

**NAEA**

National Association of  
Estate Agents

# NATIONAL ASSOCIATION OF ESTATE AGENTS

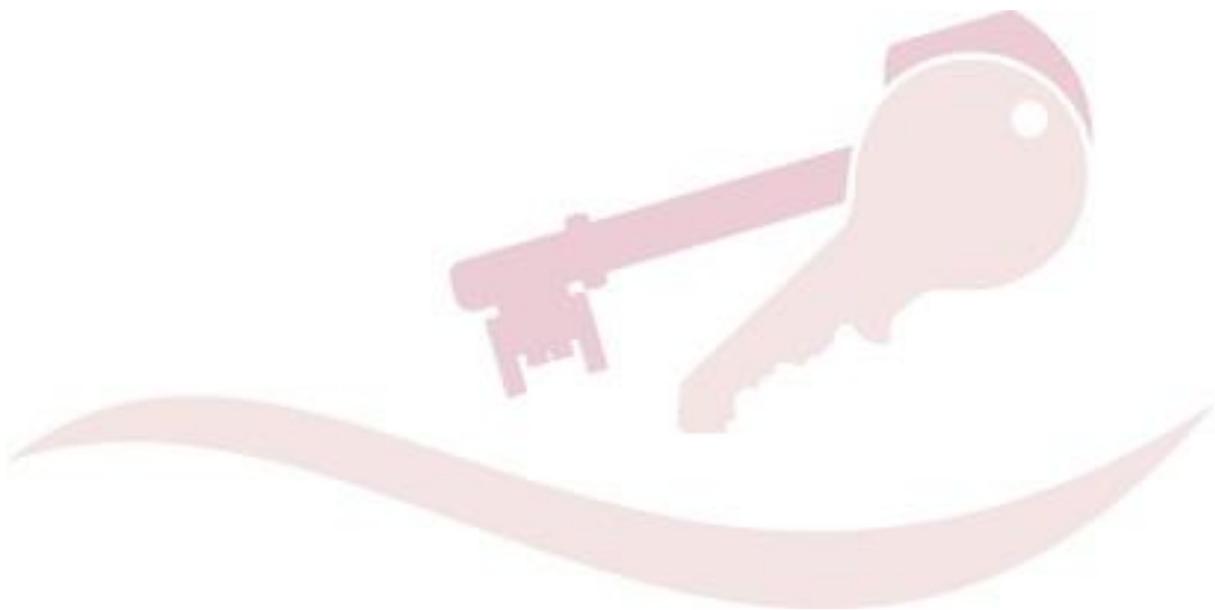
## HOUSING MARKET REPORT

July 2014

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#### KEY FINDINGS

- Average number of house hunters registered per branch **decreased** from **371** in June to **368** in July and has been declining month-on-month since April 2014
- Average number of sales agreed per branch **stayed the same** at **9** in both June and July
- Average number of properties available for sale per branch **increased** from **46** in June to **51** in July, an **11% increase**
- Average percentage of first time buyers (FTBs) **stayed the same**: at **20%** in both June and July

The National Association of Estate Agents (NAEA) housing market report presented a stable picture in July with the number of house hunters only decreasing slightly from last month, and the number of sales agreed and percentage of first time buyers staying the same. However, the number of properties for sale increased by 11% – the biggest percentage increase in nearly three years – suggesting there is an appetite for movement in the market in July.

The average number of house hunters registering with NAEA agents fell back from the year high in April (392) down to an average 368 house hunters in July, however, sales were unaffected by this change. The average number of homes sold per member agent stayed at an average of nine in both June and July.

While supply remains low compared to previous years, this month showed that supply is on the up again and nearing 2013 figures. The average number of properties available per branch increased from 46 in June to 51 in July. This time last year (July 2013) members were reporting 53 properties available per branch.

The important first time buyer market has maintained its figures with the proportion of first time buyers purchasing a home in July remaining at 20%, the same as in June, and down from 25% in May.

However, this month saw very few homes being sold for over the asking price. Only 4% of homes were sold at this level compared to 19% in May. 30% were sold at the original asking price (a decline from 35% in May). Meanwhile, a whopping 66% of homes in July were sold for less than the asking price – a sharp contrast to May when 46% of properties sold for less than the asking price.

Semi-detached homes remain the popular choice for buyers with well over a third (39%) of house hunters seeking this type of property, more than detached (28%), terraced (11%) and flats (16%). Buyers were also looking to up-size (53%) rather than down-size (18%) in July.

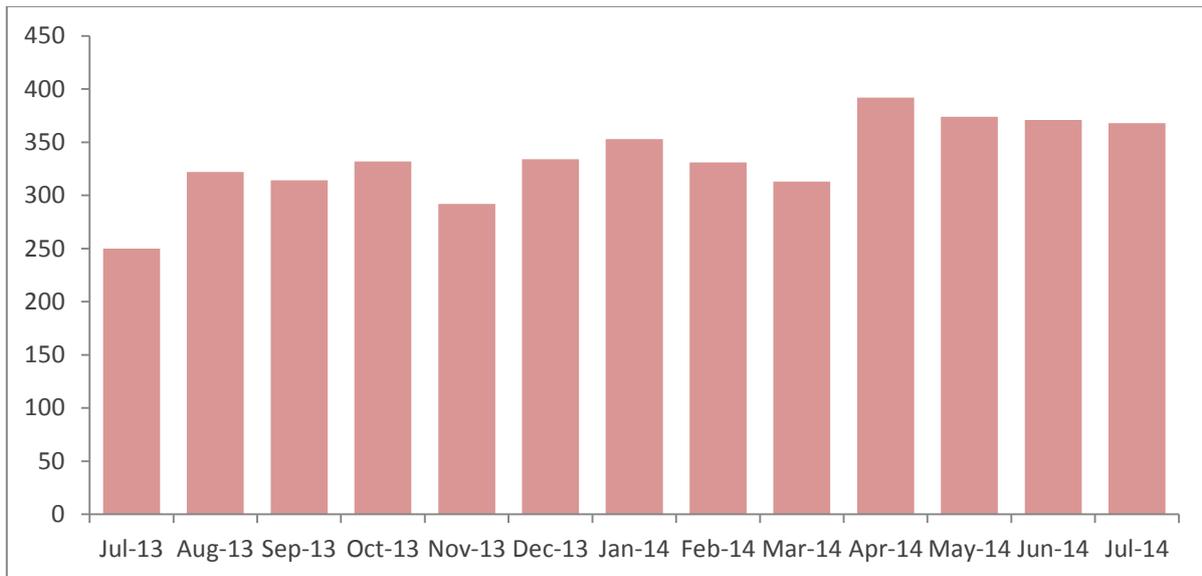
Stamp duty is seen to be a major influencing factor when people add up their house-buying costs. 36% of NAEA members said that stamp duty has frequently deterred house buyers from moving to their ideal house whilst 50% of members said stamp duty had occasionally deterred them. 75% said that sellers tend to stay within a stamp duty threshold to avoid pricing out a potential buyer and a massive 92% think that the Government should reform stamp duty land tax. These figures indicate the major influence stamp duty has on the house buying and selling market.

**NUMBER OF HOUSE HUNTERS**

Average number of house hunters registered per branch **decreased from 371 in June to 368 in July**



House hunter levels decreased from 371 in June to 368 in July. This time last year (July 2013) the average number of house hunters recorded per branch was far lower, at 250, the lowest since November 2010.

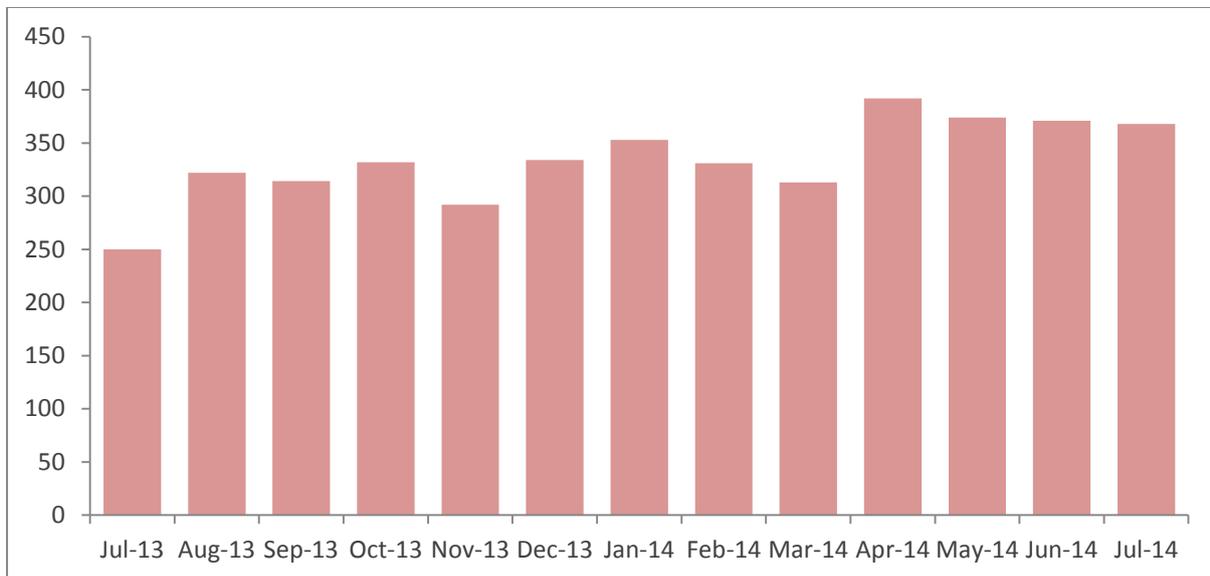


**SALES PER BRANCH**

Average number of sales agreed per branch **stayed the same at 9** in both June and July



The average number of sales agreed across NAEA stayed the same, at an average of nine in both June and July. Whilst homes continue to be snapped up with the Mortgage Market Review changes now firmly in place and lenders restricting mortgages, we could see changes to this figure as applications become more carefully scrutinised.

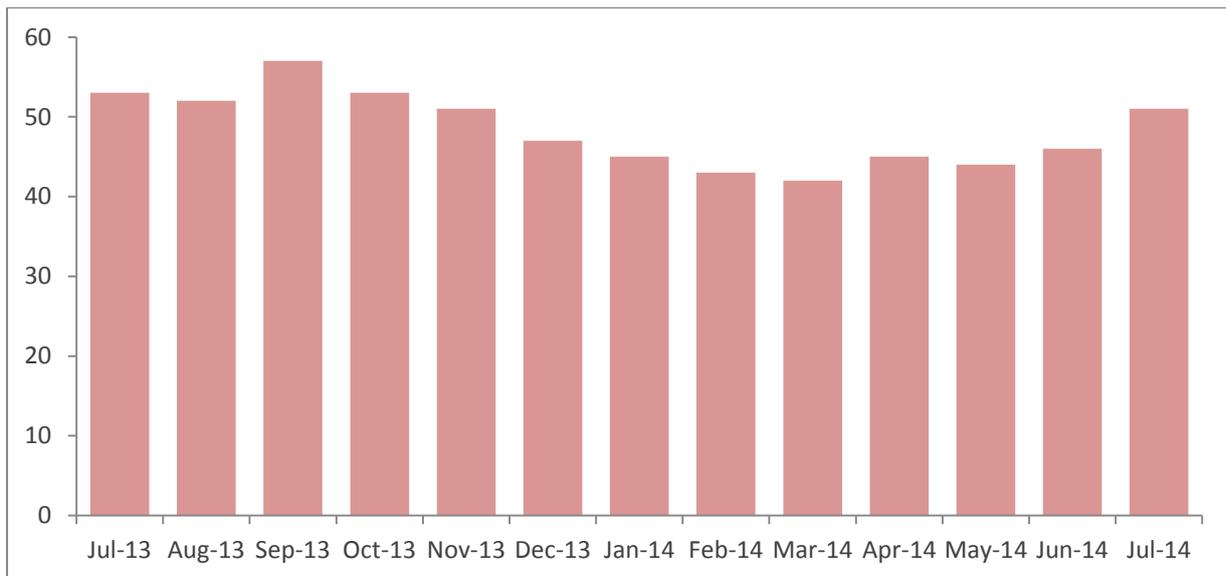


**HOUSING STOCK**

Average number of properties available for sale per branch **increased from 46 in June to 51 in July, an increase of 11%**



The supply of housing in July increased from to 46 in June to 51 in July – nearing 2013 figures for the first time this year.

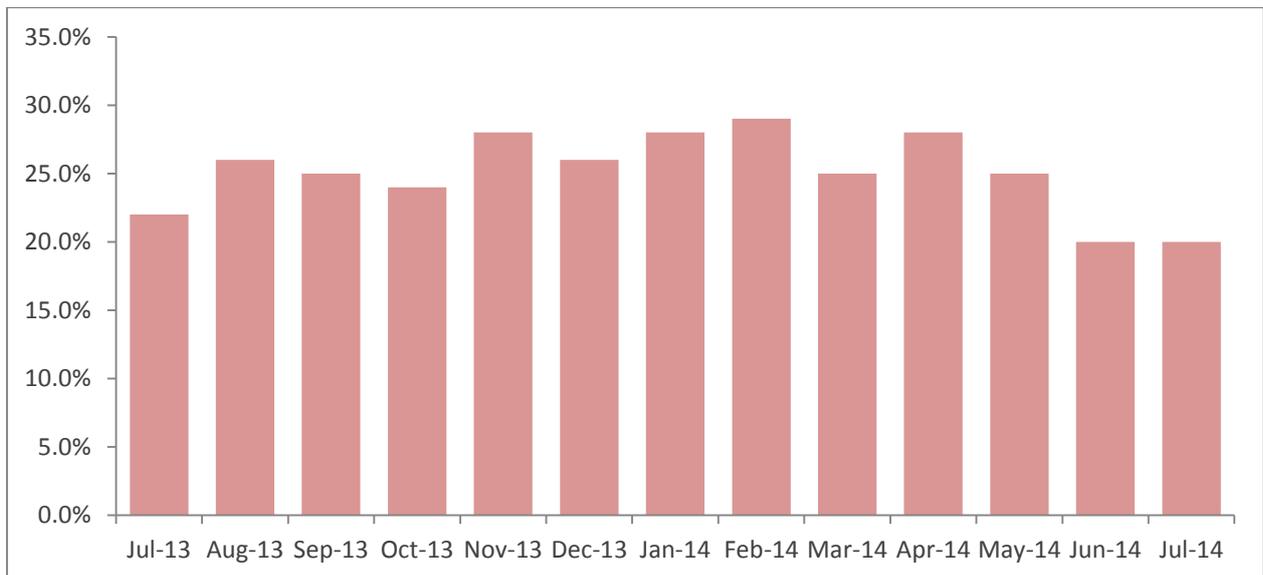


**FIRST TIME BUYERS**

Average percentage of first time buyers (FTBs) stayed the same at 20% in both June & July



The percentage of overall sales made to FTBs stayed at an average of 20% in both June and July. This figure is a decline from earlier in the year and illustrates that the announcement from Bank of England Governor, Mark Carney, on the cap on high-risk mortgages, has affected the number of first time buyers considering buying their first home.



## STAMP DUTY

92% think the Government should reform stamp duty on land tax



This month, 36% of members said that stamp duty has frequently deterred house buyers from moving to their ideal home whilst 75% said that sellers tend to stay within a stamp duty threshold to avoid pricing out a potential buyer. A massive 92% think that the Government should reform stamp duty land tax.

### Editor Notes:

#### About 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).

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.

To find a local NAEA member, please visit [www.naea.co.uk](http://www.naea.co.uk)

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