

# Housing Insight Report

propertymark

July 23

## KEY FACTS AND FINDINGS

66%

reduction in the average number of **sales viewings** per property compared with August 2022.

81%




of member agents reported houses selling for **less than asking price** during July 2023.

38%

increase in potential new tenants registering at member branches compared to July 2022.

6%

of tenants falling into arrears compared to three per cent in February 2023.

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The sales market remains buoyant despite rising mortgage rates with the number of sales agreed in July at eight per member branch which is broadly in line with what was reported during the busy market period in July 2022. As the number of viewings and valuations drop, this indicates a shift to only the more serious homebuyers and sellers remaining proactive in the market. Those properties that are currently for sale with motivated vendors in line are selling quickly.

In the lettings market, we continue to see an alarming disparity in the number of homes available to rent when compared with growing demand from prospective tenants. The number of prospective new tenants is up by 38 per cent in July compared to the same time last year, yet the number of properties available per member branch has risen by only 24 per cent meaning this gap is continuing to widen from already worrying levels.

This mismatch in supply and demand is putting pressure on rents with six per cent of tenants per member branch falling into arrears doubling compared to February 2023. Governments across the UK need to urgently address the fundamental problem of undersupply and look to adequately incentivise the provision of desperately needed homes in the private rented sector.



**Nathan Emerson**  
CEO | Propertymark

DEMAND FROM HOUSE HUNTERS

Serious buyers are entering the market

With prolonged raises in interest rates throughout the year to date, the average number of new prospective buyers registered per member branch is down to an average of 64 in July 2023, down from 86 in June 2023.

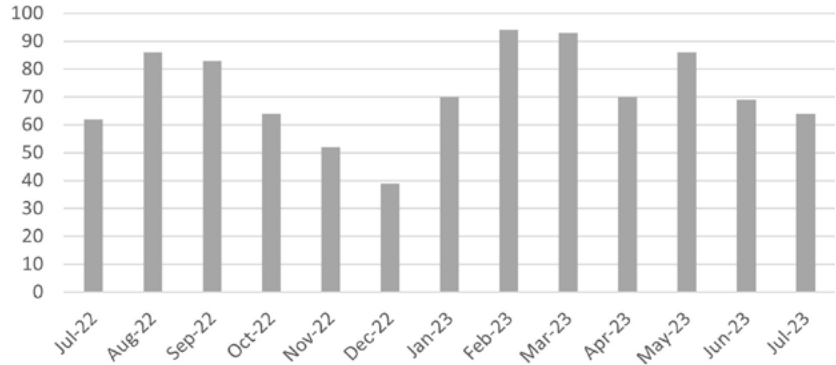


Figure 1: Average number of new prospective buyers registered per member branch.

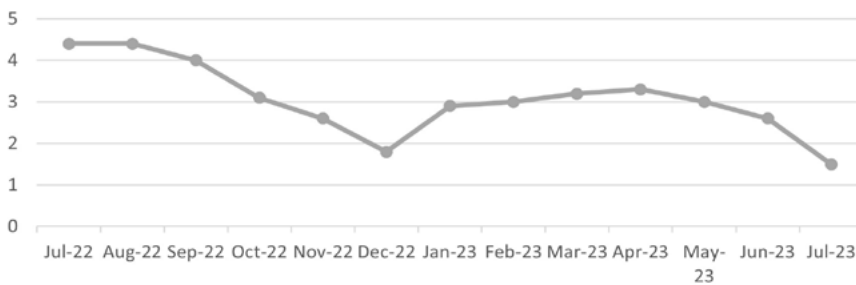


Figure 2: Average number of viewings per property per member branch.

The average number of viewings per property continued to fall back from its recent peak in April. In July, the average number of viewings per available property was 1.5 in July compared to three in June 2023. This indicates that those looking to buy are determined to do so and are acting quickly to secure their property.

Supply and demand levels remain undeterred

The supply of new homes placed for sale per member branch showed a positive lift in July – now at ten per member branch. The average number of sales agreed per member branch also showed an uplift to eight in July.

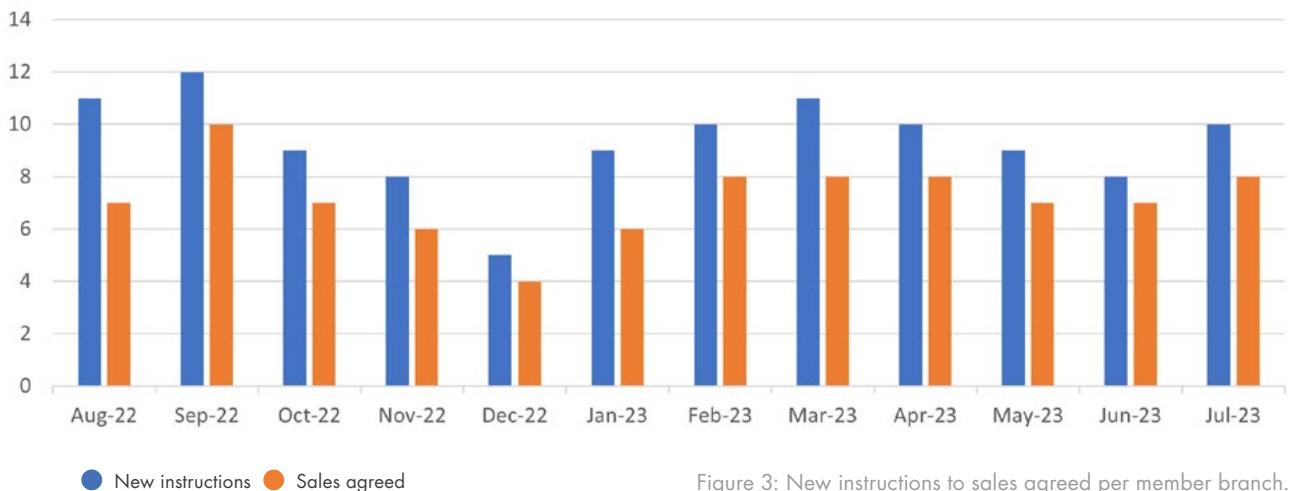
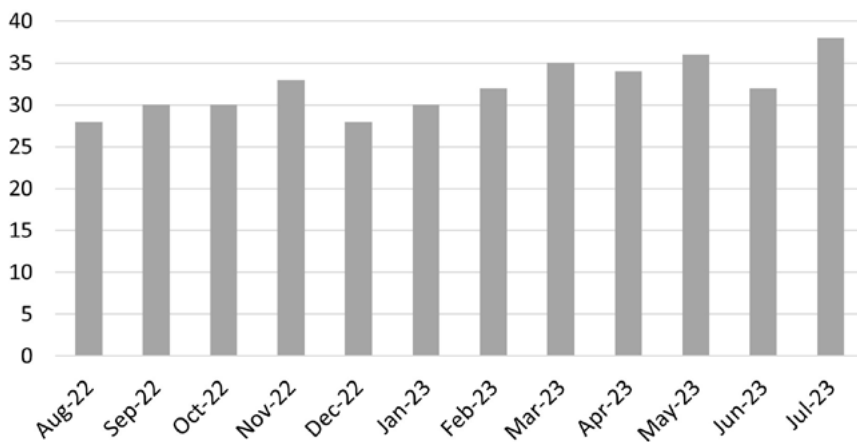


Figure 3: New instructions to sales agreed per member branch.



The total stock of properties available per member branch climbed slightly to an average of 38 in July compared to 32 in June. Properties available for sale show a 37 per cent jump year on year and prove to be at their highest level across the last twelve months. This is proving that resilience and determination to move home remains within the market.

Figure 4: Average number of properties for sale per member branch.

The average number of market appraisals conducted per member branch dipped slightly to 21 in July from 22 in June but remains static overall since April. However, this dip has not transferred to the number of properties available indicating once again, serious buyers and sellers are entering the market fixed on fulfilling their sale and/or purchase.

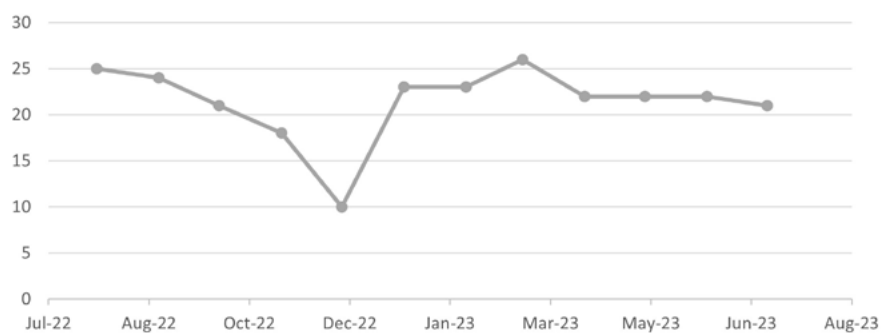


Figure 5: Average number of appraisals conducted per member branch.

## LETTINGS

### DEMAND

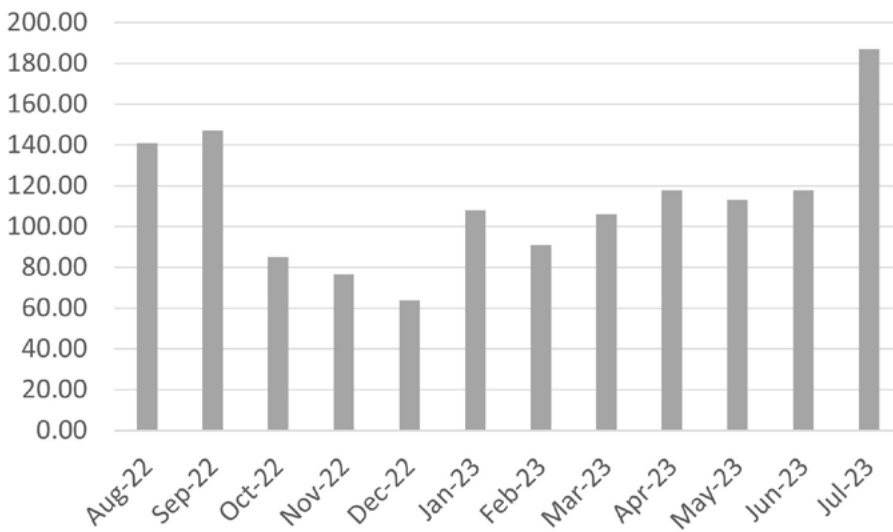


Figure 6: Number of new applicants registered per member branch.

Considerable increase of prospective tenants year on year

The number of new prospective tenants registered per member branch showed a sizable jump. July 2023 showed an average of 187 prospective tenants registering on average compared to 127 in July 2022.

Figures in July 2023 were up almost 38 per cent year on year, a continued trend that is predicted to show no signs of slowing.

### SUPPLY

Stock levels remain challenging

The number of properties available to rent per member branch increased slightly in July to an average of 14. This is still below what is needed to keep up with current demand.

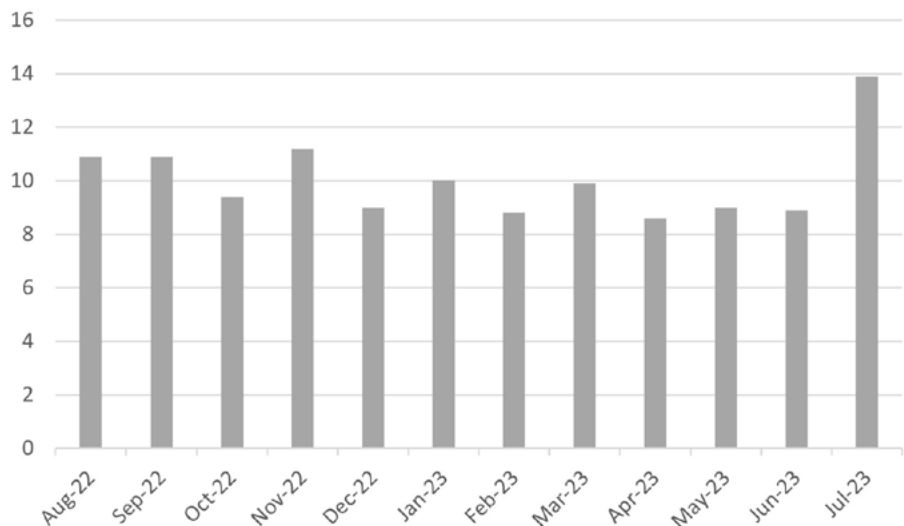
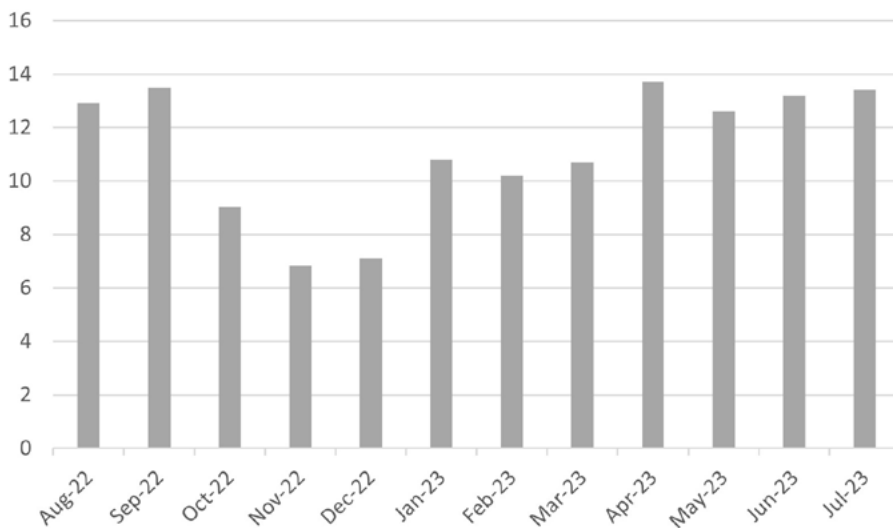


Figure 7: Properties available to rent per member branch.



With demand up and stock levels down, it is no surprise that the mismatch between supply and demand continued in July with an average of 13 new prospective tenants registering per available property over the month.

Figure 8: Number of new prospective tenants registering per available property to rent.

## RENTS

### Pressure continues on rents

70 per cent of responding agents reported rents increasing month-on-month on average at their branch in July 2023. While this remains high, it is down from 74 per cent in the same month last year.

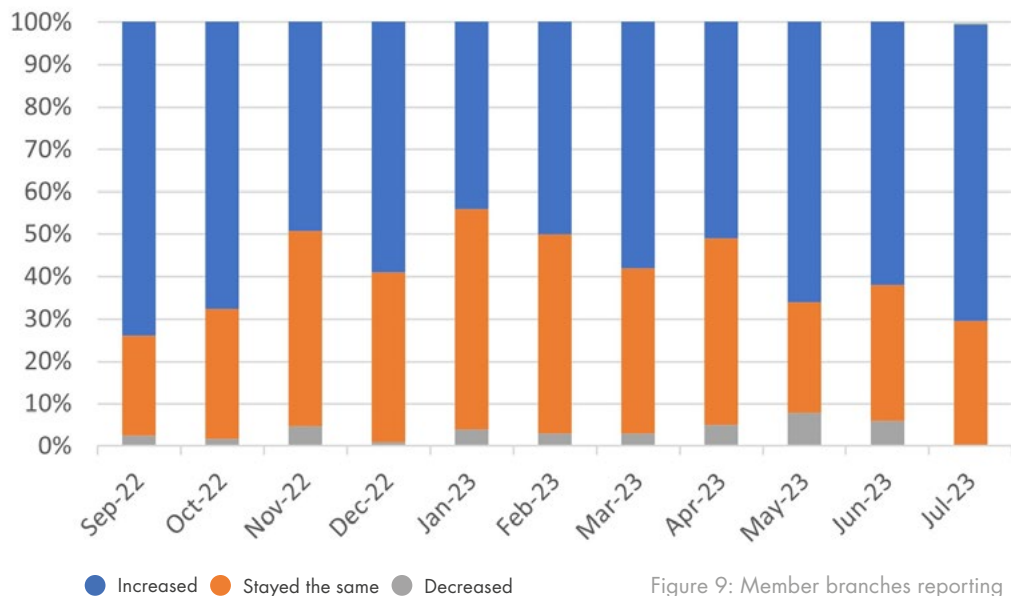


Figure 9: Member branches reporting month-on-month changes in rents.

ENDS

## ABOUT PROPERTYMARK



PropertyMark is the leading professional body for estate and letting agents, commercial agents, auctioneers, valuers, and inventory providers comprising over 17,500 members. We are member-led with a Board which is made up of practicing agents and we work closely

with our members to set professional standards through regulation, accredited and recognised qualifications, an industry leading training programme and mandatory Continuing Professional Development.

## EDITOR NOTES

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# ABOUT THIS REPORT

This report is based on responses to a survey of Propertymark member agents conducted between 31 July and 14 August 2023. Analysis is based on data provided by agents specific to 100 sales branches and 99 lettings.



