



**NOT FOR BROADCAST OR PUBLICATION BEFORE 00.01 HRS SATURDAY 11th June 2011**

The **Halifax Housing Market Confidence Tracker** monitors public sentiment towards the UK housing market. The April survey was conducted by Ipsos MORI on behalf of Halifax. Interviewing took place between 8<sup>th</sup> and 14<sup>th</sup> April 2011.

## More Britons expect house prices to rise than fall over next year

**More Britons expect house prices to rise rather than fall over the next twelve months, according to the Halifax Housing Market Confidence tracker.** Although house prices fell by 1.2% on a quarterly basis in April, one in three of survey respondents actually predicted that average UK house prices will rise this year, whilst 23% expect a fall in prices.

This means, on balance, more people in Britain think house prices will rise than fall, revealing a positive House Price Outlook Score of +9 percentage points.

The majority of Britons think that any house price movement over the next year will be relatively small with more than a half (57%) expecting any change to be between +5% and -5%. A further 26% think that house prices will remain the same. Nonetheless, almost a quarter (24%) believe there will be more significant change in house prices with increases and decreases predicted of 5% or more.

### **Public sentiment points to a buyers' market**

Half of Britons (50%) think that it would be a good time to buy over the next three months - more than three times the proportion that felt that it would be a good time to sell (14%). Just 15% were positive about both buying and selling in the next 12 months, suggesting that the level of housing market activity may remain subdued.

### **Economic uncertainty may constrain housing demand in 2011**

The survey highlights concerns among consumers over the uncertain outlook for the UK economy. Just over a quarter (26%) expect their personal financial circumstances to worsen over the next few months with a further 54% anticipating no improvement.

### **Concerns over job security is the biggest barrier to home buying**

Consistent with such concerns, 52% identified worries about job security as one of the main hurdles to buying a property: more than any of the other potential headwinds facing home buyers. Respondents also picked out household finances (31%) and concerns about rising interest rates (22%) as major barriers to buying a property.

The tightening in lending criteria since 2007 has put off many from attempting to enter the market. Half of those questioned (50%) thought that being able to raise a deposit was a major barrier to home buying. Additionally, over a quarter of all respondents (27%) thought that the general availability of mortgages was one of the main obstacles to buying a property.

**Suren Thiru, housing economist at Halifax, commented:**

*"More Britons expect house prices to rise rather than fall over the next year. This is likely to partly reflect the relatively low burden of servicing mortgage debt. However, confidence in the UK housing market is likely to remain subdued over the coming months, given consumers' concerns over the outlook for the UK economy in general, and the jobs market in particular."*

**KEY FINDINGS**

**National house prices:**

- 32% of Britons expect the average house price in the UK to increase over the next year and 23% believe it will fall. 26% think that prices will remain unchanged.
- More think that UK house prices will rise over the next twelve months than think they will fall (a net balance of +9 percentage points).

**Local house prices:**

- 35% expect house prices **locally** will increase over the next year and 18% believe that prices will fall (a net balance of +17 percentage points). 30% think that house prices will remain unchanged.

**Owner occupiers:**

- This group are more positive than the public as a whole about the next three months being a good time to buy (57% vs 50%) and more negative about this period being a good time to sell (75% vs 72%).
- 31% think that the national average price will be higher in 12 months time, 26% that it will be lower (a net balance of +5 percentage points).

**Rental market:**

- 63% think that private rents will rise over the next 12 months with just 4% believing that rents will fall: a net balance of +59 percentage points.

**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, covers the period between 8th and 14th April 2011.

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 987 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, car in household and tenure.

Results are subject to sampling tolerances e.g.  $\pm 3$  for a 50% finding based on 987 adults (95% confidence level).

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Full detail on the questionnaire, and the survey methodology and findings can be found at: [www.ipsos-mori.com/](http://www.ipsos-mori.com/)