



August 2020: UK Residential Market Survey

Sales market continues to show strong momentum with house price inflation now accelerating sharply

- National house price growth indicator hits a four year high
- Enquiries, sales and new instructions all continue to rise firmly
- 83% of respondents foresee demand increasing for homes with gardens over the next two years

The August 2020 RICS UK Residential Survey results continue to portray strong momentum behind the sales market at present, even if the longer term view remains more cautious. Meanwhile, the pandemic is expected to cause a lasting shift in the desirability of certain property characteristics, as 83% of respondents anticipate demand increasing for homes with gardens over the next two years. On the same basis, net balances of -62% and -75% expect demand to decline for homes located in highly urban areas and tower blocks respectively.

Looking at the aggregate trend in new buyer enquiries over the latest survey period, a net balance of 63% of contributors reported an increase in buyer interest during August. This is marginally softer than the net balance reading of 75% returned last month, but is still consistent with a sharp rise in enquiries nonetheless.

New instructions being listed onto the sales market also continue to rise, evidenced by a headline net balance of +46% of survey participants noting an increase. Even so, given the strong sales activity of recent months, the average number of homes currently held on estate agents books remains relatively low in a historical context, at 42 properties.

Alongside this, strong growth in agreed sales was cited for a third successive month, with a net balance of +61% of contributors seeing a pick-up (+58% previously). Looking ahead, near term sales expectations remain modestly positive, posting a net balance reading of +21% in August, compared to +26% in July. That said, the indicator capturing twelve-month sales projections is still in negative territory, with the net balance coming in at -17% (down from -10% last time). Anecdotal evidence suggests concerns over the broader economic climate continue to drive this subdued assessment for sales market activity at the twelve-month horizon.

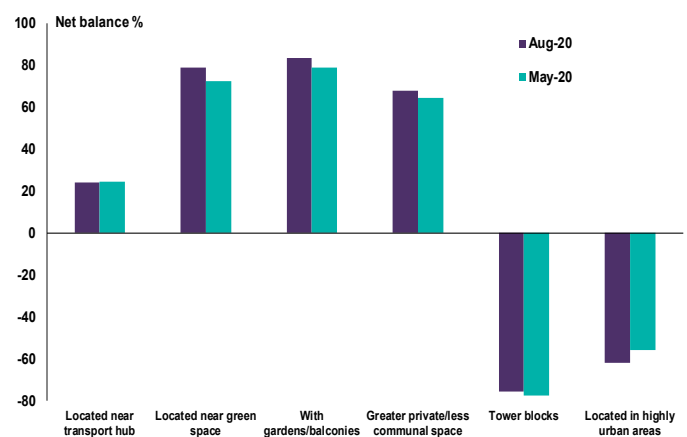
Turning to house prices, the August survey feedback points to a sharp acceleration in house price inflation over the month. Indeed, at the national level, a net balance of +44% of respondents reported an increase in prices, the strongest reading since 2016. This is up from a net balance of +13% last time and marks a dramatic turnaround compared to the reading of -33% registered

back in May. What's more, virtually all parts of the UK are now seeing prices increase to a greater or lesser degree. The only exception is London, where prices are cited to have remained more or less flat over the past two months.

Back at the national level, for properties listed at below £500k, 78% of respondents now report that sales prices are coming in at least level with the asking price. Interestingly, this is much higher than the 63% of survey participants seeing this back in January. Furthermore, when looking at properties marketed at between £500k and £1million, only 34% of respondents are seeing sales prices come in below asking, significantly down on 48% reporting this discrepancy at the start of the year. For properties listed at above £1million, 51% of contributors do note that sales prices are below asking, but even this is slightly less than 57% noting this trend beforehand.

In the lettings market, tenant demand continued to rise sharply, while landlord instructions were broadly flat following a modest pick-up in July (non-seasonally adjusted monthly series). Rental growth expectations over the near term have now strengthened in each of the past three months, with a net balance of +31% of contributors now anticipating an increase (+22% in July).

Do you anticipate any shift in the desire for properties with the following features over the next two years?



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:

- How have average prices changed over the last 3 months? (down/ same/ up)
 - How have new buyer enquiries changed over the last month? (down/ same/ up)
 - How have new vendor instructions changed over the last month? (down/ same/ up)
 - How have agreed sales changed over the last month? (down/ same/ up)
 - How do you expect prices to change over the next 3 months? (down/ same/ up)
 - How do you expect prices to change over the next 12 months? (% band, range options)
 - How do you expect prices to change over the next 5 years? (% band, range options)
 - How do you expect sales to change over the next 3 months? (down/ same/ up)
 - How do you expect sales to change over the next 12 months? (down/ same/ up)
 - Total sales over last 3 months i.e. post contract exchange (level)?
 - Total number of unsold houses on books (level)?
 - Total number of sales branches questions 1 & 2 relate to (level)?
 - How long does the average sales take from listing to completion (weeks)?
 - How has tenant demand changed over the last 3 months? (down/ same/ up)
 - How have landlords instructions changed over the last 3 months? (down/ same/ up)
 - How do you expect rents to change over the next 3 months? (down/ same/ up)
 - How do you expect average rents, in your area, to change over the next 12 months? (% band, range options)
 - What do you expect the average annual growth rate in rents will be over the next 5 years in your area? (% band, range options)
 - What is your sense of current price levels being achieved in your area (Very Expensive, Expensive, Fair value, Cheap, Very Cheap)
- 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 dates:

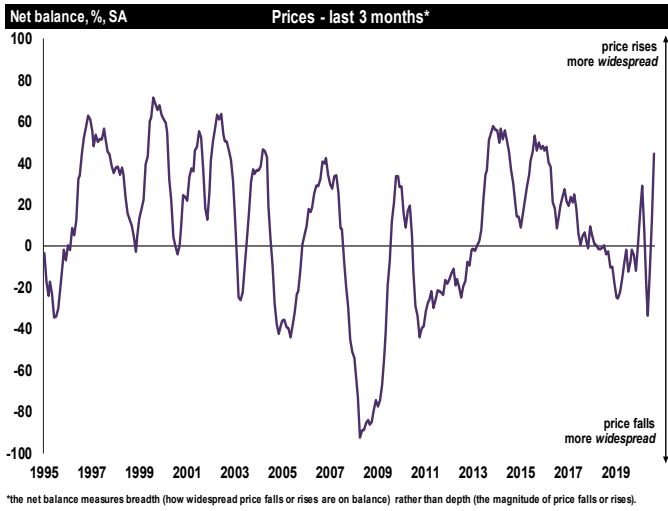
- September survey: 8 October**
- October survey: 12 November**
- November survey: 10 December**

Number of responses to this month's survey:

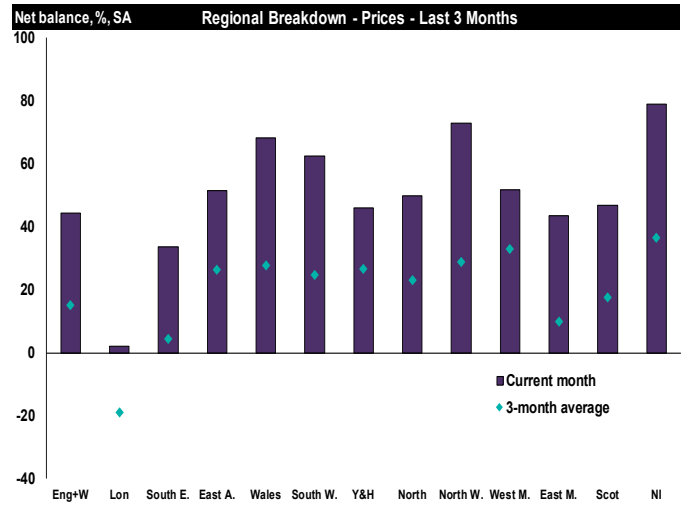
- This survey sample covers 444 branches coming from 239 responses

Sales market charts

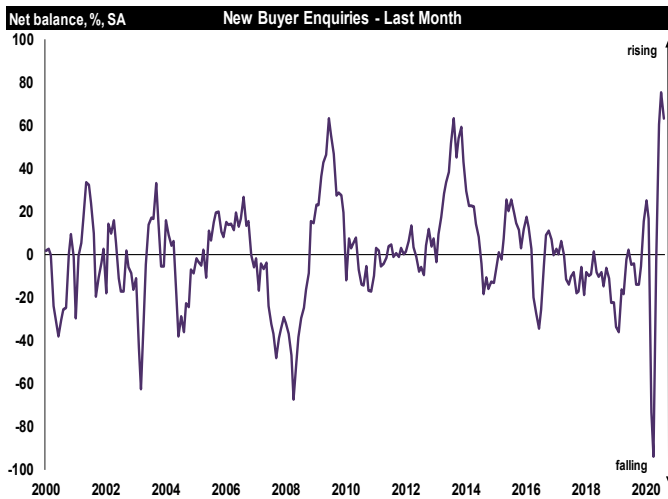
National Prices - Past three months



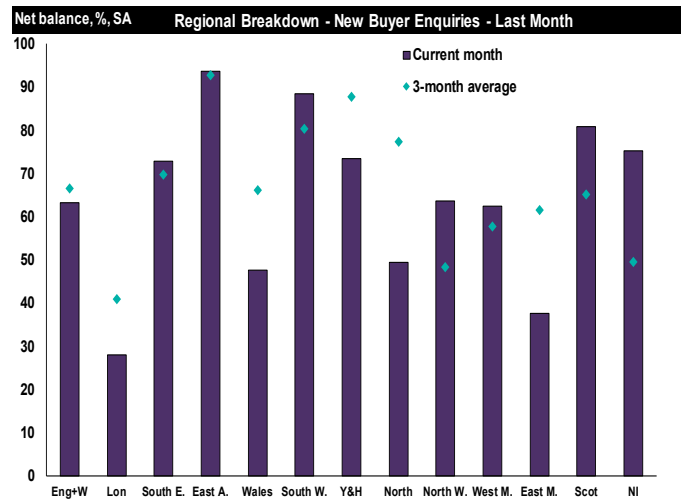
Regional Prices - Past three months



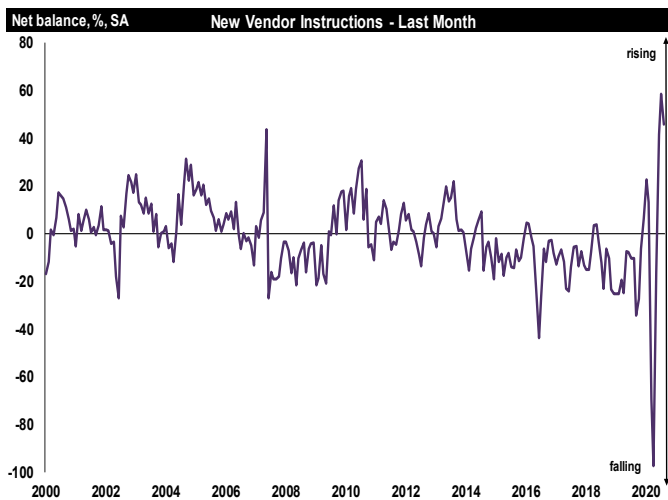
National Enquiries - Past month



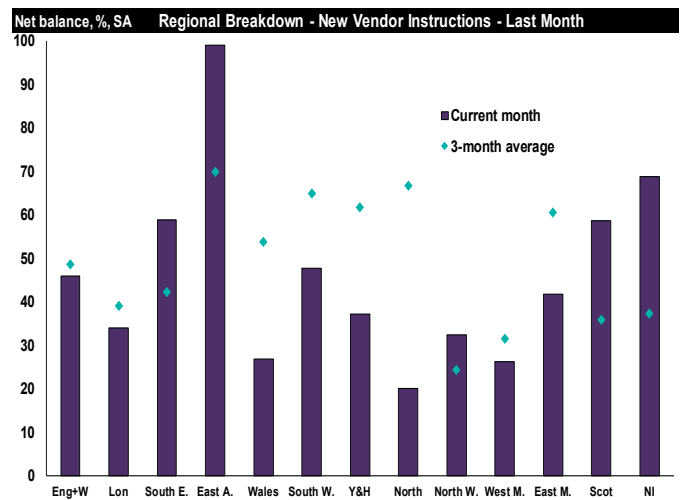
Regional Enquiries - Past month



National New Vendor Instructions - Past month

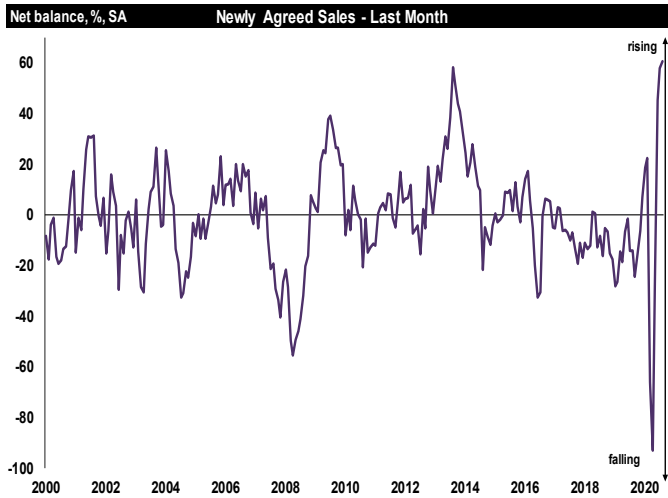


Regional New Vendor Instructions - Past month

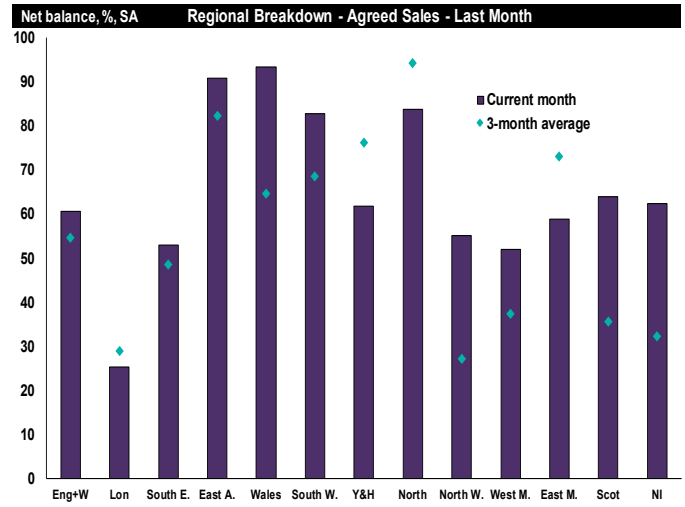


Sales market charts

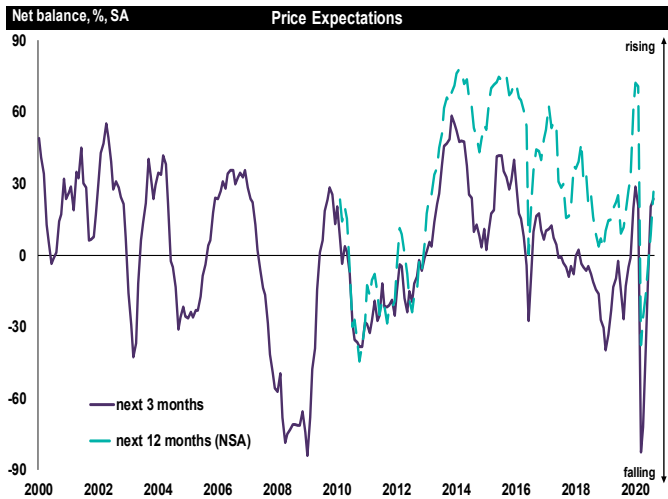
National Newly Agreed Sales - Past month



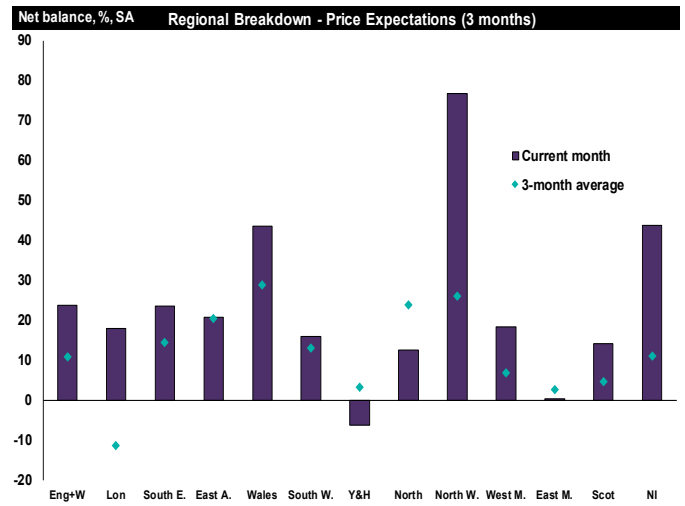
Regional Newly Agreed Sales - Past month



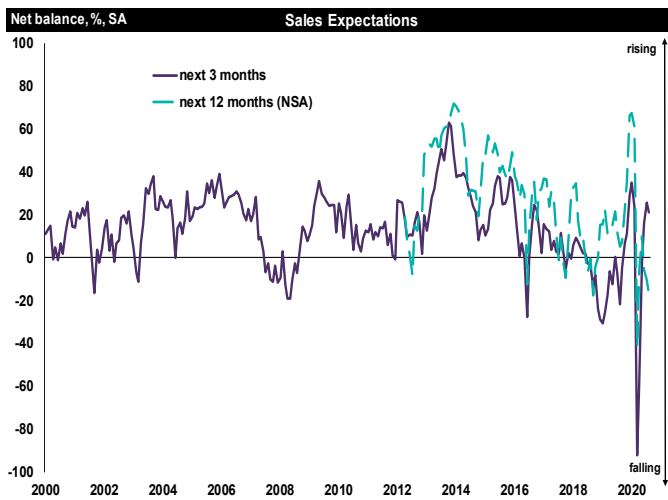
National Price Expectations - Three and twelve month expectations



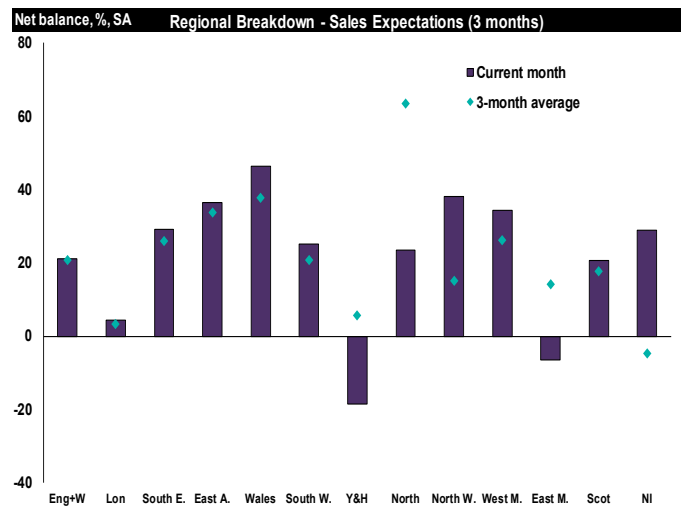
Regional Price Expectations - Next three months



National Sales Expectations - Three and twelve month expectations

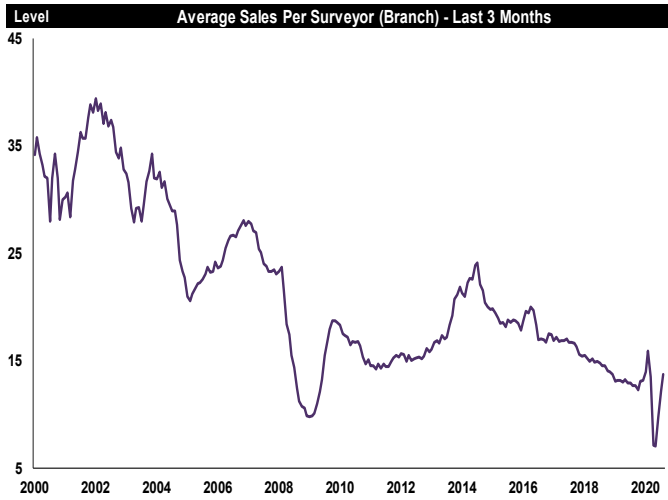


Regional Sales Expectations - Next three months

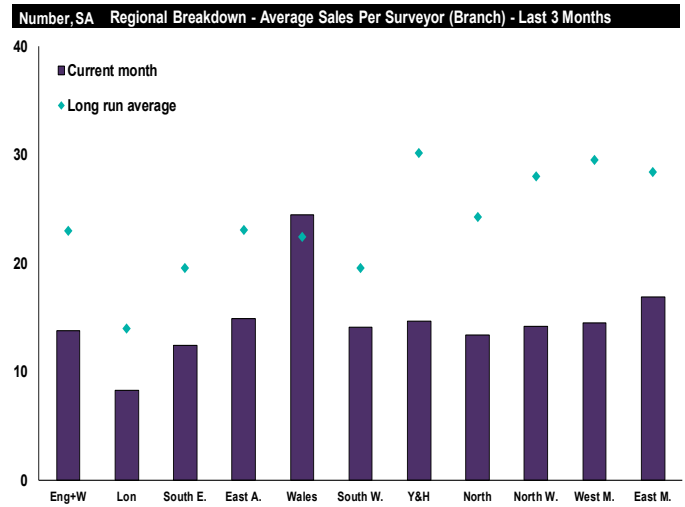


Sales market charts

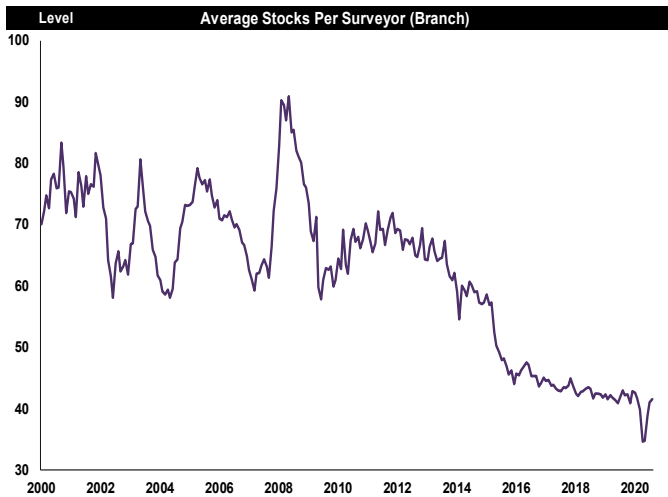
National Average Sales Per Surveyor - Past three months



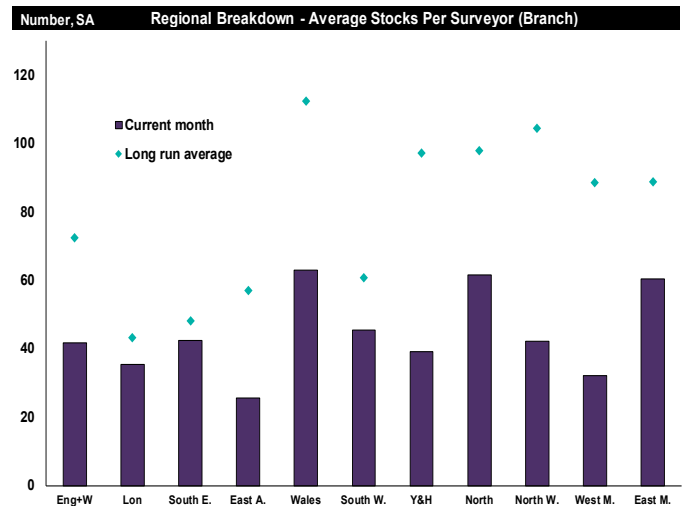
Regional Average Sales Per Surveyor - Past three months



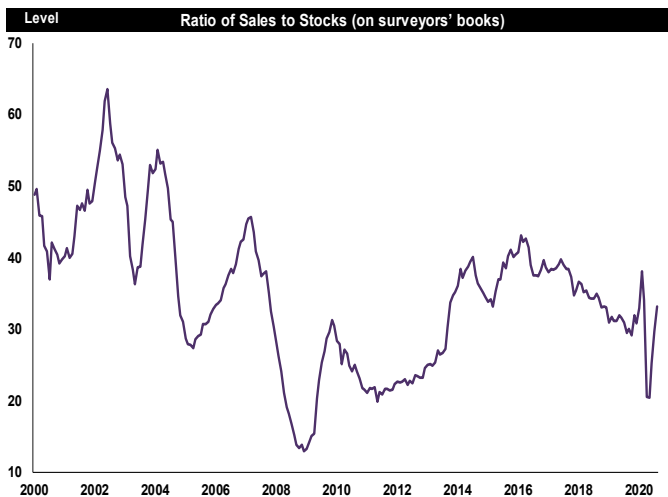
National Average Stocks Per Surveyor



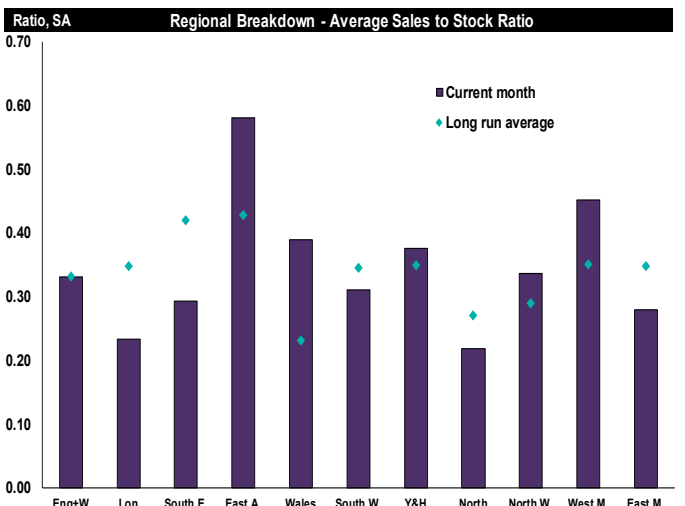
Regional Average Stock Per Surveyor



National Sales to Stock Ratio

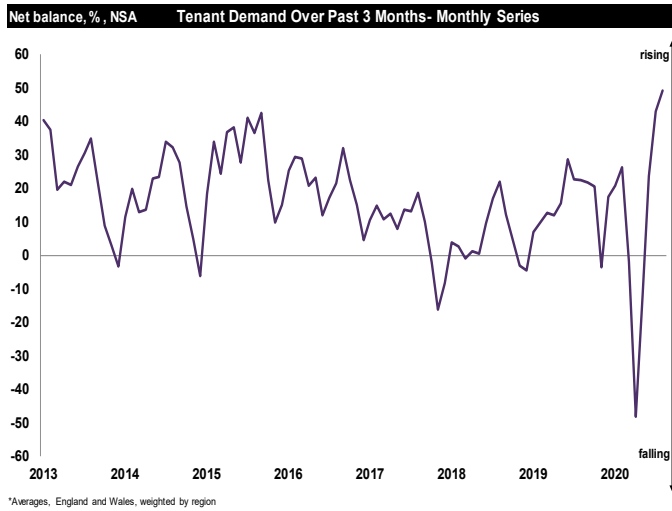


Regional Sales to Stock Ratio

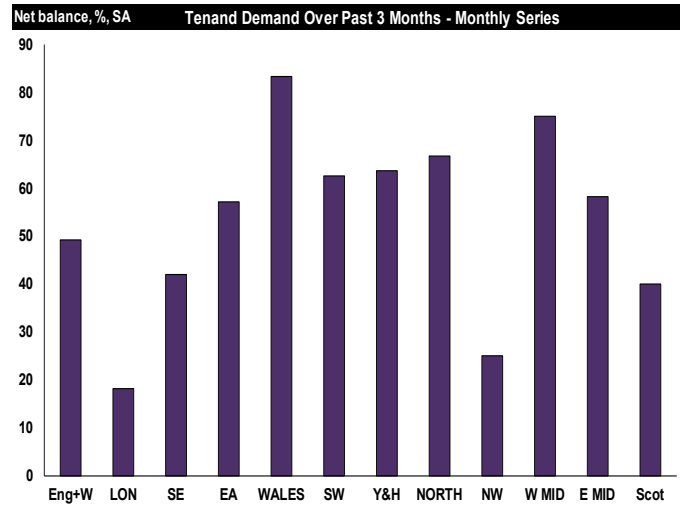


Lettings market charts

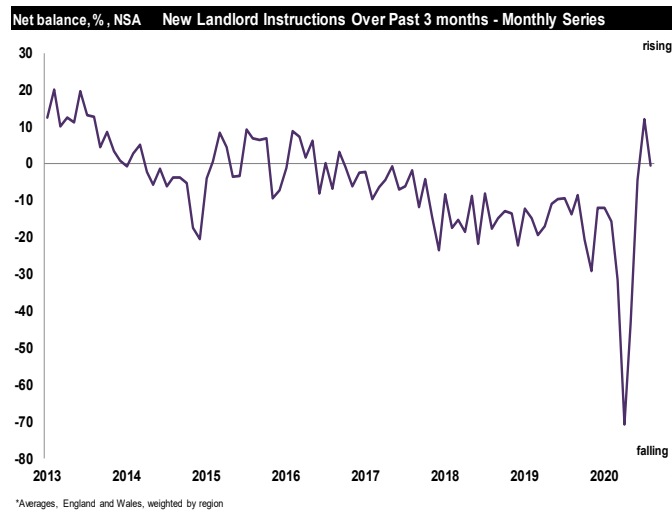
National Tenant Demand - Past three months



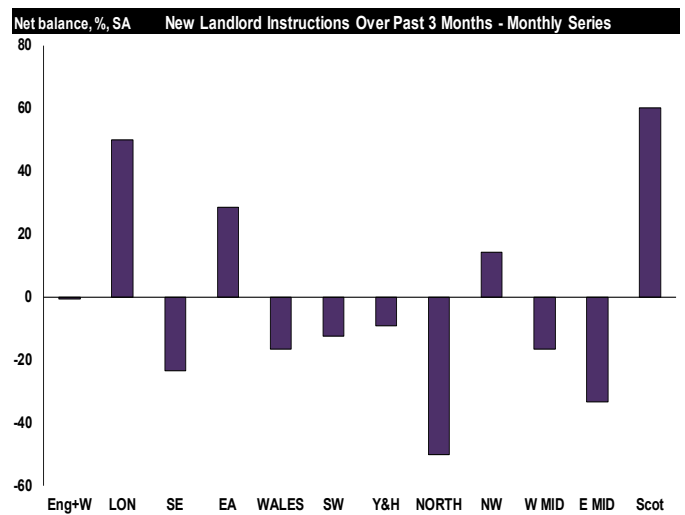
Regional Tenant Demand - Past three months



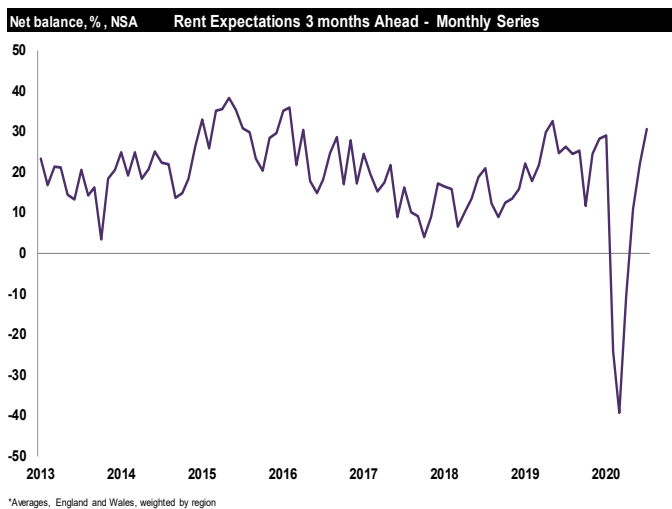
National New Landlord Instructions - Past three months



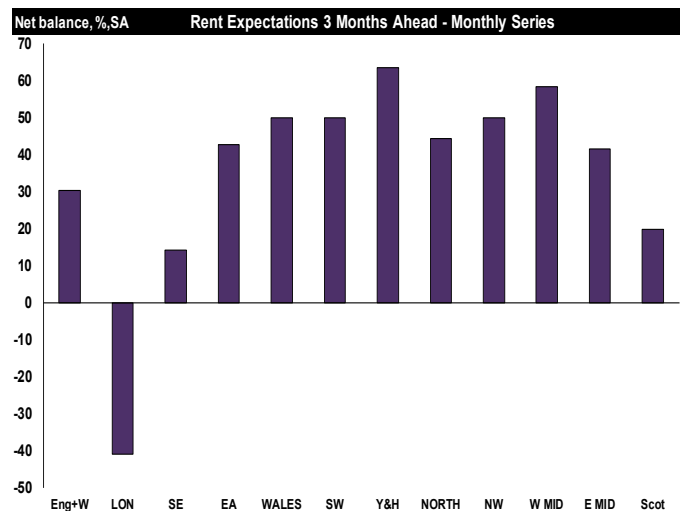
Regional New Landlord Instructions - Past three months



National Rent Expectations - Next three months

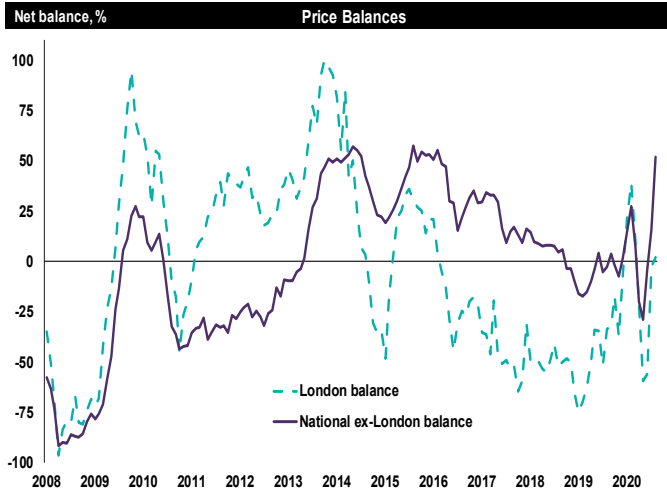


Regional Rent Expectations - Next three months

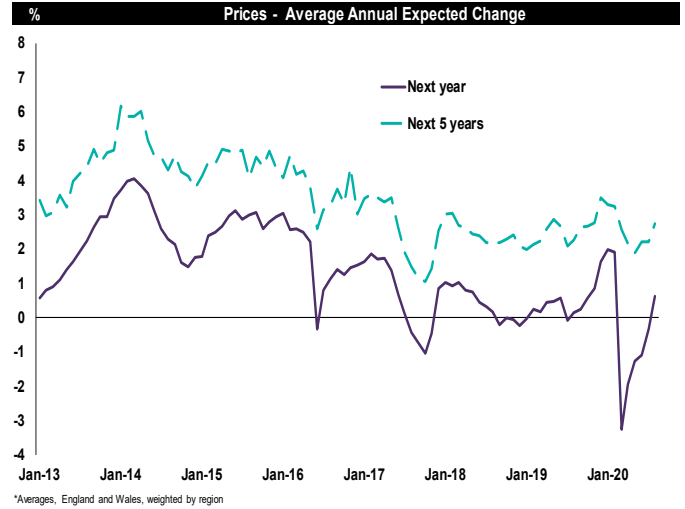


Expectations & other data

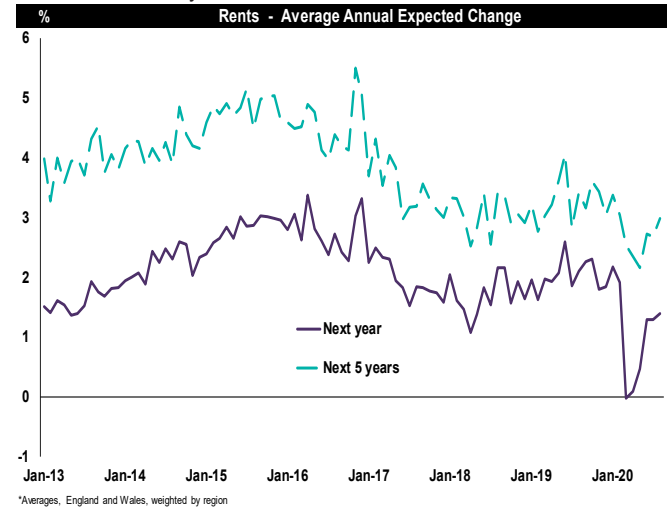
National Price Balance (excluding London) and London Price Balance - Past three months



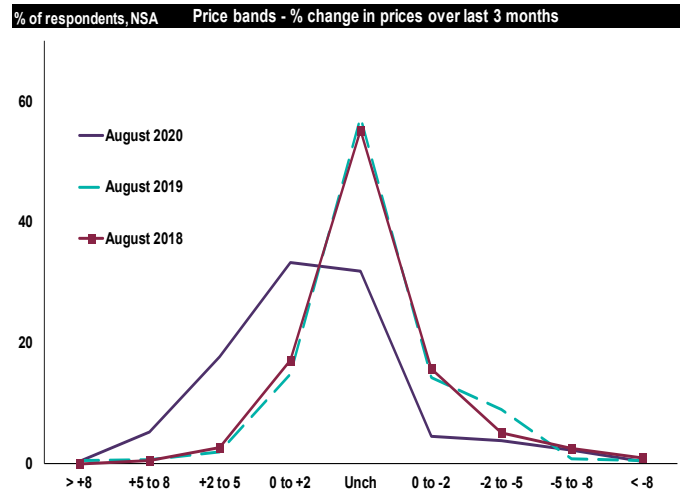
National Average Annual Expected Price Change (point estimate) - Next one and five years



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



Price Bands - Past three months



Surveyor comments - sales

North

Chris Stonock, MRICS, Co.Durham and Tyne and Wear, Your Move Chris Stonock, christopher.stonock@your-move.co.uk - Another very strong month for sales. Buyer registrations down on previous month but are substantially higher than in the same month last year. Pipelines are now high. There are concerns over the length of time for searches to be completed.

Keith Alan Pattinson, FRICS, Newcastle-upon-Tyne, Pattinson.co.uk, keith.pattinson@pattinson.co.uk - When stamp duty is back on, there will be a reduction in buyers and those suddenly paying stamp duty will drop their budget/offers.

Neil Foster, MRICS, Hexham, Foster Maddison, neil@fostermaddison.co.uk - A faint pause in the buying frenzy in the second half of August as heads turn towards school and last minute away days but the momentum remains. The autumn market looks set to yield for vendors that are taking advantage of strong demand.

Shaun Brannen, AssocRICS, North Tyneside, Brannen & Partners, shaun.brannen@brannen-partners.co.uk - The stamp duty 'holiday' along with exceptionally high demand is fuelling an already buoyant sales market.

Alex McNeil, MRICS, Huddersfield & Halifax, Bramleys, alex.mcneil@bramleys1.co.uk - Strong sales volumes but slowdown in new stock becoming available. Delays in conveyancing and searches threaten this surge as momentum inevitably fades.

Yorkshire & the Humber

Ben Hudson, MRICS, York, Hudson Moody, benhudson@hudson-moody.com - The busiest market since the 80's!

James Brown, MRICS, Richmond, Norman F Brown, belindandjames@hotmail.co.uk - Our local market remains steady due to the rural area that we operate in being desirable to more people looking to leave more urbanised areas etc. due to Covid.

Kenneth Bird, MRICS, Wetherby, Renton & Parr, rentonandparr.co.uk - Market very busy at the moment.

Michael Darwin, MRICS, Northallerton, M W Darwin & Sons, info@darwin-homes.co.uk - Strange times, demand for property remains strong.

North West

James J H Birley, FRICS, Penrith, Birley Steele Lightfoot, jamie@bslsurveyors.co.uk - Recent increase in demand and sales prices driven by a number of factors: low interest rates making borrowing less expensive, more people recognising they can live in Cumbria and work from home, they can sell their expensive house "down South" and buy an equivalent one "up North" for much less.

John Williams, FRICS MEWI, Wirral, Brennan Ayre O'Neill LLP, john@b-a-o.com - Market momentum continues to increase during another exceptionally busy month.

East Midlands

Andrew York, FRICS, Leicester, Moore & York Ltd, andrew.york@mooreandyork.co.uk - Market recovered well apart from the top end.

Christopher Bletsoe, FMRICS, Thrapston, Bletsoes, ctbletsoe@bletsoes.co.uk - Stamp duty relief is a stimulation. We hope for continuation past March 2021.

David Hawke, FRICS, Worksop, David Hawke property services, enquiries@davidhawke.co.uk - Market is starting to wane, jobs market and Covid continuing to have an impact.

Mark Newton, FRICS, Grantham, Newton Fallowell, mark.newton@newtonfallowell.co.uk - August remained buoyant, not quite as manic as July but well ahead of normal, just need the pipeline to spill out.

Paul Perriam, BSc (Hons) MRICS, Nottingham, William H Brown/Bagshaws Residential, paul.perriam@sequencehome.co.uk - Resilient market with instructions and sales well above the same period last year. Long may it continue.

Stephen Gadsby, BSc FRICS, Derby, Gadsby Nicholls, stevegadsby@gadsbynicholls.co.uk - August similar to July in terms of a buoyant market although still price sensitive and no major price increases noted. Prediction is that market will substantially flatten later in the year

Tom Wilson, MRICS, Stamford, King West, twilson@kingwest.co.uk - There is no sign of the wave of enthusiasm breaking with activity in appraisals, viewings and successfully agreed sales all ahead of where we'd expect it. Long may it continue but there's an element of caution in every conversation.

West Midlands

Alexander Smith, FRICS, Alex Smith & Company, alex@alex-smith.co.uk - Slightly less activity following the 'surge' post lockdown.

Colin Townsend, MRICS, Malvern, John Goodwin, colin@johngoodwin.co.uk - An incredibly busy market with new instructions, offers and sales all running at record levels

John Andrews, FRICS, Bridgnorth, Doolittle & Dalley LLP, johnandrews@doolittle-dalley.co.uk - Much higher levels of enquiry for all types of property with sales being arranged but completions are long and drawn out.

John Andrews, FRICS, Kidderminster, Doolittle & Dalley LLP, johnandrews@doolittle-dalley.co.uk - A marked increase in enquiries resulting in higher sales being arranged but delays with funding and legal requirement resulting in much longer completions.

Mark Wiggin, MRICS, Ludlow, Strutt & Parker, mark.wiggin@struttandparker.com - Very strong demand from buyers in the south and in cities. We see this continuing as quality of life is very important.

Mike Arthan, FRICS, Shropshire, Barbers, m.arthan@barbers-online.co.uk - Extraordinarily busy.

Richard Franklin, MRICS, Tenbury Wells, Franklin Gallimore, richard@franklingallimore.co.uk - Price inflation stemming from the shortage of stock. Trend for city dwellers to look for houses in suburban areas rising post lockdown.

Ross D'Aniello, AssocRICS, Bridgnorth, Nock Deighton, r.daniello@nockdeighton.co.uk - Whilst there is a slight quietening from last month, it is still well in excess of the YoY average. Pipeline at a record high but we are wary of external factors which may threaten it. All activity still significant, so "making hay" whilst we can.

Steven Massie, MRICS, Oswestry, SJM Surveyors, steven@sjmsurveyors.co.uk - Covid-19 has seen more enquiries in semi-rural and semi-urban areas rather than town and city areas.

Surveyor comments - sales

East Anglia

Chris Philpot, FRICS, Stowmarket, Suffolk, Lacy Scott and Knight, cphilpot@lsk.co.uk - Market activity is at a tremendous pace, but will it last?

Jan Hytch, FRICS, Norfolk, Arnolds Keys, Janhytch@arnoldskkeys.com - The exodus from larger cities and dense conurbations continues to support the coastal and county sales levels in Norfolk. Those in pursuit of a better lifestyle and more bang for their buck are exchanging commuter convenient locations for country life, now that commuting is less relevant.

Jeffrey Hazel, FRICS, King's Lynn, Geoffrey Collings & Co, jhazel@geoffreycollings.co.uk - Strong demand and steady supply. Let us hope it continues.

Nigel Morgan, MRICS, North Walsham, Spalding & Co, nmorgan@spaldingandco.co.uk - Demand significantly stronger in popular rural areas than in urban locations and price rises reflect this, prices are up in sought-after locations and more or less unchanged in parts of Norwich. Half the residents of Hertfordshire seem to be moving to North Norfolk but is this sustainable?

South East

A Bro Tremellen, MRICS, Southampton, Chris Tremellen, chris.tremellen@outlook.com - Very active market with prices rising.

David Boyden, MRICS, Colchester, Boydens, david.boyden@boydens.co.uk - A slower month when compared to July but remains busy with enquiries and property appraisals. Sales progression remains an onerous task with solicitors working without enough staff as furloughing or making redundancies. Also Mortgage offers being amended.

David Parish, FRICS, Upminster, Gates, Parish & Co, professional@gates-parish.co.uk - A high level of demand at the present time with a large number of sales being agreed.

Ian Perry, FRICS, Fairford Laringdon Lechlade Highworth Witney, Perry Bishop and Chambers, ianperry@perrybishop.co.uk - A good supply of quality property which is selling well.

John Griggs, FRICS, South East, John Griggs Associates, john@johngriggsassociates.com - Market is uncertain and fragile.

Mark Everett, FRICS, Epsom, Michael Everett & Co, markeverett@michael-everett.co.uk - Strong market continued during the August holiday period. Demand exceeds supply with multiple offers received on many new instructions. Autumn market looks very promising but less certain thereafter.

Martin Allen, MRICS, Wingham, Canterbury, Elgars, m.allen@elgars.uk.com - Following the significant surge after the end of lockdown, we have noticed that the usual August holiday lull has occurred this year which we were not expecting.

Perry Stock, Fellow, Nr Leatherhead, Perry Stock FRICS, perry@perrystock.co.uk - A tidal flow from Urban to Suburban and rural locations.

Richard Blythe, FRICS, London, Oakhurst Real Estate Ltd, richard@oakhurstproperty.co.uk - After lockdown you'd have to say sales in the countryside or coastal with good rail links to London will increase.

Tim Green, MRICS, South Oxfordshire, Green & Co. (Oxford) Ltd., tim.green@greenand.co.uk - The initial resurge soon caught up, maybe as a result of summer holidays now being taken. Everyone hoping for a positive September.

South West

Anthony Corben, Swanage, Corbens, Antcorben@mac.com - Demand is strong for lockdown homes and buy to holiday lets in our area.

David Edwards, MRICS, Barnstaple, Johyn Smale, david@johnsmale.com - Blip early next year then back to normal end of the year.

David McKillop, FRICS, Salisbury, McKillop and Gregory, dm@mckillopandgregory.co.uk - A quieter month. Lot of people are away. Taking a long time to get exchanges through. Still very busy.

G C Thorne, FRICS, East Dorset, Thornes, graham@thornes.org.uk - The worry with the present market is looking to next March and remembering double miras problems after 1988 and hoping we don't see a repeat.

Ian Perry, FRICS, Cheltenham Cirencester Nailsworth Stroud Tetbury, Perry Bishop and Chambers, ianperry@perrybishop.co.uk - A good supply of properties and of buyers.

James Wilson, MRICS, Shaftesbury, Jackson - Stops, james.wilson@jackson-stops.co.uk - The market remains very active, both in terms of deals agreed and instructions.

Jeff Cole, MRICS, Wadebridge, Cole Rayment & White, jeff.cole@crw.co.uk - An incredibly busy August with a record-breaking number of sales agreed. The stamp duty holiday has certainly helped with new instructions and more people bringing forward their move. North Cornwall continues to be extremely popular.

John Corben, FRICS FCABE, Swanage, Corbens, john@corbens.co.uk - There is a tremendous upturn in demand from applicants mostly from London and the Home Counties wishing to move to rural areas in Dorset. It is assumed that they are leaving the urban areas for fear of Covid. It is, however, expected that the market will slow down in November/December.

John Doody, FRICS, Gloucestershire, John S Doody FRICS, johndoody@msn.com - Current declines as lenders valuing homes way below market evidence.

John Woolley, FRICS, Salisbury, John Woolley Ltd, john@johnwoolleyltd.co.uk - If the UK economy declines as some people forecast, the replies given here as far as looking ahead is concerned, could totally change.

Mark Lewis, FRICS, Sturminster Newton, Symonds & Sampson, mlewis@symondsandsampson.co.uk - A dangerously strong market and we expect this to continue to October.

Michael Burkinshaw, MRICS, Bristol, Skysurvuk, michael.burkinshaw@skysurvuk.com - The forecasted downturn in house prices is not anticipated to be realised until October and beyond. The drop in levels of transactions is not anticipated to occur until November onwards. A drop in activity and prices is believed to be a steady decline of a few % per month from November onwards.

Nicholas King, MRICS, Swindon, Hills Homes Developments Ltd, nick.king@hills-group.co.uk - SDLT & Help to Buy changes will impact the market next Spring.

Robert Cooney, FRICS, Taunton, Robert Cooney Chartered Surveyors & Estate Agents, robert.cooney@robertcooney.co.uk - July saw the best month in 10 years for both sales agreed and new listings.

Surveyor comments - sales

Tony Jamieson, MRICS, Guildford, Clarke Gammon Wellers, tony.jamieson@clarkegammon.co.uk - There is a still huge demand and not enough supply, although more property is coming to the market. Correctly priced properties will attract multiple interest. New homes sales still largely dependent on Help to Buy. Market still extremely active, but for how long?

Wales

Andrew Morgan, FRICS FAAV, Lampeter, Morgan & Davies, lampeter@morgananddavies.co.uk - A very buoyant market at present with a challenge in replenishing stock which will have an influence on underpinning prices for some time to come.

Anthony Filice, FRICS, Cardiff, Kelvin Francis, tony@kelvinfrancis.com - Record number of valuations, instructions, viewings and sales achieved as demand exceeds supply. This is in particular regarding properties in the popular 2 and 3 bedroom range. Shortage of properties is causing prices to increase, with many offers of the full price and over being achieved.

David James, FRICS, Brecon, James Dean, david@jamesdean.co.uk - Exceptional market conditions, the busiest month ever.

Paul Lucas, FRICS, Haverfordwest, R.K.Lucas & Son, paul@rklucas.co.uk - Since lockdown ended, property enquiries and sales activity have gone through the roof, well above expectations as buyers look to move to rural and coastal locations.

Roger Davies, MRICS, Cardigan, JJ Morris, roger@jjmorris.com - With the relaxation of lockdown regulations and the reopening of sales offices, pent up demand has been very noticeable, much of it is fuelled by prospective purchasers wishing to relocate from built up urban conurbations and move to rural /coastal West Wales. As a result, prices have increased.

London

Allan Fuller, FRICS, Putney, Allan Fuller Estate Agents, allan@allanfuller.co.uk - We have experienced an increase in instructions and stronger demand for houses and flats with a garden and a general reduction in demand for flats.

Casey O'Donovan, MRICS, London, IndigoScott, casey@indigoscott.com - The initially flurry of sales activity post-lockdown appears to be slowing. Buyers who seemed motivated post-lockdown are now acting with caution due to fears of redundancy and recession. That said, the stamp duty holiday has encouraged new buyers to the market and HTB sales also continue steadily.

Charles Reynolds, MRICS, London, Home Counties Inspections Ltd, charles.reynolds@hcinspect.co.uk - There is considerable pent up demand for smaller and second move properties.

Christopher Ames, MRICS, Belgravia/London, Ames Belgravia, ca@amesbelgravia.co.uk - Self-isolation for 6 months at home has highlighted inadequacies in current space, especially lack of gardens.

Colin Pryke, BSC MRICS, North London, Colin Pryke Bsc MRICS, colinpryke@hotmail.co.uk - A shortage of property for sale is sustaining increases in prices. Confidence will be a determining factor, bearing in mind possible large-scale redundancies in the short term, at least.

David Conway, FRICS, Harrow, David Conway & Co Ltd, david@davidconway.co.uk - End of stamp duty holiday may bring down demand.

Jeff Doble, FRICS, London, Dexters, Jeffdoble@dexters.co.uk - Of the 6000 properties we have available, 2000 are under offer. There is strong demand for London property at all price points.

John J King, FRICS, Wimbledon, Andrew Scott Robertson, jking@as-r.co.uk - Summer recess overall has come late but the slowdown was more abrupt than expected. Nonetheless we are anticipating an active final quarter.

John J King, FRICS, London, Andrew Scott Robertson, jking@as-r.co.uk - Having had an active July, August was a little more subdued with half the number of instructions and offers mainly due to holidays being taken. Overall the market is showing positive signs of greater movement due to the level of stamp duty.

Nicholas White, FRICS, Brockley SE4, Esurv Chartered Surveyors, nick.white@esurv.co.uk - Stamp Duty changes has impacted demand in a positive direction.

Richard Balmforth, FRICS, West Norwood, Stapleton Long, r.balmforth@stapletonlong.co.uk - The effects of Covid-19 and the enforced closure of the agency offices may have distorted the pattern of results indicated.

Simon Aldous, MRICS, London, Savills, saldous@savills.com - We do foresee this somewhat challenging London market to remain with us for the rest of the year; the SDLT holiday has without doubt helped the market. There are buying opportunities for domestic purchasers and long-term investors, however both buyers and sellers need to remain pragmatic.

Terry Osborne, FRICS, Westminster SW1, Tuckerman Residential, tosborne123@yahoo.com - The easing of lock down and stamp duty reduction has created interest.

Tom Dogger, MRICS, Central London, B N Investment Ltd, tdogger@bninvestment.co.uk - Reasonable activity over the summer period. However, the impact of an end to furlough and high levels of unemployment will surely dampen house prices in the coming months.

William Delaney, AssocRICS, City of London, Lawrence Ward & Co., william@lwondon.com - Whilst there has been some increased activity generated from the far east, local buyers still lack confidence. The slow resolution of cladding issues in some schemes has stalled sales. Fear of slow economic recovery and talk of egregious tax rises are hindering confidence.

Scotland

Alexander Inglis, MRICS, Scottish Borders, Galbraith, alex.inglis@galbraithgroup.com - The market has been very active since lockdown restrictions were relaxed. Rural properties with land are particularly popular and many buyers are coming from cities to the borders.

Gordon Macdonald, FRICS, Aberdeen/Aberdeenshire, Allied Surveyors Scotland, gordon.macdonald@alliedsurveyorsscotland.com - Huge surge in activity, sales and new home report requests, more activity than normal during the summer holiday period. Suspect current activity is a backlog of demand from 4 months inactivity, less holidays and some considering lifestyle changes. Increase in rural activity suggests move from crowds

Ian Morton, MRICS, St Andrews, Bradburne & Co, info@bradburne.co.uk - Virtually all sales are going to closing dates for offers due to scarcity of stock available. Offers received are above cautious Home Report values.

Jack Mc Kinney, FRICS, Scotland, Galbraith & Lawson, j.mckinney2006@tiscali.co.uk - To meet the housing needs of the population, immediate changes are required to the planning process and costs which currently take excessive timescales and involve high costs

Surveyor comments - sales

John Brown, FRICS MRTPI DLE, Edinburgh, John Brown and Company, John.brown@jb-uk.com - Positive market with limited supply and good demand. Market is reacting to possible future inflation. Hedge in property rather than savings. Helped by LBTT levy threshold temporary increase. Mortgage availability key to market and demand. Change anticipated when furlough period ends.

Northern Ireland

Gareth Gibson, FRICS, Belfast, Douglas Huston, gareth@hustonestateagents.com - Sales have been strong with pent up demand but we anticipate this will trail off in the next 6 months.

Kirby O'Connor, AssocRICS, Greater Belfast, GOC Estate Agents, kirby@gocestateagents.com - The sales market has been extraordinary. I think the stamp duty holiday has lifted the market and we have lots of agreed properties.

Ruairi O'Donnell, MRICS, Belfast, Belfast City Council, odonnellr@belfastcity.gov.uk - Sales will continue at current levels till the end of 2020. I anticipate a drop in sales & values next year due to the effect Covid-19 will have on the worldwide economy.

Samuel Dickey, MRICS, Belfast, Simon Brien Residential, sdickey@simonbrien.com - Despite all the negative press headlines, the sales market is very buoyant.

Surveyor comments - lettings

North

Chris Stonock, MRICS, Co.Durham and Tyne and Wear, Your Move Chris Stonock, Christopher.stonock@your-move.co.uk - Shortage of stock a real concern. We can literally let everything pretty much straight away which can only result in rent increases. Buy to let landlords need to be encouraged back into the market.

Keith Alan Pattinson, FRICS, Newcastle-upon-Tyne, Pattinson.co.uk, keith.pattinson@pattinson.co.uk - Increase in redundancies, especially with the higher paid, e.g. pilots will cause repossessions/urgent sales, plus tenants not paying will cause pressure on smaller/slump landlords and lead to more repossessions, including principal residence. Lenders will also suffer losses as will valuers with confetti cases

Neil Foster, MRICS, Hexham, Foster Maddison, neil@fostermaddison.co.uk - Small private landlords increasingly taking advantage of good sale conditions and weeding out low energy rated/regulatory challenged properties which is causing shortage in some of the most needed sectors. A classic case of government policy shooting it's own foot off.

Richard Towler, MRICS, Penrith, Eden Lettings & Management, enquiries@edenletting.co.uk - Pent up demand created during lockdown released. Effects of job losses yet to be seen. Busy.

Shaun Brannen, AssocRICS, North Tyneside, Brannen & Partners, shaun.brannen@brannen-partners.co.uk - Exceptionally high demand but worryingly low supply points to a worrying future issue for the PRS.

Alex McNeil, MRICS, Huddersfield & Halifax, Bramleys, alex.mcneil@bramleys1.co.uk - Very little stock available and multiple tenant applications. A recipe for rent increases.

Yorkshire & the Humber

Ben Hudson, MRICS, York, Hudson Moody, benhudson@hudson-moody.com - Steady demand across the board

Glynis Frew, York, Hunters Group Plc, glynis@hunters.com - Government activity will drive rents up in the PRS as landlords sell.

James Brown, MRICS, Richmond, Norman F Brown, belindandjames@hotmail.co.uk - The lack of supply is a real problem for our local market.

North West

Andrew Croft, AssocRICS, Liverpool, Private Property Investment Company, croft.andrew1@gmail.com - Uncertainty is a key factor in the market.

Jonathan Clayton, FRICS, Lytham, JPA surveyors, info@jpasurveyors.co.uk - Home office and outside space will be in demand

East Midlands

Andrew York, FRICS, Leicester, Moore & York Ltd, andrew.york@mooreandyork.co.uk - Market still in equilibrium.

Christopher Bletsoe, FMRICS, Thrapston, Bletsoes, ctbletsoe@bletsoes.co.uk - Employment is robust in our area. No change.

John Chappell, BSc.(Hons), MRICS, Skegness, Chappell & Co Surveyors Ltd, john@chappellandcosurveyors.co.uk - The spike of tenants leaving without notice (during lockdown) seems to have been replaced by a slow but steady increase in potential new tenants.

Nicholas Richardson, FRICS, Beeston/Nottingham, Nicholas Richardsons, nrichardson@gmail.com - Demand for small gardens or outdoor space is up. We have cleared 3 overgrown gardens this week! Only keen gardeners will cope, most tenants don't make any effort. We see no change in demand for inner city homes handy for work! I think escaping to the workplace is back to get work done.

West Midlands

Colin Townsend, MRICS, Malvern, John Goodwin, colin@johngoodwin.co.uk - A steady market but still a shortage of new instructions

John Andrews, FRICS, Bridgnorth, Doolittle & Dalley LLP, johndrews@doolittle-dalley.co.uk - Very busy period with demand exceeding supply.

John Andrews, FRICS, Kidderminster, Doolittle & Dalley LLP, johndrews@doolittle-dalley.co.uk - Very high levels of enquiry resulting in shortage of properties to let. More needed although some landlords looking to sell.

Mike Arthan, FRICS, Shropshire, Barbers, m.arthan@barbers-online.co.uk - Plenty of prospective tenants. Shortage of stock, especially houses. Rents increasing.

Richard Franklin, MRICS, Tenbury Wells, Franklin Gallimore, richard@franklingallimore.co.uk - Many tenants are really suffering and rent arrears at record levels with no help on the horizon for BTL landlords from the Treasury. This is going to develop quickly into a major catastrophe for all involved. Reinforcing the head in the sand approach to property exhibited by the government.

East Anglia

Chris Philpot, FRICS, Stowmarket, Suffolk, Lacy Scott and Knight, cphilpot@lsk.co.uk - Good steady demand and supply.

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

Ken Woodrow, MRICS, North Norfolk, Woodrows, kjwoodrow@woodrows.co.uk - Increased legislation means PRS will inevitably decrease with landlords selling properties.

Nigel Morgan, MRICS, North Walsham, Spalding & Co, nmorgan@spaldingandco.co.uk - The worry ahead is people losing their jobs.

South East

Askaroff, MRICS, Eastbourne, Estatewise, estatewiselimited@gmail.com - There has been a significant increase in the local market due to easy access to the National Park and coast.

David Boyden, MRICS, Colchester, Boydens, david.boyden@boydens.co.uk - As expected, a slight seasonal drop throughout August however figures remain positive and in accordance with expectation. New EICR Regs definitely having an effect on the renewal of tenancy agreements with landlords opting to go periodic.

David Parish, FRICS, Upminster, Gates, Parish & Co, professional@gates-parish.co.uk - A steady demand. Applicants tend to prefer properties with good access to amenities.

Hannah Ward, Hove, King and Chasemore, hannah.ward@countrywide.co.uk - Covid has affected the number of landlords having to sell their stock.

Ian Perry, FRICS, Fairford Laringdon Lechlade Highworth Witney, Perry Bishop and Chambers, ianperry@perrybishop.co.uk - A steady market.

Martin Allen, MRICS, Wingham, Canterbury, Elgars, m.allen@elgars.uk.com - More caution from potential landlords due to government restrictions on notices. Still good demand from tenants but more use of guarantors being made to ensure rental income.

Surveyor comments - lettings

South West

Anthony Corben, Swanage, Corbens, Antcorben@mac.com - More and more landlords choosing to sell portfolios is leaving tenants with less choice.

David Edwards, MRICS, Barnstaple, Johyn Smale, david@johnsmale.com - Government needs to make it easier for landlords to buy investments, tenants have no choice in the rental market.

Ian Perry, FRICS, Cheltenham Cirencester Nailsworth Stroud Tetbury, Perry Bishop and Chambers, ianperry@perrybishop.co.uk - A steady market.

Marcus Arundell, MRICS, Bath, HomeLets, marcus@homeletsbath.co.uk - Strong summer activity with student business on track. Professional market continuing at pace. Some landlords now choosing to sell but others seeking opportunities.

Paul Oughton, MARLA, MNAEA, Cirencester and the Cotswolds, Moore Allen & Innocent, paul.oughton@mooreallen.co.uk - Strong tenant demand but more landlords looking to take advantage of sales market activity and looking to sell.

Wales

Anthony Filice, FRICS, Cardiff, Kelvin Francis, tony@kelvinfrancis.com - Demand continues to exceed supply of properties, resulting in rapid lettings and increasing rentals.

David James, FRICS, Brecon, James Dean, david@jamesdean.co.uk - Lots of tenants staying put so a shortage of properties to let.

Paul Lucas, FRICS, Haverfordwest, R.K.Lucas & Son, paul@rklucas.co.uk - The letting market remains buoyant.

London

Allan Fuller, FRICS, Putney, Allan Fuller Estate Agents, allan@allanfuller.co.uk - Still reasonable demand across the rental market except for higher end houses if the landlord only wants family occupation.

Andrew McPherson, AssocRICS MIWFM MIET, London, British Land, andrewmcpherson1@gmail.com - Covid-19 rent deferred last 3 months. To be claimed back. Brexit has seen sale of retail properties in favour of residential and mixed use commercial offices. New developments and estates to incorporate housing ("affordable" and private high-end residential developments)

Charles Ives, MRICS, London, Ivesey@hotmail.com - The furlough scheme ending will cause large issues on the rental market

David Conway, FRICS, Harrow, David Conway & Co Ltd, david@davidconway.co.uk - Landlords unable to repossess may slow down supply and push up rents

Jeff Doble, FRICS, London, Dexters, Jeffdoble@dexters.co.uk - There is strong demand for London property to rent and a good selection for tenants to choose from, resulting in static rents and poorer quality property being slow to let.

Jilly Bland, Wimbledon, Robert Holmes & Co, jilly@robertholmes.co.uk - Very busy quarter, everyone wanting to move closer to green space and gardens.

John J King, FRICS, Wimbledon, Andrew Scott Robertson, jking@as-r.co.uk - A quieter month overall but more enquirers for slightly larger homes than usual. It's not clear why but this price range suggests families will rent short term expecting a greater choice to purchase later on.

John J King, FRICS, London, Andrew Scott Robertson, jking@as-r.co.uk - Like the sales market, a quieter August on the enquirers front but increase number of smaller flats to let with a shortage of 2/3 bed homes to rent. A sure sign that investors are back buying.

John Watkins, MRICS, Warwick, Central Real Estate Limited, john.watkins@cre-ltd.uk - The market is fragmented while employees can choose whether to work from their home or their office. A shift back to working in offices is likely but now working from home has been proven to work, it is certain that a proportion, perhaps 25%, will never return to the office.

Mark Wilson, MRICS, London, Globe Apartments, mark@globeapt.com - There are a number of good applicants out there and if the rent is priced right, vacant flats should let. A motivated landlord and a motivated tenant coming together is what's needed!

Richard Balmforth, FRICS, West Norwood, Stapleton Long, r.balmforth@stapletonlong.co.uk - Rental demand has remained strong despite Covid-19.

Simon Aldous, MRICS, London, Savills, saldous@savills.com - There continues to be an increase in stock in Prime Central and East London, and we have seen rents fall. Once travel restrictions ease, we do foresee a return to a more stable rental market.

Terry Osborne, FRICS, Westminster SW1, Tuckerman Residential, tosbome123@yahoo.com - Landlords becoming more realistic following the effects of Covid-19.

Tom Dogger, MRICS, Central London, B N Investment Ltd, tdogger@bninvestment.co.uk - High levels of vacant properties in Central London. Whether this changes will depend on the return of overseas tenants.

Will Barnes Yallowley, Assoc RICS, Kensington, LHH Residential, will@lhhresidential.co.uk - Prices have dipped but there appears to be sufficient demand.

William Delaney, AssocRICS, City of London, Lawrence Ward & Co., william@lw-london.com - Market has improved, with office workers slowly returning. Rents are under serious pressure with supply out-stripping demand. The corporate relocation market is non-existent. However, if landlords are realistic in terms of rent and making sure that properties are well presented then we can secure a go.

Scotland

Carolyn Davies, MRICS, Dumfries, Savills, cmadavies@savills.com - Continued demand for rural properties, those in best condition gaining significant premium and interest.

Ian Morton, MRICS, St Andrews, Bradburne & Co, info@bradburne.co.uk - Demand from tenants continues and we notice a lack of suitable stock available for rent.

John Brown, FRICS MRTPI DLE, Edinburgh, John Brown and Company, John.brown@jb-uk.com - More Airbnb transfers to standard tenancies has added to stock levels. Market improved in September and students are returning. Rents are stable and affordable. Possibly more will rent rather than buy given employment can be less certain. Landlords wary of rental risk from default and costs involved.

Northern Ireland

Gareth Gibson, FRICS, Belfast, Douglas Huston, gareth@hustonestateagents.com - Summer rentals as normal in our area, one beds down in demand but all other properties are up as normal.

Kirby O'Connor, AssocRICS, Greater Belfast, GOC Estate Agents, kirby@gocestateagents.com - Rental has been magnificent, good quality tenant enquiries. Rents up 5% at least!

Samuel Dickey, MRICS, Belfast, Simon Brien Residential, sdickey@simonbrien.com - Rentals continue to be strong at all levels.

Contacts

Economics Team

Janet Guilfoyle

Market Surveys Administrator

+44(0)20 7334 3890

jguilfoyle@rics.org

Simon Rubinsohn

Chief Economist

+44(0)20 7334 3774

srubinsohn@rics.org

Sean Ellison

Senior Economist

+65 68128179

sellison@rics.org

Tarrant Parsons

Economist

+44(0)20 7695 1585

tparsons@rics.org

Kisa Zehra

Economist

+44(0)20 7965 1675

kzehra@rics.org

Market Surveys & Reports

Download RICS Economic market surveys and reports:

www.rics.org/economics

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

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)

Gold package: POA

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

Platinum package: POA

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

- RICS supports academia and will supply the full data set on a complementary basis.
- For the list of questions, refer to *Methodology*.
- All packages include the full historical back set, regional breakdown, and, where applicable, the seasonally and not seasonally adjusted data.



Confidence through professional standards

RICS promotes and enforces the highest professional qualifications and standards in the valuation, development and management of land, real estate, construction and infrastructure. Our name promises the consistent delivery of standards – bringing confidence to markets and effecting positive change in the built and natural environments.

Americas

Latin America
ricsamericalatina@rics.org

North America
ricsamericas@rics.org

Asia Pacific

ASEAN
ricsasean@rics.org

Greater China (Hong Kong)
ricshk@rics.org

Greater China (Shanghai)
ricschina@rics.org

Japan
ricsjapan@rics.org

Oceania
oceania@rics.org

South Asia
ricsindia@rics.org

EMEA

Africa
ricsafrica@rics.org

Europe
ricseurope@rics.org

Ireland
ricsireland@rics.org

Middle East
ricsmiddleeast@rics.org

United Kingdom RICS HQ
contactrics@rics.org