



## Government plans for spending cuts puts uk house sales on hold



The number of house sales in the UK has been hit by the prospect of the Government's spending cuts. The latest Agency Express Property Activity Index shows that monthly house sales in July dropped by 2.9% compared to June. This is the second consecutive month that house sales have fallen. It appears that the Government's announcement that there will be a two-year public sector pay freeze and an increase in VAT early next year have contributed to potential homebuyers revising their budgets and putting their moving plans on hold, albeit temporarily.



The number of houses 'Sold' in July was the lowest level since January and compared to July 2009, monthly house sales were down 3.9%. However, they were up 26.0% on July 2008.

coming to market still looking healthy, it should mean house prices and affordability will remain stable, so it's still a good time to move."



It's a similar story when you look at the data relating to the number of houses being put up 'For Sale'. July saw a 7.3% decrease – the first time this year that monthly sales instructions have dropped. However, the number of new 'For Sale' listings was up 62.6% on July 2009 and 5.4% up on July 2008.

Only four regions in the UK saw an uplift in the number of houses 'Sold' in July. The West Midlands had the biggest increase up 17.4%, followed by the South West up 11.4%, Scotland up 3.4% and London up 0.8%.

Commenting on the latest Index results, Stephen Watson, Managing Director, Agency Express, said: "It is evident that we are entering a period of austerity as the Government looks to cut back on its spending. Anyone working in the public sector will see a drop in their real income as they won't get a pay rise until 2012, at the earliest. In addition, the rise in VAT next year and the pressure on some companies for it to reduce the hours for its workers will hit people's household budgets. It seems that people who have been looking to move have paused to take stock of the situation and to recalculate their budgets. However, with the likelihood of interest rates staying low for sometime and the number of properties

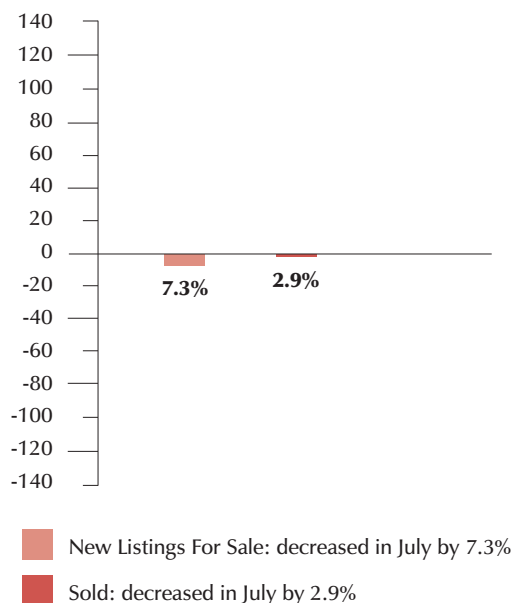
Unsurprisingly, cities in the South West, Scotland and Midlands had the largest increases. Exeter led the way with a massive 91.1% hike, with Southampton seeing a 53.9% rise, Glasgow up 32.5%, Coventry up 25.8% and Birmingham up 21.3%.

When it came to properties being put up 'For Sale', only two regions – Scotland up 4.3% and the East Midlands up 3.7% - saw growth. The worst hit regions were Wales down 18.2%, Central England down 15.6% and the North East down 11.0%.

There were six cities that saw an increase in the number of properties put on the market in July. They were Exeter up 18.2%, Nottingham up 17.3%, Milton Keynes up 13.7%, Edinburgh up 11.8%, Southampton up 8.3% and Glasgow up 0.3%.

## NATIONAL AND REGIONAL MONTHLY CHANGES for July 2010 v June 2010

### National monthly % change

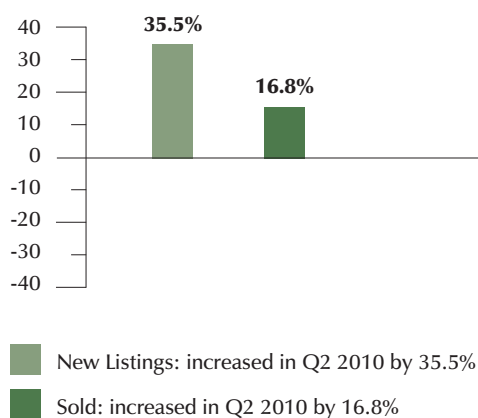


### National and regional monthly % change

	NEW LISTINGS	PROPERTIES SOLD
<b>NATIONAL</b>	<b>-7.3</b>	<b>-2.9</b>
Central	-15.6	-8.1
East Anglia	-10.7	-1.8
East Midlands	+3.7	-21.3
London	-4.2	+0.8
North West	-6.0	-16.7
North East	-11.0	-15.5
Scotland	+4.3	+3.4
South East	-10.0	-0.6
South West	-6.8	+11.4
Wales	-18.2	-11.8
West Midlands	-5.6	+17.4
Yorkshire	-7.1	-0.6

## NATIONAL QUARTERLY CHANGES for Q2 2010 v Q1 2010

### National quarterly % change

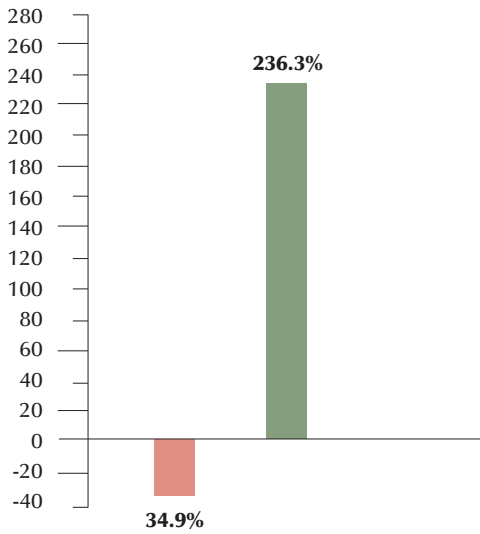


### National and regional quarterly % change

	NEW LISTINGS	PROPERTIES SOLD
<b>NATIONAL</b>	<b>+35.5</b>	<b>+16.8</b>
Central	+59.2	+55.2
East Anglia	+34.7	+32.3
East Midlands	+25.2	+35.3
London	+46.3	+18.3
North West	+36.0	+31.1
North East	+29.1	+25.5
Scotland	+43.1	+14.4
South East	+37.3	+25.2
South West	+55.1	+49.9
Wales	+29.1	+30.0
West Midlands	+20.0	+12.5
Yorkshire	+11.7	+1.4

**NATIONAL % CHANGES**  
for July 2010 'New Listings' v highest and lowest months  
of 'New Listings' recorded since Jan 2007

**National monthly% change**



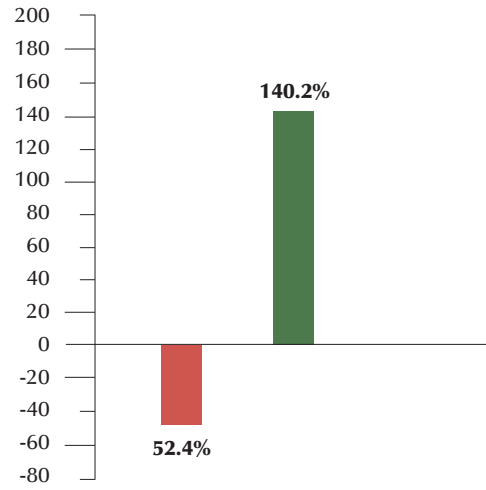
- July 2010 v highest month: decreased by 34.9%
- July 2010 v lowest month: increased by 236.3%

**National monthly % change**

	HIGHEST NEW LISTINGS	LOWEST NEW LISTINGS
NATIONAL	-34.9	+236.3

**NATIONAL % CHANGES**  
for July 2010 'Sold' v highest and lowest months  
of 'Sold' recorded since Jan 2007

**National monthly% change**



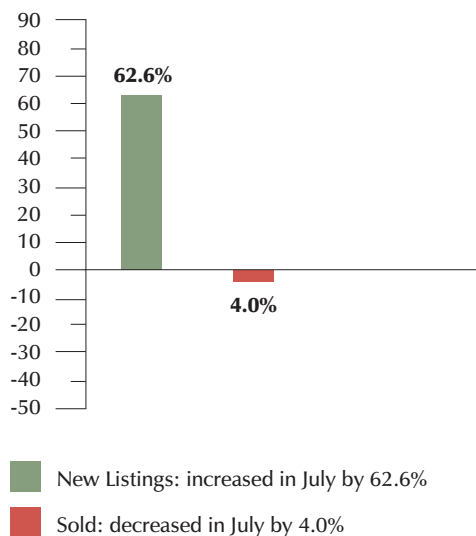
- July 2010 v highest month: decreased by 52.4%
- July 2010 v lowest month: increased by 140.2%

**National monthly % change**

	HIGHEST SOLD	LOWEST SOLD
NATIONAL	-52.4	+140.2

## NATIONAL MONTHLY % CHANGES for June 2010 v June 2009

### National monthly % change

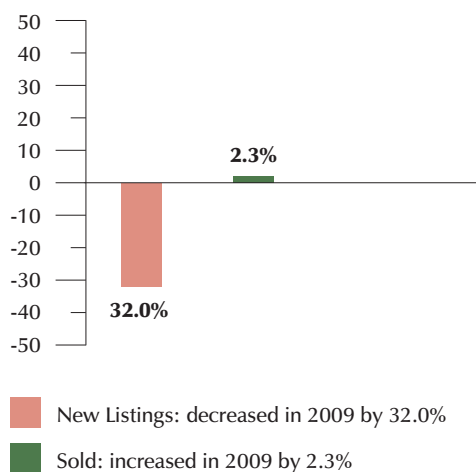


### National and regional monthly % change

	NEW LISTINGS	PROPERTIES SOLD
<b>NATIONAL</b>	<b>+62.6</b>	<b>-4.0</b>
Central	+28.2	+0.3
East Anglia	+45.5	+0.5
East Midlands	+105.7	+43.0
London	+98.0	+2.8
North West	+44.6	+47.2
North East	+185.8	+45.5
Scotland	+123.9	+57.7
South East	+76.7	+21.6
South West	+69.6	+16.0
Wales	+34.1	+11.0
West Midlands	+74.0	+0.8
Yorkshire	+12.7	-17.9

## NATIONAL ANNUAL % CHANGES for 2009 v 2008

### National annual % change



### National annual % change

	NEW LISTINGS	PROPERTIES SOLD
<b>NATIONAL</b>	<b>-32.0</b>	<b>+2.3</b>



**Stephen Watson**  
 Founder & Managing  
 Director of Agency Express

Stephen has 20 years estate agency experience, was instrumental in the formation of the UK's first estate agency franchise company and latterly, headed up the franchising division of Alliance & Leicester Property Services.

## Editor's notes:

Agency Express was formed in 1998 specifically to provide a nationwide 'For Sale' board erection and management service for corporate and independent estate agencies via a network of franchisees. Today, Agency Express is the UK's largest 'For Sale' board company with one in four boards being erected and serviced by our franchisees.

'For Sale' boards can be seen on virtually every street in the UK and every one of these boards needs to be erected, changed to display 'Sold' and, finally, be removed at a time agreed with the agency when the sale has been completed. In short, a multi million pound business, the results of which give a very visible indication of the condition of the UK residential property market.

- ▲ **The UK's only truly nationwide estate agency 'For Sale' board company**
- ▲ **18 out of the top 20 estate agency chains use Agency Express**
- ▲ **On-line management system provides estate agencies with total control over their board assets**
- ▲ **Full members of the British Franchise Association**
- ▲ **Carrying out up to 4,000 board movements every working day**

### UK-WIDE MONTH-ON-MONTH PERCENTAGE CHANGES 2009

	For Sale boards erected	Sold boards instructed
November	-9.0%	-8.3%
December	-46.3%	-33.2%

### UK-WIDE MONTH-ON-MONTH PERCENTAGE CHANGES 2010

	For Sale boards erected	Sold boards instructed
January	+38.2%	-18.0%
February	+91.5%	+136.6%
March	+5.3%	-13.7%
April	+0.7%	-0.7%
May	+13.6%	+8.6%
June	+1.8%	-5.3%
July	-7.3%	-2.9%

**For further information or to arrange an interview please contact:**

Carl West on 01603 305811 or [carl@kiss-marketing.co.uk](mailto:carl@kiss-marketing.co.uk)

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