



State of the  
**Property Nation**

Zoopla

**2020**

# Chapter 01

## Market psyche

# Introduction

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## **Welcome to the State of the Property Nation 2020.**

Every year we survey thousands of home-hunters and property professionals across the UK, generating an industry-leading view of the state of play in the market.

For the first time this year, we've broken the report down into a series of bitesize chapters, each taking a deeper dive into a hot topic for the industry.

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In this first chapter, we're looking at what makes buyers tick. If they're looking, what's driving them? And if they're not, what's holding them back?

We find a growing sense of market polarisation. There are marginal increases in those committed to buying, and a slim increase in those out of market due to ongoing economic jitters.

Those most likely to move are London-based, with small, growing families. Among those we surveyed, this 'upsizing' is the dominant reason for moving.

Make sure you don't miss out on future chapters as they're released.

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# Part 1: Growing numbers of UK adults active in the property market

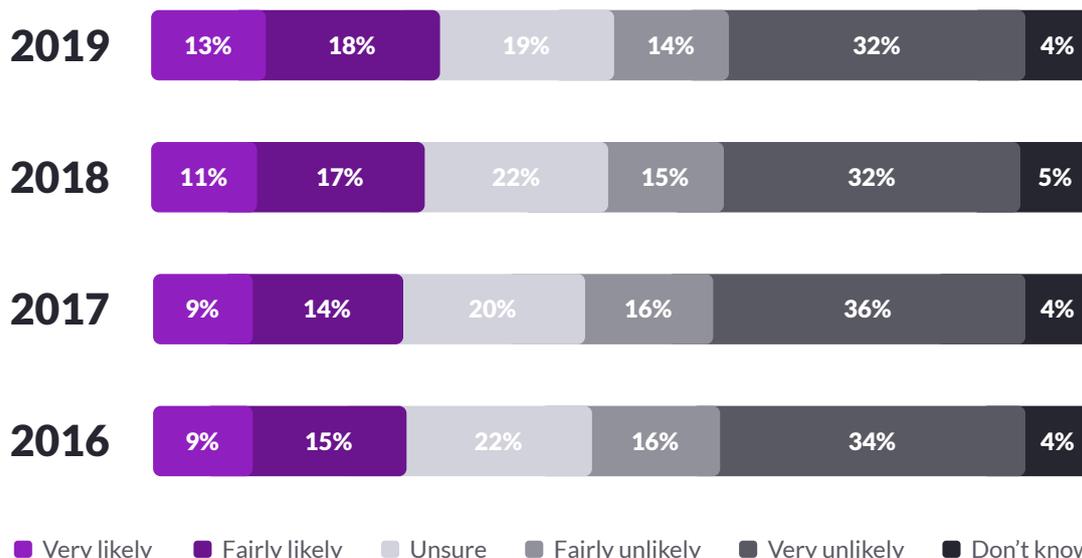
We've seen a modest increase in the number of UK adults that are actively looking to buy, sell or rent.

Encouragingly for agents, these active property seekers (32% of those surveyed) are more serious about moving than ever before\*, with 31% stating that they are likely to act on it within the next year – an increase of 11% year-on-year.

Their determination goes deeper in nearly a quarter of those surveyed, with 39% confidently stating that they know exactly which house or street that they want to live on.

\*Highest proportion of active respondents stating that they are very likely/fairly likely to move in the next year to date across State of the Property Nation surveys 2016, 2017 and 2018.

## Likelihood to move in the next year



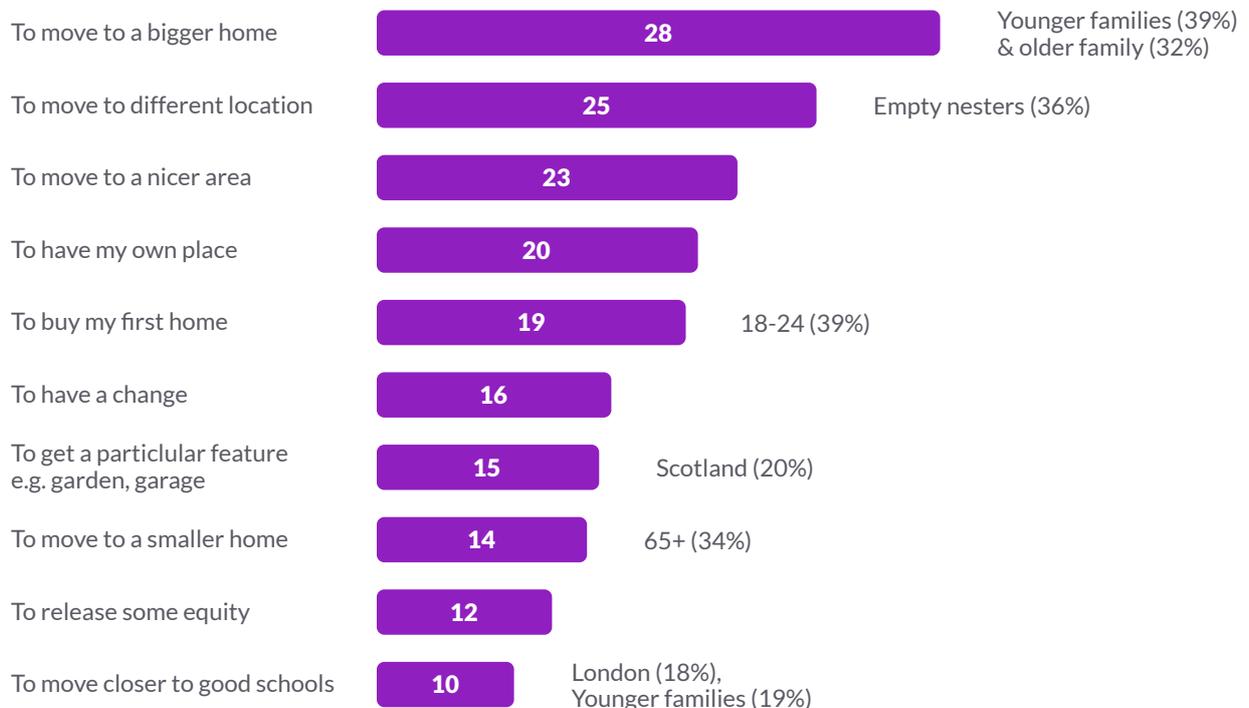
# Part 2: Upsizing is the key driver for home-seekers on the move

A sizeable chunk of respondents (with the exception of those living in East Anglia and the South West) deem 'moving to a bigger home' as their biggest motivation for moving.

Empty-nesters – those parents whose kids have left home – are the most keen to try somewhere new, with 36% saying 'moving to a new location' would inform their property choices in the future.

Younger families were most keen for the additional space, with 39% stating this as their reason.

## Reasons for buying a new property



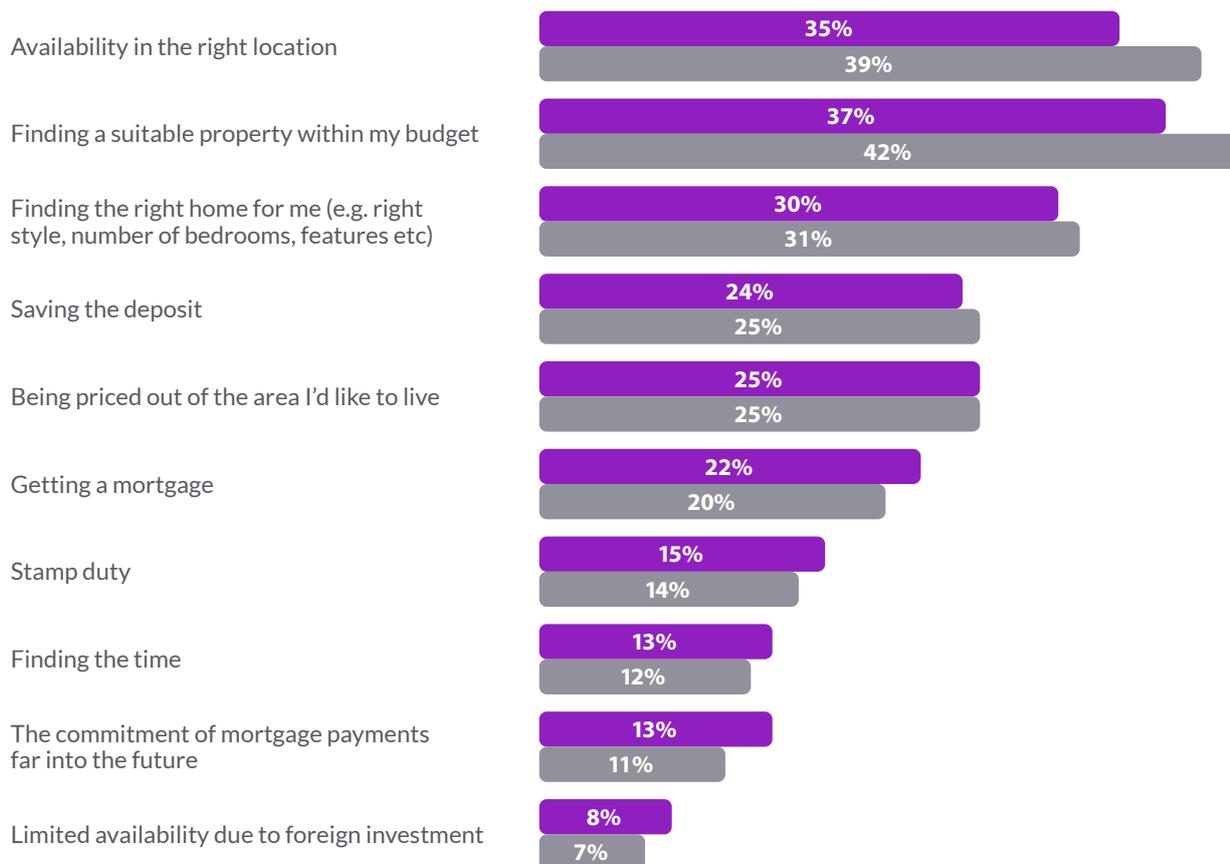
# Part 3: Buyers growing in confidence while sellers wary of the numbers

## Buyers

Availability of properties that are within budget and in the right location continue to pose key challenges for buyers.

However, nationally, we've seen a 5% drop in the number of house-hunters that find these factors limiting to their search.

### Challenges to buying



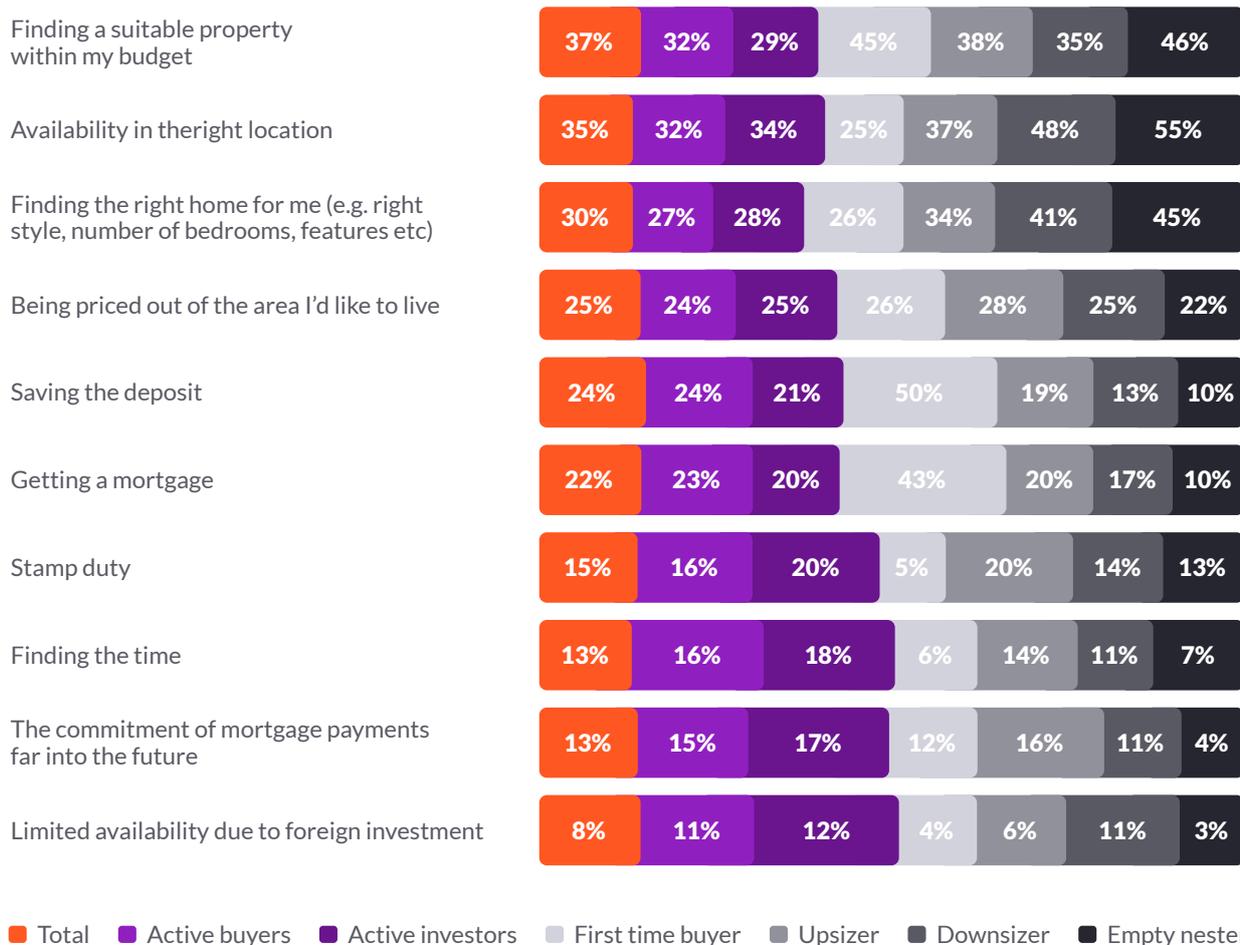
■ 2019 ■ 2018

# Part 3: Buyers growing in confidence while sellers wary of the numbers

At the other end of the market, far fewer first time buyers are facing issues with finding the right properties in the right location.

Their challenges are more financial, with around a half finding saving the deposit (50%) and getting a mortgage (43%) difficult.

## Challenges to buying by group



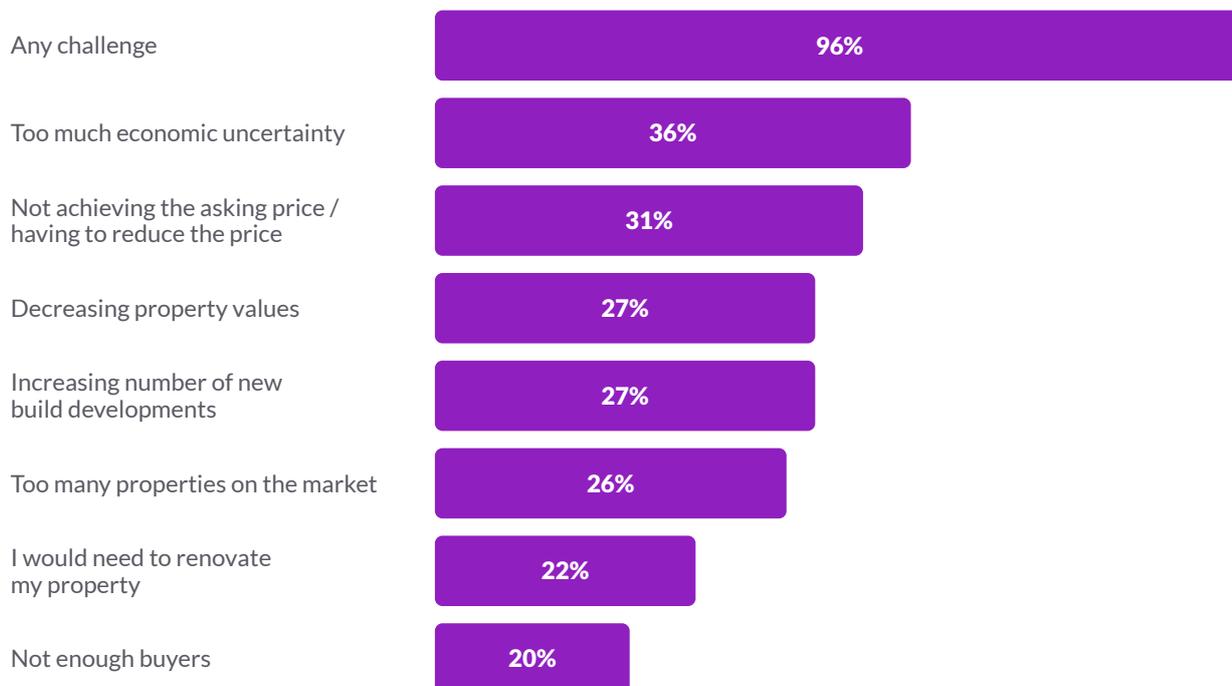
## Sellers

Homeowners and investors that are in the market to sell are most wary of the levels of economic uncertainty\*, followed by the risk of not achieving the asking price.

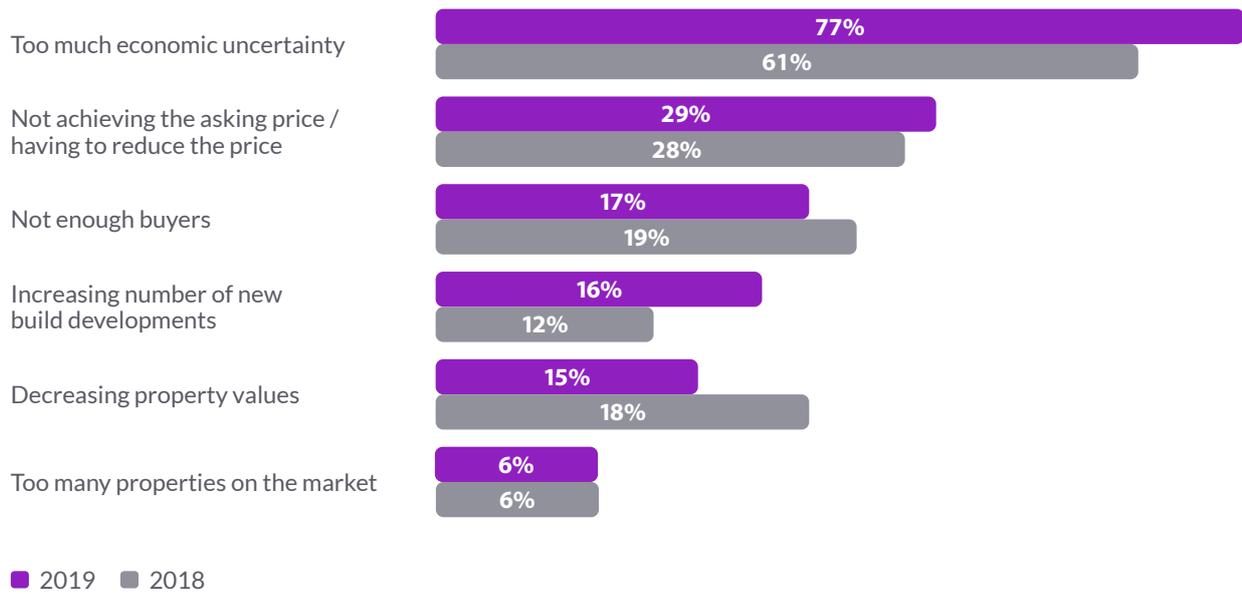
Approximately half the sellers that we spoke with felt inclined to carry out their own preliminary valuation before they approached an estate agent.

\*The State of the Property Nation 2020 survey was completed ahead of the Dec 2019 general election.

### Challenges to selling now (active seller view)



## Challenges for vendors (agents view)



# Conclusion

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Buyers and sellers are showing increasing signs of both confidence in the market and commitment to it. Agents are also feeling resurgent.

The first-time buyer story is a compelling one. The segment is growing in importance, but they still face financial barriers. It will be key for agents to educate and reassure this audience – with potential to reap the rewards if they do so.

On the seller side, persistent wariness of not achieving the asking price has to be addressed.

That's why we're working further upstream – through products such as the Zoopla Valuation Tool – to respond to consumer need for market intelligence way before they've even enquired about a listing.

Make sure you receive all of our State of the Property Nation chapters as they're released – **register your interest now.**

