



# Housing market overview

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

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- > Echoing last month's report, all but two of our available sources are reporting month-on-month increases in house prices, but the rises are modest: in the range 0.1% to 0.3%. Halifax and Rightmove are the only two reporting decreases, both of 0.2%.
- > Monetary inflation remains far from zero, says Home.co.uk, and should be taken into account when considering how far prices are really correcting. They state that price falls may look small but in real terms these capital losses are much more significant. They go on to say that, when we take into account monetary inflation, the average UK home price has been falling in real terms for around 30 months.
- > Some big players in the market are announcing bullish results, for example Bellway has recently "delivered a 'record' number of housing completions during its financial year". The housebuilder said that during the year to July 31 2019, its housing completions rose 5.7% to 10,892 against the equivalent period in 2018.
- > Halifax reported a drop off in the number of properties sold during the early months of summer, which they say may lead some to speculate a downturn is on the horizon. However, on the plus side they claim that new buyer enquiries are up, and favourable mortgage affordability – driven by low interest rates and strong wage growth – should continue to underpin prices for the time being.
- > Housebuilders registered the highest number of new homes for 12 years between April and June, with the rental market driving growth, according to NHBC's latest statistics. During the period (Q2 2019), 43,438 new homes were registered, up 12% on the same period in 2018. NHBC said this was the highest number of registrations since Q4 2007.
- > Hometrack reports a growing polarisation in market conditions across southern England and the rest of the country. They say that Bristol has the highest annual growth rate in southern England at +2.0%. The remaining six cities that they monitor are all registering growth of between -0.3% and +0.8% as affordability constraints impact demand, resulting in a lower rate of house price inflation.

# Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	May '19	^ 0.1	^ 1.2	£229,431	17.07.2019
LSL Property Services	June '19	^ 0.1	^ 0.1	£300,039	22.07.2019
Halifax	July '19	v 0.2	^ 4.1	£236,120	07.08.2019
home.co.uk	July '19	^ 0.3	v 0.4	£309,282	12.07.2019
Hometrack	June '19	N/A	^ 1.7	£257,000	30.07.2019
Nationwide	July '19	^ 0.3	^ 0.3	£217,663	07.2019
Rightmove	July '19	v 0.2	v 0.2	£308,692	15.07.2019

# UK annual house prices – rate of change

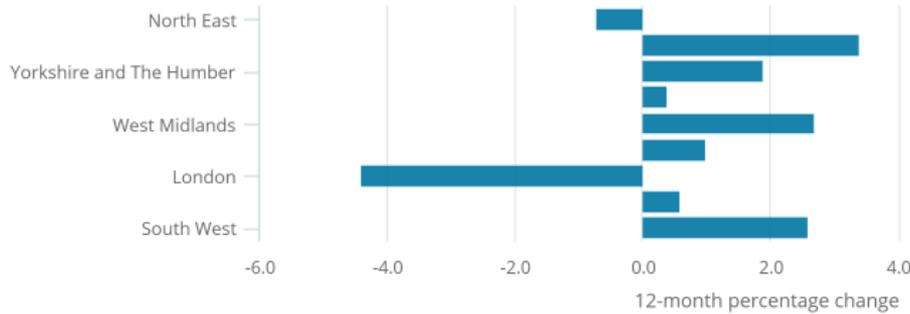


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ The average UK house price fell slightly for a second month, as the market continues to tread water with marginal increases or decreases in each monthly period. That said, it’s worth remembering that while economic uncertainty continues to weigh on the market, the overall trend actually remains one of comparative stability, with average prices down by less than £600 over the last three months. ”

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)

“ Asking prices rose again in all English regions (except the West Midlands where there was no change), Wales and Scotland over the last month, driven mainly by aspiration and tightening supply but not increasing demand. ”

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 May 2019	Monthly change	Annual change
First time buyer	£193,410	0.2%	1.1%
Former owner occupier	£266,455	0.1%	1.4%

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

“ UK city house price growth is running at +1.7% as the rate of price inflation continues to slow. Seven cities are registering house price growth of less than +1% per annum – the first time we have seen this since June 2013. All these cities are in the south of England except for Aberdeen...”

Source: [Hometrack](https://www.hometrack.com)

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

Property status	Average price March 2019	Monthly change	Annual change
New build	£288,690	-1.4%	2.4%
Existing resold property	£223,090	0.0%	1.5%

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

“ Although house prices are showing little sign of change, the latest RICS Residential Market Survey does suggest that there has been a modest uplift in buyer enquiries although the number of instructions to sell has stabilised. RICS suggests that transactions will remain stable for the next 3 months but that further out more impetus may be in prospect. ”

Source: [LSL Property Services](#)

# Number of housing transactions per month

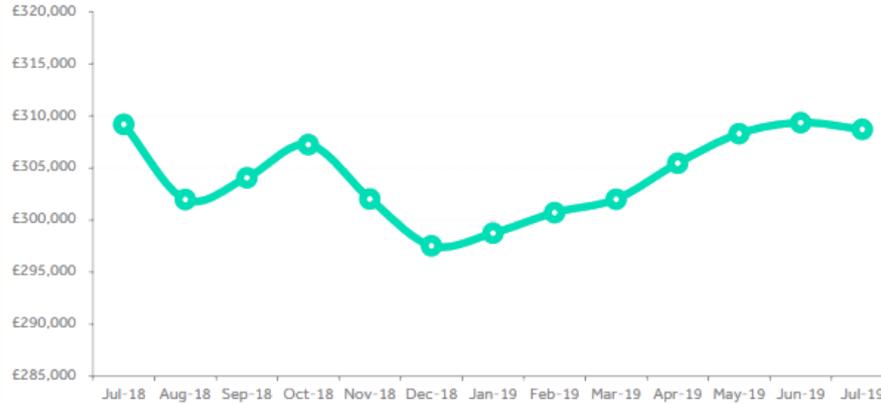
Country	March 2019	March 2018
England	58,636	68,184
Northern Ireland (Quarter 1 - 2019)	4,272	5,471
Scotland	8,255	8,043
Wales	3,329	3,800

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

“ In the longer-term, we believe there is unlikely to be a step change in market activity until buyers and sellers see some form of resolution to the current economic uncertainty. ”

Source: [Halifax price index](#)

## Monthly asking-price trend

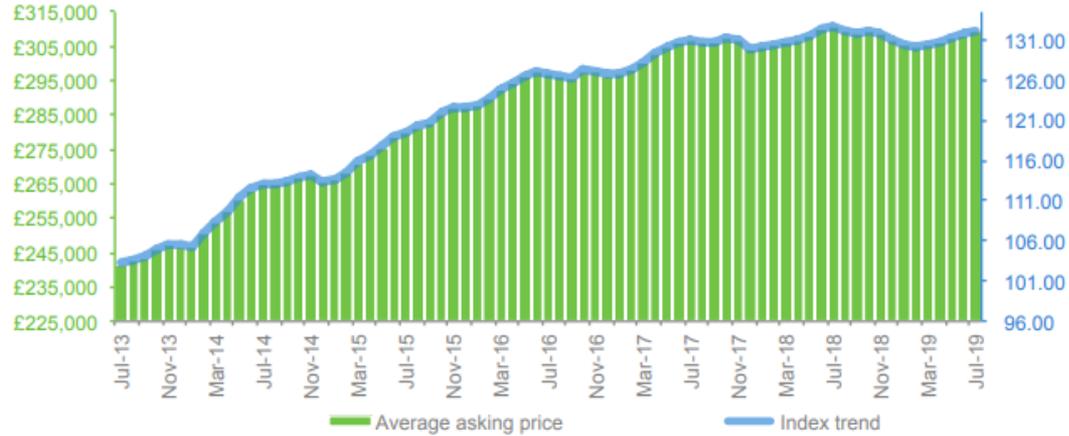


Source: [Rightmove price index](#)

“ July’s annual change figure of 4.1% comes against the backdrop of relatively low growth in the corresponding period in 2018, which has had an impact on year-on-year comparisons. ”

Source: [Halifax price index](#)

# Home asking-price trend for England & Wales

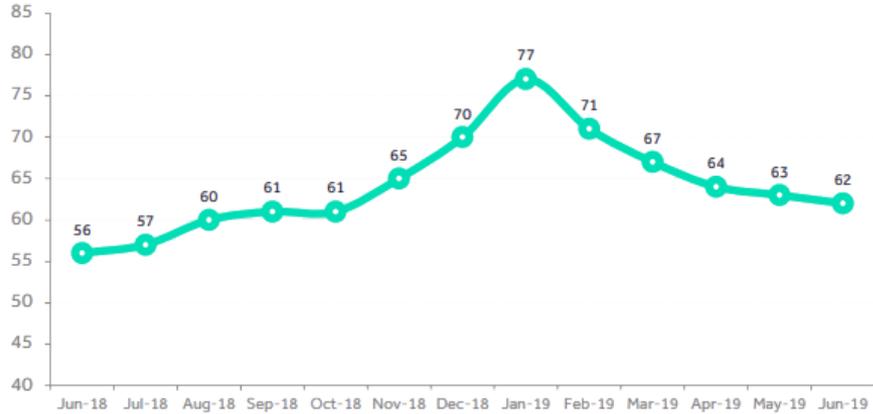


Source: [home.co.uk price index](https://www.home.co.uk/price-index/)

“ Prices of newly-listed property down by 1.1% this month in the upper sector of four-bedroom-plus homes, while lower and middle sectors holding their prices better this month and year-on-year ”

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

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

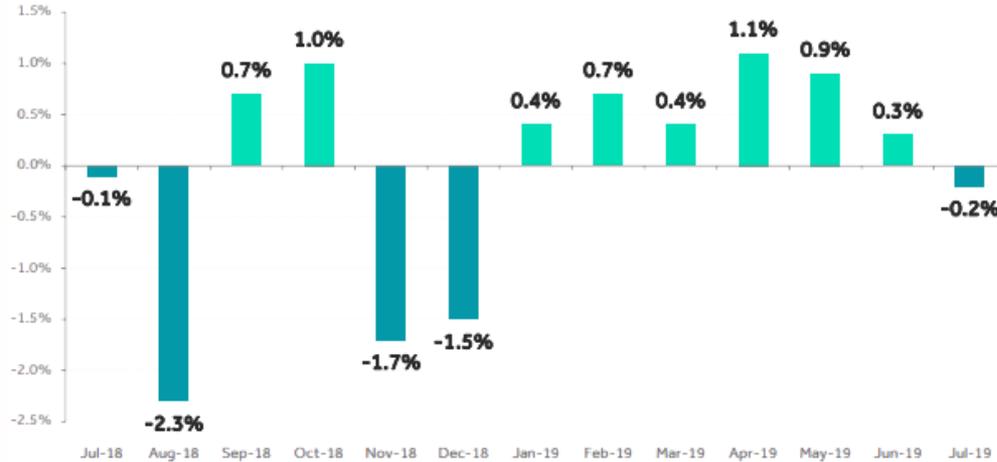


Source: [Rightmove price index](#)

“ Equally encouraging is the fact that the Typical Time on Market has been falling since April, indicating that the market is beginning to regain momentum. ”

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

# Asking-price fluctuation percentage



“ Market fundamentals remain sound apart from confidence, and buoyant mortgage approvals indicate more resilient activity in the lower and middle sectors. It is buyers at the upper end, who are less likely to need a mortgage, who appear most hesitant to engage ”

Source: [Rightmove price index](#)

## UK sales volumes by funding status

Funding status	Average price May 2019	Monthly change	Annual change
Cash	£218,448	0.0%	1.1%
Mortgage	£239,544	0.2%	1.3%

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

“ The declining proportion of younger owner occupiers may also be impacting home mover activity, as younger households tend to move more frequently. For example, for those aged 35-44 owning with a mortgage, the average length of time in their current property is 6.8 years, while for those aged 55-64 it is 17.2 years ”

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

# UK house-price-to-earnings ratio

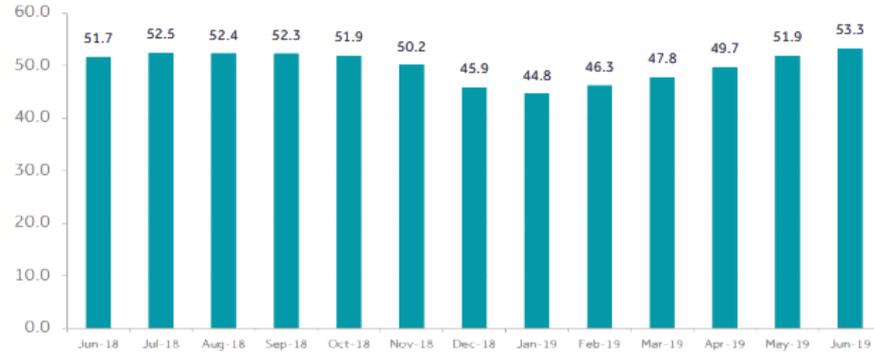


Source: [Nationwide price index](#)

“ Housing market trends will remain heavily dependent on developments in the broader economy. In the near term, healthy labour market conditions and low borrowing costs will provide underlying support, though uncertainty is likely to continue to exert a drag on sentiment and activity.

”  
Source: [Nationwide price index](#)

## Average properties for sale per estate agent



Source: [Rightmove price index](#)

“ Spring through early summer are peak home buying months and we would expect significant activity in terms of transactions and to some degree in prices. However, in June the annual rate of house price growth for England & Wales rose by just +0.1% including London and the South East, or by +0.8% excluding these two areas. ”

Source: [LSL Property Services](#)

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