# British estate agents face record high home stock as sellers must adjust prices amid international market shifts



Estate agents in Britain are currently experiencing the highest stock of homes for sale in over seven years, creating an environment where buyers benefit from increased choice and competition. This surge in inventory is prompting a critical message for sellers: setting realistic asking prices is more important than ever to attract buyers effectively.

According to an analysis by Zoopla, homeowners across Britain have realised an average profit of £72,000 over the past 18 months, which equates to a 38% gross gain compared to their initial purchase prices. The average timeframe between buying and selling properties stands at nine years. Detached house sellers have enjoyed the most substantial profits, with average gains of £122,500 or 45%. However, with the growing supply of homes on the market, sellers need to calibrate their prices carefully to remain competitive.

Industry experts caution that overpricing homes can have adverse effects, including longer periods on the market, missed opportunities for early offers, and appraisal complications. When a property lingers unsold, it tends to lose visibility and buyer interest, which may lead potential purchasers to suspect underlying issues or perceive the seller as inflexible. Consequently, such homes often require steep price reductions later on, diminishing the seller’s net return and prolonging the selling process. The financial and strategic disadvantages of unrealistic pricing are increasingly acknowledged amidst the current market conditions.

Real estate professionals recommend several strategies to help sellers understand the importance of pricing accurately. These include calculating absorption rates to estimate the probability of selling within desired timeframes and highlighting the ongoing holding costs to illustrate the financial impact of slow sales. These approaches can assist sellers in making informed decisions that balance realistic expectations with market dynamics.

The trend towards realistic pricing and market balance is not unique to the UK. In the United States, for example, the housing market has recently seen a rise in the number of sellers reducing their listing prices, driven by higher mortgage rates and economic uncertainties. In February, 14.6% of home listings had price cuts, a figure up from 13.2% the previous year and marking a shift toward more balanced market conditions. While median home prices remain elevated, affordable mortgage rates continue to exert pressure on buyer affordability, forcing sellers to adjust expectations accordingly.

Major US cities like Seattle have witnessed nearly half of home sellers lowering asking prices in response to cooling market demand, despite increases in median home prices in some areas. This behaviour mirrors broader trends where sellers across various regions are dropping prices, offering incentives, or even withdrawing listings to adapt to reduced buyer activity and rising borrowing costs.

The heightened stock of homes for sale in Britain, combined with shifting market dynamics internationally, suggests a transitional phase in residential real estate where seller realism and strategic pricing will be vital. Buyers currently enjoy greater choice and leverage, underscoring the importance for sellers to align expectations with market realities to achieve successful transactions.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.standard.co.uk/business/money/zoopla-scotland-britain-wales-england-b1253174.html), [[2]](https://www.standard.co.uk/business/money/zoopla-scotland-britain-wales-england-b1253174.html)
* Paragraph 2 – [[2]](https://www.standard.co.uk/business/money/zoopla-scotland-britain-wales-england-b1253174.html), [[1]](https://www.standard.co.uk/business/money/zoopla-scotland-britain-wales-england-b1253174.html)
* Paragraph 3 – [[4]](https://www.finehomesandliving.com/luxury_homes/sellers-beware-the-risks-of-setting-an-unrealistic-asking-price/article_97e48ef2-8590-11ef-8fbf-2b7ce259b007.html), [[1]](https://www.standard.co.uk/business/money/zoopla-scotland-britain-wales-england-b1253174.html)
* Paragraph 4 – [[5]](https://www.inman.com/2010/07/15/6-strategies-a-realistic-asking-price/)
* Paragraph 5 – [[3]](https://www.apnews.com/article/bfd3a3bd9d9232b6fedd8e349d2d9a43), [[6]](https://www.apnews.com/article/6a2ae673d0c93e98b69d3c6b99925124)
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* Paragraph 7 – [[1]](https://www.standard.co.uk/business/money/zoopla-scotland-britain-wales-england-b1253174.html), [[2]](https://www.standard.co.uk/business/money/zoopla-scotland-britain-wales-england-b1253174.html), [[3]](https://www.apnews.com/article/bfd3a3bd9d9232b6fedd8e349d2d9a43), [[6]](https://www.apnews.com/article/6a2ae673d0c93e98b69d3c6b99925124), [[7]](https://www.axios.com/local/seattle/2022/08/30/seattle-home-sellers-dropping-asking-prices)

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## Bibliography

1. <https://www.standard.co.uk/business/money/zoopla-scotland-britain-wales-england-b1253174.html> - Please view link - unable to able to access data
2. <https://www.standard.co.uk/business/money/zoopla-scotland-britain-wales-england-b1253174.html> - An analysis by Zoopla reveals that homeowners in Britain have made an average profit of £72,000 over the past 18 months, equating to a 38% gross profit compared to their original purchase price. The average duration between buying and selling is nine years. Detached house sellers have seen the highest gains, averaging £122,500 or 45%. The report also highlights that estate agents currently have the highest stock of homes for sale in over seven years, providing buyers with more choices and emphasising the importance for sellers to set realistic asking prices.
3. <https://www.apnews.com/article/bfd3a3bd9d9232b6fedd8e349d2d9a43> - As the spring homebuying season begins, homeowners in the U.S. are increasingly lowering their listing prices to attract buyers, especially amid higher mortgage rates. In February, 14.6% of listed homes had price reductions, a rise from 13.2% the previous year, marking the first annual increase since May. This indicates a more balanced market, as sellers adjust their prices to align with buyer affordability. Mortgage rates, which peaked at 7.79% in October 2022, have since eased but remain variable due to ongoing economic conditions. Lowering prices reflects a return to normalcy in the market, contrasting the previous years' trends of rapid price gains fueled by low mortgage rates.
4. <https://www.finehomesandliving.com/luxury_homes/sellers-beware-the-risks-of-setting-an-unrealistic-asking-price/article_97e48ef2-8590-11ef-8fbf-2b7ce259b007.html> - Setting an unrealistic asking price can lead to prolonged time on the market, missed opportunities for early offers, appraisal issues, and ultimately a lower final sale price. Overpricing a home may cause it to sit on the market longer than expected, leading to reduced visibility and interest. Buyers may wonder if something is wrong with the property or assume the seller is unwilling to negotiate. As a result, homes that linger on the market often require significant price reductions, which can end up costing the seller more in the long run.
5. <https://www.inman.com/2010/07/15/6-strategies-a-realistic-asking-price/> - To persuade sellers to set realistic asking prices, agents can employ strategies such as calculating absorption rates to determine the likelihood of selling within a given timeframe, and discussing holding costs to highlight the financial impact of waiting to sell. By presenting these strategies, agents can help sellers understand the importance of pricing their homes appropriately to attract buyers and achieve a successful sale.
6. <https://www.apnews.com/article/6a2ae673d0c93e98b69d3c6b99925124> - The U.S. housing market is facing a prolonged slump, shifting negotiating power from sellers to buyers. After years of rapid price increases and low inventory, rising mortgage rates and economic uncertainty have priced many potential buyers out of the market. In response, sellers across the country—particularly in the South and West—are dropping asking prices, offering incentives, or even removing listings altogether. Home sales remain sluggish, with sales of previously occupied homes at their lowest level in three decades. While the national median home listing price slightly increased to $439,450 in July, it remains well above what most median-income households can afford. Active listings have risen for 21 consecutive months, especially in states like Texas and Florida where new construction is booming, giving buyers more options. While some sellers, like those in Denver and Miami, report price cuts of 4% or more, others are pulling out of the market due to unsatisfactory offers. Meanwhile, buyers who are also sellers often find purchasing easier than selling. Despite calls for interest rate cuts, mortgage rates are expected to stay in the mid-6% range, keeping pressure on affordability and market activity.
7. <https://www.axios.com/local/seattle/2022/08/30/seattle-home-sellers-dropping-asking-prices> - In July, approximately 47% of home sellers in Seattle reduced their asking prices, according to Redfin, reflecting a response to a cooling real estate market. Nationally, over 15% of home sellers in major U.S. metropolitan areas also dropped their prices. Despite this trend, the median home price in Seattle increased by 7.5% compared to the previous year, reaching $860,000. Cities like Tacoma, which saw a surge in homebuyers during the pandemic, are now experiencing significant price drops. Redfin predicts that price cuts will likely stabilize as sellers adjust to changing market conditions.