



# Housing market overview

Produced 06 March 2019

This document provides the latest information available from various sources, with dates varying from December 2018 - February 2019

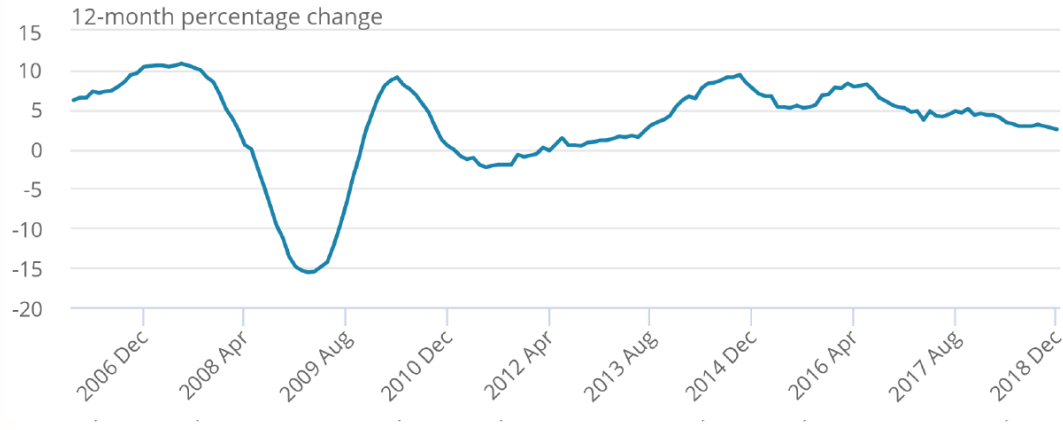
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- > A mixed bag in this month's report; half of our available sources are still reporting month-on-month increases in house prices in the range 0.2% to 5.9%, while LSL Property Services, home.co.uk and Nationwide report decreases of 0.1%-0.2%. Unlike last month's report, two of our sources (home.co.uk and LSL Property Services) are reporting annual decreases of 0.2% and 0.9% respectively.
- > Inland Homes are reporting that, despite well-reported political and economic uncertainty, demand for new homes continues to significantly outstrip supply. At present, their market segments remain stable with continued demand across their core activities and their visitor numbers and sales rates are holding up well. They go on to say that the market for land in prime locations with planning consent continues to be robust.
- > Taylor Wimpey tell us that 2018 was another strong year, with good progress against their strategic priorities. They delivered in line with their expectations, achieving a strong sales rate and record revenues. And despite ongoing macroeconomic and political uncertainty, they have made a very positive start to 2019 and are encouraged to see continued strong demand for their homes.
- > Rightmove reports the national average asking prices of newly-marketed property rose by 0.7% (+£1,981) this month. They say this is consistent with the recent norm for this time of year, which saw an average 0.6% February uplift over the previous two years. They do however go on to say, as we enter the traditionally more buoyant spring market, the average annual rise of 0.2% (+£714) is the most subdued that they have recorded at this time of year since 2009.
- > Halifax comments that, in January, mortgage approvals rose compared to December. Bank of England industry-wide figures show that the number of mortgages approved to finance house purchases rose 3.6% to 66,766. They say the January rate is marginally above the five-year average monthly approval rate of 66,366, and is 1,635 above the previous 12-month average.  
*(Source: Bank of England, seasonally-adjusted figures)*

# Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	December '18	^ 0.2	^ 2.5	£230,776	13.02.2019
LSL Property Services	January '19	v 0.2	v 0.9	£304,739	02.2019
Halifax	February '19	^ 5.9	^ 2.8	£236,800	07.03.2019
home.co.uk	February '19	v 0.2	v 0.2	£304,671	12.02.2019
Hometrack	January '19	N/A	^ 2.9	£252,700	27.02.2019
Nationwide	February '19	v 0.1	^ 0.4	£211,304	02.2019
Rightmove	February '19	^ 0.7	^ 0.2	£300,715	18.02.2019

# UK annual house prices – rate of change

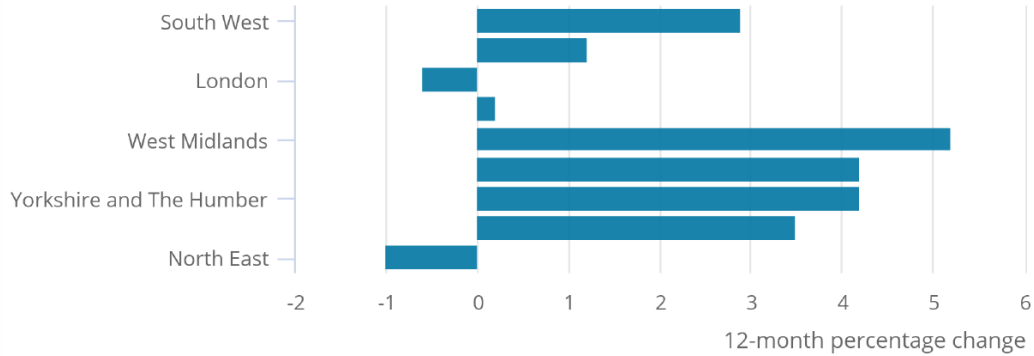


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ After almost grinding to a complete halt in January, annual house price growth remained subdued in February, with prices just 0.4% higher than the same time last year. ”

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

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



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

“ Whilst the headline figures indicate that 2019 is a year of house price correction, the current fortune of any given region depends on where they are in the property boom-bust cycle. Early booming (and hence early-to-bust) areas are London, the south east and east while later growth regions are to be found in the north and west. Of course, the fact that London was the first regional market to go into the red means it will also be the first to recover. ”

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 December 2018	Monthly change	Annual change
First time buyer	£194,237	0.2%	2.0%
Former owner occupier	£268,067	0.1%	2.8%

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

“ The rise in home ownership was driven by an increase in the number of people owning their home with a mortgage, which began to increase again after declining continuously since 2005. The number of people owning their own home with a mortgage rose by 5% over the year to 6.9 million, though this is still 20% below the peak recorded in 2000. ”

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

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

Property status	Average price October 2018	Monthly change	Annual change
New build	£296,460	2.3%	7.2%
Existing resold property	£227,181	-0.4%	2.7%

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

“ National average asking prices of newly-marketed property rose by 0.7% (+£1,981) this month. This is consistent with the recent norm for this time of year which saw an average 0.6% February uplift over the previous two years. However, as we enter the traditionally more buoyant spring market the average annual rise of 0.2% (+£714) is the most subdued that Rightmove has recorded at this time of year since 2009. ”

Source: [Rightmove price index](#)



# Number of housing transactions per month

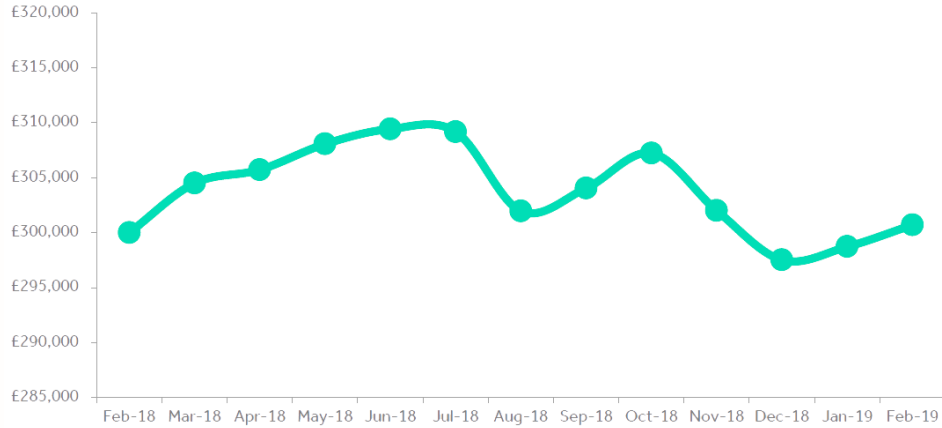
Country	October 2018	October 2017
England	66,599	77,047
Northern Ireland (Quarter 4 - 2018)	5,736	6,784
Scotland	9,003	9,047
Wales	3,911	4,471

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

“ In January 2019, there were an estimated 56,000 transactions – based on Land Registry counts for England & Wales – which is a -28.4% fall on our still-estimated December figure of 78,250 sales. However, one would normally anticipate a fall in sales volumes of -27.9% at this time of the year, so the decrease of -28.4% represents a relatively small -0.5% reduction in transactions, or -390 sales, on a seasonally-adjusted basis. The estimated 56,000 sales in January 2019 are 4.6% lower than the 58,716 sales in January 2018 and are at their lowest level since January 2013. ”

Source: [LSL Property Services](#)

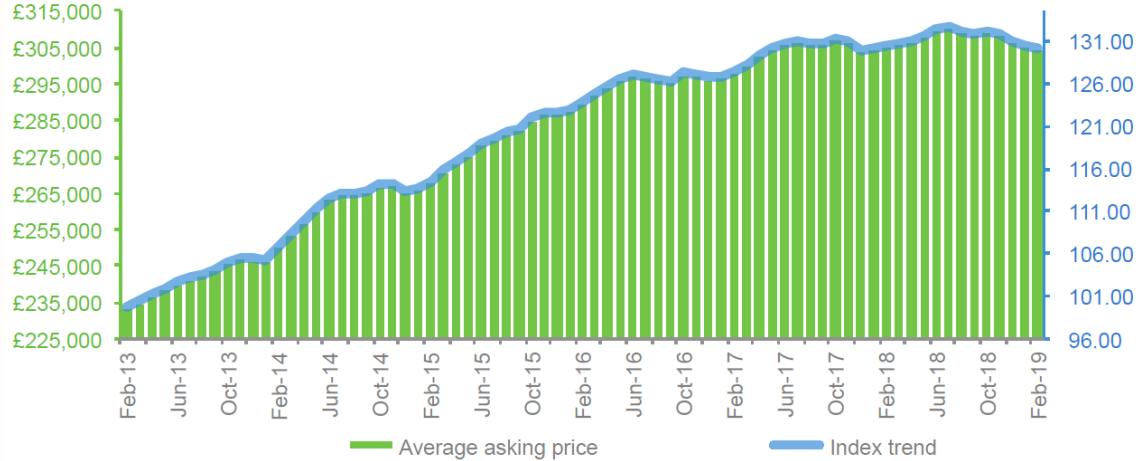
## Monthly asking-price trend



“ Longer daylight hours and green shoots appearing in gardens herald the start of the traditionally more buoyant spring market. Sellers’ subdued pricing is now being outstripped by higher average wage growth, meaning that buyer affordability is on the rise at the fastest rate in nearly eight years. Buyers are also being given the leg-up by cheap mortgage rates, if they can meet lenders’ criteria and lay their hands on a large enough deposit. In theory the scene would be set for an active spring if it were not for the uncertain political backdrop. ”

Source: [Rightmove price index](#)

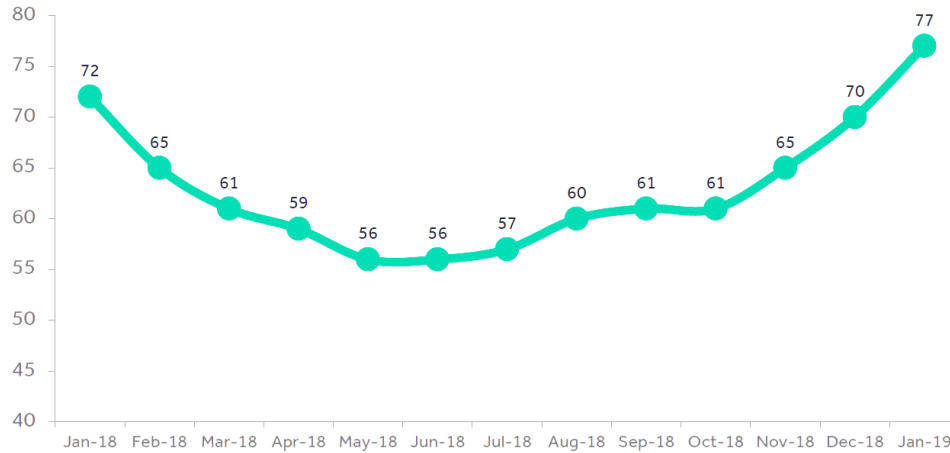
# Home asking-price trend for England & Wales



“ Overall average price growth in England and Wales slips into the negative, a situation not seen since November 2011. Sliding prices in London, the south east, the south west and the east of England have served to push down the national average into the red year-on-year. London’s loss over the last 12 months has now edged up to 3.3%, and 6.9% since the start of the slide in May 2016. Asking prices in the south east and the east are now dropping faster and losses have increased to 2.5% and 1.8% respectively. Last month, the south west became the latest domino to fall and prices there are now down 0.5% year- on-year. ”

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

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

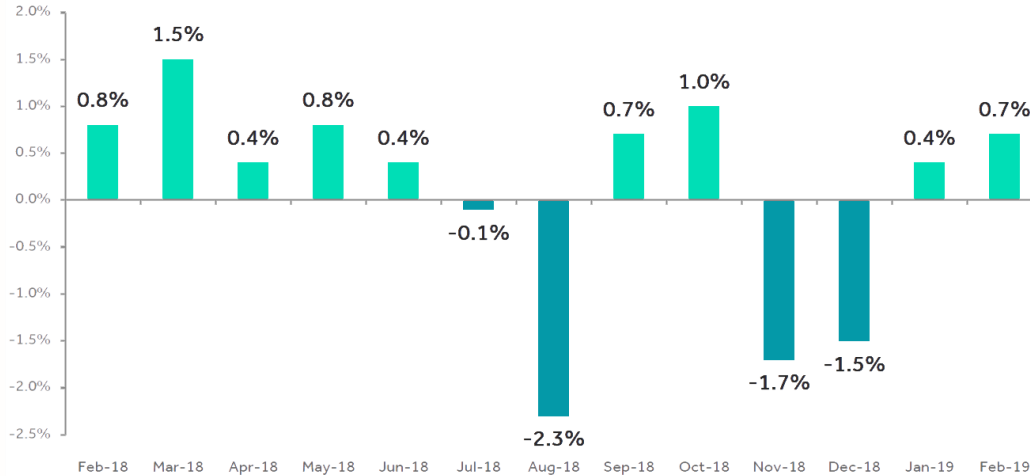


Source: [Rightmove price index](#)

“ Typical time-on-market continues to rise in London (+16%), the south west (+16%), the south east (+19%) and the east of England (+19% year-on-year), as prices fall in each region. ”

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

# Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ House prices have grown on an annual, quarterly and monthly basis for the first time since October 2018, taking the average house price to £236,800. The shortage of houses for sale will certainly be playing a role in supporting prices. House price growth is now at 1.8%, an increase from the 0.6% fall last month, and back at the rate we saw from July to September 2018. ”

Source: [Halifax price index](#)

## UK sales volumes by funding status

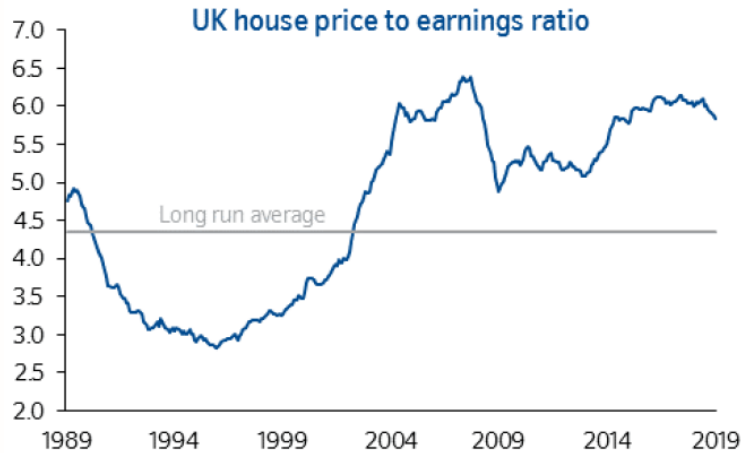
Funding status	Average price December 2018	Monthly change	Annual change
Cash	£220,271	0.2%	2.4%
Mortgage	£240,425	0.2%	2.4%

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

“ Indicators of housing market activity, such as the number of property transactions and the number of mortgages approved for house purchase, have remained broadly stable in recent months, but survey data suggests that sentiment has softened. ”

Source: [Nationwide price index](#)

# UK house-price-to-earnings ratio



Source: [Nationwide price index](#)

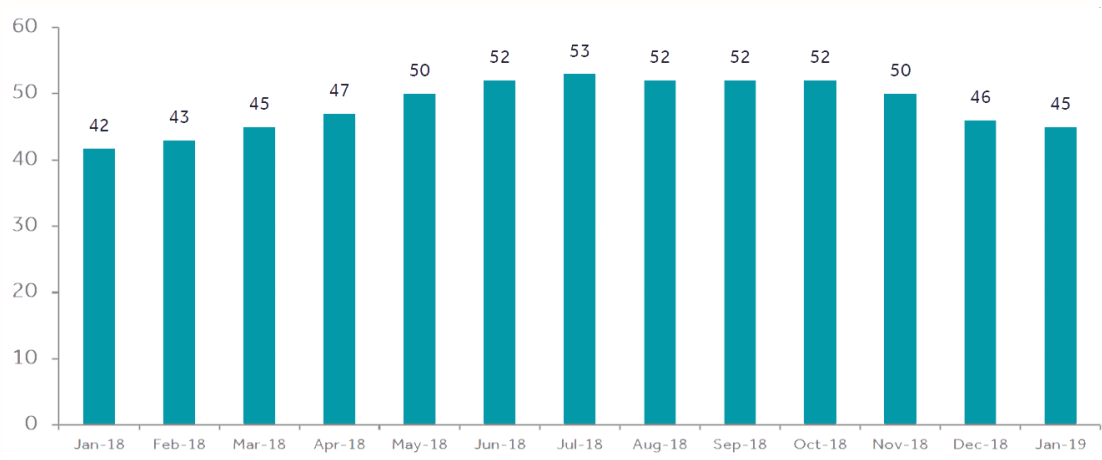
“

...with average wage growth now running at an annual rate of 3.4%, buyer affordability is improving at the fastest rate against average new-seller asking prices since 2011.

”

Source: [Rightmove price index](#)

## Average properties for sale per estate agent



Source: [Rightmove price index](#)

“ Overall, supply of property for sale in the UK is up by 4% YoY and the total stock for sale has increased by 10.1% ”

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



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