Son, Haverfordwest, paul@rklucas.co.uk - Very few letting properties available across the board. Significant tenant demand.

London

David Conway FRICS, David Conway & Co, Harrow, david@david-conway.co.uk - Stronger EPC government legislation may result in less rental property on market.

Gemma White, Willmotts, London, missgemmadee@gmail.com - Covid has made a big difference.

Jeremy Leaf FRICS, Jeremy Leaf & Co, Finchley, jeremy@jeremyleaf.co.uk - Rents are hardening in response to continued strong demand, particularly from those whose employment position has been confirmed with the ending of furlough as well as buyers of houses needing refurbishment after beating the stamp duty deadline.

Jilly Bland, Robert Holmes & Co, London, jilly@robertholmes.co.uk - Demand far outweighs supply consistently as most turn to selling in favour of renting.

John Collard, Robert Holmes & Co, SW London, jcollard@robertholmes.co.uk - Reduced incentive of buy to let will reduce number of properties to rent.

Mark Wilson MRICS, Globe Apartments, London, mark@globeapt.com - Well, we sure called the market wrong, a big bounce in rents in central London over the past weeks and no new stock. We need flats to rent now more than ever in our 40 years of trading. Expect we are not alone.

Simon Aldous MRICS, Savills, London, saldous@savills.com - The rental market in London has turned a corner with increased tenant demand chasing what does appear to be reducing amount of rental stock, houses are still outperforming flats.

Scotland

Ian Morton MRICS, Bradburne And Co, St Andrews, info@bradburne.co.uk - Demand from tenants continues and new investors in buy to let properties increases steadily. Rents continue to rise due to scarcity of rental properties available.

John Brown FRICS, MRTPI, DLE, John Brown And Company, Edinburgh, john.brown@jb-uk.com - Better market as student demand returned. Stock levels lower as landlords have sold, meaning pressure on rents. Short term impact that will level out. Reason for less private flats-tenancy changes. Worries over added tenant security and costs increases.

Northern Ireland

David Irwin MRICS, Ikon Property Group, Belfast, david.irwin@ikonpropertygroup.com - A Covid orientated stay at home mentality, combined with demand outstripping supply has contributed to a very healthy and buoyant lettings market in Belfast. Quality rental homes offered by professional landlords and letting agents are snapped up quickly by tenants seeking long term tenancies.

Gareth Gibson FRICS, Douglas Huston, Belfast, gareth@huston-estateagents.com - There has been a 45% drop in available rental properties which has driven rents up and tenant demand is the highest in 20 years.

Kirby O'Connor AssocRICS, Goc Estate Agents, Belfast, kirby@gocestateagents.com - Rental market is incredible, demand high and rents are up.

Contacts

Subscriptions

All subscription enquiries to: economics@rics.org

Silver package: POA

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

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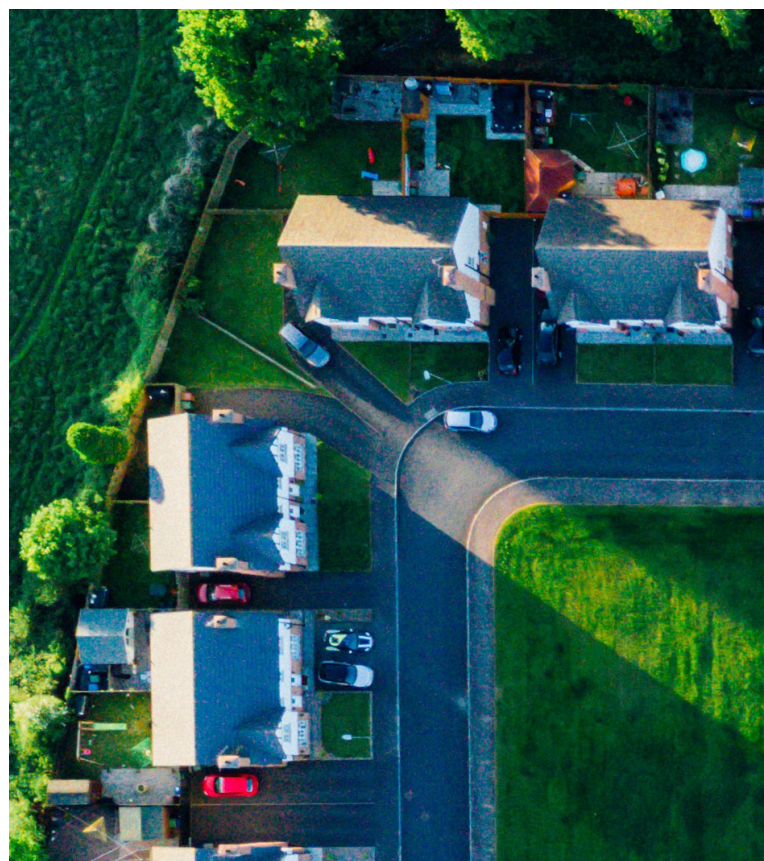
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