



Jason Tebb
Chief Executive Officer

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(reporting on January 2022 data)

Enduring confidence means no sign of let up as housing market makes strong start to 2022

- 72% of active buyers in the UK were confident that they would purchase a property within the next 3 months
- 78% of sellers in the UK were confident that they would sell their property within the next 3 months
- 48% of properties were Sold Subject to Contract (SSTC) within 30 days of first being advertised for sale, compared with 36% in January 2021
- Despite the potential for further interest rate rises, buyer and seller confidence continues
- Uptick in valuation requests but still a lack of stock as the number of new buyer registrations rises

Buyer and seller confidence doesn't seem to have been adversely affected by the first base rate rise in more than three years as numbers continue to rise in terms of new applicants, viewings, and valuation requests.

The overall sentiment we're hearing from agents is that the super-charged heat of the last two quarters has, to some extent, tailed off. Yet while there may no longer be scores of people queuing up to view a property, there are still good numbers of applicants keen to view new stock.

Ultimately, with stock levels still low in comparison with last January, it remains a sellers' market. Indeed, our data shows that 78 per cent of sellers remained confident that they would sell within the next three months, and that nearly three-quarters of active buyers were equally confident they would purchase a property within three months.

As a further demonstration of continued market momentum, nearly half of properties (48 per cent) in January were Sold Subject to Contract (SSTC) within 30 days of first listing, compared with 36 per cent in the same period in January 2021. While the stamp duty holiday may be behind us, this ongoing momentum is down to the fact that many of the key drivers encouraging people to move – desire for more space; changing, more flexible, work practices; and low borrowing rates – still remain.

There continues to be strong demand for houses although many won't come to market until the more attractive spring and summer months. Subsequently, stock numbers are particularly low at the top end, especially the downsizer market. Encouragingly, we're seeing a rise in the number of houses being valued, rather than just apartments, perhaps helped by the realisation that the trading gap gets larger in a rising market. While the price of your home is rising when moving up the ladder, the property you want to buy is similarly more expensive and the gap is widening all the time.

Overall, this remains a very promising market. There are motivated sellers requesting valuations and planning to come to market, coupled with motivated buyers who don't want to miss out on a move this year. With positive sentiment fuelling all of this, it looks as though there are brighter days ahead for the UK housing market.

Seller Sentiment – how confident were sellers in January 2022?

January 2022 Headlines

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

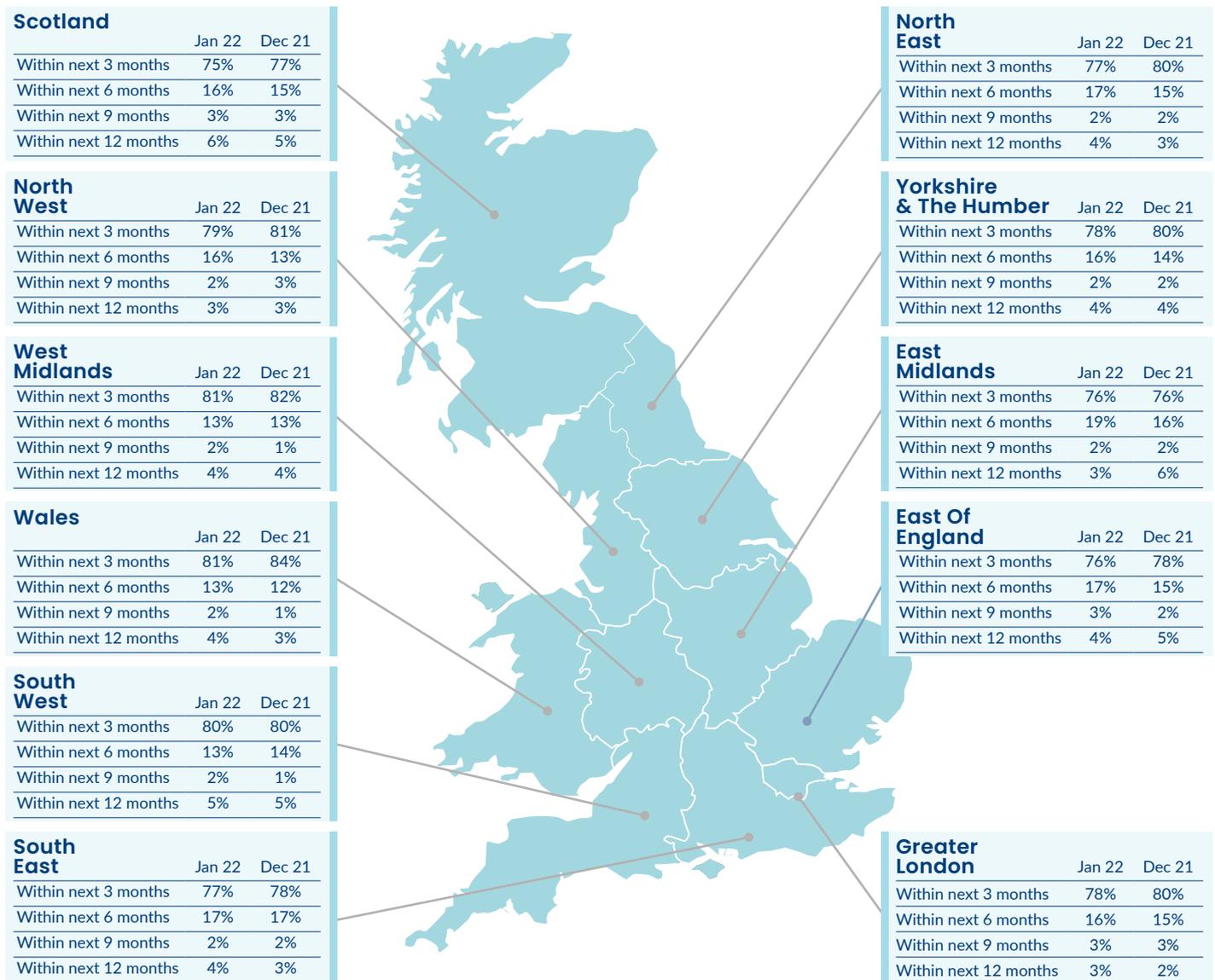
- 78% of sellers were confident that they would sell their property within the next 3 months, a slight decrease from December 2021 (80%)
- 16% of sellers were confident that they would sell their properties within the next 6 months, a slight increase when compared with December 2021 (14%)
- 2% of sellers were confident that they would sell their home within the next 9 months, unchanged when compared to December 2021 (2%)
- 4% of sellers were confident that they would sell their home within the next 12 months, unchanged when compared with December 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 January 2022?

January 2022 Headlines

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

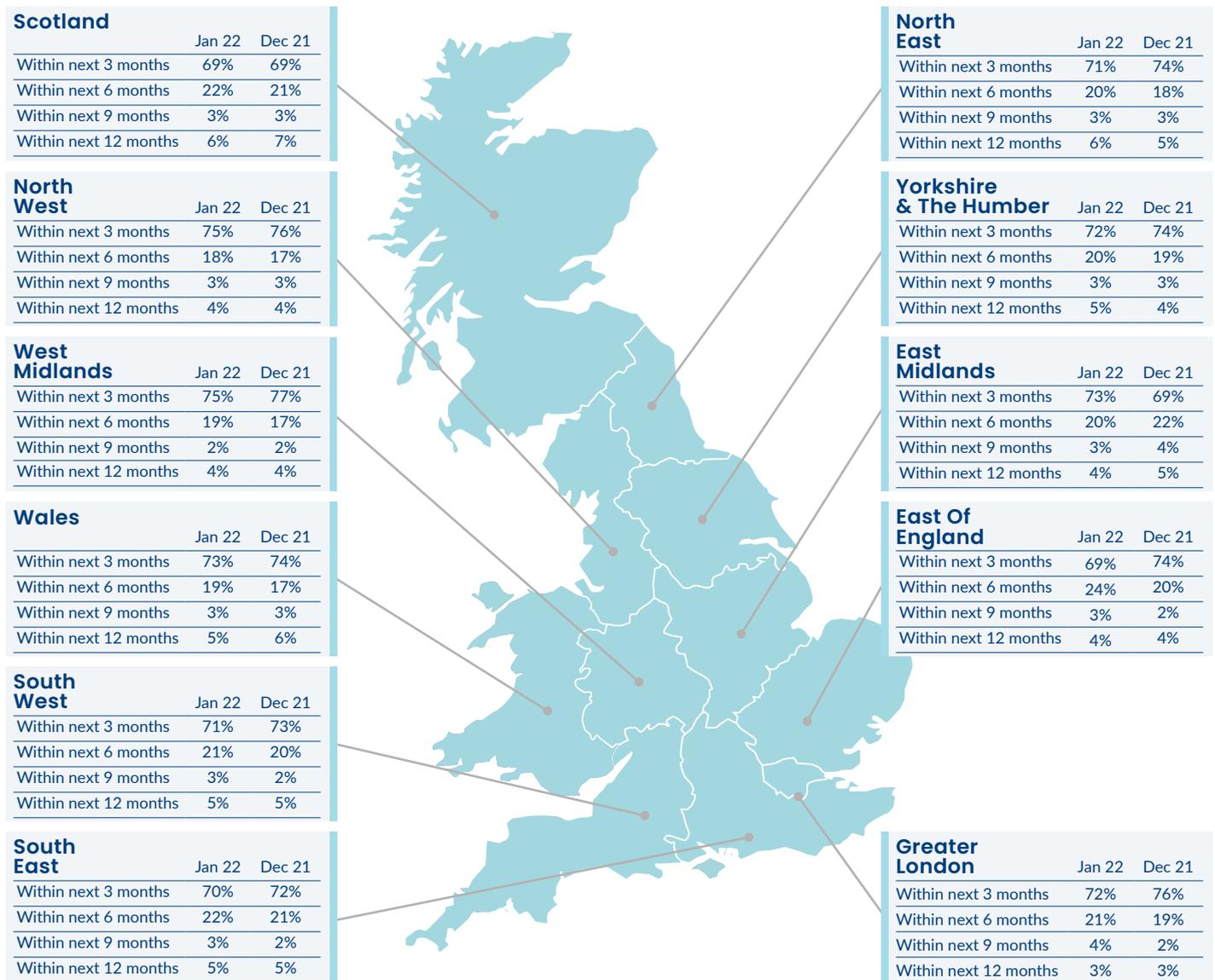
- 72% of buyers were confident that they would purchase a property within the next 3 months, a slight decrease when compared to December 2021 (74%)
- 20% of buyers were confident that they would purchase a property within the next 6 months, a slight increase when compared to December 2021 (18%)
- 3% of buyers were confident that they would purchase a property within the next 9 months, unchanged when compared to December 2021 (3%)
- 5% of buyers were confident that they would purchase a property within the next 12 months, unchanged when compared to December 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 January 2022

January 2022 headlines:

- As a UK average, in January 2022 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 December 2021 (4%).
- The North West had the highest number of respondents who already had their mortgage Agreement In Principle in place prior to starting their search for a property (45%). Scotland had the lowest number of respondents who already had a Mortgage Agreement in Principle in place before starting their property search (30%).
- 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 (35%).
- As a UK average, 30% 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 (15%). The South West had the highest number of respondents who indicated that they didn't need a mortgage to buy their next home (42%).

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

	 I'm very worried		 I'm slightly concerned		 I'm sure it will be fine		 I've already got a mortgage AIP		 I don't need a mortgage		 I've not thought about it yet	
	Jan 22	Dec 21	Jan 22	Dec 21	Jan 22	Dec 21	Jan 22	Dec 21	Jan 22	Dec 21	Jan 22	Dec 21
UK average	1%	1%	3%	3%	2%	2%	37%	34%	30%	33%	27%	27%
Greater London	1%	1%	3%	5%	2%	2%	44%	40%	15%	18%	35%	34%
South East	1%	1%	3%	3%	2%	2%	38%	34%	29%	32%	27%	28%
South West	0%	0%	2%	3%	2%	2%	32%	27%	42%	44%	22%	24%
East of England	1%	1%	3%	4%	2%	2%	37%	33%	28%	33%	29%	27%
West Midlands	1%	3%	3%	5%	2%	2%	43%	36%	24%	26%	27%	28%
East Midlands	1%	1%	3%	4%	2%	2%	34%	32%	31%	32%	29%	29%
Yorkshire & The Humberside	1%	1%	3%	3%	2%	2%	36%	34%	32%	32%	26%	28%
North East	1%	1%	3%	4%	3%	3%	33%	27%	31%	37%	29%	28%
North West	0%	1%	3%	3%	1%	2%	45%	40%	27%	30%	24%	24%
Wales	0%	1%	2%	2%	2%	2%	38%	28%	37%	40%	21%	27%
Scotland	0%	1%	2%	2%	2%	3%	30%	27%	41%	43%	25%	24%

Average asking prices and most popular property types in January 2022

Most popular property types – January 2022 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 January 2022, the most popular properties as a UK average were three bedroom semi-detached houses, unchanged when compared to December 2021 and January 2021.

Greater London

In January 2022 in Greater London the most popular properties were two bedroom apartments, unchanged when compared to December 2021 and January 2021.

Asking prices – January 2022 Headlines

UK Average (excl. Greater London)

Type	January 22	December 21	January 21
Detached	£552,332	£560,001	£516,789
Semi-Detached	£333,869	£338,587	£310,539
Terraced	£261,097	£253,657	£245,504
Flat	£230,584	£228,153	£223,510
Average	£363,620	£364,089	£345,464

Greater London

Type	January 22	December 21	January 21
Detached	£2,108,608	£2,107,238	£1,935,927
Semi-Detached	£1,309,523	£1,374,787	£1,195,182
Terraced	£1,301,894	£1,362,377	£1,151,885
Flat	£881,966	£893,222	£806,732
Average	£1,023,106	£1,039,654	£949,416

Time to Sold Subject to Contract (SSTC) in January 2022

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 January 2022, as a UK average 48% of properties were SSTC within 30 days of first being listed for sale, a decrease when compared with December 2021 (53%) and significantly increased when compared with January 2021 (36%)
- In January 2022, Scotland was the fastest selling region, with 53% 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 (34%)
- In January 2022, the region with the most number of properties which had taken 120 days or longer to SSTC was Greater London (26%) compared to Scotland which had the lowest number of properties that had taken 120 days or more to move to SSTC status (12%)

January 2022 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		
	Jan 22	Dec 21	Jan 21	Jan 22	Dec 21	Jan 21	Jan 22	Dec 21	Jan 21	Jan 22	Dec 21	Jan 21	Jan 22	Dec 21	Jan 21
UK average	48%	53%	36%	17%	17%	18%	11%	10%	13%	8%	7%	11%	16%	13%	22%
Greater London	34%	36%	27%	15%	20%	18%	13%	14%	16%	12%	10%	14%	26%	20%	25%
South East	47%	50%	31%	16%	17%	16%	11%	11%	14%	9%	7%	13%	17%	15%	26%
South West	50%	59%	33%	15%	14%	15%	12%	10%	13%	9%	6%	12%	14%	11%	27%
East of England	51%	54%	32%	17%	18%	17%	11%	10%	15%	8%	7%	12%	13%	11%	24%
West Midlands	50%	57%	32%	17%	17%	16%	11%	8%	13%	8%	6%	13%	14%	12%	26%
East Midlands	47%	52%	33%	18%	18%	17%	12%	10%	14%	8%	6%	13%	15%	14%	23%
Yorkshire & The Humberside	48%	54%	32%	17%	16%	18%	12%	11%	13%	9%	7%	12%	14%	12%	25%
North East	47%	54%	32%	16%	15%	17%	12%	9%	13%	10%	7%	10%	15%	15%	28%
North West	47%	53%	31%	18%	18%	18%	12%	10%	14%	8%	7%	12%	15%	12%	25%
Wales	43%	51%	31%	17%	16%	18%	12%	11%	11%	8%	8%	12%	20%	14%	28%
Scotland	53%	65%	41%	18%	15%	19%	10%	8%	15%	7%	5%	10%	12%	7%	15%

Richard Brooks, Head of Office and South West Residential Division Savills

'January saw some good traction, with sellers who missed out last year eager to move at some point in the next 12 months'

As was the case for many agents, January followed a record 2021, so there was a degree of trepidation and expectation that there would be less stock around. We have seen an imbalance between town and country in the Bristol market; out of town, the country market is almost frenetic, moving at a great pace, with a lot of stock coming through – indeed more than anticipated. Meanwhile, in town, it is definitely quieter. However, we are not overly concerned as the pattern is not dissimilar to last year; then, the higher-end town markets did not pick up until March/April after a quiet start to 2021 and were consistently strong until the end of the year.

The sweet spot in the Bristol housing market is between £850,000 and £1.5million, which is proving to be very fluid. The big country houses don't tend to come on until the spring when they look their best, while village houses remain a popular proposition, and we've seen a few coming through at the £1million level.

January saw some good traction, with sellers who missed out last year eager to move at some point in the next 12 months. There are still plenty of buyers and we're having no trouble with footfall. Internet enquiries have been unbelievably high and we've had a good number of new applicants registering. Many of our buyers have been on our books for at least six months and indeed some for longer than that so January saw them keen to get on with their purchase. While the stamp duty holiday provided impetus to the market, those who weren't able to take advantage of it remain keen to buy regardless.

The impact of living with lockdowns has changed buyers' mindsets, perhaps for good. Outside space remains a priority and working patterns are more flexible even as more workers headed back to the office in January. Buyers and tenants might be working one or two days a week from home, while many bought a dog so will need to factor this into their working lives; leaving Fido at home unattended all day, every day, isn't an option.

January has been a mixed bag in terms of new instructions. Several vendors signed us up there and then as we sat in their front rooms, while others have shown more caution. We have noticed on our January pitches that while some vendors are very motivated, there is a degree of nervousness as to what is out there for them to move to, and for those with specific search criteria it is all the harder. That said, I am pleased with our stock levels. We have got off to a canter in January, same as last year, and we expect 2022 to be front-loaded, which is what we wanted. We carried over a big under-offer bank into January so are sitting pretty.

Devon and Cornwall have got off to a good start this January in terms of stock levels and it looks as though the first quarter for the market there will be quite strong. It is not only coastal areas with sea views which are attracting buyers but more affordable inland properties as well. Buyers seem prepared to travel that bit further as new working arrangements have bedded in.

Cory Askew, Head of Sales Chestertons – London

'The housing market carried on in January where it left off'

We headed back to work in January with 20 to 30 per cent less stock on our books than at the start of last year. While stock levels were down, the amazing story beyond our wildest dreams was the level of demand, which in some parts of prime central London was double or triple what it was last January. Enquiry and new applicant levels were up an incredible 57 per cent in January compared with the same month last year.

December was a relatively quiet period for the market as many people finished early for the holidays after a busy year. Many solicitors closed their offices on 23 December and didn't re-open until 4 January, resulting in few transactions between Christmas and New Year. We didn't know what to expect in January; the first week was pretty quiet as everyone worried about the Omicron variant. Then, in the second week, it was as if a fuse had been lit in terms of new buyers and viewing numbers. The market has carried on where it left off, with a massive appetite from people to move. Lack of supply is not surprising but, coupled with soaring new buyer registrations, it will push property prices higher.

While January saw an increase in market appraisals, not all of those have yet turned into instructions. Across London there is a shortage of stock which becomes more acute the closer you get to the centre. The surprise last year was that house prices did better than the flat market, the first time in years this has happened. Now the signs are that flats are regaining their popularity, particularly in areas such as South Kensington. In this part of London there is a relatively small supply of houses, unlike southwest London; if you travel further out from the centre, houses are still in demand as has been the case throughout the pandemic. If they even manage to hit the market, they are snapped up in no time.

There has been a noticeable cultural shift in people selling in London to buy outside the capital, with many believing they would never return to the office. Some of these have come back because their boss wants them to, or because they missed London's buzz. International buyers are also returning. UK buyers who had it their own way for most of last year are now seeing increased competition for limited stock, particularly in Knightsbridge and Belgravia. Prime central London remains a safe bet; prices peaked in 2014 and are only just now recovering to those levels. Even with the high levels of stamp duty, the cost of doing business in London and the addition of the non-resident surcharge, it hasn't dented appetite.

We expected many areas to do well thanks to the stamp duty holiday but there are those which carried on performing after it finished and almost did better without the stimulus, such as Islington, Canary Wharf and Kew. It is great to see Canary Wharf come back to life, with people returning to their offices.

To operate efficiently, the housing market needs a balance of stock along with appetite to buy, and while we don't have enough of the former but much more of the latter, we remain optimistic for this year. We don't forecast the same volume of transactions as last year, which was exceptional, but transactions are likely to be up on 2020.

Scott Holley, Associate Estate Agent Galbraith – Edinburgh

'We have confidence that buyer sentiment is still there – and is strong'

On the supply side, it has felt as if the market has been slowing down, which was particularly noticeable during January. There was an intense rush at the end of last year as buyers and vendors tried to get sales agreed or under offer, with a real push to get as much as possible exchanged or completed just before or after Christmas.

January has seen many exchanges, completions and moves. It's been an interesting time, with the first week back after the holiday really quiet as one would expect. Then, all of a sudden, there was a huge influx of requests for appraisals. Stock levels were chronically low but all of a sudden, we were getting enquiries about appraisals. Some vendors were honest, telling us they weren't planning on selling immediately, but are thinking of doing something this year.

We have been appraising a wide range of properties, from one-bed apartments to desirable country estates ranging in price from £200,000 to £2million. Some of these prospects will make quick decisions as to whether to sell or not, while others could take six or even 12 months to make a decision.

The volume of applicants registering in January remained fairly constant compared with previous months. When a new property launched it created a stir – for example, our first instruction of the month, a newbuild in a lovely rural location for offers of over £550,000, attracted six viewings on the first day of marketing. Another new launch of a house asking for offers over £680,000 generated 34 viewings within 5 days, resulting in a closing date for best and final offers just over a week after coming to the market. Based on January's performance, we feel the months ahead will yield positive results for prospective sellers. For us, that's a good test to see what the market for new instructions is like, given the intensity of sales last year. It gives us confidence that buyer sentiment is still there – and is strong. New applicants are focussed on moving; inflationary pressures and interest rate rises don't seem to be having a negative impact on that desire.

Areas with close proximity to Edinburgh, such as Dunkeld, Pitlochry, Kelso, Melrose and Peebles, continued to be desirable and popular as many buyers focused on these locations. The drive to relocate in search of a better quality of life and the ability to work from home at least some of the time, accounted for a large proportion of buyers considering a move – a trend we expect to continue. Property with land, views and certain lifestyle factors, such as an annexe or potential to add one have become standard search requirements for buyers within those areas.

We have noticed some buyers are becoming more energy and cost conscious when it comes to running a property and are considering how they can improve the property from an environmental perspective and be more energy efficient. However, for others, the character and period features of the property will win the day over energy efficiency.

As always, homes which are best presented are getting the enquiries most quickly, achieving the best prices and selling fastest. Buyers want kitchen and bathroom fittings in keeping with the style of the house, whether traditional or modern, as they are generally reluctant to do huge amounts of work. If you are stretching yourself to cover the purchase price, there is not much left to pay for a new kitchen, nor time to find the tradespeople to do the work. Strong presentation remains key to a successful sale.

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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