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This is the third **Halifax Housing Market Confidence Tracker** and monitors public sentiment towards the UK housing market. The January survey was conducted by Ipsos MORI on behalf of Halifax. Interviewing took place between 6th and 19th January 2012.

More Britons expect house prices to rise than fall in 2012

Over half say concern over job security is a main obstacle to buying

Londoners are most optimistic about UK house prices

61% say rents will increase over next 12 months

Nearly a third of Britons think that house prices will rise rather than fall in 2012, according to the latest **Halifax Housing Market Confidence tracker**. 29% of Britons forecast that house prices across the UK will increase over the next twelve months, more than the 22% that predict a price decline over the same period.

As a consequence, the headline House Price Outlook balance has moved into positive territory with an overall balance score of +7 percentage points (29% minus 22%). This represents a marked improvement compared with the negative reading of -2 (28% expecting a rise minus 30% expecting a fall) recorded in October's survey.

However, the outlook for the housing market remains subdued. The majority think that any house price movement over the next twelve months will be relatively small with around two-thirds (65%) expecting any movement to be between +5% and -5%.

Most regions expect increase in house prices but Londoners are the most optimistic

Eight of the eleven UK regions tracked recorded a positive headline House Price Outlook balance (i.e. indicating that more people expect house prices to rise rather than fall). This contrasts sharply with October's tracker when just three regions had a positive headline balance.

Londoners have the most optimistic outlook for the housing market with an overall net balance of +21, followed by the East Midlands (+18) and Yorkshire and Humber (+14). At the other end of the spectrum, the North East has the most negative outlook for house prices (-3). **(See Table 1)**

Job worries and raising a deposit are the main hurdles to home buying

Over half of those questioned identified difficulties in raising a deposit (57%) and concerns about job security (55%) as the main obstacles to buying a property. Respondents also picked out household finances (33%) and the general availability of mortgages (30%) as major barriers to buying a property.

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More think it's a better time to buy than sell

Half (50%) of those questioned think that it is currently a good time to buy, five times the proportion thinking that it is a good time to sell (10%). Perceptions of the UK housing market as a better one for buyers than sellers partly reflects the dramatic improvement in home affordability over recent years. Recent research by Halifax revealed that mortgage payments for a new borrower in the second half of 2011 were at their lowest as a proportion of disposable earnings for 14 years.

Martin Ellis, housing economist at Halifax, commented:

"The modest improvement in consumer confidence in the outlook for house prices reflects the resilience of the UK housing market over recent months in the face of a weak economic recovery and the deterioration in the outlook for both the UK and global economies."

"Looking forward, we currently expect broad stability in house prices in 2012, although there remains much ambiguity around this given the considerable uncertainty regarding the prospects for the UK economy."

OTHER KEY FINDINGS

The cost of renting is expected to continue to rise in 2012

Significantly more Britons believe that private rents will rise than fall over the next 12 months. 61% predict that the cost of renting in the private sector will increase over the next twelve months, compared to just 3% who think that rents will fall.

Table 1: Headline Housing market outlook net balance by region

Region	House Price Outlook (headline net balance*)
London	21%
East Midlands	18%
Yorkshire and Humber	14%
East	9%
West Midlands	7%
Scotland	4%
Wales	4%
South East	2%
North West	-1%

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South West	-2%
North East	-3%
UK	7%

Sources: Halifax, Ipsos MORI

*Net balance of the % of respondents that expect house prices to rise over the next 12 months compared to those that expect house prices to fall.

Editors' Notes:

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 6th and 19th January 2012.

Survey respondents were asked about property, defined as "house, flats, apartments and all types of accommodation". Interviews were undertaken face to face with a representative sample of 2,009 British adults aged 16+ using 155 sampling points 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 2,009 adults (95% confidence level).

Full detail on the survey methodology, sampling tolerances, questionnaire and findings can be found at: www.ipsos-mori.com/

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