

News

## Why more families are choosing to sell up and rent instead

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One in five of those planning to move house is considering getting off the property ladder while prices remain high.

Around 18 per cent of homeowners who are planning to move said they were thinking of going into rented accommodation so they could sell their homes near the top of the market and buy another once prices have fallen, according to address-book website iammoving.com.

Most house price indexes have shown slight falls in the value of homes in the past few months as the market suffers from the combined impact of food and fuel inflation and tighter mortgage lending criteria.

But while most commentators expect house prices to end the year at around the same level they started it, some are predicting falls of up to 10 per cent over the next two years.

The research also found that a further 14 per cent planning to move are considering renting to free up some of the money they have tied up in their homes to ease cashflow problems.

Simon Preston, chairman of iammoving.com, said the group decided to commission the research after seeing a trend for homeowners opting to rent instead of buying.

He said: "You expect people to consider renting when the market is falling because there is a chance to make money, but 18 per cent is a high figure."

Mr Preston warned: "The 14 per cent who indicated they might move to rented accommodation because they have money worries will find it hard to get back on to the ladder if they spend too much of their equity."



Decreasing property values is causing families to sell up and rent instead