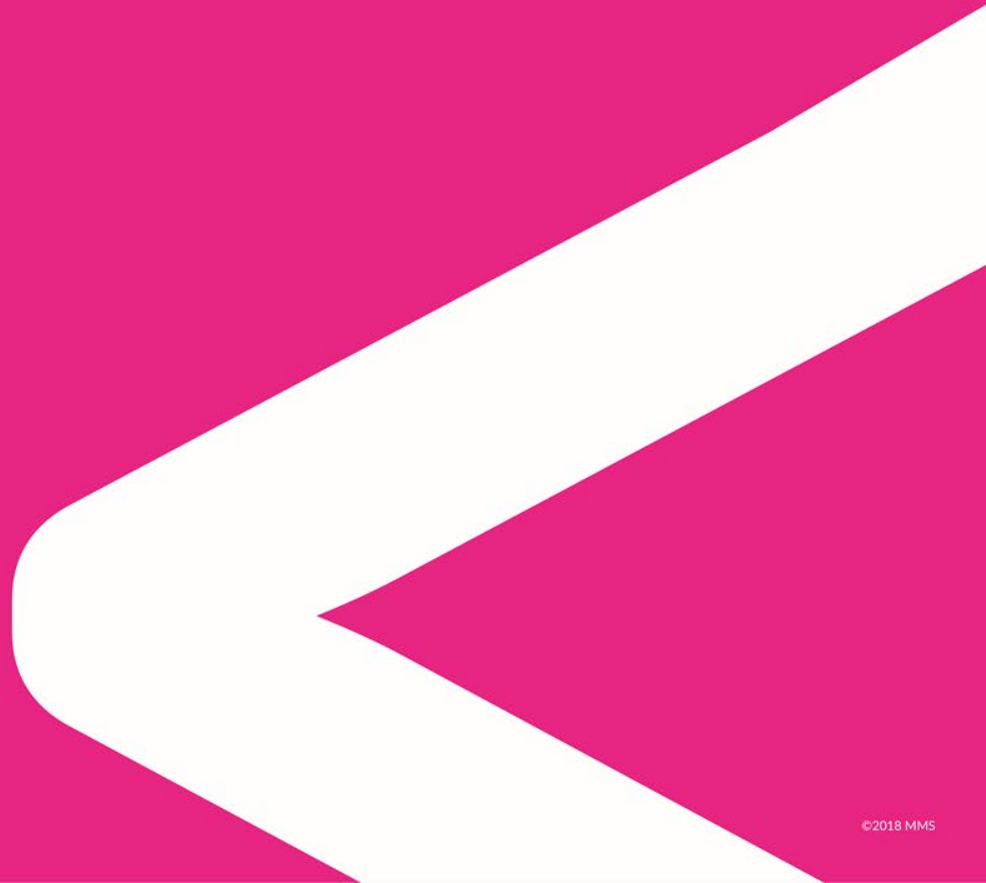




Housing market overview

Produced 08 April 2019

This document provides the latest information available from various sources, with dates varying from January - March 2019



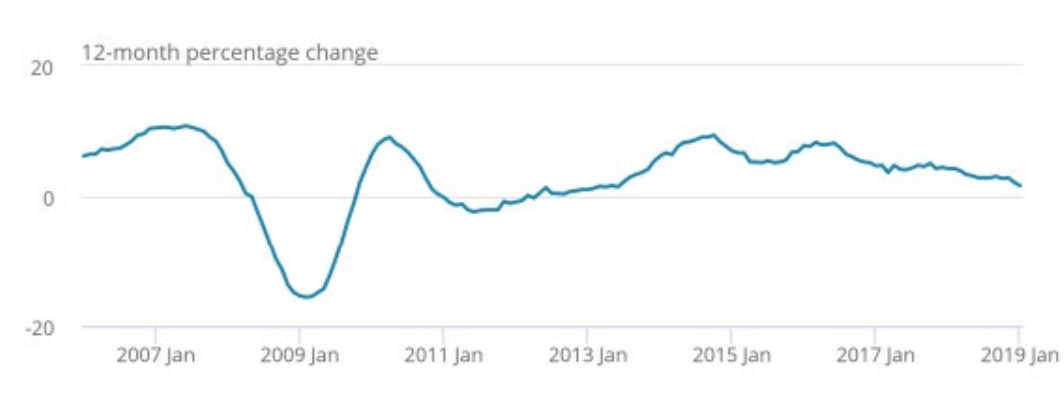
Market overview	3
Summary of published price indices	4
UK annual house prices – rate of change	5
Regional all-dwellings annual house price – 12-month % change	6
UK house-price rates of change: types of buyer	7
UK house-price rates of change: type of dwelling	8
Number of housing transactions per month	9
Monthly asking-price trend	10
Home asking-price trend (England & Wales)	11
Average-time-on-market indicator (National)	12
Asking-price fluctuation percentage	13
UK sales volumes by funding status	14
UK house-price-to-earnings ratio	15
Average properties for sale per estate agent	16

- > Like last month's report, over half of our available sources are still reporting month -on-month increases in house prices in the range 0.2% to 0.5%, while Gov.uk and Halifax report decreases of 0.8% and 1.6% respectively. Again, similar to last month's report, three of our sources (home.co.uk, LSL Property Services & Rightmove) are reporting annual decreases of 0.3% to 0.8%.
- > Nationwide reports UK house price growth remained subdued in March, with prices just 0.7% higher than the same month last year. They say 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, even though survey data suggests that sentiment has softened.
- > LSL Property Services tell us that prices edged up for the third consecutive month in February, rising 0.5% to take the average value of a home in England and Wales to £302,435. They go on to say a spike in prices early last year, however, means prices are down 0.5% compared to this time last year. And, overall, prices remain subdued.
- > Rightmove reports the start of the busy spring market is on hold in some parts of the country, with the average price of property coming to market rising by just 0.4% (+£1,287) this month. They report this is the lowest average monthly rise at this time of year since 2011, and considerably lower than the 0.9% average over the last seven years. With the number of sales agreed by estate agents also falling below this time last year, Brexit uncertainty has at best delayed the usual spring bounce.
- > Halifax comments that in February mortgage approvals fell compared to January. Bank of England industry -wide figures show that the number of mortgages approved to finance house purchases – a leading indicator of completed house sales - fell 3.5% to 64,337. This compares to a rise of 3.6% in the previous month. They go on to say as a result, the mortgage approval figure is back to being very close to the December figure. The February rate is 1892 below the 5 year average monthly approval rate of 66,229, and is 740 below 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	January '19	▼ 0.8	▲ 1.7	£228,147	20.03.2019
LSL Property Services	February '19	▲ 0.5	▼ 0.5	£302,435	18.03.2019
Halifax	March '19	▼ 1.6	▲ 2.6	£233,181	05.04.2019
home.co.uk	March '19	▲ 0.2	▼ 0.3	£305,221	12.03.2019
Hometrack	February '19	N/A	▲ 2.8	£253,800	27.03.2019
Nationwide	March '19	▲ 0.2	▲ 0.7	£213,102	03.2019
Rightmove	March '19	▲ 0.4	▼ 0.8	£302,002	18.03.2019

UK annual house prices – rate of change

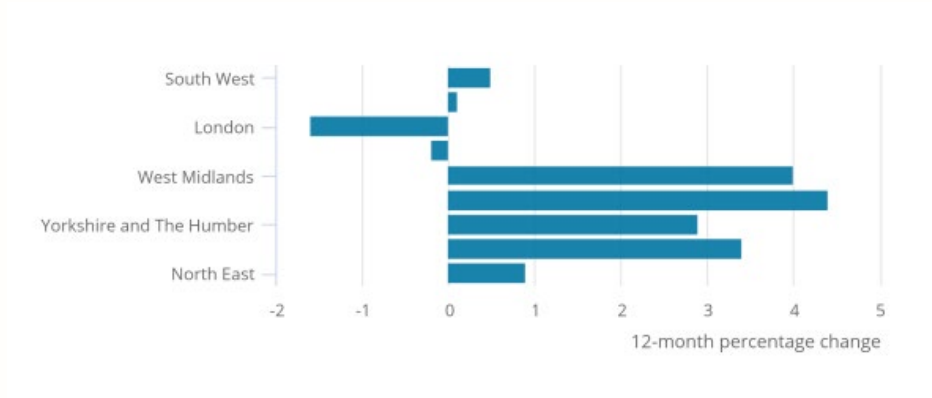


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ The average UK house price is now £233,181 following a 1.6% monthly fall in March. This reduction partly corrects the significant growth seen last month and again demonstrates the risk in focusing too heavily on short-term, volatile measures. ”

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

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



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

“ Spring optimism lifted prices over the last month in Wales, Scotland and all English regions apart from London (no change) and East of England (-0.1%). London’s annualised losses edged back from 3.3% to 3.2% and remains at 6.9% since the start of the slide in May 2016. Asking price falls in the South East have also eased slightly (2.3% year-on-year) but worsened markedly in the East (2.7%) where the slowdown is really beginning to bite. ”

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 January 2019	Monthly change	Annual change
First time buyer	£191,799	-1.1%	1.3%
Former owner occupier	£265,166	-0.6%	1.8%

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

“ The three months November – January, in 2016/17, 2017/18 and 2018/19 - actually increased in 2018/19 compared to the previous two years. Overall transaction counts for the three months in 2018/19 are 3% higher than 2016/17, and 2% higher than 2017/18, largely reflecting increased government support and the recovery of the first time buyer market. ”

Source: [LSL Property Services](#)

UK house-price rates of change: types of dwelling

Property status	Average price November 2018	Monthly change	Annual change
New build	£287,089	-2.1%	5.6%
Existing resold property	£227,150	0.0%	2.8%

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

“ The more stable measure of annual house price growth held steady at 2.6% and is still within our expectation for the year. The need to build up a deposit before getting a mortgage is still a challenge for many looking to buy a property. However, the combined effect of fewer houses for sale and fewer people looking to buy continues to support prices in the long-term. ”

Source: [Halifax price index](#)

Number of housing transactions per month

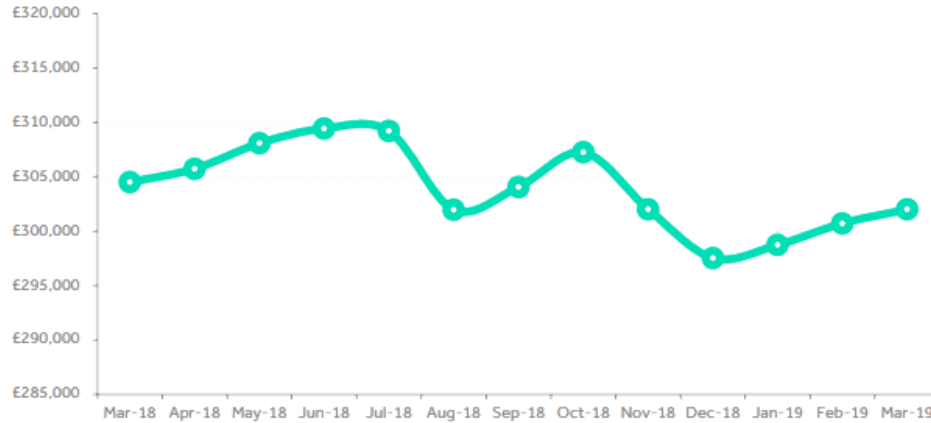
Country	November 2018	November 2017
England	71,849	76,788
Northern Ireland (Quarter 4 - 2018)	5,736	6,784
Scotland	9,992	8,711
Wales	4,506	4,474

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

“ In February 2019, there were an estimated 59,100 transactions – based on Land Registry counts for England & Wales – which is a -2% fall on our estimated January 2019 figure of 60,250 sales. However, seasonally a rise in sales volumes would be expected in this month, typically around +3.5%, so the decrease of -2% represents a -5.5% reduction in transactions on a seasonally-adjusted basis. The estimated 59,100 sales in February 2019 are at their lowest for this month since 2015. ”

Source: [LSL Property Services](#)

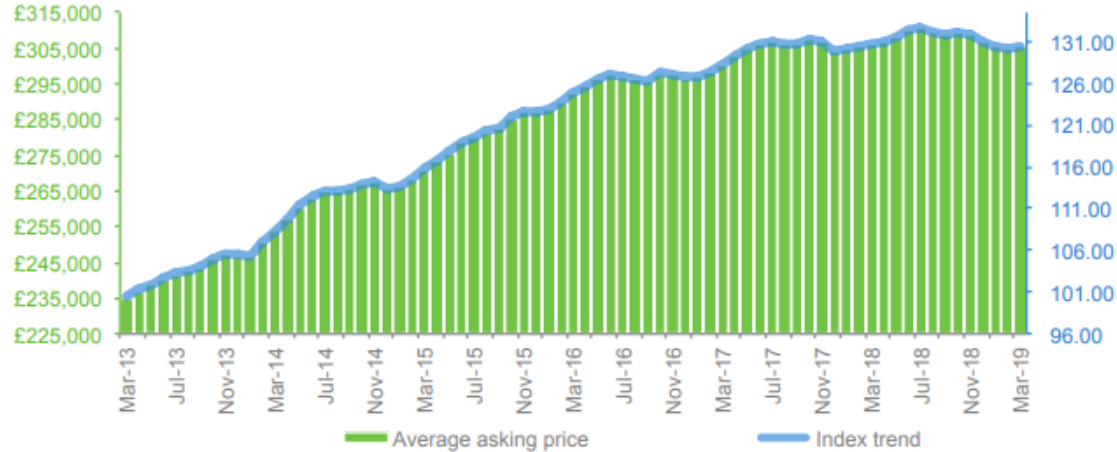
Monthly asking-price trend



“ The start of the busy spring market is on hold in some parts of the country, with the average price of property coming to market rising by just 0.4% (+£1,287) this month. This is the lowest average monthly rise at this time of year since 2011, and considerably lower than the 0.9% average over the last seven years. ”

Source: [Rightmove price index](#)

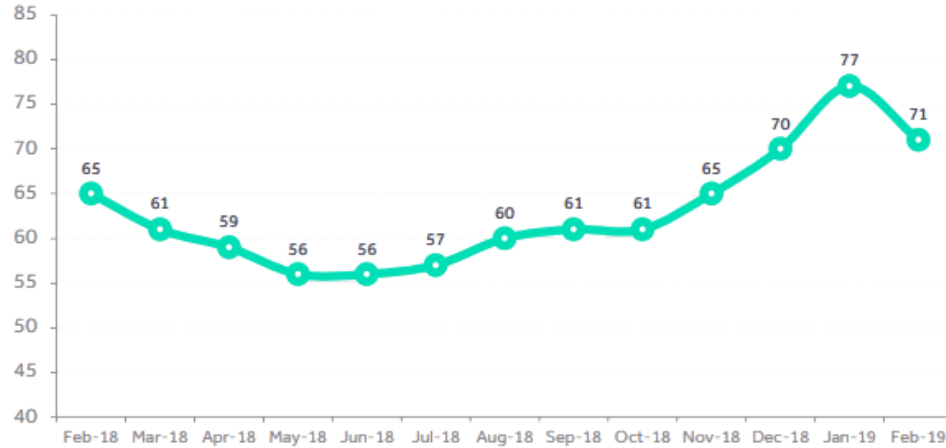
Home asking-price trend for England & Wales



“ Overall annualised price growth in England and Wales slipped a little further into the negative to -0.3%, despite a small month-on-month rise of 0.2%. Spring optimism lifted prices over the last month in Wales, Scotland and all English regions apart from London (no change) and East of England (-0.1%). London’s annualised losses edged back from 3.3% to 3.2% and remains at 6.9% since the start of the slide in May 2016. Asking price falls in the South East have also eased slightly (2.3% year-on-year) but worsened markedly in the East (2.7%) where the slowdown is really beginning to bite. ”

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

Average-time-on-market indicator – National



Source: [Rightmove price index](#)

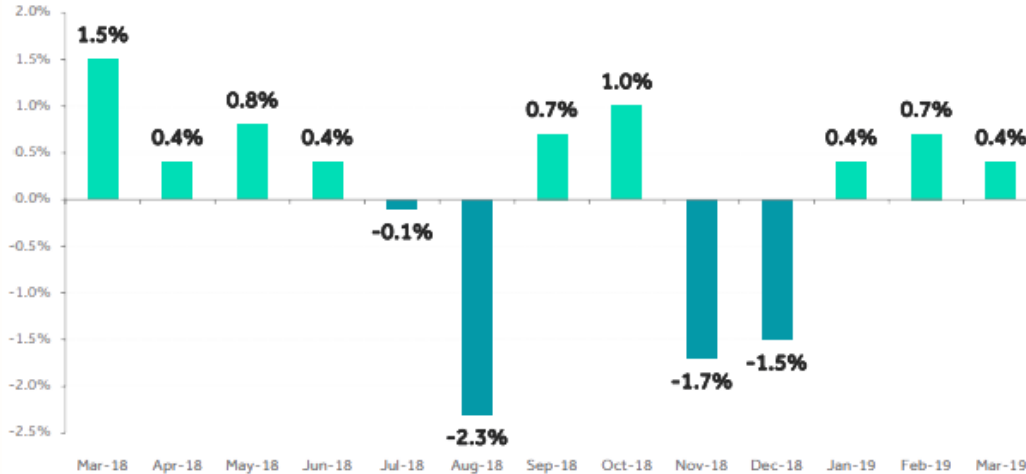


Typical Time on Market for England and Wales is currently 111 days (median), 12 days longer than in March 2018.



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

Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ Prices edged up for the third consecutive month in February, rising 0.5% to take the average value of a home in England and Wales to £302,435. A spike in prices early last year, however, means prices are down 0.5% compared to this time last year. ”

Source: [LSL Property Services](#)

UK sales volumes by funding status

Funding status	Average price January 2019	Monthly change	Annual change
Cash	£218,084	-0.7%	1.9%
Mortgage	£237,425	-0.9%	1.5%

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, even though survey data suggests that sentiment has softened. ”

Source: [Nationwide price index](#)

UK house-price-to-earnings ratio



Source: [Nationwide price index](#)



Given the challenges of affordability from a decade of rising prices and sluggish wage growth, a short slowdown in prices combined with increases in pay could be a positive outcome for the market in the long term. The market still requires actions to ensure an adequate supply of housing.



Source: [LSL Property Services](#)

Average properties for sale per estate agent



“ Number of sales agreed by estate agents in February was 7% below same period in 2018, compared with the 4% annual fall recorded in January ”

Source: [Rightmove price index](#)

Did you find this useful?

You can receive this report directly into your inbox each month by signing up at mms-marketing.co.uk/uk-housing-market.

Got feedback?

If there's anything you think we can be doing better with this report we'd love to hear from you. You can email us at newhomes@mms-marketing.co.uk with any feedback or, even better, join in the conversation on LinkedIn, via **newhomeshubuk**.

