



Jason Tebb
Chief Executive Officer

November 2023

(reporting on October 2023 data)

Pause in interest rate rises reinforces market stability and buyer confidence

72% of active buyers in the UK were confident that they would purchase a property within the next 3 months

58% of sellers in the UK were confident that they would sell their property within the next 3 months

36% of properties were Sold Subject to Contract (SSTC) within 30 days of first being advertised for sale, compared with 60% in October 2022

Growing regional differences emerge with confidence dipping in some areas more than others

The national housing market remained resilient and stable in October, all the more remarkable given the ongoing economic headwinds, high cost of living and elevated mortgage rates. The Bank of England's decision to hold interest rates in September (and again in November at the time of writing) is playing a big part in that. After 14 consecutive rate hikes, borrowers have finally been able to breathe a welcome sigh of relief and dare to hope that rates may have peaked. Even if another rate rise is required to keep inflation in check, there's a growing perception that the worst is behind us, although borrowers will have to get used to paying more for their mortgages than in recent years.

Our data shows that on the whole, buyer and seller sentiment was stable in October. Just under three-quarters of buyers (72%) were confident that they'd purchase a property within the next three months compared to 74% in September. Seller confidence also dipped slightly, with 58% of UK sellers confident that they'd sell within the next three months in October, down from 61% in September. Further stability is in evidence with just over a third of properties (36%) Sold Subject to Contract within 30 days of first being listed in October, down slightly from 37% in September 2023. However, this number is well below the 60% recorded in October 2022, when the market was significantly more buoyant before the fallout from Prime Minister Liz Truss' ill-fated mini-Budget.

While the overall picture is one of stability and consistency, the housing market is not a single entity but made up of many regional markets, as evident in October's data. Drill down

to the regions and there are some significant variations. For example, in the North East there was a 9 percentage-point decrease in buyer confidence in October with 69% of buyers confident that they'd purchase a property within the next three months compared with 78% in September. Over in the East Midlands, the drop was gentler, with a 5 percentage-point decrease in buyer confidence (69% in October compared with 74% in September). Similarly, seller confidence was hit hard in certain regions with a 13 percentage-point drop in seller confidence in the East Midlands in October (50% compared with 63% in September) and a 6 percentage-point drop in the North East (62% in October, down from 68% in September). Regional variations in sentiment are down to diverse dynamics, impacted by a whole host of factors ranging from demand to local infrastructure, property prices, stock levels, and whether stretched affordability and salaries are more of an issue than elsewhere.

Despite softer sentiment and confidence in some areas, the overriding sense is that people are breathing a sigh of relief. The pause in rate rises enables consumers to reassess where they stand, giving them the confidence to get out there with the intention of buying or putting property on the market to sell. The improving attitudes towards getting a mortgage (4% of UK movers were worried or slightly concerned about getting a mortgage in October, compared with 6% in September) further suggest that the pause in rate rises could turn out to be highly significant. With Nationwide and Halifax reporting a slight rise in average property prices in October, the market continues to tick along.

Continued from Page 1

State of the Nation

Once again, we're delighted to include views from agents across the country in this month's Property Sentiment Index (see pages 8 onwards).

Stormy weather and the clocks going back had an impact on market activity in October with John Nicholson at Downen Auctions, Sales & Lettings in the North East remarking: 'the changing seasons have brought about a noticeable slowdown in activity... the damp and chilly autumn weather has made it less enticing for homeowners to list their properties, and potential buyers less inclined to engage in house-hunting'. However, he is seeing market resilience, observing that 'home values have managed to hold steady', putting this down to 'enduring demand for housing in the region, bolstered by the government's affordable housing initiatives and population growth'.

While our data shows reductions in buyer and seller confidence that they'd move in the next three months in the East Midlands, Neill Millward of Robert Ellis Estate Agents remarked that sentiment in the region 'appears to be relatively stable'. In addition, positive signs for the market are highlighted by a 'significant number of new first time buyer applicants registering for property searches'; although he also acknowledges 'the increase in borrowing costs appears to have led to some buyers submitting lower offers' and that 'it's common for the property market to

experience a seasonal slowdown as the year comes to an end, especially around the Christmas holiday period' with some movers opting to postpone their decision making until the New Year.

Over in the North West, the interest rate hold has had a positive impact. Stuart Matthews of Miller Metcalfe notes that October brought a 'dynamic shift' with 'sellers and buyers making strategic moves now that interest rates seem to have stabilised'. He also notes 'great resilience', a view shared by Angi Cooney of c residential in the West Midlands, who says the market continues to exhibit 'strength and resilience' – 'when properties are priced correctly, there are buyers'.

David Votta at Votta Sales and Lettings in the South East was pleased to report that sales are moving along faster, with a large number of potential sellers requesting valuations, although he warns that 'there are still agents overvaluing to win the instruction'.


Finally, in Wales, Melfyn Williams of Williams & Goodwin says that despite the market cooling, 'correctly priced property in the right locations should always attract attention'. He also warns that national headlines tell one story but 'local and regional variances will be in force and it is important to discuss your goals with your local, experienced and qualified agent'. We couldn't have put it better.

Seller Sentiment – how confident were sellers in October 2023?

October 2023 Headlines

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

- 58% of sellers were confident that they would sell their property within the next 3 months, a slight decrease when compared to September 2023 (61%)
- 31% of sellers were confident that they would sell their properties within the next 6 months, a slight increase when compared to September 2023 (29%)
- 5% of sellers were confident that they would sell their properties within the next 9 months, a slight increase when compared to September 2023 (4%)
- 6% of sellers were confident that they would sell their home within the next 12 months, unchanged when compared to September 2023 (6%)

 >5% increase on previous month

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

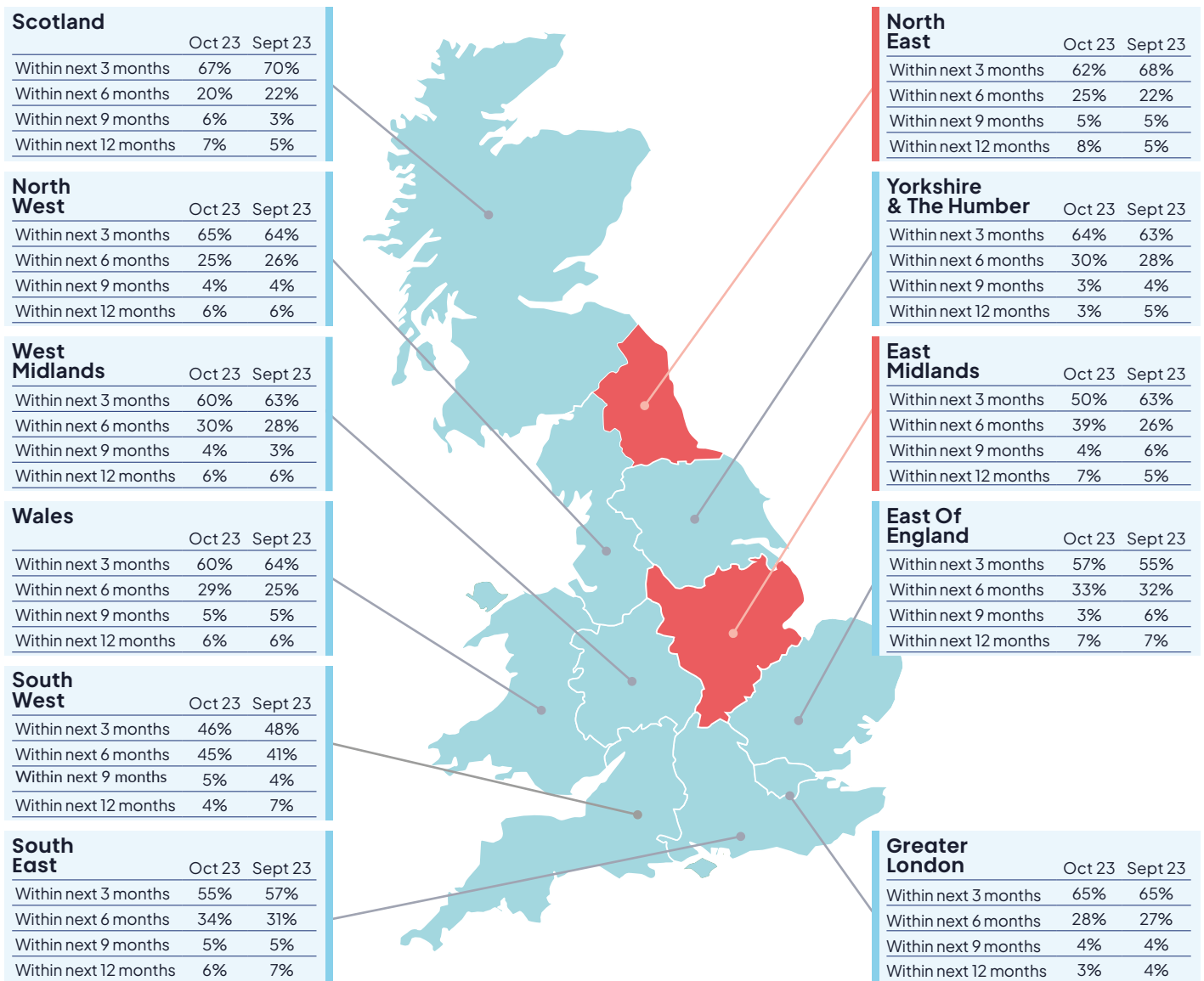
 >5% decrease on previous month

(based on Seller confidence within next 3 months)

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




Buyer Sentiment – how confident were buyers in October 2023?

October 2023 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 September 2023 (74%)
- 18% of buyers were confident that they would purchase a property within the next 6 months, a slight increase when compared to September 2023 (17%)
- 3% of buyers were confident that they would purchase a property within the next 9 months, unchanged when compared to September 2023 (3%)
- 7% of buyers were confident that they would purchase a property within the next 12 months, a slight increase when compared to September 2023 (6%)

 >5% increase on previous month

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

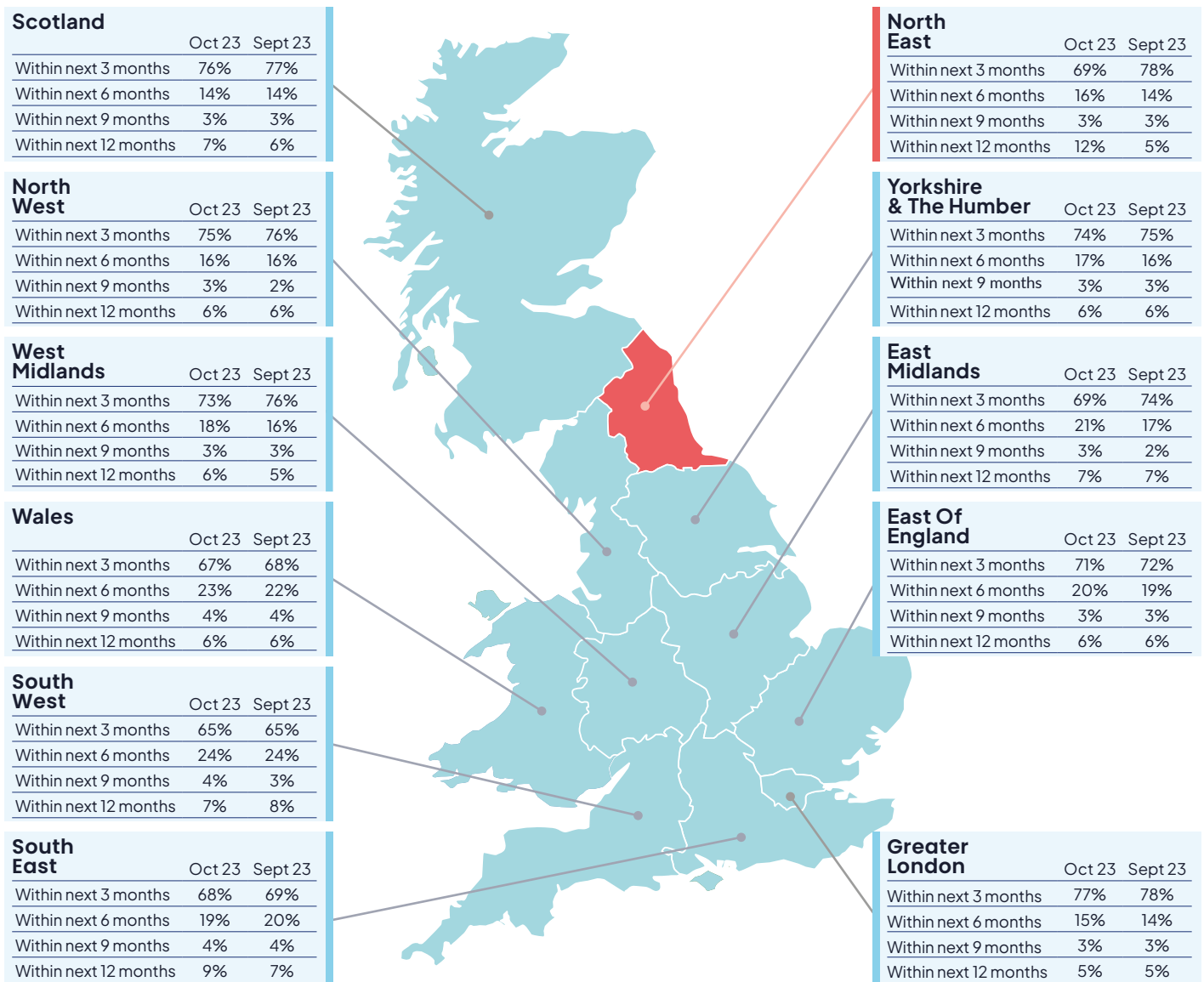
 >5% decrease on previous month

(based on Buyer confidence within next 3 months)

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



Mover attitudes towards mortgage availability in October 2023







October 2023 headlines:

- As a UK average, in October 2023 only 4% of movers were concerned (either very worried or slightly concerned) about securing a mortgage to fund the purchase of their next property, a slight decrease when compared to September 2023 (6%)
- 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 (39%). The South West and Scotland jointly had the lowest number of respondents who already had a mortgage Agreement In Principle in place before starting their property search (26%)
- 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 (20%). Scotland had the highest number of respondents who indicated that they didn't need a mortgage to buy their next home (50%)

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	
	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23
Grand Total	1%	2%	3%	4%	2%	12%	32%	19%	36%	33%	26%	30%
London	1%	3%	5%	6%	2%	13%	38%	20%	20%	23%	34%	35%
South East	1%	2%	3%	5%	3%	10%	32%	20%	33%	33%	28%	30%
South West	1%	2%	3%	4%	2%	10%	26%	15%	46%	43%	22%	26%
East of England	1%	3%	4%	5%	1%	12%	29%	17%	36%	32%	29%	31%
West Midlands	1%	2%	3%	4%	2%	14%	37%	20%	30%	30%	27%	30%
East Midlands	1%	3%	4%	5%	2%	13%	30%	18%	35%	30%	28%	31%
Yorkshire and The Humber	1%	2%	4%	4%	2%	16%	32%	17%	37%	30%	24%	31%
North East	1%	2%	2%	3%	3%	16%	31%	18%	38%	30%	25%	31%
North West	1%	3%	3%	5%	2%	14%	39%	20%	32%	28%	23%	30%
Wales	0%	2%	1%	3%	2%	10%	30%	22%	45%	39%	22%	24%
Scotland	0%	2%	2%	3%	2%	10%	26%	17%	50%	41%	20%	27%

Most popular Wish List searches and average asking prices in October 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	
	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23	Oct 23	Sep 23
1																						
2																						
3																						
4																						
5																						

Top 3 Wish List searches UK average

	October 23	September 23
1		
2		
3		

Key

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

Average asking prices – October 2023

UK Average (excl. Greater London)

Type	Oct 23	Sep 23	Oct 22
Detached	£584,972	£591,217	£603,584
Semi-detached	£358,339	£362,666	£363,253
Terraced	£278,255	£279,188	£277,020
Flat/maisonette	£235,026	£238,360	£239,542
Grand Total	£415,145	£420,059	£413,560

Greater London

Type	Oct 23	Sep 23	Oct 22
Detached	£1,853,913	£1,923,445	£1,926,168
Semi-detached	£1,130,881	£1,154,581	£1,235,155
Terraced	£1,229,661	£1,215,737	£1,414,315
Flat/maisonette	£875,060	£892,468	£878,818
Grand Total	£1,024,728	£1,039,874	£1,050,630

Time to Sold Subject to Contract (SSTC) in October 2023

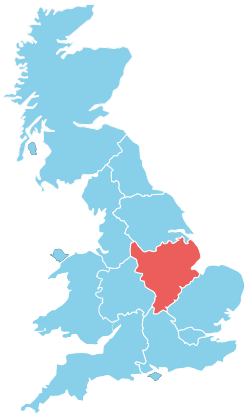
From analysis of OnTheMarket.com's data compiled from estate agents' listings across the UK, we're able to track where properties are Sold Subject to Contract (SSTC) the quickest and where they take the longest.

- In October 2023, as a UK average 36% of properties were SSTC within 30 days of first being listed for sale, a slight decrease when compared to September 2023 (37%) and a decrease when compared to October 2022 (60%)
- In October 2023, Scotland was the fastest selling region, with 56% of homes SSTC within 30 days of first being listed for sale. London had the lowest number of properties which were SSTC within 30 days (31%)
- In October 2023, the region with the most number of properties which had taken 120 days or longer to SSTC was Wales (26%) compared to Scotland which had the lowest number of properties that had taken 120 days or more to move to SSTC status (10%)

October 2023 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		
	Oct 23	Sep 23	Oct 22	Oct 23	Sep 23	Oct 22	Oct 23	Sep 23	Oct 22	Oct 23	Sep 23	Oct 22	Oct 23	Sep 23	Oct 22
UK average	36%	37%	60%	19%	20%	17%	13%	14%	9%	10%	10%	6%	22%	19%	8%
Greater London	31%	31%	39%	20%	21%	21%	14%	15%	14%	12%	11%	9%	23%	22%	17%
South East	33%	34%	46%	19%	21%	20%	14%	14%	12%	10%	10%	9%	24%	21%	13%
South West	33%	35%	50%	20%	19%	19%	14%	14%	12%	11%	11%	8%	22%	21%	11%
East of England	33%	34%	48%	19%	21%	20%	14%	14%	12%	11%	11%	8%	23%	20%	12%
West Midlands	39%	37%	52%	19%	21%	20%	13%	14%	11%	10%	10%	8%	19%	18%	9%
East Midlands	33%	34%	50%	20%	21%	19%	15%	13%	12%	10%	12%	8%	22%	20%	11%
Yorkshire & The Humber	35%	37%	50%	20%	21%	20%	13%	13%	12%	10%	10%	8%	22%	19%	10%
North East	41%	42%	51%	18%	21%	20%	12%	13%	12%	10%	8%	7%	19%	16%	10%
North West	34%	37%	51%	18%	21%	20%	15%	13%	12%	10%	9%	7%	23%	20%	10%
Wales	33%	33%	46%	18%	18%	19%	12%	15%	13%	11%	11%	9%	26%	23%	13%
Scotland	56%	60%	67%	17%	17%	17%	10%	10%	7%	7%	6%	4%	10%	7%	5%

**Neill Millward,
Director,
Robert Ellis**



East Midlands

The sentiment among buyers and sellers in the East Midlands property market in October appears to be relatively stable, with some notable trends and considerations.

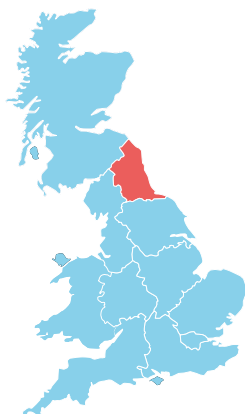
There is a positive sign in the East Midlands property market with a significant number of new first time buyer applicants registering for property searches. This suggests that there is continued interest in the region's property market.

The increasing rental prices seem to be encouraging more first time buyers to enter the property market. This may be driven by the desire to escape rising rental costs and invest in homeownership. However, the increase in borrowing costs appears to have led to some buyers submitting lower offers. This could be because higher interest rates make mortgages more expensive, and buyers are trying to mitigate their costs. Sellers are considering these offers, which might lead to negotiations in the market.

It's common for the property market to experience a seasonal slowdown as the year comes to an end, especially around the Christmas holiday period. Some buyers and sellers may be looking to postpone their moving decisions until the new year, which is typical during this time.

Overall, the sentiment seems to be a mixture of demand from new buyers and the impact of higher borrowing costs on offer prices. The market appears to be holding steady, with some seasonal adjustments expected as the year-end approaches. It will be interesting to see how these factors continue to shape the East Midlands property market in the coming months.

**John Nicholson,
Managing Director,
Down Auctions,
Sales & Lettings**



North East

In October 2023, the housing market in the North East of England finds itself facing a unique set of challenges, largely influenced by seasonal factors. The changing seasons have brought about a noticeable slowdown in activity.

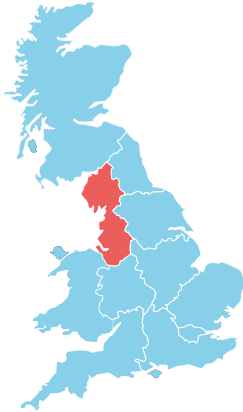
The damp and chilly autumn weather has made it less enticing for homeowners to list their properties, and potential buyers are less inclined to engage in house-hunting. As a result, overall market activity has decelerated.

One notable aspect of the market is the resilience of property prices. Despite the seasonal slump, home values have managed to hold steady. This stability may be attributed to the enduring demand for housing in the region, bolstered by factors like the government's affordable housing initiatives and population growth.

However, the looming threat of a potential interest rate increase casts a shadow over the market's prospects. If interest rates rise, it could deter new buyers from entering the market and put added financial pressure on existing homeowners. As a result, there is a growing concern that without a decrease in interest rates, the market in the North East may come to a standstill this winter.

In conclusion, the North East's housing market in October 2023 reflects a slowdown in activity due to the impact of seasonal factors. While prices remain resilient, the potential for interest rate increases threatens to disrupt the market's stability and may lead to a challenging winter for the real estate industry in the region.

Stuart Matthews,
Managing Director,
Miller Metcalfe



North West

October has brought a dynamic shift in the North West with both sellers and buyers making strategic moves now that interest rates seem to have stabilised.

Throughout the region the market is showing great resilience with a continued desire for spacious, comfortable living environments.

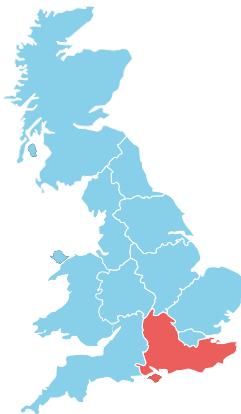
Aspiring first time homebuyers are seizing the opportunity to enter the market now that mortgage rates are more attractive, and as remote working becomes more prevalent, buyers are seeking homes with additional space and green surroundings.

There continues to be a shortage of housing and rental prices are rising month on month, in most cases it's actually cheaper to buy rather than rent.

In summary the October market in the North West is marked by resilience and heightened activity, it's clear that dynamics for the next few months will make it a fascinating space to watch.

South East

David Votta,
Founder and Owner,
Votta Sales and Lettings

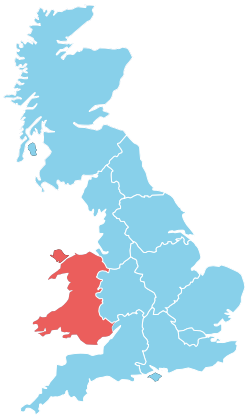


The market in the southeast appeared to fare quite well in October as we saw a slight spike in activity from an enquiry perspective as well as more traction on the progression of the sales we have going through.

Conveyancers appeared to be pushing harder than usual and sales were moving along faster, we have sales that we put together in August almost looking to exchange and complete in October. There are still a large number of consumers that are requesting valuations, most of which are wanting confirmation that their house is worth what it's worth, however there are still agents overvaluing to win the instruction only to have the client property sat idle in main.

For any consumers being informed that their property is wrongly priced are finding this a hard pill to swallow and the reality of making their move becomes harder to achieve and frustration kicks in. There has been a disproportionate amount of people requesting valuations via online tools with the subject header, "Just curious" highlighting that this fascination with the housing market is still very prominent irrespective of whether or not someone wants to sell or just find out the valuation of the home.

Melfyn Williams,
Director,
Williams & Goodwin



Wales

To those with industry experience and those who remember the normal October, most would agree that the last month has been what is normally expected at this time of year.

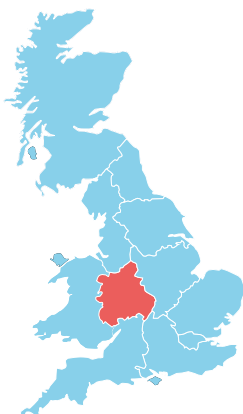
Whilst we may read reports that 76% of homes are selling under asking price (*source NAEA PropertyMark insights) this is normal, asking prices are set to attract buyers who make offers, usually below asking price. The great news here is that for 24% of homes agreeing sales, they are at or above asking price, that's great news for about a quarter of the sellers on the market.

Yes, the market has cooled, booms don't go on forever, however correctly priced property in the right locations should always attract attention. Whilst activity is down a little on previous months this is only to be expected as some sellers are already casting one eye onto the new year market. However, if you are thinking of selling, why wait, that one buyer who may love your home could be out there now looking to buy. People looking to move may see the headlines on a national basis on what may be happening in the marketplace – yet local and regional variances will be in force and it is important to discuss your goals with your local, experienced and qualified agent.

Overall, October has remained steady with decent levels of enquires from our North Wales offices for selling and buying. Whilst buyers are naturally more cautious now, this could be the best time to buy, to spot opportunities to find your dream home.

In any event, we trust that the market will continue to be “normal” which we believe is better for everyone.

Angi Cooney,
Director,
C residential



West Midlands

The housing market in the West Midlands during October has brought with it sets of circumstances which will prove interesting over the coming months. It continues to be dynamic and diverse dependent upon where you are in the regions, this is characterised by a mix of factors influencing supply and demand.

After having shown consistent growth over the past few years, we are seeing pockets of hotspots even though some areas are having to make price adjustments to attract buyers. With the regions strong economic base, improved infrastructure, and urban development's we are seeing a steady stream of sales.

Despite the increasing demand for affordable housing, there remains a shortage of available properties in certain price ranges, but the competitive bidding and increased property values have steadied.

The cancellation of sales have steadied but it is interesting to note that the statistics seem to change on a weekly basis. However, with building societies being over cautious when it comes to lending at agreed sale prices, this will prove challenging moving forward if they do not match the same confidence that buyers are showing.

The housing market in the West Midlands, particularly Staffordshire, has continued to exhibit strength and resilience during October. Property prices are on an even keel, when priced correctly there are buyers. With the decision to stop HS2 at Handsacre we are getting increased interest from buyers looking to relocate to this area. It will be interesting going forward if Staffordshire's proximity to major cities like Birmingham and Manchester will get an economic boost and an influx of buyers to this area wanting to commute.

Notes for Editors

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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