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(reporting on December 2021 data)

Interest rate increase hasn't dented buyer and seller confidence

- 74% of active buyers in the UK were confident that they would purchase a property within the next 3 months
- 80% of sellers in the UK were confident that they would sell their property within the next 3 months
- 53% of properties were Sold Subject to Contract (SSTC) within 30 days of first being advertised for sale, compared with 35% in December 2020
- Despite mid-December rate rise, buyer and seller confidence continues unabated
- Stock shortages continue but motivated buyers with mortgage offers, or those needing to move, are prepared to compromise, presenting further opportunities for vendors

The interest rate rise which had been widely speculated for months finally came to pass in mid-December yet appears to have had little impact on confidence in the housing market.

Our data shows that nearly three-quarters of active buyers remained confident that they would purchase a property within the next 3 months, while a slightly higher number of sellers were equally confident that they would sell within the same timeframe. Many would-be buyers plotting a move had the foresight to secure a mortgage agreement in principle (AIP) in the final quarter of last year, so the clock is ticking for them to purchase a new home before it expires. With a number of lenders raising their mortgage rates on the back of higher money market rates, these potential buyers will be keen to move in the early part of this year or risk losing a favourable mortgage rate. This will focus buyers' minds like nothing else and we expect activity to be brisk as a result.

As well as buyers keen to take advantage of cheap mortgage rates, there are those who simply have to move. Family and financial circumstances and the impact of several lockdowns means sadly that many people need to move. These buyers are under pressure due to the lack of stock, which means they may be prepared to compromise on certain factors that they may not have been willing to do so before. This presents an opportunity for those considering selling who have not yet taken the plunge and listed their home.

Transaction numbers recovered towards the end of last year, following a slump in October as buyers brought forward decisions to buy in order to take advantage of the stamp duty holiday. With this no longer available,

it will be interesting to see how the market settles down this year and whether it returns to something approaching normality. The stamp duty holiday was a key driver in encouraging activity but there are many more spurs, such as the desire for more space, changing working practices and low borrowing rates, albeit mortgage pricing is creeping upwards, which will continue to play a part.

While we are hearing that plenty of valuations are taking place, relatively few have so far turned into instructions. It is common at this time of the year for sellers of family homes to wait until spring to market their properties as they look to benefit from the seasonal boost to the look and feel of properties. Agents are waiting to see whether they get the usual influx of stock as we head towards what is traditionally the busiest time of year, but there is no evidence of this yet.

What might change over the coming months is that house price growth may start to tail off. Speculative sellers may be waiting for the top of the curve in terms of pricing before listing their homes, but history shows us that trying to time the market is a difficult feat to achieve.

With double-digit house-price growth in 2021, it remains the best time in two decades to sell and it could be argued that it is better to do so sooner rather than later. Vendors who hold off in the hope of further house price appreciation may then find themselves competing with more sellers once they list their home, with more competition meaning the inevitable downwards pressure on pricing.

Seller Sentiment – how confident were sellers in December 2021?

December 2021 Headlines

From our sample of sellers surveyed, UK average rates of confidence over the last month were as follows:

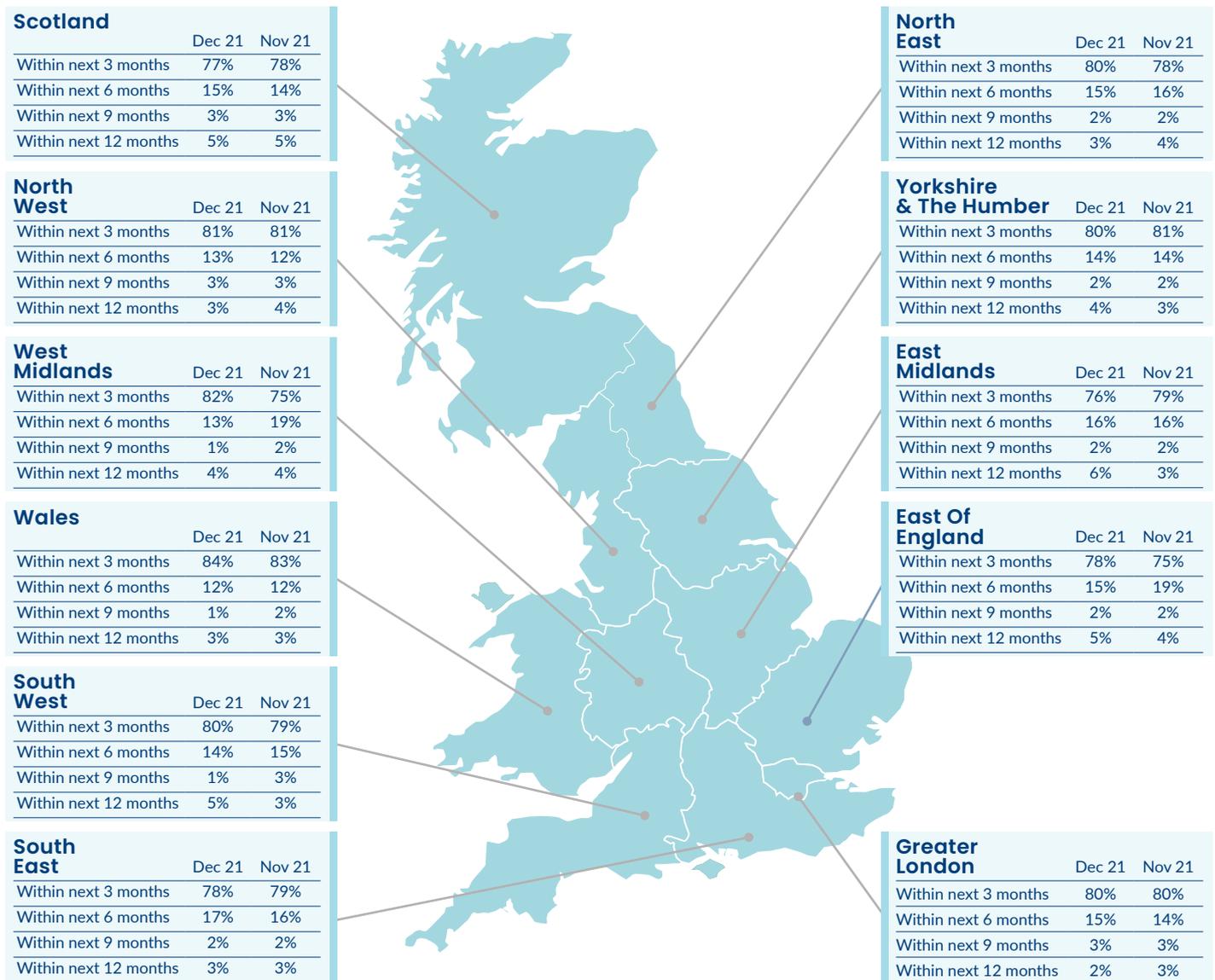
- 80% of sellers were confident that they would sell their property within the next 3 months, a slight increase from November 2021 (79%)
- 14% of sellers were confident that they would sell their properties within the next 6 months, a slight decrease when compared with November 2021 (15%)
- 2% of sellers were confident that they would sell their home within the next 9 months, unchanged when compared to November 2021 (2%)
- 4% of sellers were confident that they would sell their home within the next 12 months, unchanged when compared with November 2021 (4%)

The OnTheMarket Property Sentiment Survey asks sellers across the UK how confident they feel about selling their home in order to provide a 'temperature check' of market sentiment both on a national and regional basis.

Sellers are asked to indicate how confident they are that they will sell their home:

- Within the next 3 months
- Within the next 6 months
- Within the next 9 months
- Within the next 12 months

● >5% increase on previous month
 ● <5% increase and <5% decrease on previous month
 ● >5% decrease on previous month
 (based on Seller confidence within next 3 months)



Buyer Sentiment – how confident were buyers in December 2021?

December 2021 Headlines

From our sample of buyers surveyed, UK average rates of confidence over the last month were as follows:

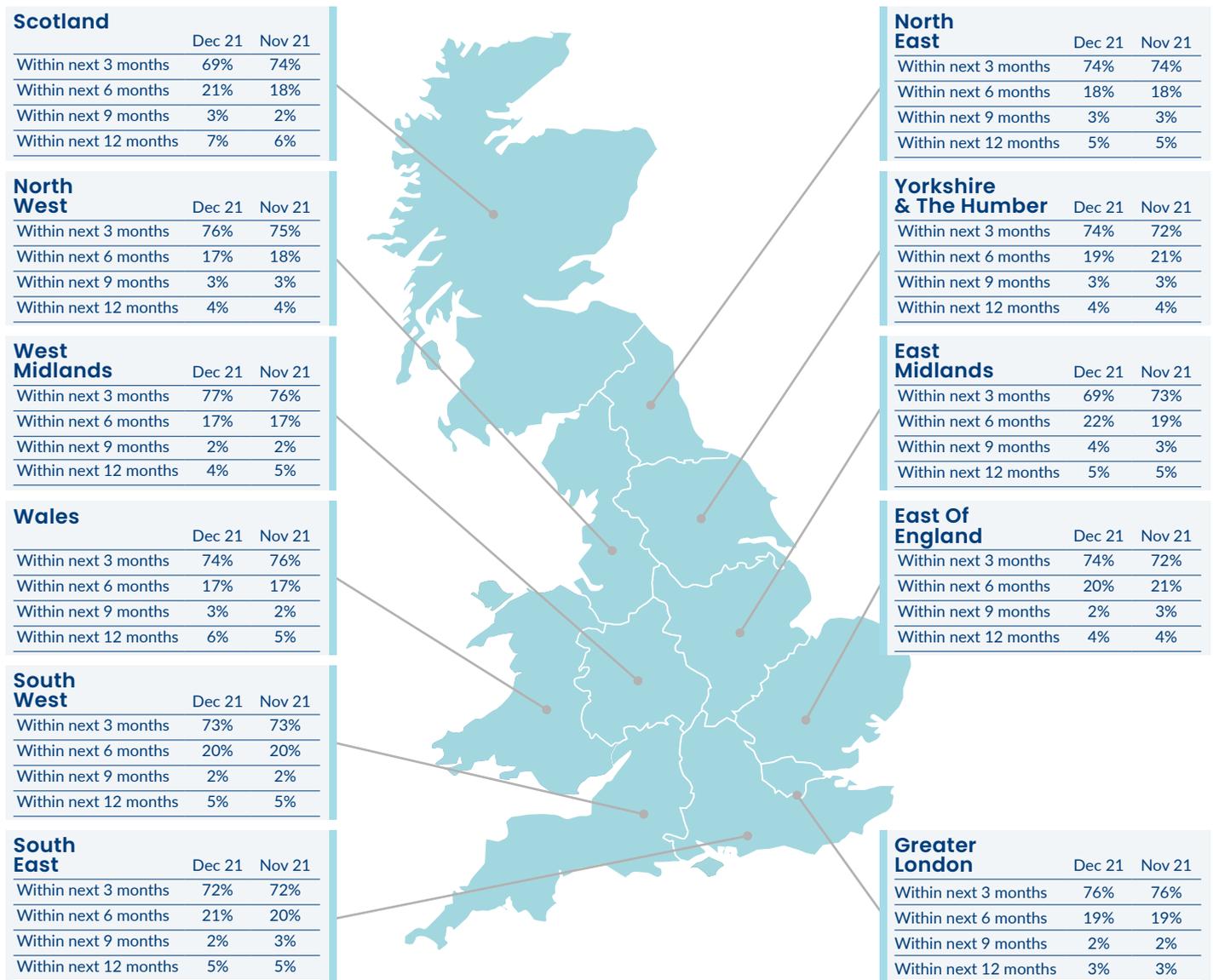
- 74% of buyers were confident that they would purchase a property within the next 3 months, unchanged when compared to November 2021 (74%)
- 18% of buyers were confident that they would purchase a property within the next 6 months, unchanged when compared to November 2021 (18%)
- 3% of buyers were confident that they would purchase a property within the next 9 months, unchanged when compared to November 2021 (3%)
- 5% of buyers were confident that they would purchase a property within the next 12 months, unchanged when compared to November 2021 (5%)

The OnTheMarket Property Sentiment Survey asks buyers across the UK how confident they feel about purchasing their next property in order to provide a 'temperature check' of market sentiment both on a national and regional basis.

Buyers are asked to indicate how confident they are that they will purchase their next property:

- Within the next 3 months
- Within the next 6 months
- Within the next 9 months
- Within the next 12 months

● >5% increase on previous month
 ● <5% increase and <5% decrease on previous month
 ● >5% decrease on previous month
 (based on Seller confidence within next 3 months)



Mover attitudes towards mortgage availability in December 2021

December 2021 headlines:

- As a UK average, in December 2021 only 4% of movers were concerned (either very worried or slightly concerned) about securing a mortgage to fund the purchase of their next property, which was unchanged when compared to November 2021 (4%).
- Greater London and the North West jointly had the highest number of respondents who already had their mortgage Agreement In Principle in place prior to starting their search for a property (40%). The North East, Scotland and the South West all had the lowest number of respondents who already had a Mortgage Agreement in Principle in place before starting their property search (27%).
- As a UK average, 27% of movers hadn't considered applying for a mortgage before starting their property search, with buyers in Greater London the least likely to have considered applying for a mortgage before starting their search for a property (34%).
- As a UK average, 33% of buyers surveyed said that they didn't need a mortgage in order to purchase a property. Greater London had the lowest number of respondents who indicated that they wouldn't require a mortgage to purchase a property (18%). The South West had the highest number of respondents who indicated that they didn't need a mortgage to buy their next home (44%).

The OnTheMarket Property Sentiment Index provides insights in terms of how confident movers across the UK feel about securing a mortgage in order to fund the purchase of their next property. Since increased affordability assessments were introduced by lenders in 2014 as part of the Mortgage Market Review, the ability to both successfully secure a mortgage and borrow enough to fund a property purchase are key factors which can have a significant impact on home mover sentiment.

Respondents to the OnTheMarket survey are asked to indicate how they feel about raising the necessary funds to purchase their next property by choosing from the following options:

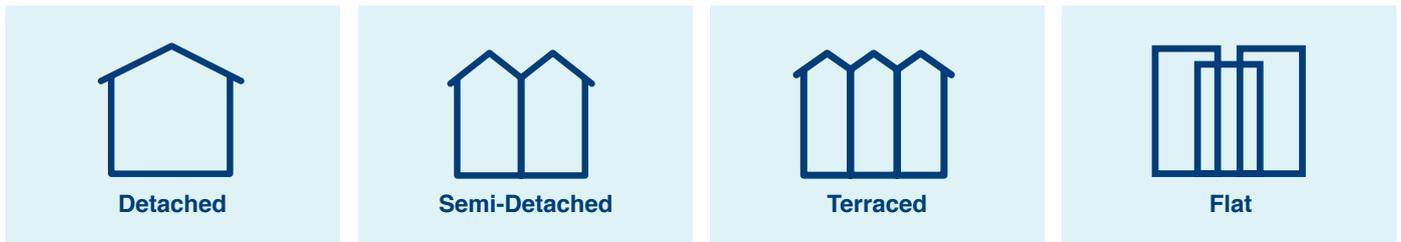
- I'm very worried
- I'm slightly concerned
- I'm sure it will be fine
- I have a mortgage Agreement in Principle already
- I don't need a mortgage to buy a property
- I've not thought about it

												
	Dec 21	Nov 21	Dec 21	Nov 21	Dec 21	Nov 21	Dec 21	Nov 21	Dec 21	Nov 21	Dec 21	Nov 21
UK average	1%	1%	3%	3%	2%	2%	34%	34%	33%	33%	27%	27%
Greater London	1%	1%	5%	3%	2%	2%	40%	41%	18%	18%	34%	35%
South East	1%	1%	3%	4%	2%	2%	34%	35%	32%	31%	28%	27%
South West	0%	1%	3%	3%	2%	2%	27%	28%	44%	44%	24%	22%
East of England	1%	1%	4%	4%	2%	2%	33%	35%	33%	30%	27%	28%
West Midlands	3%	1%	5%	3%	2%	2%	36%	39%	26%	28%	28%	27%
East Midlands	1%	1%	4%	6%	2%	2%	32%	33%	32%	30%	29%	28%
Yorkshire & The Humberside	1%	1%	3%	3%	2%	2%	34%	34%	32%	31%	28%	29%
North East	1%	1%	4%	2%	3%	3%	27%	30%	37%	35%	28%	29%
North West	1%	1%	3%	3%	2%	2%	40%	39%	30%	29%	24%	26%
Wales	1%	1%	2%	1%	2%	1%	28%	30%	40%	40%	27%	27%
Scotland	1%	0%	2%	2%	3%	2%	27%	27%	43%	47%	24%	22%

Average asking prices and most popular property types in December 2021

Most popular property types – December 2021 Headlines

By analysing data compiled from thousands of estate agents' listings across the UK, we can track the most sought after property types, based on properties which have been Sold Subject To Contract (SSTC) each month. We base this data on the four main property types, as defined by HM Land Registry:



UK Average (excl. Greater London)

In December 2021, the most popular properties as a UK average were three bedroom semi-detached houses, unchanged when compared to November 2021 and December 2020.

Greater London

In December 2021 in Greater London the most popular properties were two bedroom apartments, unchanged when compared to November 2021 and December 2020.

Asking prices – December 2021 Headlines

UK Average (excl. Greater London)

Type	December 21	November 21	December 20
Detached	£560,001	£566,583	£523,215
Semi-Detached	£338,587	£336,287	£313,221
Terraced	£253,657	£265,637	£249,062
Flat	£228,153	£228,947	£226,493
Average	£364,089	£369,224	£351,198

Greater London

Type	December 21	November 21	December 20
Detached	£2,107,238	£2,094,794	£2,023,360
Semi-Detached	£1,374,787	£1,303,650	£1,218,888
Terraced	£1,362,377	£1,301,091	£1,168,957
Flat	£893,222	£876,814	£811,401
Average	£1,039,654	£1,022,607	£901,589

Time to Sold Subject to Contract (SSTC) in December 2021

From analysis of OnTheMarket.com's data compiled from estate agents' listings across the UK, we're able to track where properties are Sold Subject to Contract (SSTC) the quickest and where they take the longest.

- In December 2021, as UK average 53% of properties were SSTC within 30 days of first being listed for sale, unchanged when compared with November 2021 (53%) and significantly increased when compared with December 2020 (35%)
- In December 2021, Scotland was the fastest selling region, with 65% of homes SSTC within 30 days of first being listed for sale. Greater London had the lowest number of properties which were SSTC within 30 days (36%)
- In December 2021, the region with the most number of properties which had taken 120 days or longer to SSTC was Greater London (20%) compared to Scotland which had the lowest number of properties that had taken 120 days or more to move to SSTC status (7%)

December 2021 Headlines

Region	% of homes first listed and SSTC within 30 days			% available homes first listed for sale over 30 days ago but were SSTC within 60 days			% available homes first listed for sale over 30 days ago but were SSTC within 90 days			% available homes first listed for sale over 30 days ago but were SSTC within 120 days			% available homes first listed for sale over 30 days ago but were SSTC within 150 days		
	Dec 21	Nov 21	Dec 20	Dec 21	Nov 21	Dec 20	Dec 21	Nov 21	Dec 20	Dec 21	Nov 21	Dec 20	Dec 21	Nov 21	Dec 20
UK average	53%	53%	35%	17%	16%	19%	10%	10%	15%	7%	6%	11%	13%	13%	20%
Greater London	36%	40%	30%	20%	20%	21%	14%	12%	18%	10%	8%	12%	20%	20%	19%
South East	50%	51%	32%	17%	17%	19%	11%	11%	16%	7%	7%	12%	15%	14%	21%
South West	59%	56%	35%	14%	17%	18%	10%	9%	14%	6%	6%	12%	11%	12%	21%
East of England	54%	56%	36%	18%	18%	19%	10%	10%	16%	7%	6%	11%	11%	10%	18%
West Midlands	57%	57%	37%	17%	17%	19%	8%	9%	15%	6%	6%	10%	12%	11%	19%
East Midlands	52%	56%	37%	18%	17%	18%	10%	9%	14%	6%	7%	10%	14%	11%	21%
Yorkshire & The Humberside	54%	56%	40%	16%	17%	18%	11%	9%	13%	7%	7%	9%	12%	11%	20%
North East	54%	56%	38%	15%	17%	18%	9%	9%	13%	7%	6%	9%	15%	12%	22%
North West	53%	54%	40%	18%	18%	18%	10%	10%	13%	7%	6%	10%	12%	12%	19%
Wales	51%	52%	37%	16%	17%	14%	11%	11%	15%	8%	7%	11%	14%	13%	23%
Scotland	65%	69%	52%	15%	14%	19%	8%	7%	12%	5%	4%	7%	7%	6%	10%

Methodology

Sentiment data (Buyer sentiment, Seller sentiment and Mover attitudes towards mortgage availability) are collected via questions on the OnTheMarket website monthly. With over 120,000 total consumer responses on average per month, it is believed by OnTheMarket to be the largest monthly consumer sentiment index to date in terms of buying and selling residential property in the UK.

Data on time to Sold Subject to Contract (SSTC), Average Asking Prices and Most Popular Property Types is drawn from OnTheMarket's data compiled from thousands of estate agent branches and housebuilders who list their properties with the portal every month.

Regions referred to are as classified by the Nomenclature of Territorial Units for Statistics (NUTS) geocode standard.

Breakdown of regions

- **Greater London:** All
- **South East:** Buckinghamshire, Oxfordshire, Berkshire, Surrey, Hampshire, Kent, West and East Sussex, Isle of Wight
- **South West:** Gloucestershire, Wiltshire, Somerset, Devon, Dorset, Cornwall, Bristol
- **East of England:** Norfolk, Suffolk, Cambridgeshire, Essex, Hertfordshire, Bedfordshire
- **West Midlands:** Shropshire, Staffordshire, West Midlands, Warwickshire, Herefordshire, Worcestershire
- **East Midlands:** Derbyshire, Nottinghamshire, Lincolnshire, Leicestershire, Northamptonshire, Rutland
- **Yorkshire and The Humber:** North, South and West Yorkshire, East Riding
- **North East:** Northumberland, Tyne & Wear, County Durham
- **North West:** Lancashire, Greater Manchester, Merseyside, Cumbria, Cheshire
- **Wales:** All
- **Scotland:** All

About OnTheMarket.com

OnTheMarket.com is a leading UK residential property website, providing consumers with a simple way to search for their perfect home. The website and its apps list hundreds of thousands of homes for sale and to rent, and aim to provide all potential buyers, sellers, landlords and tenants with an exceptional property search service. This includes the opportunity to set-up personalised property alerts to help find a new home quickly and easily.

OnTheMarket.com displays thousands of Only With Us properties every month, 24 hours or more before they're advertised on Rightmove or Zoopla, to give serious home movers an edge in their property search. With thousands of estate and letting agents advertising their properties on the website, together with many of the UK's major house builders offering consumers a wide selection of new build homes, OnTheMarket.com provides a choice of properties at all price points. It also offers Overseas and Commercial search services.

OnTheMarket.com is owned by OnTheMarket plc, which was admitted to the Alternative Investment Market (AIM) in February 2018.

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