

## RESEARCH

# Residential Market Update

January 2022

## Market overview

The new COVID variant, Omicron, along with being highly transmissible and now rising rapidly across most parts of the UK, has created a high degree of uncertainty across the markets and the economy over the last few weeks. The government's response has been to put in place further 'Plan B' restrictions

including working from home where possible and compulsory masks in shops, public transport, and other entertainment settings, while aiming to drive the booster vaccination campaign yet further. They fell short of imposing limitations on gatherings and get togethers - with the aim of limiting the economic impact - but as cases rise swiftly and the public becomes increasingly nervous, an economic slowdown is almost certain. The wider impacts and the severity of the new variant will take some weeks to fully analyse and understand, and it will be well after the Christmas holiday period before

full health implications and the economic effects are known.

The winter months and the holiday season are typically quieter weeks for the housing market, across both the sales and lettings markets. However, latest data from Rightmove shows that although asking prices are down slightly this month (to entice buyers to commit during the holiday season), market appraisal and valuation requests are up 19% compared with the same time last year, indicating the rather buoyant sales market continues.



## Sales and Lettings prices

- Annual house price growth remained very strong in November, now a full two months past the end of the stamp duty tax break. At 10.0% annual growth this is up just slightly from October's 9.9% rise, according to Nationwide.
- Over to Halifax and annual UK house price growth of 8.2% was recorded in their November

index, unchanged from last month's (revised) figure of 8.2%. This reflects a monthly growth figure of 1.0%, adding approximately £2,800 to the average price of a UK home (£272,992).

- Average asking prices fell slightly in December, down 0.7% over November's figure however on an annual basis asking prices rose by 6.3%, unchanged from last month according to Rightmove's latest house price index report. This is an entirely expected seasonal fall in asking prices, as vendors look to lure buyers at a time of year when house sales typically slow. The report goes on to find that annually, asking prices for first-time buyer homes rose 5% compared with an 8.1% rise in second-stepper homes.
- Private rents continue to rise sharply in some areas, averaging 8.6% annually across the UK according to the latest data from HomeLet. In Greater London annual growth of 11.5% is in stark contrast to this time last year when rents were found to be falling by nearly 2% annually.

**10.0%**  
average annual  
house price growth  
(Source: Nationwide)

**Figure 1** Carter Jonas Enquiry levels trends

Source: Carter Jonas. Enquiry levels are four-week rolling average



## Activity

- Rightmove's latest house price index report noted another increase in request for valuation appraisals this month, up 19% compared with the same time last year (versus a rise of 14% last month) indicating that buyer demand is still strong. Fully available stock has hit another record low this month
- though, and the web portal notes that seven out of 10 properties listed on their site are marked as 'sold subject to contract'.
- Activity in the lettings market meanwhile has hit the usual slowdown heading into the holiday period. Both available properties and therefore enquiry levels are normally low at this time of year as buyers and vendors wait for the new year in the hopes that increased activity will equate to increased choice and demand. As a result, enquiry levels were down across all our Carter Jonas offices as we head into Christmas and 2022.



# Official House Price data

HM Land Registry  
October 2021

Carter Jonas location	Average Price	Monthly Change (%)	Annual Change (%)
Bath and North East Somerset	£409,712	3.8%	15.3%
North Northamptonshire	£247,366	1.4%	13.4%
West Oxfordshire	£385,193	3.1%	12.5%
South Oxfordshire	£499,582	4.6%	12.1%
Somerset	£276,040	0.7%	12.0%
Suffolk	£280,155	3.3%	10.7%
Prime Central London	£1,214,935	-0.2%	10.7%
South Cambridgeshire	£423,001	8.5%	10.6%
<b>United Kingdom</b>	<b>£268,349</b>	<b>-1.1%</b>	<b>10.2%</b>
Cambridgeshire	£328,581	3.5%	10.1%
York	£286,802	1.0%	9.9%
<b>England</b>	<b>£285,113</b>	<b>-1.5%</b>	<b>9.8%</b>
West Northamptonshire	£272,151	1.3%	9.4%
Winchester	£468,633	1.8%	9.4%
Wiltshire	£307,829	3.8%	9.2%
Harrogate	£316,438	5.5%	9.0%
South West London	£741,551	-1.7%	8.8%
Leeds	£216,280	1.8%	8.5%
Outer London	£470,984	1.5%	7.7%
Vale of White Horse	£389,991	0.1%	7.5%
Cambridge	£468,671	-4.8%	6.7%
London	£516,285	1.9%	6.2%
West Berkshire	£378,884	3.8%	5.8%
Oxford	£456,946	0.6%	5.4%
Inner London	£602,501	-2.2%	1.4%

Source: HM Land Registry



## Monthly change in enquiry levels

**-12%**  
LONDON

**-38%**  
SOUTH

**-50%**  
CENTRAL

**-11%**  
NORTH

### We're closely analysing what happens next

We're monitoring the market so we can get you the best possible price for your property. If you're keen to sell your property as soon as possible or simply curious to know what it's worth during these changing times

**CLICK HERE** to book a complimentary market appraisal.

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Sources: Carter Jonas Research, Halifax, Nationwide, ONS, Rightmove, Zoopla

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### ABOUT CARTER JONAS

Carter Jonas LLP is a leading UK property consultancy supported by a national network of 33 offices and 800 property professionals. Our team is renowned for their quality of service, expertise and the **simply better advice** they offer their clients.

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