

23rd October 2020

DATA: HMRC report transactions back to normal levels but no sign of boom

Transactions in September were just 0.7% below the same month in 2019 but were expected to be slightly higher. This may reflect the reported delays in reaching completion.

DATA: ONS report UK house prices rose 2.5% in year to August

The ONS index is based on completed sales so it may be around November/December before we see the higher growth rates reported by other indices.

DATA: Rightmove report asking prices rose 5.5% in year to (mid) October

The Rightmove index is a consistent leading indicator though could be starting to show sellers' expectations rather than the buyers' reality. They also report more sales agreed in the year to date than in the same period in 2019. However, there are some signs of activity slowing in October.

NEWS: Yomdel property sentiment tracker shows demand slowing

The tracker is based on activity in live chats on estate agents' websites. It shows the big increase in both buyer and seller activity over the summer but has now started to fall back. Despite this fall, buyer and seller activity are both around 20% higher than normal levels.

NEWS: UK Finance report 162,000 payment deferrals in place, down from 1.8 million in June

Payment deferrals are down but there are other supports in place for stretched borrowers including extending the mortgage term, moving to interest only, or capitalising the interest.

REPORT: BPF report on housing and care for older people

The report provides a useful summary on the state of purpose-built housing for older people. While increasing the availability of purpose-built housing is important, the reality is that most people will age in their existing homes. We explored this issue in our recent [Housing Conversation](#) with Henry Smith from The Centre for Ageing Better.

REPORT: HBF survey of SME housebuilders suggests "tough battle ahead"

The results highlight the challenges faced in the current economic environment along with the usual complaints about the planning system and changes to Help to Buy equity loan.

REPORT: CPRE suggest there's enough brownfield land for 1.3m homes

Brownfield land makes an important contribution to housing supply but there isn't enough to meet appropriate long-term levels of housing supply. Not all brownfield land will be appropriate for housing and changing housing preferences post-pandemic could have a big impact on the already significant shift in housing delivery towards [lower density areas](#).

REPORT: Knight Frank report identifies areas for buying development land

The report is an interesting insight into their research for supporting land buying strategy.

Chart of the Week

There are widely reported delays in sales reaching completion at the moment. This is not surprising given the higher than normal levels of activity and the challenges faced by working from home and other disruptions. Data from Zoopla suggests that normally around two-thirds of sales agreed have completed three months later. We have combined this with sales agreed data to create a simple model showing when the sales agreed during the summer should reach completion as per the chart opposite. September's transactions figure was in line with recent years and slightly lower than expected by the model. Actual sales over the rest of the year look set to be 30-50% above normal levels if they all reach completion.

Transactions & Sales Agreed

Source: HMRC & calculations using Zoopla data

