

Residential Property Trends Report

England, Scotland & Wales | July 2023



Introduction

Welcome to the Q2 2023 report.

The economy is clearly still in a state of flux. As a result, we continue to see a subdued property market in Q2 2023 in England and Wales, and to a lesser extent in Scotland too. Listing volumes have strengthened this quarter, with June '23 exceeding June '19 volumes by 12%. However, our data shows that progressed demand has remained weak, likely due to ongoing high interest rates, restricted mortgage availability and affordability. The knock-on effect is lower volumes across the rest of the transaction pipeline milestones.

Activity will only flow through the pipeline once the market finds a balance between interest rates, inflation and the cost of housing. When that time comes, speeding up property transactions will be essential to a swift and sustained recovery.

As ever, this report compares our latest data to the last 'normal' year of 2019. As we continue to navigate a new 'abnormal', the market is realising the potential for change through increased connectivity. Only then can we bring the certainty and clarity the sector is craving. I hope this report provides a helpful lens into the current trends driving the property market and a useful benchmark for its performance over time.



Simon Brown

Simon Brown | CEO Landmark Information Group

About this report

This report presents information relating to 2022/3 compared to 2019 that's been extracted from systems operated by Landmark Information Group within its various business entities spanning the UK property market, covering England, Wales and Scotland.

Because we operate the essential services that underpin every key stage of the property transaction, we can provide a complete view of the entire market. From the start of the process when a property owner initiates a sale through estate agencies, through the gathering of property search data, and across the lending process from building survey and valuation to approval, our data supports the needs of our customers along the entire value chain.

This includes data from Millar & Bryce, the long-established Scottish search business, which has been part of Landmark since 2013. As a benchmark, we also reference public open license data from Registers of Scotland. Given that the Scottish property market differs in certain respects from that of England and Wales, we present two Cross Market Activity reports based on the respective datasets for our activity both north and south of the England-Scotland border. We hope that these continue to provide a valuable source of insight for industry professionals and interested observers alike.

CMA | CROSS MARKET ACTIVITY TRENDS

Pipeline activity variance

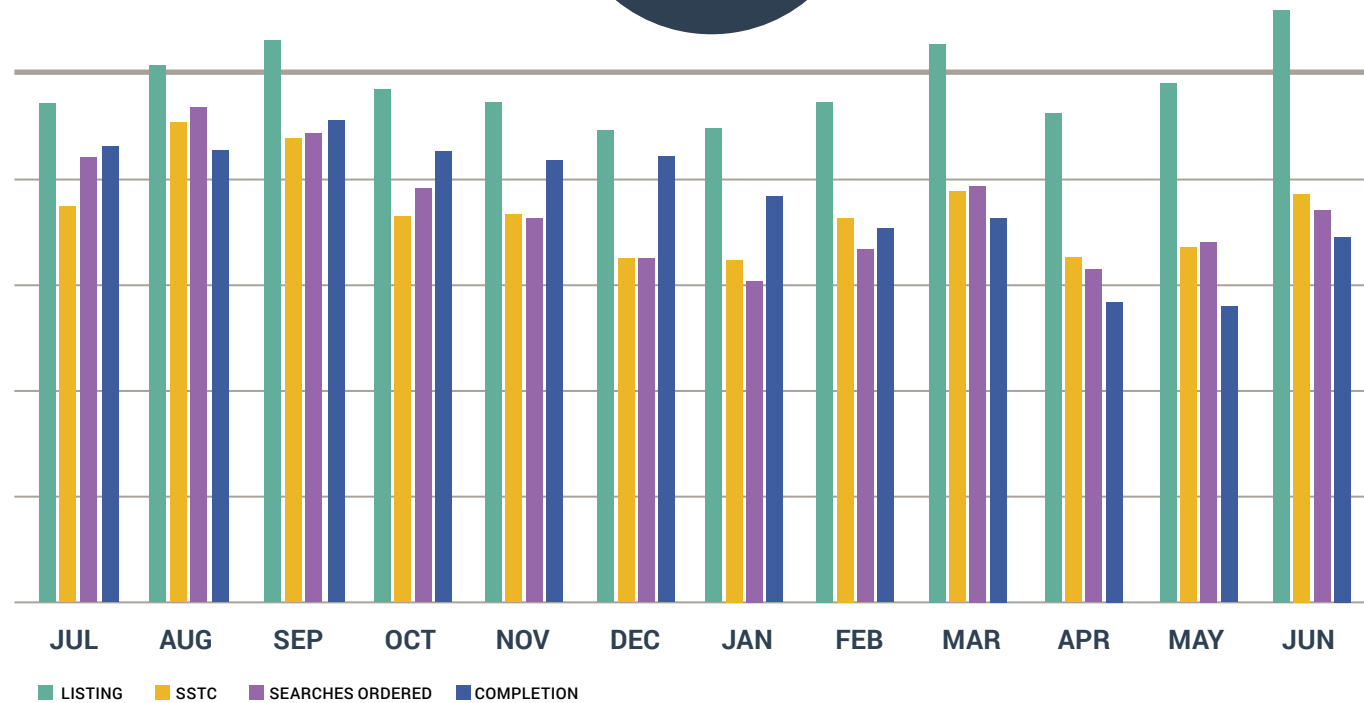
Looking at relative trends for four key stages in the pipeline – listings, Sold Subject to Contract (SSTC), searches ordered and completions – we get an excellent view of the whole market.

Supply continued to strengthen throughout the quarter. By June, levels of available stock were 12% up on the same period in 2019. However, transactions are struggling to progress through the pipeline.

Transaction pipeline

100% = volumes vs 2019

- Listings volumes in Q2 '23 are healthy with overall activity up 1% vs Q2 '19.
- SSTC volumes in Q2 '23 are on par with Q1 '23, remaining at approx. 30% under volumes we saw in Q2 '19.
- Searches ordered volumes in Q2 '23 followed a similar pattern to Q1 '23. Overall, these are 32% down on Q2 '19.
- Completions slowed in Q2 '23 – down 13% on Q1 '23 volumes and 39% lower than Q1 '19.



NOTES:
 Chart shows volumes per month in 2022/3 as a percentage of the same month in 2019.
 Source: Landmark's own data to extrapolate the entire market.
 The data within this report has not been adjusted for trading days.

CMA | CROSS MARKET ACTIVITY TRENDS

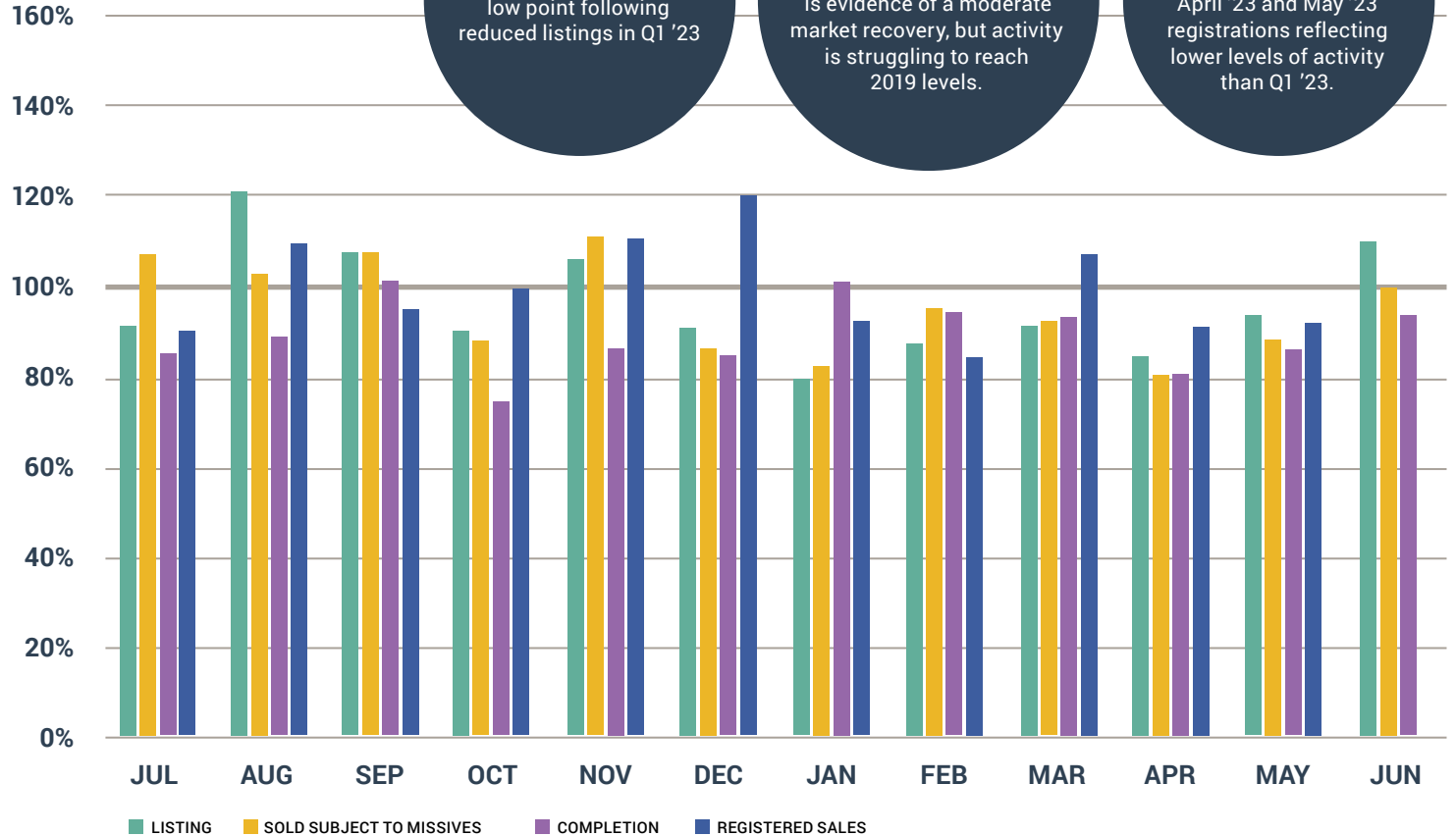
Pipeline activity variance

Looking at relative trends for four key stages in the pipeline – listings, Sold Subject to Missives (SSTM), searches ordered and completions – we get an excellent view of the whole market.

Having been depressed over the previous two quarters, supply levels increased throughout Q2, as the market moved to favour buyers.

Transaction pipeline

100% = volumes vs 2019



SSTM levels recovered marginally from April's low point following reduced listings in Q1 '23

Looking at other data (such as EPCs) the pattern is consistent. There is evidence of a moderate market recovery, but activity is struggling to reach 2019 levels.

Registers of Scotland data lags other indicators, with April '23 and May '23 registrations reflecting lower levels of activity than Q1 '23.

NOTES:

Chart shows volume trends per month in 2022/3 as a percentage of the same month in 2019
 Source: Landmark's own data to extrapolate the entire market (Home Report volumes proxy for Listings, Legal Report for Sold Subject to Missives, LR Update for completions) together with Registers of Scotland published data for registered sales comparisons
 Contains Registers of Scotland data © Crown copyright and database right 2021. This data is licensed under the Open Government Licence v3.0.
 The data within this report has not been adjusted for trading days.

Thank you for reading our property trends report

This report is provided to you for general information purposes only. It may not be shared, published, reproduced or quoted in part or in whole, nor may it be used as a basis for any contract, prospectus, agreement or other document without the prior written consent of Landmark Information Group. Whilst every effort has been made to ensure its accuracy, Landmark Information Group makes no warranty about the correctness of the data included in the report. The content of this report is not to be relied upon by the intended recipient (or any third party) and Landmark Information Group does not accept any liability whatsoever for any direct, indirect or consequential loss arising from its use. This data is sourced from our operational systems and re-based to represent relative activity levels to avoid commercially sensitive data sharing.

Further cross market data is available on Landmark's Data to Go dashboard.

Click here to visit Landmark Data to Go

Further enquiries

Any enquiries regarding this report should be sent to:

 propertytrends@landmark.co.uk

 landmark.co.uk

