

## Is it currently a buyers' or sellers' market? - brokers react

Industry experts agreed that whether a buyer or a seller has the upper hand can differ by location, property type, and more.

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Newspage asked estate agents, conveyancers, mortgage brokers and other property experts if it's currently a buyers' or a sellers' market.

Here are their responses:

**Nick Harris, co-founder at Quarters Residential Estate Agents:** "Traditionally, the buyers' or sellers' market

may have been broadly relevant but as property markets are increasingly hyper-local, and differ from one price point to another, this can be misleading. There's no doubt that until last Autumn's mini-Budget, low-interest rates, and before that the pandemic stamp duty stimulus, strongly tipped the market in favour of sellers. However, since then, as mortgage rates settle into a new normal, we're now in a shifting market where one dynamic counterbalances the other. Locally, the market is balanced, offering buyers the choice of homes to view and sellers who are strategically priced are often receiving multiple offers."

**Zaid Patel, director at Highcastle Estates:** "The terms buyers' and sellers' market are overused and simply generalise the housing market, which is misleading. Whether a buyer or a seller has the upper hand can differ from location to location, property type, the types of buyers the property attracts, construction costs and quality, buy-to-let legislations, the reasons people are selling and much more. There are currently more first-time buyers on the market who have adapted to the new interest rate era. However, some second-home buyers have put a hold on moving as they currently have more favourable interest rates. What have we noticed? Buy-to-let investors are still pushing the buyers' market narrative, first-time buyers are offering closer to asking than expected as they're worried interest rates will still rise, larger homes are selling at the asking price, although taking slightly longer to sell than usual, and sellers still want the price they feel they would have sold for a year ago, give or take a couple of percent."

**Chris Barry, director at Thomas Legal:** "The UK property market has seen dramatic change since last summer. It went from low levels of housing stock with high demand, to a sharp drop in demand, and more recently a gradual rise in stock. The average time from marketing to offer being accepted has increased from less than 30 days in the south to circa two months. We think this is partly because a lot of stock marketed during the quiet demand period is still languishing on the market, and partly because buyers are negotiating far harder with sellers on price. However, high quality new builds, which are highly energy-efficient, are flying off the shelves and in some cases will attract multiple buyers, attracting higher than asking prices. The next three months should see more balance and create a stability in the property market that we haven't seen for some years."

**Rhys Schofield, managing director at Peak Mortgages and Protection:** "People need to sell and move because of the same life events that have always happened but buyers these days are not falling over themselves to pay over the odds as they were during the Covid years. It all just points to a steady market. Asking prices have indeed edged up since January but not by much and that indicates that things are pretty well balanced at present."

**Scott Taylor-Barr, financial adviser at Carl Summers Financial Services:** "At present, I'm finding the market quite balanced for many of my clients looking to buy property, with it not really being a buyers' or a sellers' market in the main. As in the pre-pandemic market, most property seems to be selling for just under the asking price, meaning both buyer and seller feel they got a "good deal" and are happy with that, which is the ideal outcome for most people."

**Justin Moy, managing director at EHF Mortgages:** "Buyers just about hold the upper hand at the moment, but don't get the VAR involved as that might draw the line in a different place. More sensible pricing has definitely helped the property market, however the relative lack of housing stock for sale has probably made the market seem a bit more robust than expected. New borrowers seem to be more sensible with what they are looking to borrow, staying within a tighter budget range, and sellers are happy to sit on a flexible product in the short term, awaiting lower rates on the horizon. This might go into extra time and penalties."

**Kate Allen, owner at Finest Stays:** "In the South Hams, we've been riding on the crest of a rather large Covid wave with prices at their peak. The amount of stock now on the market is at the highest level seen in over two years with large houses bought in lockdown returning to the market as owners are pulled back to the city, or have realised life without a local Waitrose is simply untenable. Plus we are seeing smaller holiday homes on the market for the first time in years as sellers wish to release equity. Despite the increased supply, market forces haven't yet been strong enough to see a fall in prices or a shift to a buyers' market. The tide will no doubt turn in the next few months."

**Edward Checkley, managing director at Advial:** "The UK property market appears to be in a delicate balance between a buyers' and sellers' market. Interest rate reductions this year have become more favourable for buyers, and the increased level in property stock has somewhat tempered the sellers' market. However, rising rents and high build costs could result in a potential reduction in future new build stock, suggesting that the market could still favour sellers in certain respects."

**Mike Staton, director at Staton Mortgages:** "There is a lot of confusion about whose market it is. Sellers still think we are in the pandemic and are being fed a load of bull about their home being worth more than £10k than its true value. I have had one client told by a Purplebricks agent that house prices have increased by £6k during the past two months. On the flip side, buyers think it is 2008 and that we have seen house prices slashed by up to 30%. Neither of these is true, which shows a complete lack of understanding in the housing market. This largely stems from unregulated and poorly qualified estate agents, but we have also seen a massive increase of new brokers join the mortgage industry over the past two years. I believe a lot of these were in it for the easy money and we will see a lot of them drop out of the market now they become challenged and hopefully a reduction in the poor advice they have been delivering."

**Gary Bush, financial adviser at MortgageShop.com:** "In our opinion, it's a tight race at times between buyers and sellers but currently, it's definitely a sellers' market as buyer activity is huge across quite a lot of the UK in our experience."

**Ross McMillan, owner and mortgage adviser at Blue Fish Mortgage Solutions:** "In Scotland, the picture is pretty clear and largely consistent across all areas, with sensible sellers marginally having the upper hand as demand continues to outstrip supply. Whilst, undoubtedly, local nuances exist, broadly speaking if sellers are accepting of the home report valuation being a reasonable benchmark of the current value of their home and price accordingly, activity can be strong and a good and fair price obtained in most instances. From a buyer's perspective, the expectation in most areas is that having to offer exorbitant percentages above home report valuations is now the exception rather than the rule, with clients often able to secure properties for around home report value. In the most sought-after hotspots and for the scarcest of property styles, achieving 10% above valuation is still commonplace."

**Graham Cox, founder at Director Mortgage Broker SEMH:** "It's definitely a buyers' market, despite some confusion at the moment over where house prices are heading. I think it will become clear over the next few months that property values are, in fact, falling sharply. Supply will start outstripping demand, as more vendors come onto the market in the

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traditional Spring rush, exacerbated by those unable to remortgage affordably and looking to sell up. Demand is driven by the availability and affordability of credit, and at current prices and mortgage rates, it's less and less affordable."

**Gareth Davies, director at South Coast Mortgage Services:** "The stamp duty holiday combined with record low interest rates meant that sellers were inundated with buyers when going to market. It meant that an asking price became a bare minimum, and often bids would go substantially beyond this. Buyers would find themselves up against many other contenders for each home, and we have instances where our clients were one of 20+ people bidding on a home. Things have calmed down since the mini-Budget and we have now entered a period where the asking price is likely the maximum someone will need to pay. Buyers won't be up against quite as many people, and vendors are accepting offers below the asking price. The uncertainty surrounding house prices, the economy and mortgage rates plays more into the hands of a buyer than seller in my opinion. Having said that, one of our clients put their house on the market on Friday, and before the day was out had 16 viewings booked for the following day, so there are exceptions to the rule."

**Kundan Bhaduri, property developer and portfolio landlord at The Kushman Group:** "Well-priced properties are selling without a doubt and there is plenty of competition from buyers around. However, the current economic landscape also offers a brilliant opportunity for portfolio buyers to rapidly acquire distressed stock in a housing market that is particularly driven by high inflation, real-term wage stagnation, coupled with the usual anti-landlord rhetoric and policies. The average house price in Wales increased by 13.9% in 2022. In England, on average, house prices have risen by 0.9% since May 2022 and the annual price rise of 7.3% takes average property values to £304,673. Make no mistake, house prices are not falling in real terms. It is the rate at which they were increasing that has fallen. A pragmatic seller will still be able to sell, but the current market is likely to treat distressed sellers more harshly."

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