



# Housing market overview

Produced 06 June 2018

This document provides the latest information available from various sources, with dates varying from March - May 2018

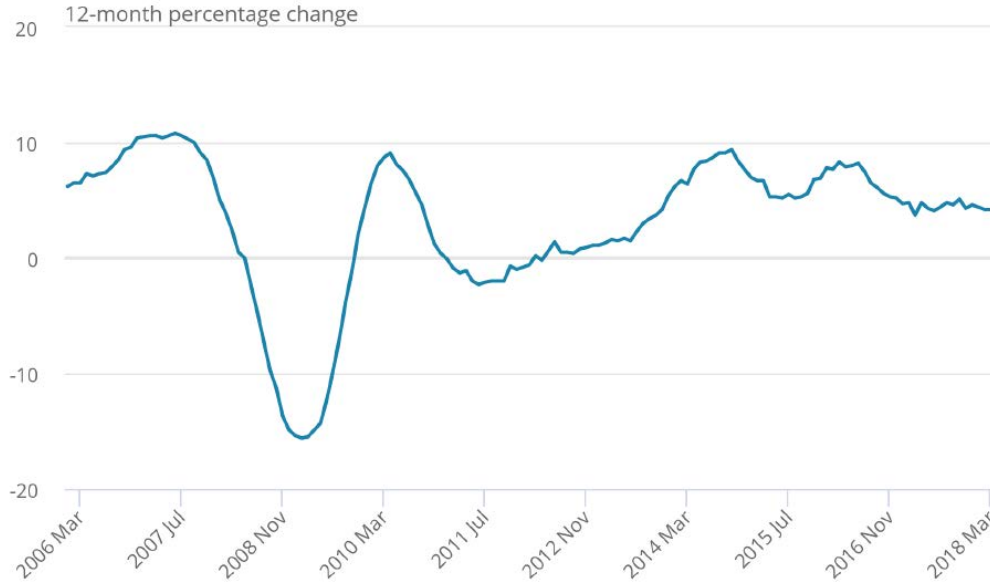
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- > Our consulted sources are split down the middle regarding monthly house price fluctuation, with three sources reporting positive and three sources reporting negative movements. Most positive of these is Halifax who, interestingly, only last month suggested a 3.1% decrease and are now moving the needle back with a 1.5% positive shift. All sources are in agreement that annual rate of price growth remains positive, ranging from 0.5% to 4.9% across all of our sources.
- > Home.co.uk comments that although asking prices have risen this month across England and Wales, for the most part, this may be explained by seasonal optimism and not by firm market fundamentals. They indicate that London prices continue to slide and the slowdown that began there now seems to have spread beyond the south east and east to engulf the east midlands and the south west. Their median-time-on-market figures are up year-on-year for all of these regions, while prices are slowly correcting in London and the south east and they expect the same process to occur in the east of England towards the end of the year.
- > Rightmove tell us lack of stock on the market means that agents in some areas report that the right property at the right price is still selling briskly. They have seen record visits in the first four months of the year showing that interest in property remains robust.
- > Halifax reports the latest price changes reflect a relatively subdued UK housing market. They say after a sharp rise in January, mortgage approvals have softened in the past three months, while both newly agreed sales and new buyer enquiries are showing signs of stabilisation, having fallen in recent months.

# Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	March '18	▼ 0.2	▲ 4.2	£224,144	23.05.2018
LSL Property Services	April '18	▼ 0.1	▲ 1.0	£302,252	21.05.2018
Halifax	May '18	▲ 1.5	▲ 1.9	£224,439	07.06.2018
Home.co.uk	May '18	▲ 1.1	▲ 0.5	£308,087	11.05.2018
Hometrack	April '18	N/A	▲ 4.9	£252,600	30.05.2018
Nationwide	May '18	▼ 0.2	▲ 2.4	£213,618	05.2018
Rightmove	May '18	▲ 0.8	▲ 1.1	£308,075	21.05.2018

# UK annual house prices – rate of change

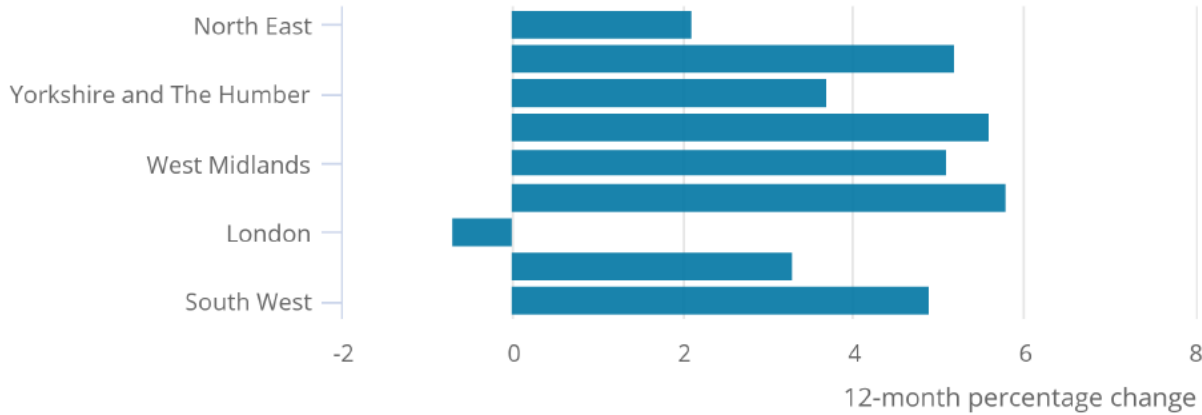


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ The asking price of property coming to the market has hit a new national record with a monthly increase of 0.8% (+£2,343) pushing the average up to £308,075. Seven out of 11 regions have hot new price records this month.

”  
Source: [Rightmove price index](https://www.rightmove.co.uk/price-index)

## Regional all-dwellings annual house prices – 12-month % change



Source: [gov.uk price index](https://www.gov.uk/price-index)

“ The reality is that London prices continue to slide and the slowdown that began there now seems to have spread beyond the South East and East to engulf the East Midlands and the South West. Median-time-on-market figures are now up year-on-year for all five of these regions. Prices are slowly correcting in London and the South East and we expect the same process to occur in the East of England towards the end of the year.

”  
Source: [home.co.uk price index](https://www.home.co.uk/price-index)

## UK house-price rates of change: types of buyer

Type of buyer	Average price March 2018	Monthly change	Annual change
First time buyer	£188,429	-0.5%	3.7%
Former owner occupier	£260,893	0.0%	4.7%

Source: [gov.uk price index](#)

“ Both East and West Midlands continue to do well with strong price growth of 4% and good activity from both first-time buyers and home-movers. Prices in these areas hold steady – never seeming to suffer the excessive ‘peaks and troughs’ of other regions. ”

Source: [Rightmove price index](#)

# UK house-price rates of change: types of dwelling

Property Status	Average price January 2018	Monthly change	Annual change
New build	£282,885	1.8%	5.3%
Existing resold property	£220,600	-0.5%	4.4%

Source: [gov.uk price index](#)

“ Many areas continue to prove resilient, however. Excluding London and the South East, prices in England and Wales remain 3% up on the same time last year, and only London is currently recording an annual fall in prices. Overall, the average price in England and Wales at the end of April stood at £302,252, up from £299,374 a year ago. ”

Source: [LSL Property Services price index](#)



# Number of housing transactions per month

Country	January 2018	January 2017	Difference
England	50,583	57,498	-12.0%
Northern Ireland (Quarter 1 - 2018)	4,545	5,187	-12.4%
Scotland	5,909	6,380	-7.4%
Wales	2,834	3,056	-7.3%

Source: [gov.uk price index](#)

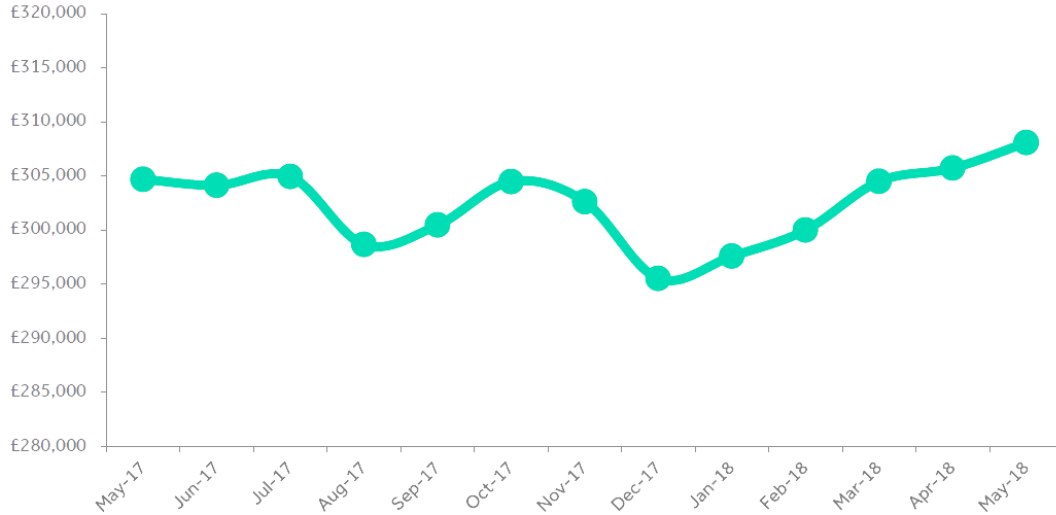


However, different markets are still operating at different speeds, and the overall picture is one of a less buoyant market in terms of price growth and number of sales agreed.



Source: [Rightmove price index](#)

## Monthly asking-price trend



Source: [Rightmove price index](#)

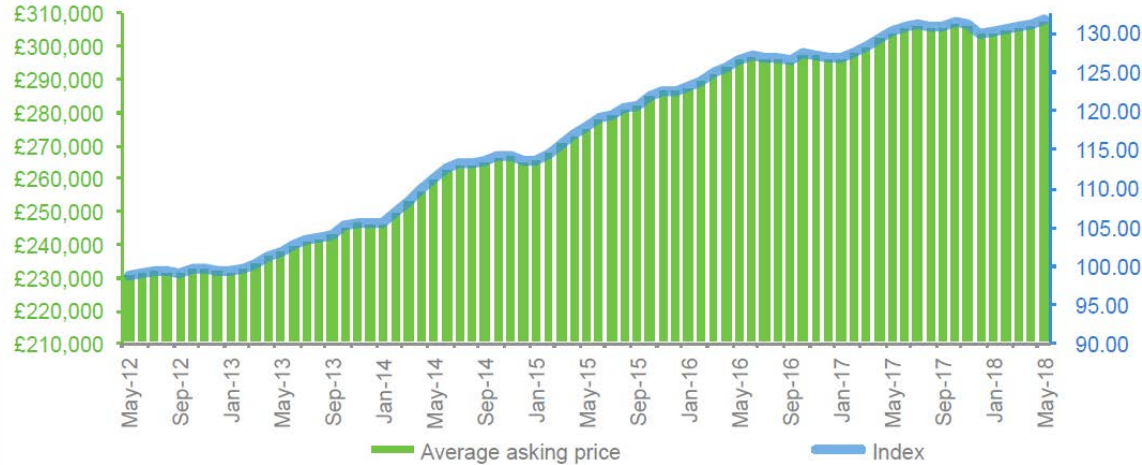


UK annual house price growth slowed modestly in May to 2.4%, from 2.6% in April. House prices fell by 0.2% over the month, after taking account of seasonal factors. Annual house price growth has been confined to a fairly narrow range of c2-3% over the past 12 months, suggesting little change in the balance between demand and supply in the market over that period.



Source: [Nationwide price index](#)

# Home asking-price trend for England & Wales

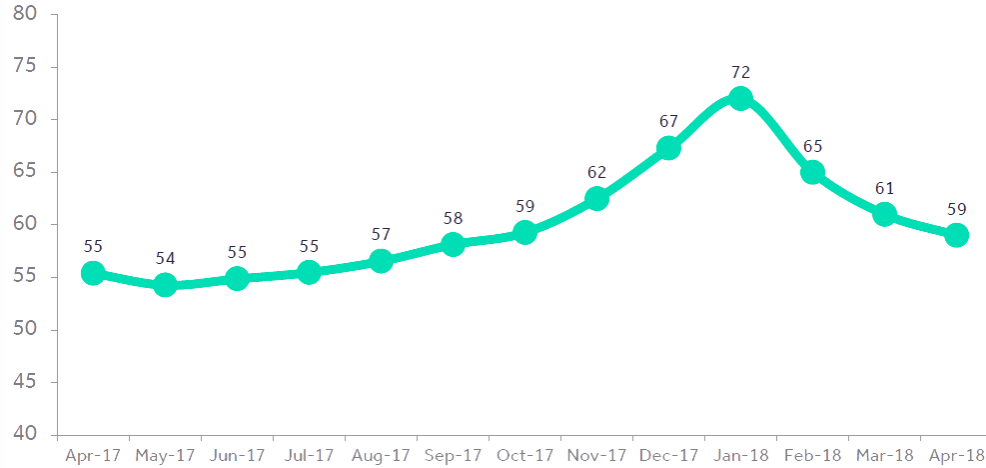


Asking prices have risen this month across England and Wales but, for the most part, this may be explained by seasonal optimism and not by firm market fundamentals.



Source: [home.co.uk price index](https://www.home.co.uk/price-index)

## Average-time-on-market indicator – National

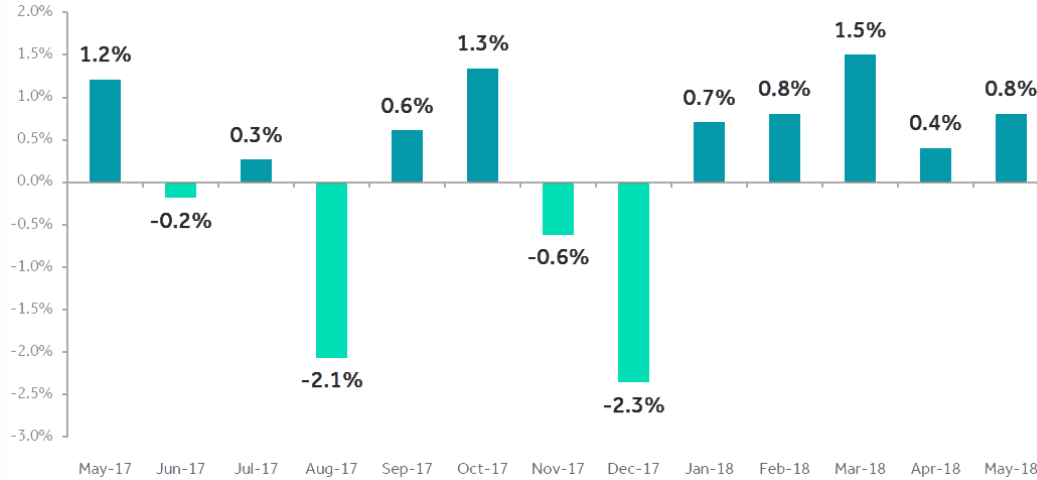


Source: [Rightmove price index](#)

“ Typical Time on Market continues to rise in London (+11%), the South East (+14%) and East (+16%) year-on-year (YoY).

Source: [home.co.uk price index](#)

# Asking-price fluctuation percentage



“ After six years of continual year-on-year price growth the current market is becoming increasingly price-sensitive, with new-to-the-market sellers being limited to an average asking price of just 1.1% over the last year. ”

Source: [Rightmove price index](#)

# UK sales volumes by funding status

Funding status	Average price March 2018	Monthly change	Annual change
Cash	£213,915	-0.2%	4.2%
Mortgage	£233,696	-0.2%	4.2%

Source: [gov.uk price index](https://www.gov.uk/price-index)



These latest price changes reflect a relatively subdued UK housing market. After a sharp rise in January, mortgage approvals have softened in the past three months. Whilst both newly agreed sales and new buyer enquiries are showing signs of stabilisation having fallen in recent months.



Source: [Halifax price index](https://www.halifax.co.uk/price-index)

# UK house-price-to-earnings ratio



Source: [Nationwide price index](#)

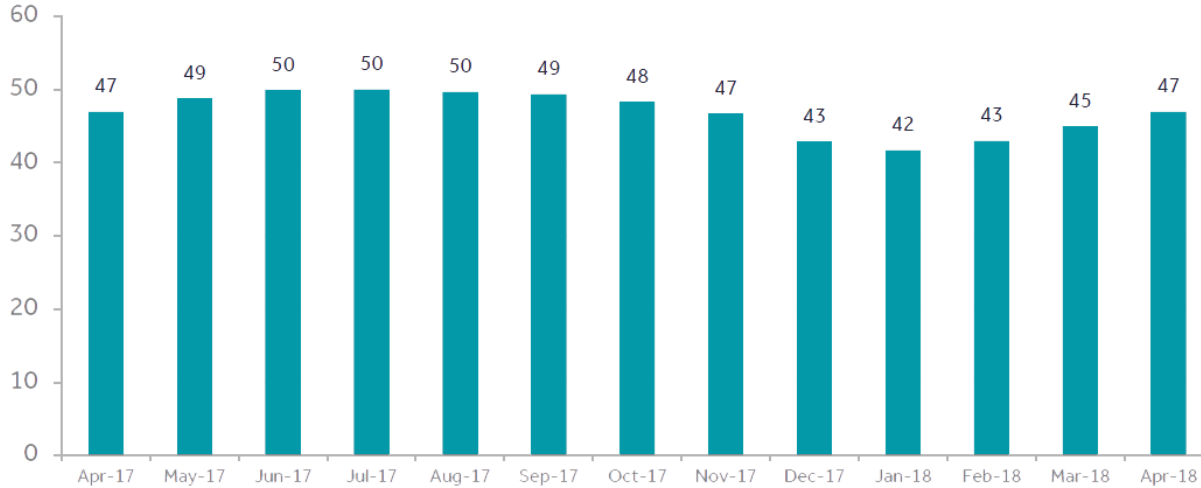


The continuing strength of the labour market is supporting house prices. In the three months to March the number of full-time employees increased by 202,000, the biggest rise in three years. We are also seeing pay growth edging up and consumer price inflation falling, and as a result the squeeze on real earnings has started to ease. With interest rates still very low we see mortgage affordability at very manageable levels providing a further underpinning to prices.



Source: [Halifax price index](#)

## Average properties for sale per estate agent



Lack of stock on the market means that agents in some areas report that the right property at the right price is still selling briskly. Indeed Rightmove has seen record visits in the first four months of the year showing interest in property remains robust. Annual rates of asking price growth in excess of 4% are still to be found in the East Midlands (+4.8%), the West Midlands (+4.3%) and Wales (+4.3%).



Source: [Rightmove price index](#)



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