



NATIONAL ASSOCIATION OF ESTATE AGENTS

HOUSING MARKET REPORT

August 2012

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KEY FINDINGS

- Average number of house hunters registered per branch **decreased** from **293** in July to **288** in August.
- Average number of sales agreed per branch **remained the same** at **7** in July and August.
- Average number of properties available for sale per branch **decreased** from **61** in July to **60** in August.
- Average percentage of first time buyers (FTBs) **remained the same** with **18** per cent in July and August.

The UK housing market in August continued to stagnate with no movement in sales levels and slight decreases in supply and demand.

The number of people looking to buy property in August declined for a second consecutive month with an average 288 prospective buyers registering with an NAEA agent compared with 293 in July. Whilst the Olympics continued to impact viewing preferences until after these events ended, anecdotally members are concerned with the lack of adequate funding mechanisms, so crucial to supporting homeownership. Last month's figure represents a significant decrease on those recorded for the same period in 2011, when an average 304 house hunters registered with an agent.

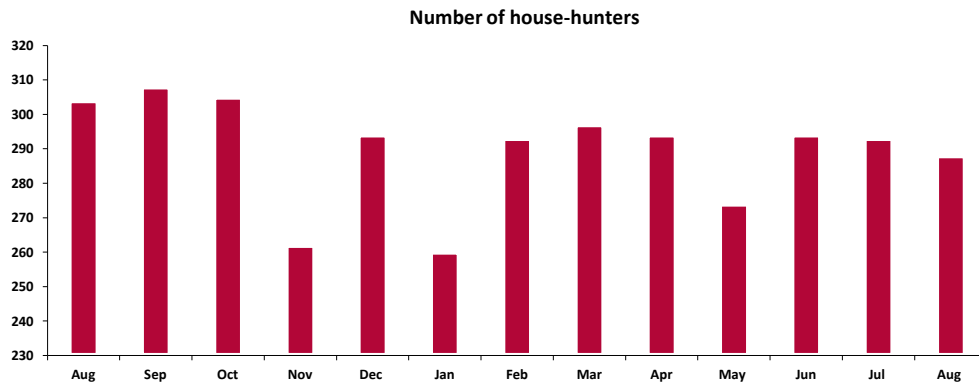
The level of housing supply also decreased slightly in August with an average 60 properties on member books compared with 61 per branch in July. With the level of demand for property beginning to contract in August, sellers continued to display signs of caution about putting their property onto the market – August's figure represents the third month of decreases (May 2012: 66). It remains to be seen whether this figure will increase post-Olympics or whether the market will continue to stagnate amidst the wider economic lull.

The number of sales made in August remained at an average 7 per NAEA branch for a remarkable six months in a row and the number of buyers stayed at 18 per cent market share, reflecting the languishing state of the UK housing market at present. Significant barriers to homeownership remain, and Government schemes such as NewBuy and FirstBuy have not yet given the market the boost it needs to drive supply levels up.

NUMBER OF HOUSE HUNTERS

The average number of house hunters registered per branch decreased from **293** in July to **288** in August.

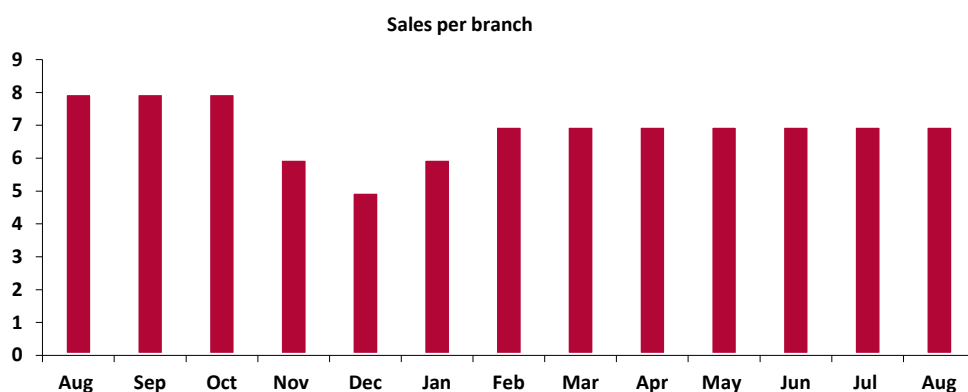
House hunter activity decreased for a second consecutive month in August. Although NAEA agents reported that the continuation of Olympic events impacted demand, the continued economic uncertainty and lack of adequate funding mechanisms for prospective buyers were also blamed.



SALES PER BRANCH

The number of sales agreed remained unchanged for a sixth consecutive month with an average **7** sales per branch in August.

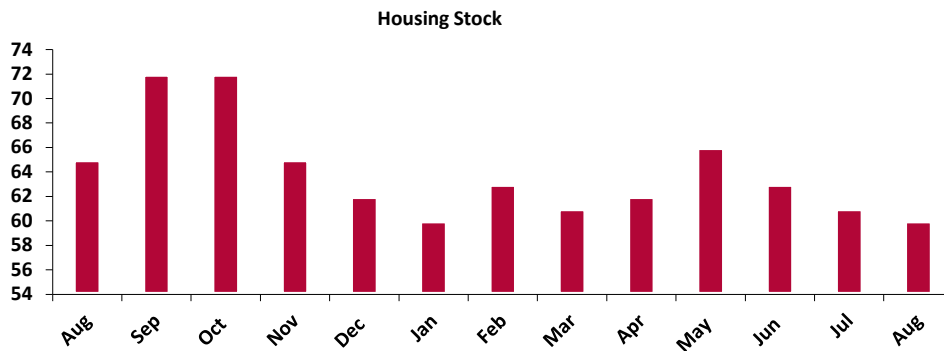
Property sales during the course of the month stayed level however NAEA agents once again questioned what can be done to boost activity in what has remained a relatively flat market over a prolonged period.



HOUSING STOCK

The average number of properties available for sale per branch decreased from **61** in July to **60** in August.

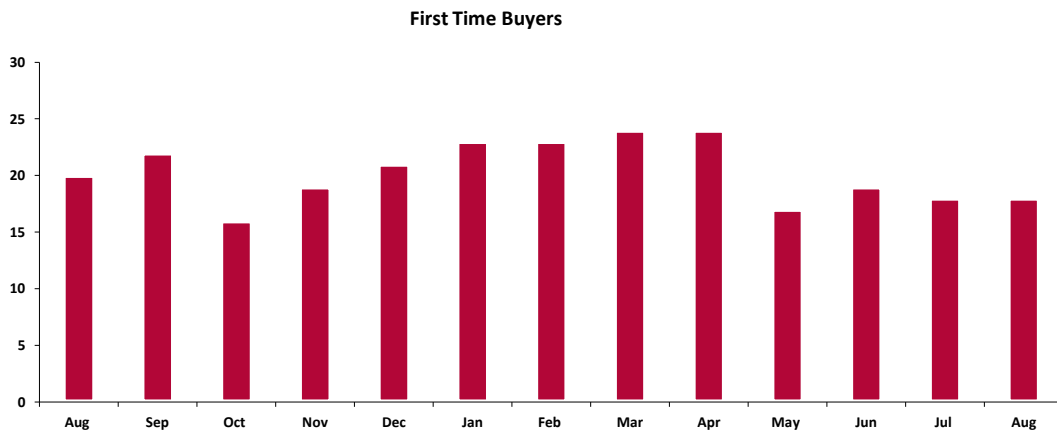
A combination of low economic confidence and the distraction of the Olympic Games continued to impact supply levels according to agents. This represents the third month where a decrease has been recorded and the figure is down when compared to August 2011, where an average 66 properties were up for sale.



FIRST TIME BUYERS

The percentage of sales made to FTBs remained the same as July with **18** per cent in August.

The number of first time buyers entering the market remained the same in August representing an 18 per cent share of overall sales. This is lower than data recorded for the same period last year, when FTBs represented 21 per cent market share. The NAEA has called on the Government to work more closely with lenders to develop more realistic lending criteria.



Editor Notes:

About the NAEA

The National Association of Estate Agents (NAEA) is the UK's leading professional body for estate agency personnel, being part of a group representing 13,000 members who practice across all aspects of property services both in the UK and overseas. These include residential and commercial sales and lettings, property management, business transfer, auctioneering and land. The NAEA is a sister organisation to the Association of Residential Letting Agents (ARLA), as is PropertyLive.co.uk, the UK's only regulated property portal.

The NAEA is dedicated to the goal of professionalism within all aspects of property, estate agency and land. Its aim is to reassure the general public that by appointing an NAEA member to represent them they will receive in return the highest level of integrity and service, for all property matters. Both NAEA and ARLA members are bound by a vigorously enforced Code of Practice and adhere to professional Rules of Conduct. Failure to do so can result in heavy financial penalties and possible expulsion from the Associations.

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