

House prices could fall in 2022 and 2023, Bristol mortgage expert warns

A Bristol property expert believes house prices in the UK could begin to fall this year amid the cost-of-living crisis.

Graham Cox, founder of Bristol-based broker SelfEmployedMortgageHub.com, said the price of homes could fall as much as 5% in 2022 – and “possibly even more” next year.

Inflation, [which rose to 9% in the year to April](#), is hitting UK consumers hard, as food, petrol and energy prices continue to soar – and it could have an impact on the property market, said Mr Cox.

He made the comments as Halifax released its latest property market data, which revealed [UK house prices hit a new record high in May](#). However, the report said the rate of growth in house prices was slowing – and could cool off later in the year.

Mr Cox said: “Property prices are already coming off their record highs and transaction levels are falling. Mortgage costs, fuel, food and energy prices continue to soar with no end in sight.

“Throw in National Insurance and tax hikes, the terrible events unfolding in Ukraine and the autumn energy cap increase and it’s a recipe for economic disaster that we won’t see the full effects of until the winter. There is nowhere for house prices to go but down.”

In the South West, annual house prices jumped 14.5% in May to £305,173 – [the second-highest increase in the country](#), behind

Northern Ireland, according to Halifax.

“The housing market has begun to show signs of cooling,” added Russell Galley, Halifax managing director. “Mortgage activity has started to come down and, coupled with the inflationary pressures currently exerted on household budgets, it’s likely activity will start to slow.”

In April, the South West saw the [biggest rise in house prices in England](#), Rightmove said. The region was also the second-fastest area of the UK for selling a home, taking 28 days on average, while Scotland topped the list with an average selling time of just 22 days.

Like this story? Why not [sign up](#) to get the latest business news straight to your inbox.