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(reporting on February 2023 data)

## Mid-term confidence in the housing market, despite short-term concerns

**69%** of active buyers in the UK were confident that they would purchase a property within the next 3 months

**62%** of sellers in the UK were confident that they would sell their property within the next 3 months

**'Business as usual'** market continues to rebalance in a measured way despite continued wider economic headwinds

**Experienced** agents needed to ensure accurate valuations and realistic, achievable selling prices

February felt like 'business as usual' for the housing market. There were no radical shifts either way in buyer or seller sentiment, while Nationwide's house price survey for February reported a modest year-on-year decline in pricing rather than a dramatic fall.

The market continues to rebalance in a remarkably measured way considering the financial market turbulence in response to September's mini-Budget. Our data shows 62% of sellers were confident they'd sell their property within the next three months in February, an increase from January's 60%. The biggest jumps in seller confidence were in the North East (61% were confident they'd sell within three months in February compared with 55% in January) and Scotland (62% of sellers were confident they'd sell their home within three months in February compared with 55% in January).

Interestingly, the overall number of vendors confident about selling within six and nine months declined by 1 percentage point, while those confident about selling within 12 months remains unchanged month-on-month. It appears that sellers are more encouraged by the longer-term outlook than the shorter-term.

Our data also shows that despite rising interest rates and the cost of living, buyer sentiment remained reassuringly steady in February. 69% of buyers were confident they'd buy within three months, the same percentage as in January. The picture was fairly consistent across the country with no standout regional shifts in buyer sentiment, suggesting that the market's rebalancing isn't causing too much concern.

Indeed, only 6 per cent of buyers thought it would take 12 months to move, a relatively small proportion of our sample and unchanged month-on-month.

There are still challenges ahead, particularly in regard to inflation, but concerns seem to be short-term rather than medium to long-term. The Prime Minister has pledged decisive action to halve inflation by the end of the year, and while it's some way off its 2 per cent target, it's moving in the right direction. Interest rates may have a little higher to go but there are growing expectations that they're close to their peak.

Borrowers may need to brace themselves for further short-term volatility in pricing as fixed-rate mortgages, which soared in the autumn before edging downwards earlier this year on the back of falling Swap rates, are now being repriced upwards again. Such volatility is bound to impact buyer and seller confidence, creating short-term pressures for borrowers with high loan-to-value mortgages in particular.

Despite ongoing concerns about the cost of living and rising rates, many people still need to move, but as buying power is reduced, sellers must be more realistic. Now, more than ever, it's important to speak to an experienced agent who understands local market conditions, to get an accurate valuation.

Although we split our data into buyers and sellers, many sellers are also buyers, so even if they have to sell slightly off the top of the market, assuming they're moving up the ladder they'll also spend relatively less on their next property as the trading gap narrows. If ever there was a strong argument for moving, that surely is it.

# Seller Sentiment – how confident were sellers in February 2023?

## February 2023 Headlines

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

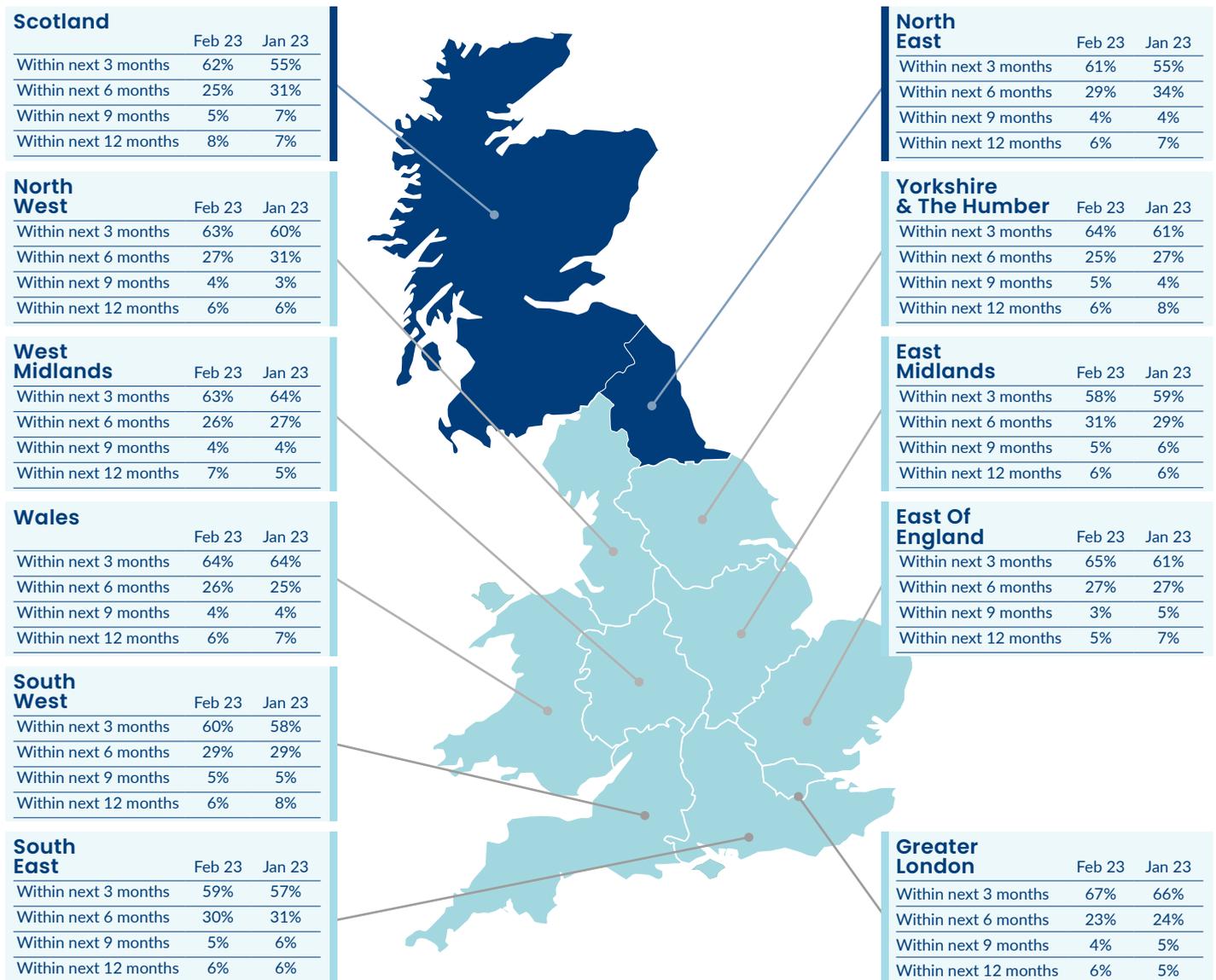
- 62% of sellers were confident that they would sell their property within the next 3 months, a slight increase when compared to January 2023 (60%)
- 28% of sellers were confident that they would sell their properties within the next 6 months, a slight decrease when compared to January 2023 (29%)
- 4% of sellers were confident that they would sell their properties within the next 9 months, a slight decrease when compared to January 2023 (5%)
- 6% of sellers were confident that they would sell their home within the next 12 months, unchanged when compared to January 2023 (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 February 2023?

## February 2023 Headlines

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

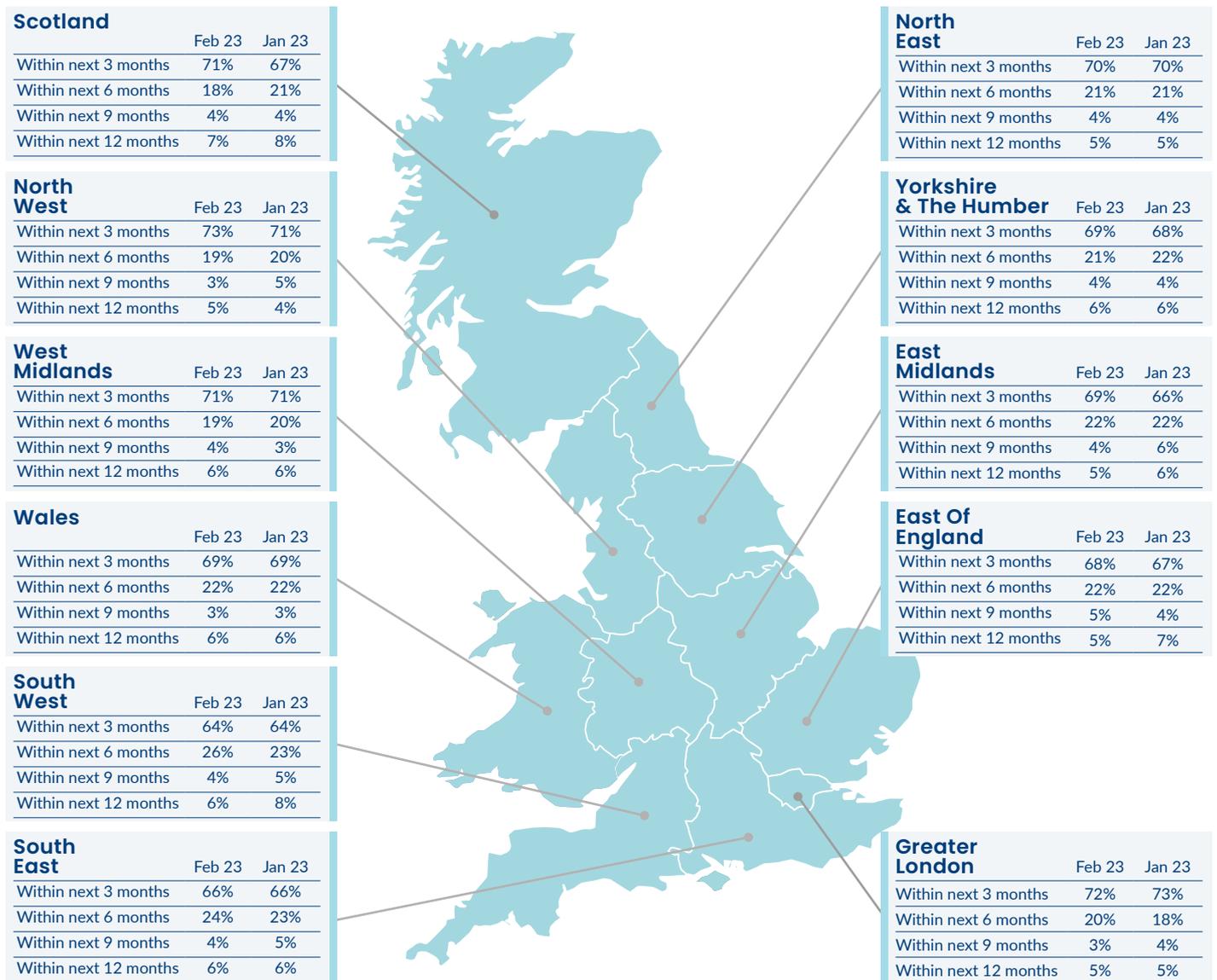
- 69% of buyers were confident that they would purchase a property within the next 3 months, unchanged when compared to January 2023 (69%)
- 21% of buyers were confident that they would purchase a property within the next 6 months, unchanged when compared to January 2023 (21%)
- 4% of buyers were confident that they would purchase a property within the next 9 months, unchanged when compared to January 2023 (4%)
- 6% of buyers were confident that they would purchase a property within the next 12 months, unchanged when compared to January 2023 (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 February 2023

## February 2023 headlines:

- As a UK average, in February 2023 only 6% of movers were concerned (either very worried or slightly concerned) about securing a mortgage to fund the purchase of their next property, unchanged when compared to January 2023 (6%).
- The West Midlands 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 (26%). The East of England had the lowest number of respondents who already had a mortgage Agreement In Principle in place before starting their property search (17%).
- 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 (31%).
- As a UK average, 35% 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%). The South West had the highest number of respondents who indicated that they didn't need a mortgage to buy their next home (43%).

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	
	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23
UK average	2%	2%	4%	4%	11%	12%	22%	20%	35%	35%	26%	27%
Greater London	2%	2%	5%	5%	15%	14%	24%	24%	23%	21%	31%	34%
South East	2%	1%	5%	5%	9%	10%	21%	19%	37%	36%	26%	29%
South West	1%	2%	4%	4%	9%	10%	18%	16%	43%	43%	25%	25%
East of England	2%	2%	5%	4%	10%	11%	17%	16%	37%	40%	29%	27%
West Midlands	2%	2%	4%	4%	12%	11%	26%	22%	29%	33%	27%	28%
East Midlands	2%	2%	5%	3%	12%	11%	20%	19%	34%	35%	27%	30%
Yorkshire & The Humberside	2%	2%	5%	4%	13%	15%	23%	19%	32%	34%	25%	26%
North East	2%	1%	4%	3%	14%	16%	21%	21%	35%	33%	24%	26%
North West	1%	2%	4%	4%	13%	14%	26%	24%	30%	31%	26%	25%
Wales	1%	1%	3%	3%	11%	9%	25%	23%	38%	41%	22%	23%
Scotland	1%	3%	3%	3%	9%	12%	20%	18%	42%	39%	25%	25%

# Most popular Wish List searches and average asking prices in February 2023

## 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	
	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23	Feb 23	Jan 23
1																						
2																						
3																						
4																						
5																						

### Top 3 Wish List searches UK average

	February 23	January 23
1		
2		
3		

#### Key

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

## Average asking prices - February 2023

### UK Average (excl. Greater London)

Type	February 23	January 23	February 22
Detached	£554,497	£559,662	£552,023
Semi-Detached	£349,238	£347,943	£339,946
Terraced	£270,772	£270,207	£263,498
Flat	£234,563	£234,213	£230,534
<b>Average</b>	<b>£389,910</b>	<b>£389,842</b>	<b>£366,398</b>

### Greater London

Type	February 23	January 23	February 22
Detached	£1,837,272	£1,790,271	£2,063,662
Semi-Detached	£1,132,121	£1,132,703	£1,291,401
Terraced	£1,209,404	£1,207,865	£1,301,081
Flat	£877,537	£877,292	£879,876
<b>Average</b>	<b>£1,008,035</b>	<b>£1,004,063</b>	<b>£1,019,718</b>

## Methodology

Sentiment data (Buyer sentiment, Seller sentiment and Mover attitudes towards mortgage availability) are collected via questions on the OnTheMarket website monthly. With over 80,000 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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