

## **UK Market Report for meeting 27<sup>th</sup> January**

### **Current Position of Market**

The market over the last 12 months has seen prices drop by between 2% and 5% dependant on region. London rose by 2.2% as there is always a demand for London properties.

The market was quiet in the first half of 2011 but has been a lot more activity in the second half of 2011. The improvement in the number of sales has been helped by the fact that first time buyers do not have to pay stamp duty however this stops in April 2012. The total number of sales in 2011 was similar to the number of sales in 2010 but is still running at only about 60% of the figure at the height of the market in 2007.

January has started very busily which has been helped by first time buyers trying to get a property whilst the stamp duty holiday for them exists up to April

Over the last 12 months the rental market has remained very active and rises in rental income for properties has been seen.

### **Position in the coming 12 months**

Obviously this is very dependant on the economic situation and the employment position. January has started well and it is hoped that this will continue. Prices are expected to fall again by 2% to 5%, although some forecasts are suggesting that they will remain static.

The number of sales is forecasted to be in line with 2011, approximately 650,000.

### **Percentage of home ownership**

The percentage of people owning their own homes remains around 67%

### **Mortgages**

The rate being charged for mortgages is between 2.5% and 6%, however the amount of deposit that a purchaser has to find remains high.

### **Average House Price in the UK**

The average house price in the UK is around 180,000 Euro

### **New Build Properties**

As people become more optimistic about the economy not worsening any more the number of new build properties has increased slightly

Ian Tonge

25<sup>th</sup> January 2012