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## Alison Cork: "Get set for house price falls"



The current confusion is all due to that elusive but oh-so-powerful factor, consumer confidence – and we all know that confidence is key. If people are worried about the ability to earn enough to pay rising mortgage rates – or even worried about the security of their job – then Houston, we have a problem.

The consumer is the key driver for the economy, and a change of heart could have a dramatic impact on the general economy as a whole. The subsequent impact on the residential market will be a direct reflection of the creeping lack of confidence among consumers.

First, there will be less consumer spending, as a result of which corporate profits will drop in certain key retail sectors. Companies will then need to cut expenses, which will result in job losses.

Job losses mean people will be unable to meet their financial commitments, or make new ones: effectively, the long-term impact will be pressure both from rising interest rates and consumers themselves.

Oh, and in case we forget, there's the ever-present threat of serious terrorist attacks to throw into the mix.

It's hard to predict exactly what will cause the change of heart – and it could be all or just one of the factors listed above – but mark my words, dear reader, "a change is gonna come".

Hold onto your seats, and your cheque book.

**Alison Cork is a property journalist and presenter of ITV's *Don't Move, Improve!* and *Homes & Property*, she founded online lifestyle portal Homes & Bargains - the place to find quality products for the home at affordable prices. Alison also runs Problem Solved - the UK's largest directory of recommended, local tradespeople.**

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