



# TWENTYCI PROPERTY & HOMEMOVER REPORT – Q4 2019

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## INTRODUCTION

Welcome to the latest edition of the TwentyCi Property & Homemover Report, providing a comprehensive review of the UK property market, created from the most robust property change sources available.

Within this report, we provide a real-time review of the UK market, covering 99.6% of all sale and rental property moves. This state of the nation report provides unique insight into the people behind the numbers, creating a picture of the demographic, regional and socio-economic factors impacting the housing market, including:

- **Factual data (not modelled or sentiment-based)**
- **Full market coverage**
- **Demographic overlay**
- **Property sales data**
- **Property rental data**
- **Real-time data**

The TwentyCi National Property & Homemover Report is published quarterly.

## EXECUTIVE SUMMARY

### RELIABLE & RESILIENT

The UK property market has remained slow-moving in 2019, with only a 0.8% year on year increase in exchanges, not helped by the decline in new instruction volumes of -3.4% over the last twelve months.

Whilst property exchange volumes are still ticking over, these figures show the extent of the impact felt by continued economic uncertainty and cautious consumer confidence, both which have remained a regular influence over the last year.

**Colin Bradshaw TwentyCi's Chief Customer Officer, adds:** "The unprecedented turmoil of 2019 has demonstrated the resilience of the UK property market with transaction volumes & average price remaining remarkably stable against a back drop of political upheaval & economic threats. Consumers are clearly still behaving hesitantly when it comes to both buying and selling their homes, however with Brexit now planned for later this month, we may see a boost to the slow-moving property market of 2019, at least in the short term as people look to get on with the job of moving house".

### ONLINE AGENTS TAKE 10% MARKET SHARE OF THE LOWER END OF THE MARKET

In Q4 2019, online agent market share cleared the holy grail of the 10% threshold for properties valued at less than £200k. It's a notable milestone and proves the consistency of online agents in steadily building on their popularity with homeowners of lower priced properties and making continual progress in this area.

Overall, online agent market share remains steady at 7.9% for a fourth consecutive quarter. With Purplebricks outlining a goal of achieving 10% market share we can see that collectively the onlines are continuing to make progress both geographically & by property value. Geographically their market share has exceeded 10% in the North West, East Midlands, West Midlands & Yorkshire & The Humber; similarly for properties of less than £200k their market share is over 10%.

**Colin Bradshaw TwentyCi's Chief Customer Officer, adds:** "This is a significant win for online agents, yet again demonstrating their appeal to the lower-value end of the housing market, however for Purplebricks to achieve their stated goal of 10% market share a significant penetration into other populace regions of the UK and for properties greater than £200k is essential. Polarisation of their proposition will inhibit their strategic objective".

### MIDDLE ENGLAND TO DRIVE THE BORIS BOUNCE

The much anticipated "Boris Bounce" is yet to materialise in the first weeks of 2020. However, with consumer confidence reported as up & Brexit confirmed for the end of January, many property analysts expect the first quarter to see an uplift in the level of transactions. In particular if caution subsides within the power house of the property market of "Middle England, Middle Income" a significant and material change to the market could occur in a relatively short space of time.

**Colin Bradshaw TwentyCi's Chief Customer Officer, adds:** "The value of homemovers to the UK economy exceeds £12 billion per annum on expenditure on the home outside of the transaction. Enabling this high value consumer audience through political stability, property affordability and stock availability will be an essential pillar to fuel the UK economy and boost retail confidence".

## 2019 HOUSING MARKET PREDICTIONS – WHICH CAME TRUE?

In last year's report we included some housing market forecasts for 2019 from a selection of property industry experts. One year on, how did these predictions stand up?

### National Association of Estate Agents

"We usually see demand spike in the first few months of the year, but the landscape will probably be very different in 2019 as buyers sit on the fence and adopt a 'wait and see' strategy until the Brexit deal is complete."

**True.** A slow-moving market has been a reliable feature of the property landscape in 2019. Whilst we cannot comment on buyer behaviour, we are certainly looking to the New Year to understand how a planned Brexit deal will impact.

### Nationwide

"If the uncertainty lifts in the months ahead and employment continues to rise, there is scope for activity to pick up through 2019."

**False.** Whilst the market has remained slow-moving, new instructions have remained positive. However, significant uplift remains to be seen; perhaps something we can expect in 2020 under more certain political times.

### Rightmove

"House-sellers' asking prices will be unchanged at 0% across 2019. Underlying the flat growth across the UK generally, Rightmove expects to see asking prices falling by around 2% around London's commuter belt and decreasing by around 1% in Greater London itself. Further North, where affordability is less stretched, asking prices could increase by around 2% to 4%."

**False.** London did not suffer as badly as Rightmove predicted. Also, other areas of the UK did not excel as much as Rightmove anticipated; growth in Northern areas of the UK peaked at around 2%.

### Zoopla

"Regional markets are predicted to continue to fend off economic uncertainty and boast the most growth in the UK housing sector. London and South East England are expected to bear the brunt of Brexit in 2019."

**True.** It is fair to say this is largely true. London, the South East and South West have all suffered the most in terms of lack of market growth.

### Howard Archer

"The fundamentals for house buyers currently remain challenging. Consumers have faced an extended serious squeeze on purchasing power, which is only gradually easing. Additionally, housing market activity remains hampered by relatively fragile consumer confidence and limited willingness to engage in major transactions. However, a no-deal Brexit is unlikely to bring about a slump while the number of homes for sale remains relatively low."

We have not experienced a no-deal Brexit in order to be able to comment on this.

### Halifax

"The UK could see house price growth as high as 4% by the end of 2019 despite current political upheaval."

**False.** Some regions of the UK have seen house price growth in the last year, however nationally house prices have dropped by 2.3% in 2019.

### Royal Institute of Chartered Surveyors

"House prices will stagnate in 2019 and the number of sales will fall as a mixture of Brexit and affordability constraints take their toll on the property market."

**False.** Whilst house prices did stagnate in 2019, and the number of sales did fall, it's not clear that we can put this down to affordability constraints. More likely, these outcomes are due to a supply shortage with less properties being newly instructed to the market.

### Hometrack

"Brexit is the greatest driver of uncertainty in the near term and the prospects are for a slow start for the housing market in 2019."

**True.** Although new instructions started off strong in 2019, property exchanges have remained stagnant. HM Land Registry data shows 2019 had a slow start; though this is anticipated based on the time lag with this data being updated.

## UK NATIONAL TRENDS

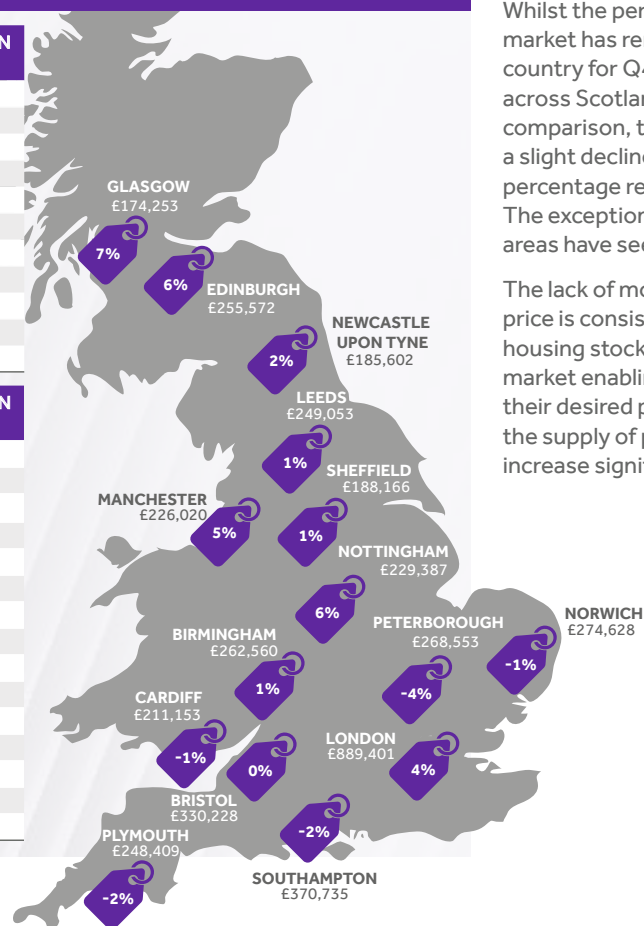


VOLUME – 12 MONTHS TO END OF DECEMBER 2019

## UK REGIONAL TRENDS

UK REGION	AVERAGE ASKING PRICE – Q4 2019	DIFFERENCE IN LAST YEAR
Scotland	£181,908	4% ↑
North East	£164,117	2% ↑
North West	£215,333	1% ↑
Yorkshire and The Humber	£212,176	2% ↑
East Midlands	£245,555	1% ↑
West Midlands	£252,022	0% ↔
Wales	£209,773	-1% ↓
East of England	£342,383	0% ↔
London	£698,676	2% ↑
South East	£387,480	-1% ↓
South West	£310,731	-4% ↓

UK CITIES	AVERAGE ASKING PRICE – Q4 2019	DIFFERENCE IN LAST YEAR
Inner London	£889,401	4% ↑
Birmingham	£262,560	1% ↑
Glasgow	£174,253	7% ↑
Sheffield	£188,166	1% ↑
Newcastle upon Tyne	£185,602	2% ↑
Manchester	£226,020	5% ↑
Nottingham	£229,387	6% ↑
Cardiff	£211,153	-1% ↓
Edinburgh	£255,572	6% ↑
Peterborough	£258,553	-4% ↓
Leeds	£249,053	1% ↑
Bristol	£330,228	0% ↔
Southampton	£370,735	-2% ↓
Plymouth	£248,409	-2% ↓
Norwich	£274,628	-1% ↓



Over the last year there has been no real movement in property exchanges with just a 0.8% year on year rise in the 12 months to December 2019. This is characteristic of a market with reduced property availability; indeed, new instruction volumes for this same period are down 3.4%.

Both factors have likely been heavily influenced by political and economic uncertainty in a year where we've missed two Brexit deadlines as well as a General Election. It remains to be seen if the newly re-elected Conservative government can ease some uncertainty, now that we have the certainty of leaving the EU on 31 January 2020.

## AVERAGE ASKING PRICE BY REGION

Whilst the performance of the property market has remained flat across the country for Q4 2019, there is price growth across Scotland and the North of the UK. In comparison, the South of the country has seen a slight decline in the last year, showing a small percentage reduction in average asking prices. The exception being London where some areas have seen house price growth.

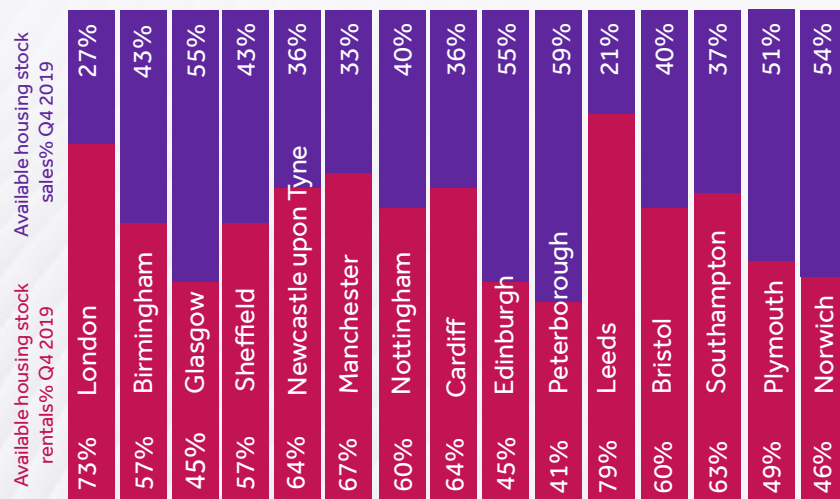
The lack of movement in average asking price is consistent with the shortage of housing stock currently available on the market enabling sellers to maintain close to their desired price. This may change should the supply of properties coming to market increase significantly.

## AVERAGE ASKING PRICE IN UK CITIES

Across the country it's mostly a positive picture with most major cities reporting an increase or at least holding steady when it comes to average property asking prices.

The exceptions where average asking prices **have** fallen in the 12 months to December 2019, are Cardiff, Southampton, Plymouth and Norwich. Peterborough reports the largest fall; possibly due to a surplus of housing stock, given high levels of new build homes in this area.

## SALES VS. RENT – UK CITIES



The percentage of rental stock available across the UK is now typically 60% of all properties each quarter reflecting the dynamic shift in tenure from owner occupied to rental in the vast majority of cities in the UK. The newly elected Government will undoubtedly be pressed on the affordability and availability of properties to buy as opposed to **rent**, however we know that the macro changes required to achieve this are unlikely to be felt for several years.

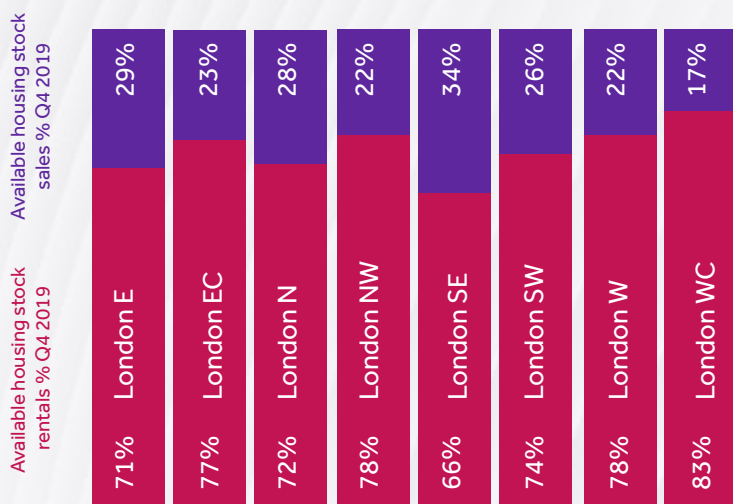
### AVERAGE ASKING PRICE

Looking now at London regions, it's a mixed picture with some areas seeing a slight fall in average asking prices, and others a small increase.

London NW, W and WC areas represent 343k, 409k and just 48k properties respectively.

With Brexit on track for the 31st January 2020 combined with a period of political stability we should anticipate the foreign investment that has fuelled the London property market to return, driving momentum & price growth back into the capital.

## LONDON TRENDS



LONDON AREA	AVERAGE ASKING PRICE – Q4 2019	DIFFERENCE IN LAST YEAR
London E	£544,475	-1% ↓
London EC	£1,320,571	0% ↔
London N	£731,042	3% ↑
London NW	£1,036,759	7% ↑
London SE	£547,908	-4% ↓
London SW	£1,135,069	3% ↑
London W	£1,421,657	8% ↑
London WC	£1,332,504	-9% ↓

### SALES VS. RENT

Properties available for rent continue to be in higher supply than available housing stock for sale in Q4 2019, as previously reported for earlier quarters. With high average asking prices for London property, the rental market continues to be driven by those priced out of the buying process.

## ONLINE AGENTS

REGION	Q4 2019	Q4 2018	DIFFERENCE IN LAST YEAR
East Midlands	10.95%	10.50%	↑
East of England	5.32%	5.39%	↓
Outer London	7.05%	6.89%	↑
Inner London	5.71%	6.58%	↓
North East	6.78%	7.05%	↓
North West	10.30%	9.51%	↑
Scotland	9.86%	8.36%	↑
South East	5.58%	5.79%	↓
South West	4.51%	5.23%	↓
Wales	8.29%	9.35%	↓
West Midlands	11.44%	11.89%	↓
Yorkshire and The Humber	12.33%	11.66%	↑

PROPERTY VALUE	Q4 2019	Q4 2018	DIFFERENCE IN LAST YEAR
Less than £200,000	10.01%	9.31%	↑
£200,000 - £350,000	7.92%	8.09%	↓
£350,000 - £1,000,000	5.33%	5.81%	↓
£1,000,000+	1.12%	1.11%	↑

## MARKET SHARE BY REGION

Q4 has emphasised the consistency that is developing within the online estate agency sector with the largest growth once again being in Scotland, followed next by the North West of England. This pattern reflects the continued popularity of online agents with sellers of lower-priced properties, typically more of which are found in these parts of the country.

Conversely, penetration for the **online's** in the South of the country remains challenged & the high street agents continue to be the agent of choice for those with higher value homes.

## MARKET SHARE BY PRICE BAND

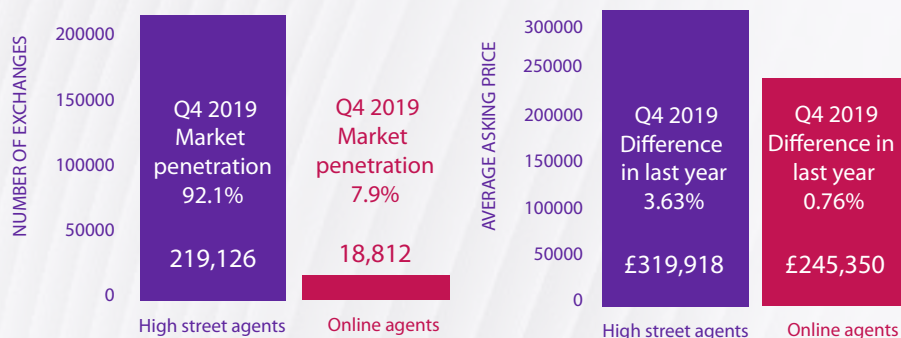
Reinforcing the trend seen with regional market share figures, it's a consistent message when it comes to property value. Growth for online estate agents in Q4 2019 is highest among properties offered to the market at less than £200k; indeed, this latest period has seen property sales of this value break through the 10% barrier – up from 9.48 in Q3 2019.

## HIGH STREET AGENTS VS. ONLINE EXCHANGES

Online agent market share continues to hold at the 7.9% mark for a fourth consecutive quarter.

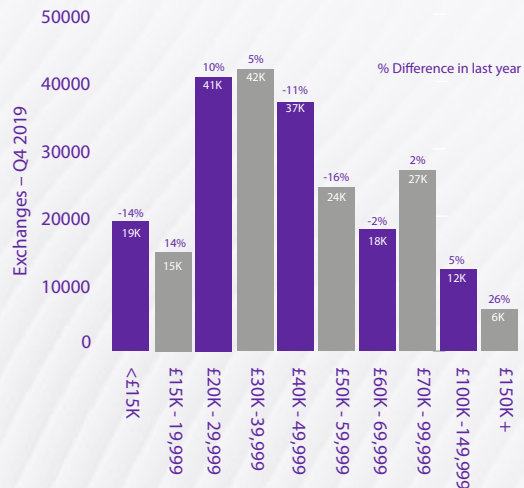
## AVERAGE LISTING AND ASKING PRICE

Just as the market share for online agents is holding steady, their transactions continue to correspond to more economic properties. This is reflected by a lower average listing value for online agents, up just 0.76% year on year. The opposite is true for the high street agents who command a comparatively higher average asking price, one that has risen when compared to the same quarter last year.

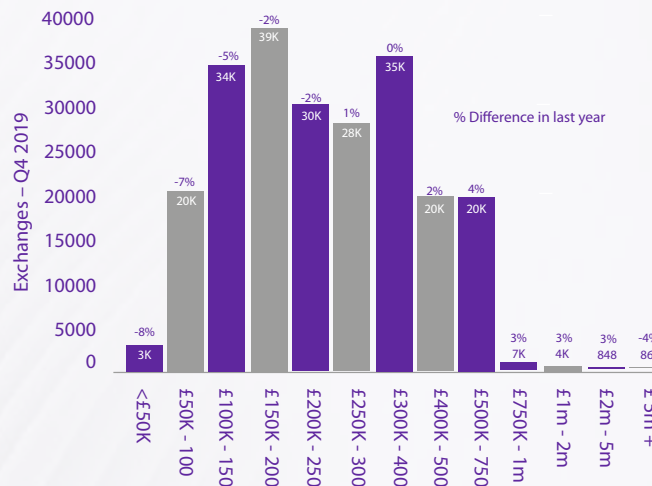


## Q4 2019 EXCHANGES

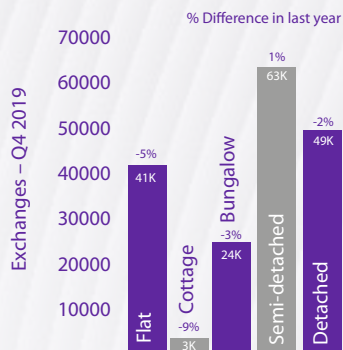
BY HOUSEHOLD INCOME BAND Q4 2019



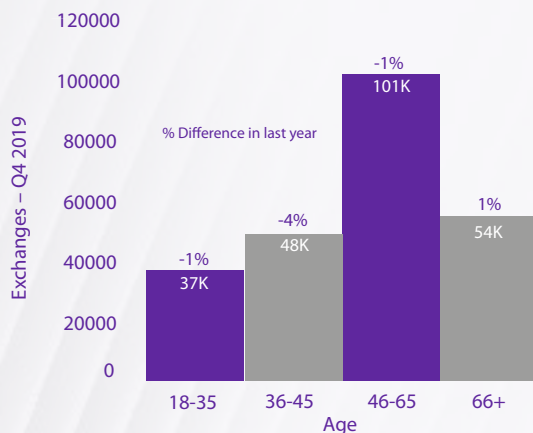
BY PROPERTY PRICE BAND Q4 2019



BY PROPERTY TYPE Q4 2019



BY LIFESTAGE Q4 2019



## HOUSEHOLD INCOME BAND

At opposite ends of the scale, households with income bands of £15,000 - £40,000 and £70,000+ are proportionally buying and selling more properties in Q4 2019, than the same period one year ago.

Outside of these households with the lower income bands and those at the more affluent end of the scale is the squeezed middle. Exchanges for £40,000 - £60,000k income band households have slowed when compared to the same quarter last year.

## PROPERTY PRICE BAND

Properties valued at £250k and below are those which sold least well in Q4 2019, with exchanges down across all property price bands to this value, compared to the same period last year.

At the other extreme of the scale, properties priced at £5m+ have also seen marginally less exchanges than one year ago.

It should be noted however, that the fluctuations over the year are very slight and across the board do not represent significant changes.

## PROPERTY TYPE

Q4 2019 saw marginal shifts in exchange volumes when looking at property type. Smaller properties including semi-detached and terraced homes recorded more exchanges when compared to the same period last year. Conversely, exchange volumes were slightly down for flats, cottages, bungalows and detached homes.

## LIFESTAGE

It's a static picture when it comes to lifestage with only some very slight growth in property exchanges for Q4 2019 among the silver economy cohort of those aged 66+. This possibly reflects increased affordability of the pension rich, to whom property investment is more accessible.

## THE HOMEMOVER WAVE Q4

	<b>Want to move</b> 297,166 households	DIY Flooring Windows and doors		
	<b>Moving soon</b> 258,927 households		Furniture Electricals Tech Home furnishings Garden	
	<b>Moving now</b> 243,168 households		Furniture Electricals Tech Home furnishings Garden	
	<b>Just moved</b> 259,947 households		Furniture Electricals Tech Home furnishings	Garden Baby and nursery Toys Sport and leisure
	<b>Settling in</b> 287,908 households	Furniture Electricals Tech Home furnishings	Garden Baby and nursery Toys Sport and leisure	

IN THE MARKET FOR

## THE HOMEMOVER WAVE

Our data tracks homemovers as they make their way through the property buying or renting process. Known as The Homemover Wave, this journey can last several months and is broken down into the specific stages below and triggered by activity such as online property searches, surveys and EPC reports.

Harnessing this data for targeted marketing campaigns can bring huge gains and strong ROI.



## UNUSUAL PROPERTY FEATURES... DID YOU KNOW?



**56k**

HOMES FEATURE  
A MUSIC ROOM



**2k**

HOMES FEATURE  
A YOGA STUDIO



**99**

HOMES FEATURE  
A PHOTOGRAPHY  
ROOM

Our comprehensive property data covers all 30.6 million residential addresses in the UK, giving us a fascinating insight into unusual property features.

With the New Year now upon us and with new beginnings in mind, we spotted a few homes that might appeal to support new leisure pursuits for 2020 and beyond.

### THE SOUND OF MUSIC

For budding musicians looking to fine-tune their musical talents, what could be better than your very own music room? It's a feature within 56,379 homes across the UK.

### MIND, BODY & SOUL

Perhaps yoga is more your thing? There's 2,514 UK properties that come equipped with a yoga studio to help you boost your physical and mental wellbeing in the comfort of your own home.

### CAMERA READY

Take your photography hobby one step further; 99 homes in the UK come with a dedicated photography room, the perfect studio space to accommodate your new pastime.

#### ABOUT TWENTYCI

TwentyCi is a property data and consumer intelligence platform that provides insight into the events in consumer lives that act as purchase triggers, such as moving home. TwentyCi has been managing data for major advertisers like HJ Heinz, ATS Euromaster and many leading estate agents for over 15 years. TwentyCi holds the UK's largest and richest resource of factual homemover data compiled from more than 29 billion qualified data points. It works with advertisers and their agencies to create contextually targeted marketing programmes that cut through by reaching consumers at the exact moment that they need a company's product or service, through the best media channel for that individual. For more information, visit [twentyci.co.uk](http://twentyci.co.uk).