



CONFIDENTIAL AND PROPRIETARY

UK HOUSING MARKET OUTLOOK

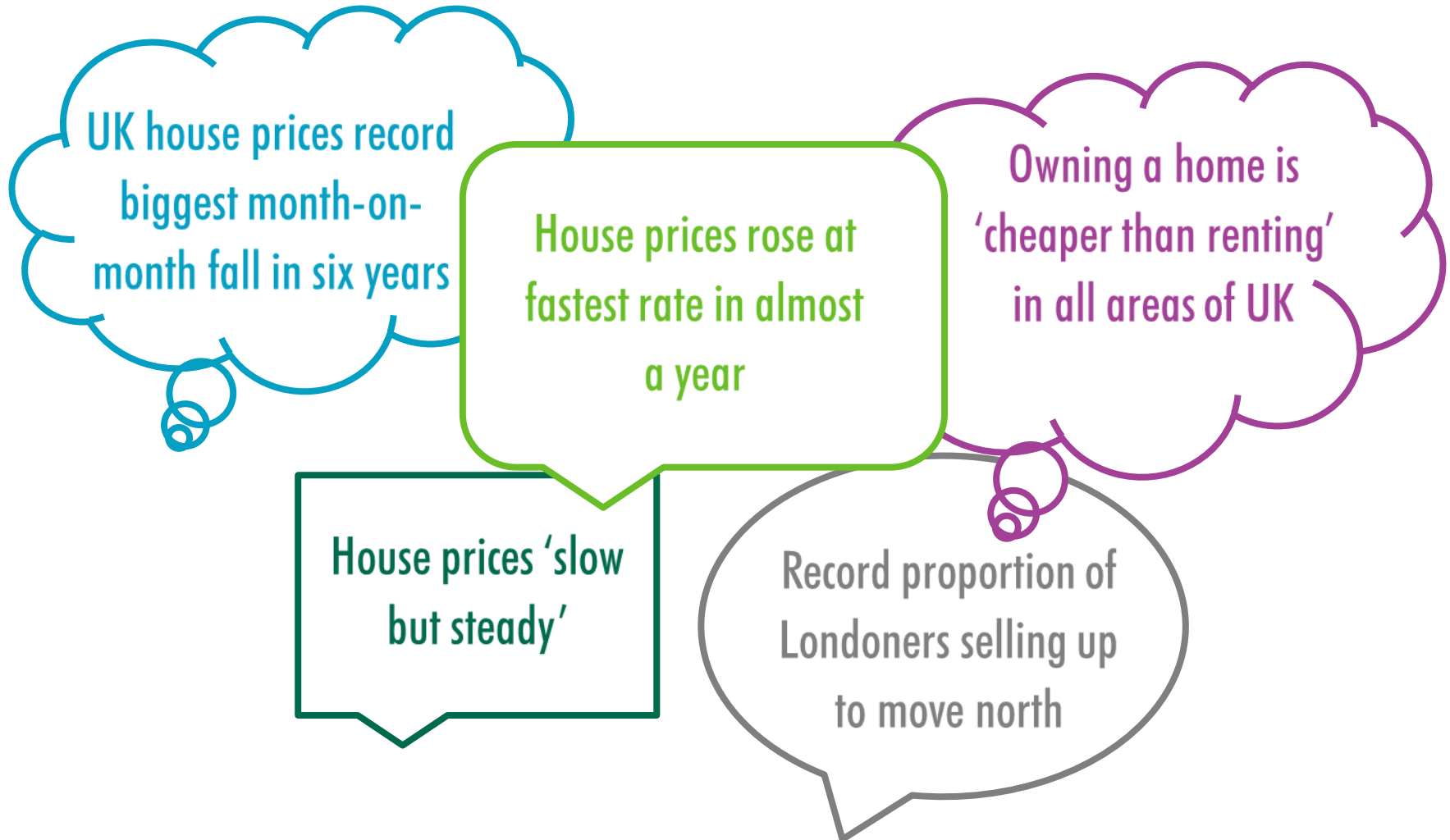
October 2018

CBRE
GLOBAL
INVESTORS

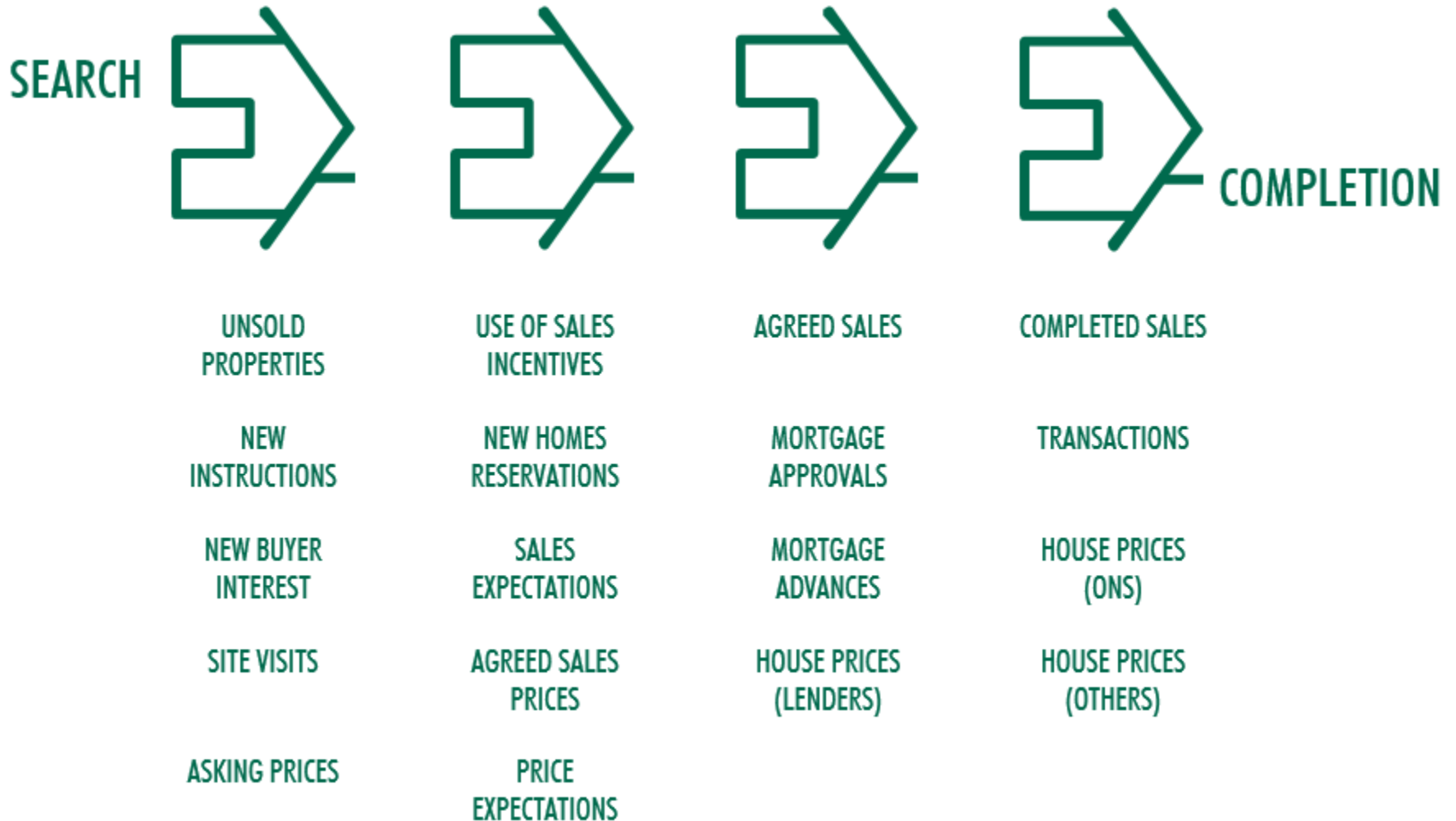
THE NEWS

Britain's housing
market could be
headed for disaster

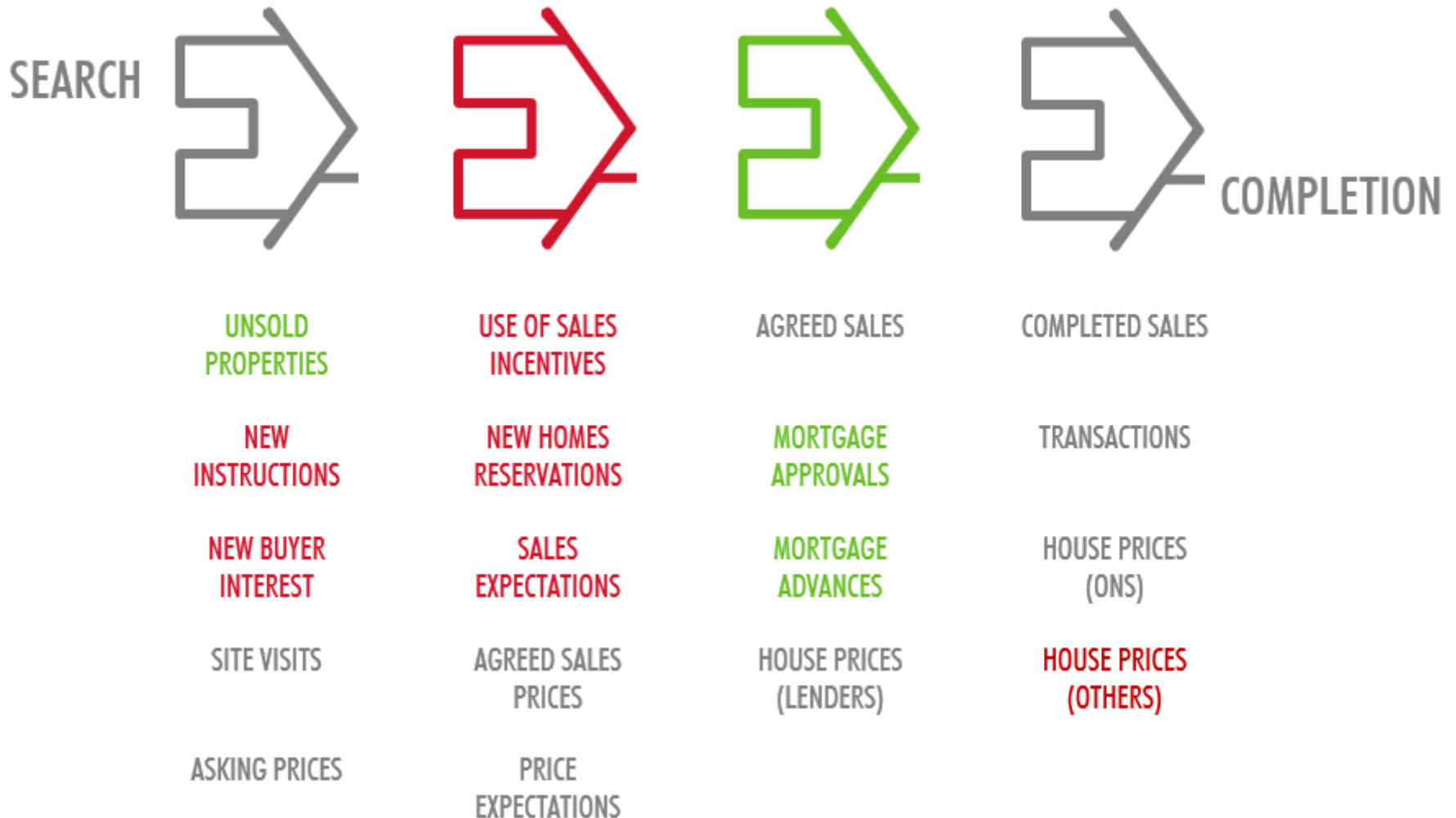
MIXED MESSAGES



THE HOME BUYING PROCESS



THE HOME BUYING PROCESS... SUGGESTS A WEAKENING MARKET



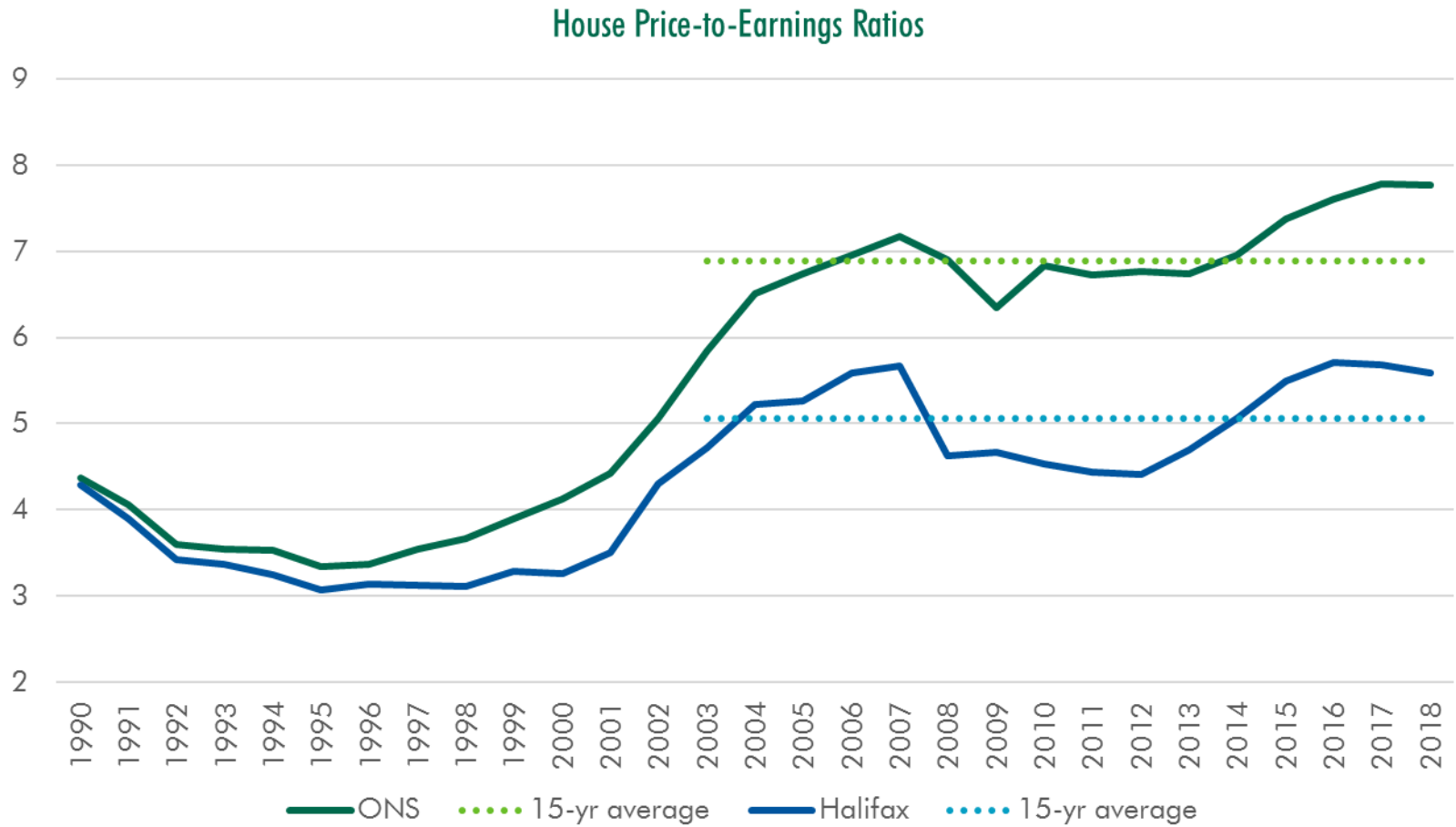
THE ECONOMIC BACKDROP IS (MOSTLY) SUPPORTIVE



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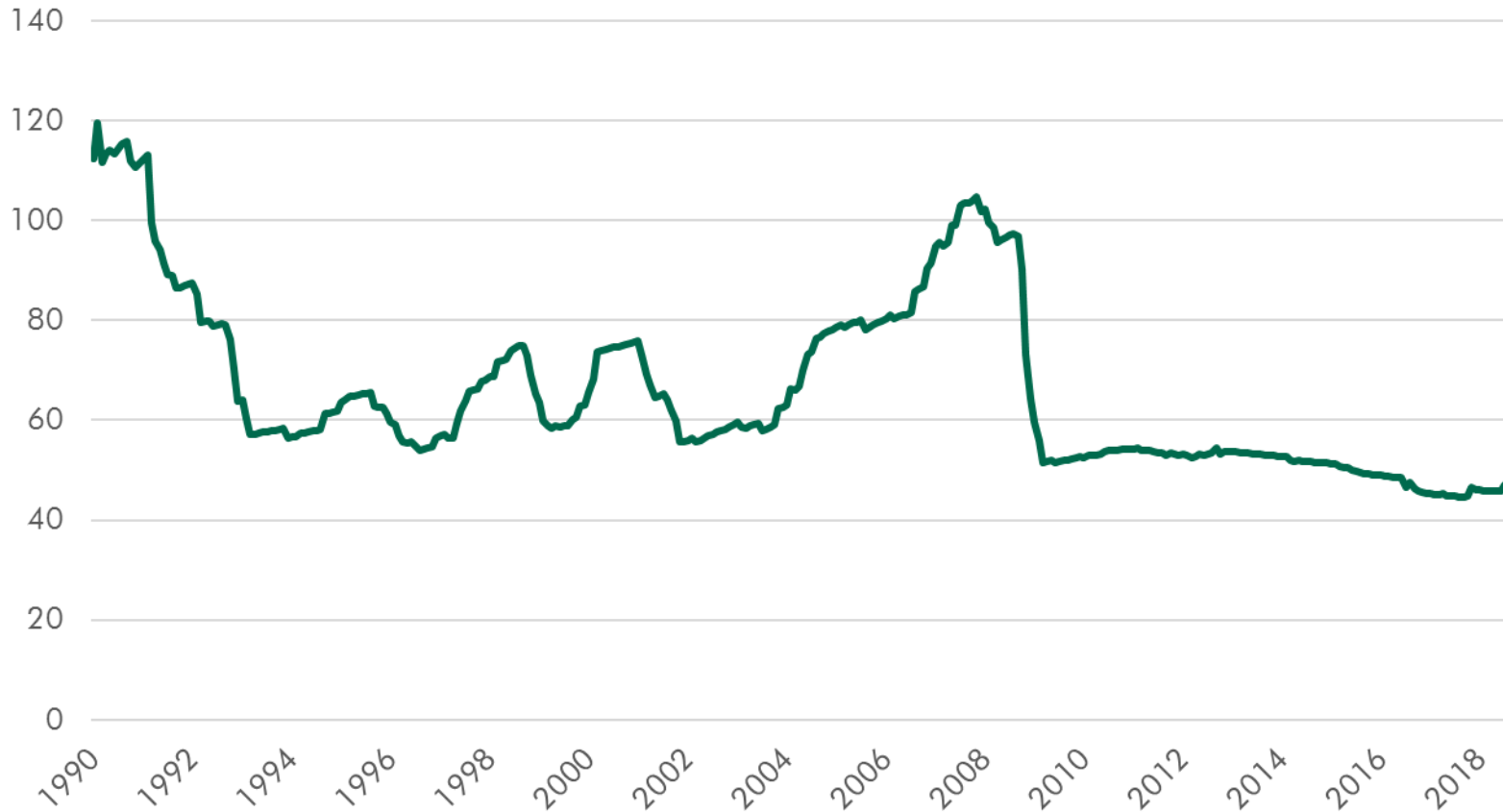
AFFORDABILITY IS STRETCHED...



Sources: ONS, Halifax.

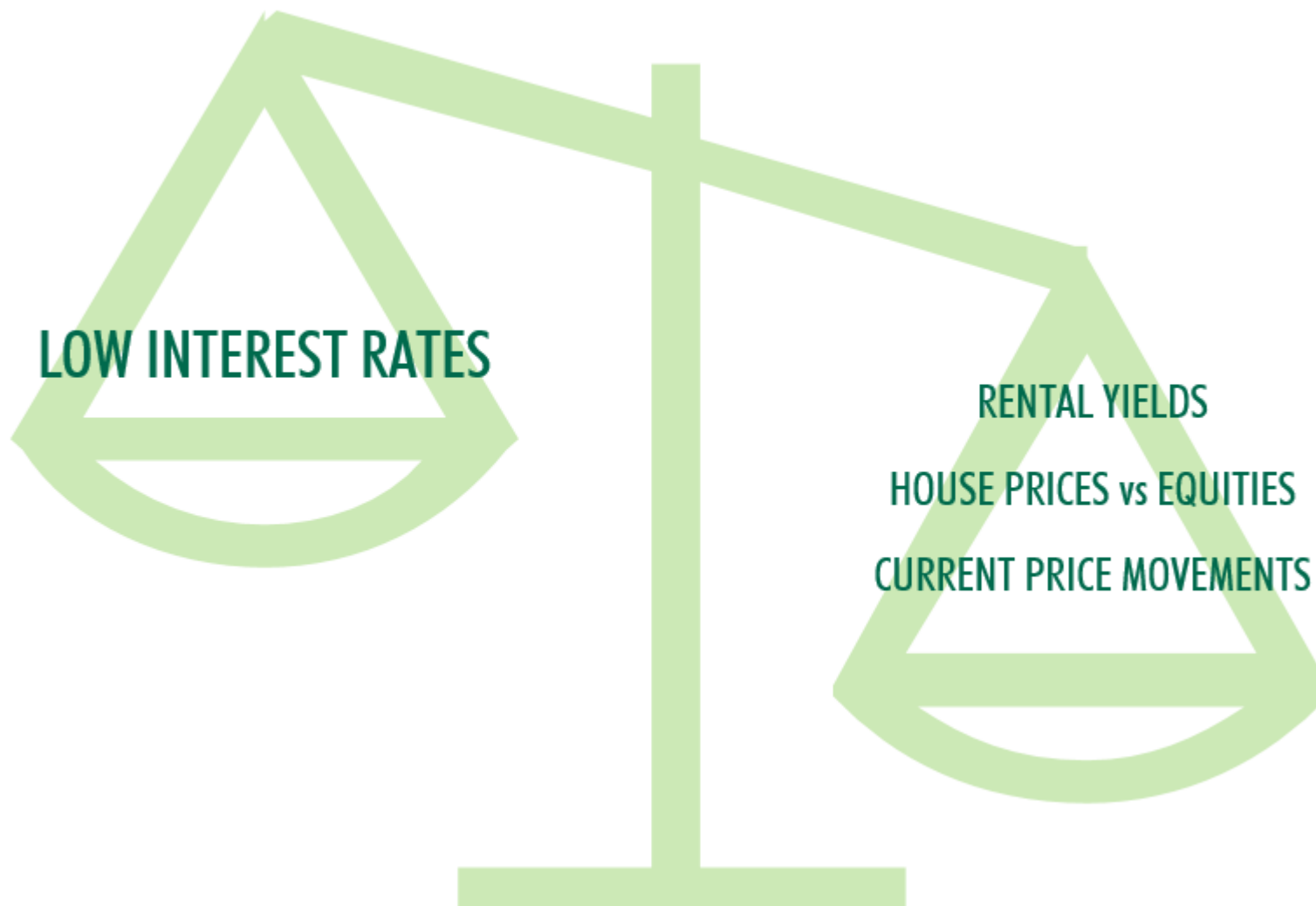
...OR IS IT?

Mortgage Interest Payments Relative to the Cost of Renting, Index 2007 = 100

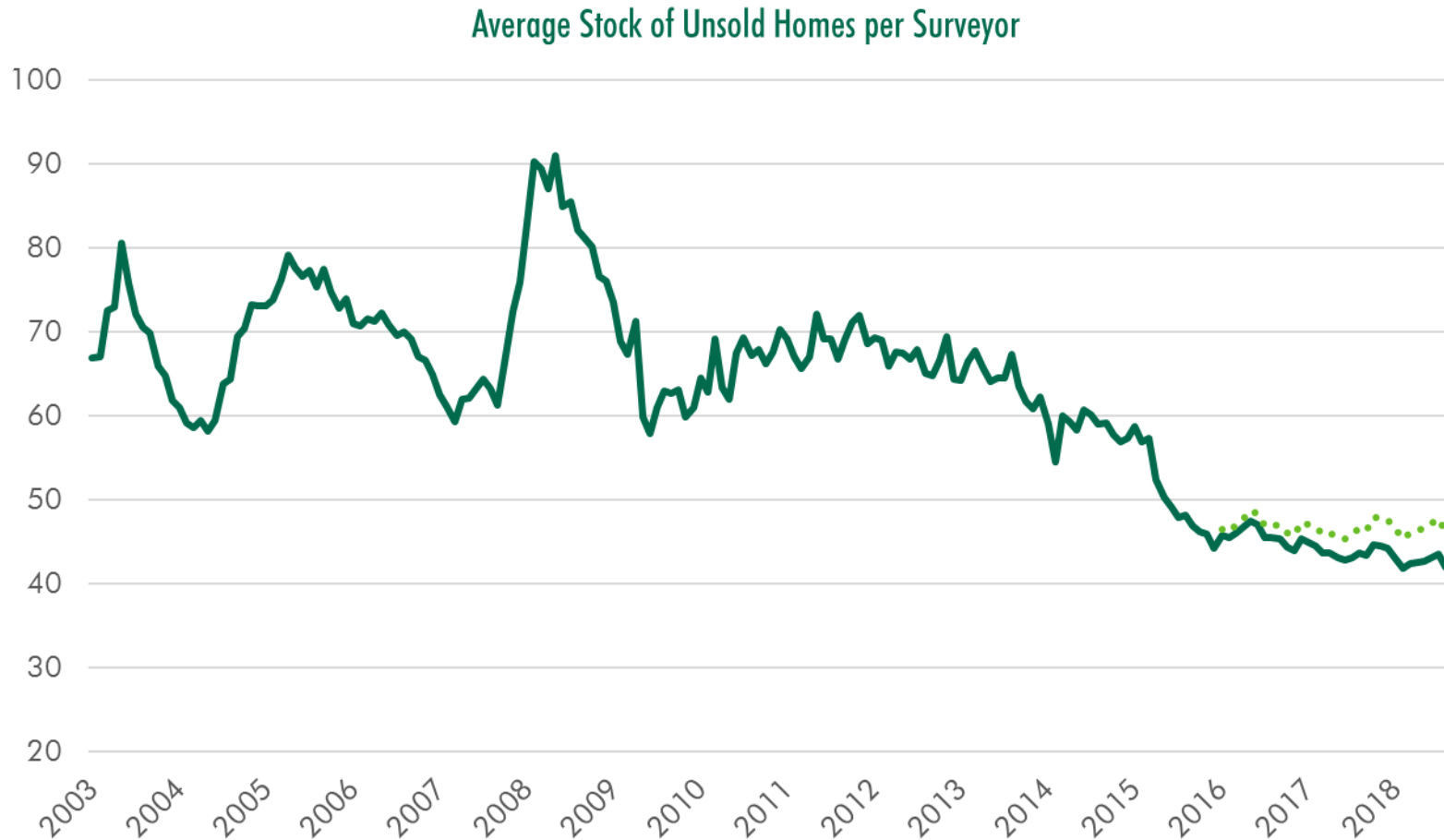


Sources: ONS, CBRE Global Investors.

THE LOW INTEREST RATE CONUNDRUM

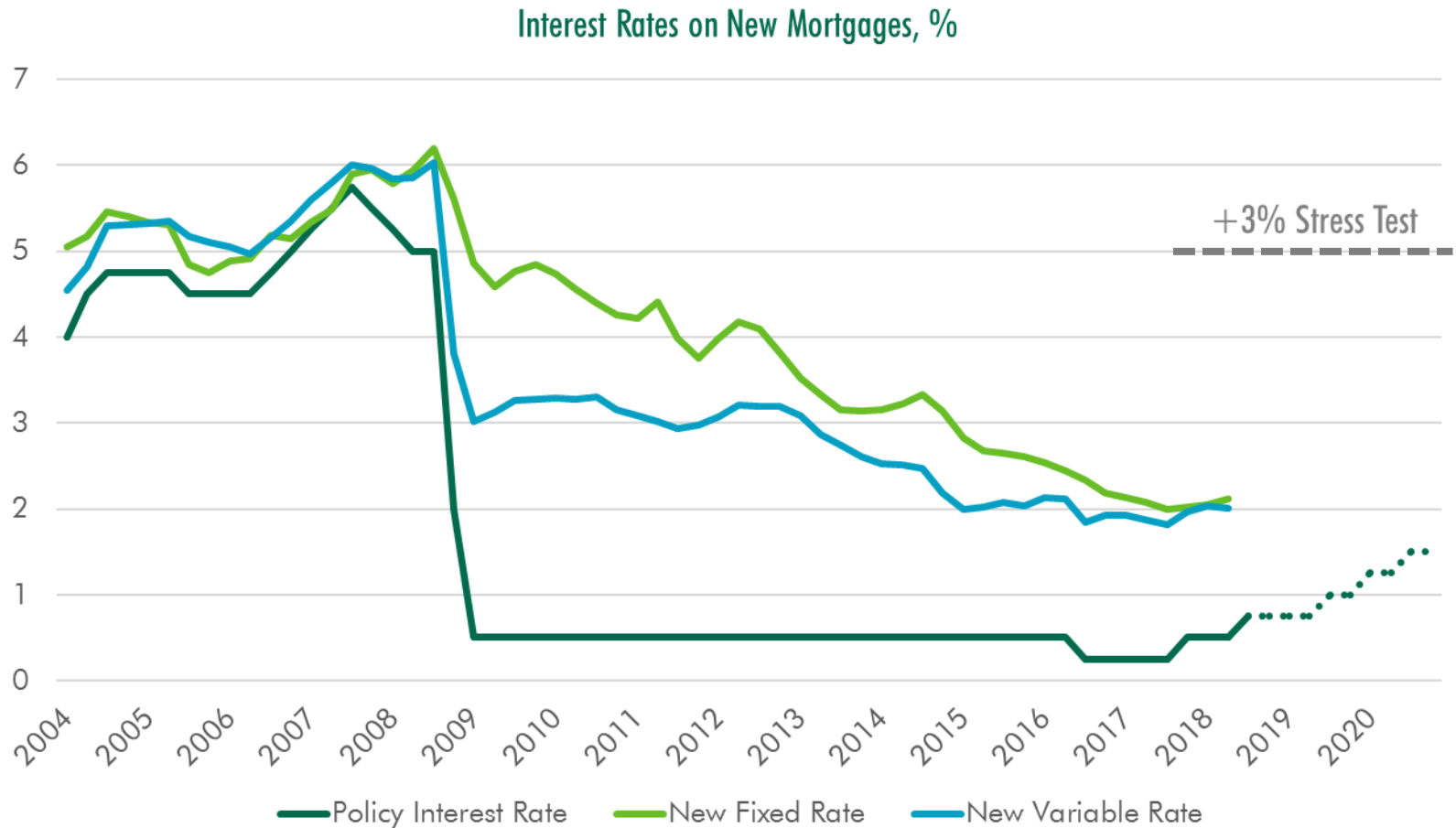


PRICE GROWTH IS COOLING DESPITE SHORTAGE OF HOMES FOR SALE



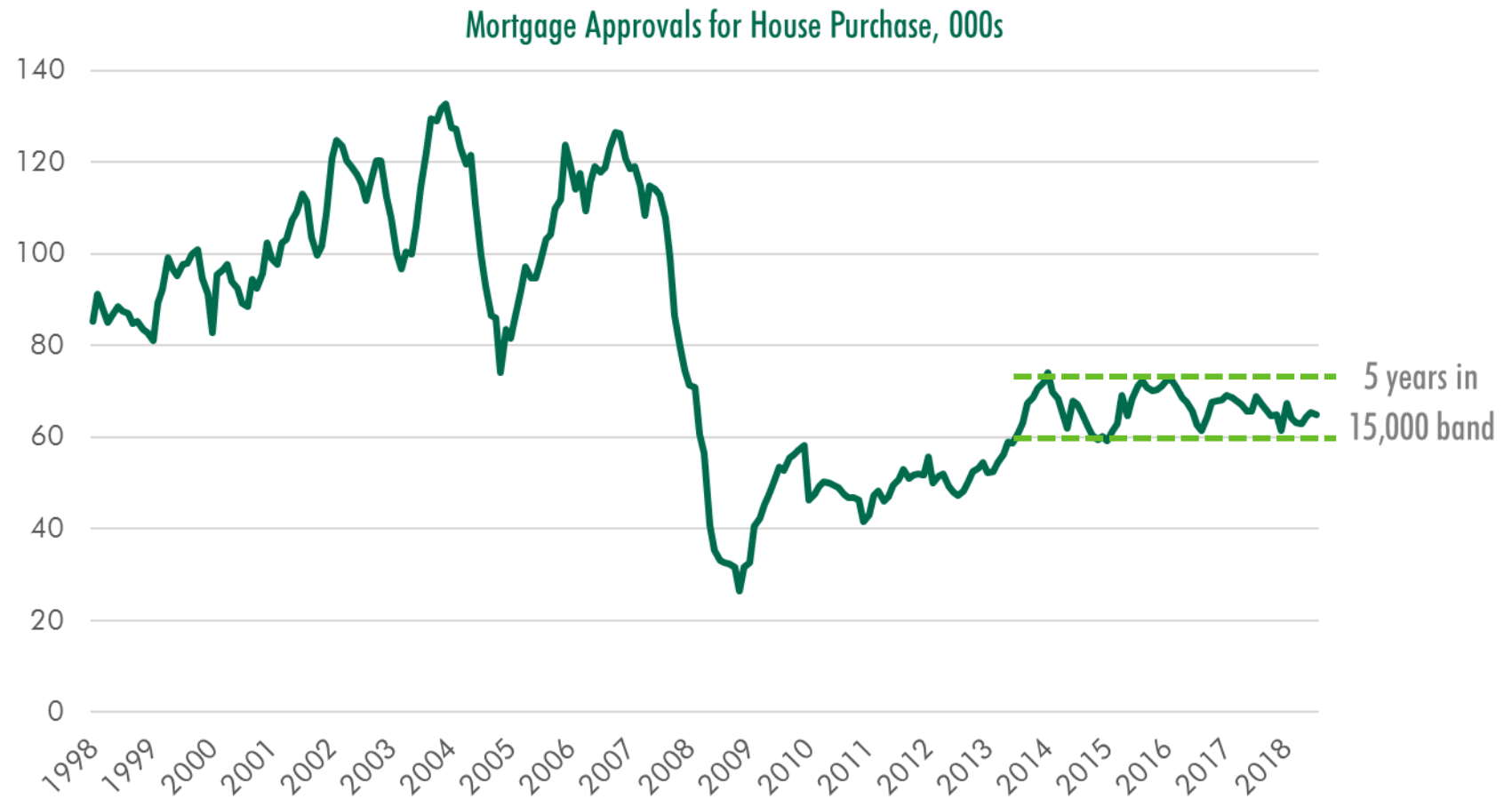
Source: RICS, CBRE Global Investors.

INTEREST RATES ARE RISING, GRADUALLY



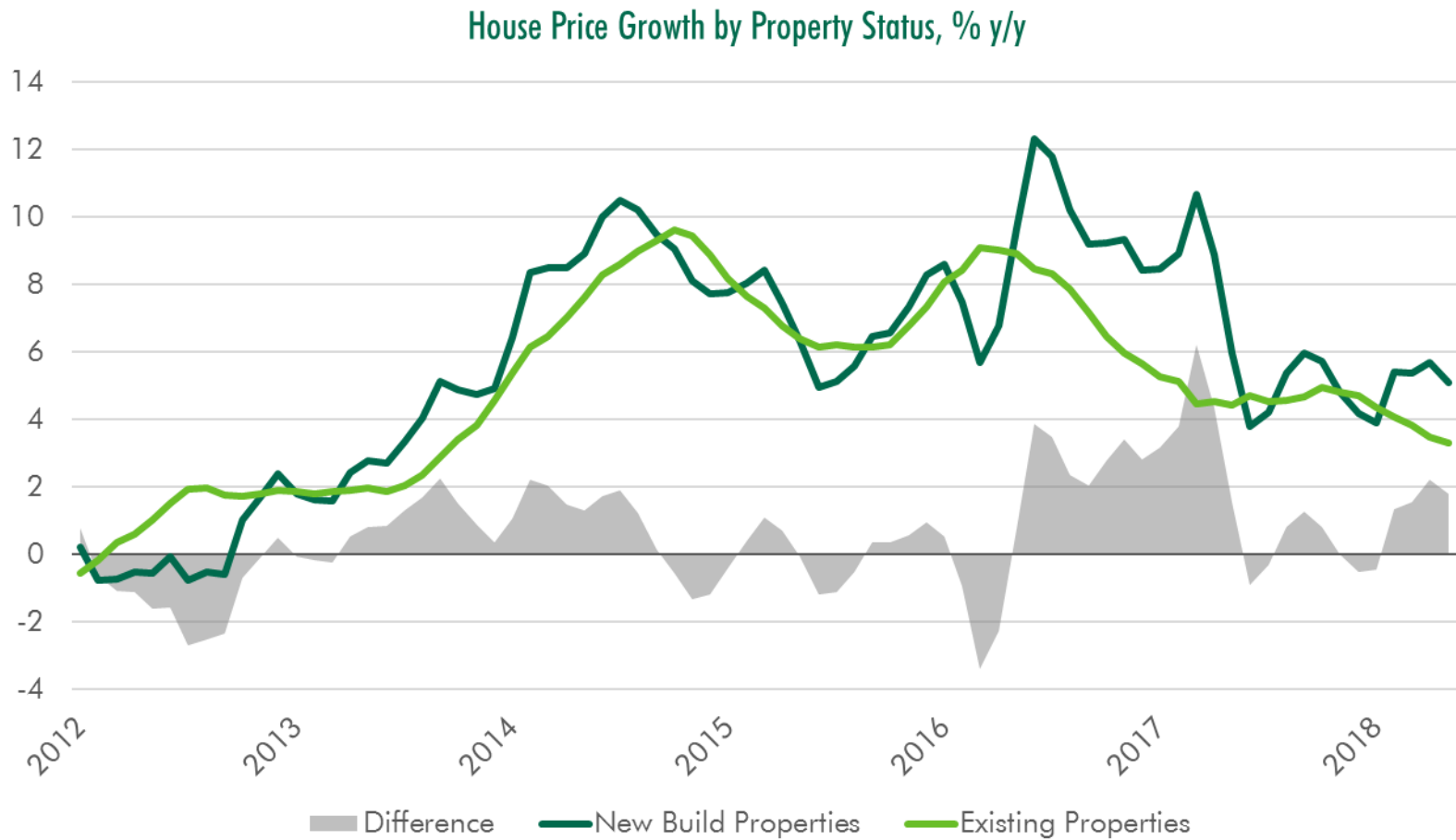
Source: Bank of England, Oxford Economics.

REMARKABLE STABILITY IN MORTGAGE ACTIVITY



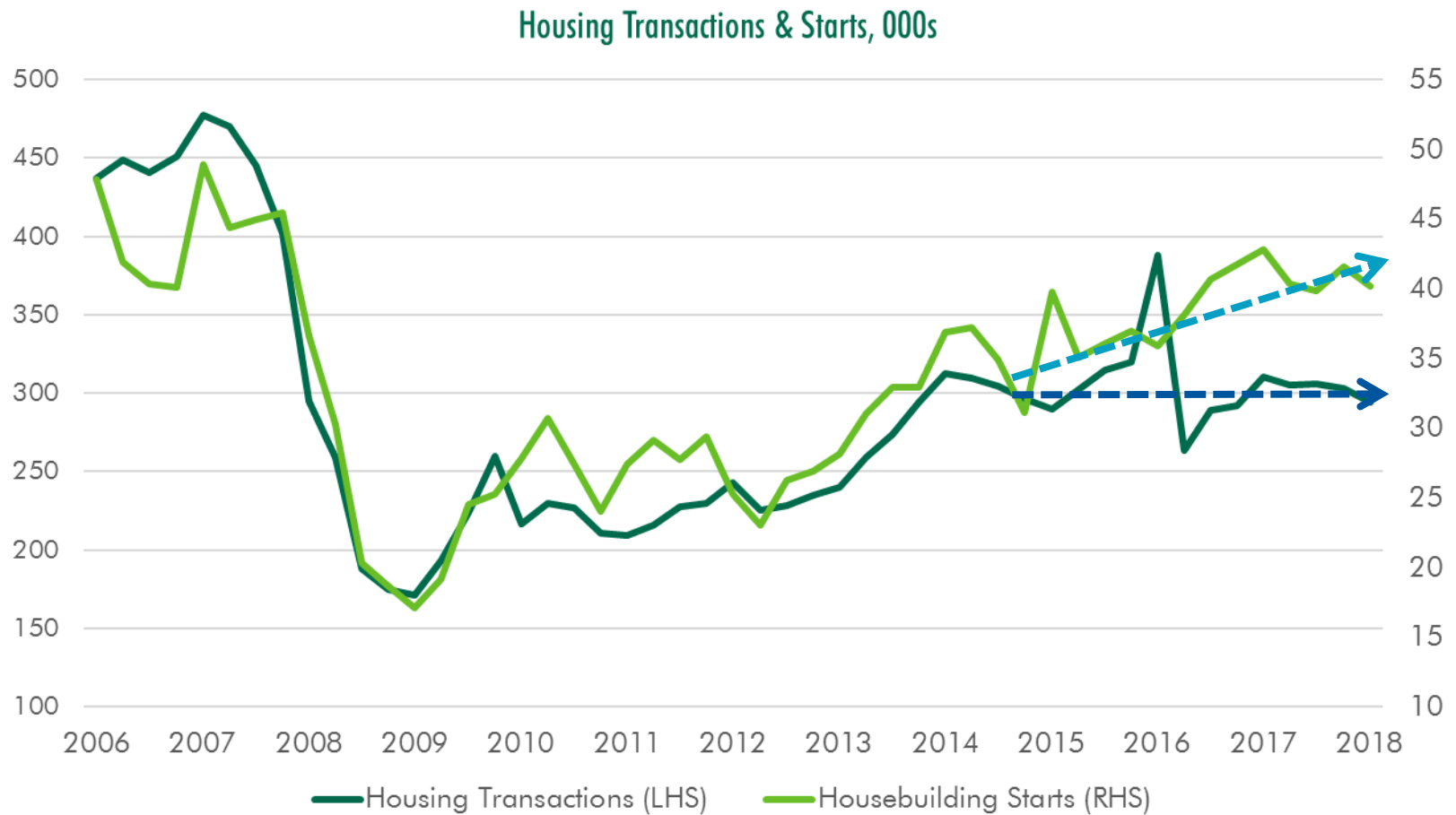
Source: Bank of England.

NEW BUILD PRICES HAVE BEEN OUTPERFORMING



Sources: ONS, Thomson Reuters.

STRONG HOUSEBUILDING FIGURES GIVEN WIDER MARKET ACTIVITY



Sources: ONS, DCLG, Thomson Reuters.

WEAKNESS IN LONDON STANDS OUT

	London	Rest UK
Economy	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Activity	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Affordability	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Policy	<input type="checkbox"/>	<input checked="" type="checkbox"/>

FINAL THOUGHTS...

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