



Jason Tebb
Chief Executive Officer

January 2023

(reporting on December 2022 data)

Sentiment prevails as motivated buyers and sellers get on with moving

73% of active buyers in the UK were confident that they would purchase a property within the next 3 months

64% of sellers in the UK were confident that they would sell their property within the next 3 months

60% of properties were Sold Subject to Contract (SSTC) within 30 days of first being advertised for sale, compared with 53% in December 2021

Experienced local agents crucial to pricing property correctly

December tends to be an unusual month as far as the housing market is concerned. Those who need to move carry on regardless while those who aren't in such a hurry may delay until spring as they enjoy the festivities. Yet our data shows that confidence, challenged so significantly after the drama created by the ill-fated mini-Budget, remarkably stabilised in December. There were concerns that transactions would grind to a halt in a high inflationary environment, yet while December is traditionally a quieter month, our data indicates that 60% of properties were SSTC within 30 days, demonstrating that motivated vendors who priced their homes accurately were still able to transact. This figure is a considerable improvement on 42% in November when the market was rocked by the mini-Budget fallout. This is also up on 53% the previous December, a time when the market was significantly more buoyant.

With 73% of buyers confident they'd purchase a property within the next three months, a slight decrease from 74% in November, and 64% of sellers confident they'd sell within the next three months, up from 63% the previous month, there is still plenty of positivity even as the inevitable rebalancing of the market continues. House price indices suggest that property values are nudging downwards but while there is plenty of speculation as to how far these may fall, agents are more concerned about transaction numbers.

There are still deals to be done and evidence suggests that serious buyers and sellers continue to engage with each other despite macro-economic headwinds. Making sure properties are priced well by taking advice from an experienced local agent who knows the local area inside and out is going to be more important than ever as the market becomes more challenging against the backdrop of a higher cost of living and rising interest rates.

As fixed-rate mortgage pricing continues to edge downwards with several lenders reducing rates, this may help restore positivity in the market. Previous expectations of base rate peaking at 6 per cent or even higher are now looking wide of the mark and with the Prime Minister vowing to bring inflation under control, buyers may be more confident that the recent mortgage rate volatility is behind us.

It can be tempting to read too much into one set of data but if you thought nothing ever happens in December, this wasn't the case in 2022. It demonstrates yet again that there will always be those who need to move, but properties need to be priced effectively if there is to be a realistic market for those who are serious about buying and selling in 2023.

Seller Sentiment – how confident were sellers in December 2022?

December 2022 Headlines

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

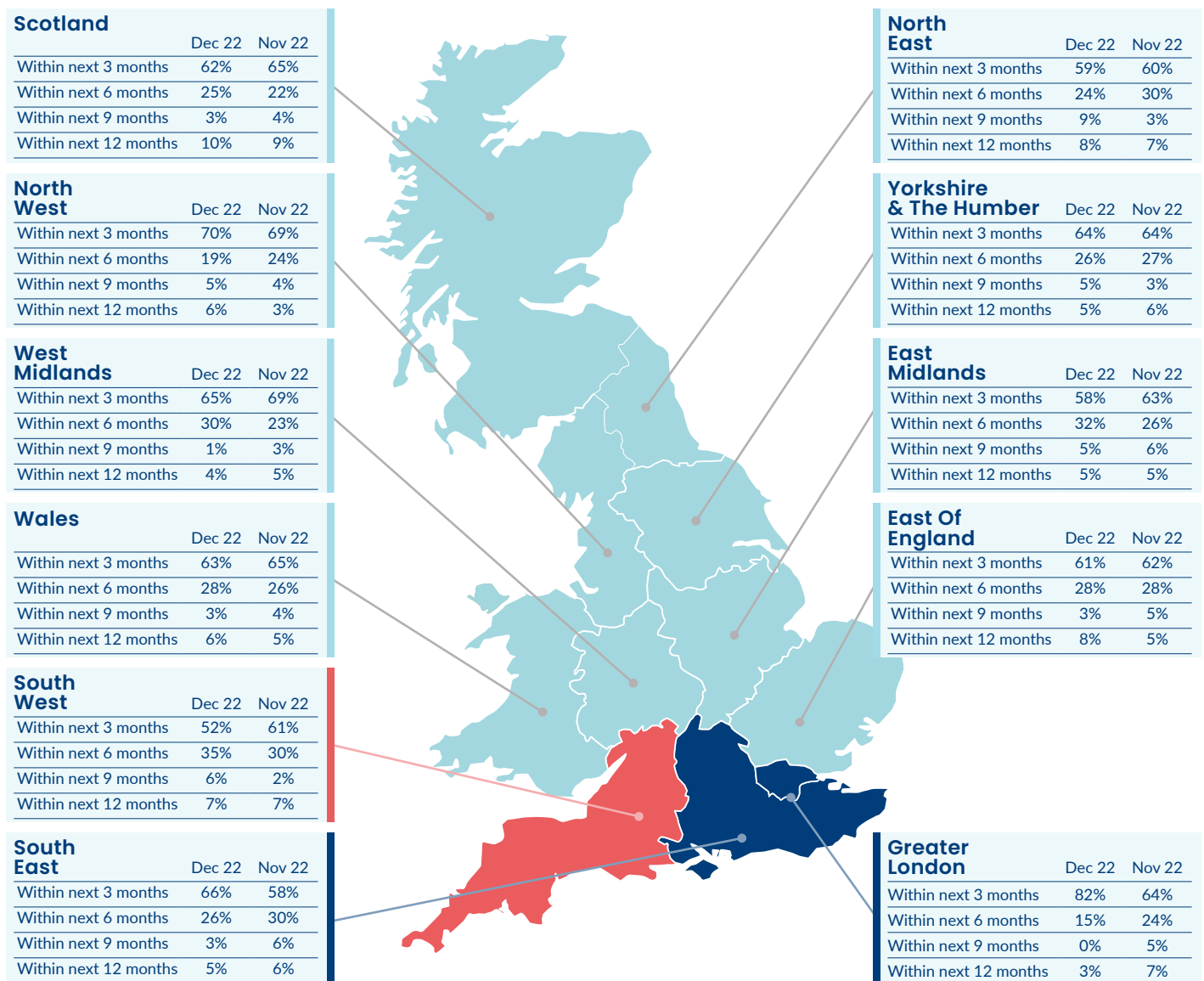
- 64% of sellers were confident that they would sell their property within the next 3 months, a slight increase when compared to November 2022 (63%)
- 26% of sellers were confident that they would sell their properties within the next 6 months, a slight decrease when compared to November 2022 (27%)
- 4% of sellers were confident that they would sell their home within the next 9 months, unchanged when compared to November 2022 (4%)
- 6% of sellers were confident that they would sell their home within the next 12 months, unchanged when compared to November 2022 (6%)

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 2022?

December 2022 Headlines

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

- 73% of buyers were confident that they would purchase a property within the next 3 months, a slight decrease when compared to November 2022 (74%)
- 17% of buyers were confident that they would purchase a property within the next 6 months, a slight increase when compared to November 2022 (16%)
- 4% of buyers were confident that they would purchase a property within the next 9 months, unchanged when compared to November 2022 (4%)
- 6% of buyers were confident that they would purchase a property within the next 12 months, unchanged when compared to November 2022 (6%)

- 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:

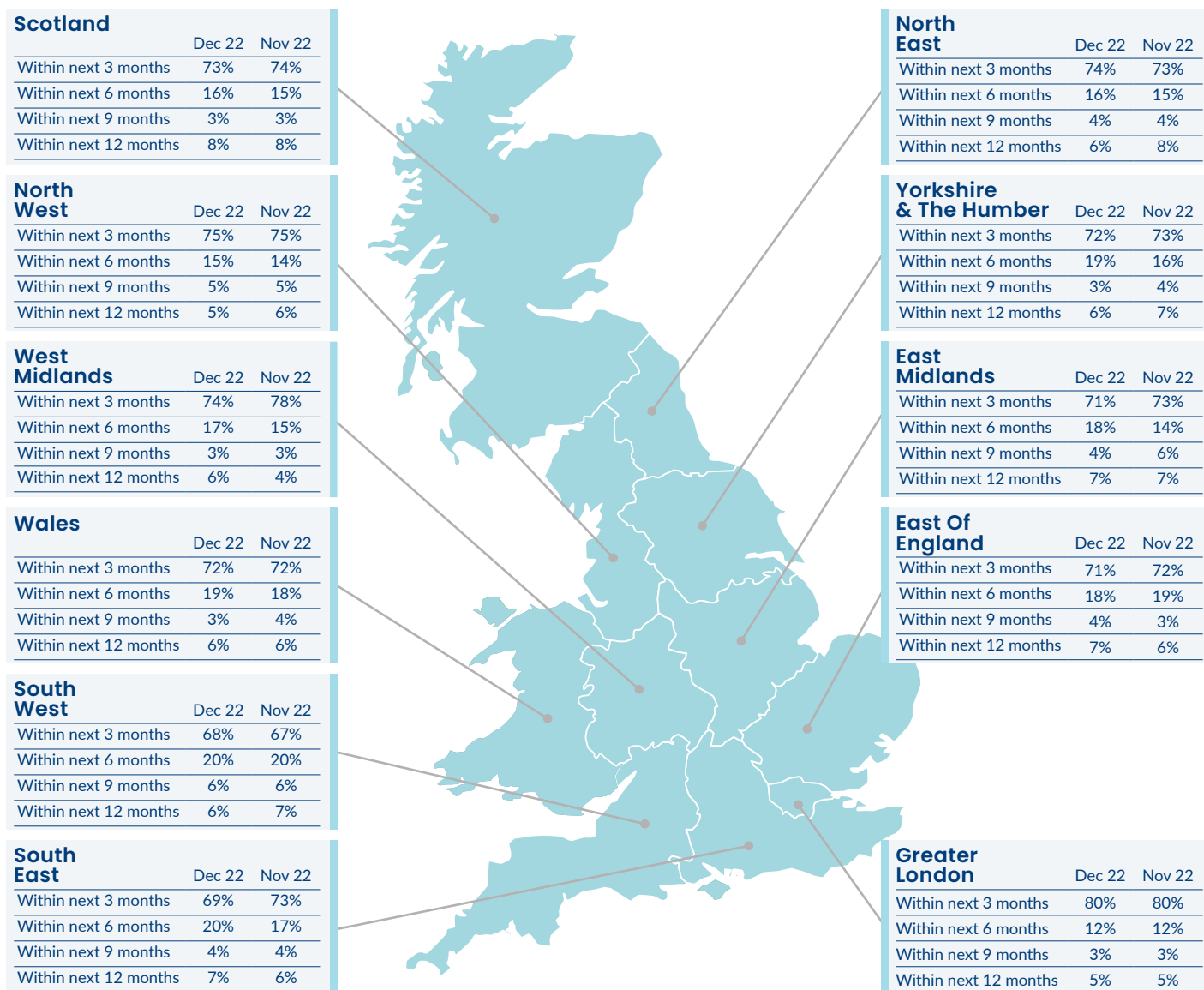
- Within the next 3 months
- Within the next 6 months
- Within the next 9 months
- Within the next 12 months

● >5% increase on previous month

● <5% increase and <5% decrease on previous month

● >5% decrease on previous month

(based on Buyer confidence within next 3 months)



Mover attitudes towards mortgage availability in December 2022







December 2022 headlines:

- As a UK average, in December 2022 only 6% of movers were concerned (either very worried or slightly concerned) about securing a mortgage to fund the purchase of their next property, a slight increase when compared to November 2022 (4%).
- The West Midlands had the highest number of respondents who already had their mortgage Agreement In Principle in place prior to starting their search for a property (21%). The North East had the lowest number of respondents who already had a mortgage Agreement In Principle in place before starting their property search (13%).
- As a UK average, 26% 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, 36% 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 (23%). Scotland had the highest number of respondents who indicated that they didn't need a mortgage to buy their next home (47%).

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	
	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22
UK average	2%	1%	4%	3%	14%	2%	18%	37%	36%	33%	26%	24%
Greater London	3%	1%	5%	3%	17%	2%	18%	45%	23%	19%	34%	30%
South East	2%	1%	5%	3%	14%	2%	18%	37%	34%	32%	27%	25%
South West	2%	1%	4%	2%	12%	2%	16%	31%	42%	43%	24%	21%
East of England	3%	1%	5%	3%	14%	2%	16%	37%	36%	31%	26%	26%
West Midlands	3%	1%	5%	2%	13%	2%	21%	40%	31%	28%	27%	27%
East Midlands	3%	1%	4%	4%	14%	2%	15%	38%	36%	31%	28%	24%
Yorkshire & The Humberside	2%	1%	5%	3%	15%	2%	17%	38%	36%	33%	25%	23%
North East	2%	1%	2%	3%	15%	3%	13%	33%	39%	35%	29%	25%
North West	2%	1%	4%	2%	15%	2%	20%	45%	33%	28%	26%	22%
Wales	1%	0%	2%	1%	13%	2%	19%	36%	42%	43%	23%	18%
Scotland	1%	0%	3%	3%	10%	2%	17%	32%	47%	44%	22%	19%

Most popular Wish List searches and average asking prices in December 2022

Most popular Wish List searches

Using data collated from our Wish List tool on OnTheMarket.com, which allows property seekers to enter features they'd like in their next property to return search results most suited to their requirements, we're able to look at the top five most popular search terms per region and the top three searches as a UK average.

Top 5 Wish List searches per region

	East Midlands		East of England		London		North East		North West		Scotland		South East		South West		Wales		West Midlands		Yorkshire and the Humber		
	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	Dec 22	Nov 22	
1																							
2																							
3																							
4																							
5																							

Top 3 Wish List searches UK average

	December 22	November 22
1		
2		
3		

Key

	Garden		Parking		Garage
	Large Garden		Off-street parking		Rural
	Double Garage		Character Property		With Land

Average asking prices - December 2022

UK Average (excl. Greater London)

Type	December 22	November 22	December 21
Detached	£571,115	£587,001	£560,001
Semi-Detached	£350,768	£354,058	£338,587
Terraced	£267,581	£271,862	£253,657
Flat	£248,695	£250,005	£228,153
Average	£396,916	£404,594	£364,089

Greater London

Type	December 22	November 22	December 21
Detached	£1,970,483	£1,928,525	£2,107,238
Semi-Detached	£1,192,443	£1,247,244	£1,374,787
Terraced	£1,316,134	£1,295,432	£1,362,377
Flat	£903,999	£897,942	£893,222
Average	£1,050,568	£1,051,753	£1,039,654

Time to Sold Subject to Contract (SSTC) in December 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 December 2022, as a UK average 60% of properties were SSTC within 30 days of first being listed for sale, an increase when compared with November 2022 (42%) and December 2021 (53%).
- In December 2022, Scotland was the fastest selling region, with 51% 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 (29%)
- In December 2022, the region with the most number of properties which had taken 120 days or longer to SSTC was Greater London (21%) compared to Scotland which had the lowest number of properties that had taken 120 days or more to move to SSTC status (9%)

December 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		
	Dec 22	Nov 22	Dec 21	Dec 22	Nov 22	Dec 21	Dec 22	Nov 22	Dec 21	Dec 22	Nov 22	Dec 21	Dec 22	Nov 22	Dec 21
UK average	60%	42%	53%	17%	23%	17%	9%	12%	10%	6%	9%	7%	8%	14%	13%
Greater London	29%	33%	36%	23%	23%	20%	16%	14%	14%	11%	11%	10%	21%	19%	20%
South East	34%	40%	50%	23%	22%	17%	16%	13%	11%	10%	9%	7%	17%	16%	15%
South West	37%	42%	59%	21%	23%	14%	16%	12%	10%	10%	10%	6%	16%	13%	11%
East of England	34%	42%	54%	23%	23%	18%	17%	14%	10%	10%	8%	7%	16%	13%	11%
West Midlands	38%	44%	57%	24%	23%	17%	15%	12%	8%	8%	8%	6%	15%	13%	12%
East Midlands	36%	43%	52%	24%	22%	18%	15%	13%	10%	9%	9%	6%	16%	13%	14%
Yorkshire & The Humberside	40%	43%	54%	21%	24%	16%	14%	12%	11%	10%	8%	7%	15%	13%	12%
North East	43%	45%	54%	22%	23%	15%	14%	11%	9%	9%	9%	7%	12%	12%	15%
North West	39%	43%	53%	23%	23%	18%	15%	13%	10%	8%	8%	7%	15%	13%	12%
Wales	35%	40%	51%	22%	21%	16%	15%	12%	11%	9%	9%	8%	19%	18%	14%
Scotland	51%	59%	65%	21%	20%	15%	12%	10%	8%	7%	5%	5%	9%	6%	7%

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.

Legal notice

© OnTheMarket Plc 2021. OnTheMarket®, OnTheMarket.com®, and its logo are registered trade marks of Agents' Mutual Limited, a wholly owned subsidiary of OnTheMarket plc. All intellectual property rights in or relating to the Property Sentiment Index are owned by OnTheMarket Plc. The Property Sentiment Index and data therein may not be used in any way, reproduced, transmitted or distributed, in whole or in part, in any media or by any means without prior written permission. All rights reserved.