

Jason Tebb  
President

March 2024

(reporting on February 2024 data)

# Rising activity and transactions point to encouraging Spring for housing market

**65%** of active buyers in the UK were confident that they would purchase a property within the next 3 months

**60%** of sellers in the UK were confident that they would sell their property within the next 3 months

**43%** of properties were Sold Subject to Contract (SSTC) within 30 days of first being advertised for sale, compared with 43% in February 2023

**Borrowers** adapting to 'new normal' of higher mortgage rates

It appears as though the housing market resumed normal service in February. A 'normal market' is not to be sniffed at after two years of high levels of uncertainty around the macro-economic picture, governmental shifts, policy changes and the mini-Budget chaos which caused so much upheaval and soaring mortgage rates. Thankfully, the situation has calmed with our data suggesting we are back to more conventional seasonal markets with good levels of confidence prevailing across the board.

Buyer confidence continues to be stable – in February, 65% of UK buyers were confident they'd purchase a property within the next three months, unchanged from January. Meanwhile, seller confidence improved, with 60% of vendors confident they'd sell within three months, an improvement on January's 57%. This may reflect the growing conviction around the likely trajectory of interest rates, with another rate hold in February further confirming expectations that rates have peaked and the next move will be downwards.

Sentiment suggests buyers and sellers are simply getting on with the business of moving. While inflation may still be twice the Bank of England's 2% target, the worst of it seems to be behind us. Stock levels have increased, as one would expect at this time of year as normal seasonal aspects play out. While property prices have come off their peak a little in the past year, indices report a gentle uptick in national average prices rather than a continuing decline in values. As our data shows, there are regional variations with micro-markets behaving differently depending on local demand and stock levels. Overall though, the outlook for

the market this year is far more positive than was the case several months ago.

Borrowers grew more concerned about securing a mortgage in February, with 8% either very or slightly concerned compared with 6% the previous month. This reflects rising mortgage rates, with lenders increasing their 'best buy' deals in February on the back of higher Swap rates, which underpin the pricing of fixed-rate mortgages. January's mortgage rate war appears to have been short-lived yet borrowers seem to be coming to terms with the new normal – higher rates of around 4 or 4.5% rather than sub-1%, which simply wasn't healthy or sustainable. There is bound to be a period of adjustment as borrowers are weaned off cheap credit, which will cause concerns around affordability, but those who want to move will have to adapt.

The data suggests they are doing so, with the worst of the nervousness about the market behind us as levels of properties Sold Subject to Contract within 30 days of first being listed increased to 43% in February, from 33% in January. As we move into spring, traditionally a busy time for the housing market when the leaves are budding on the trees and gardens look so much more inviting, transactions are picking up, with encouraging mortgage approval figures from the Bank of England. Buyers and sellers have been sitting back and waiting for some degree of stabilisation, which is where we find ourselves, notwithstanding the general election on the horizon. While there may still be bumps in the road, it feels as though the housing market is morphing into a more sustainable, encouraging state than the boom and bust of the past.

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### 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 from page 8), which reaffirm a more positive outlook for the market in February.

"Resilience" has been the key feature of the property market in and around Greater London so far this year, according to Daniel Collis of Gibbs Gillespie, reporting a 20% increase in buyer registrations, a 15% rise in sales agreed compared with the second half of 2023, and a "significant reduction" in sales falling through. "Sellers are now viewing the market as an ideal opportunity to move up the property ladder, motivated by the prospect of rising prices," he says. "The optimism is shared by many, who are now pricing their homes sensibly."

More stock also came to market in the North West, with Andrew Cardwell of Cardwells Estate Agents commenting: "Our offices surpassed their new instruction targets for the month comfortably... this is a continuation of strong

levels seen in January, which is building to a property market potentially offering a little more choice for buyers than has previously been the case". He notes that "hopes about immediately falling interest rates may be dwindling" following another rate hold in February but nevertheless, "sales agreed levels remained strong".

Neil Parker at Leaders in the South East cautions that pricing is all important, particularly at the higher end of the market: "it is all about realistic pricing compared to the 'bread and butter' stock where we are seeing on average offers of 1 to 4% below asking price".

Finally, in Wales, James Linder of Moginie James, reports strong activity with buyer registrations up 20% year-on-year and viewing numbers up 40% in January and February. "The reduction in mortgage rates and optimistic news surrounding inflation have bolstered buyer confidence, revitalising the market and encouraging a cycle of buying and selling," he adds.

# Seller Sentiment – how confident were sellers in February 2024?

## February 2024 Headlines

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

- 60% of sellers were confident that they would sell their property within the next 3 months, a slight increase when compared to January 2024 (57%)
- 30% of sellers were confident that they would sell their properties within the next 6 months, a slight decrease when compared to January 2024 (31%)
- 4% of sellers were confident that they would sell their properties within the next 9 months, a slight decrease when compared to January 2024 (5%)
- 6% of sellers were confident that they would sell their home within the next 12 months, a slight decrease when compared to January 2024 (7%)

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:

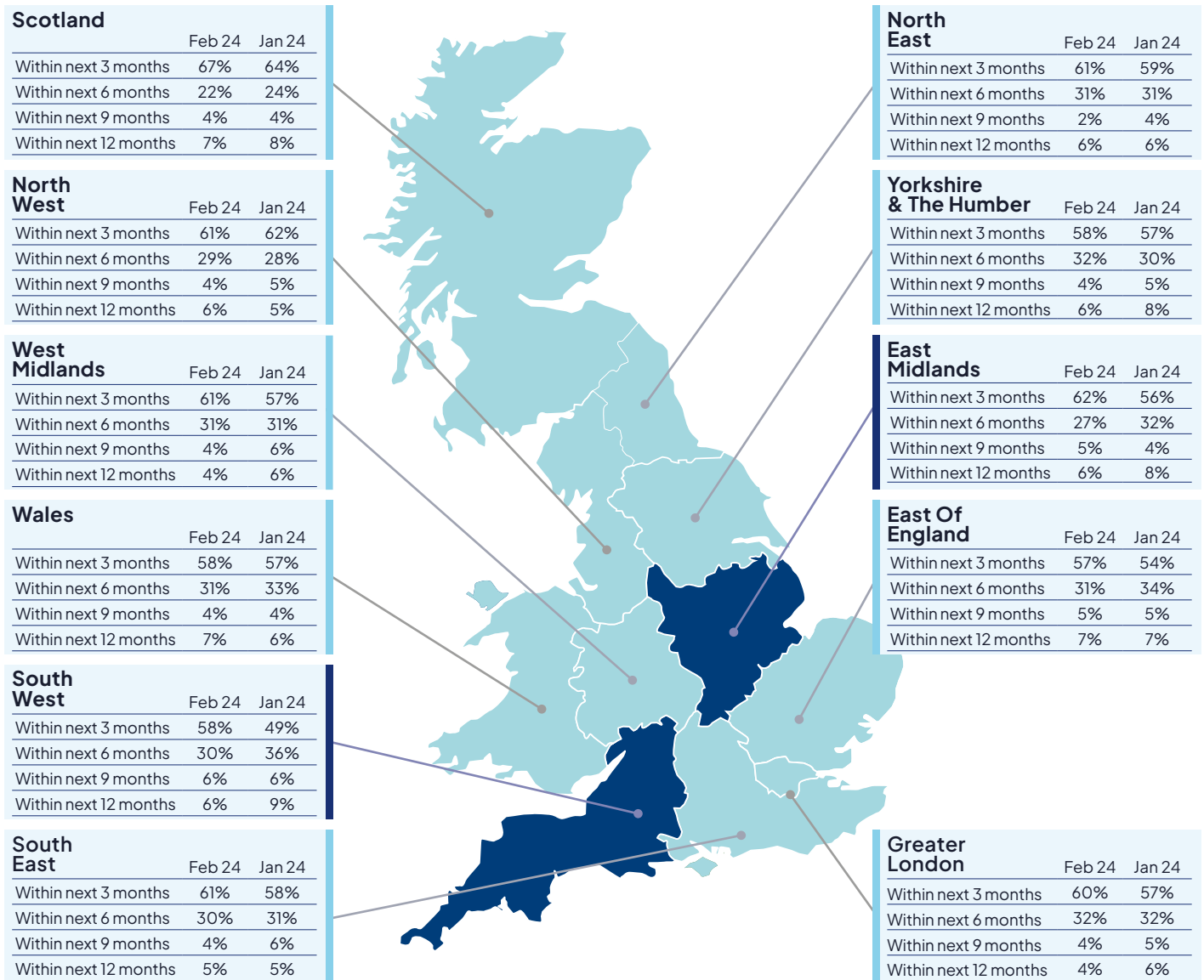
- Within the next 3 months
- Within the next 6 months
- Within the next 9 months
- Within the next 12 months

 >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 2024?

## February 2024 Headlines

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

- 65% of buyers were confident that they would purchase a property within the next 3 months, unchanged when compared to January 2024 (65%)
- 25% of buyers were confident that they would purchase a property within the next 6 months, a slight increase when compared to January 2024 (24%)
- 4% of buyers were confident that they would purchase a property within the next 9 months, unchanged when compared to January 2024 (4%)
- 6% of buyers were confident that they would purchase a property within the next 12 months, a slight decrease when compared to January 2024 (7%)

 >5% increase on previous month

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

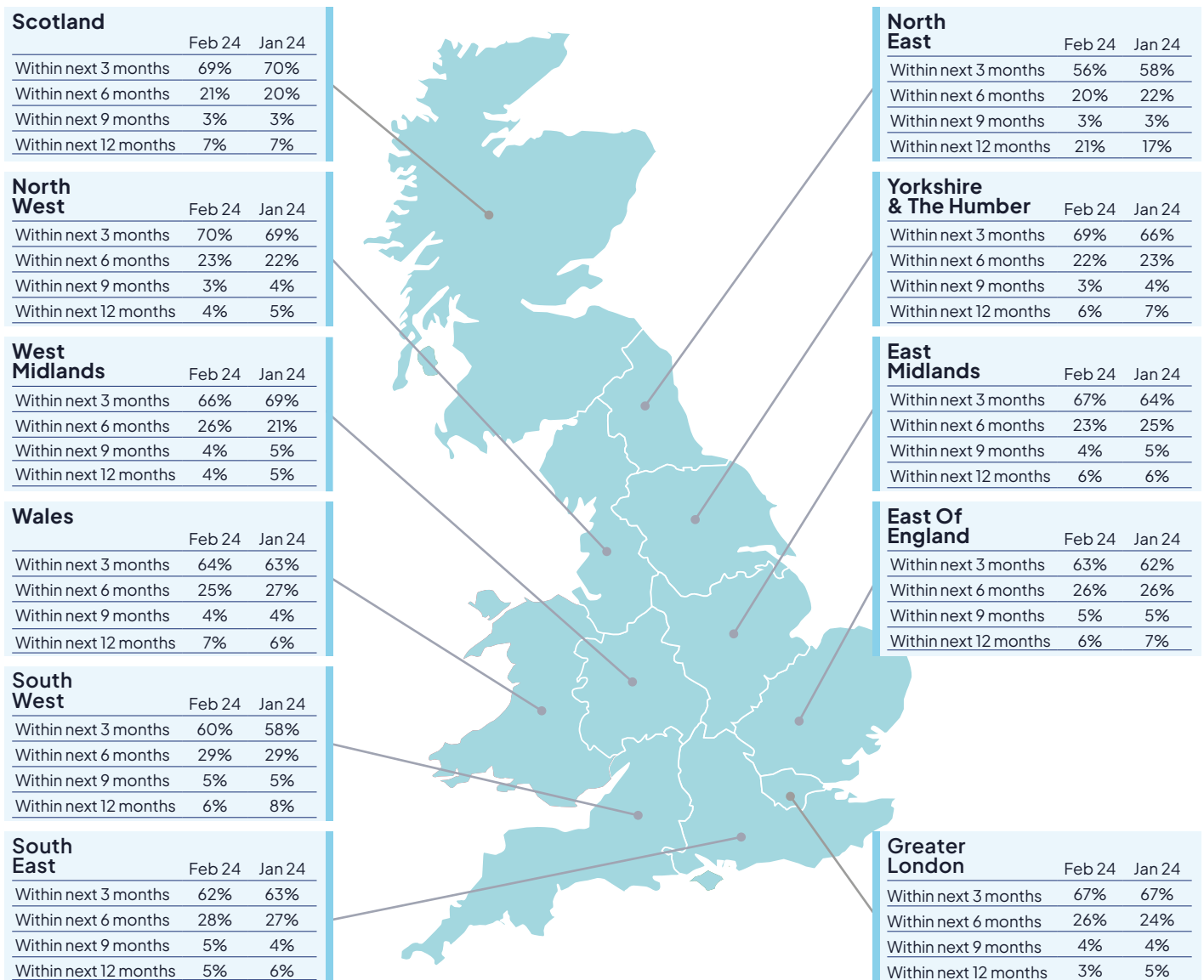
 >5% decrease on previous month

(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 February 2024







## February 2024 headlines:

- As a UK average, in February 2024 only 8% of movers were concerned (either very worried or slightly concerned) about securing a mortgage to fund the purchase of their next property, a slight increase when compared to January 2024 (6%)
- London had the highest number of respondents who already had their mortgage Agreement In Principle in place prior to starting their search for a property (19%). The South West, East of England and the North East jointly had the lowest number of respondents who already had a mortgage Agreement In Principle in place before starting their property search (13%)
- As a UK average, 29% 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, 23% 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 (17%). The South West had the highest number of respondents who indicated that they didn't need a mortgage to buy their next home (32%)

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 24	Jan 24	Feb 24	Jan 24	Feb 24	Jan 24	Feb 24	Jan 24	Feb 24	Jan 24	Feb 24	Jan 24
<b>Grand Total</b>	3%	2%	5%	4%	24%	6%	16%	25%	23%	30%	29%	33%
<b>London</b>	3%	3%	5%	5%	22%	6%	19%	29%	17%	19%	34%	38%
<b>South East</b>	2%	1%	5%	4%	20%	5%	18%	25%	25%	29%	30%	36%
<b>South West</b>	2%	2%	4%	4%	21%	5%	13%	19%	32%	40%	28%	30%
<b>East of England</b>	3%	2%	5%	5%	23%	6%	13%	23%	23%	31%	33%	33%
<b>West Midlands</b>	3%	3%	5%	5%	26%	7%	15%	26%	21%	26%	30%	33%
<b>East Midlands</b>	4%	4%	6%	5%	24%	6%	14%	23%	24%	29%	28%	33%
<b>Yorkshire and The Humber</b>	3%	2%	4%	5%	26%	5%	16%	27%	22%	29%	29%	32%
<b>North East</b>	2%	1%	3%	5%	34%	17%	13%	19%	23%	28%	25%	30%
<b>North West</b>	3%	3%	5%	4%	28%	6%	15%	28%	22%	30%	27%	29%
<b>Wales</b>	2%	1%	4%	3%	21%	5%	18%	25%	28%	36%	27%	30%
<b>Scotland</b>	2%	1%	4%	4%	21%	5%	14%	22%	29%	38%	30%	30%

# Average asking prices in February 2024

## Average asking prices – February 2024

### UK Average (excl. Greater London)

Type	Feb 24	Jan 24	Feb 23
Detached	£546,581	£546,243	£554,497
Semi-detached	£349,104	£346,064	£349,238
Terraced	£274,744	£271,751	£270,772
Flat/maisonette	£231,773	£231,186	£234,563
<b>Grand Total</b>	<b>£393,453</b>	<b>£391,916</b>	<b>£389,910</b>

### Greater London

Type	Feb 24	Jan 24	Feb 23
Detached	£1,725,198	£1,745,976	£1,837,272
Semi-detached	£1,064,875	£1,066,030	£1,132,121
Terraced	£1,199,310	£1,198,534	£1,209,404
Flat/maisonette	£860,136	£869,947	£877,537
<b>Grand Total</b>	<b>£991,577</b>	<b>£997,555</b>	<b>£1,008,035</b>

# Time to Sold Subject to Contract (SSTC) in February 2024

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 February 2024, as a UK average 43% of properties were SSTC within 30 days of first being listed for sale, an increase when compared to January 2024 (33%) and unchanged when compared to February 2023 (43%)
- In February 2024, Scotland was the fastest selling region, with 63% of homes SSTC within 30 days of first being listed for sale. Wales had the lowest number of properties which were SSTC within 30 days (38%)
- In February 2024, the region with the most number of properties which had taken 120 days or longer to SSTC was Wales (33%) compared to Scotland which had the lowest number of properties that had taken 120 days or more to move to SSTC status (15%)

## February 2024 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		
	Feb 24	Jan J4	Feb 23	Feb 24	Jan J4	Feb 23	Feb 24	Jan J4	Feb 23	Feb 24	Jan J4	Feb 23	Feb 24	Jan J4	Feb 23
UK average	43%	33%	43%	14%	16%	13%	9%	13%	11%	9%	11%	11%	25%	27%	22%
Greater London	39%	33%	35%	17%	14%	14%	9%	13%	11%	10%	12%	12%	25%	28%	28%
South East	41%	34%	40%	16%	15%	14%	9%	13%	12%	9%	11%	11%	25%	27%	23%
South West	42%	30%	43%	14%	15%	13%	8%	14%	12%	8%	12%	11%	28%	29%	21%
East of England	43%	33%	43%	15%	15%	15%	9%	14%	11%	9%	12%	11%	24%	26%	20%
West Midlands	43%	31%	46%	15%	15%	12%	9%	13%	10%	9%	13%	10%	24%	28%	22%
East Midlands	42%	28%	42%	15%	15%	13%	8%	14%	12%	8%	12%	10%	27%	31%	23%
Yorkshire & The Humberside	43%	32%	42%	12%	15%	13%	9%	13%	12%	9%	12%	10%	27%	28%	23%
North East	49%	31%	47%	11%	18%	13%	10%	13%	11%	8%	11%	9%	22%	27%	20%
North West	44%	34%	44%	14%	16%	13%	9%	13%	11%	8%	10%	11%	25%	27%	21%
Wales	38%	24%	41%	11%	16%	12%	8%	13%	10%	10%	12%	11%	33%	35%	26%
Scotland	63%	41%	60%	8%	19%	8%	7%	13%	10%	7%	9%	8%	15%	18%	14%

**Daniel Collis,**  
**Sales Director,**  
**Gibbs Gillespie**



## London

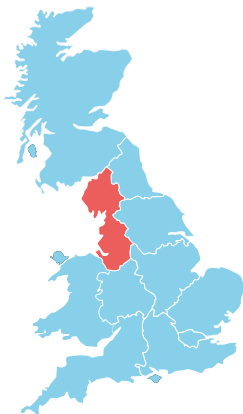
In 2024, the property market, especially in and around Greater London, has demonstrated resilience. Registrations from buyers have increased by c20%, and more importantly, there has been a 15% rise in sales agreed compared to the second half of 2023. The rate of sales falling through has also seen a significant reduction.

Several factors contribute to this growth, including decreased mortgage rates and positive developments regarding inflation, which have increased buyer confidence. Despite a 20% increase in property availability in 2023 from 2022, there was a notable lack of new listings, particularly for family homes. However, we've recently seen a significant increase in the number of 3-4 bedroom homes coming onto the market, stimulating both buying and selling activities.

Sellers are now viewing the current market as an ideal opportunity to move up the property ladder, motivated by the prospect of rising prices. This optimism is shared by many, who are now pricing their homes sensibly.

First-time buyers are returning, enticed by the more appealing mortgage rates and the understanding that a major drop in house prices is unlikely given the improving economic landscape. This combination of factors points to a market driven by cautious optimism, where strategic pricing and the right timing for listings are increasingly likely lead to success for sellers in 2024.

**Andrew Cardwell,**  
**Managing Director,**  
**Cardwells Estate Agents**



## North West

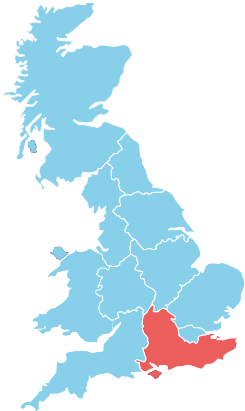
February 2024 saw continued higher number of properties coming to the market in Bolton, Bury and the Greater Manchester region than in the same period of 2023. Our offices surpassed their new instruction targets for the month comfortably. This is a continuation of strong levels seen in January 2024 which is building to a property market potentially offering a little more choice for buyers than has previously been the case.

The demand for sales property seems to have been buoyed by hope and optimism that interest rates would fall, though as we have seen this did not happen in February, so those early year hopes may need to be put on ice a little longer. The sales agreed levels in February remained strong, and although hope about immediately falling interest rates may be dwindling, there is still consistent and strong demand across Bolton, Bury and Greater Manchester. The good thing about Bolton and Bury is that there is such an eclectic mix of property therefore there is something for any budget.

The rental market is very busy, Bolton, Bury and Greater Manchester have been affected greatly by a shortage in supply of new properties to the market and a number of landlords stepping away for the business model at the end of leases and looking to sell their investment properties, has furthered this lack of supply. The demand levels remain strong and in combination with a shortage of supply, the rents achievable have continued to grow month on month. Some properties are over subscribed, and the landlords can have a choice of tenants and notably higher rents. Hopefully the higher rents that can be achieved in Bury and Bolton will attract new landlords and help retain others.



**Neil Parker,**  
Regional Sales Director,  
Leaders



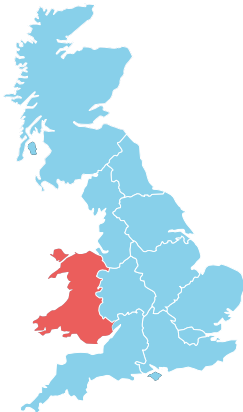
## South East

The market in February has continued to perform above expectation in the South, with a further increase in buyer and seller activity throughout the month.

We continue to see buyers taking the opportunity to explore the market and make decisions when it comes to offering on properties. At the higher end of the market, it is all about realistic pricing compared to the 'bread and butter' stock where we are seeing on average offers being 1–4% less than the asking price.

Whilst reductions in mortgage rates have continued to assist with the drive in the market, I think there was also a lot of pent-up demand from 2023.

**James Linder**  
Regional Sales Director,  
Moginie James



## Wales

Wales is finding continued strong activity, with buyer registration remaining up 20% year on year and viewing numbers up 40% in January and February. Whilst the initial activity for the year is still promising, we are noticing that with more choice in the market, buyers are still price sensitive, and the viewing to sales ratio has dropped slightly.

We are also noticing a decline in aborted sales, which can be apportioned to buyers making more informed decisions, giving vendors more security once they have secured an offer.

This uptick in activity can be attributed to several factors, notably the reduction in mortgage rates and optimistic news surrounding inflation; both have bolstered buyer confidence, revitalising the market and encouraging a cycle of buying and selling.

New properties to the market are currently up 15% year on year giving more choice, but at the same time the majority of buyers are in decision mode.

## 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

OnTheMarket operates OnTheMarket.com, a leading UK residential property portal provider.

The company's objective is to deliver a tech-enabled portal, offering a first-class service to agents and new homes developers at sustainably fair prices, establishing itself as the go-to portal for serious property seekers.

Agent support enables OnTheMarket to display Only With Us properties to serious property seekers either exclusively\* or 24 hours or more before agents release these properties to Rightmove or Zoopla.

OnTheMarket is owned by CoStar Group (NASDAQ: CSGP), an S&P500 leading provider of online real estate marketplaces, information, and analytics.

\* Exclusive properties are properties advertised at OnTheMarket.com by customers who do not list their properties with either Rightmove or Zoopla.

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