



ECONOMICS



UK Residential Market Survey

February 2022

ECONOMICS

Agreed sales rise over the month with expectations modestly positive regarding the near-term outlook

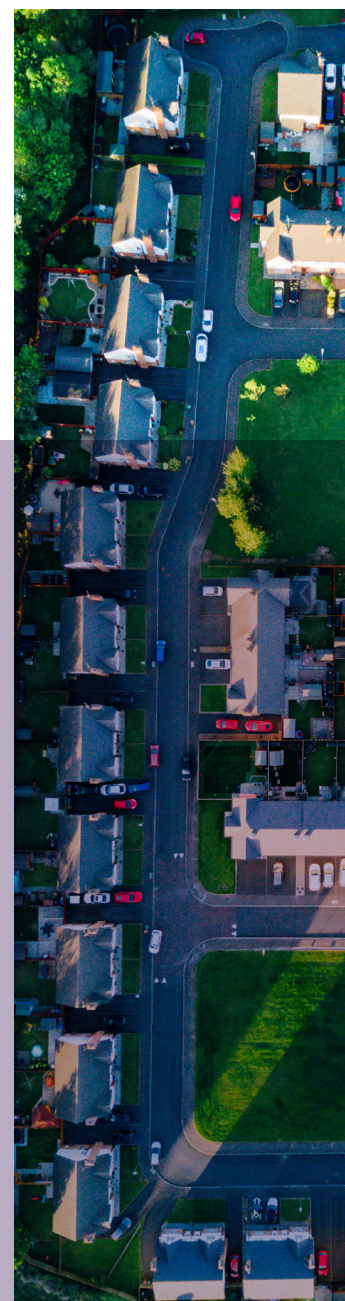
- New buyer enquiries and agreed sales pick-up in February
- New instructions now broadly stable albeit this follows a prolonged negative stretch
- Stock levels therefore remain low, contributing to continued strong house price growth

The February 2022 RICS UK Residential Survey results suggest market momentum strengthened slightly over the month, with agreed sales rising on the back of a sustained positive trend in new buyer enquiries. For the time being, respondents foresee sales activity continuing to pick-up modestly over the near term, although the prospect of further interest rate rises is mentioned as a factor that could begin to dampen growth in activity to a certain extent as the year wears on.

At the headline level, a net balance of +17% of survey participants reported an increase in new buyer enquiries during February. This marks the sixth consecutive positive monthly reading, with the latest return representing the strongest figure seen throughout this period. At the same time, the agreed sales indicator also improved over the month, posting a net balance of +9% in February which, although only modestly positive, is the strongest reading since May 2021.

Looking ahead, near term sales expectations signal continued growth on the horizon, albeit the latest net balance did moderate a little to +11%, compared with +20% seen back in January. Likewise, the twelve month sales expectations series also eased somewhat relative to the previous results, but remains consistent with a modestly positive trend in transactions being anticipated through the course of the year ahead.

Meanwhile, the protracted deterioration in the volume of new sales instructions coming onto the market has stabilised of late, as the latest net balance moved to -4% from -7% previously. Nevertheless, given this measure of fresh sales listings has only posted one



positive reading in the past twelve months, stock levels remain close to historic lows. As such, the lack of supply is still seen as a significant factor in sustaining sharp rates of house price inflation.

On that front, the survey's headline indicator gauging price growth posted a net balance of +79% at the national level. This is in fact up slightly from an already elevated reading of +74% beforehand and continues to point to a strong increase in house prices across the country. What's more, this picture is mirrored within all UK regions/countries, with Wales, Yorkshire and the Humber, the North West of England and Northern Ireland all displaying especially elevated readings in February.

Going forward, respondents envisage a further rise in national house prices both at the three and twelve month time horizons. Interestingly, these price expectations have actually climbed slightly higher since the first interest rate hike was sanctioned by the Bank of England back in December. What's more, all parts of the country are anticipated to see continued strong growth in house prices over the next twelve months.

In the lettings market, tenant demand is still growing at a solid pace, evidenced by a net balance of +55% of contributors noting an increase in the February survey results. Alongside this, the supply of rental properties remains challenged, with landlord instructions continuing to dwindle according to a net balance of -21% of contributors (down on a reading of -13% posted last time). Consequently, near term rental growth expectations continue to be driven higher, reaching a net balance of +66% at the national level (the highest figure on record since the monthly series was formed in December 2012). Furthermore, twelve month rental growth projections now stand at 4.5%, while respondents anticipate rents increasing by an average of 5% per annum over the next five years (close to a series high).



Methodology

About:

The RICS Residential Market Survey is a monthly sentiment survey of Chartered Surveyors who operate in the residential sales and lettings markets.

Regions:

The 'headline' national readings cover England and Wales.

Specifically the 10 regions that make up the national readings are: 1) North 2) Yorkshire and Humberside 3) North West 4) East Midlands 5) West Midlands 6) East Anglia 7) South East 8) South West 9) Wales 10) London.

The national data is regionally weighted.

Data for Scotland and Northern Ireland is also collected, but does not feed into the 'headline' readings.

Questions asked:

1. How have average prices changed over the last 3 months?
(down/ same/ up)
 2. How have new buyer enquiries changed over the last month?
(down/ same/ up)
 3. How have new vendor instructions changed over the last month?
(down/ same/ up)
 4. How have agreed sales changed over the last month?
(down/ same/ up)
 5. How do you expect prices to change over the next 3 months?
(down/ same/ up)
 6. How do you expect prices to change over the next 12 months?
(% band, range options)
 7. How do you expect prices to change over the next 5 years?
(% band, range options)
 8. How do you expect sales to change over the next 3 months?
(down/ same/ up)
 9. How do you expect sales to change over the next 12 months?
(down/ same/ up)
 10. Total sales over last 3 months i.e. post contract exchange (level)?
 11. Total number of unsold houses on books (level)?
 12. Total number of sales branches questions 1 & 2 relate to (level)?
 13. How long does the average sales take from listing to completion (weeks)?
 14. How has tenant demand changed over the last 3 months?
(down/ same/ up)
 15. How have landlords instructions changed over the last 3 months?
(down/ same/ up)
 16. How do you expect rents to change over the next 3 months?
(down/ same/ up)
 17. How do you expect average rents, in your area, to change over the next 12 months?
(% band, range options)
 18. What do you expect the average annual growth rate in rents will be over the next 5 years in your area?
(% band, range options)
- Questions 6, 7, 17 and 18 are broken down by bedroom number viz. 1-bed, 2-bed, 3-bed, 4-bed or more. Headline readings weighted according to CLG English Housing Survey.

Net balance data:

- Net balance = Proportion of respondents reporting a rise in prices minus those reporting a fall (if 30% reported a rise and 5% reported a fall, the net balance will be 25%).
- The net balance measures breadth (how widespread e.g. price falls or rises are on balance), rather than depth (the magnitude of e.g. price falls or rises).
- Net balance data is opinion based; it does not quantify actual changes in an underlying variable.
- Net balance data can range from -100 to +100.
- A positive net balance implies that more respondents are seeing increases than decreases (in the underlying variable), a negative net balance implies that more respondents are seeing decreases than increases and a zero net balance implies an equal number of respondents are seeing increases and decreases.
- Therefore, a -100 reading implies that no respondents are seeing increases (or no change), and a +100 reading implies that no respondents are seeing decreases (or no change).
- In the case of the RICS price balance, a reading of +10 should not be interpreted as RICS saying that house prices are going up by 10%, but that 10% more surveyors reported increases rather than decreases in prices (over the last three months).
- A change from +30 to +60 does not mean that the variable grew by 30% in one period and by 60% in the next period, but it does indicate that twice as many surveyors reported an increase compared to a decrease than in the previous period.
- Likewise, if we get a reading dropping from +90 to +5, this still means that more respondents are reporting increases than decreases overall, but the breadth of those reporting increases has fallen dramatically; meanwhile, a shift in the reading from -90 to -5 still means that more respondents are reporting decreases than increases overall, but the breadth of those reporting decreases has fallen dramatically.

Seasonal adjustments:

The RICS Residential Market Survey data is seasonally adjusted using X-12.

Next embargo date:

March 2022 Survey: 14 April 2022
April 2022 Survey: 12 May 2022

Number of responses to this month's survey:

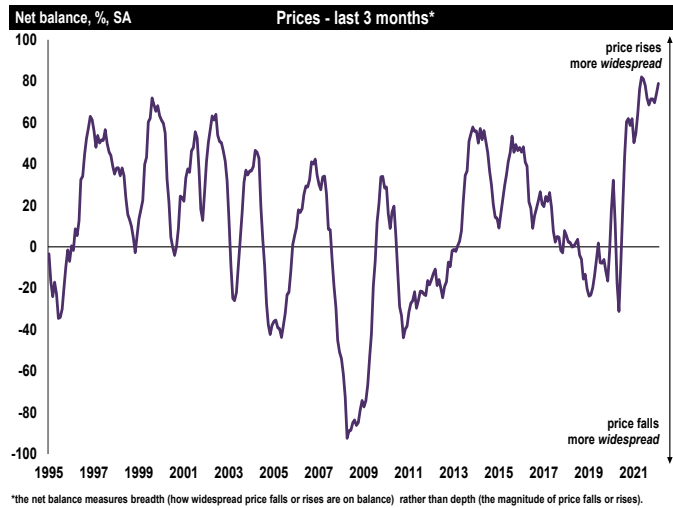
This survey sample covers 451 branches coming from 279 responses.

Disclaimer

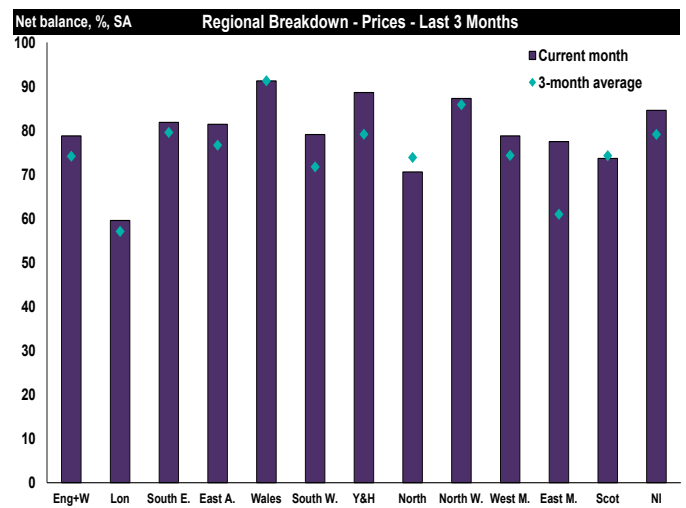
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Sales market charts

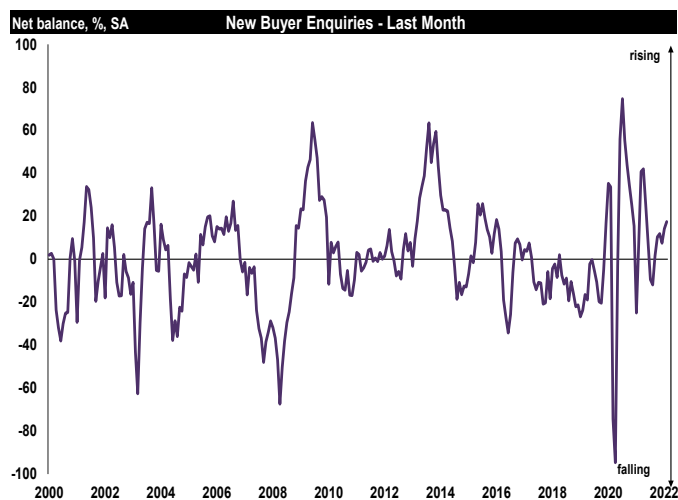
National Prices - Past three months



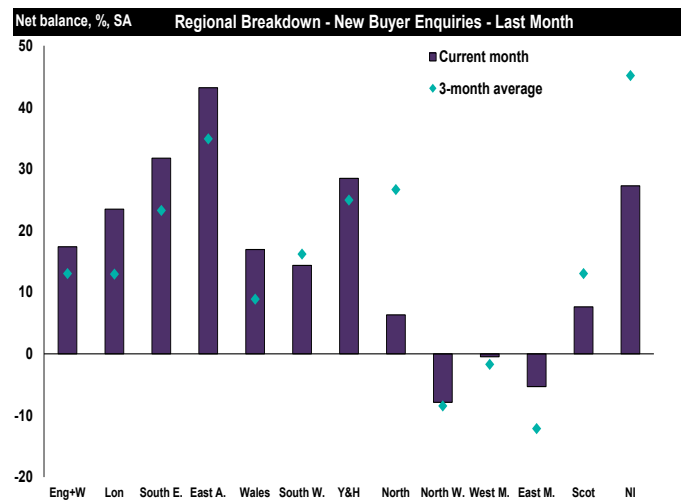
Regional Prices - Past three months



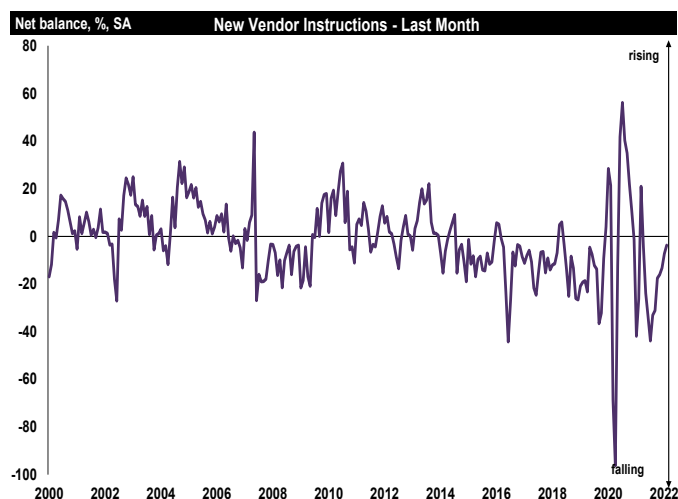
National Enquiries - Past month



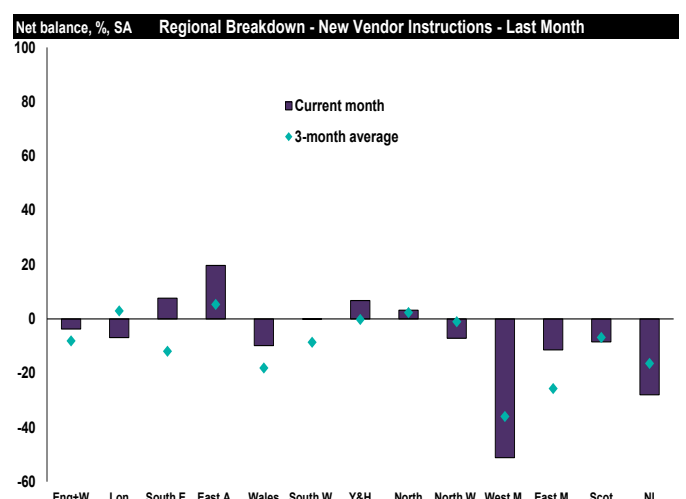
Regional New Buyer Enquiries - Past month



National New Vendor Instructions - Past month

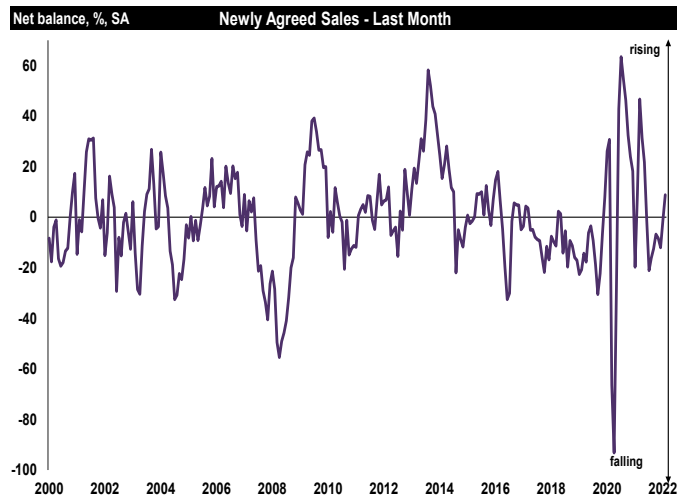


Regional New Vendor Instructions - Past month

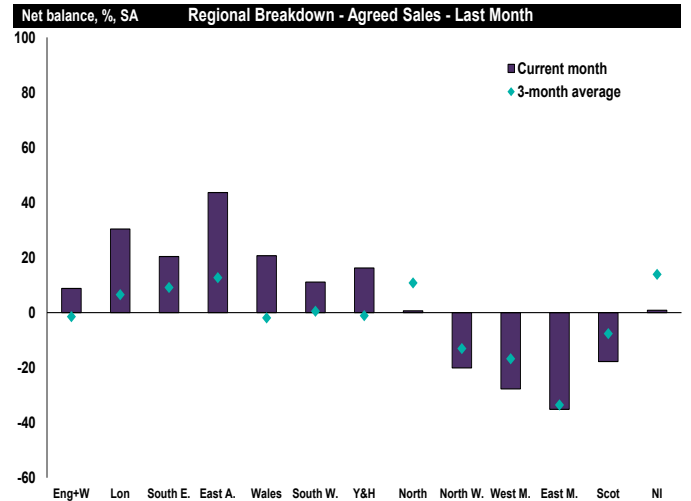


Sales market charts

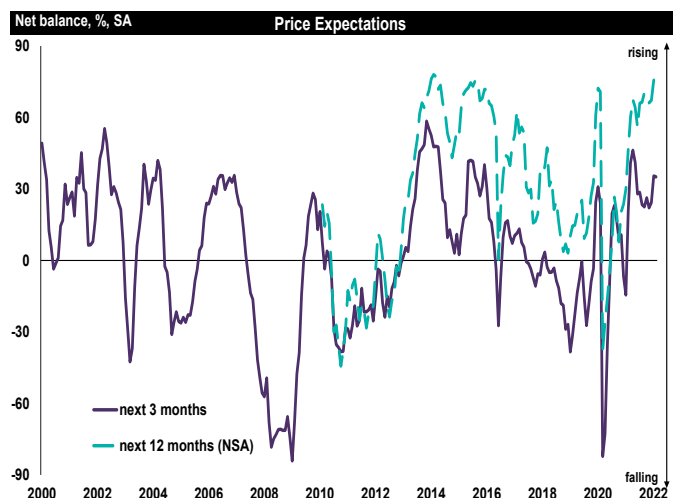
National Newly Agreed Sales - Past month



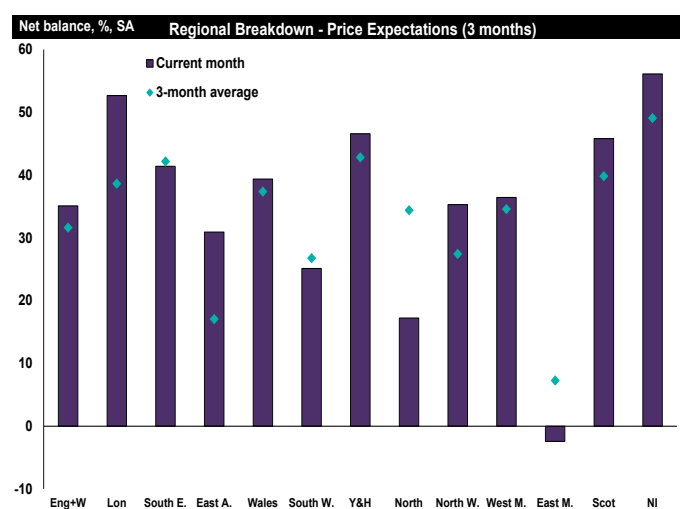
Regional Newly Agreed Sales - Past month



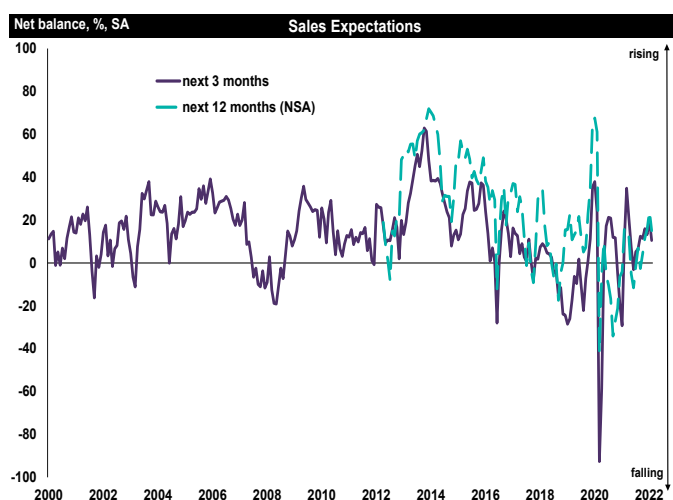
National Price Expectations - Three and twelve month expectations



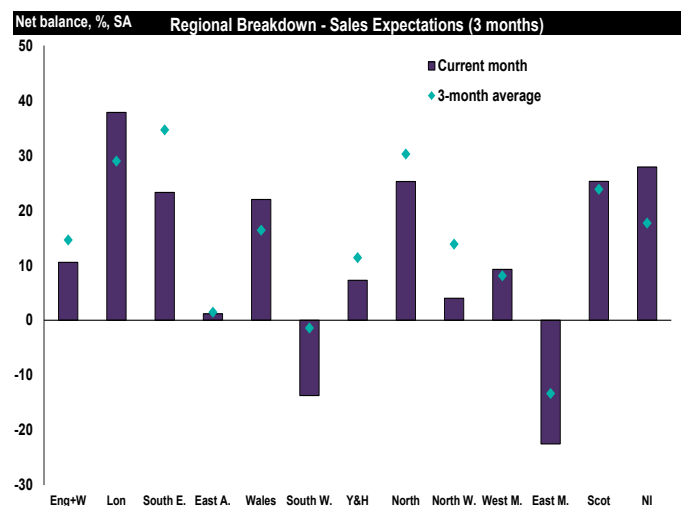
Regional Price Expectations - Next three months



National Sales Expectations - Three and twelve month expectations

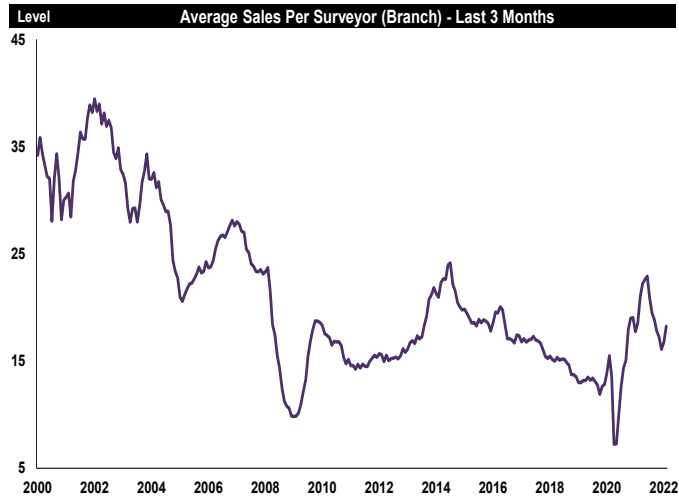


Regional Sales Expectations - Next three months

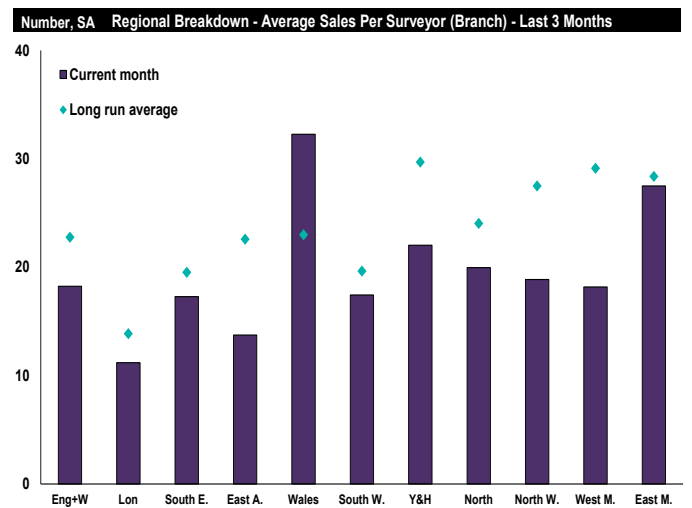


Sales market charts

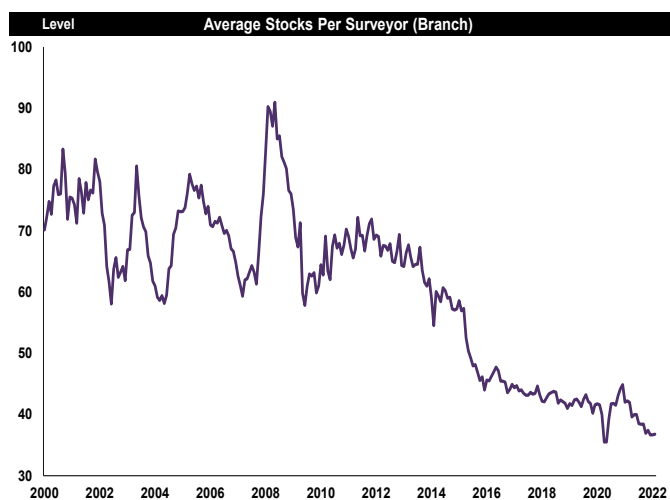
National Average Sales Per Surveyor - Past three months



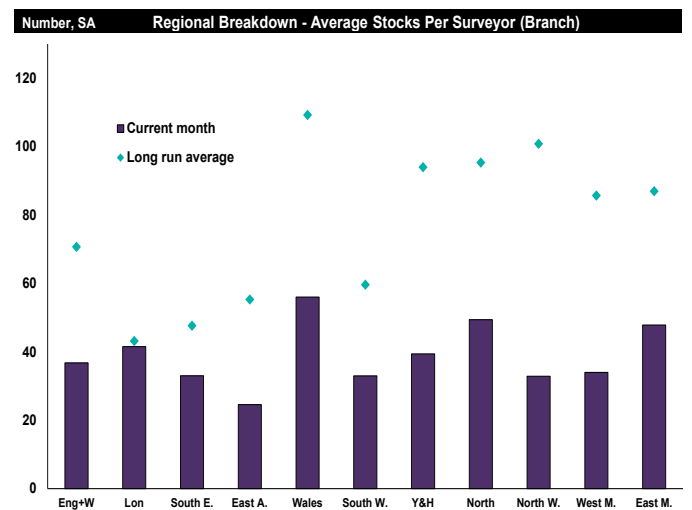
Regional Average Sales Per Surveyor - Past three months



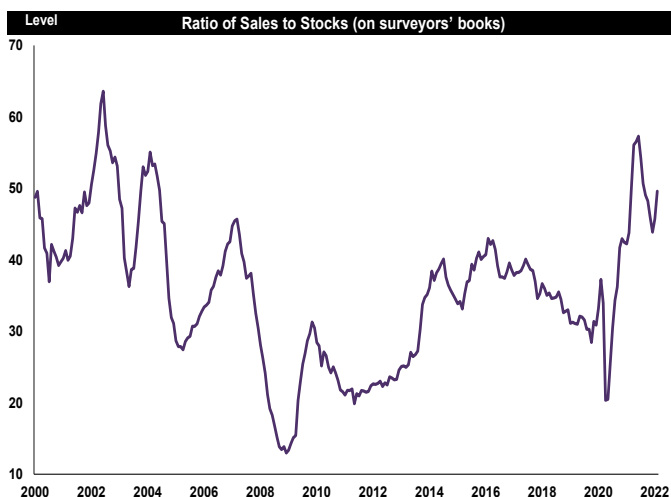
National Average Stocks Per Surveyor



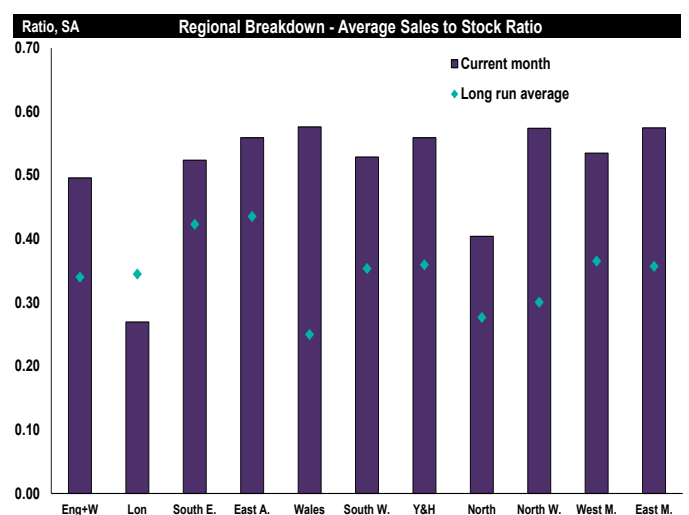
Regional Average Stock Per Surveyor



National Sales to Stock Ratio

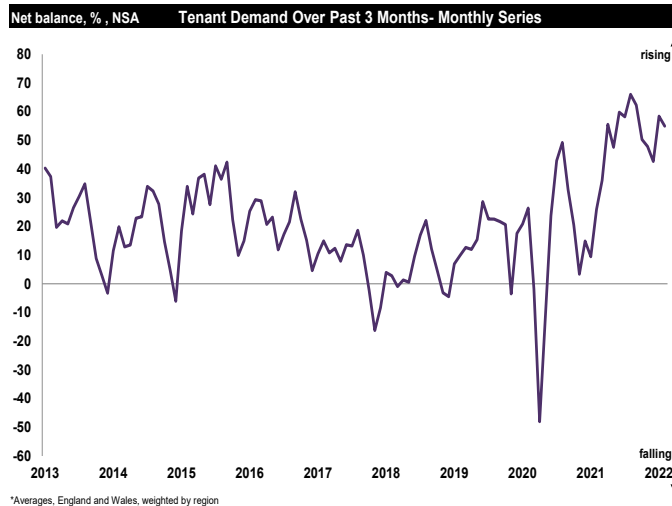


Regional Sales to Stock Ratio

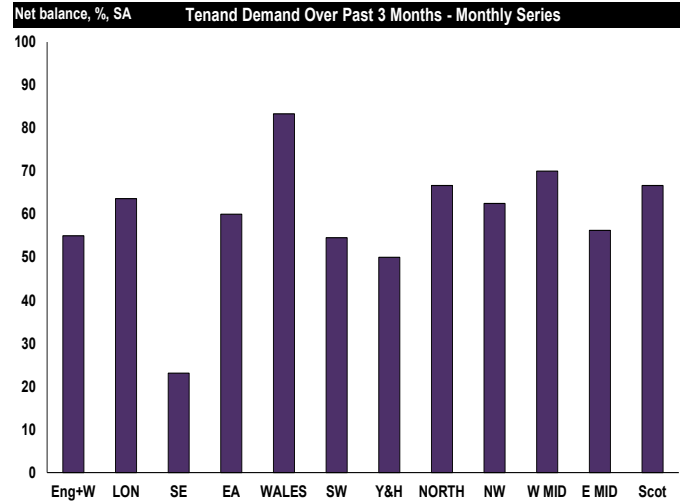


Lettings market charts

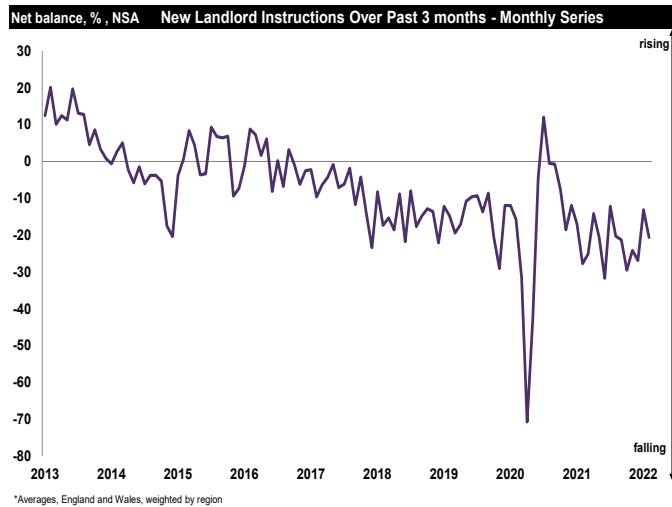
National Tenant Demand - Past three months



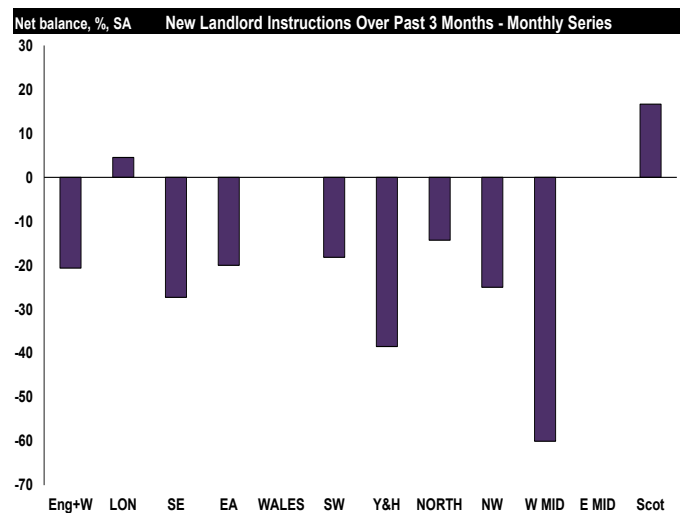
Regional Tenant Demand - Past three months



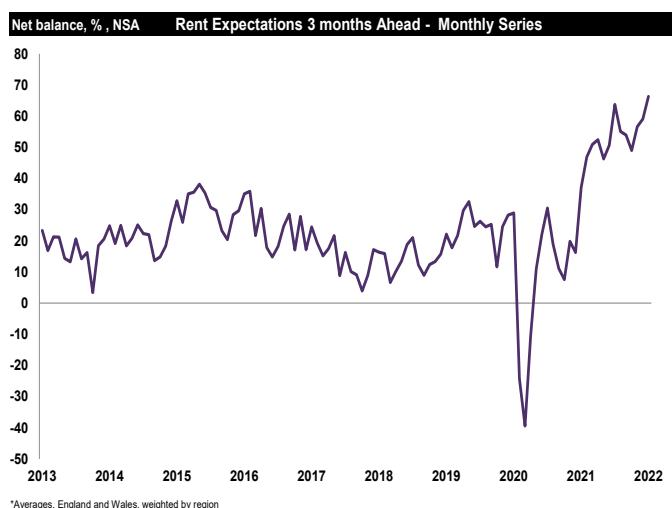
National New Landlord Instructions - Past three months



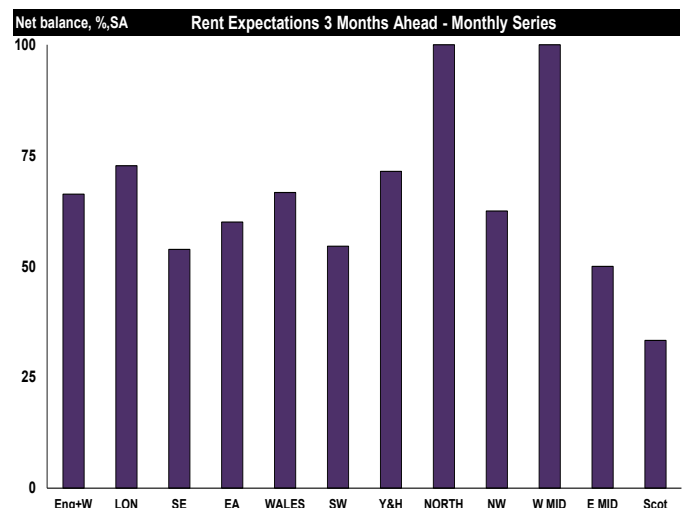
Regional New Landlord Instructions - Past three months



National Rent Expectations - Next three months

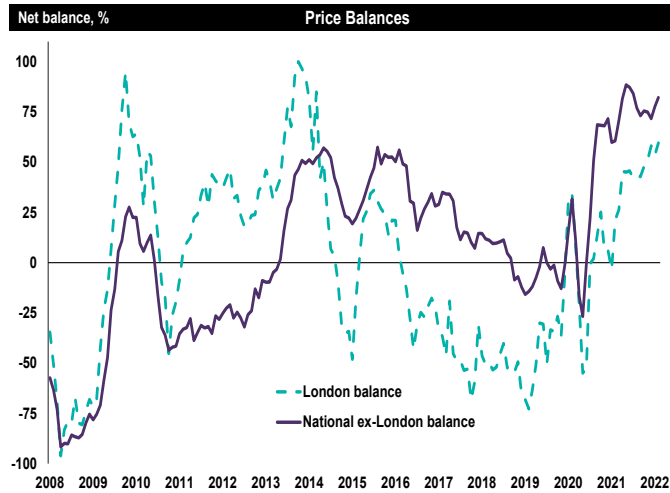


Regional Rent Expectations - Next three months

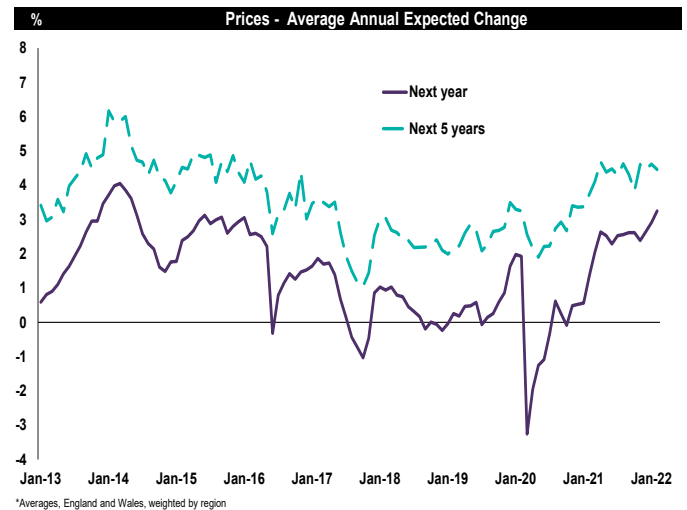


Expectations and other data

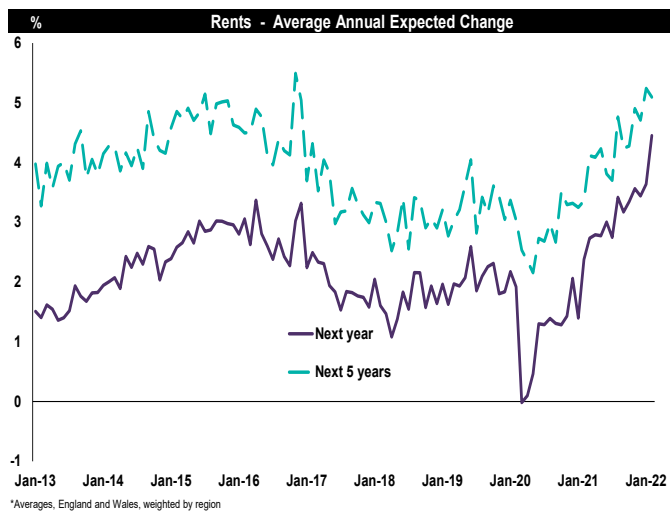
National Price Balance (excluding London) and London Price Balance - Past three months



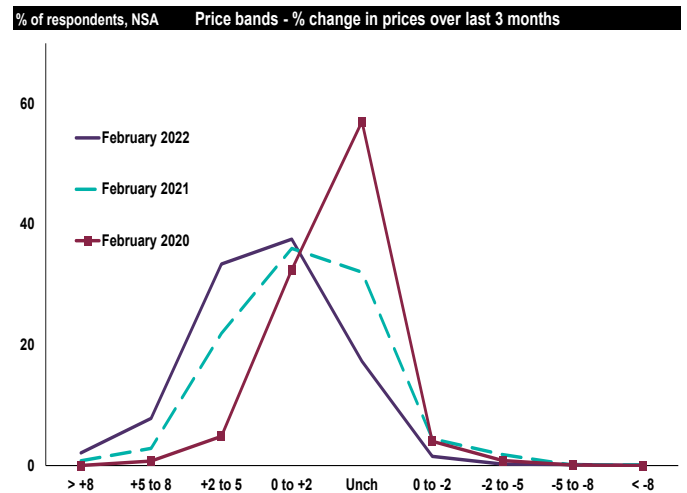
National Average Annual Expected Price Change (point estimate) - Next one and five years



National Average Annual Expected Change in Rents (point estimate) - Next one and five years



Price Bands - Past three months



Surveyor comments - Sales

North

David Shaun Brannen AssocRICS, Whitley Bay, Brannen & Partners, shaun.brannen@brannen-partners.co.uk - Very positive and buoyant sales market for the first quarter. Coastal properties are at a premium never seen before.

Keith Pattinson MRICS, Newcastle Upon Tyne, Keith Pattinson Ltd, keith.pattinson@pattinson.co.uk - Shortage of new listings for sale and rent, with excess demand driving prices up. The fear of government intervention causes excess demand for new homes, due to Help to Buy, builders costs (e.g. no red diesel), wage rises, materials soaring, and limited new land.

Neil Foster MRICS, Hexham, Foster Maddison Property Consultants, neil@fostermaddison.co.uk - Market appraisal numbers are slowly improving and, pending uncertainties from the invasion in Ukraine, appear to be encouraging vendors to act before buyers lose appetite. This is the perfect storm of rising stock levels, price levelling and higher borrowing costs.

Paul Mcskimmings BSc(Hons)MRICS, Newcastle Upon Tyne, Edward Watson Associates, paul@edwardwatson-assoc.com - High level of instructions throughout the month. High demand from buyers continues to outstrip supply resulting in expected price increases. Will be interesting to see how long this continues.

Stuart Murray FRICS, Teesside, Murray Highnam, sm@murrayhighnam.co.uk - There is a significant shortage of houses available compared to potential purchasers with the subsequent surge in competition and therefore values.

Yorkshire & the Humber

Alex Mcneil MRICS, Huddersfield, Bramleys, alex.mcneil@bramleys1.co.uk - Values still increasing due to restricted supply of stock available. The market is at risk of choking as the oxygen of new stock is deprived. Not a good market for anybody.

Ben Hudson MRICS, York, Hudson Moody, benhudson@hudson-moody.com - Severe shortage of properties coming to market driving up prices.

James Brown MRICS, Richmond, Norman F Brown, james@normanfbrown.co.uk - Market behaviour continues in the same way as January with supply and demand still being out of line.

James Watts MRICS, Cleckheaton, Robert Watts Estate Agents, jameswatts@robertwatts.co.uk - This is a strong sellers market and supply is still very limited as vendors are concerned they will not find something suitable so resist listing which is increasing prices further. The threat of inflation and interest rate rises is yet to have an effect but it is a concern for sellers and buyers.

Kenneth Bird MRICS, Leeds, Renton & Parr, ken@rentonandparr.co.uk - Market remains busy with many sales being agreed over asking prices with multiple offers.

Michael Darwin MRICS, Northallerton, M W Darwin & Sons, info@darwin-homes.co.uk - Demand for property still outstripping supply leading to increasing prices.

Tim Waring FRICS, Harrogate, Waring, timwaring@listerhaigh.co.uk - Ongoing shortage of instructions, buyers remain keen, strong market to Easter, unknown thereafter given increasing interest rates and now war in Ukraine.

North West

Amin Mohammed, Greater Manchester, Le Baron Haussmann, aminm7@gmail.com - There will be a small slow down due to inflation & interest rate rises, however, I expect prices to increase as energy prices rise.

David Champion MRICS & Registered Valuer, Blackpool And Fylde And Lancashire, ChampSurv, championdavid@gmail.com - Interest rate increase and Ukraine /Russia conflict likely to affect market to some degree.

Ian Fox AssocRICS, , Selletlets Ltd, ian.fox@sellet-homes.co.uk - The sales market remains strong, primarily because interest rates remain low. Demand remains very high as there is a shortage of properties and those selling are desperate to find their next property. Interest increases and overall inflation are likely to impact this.

Ian Macklin FRICS FISVA FNAEA, Hale/Altrincham, Ian Macklin & Company, halebarns@ianmacklin.com - Despite awful weather, enquiries and viewings have continued to be at excellent levels suggesting the market remains buoyant.

John Williams FRICS, MEWI, Wirral, Brennan Ayre O'Neill LLP, john@b-a-o.com - The encouraging start to 2022 continues with world events and pressure on household budgets yet to make an impact.

Nigel French FRICS, Blundellsands Road West, ESG, nigersussex03@gmail.com - Lack of quality houses available.

Simon Wall FRICS, Formby Southport, Stephanie Macnab Estate Agents, simon@simonwall.com - The market started strong at the beginning of the year and this has continued throughout February. Valuations are up as are the number of agreed sales. Buyer confidence remains high despite the recent challenges.

East Midlands

Daniel Elliott MRICS, Chesterfield, Wilkins Vardy Residential Ltd, dan@wilkins-wardy.co.uk - A lack of available stock is having a huge impact on sales demand, particularly at the lower/starter end.

David Hawke FRICS, Worksop, David Hawke Property Services, enquiries@davidhawke.co.uk - More activity finally on valuations but general enquiries have recently stalled.

Gary Frederick Thompson MRICS, Doncaster, Barnsdales, gary@barnsdales.co.uk - The sales of one-bedroom flats appears to have been affected by the pandemic which has resulted in couples struggling with long term shared areas for living and working at home. Low interest rates has resulted in residents looking to buy accommodation with a garden area.

Peter Buckingham, Market Harborough, Andrew Granger & Co, peter.buckingham@andrewgranger.co.uk - Critically low stock levels are stifling the market. However, the properties we are placing on the market are in general selling fast, with demand exceeding supply by far.

Stephen Gadsby BSc FRICS, Derby, Gadsby Nichols, stevegadsby@gadsbynichols.co.uk - Still a buoyant market in terms of sales. Still a shortage of new instructions although signs prices are stabilizing.

Tom Wilson MRICS, Stamford, King West, twilson@kingwest.co.uk - Agreeing sales has not proved difficult so far in 2022. Finding property to sell with vendors in a position to move freely, undoubtedly has. Buyers remain frustrated by a distinct lack of supply and vendors are not inclined to list their homes without the choice of their next move.

Will Ravenhill, Leicester, Readings, wravenhill@readingspropertygroup.com - The market is still running at a great pace. Lowest stock levels available that we've ever had though.

West Midlands

Alex Smith FRICS, Birmingham, Alex Smith & Company, alex@alex-smith.co.uk - High demand but low stock.

Colin Townsend MRICS, Malvern, John Goodwin, colin@johngoodwin.co.uk - A very busy month. Despite all the worries of higher interest rates, inflation and rising fuel costs, the appetite from buyers to secure a new home continues albeit perhaps at a slightly slower pace than 2021.

John Andrews FRICS, Bridgnorth, Doolittle & Dalley Ltd, johnandrews@doolittle-dalley.co.uk - Still a very active sales market with stock being stripped and not replaced at the same rate. Predict a slow down as inflation and living costs rise. Overseas conflict may well affect buyer confidence.

John Andrews FRICS, Kidderminster, Doolittle & Dalley Ltd, johnandrews@doolittle-dalley.co.uk - Over the last month sales have exceeded targets but new instructions very poor as there are few prospective vendors. Traditional annual probate sales continue but despite high demand there is a shortage of stock. This is unlikely to change in the short term due to inflationary fears and overseas conflict affecting confidence.

John Shepherd, Solihull, ShepherdVine, john@shepcom.com - Calendar effects.

Richard Franklin MRICS, Tenbury Wells, Franklin Gallimore, richard@franklingallimore.co.uk - Demand remains high with many applicants having sold and in temporary accommodation. With low stock levels, many purchasers are deterred from listing as they do not wish to be faced with the pressure of achieving a sale with nowhere to move to.

East Anglia

D Plaskow MRICS, Rayleigh, Hair and Son LLP, dplaskow@gmail.com - Demand outstrips supply in all categories. All about getting new listings.

David Boyden Bsc MRICS, Colchester, Boydens, david.boyden@boydens.co.uk - Slack December and January but showing positive signs of improving with good levels of instructions and sales for February and optimistic for March. Values don't seem to be running away with themselves at this stage.

Jeffrey Hazel FRICS, King's Lynn, Geoffrey Collings & Co, jhazel@geoffreycollings.co.uk - More property now coming to market but not enough to satisfy demand.

Kevin Burt-Gray MRICS, Cambridge, Pocock & Shaw, kevin@pocock.co.uk - Acute shortage of stock with surplus of good quality buyers. Most properties in the city going under offer within a few weeks of going to market at, or above, their advertised guide prices.

Rob Swiney MRICS, Bury St Edmunds, Lacy Scott and Knight, rswiney@lsk.co.uk - Market still continues to be very active. With what is going on globally, and the impact this is going to have on inflation etc, I would of thought things will start to slow.

South East

Anthony Chris Tremellen MRICS MAPM, Southampton, Chris Tremellen Property Consultant, chris.tremellen@outlook.com - Expected changes which the Chancellor may bring in shortly could have a significant impact upon sales, purchases and rentals in respect of tax and other areas of revenue to the Treasury. Also, interest rate rises may increase sales with property owners on the lower income bracket moving to rental.

Chris Gooch MRICS, Winchester, Carter Jonas, chris.gooch@carterjonas.co.uk - Out of town demand continues to exceed supply and we expect this to continue.

Colin Pryke Chartered Surveyor & Registered Valuer, London & Herts, Colin A Pryke BSc MRICS, colinpryke@hotmail.co.uk - We do not know what effect if any, the crisis in Ukraine will have on the UK residential property market.

David Parish FRICS, Upminster, Gates, Parish & Co, professional@gates-parish.co.uk - The market generally is being inhibited by a lack of new instructions. Any properties which do become available are attracting a great deal of interest.

Ed Rook MRICS, Sevenoaks, Knight Frank, edward.rook@knightfrank.com - The increase in appraisals provides hope of more stock.

Martin Allen MRICS, Wingham, Canterbury, Elgars, m.allen@elgars.uk.com - Events in the Ukraine seem to have had more affect on potential buyers than inflation reports but those committed to buying show no signs of wavering.

Nick Harris AssocRICS, Wokingham, Quarters Residential, nick@quartersresidential.co.uk - Local sales market activity has certainly slowed in Q1 2022 following a rampant 2021 caused in part by the SDLT relief but largely due to pent up demand from late 2019 and through 2020.

Perry Stock FRICS, Registered Valuer, Guildford, Perry Stock F.R.I.C.S., perry@perrystock.co.uk - The classification of buildings which should be exempt are stated as needing EWS certificates - has irrationally frustrated many sales.

Stan Shaw AssocRICS Registered Valuer, Ham (Between Richmond And Kingston) Surrey, Mervyn Smith, stanleyshaw@hotmail.com - Less properties coming to market than normal means buyer demand exceeds supply, especially for family houses. As the pandemic is starting to recede, there has been more interest recently in flats whose prices have stalled over the previous 2 years.

Tim Green MRICS, South Oxfordshire, Green & Co.(Oxford) Ltd, tim.green@greenand.co.uk - Market momentum continues to be challenged in the face of limited resales, supply and speed of new build construction.

Tony Jamieson MRICS, Guildford, Clarke Gammon, tony.jamieson@clarkegammon.co.uk - The market is limited due to lack of stock. Extensive list of buyers wanting to buy, but vendors not prepared to move unless they can find, so its become a vicious circle. Prices have stabilised.

South West

G C Thorne FRICS, East Dorset, Thornes, graham@thornes.org.uk - The market remains firm and with an overall shortage of stock prices will continue to rise.

James Mckillop MRICS, Salisbury, Savills, james.mckillop@savills.com - Chronic shortage of stock is constraining the market. Buyers are there. It has been the same story for months and months now.

James Wilson MRICS, Shaftesbury, Jackson - Stops, james.wilson@jackson-stops.co.uk - New instructions are starting to come to the market.

Jeff Cole MRICS, Wadebridge, Cole Rayment & White, jeff.cole@crw.co.uk - Sales have dropped off from January due mainly to a lack of stock. We also had the terrible storms during February.

John Corben FRICS FCABE, Swanage, Corbens, john@corbens.co.uk - Demand for property in coastal towns along the South coast remains extremely strong with demand outstripping supply.

Julian Bunkall FRICS, Dorset, Jackson-Stops, julian.bunkall@jackson-stops.co.uk - The market in all sectors remains buoyant primarily due to lack of supply, and the continuing desire for moving from London to the South West.

Mark Annett FRICS, Chipping Campden, Mark Annett & Company, mark.f.annett@gmail.com - Prices are rising significantly because of a shortage of stock and new instructions.

Mark Lewis FRICS, Sturminster Newton, Symonds & Sampson, mlewis@symondsandsampson.co.uk - More instructions but buyers are still flaky. A sale agreed is no guarantee that an exchange will happen and some people are offering on a Friday and withdrawing on a Monday.

Michael Burkinshaw MRICS, Backwell, SkySurvUK, michael.burkinshaw@skysurvuk.com - Jan 2022 has seen significant overbidding for property in the Bristol and Somerset areas. Purchasers with significant deposits (say 50%) are willingly overpaying, typically by 10% for properties due to the lack of supply - limiting their appetite to defer the purchase. A worrying trend.

Oliver Miles FRICS Registered Valuer FRICS, Swanage, Oliver Miles, olivermiles@olivermiles.co.uk - Demand still exceeding supply and competitive bidding quite commonplace. With uncertainty of cost of living and any escalation of Russia Ukraine conflict, the market may suffer.

Robert Cooney FRICS, Taunton, Robert Cooney, robert.cooney@robertcooney.co.uk - Unpredictable owing to continued lack of stock but buyers more sensitive to pricing and fewer best and final scenarios.

Roger Punch FRICS, South Devon, Marchand Petit, roger.punch@marchandpetit.co.uk - The projected increase in cost of living is clearly resulting in a downturn in buyer positivity, suggesting that the market has probably peaked. In turn this may encourage more properties to come to the market in forthcoming months.

Simon Cooper FRICS, Exeter, Stags, s.cooper@stags.co.uk - The February market continued strongly, as much as any month of last year. Continuing shortage of stock means that nearly every instruction meets with massive demand with guide prices often being exceeded. No sign of the market quietening which does seem strange.

Simon Milledge MRICS, Blandford Forum, Jackson-Stops, simon.milledge@jackson-stops.co.uk - Stock is slowly beginning to increase, but the dominant force in the market is still an over supply of capable, proceedable (no related contract) buyers all chasing the same property.

Wales

Andrew Morgan FRICS FAAV, Lampeter, Morgan & Davies, lampeter@morgananddavies.co.uk - Less property than usual available historically. We are watching world events carefully as these may well have a bearing on people deciding whether or not to move (especially given the uncertainty of associated markets).

David James FRICS, Brecon, James Dean, david@jamesdean.co.uk - Still plenty of demand and some properties selling for more than the asking price.

Paul Lucas FRICS, Haverfordwest, R.K.Lucas & Son, paul@rklucas.co.uk - Sales activity in the area remains strong, particularly in the rural and coastal areas.

London

Alec Harragin MRICS, London, Savills Plc, aharragin@savills.com - The underlying shortage of stock available on the open market has significantly contributed to continued price growth. Activity levels remaining strongest in higher price bands, where buyers are less exposed to increased costs of living and costs of debt.

Allan Fuller FRICS, London, Allan Fuller Estate Agents, allan@allanfuller.co.uk - Sales have been slower so far this year, undoubtedly the stamp duty reduction in 2021 incentivised people to move, so inevitably there is less activity now. Concerns about interest rates, the economy and the war in Ukraine will be factors that could well dampen the market.

Christopher Ames MRICS, London/Belgravia, Ames Belgravia, ca@amesbelgravia.co.uk - Our estimates of gradual rises in property values must be tempered by the invasion of Ukraine by Russia. UK property sales have already slowed as Russians fear that their property assets may be frozen if the situation is not resolved very shortly. A few sales have already fallen through due to it.

James Perris MRICS, London, De Villiers, james.perris@devilliers-surveyors.co.uk - Strong buyer activity in most areas although Prime London and new build flats needs the return of the overseas buyers. General lack of stock forcing up prices in the short term.

Jeremy Leaf FRICS, Finchley, Jeremy Leaf & Co, jeremy@jeremyleaf.co.uk - Despite recent modest improvements in stock partly prompted by the increase in inflation and interest rates, there is a continuing shortage overall which is constraining activity and supporting an acceleration in prices. However, buyers are determined not to over pay.

John King FRICS, Wimbledon, Andrew Scott Robertson, jking@as-r.co.uk - House instructions are creating higher than expected applicant enquires leading to best bids. Flats on the other hand without outside space are proving difficult to sell. Demand for houses in the £1m-£2m is the most active sector.

John King FRICS, L.B.Merton, Andrew Scott Robertson, jking@as-r.co.uk - Since the middle of January the level of enquires and sales have increased, valuation appraisals have remained steady but not necessarily productive as vendors are taking longer to decide as they view house price rises continuing.

Joshua Homans MRICS, Stratford, joshuaritblat@icloud.com - The housing market is stagnating as forecast, decreased activity and longer marketing periods to achieve the desired sales price.

Robert Green MRICS, London, John D Wood & Co., rgreen@johndwood.co.uk - Limited supply continues to be the main constraint in Chelsea, and seasonal uplift we would expect for new instructions has not yet been seen to a significant extent. Too early to judge on the impact of events in Ukraine, but buyer appetite seems undiminished.

Rupert Merrison MRICS, , Dexters, rupertmerrison@dexters.co.uk - The market is extremely busy with record numbers of new buyers getting in touch. We expect we will continue to see high levels of activity over the coming months.

William Delaney AssocRICS, Central London.West End, Coopers of London, william@lwlondon.com - Confidence has been returning to the market and we have agreed sales in the higher price bracket. It is too soon to gauge what effect if any, the situation in Ukraine might have on transactions and prices. Otherwise, we remain generally positive.

William Taper MRICS, Hammersmith, Willmotts, w.taper@willmotts.com - Many BTL landlords are leaving the sector, further reducing rental supply. First time buyers are certainly back with a bang in London. These are primarily buyers that have been given help from "bank of mum and dad". London is an amazing place to live for life's experiences and its certainly buzzing at the moment.

Scotland

Adrian Stott FRICS, Lothians, J and E Shepherd, a.stott@shepherd.co.uk - Latest interest rise appears not to have had any dampening impact.

Alan Kennedy MRICS, Fraserburgh, Shepherd Chartered Surveyors, alankennedy84@hotmail.com - Market activity remains fairly high in this locality for the time being.

Craig Henderson MRICS, Ayrshire, Graham & Sibbald, craig.henderson@g-s.co.uk - The market in Ayrshire continues much as we have seen now for some time. There is still strong demand for houses and modern flats, and the demand levels are still outstripping supply. This is resulting in prices continuing to move forward in most areas.

David Cruickshank MRICS, Elgin, D M Hall LLP, david.cruickshank@dmhall.co.uk - The local market is still characterised by the lack of supply. Consequently, most sales are competitive, resulting in closing dates, multiple offers and increasing house prices.

Fergus Mair MRICS, Edinburgh, Graham + Sibbald, fergus.mair@g-s.co.uk - The market in Edinburgh continues to be very 'hot' with demand far outstripping supply. People are reluctant to go to market as they struggle to see appropriate dwellings to buy. This, together with very high LBTT, is causing a significant block in new dwellings coming to market.

Grant Robertson FRICS, Glasgow, Allied Surveyors Scotland PLC, Grant.robertson@alliedsurveyorsscotland.com - Property has always been seen as a safe hedge against inflation and this is driving further demand into an already crowded marketplace for buyers and investors against a continuing dearth of property both new build and resales.

Ian Morton MRICS, St Andrews, Bradburne & Co, info@bradburne.co.uk - Sales continue to be steady although recent conflicts have reduced interest from overseas purchasers concerned with volatility in the market. The domestic market remains strong with a lack of stock for sale.

Jennifer Campbell, Stirling, DM Hall, jennifer.campbell@dmhall.co.uk - EPC ratings will never have been more important, for a purchaser and their lender and will influence the offer price for the foreseeable future unless energy prices stabilise.

John Brown FRICS MRTPI DLE, Edinburgh, John Brown and Company, john.brown@jb-uk.com - Too little stock and market demand pushing prices up. Inflation worries stimulates property interest but rising interest rates are a real factor. Money into property but caution needed given high costs of LBTT. If having to sell within 3 years, it could be hard to recover initial outlay. Indefinite is concern.

Phiddy Robertson AssocRICS, Inverness, Galbraith Group, phiddy.robertson@galbraithgroup.com - There seems to be a hiatus in the market we feel caused by sellers reluctant to list because they worry they won't find a property to buy. We expect things to ease as we move into spring.

Thomas Baird MRICS, Glasgow, Select Surveyors, thomas.baird@selectsurveyors.co.uk - Residential market still healthy in terms of demand for most central areas and surrounding. Investor market suffering a lack of supply, driving prices at lower end upwards.

Northern Ireland

Kirby O'Connor AssocRICS, Belfast, GOC Estate Agents, kirby@gocestateagents.com - The market has been incredible. We are finding more and more families are coming home from overseas or UK.. driving the market up. Also investment is strong.

Samuel Dickey MRICS, Belfast, sdickey@simonbrien.com - The Spring market is buoyant with demand still outstripping supply.

Surveyor comments - lettings

North

David Shaun Brannen AssocRICS, Whitley Bay, Brannen & Partners, shaun.brannen@brannen-partners.co.uk - Positive increase in terms of instructions / supply which is aiding increasing demand.

Keith Pattinson MRICS, Newcastle Upon Tyne, Keith Pattinson Ltd, keith.pattinson@pattinson.co.uk - Much the same as sales, shortage of supply, increasing population, higher wages through new min wage will bring inflationary pressure.

Natasha Cooper MRICS, Newcastle, Sheffield, Leeds, Grainger PLC, ncooper@graingerplc.co.uk - Lack of available properties with high demand pushing up rents. Tenants are starting to be effected by the cost of living, rents are rising but I anticipate some levelling later in the year.

Neil Foster MRICS, Hexham, Foster Maddison Property Consultants, neil@fostermaddison.co.uk - Onwards and upwards for domestic rents; adding to the ever increasing cost of living headache for households.

Tahir Mahmood, Newcastle, Holmes and Hunters, t1976m@hotmail.co.uk - Local council selective license fees will have a positive effect in terms of better and safer houses, however, the downside will be extra costs which will then inevitably go towards some of the price increases in rents. However it is questionable whether the licensing schemes are a money making scheme.

Yorkshire & the Humber

Alex Mcneil MRICS, Huddersfield, Bramleys, alex.mcneil@bramleys1.co.uk - Housing stock under management contracting as some landlords take the opportunity to sell. Multiple tenant applications not unusual.

Ben Hudson MRICS, York, Hudson Moody, benhudson@hudson-moody.com - Severe shortage of properties driving up rents.

David J Martindale MRICS, Wakefield, FSL Estate Agents, david.martindale@fslea.com - The lettings market continues to be very busy with very high demand. Rents are continuing to increase.

James Watts MRICS, Cleckheaton, Robert Watts Estate Agents, jameswatts@robertwatts.co.uk - Demand again exceeds supply which is pushing up rents. Many landlords are selling as capital values have risen and adverse tax regulations and legislation is making residential investment less attractive.

North West

Amin Mohammed, Greater Manchester, Le Baron Haussmann, aminm7@gmail.com - Rent rises will mimic inflation across the board.

Ian Fox AssocRICS, , Selletlets Ltd, ian.fox@select-homes.co.uk - The letting market remains very strong with multiple applicants for every property advertised, even with rents increasing by 20%. Inflation may well curtail further short term increases although demand may remain high as tenants move round to find accommodation close to their employment.

Nigel French FRICS, Blundellsands Road West, ESG, nigelsussex03@gmail.com - Shortage of supply.

East Midlands

Andy Churchill MRICS, Nottingham, Earl & Pelham Ltd, andy.churchill@earlandpelham.com - Market remains steady but political and economic influences may alter that from current expectations.

Gary Frederick Thompson MRICS, Doncaster, Barnsdales, gary@barnsdales.co.uk - Tenants of flats are seeing them as more of a temporary measure. This contrasts with tenants of houses who appear to be looking to stay for longer periods.

John Robert Chappell BSc.(Hons), MRICS, Skegness, Chappell & Co Surveyors Ltd, john@chappellandcosurveyors.co.uk - Despite anticipating increasing tenant demand, as per usual this time of year, I still believe that pressure on family incomes will influence trends in rents for the rest of this year.

Katie Wilcox-Smith AssocRICS, Le Postcodes, KWS Lettings, Katie-w-s@hotmail.co.uk - No government recognition of the shortage of rental properties. Changing EPC requirements and Landlord Licencing schemes are not helping.

Peter Buckingham, Market Harborough, Andrew Granger & Co, peter.buckingham@andrewgranger.co.uk - Demand exceeds supply.

Will Ravenhill, Leicester, Readings, wravenhill@readingspropertygroup.com - Rents have increased at the highest rate we've seen for a very long time of late. Government policy (both national and local) still prompting plenty of landlords to exit the market though. Proposed Leicester City Council landlord licensing scheme a prime example of this.

West Midlands

Colin Townsend MRICS, Malvern, John Goodwin, colin@johngoodwin.co.uk - Still not enough new rental property coming to the market. Demand remains robust and rents continue to rise.

Graham Boardman MRICS, Birmingham, Graham Boardman & Co, grahamboardman@btconnect.com - Very strong demand with multiple applications.

Jason Coombes AssocRICS Registered Valuer, Birmingham, Cottons Chartered Surveyors, jcoombes@cottons.co.uk - More uncertainty over the renters reform bill, media speculation and weakening of landlords rights have had a hugely negative impact on the PRS; this negatively effects stock and drives prices ever upwards.

John Andrews FRICS, Bridgnorth, Doolittle & Dalley Ltd, johnandrews@doolittle-dalley.co.uk - More quality property needed particularly 2/3 bedroom houses. Some landlords selling to take advantage of higher prices and stock not being replaced, hence there is a shortage.

John Andrews FRICS, Kidderminster, Doolittle & Dalley Ltd, johnandrews@doolittle-dalley.co.uk - New applications exceed the supply of property coming to let resulting in rents rising. Some landlords selling to take advantage of higher prices but fewer new landlords coming in to replace stock.

Johnshepherd, Solihull, ShepherdVine, john@shepcom.com - Government legislation.

Richard Franklin MRICS, Tenbury Wells, Franklin Gallimore, richard@franklingallimore.co.uk - Very strong demand with well over ten applicants for most houses at present. Marketing Rent to Buy units which are proving popular.

East Anglia

David Boyden Bsc MRICS, Colchester, Boydens, david.boyden@boydens.co.uk - Finally a positive shift in the market with new instructions and new landlords coming to the market. Still large amounts of landlords exiting the PRS which is a concern.

Jeffrey Hazel FRICS, King's Lynn, Geoffrey Collings & Co, jhazel@geoffreycollings.co.uk - Steady supply and demand.

Kevin Burt-Gray MRICS, Cambridge, Pocock & Shaw, kevin@pocock.co.uk - Very short of properties to offer prospective tenants currently with multiple applications being submitted on all properties.

Nigel Morgan FRICS, North Walsham, Managed Property Supply Ltd, nigeldmorgan13@gmail.com - Seems to be a reduction in availability.

South East

David Parish FRICS, Upminster, Gates, Parish & Co, professional@gates-parish.co.uk - There is a good demand for all types of properties to let. The market has been very busy but we are now experiencing a lack of new instructions.

Howard Mecklenburgh MRICS, Watford, LP&M, Howard@lpandm.co.uk - Potential local oversupply of 1 & 2 bedroom flats over next 18 months.

Martin Allen MRICS, Wingham, Canterbury, Elgars, m.allen@elgars.uk.com - Requests for rental properties have reduced but marketing a property for rent brings many enquiries and a choice of tenant for Landlords.

Stan Shaw AssocRICS Registered Valuer, Ham (Between Richmond And Kingston) Surrey, Mervyn Smith, stanleyshaw@hotmail.com - Very severe lack of supply exacerbated by landlords getting out of the market, driving prices up.

South West

Marcus Arundell MRICS, Bath, HomeLets, marcus@homeletsbath.co.uk - Continuing busy start to the year with an ongoing supply and demand impasse seeing rents at record highs. Investor confidence returning, and with the ever improving Covid picture, the market will hopefully begin to settle down.

Mark Annett FRICS, Chipping Campden, Mark Annett & Company, mark.f.annett@gmail.com - Rent demand exceeds supply and so rents are continuing to rise.

Martin Slade FRICS, Bournemouth, Wren Letting, martin@wren-lettings.co.uk - Demand continues to outstrip supply but we see no local evidence of landlords selling.

Paul Oughton MARLA, MNAEA, Cirencester And The Cotswolds, Moore Allen & Innocent, paul.oughton@mooreallen.co.uk - Severe lack of rental stock to meet continuing high applicant demand.

Simon Cooper FRICS, Exeter, Stags, s.cooper@stags.co.uk - Shortage of supply with plenty of tenant demand means that landlords can be selective as to which tenant to go with. Rents have increased a lot in recent months though are flattening a bit. Few new BTL landlords but not many leaving the industry.

Wales

Paul Lucas FRICS, Haverfordwest, R.K.Lucas & Son, paul@rkluccas.co.uk - In view of the impending Rentsmart Wales legislation introducing tighter measures for Landlords, many are stepping out of the letting market.

London

Alec Harragin MRICS, London, Savills Plc, aharragin@savills.com - Prime London rents have experienced the strongest quarterly growth since June 2010 as tenants return to the city. The pace at which the balance between supply and demand shifted over the latter half of 2021 suggests strong competition will remain a driving factor over the short term at least.

Allan Fuller FRICS, London, Allan Fuller Estate Agents, allan@allanfuller.co.uk - Demand for flats is still strong, more people are coming back to work in London, companies are requiring staff to be in more often. We are also seeing an increase in couples moving in together. However, we anticipate rents stabilising if the economy slows.

Jeremy Leaf FRICS, Finchley, Jeremy Leaf & Co, jeremy@jeremyleaf.co.uk - Activity in lettings is mirroring to an extent what's happening in sales-lack of stock causing rents to harden but increases seem to be more restricted by increasingly-stretched affordability as inflation and particularly energy costs start to bite

Jilly Bland, London, Robert Holmes & Co, jilly@robertholmes.co.uk - Stock falling far short of demand - but new properties are coming on and more overseas applicants are entering the country - the next quarter is looking positive.

John King FRICS, Wimbledon, Andrew Scott Robertson, jking@as-r.co.uk - Current stock levels tell their own story. The lack of new instructions is creating rent increases across the board as tenant enquiries remain on an upward curve.

John King FRICS, L.B.Merton, Andrew Scott Robertson, jking@as-r.co.uk - Busy period for renewals but lack of new stock is suffocating the market as tenant registration levels continue to rise.

Mark Wilson MRICS, London, Globe Apartments, mark@globeapt.com - Russian troops on the street in Ukraine, who would have thought it. Market is stable with a shortage of stock. Recovery in rents close to pre pandemic level, but bad news rocks every market.

Mr Paul Dolan, London, Dolan Pratley, pauljohndolan@gmail.com - Quick rebound of London rents after a return to work and demand.

Rupert Merrison MRICS, , Dexters, rupertmerrison@dexters.co.uk - The lettings market is extremely busy with record numbers of tenants returning to London resulting in average rents increasing.

Will Barnes Yallowley AssocRICS, Kensington/West End, LHH Residential, will@lhhresidential.co.uk - Continued upwards pressure on rents due to shortage of stock.

William Delaney AssocRICS, Central London.West End, Coopers of London, william@lwlondon.com - Headline rents have mostly returned to pre-pandemic levels. Lack of quality stock remains an issue. Rent reviews can be protracted as landlords seek to align rents with current market levels upon renewal. We anticipate a more stable situation in the second or third quarters of this year.

William Taper MRICS, Hammersmith, Willmotts, w.taper@willmotts.com - Rental demand is very high across London at the moment. Some landlords are exiting the sector, reducing supply. Energy bills are increasing so its a tough time for tenants. Increased supply is needed which would increase quality and reduce rental levels.

Scotland

Carolyn Davies MRICS, Dumfries, Savills, cmadavies@savills.com - Continued demand for property as a result of lack of supply, still no evidence of energy efficiency or running costs being considered by tenants.

Ian Morton MRICS, St Andrews, Bradburne & Co, info@bradburne.co.uk - Demand from tenants remains high in times of uncertainty. House sellers also renting after sales as they await suitable properties to buy coming to the market.

Jennifer Campbell, Stirling, DM Hall, jennifer.campbell@dmhall.co.uk - A New Deal for Tenants Draft Strategy is seeing landlords leave the sector and there is uncertainty on the future of PRT and rent caps.

John Brown FRICS MRTPI DLE, Edinburgh, John Brown and Company, John.brown@jb-uk.com - Brighter market and stock levels low with rental growth improvement. Landlords still assessing implications of energy saving requirements. More Buy to Rent coming through-supply added. The investor appetite for this type of tenure and institutional style investment is based on financial modelling.

Northern Ireland

Kirby O'Connor AssocRICS, Belfast, GOC Estate Agents, kirby@gocestateagents.com - Rentals strong as ever, we are about to release students list. We are seeing an impact though from the lower end as energy prices are increasing.

Samuel Dickey MRICS, Belfast, , sdickey@simonbrien.com - Rental demand continues to be strong with the number of rental properties available decreasing.

Contacts

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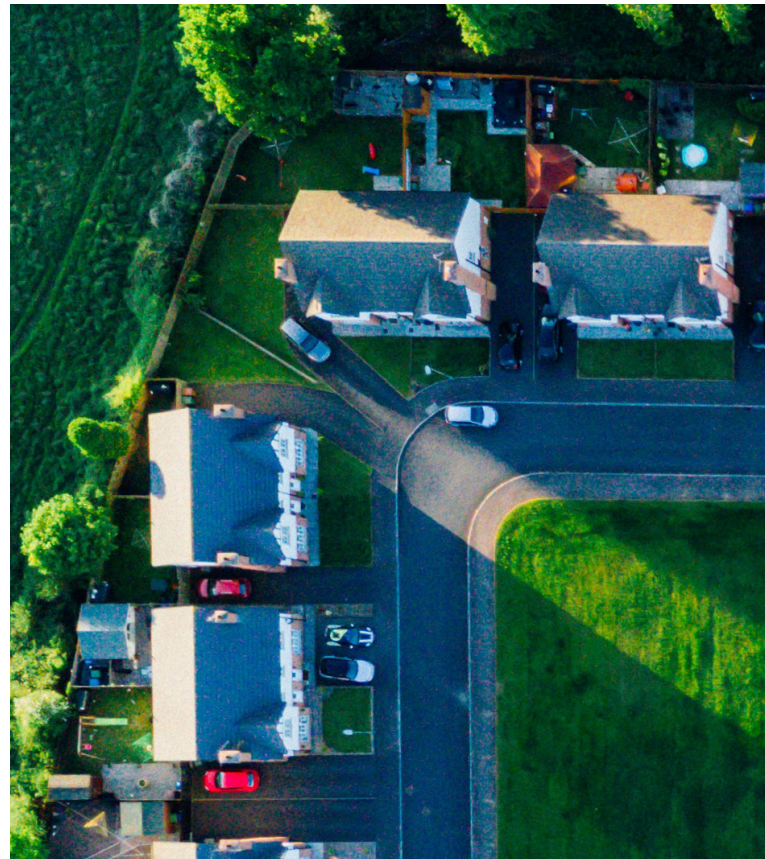
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