

03/01/2014

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This is the eleventh **Halifax Housing Market Confidence Tracker** and monitors public sentiment towards the housing market.

Majority think it is a good time to sell property

Sentiment towards the UK housing market continues to improve, according to the latest quarterly Halifax Housing Market Confidence Tracker.

Good time to sell...

Nationally, the proportion of people thinking that it will be a good time to sell in the next 12 months exceeded those who think it will be a bad time for the first time since the survey began in April 2011. Half (51%) think it will be a good time to sell compared with 39% thinking it will be a bad time. This made a net balance of +12 compared with -6 in September.

...more also think it is a good time to buy...

Sentiment towards buying also improved with 63% of respondents expecting it to be a good time to buy in the next 12 months compared with 28% thinking it will be a bad time to buy (net balance of +35). Respondents in the North East were the most optimistic with a balance of +50. Whilst in London the difference between those thinking that it will be a good time to buy rather than a bad time is the lowest, at +18.

...with increase in those thinking it is a good time to both buy and sell

The proportion thinking that it will be a good time to both buy and sell over the coming 12 months increased to 38% in December from 30% in September and was significantly higher than the 9% recorded in the survey 12 months' ago.

Martin Ellis, housing economist at Halifax, commented:

"The recovery in the housing market during 2013 has resulted in a significant improvement in sentiment towards selling a property in recent months. This shift could provide a much needed increase in the supply of properties available for sale on the market during 2014, which would help to constrain upwards pressure on house prices.

"Whilst sentiment towards the residential property market has improved across the country, significant regional differences persist. The proportion thinking that it will be a bad time to sell continues to exceed those thinking it will be a good time in several parts of the country."

House price sentiment increases slightly

The headline House Price Outlook balance (i.e. the difference between the proportion of people across Britain that expect the average house price to rise rather than fall) stood at +66 in December. This was an increase of two percentage points compared with the last quarter (+64).

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Nearly three-quarters (72%) of British adults predict the average UK house price will rise over the next year; up from 70% in September. Only 6% expect prices to fall – unchanged from September.

A third (34%) expect house prices to rise by up to 5% over the next 12 months with a quarter (27%) expecting an increase of between 5% and 10%.

Significantly more people expect prices to rise than fall over the next 12 months in all regions.

Barriers towards homeownership

Ability to raise a big enough deposit (61%) and concerns about job security (56%) continue to be considered as the main barriers to being able to buy a property. There were slight improvements in both these perceived obstacles to homeownership since the last survey in September.

Concerns about rises in interest rates, however, increased slightly from 11% in September to 14%, more than reversing the decline between June and September.

Rental expectations

Two thirds of respondents predict that the cost of private sector renting will increase over the next year, with this standing at 67% in December.

Headline House Price Outlook (HPO) Net Balance by Region

	December 2012	September 2013	December 2013
East Midlands	+20	+58	+56
East	+11	+71	+68
London	+15	+67	+79
North East	+16	+53	+52
North West	+24	+52	+67
Scotland	+23	+52	+58
South East	+27	+80	+80
South West	+23	+66	+71
Wales	+11	+61	+64
West Midlands	+25	+61	+43
Yorkshire and Humber	+26	+62	+57
GB	+20	+64	+66

Sources: Halifax, Ipsos MORI

Net balance (**HPO**) of the % of respondents that expect the average UK house price to rise over the next 12 months compared to those that expect house prices to fall.

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Editors' Notes:

Halifax issued its UK Housing Market Outlook for 2014 in December 2013. It highlighted:

House Price Inflation for 2014: *4% to 8%*
Bank of England Bank Rate to end 2014: *0.5%*

- House prices to continue to rise during 2014, at a broadly similar pace to 2013.
- Further economic recovery and low interest rates to support the market.
- But several factors – including continuing pressures on household finances and the potential for more properties to come on to the market - should limit the increase.
- There is little current sign of the excessive behaviour associated with a house price bubble. The authorities are also on guard to take action in the event of signs of overheating.
- The regional pattern is expected to be more even in 2014 with all regions experiencing price gains.
- Only muted rises in house prices after 2014 as increased supply, eventual interest rates rises and high house prices relative to incomes, dampen upward pressure.

Methodology:

The Halifax Housing Market Confidence tracker monitors public sentiment towards the housing market. The survey, conducted by Ipsos MORI on behalf of Halifax, was undertaken between 29 November and 5 December 2013.

Survey respondents were asked about property, defined as “houses, flats, apartments and all types of accommodation”. Interviews were undertaken face to face with a representative sample of 1,984 British adults aged 16+ across Britain. Data are weighted to the national population profile by age, sex, working status, region, ethnicity, and tenure.

Results are subject to sampling tolerances e.g. ± 2 for a 50% finding based on **1,964** adults (95% confidence level).

Full detail on the survey methodology, questionnaire and findings can be found at: www.ipsos-mori.com/ with key findings presented in infographic format.

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