



Housing market overview

Produced 07 January 2020

This document provides the latest information available from various sources, with dates varying from October – December 2019

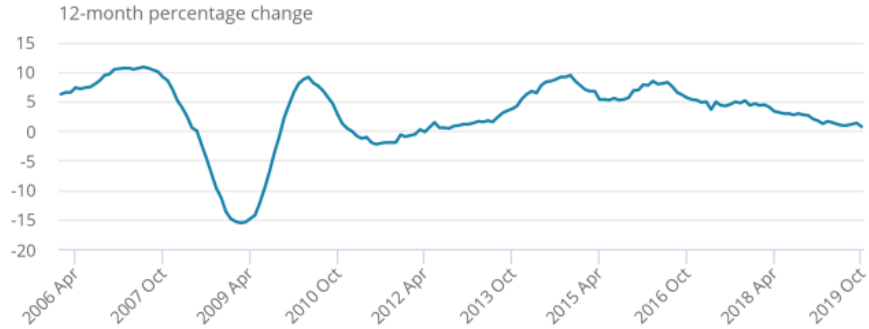
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- > Month-on-month price fluctuations are, literally, up and down according to the various sources that we report on, with figures ranging from +1.7% (Halifax) to -0.9% (Rightmove). The main takeaway is that prices appear to be relatively static at the moment.
- > According to calculations by Yorkshire Building Society the number of people taking their first step on the property ladder in the past year is estimated to have reached its highest levels since 2007. They say nearly twice as many first-time buyers secured a mortgage in 2019 as at the start of the financial crisis in 2008 (191,040).
- > Rightmove predicts a 2% rise in the price of property coming to market in 2020 as a majority government gives home-movers a window of certainty for an active spring moving season.
- > The fact that all of our sources report a lack of properties for sale is a concern but, on a more positive note, the view is that the demand for property remains resilient as we move into 2020.
- > Nationwide comments that the underlying pace of housing market activity remained broadly stable, with the number of mortgages approved for house purchase continuing within the fairly narrow range prevailing over the past two years. They tell us that the healthy labour market conditions and low borrowing costs appear to have offset the drag from the uncertain economic outlook.
- > Halifax tell us that looking ahead, they expect uncertainty in the economy to ease somewhat in 2020, which should see transaction volumes increase and further price growth made possible by an improvement in households' real incomes.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	October '19	▼ 0.7	▲ 0.7	£232,944	18.12.2019
LSL Property Services	November '19	▲ 0.4	▲ 0.6	£303,094	16.12.2019
Halifax	December '19	▲ 1.7	▲ 4.0	£238,963	08.01.2020
home.co.uk	December '19	▼ 0.8	▼ 0.3	£306,076	12.12.2019
Hometrack	November '19	N/A	▲ 3.4	£257,200	23.12.2019
Nationwide	December '19	▲ 0.1	▲ 1.4	£215,282	12.2019
Rightmove	December '19	▼ 0.9	▲ 0.8	£300,025	16.12.2019

UK annual house prices – rate of change

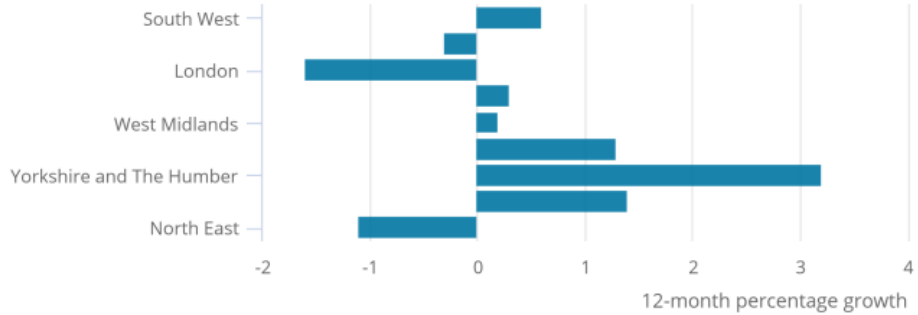


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ Overall, the average mix-adjusted asking price slipped just 0.3% during the last year across England and Wales. ”

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

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



“ East of England remains the UK’s worst-performing region with prices continuing an extended correction and causing the average asking price to drop by 2.8% over the last twelve months. ”

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

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

UK house-price rates of change: types of buyer

Type of buyer	Average price October 2019	Monthly change	Annual change
First time buyer	£195,225	-1.1%	0.3%
Former owner occupier	£271,152	-0.3%	1.1%

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

“ First-time buyers are the drivers of the market. Too many are struggling to save the necessary deposits, and not all of them want to buy a new-build home through Help To Buy. More ways of getting more people onto the ladder would help to limit rising rents, increase liquidity and transaction numbers in the housing market, and make the dreams of their own roofs above their heads a reality for many more of the younger generation. ”

Source: [Rightmove price index](#)

UK house-price rates of change: types of dwelling

Property status	Average price August 2019	Monthly change	Annual change
New build	£289,027	-2.3%	1.1%
Existing resold property	£230,787	0.8%	1.1%

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

“ Rightmove predicts that the price of property coming to market in Britain will rise by 2% in 2020. Homeowner confidence and activity have been dogged by political uncertainty since the 2016 referendum. With a clear majority in the election, there is now an opportunity to release some of the pent-up demand in the spring, and for some modest upwards price movement. ”

Source: [Rightmove price index](#)

Number of housing transactions per month

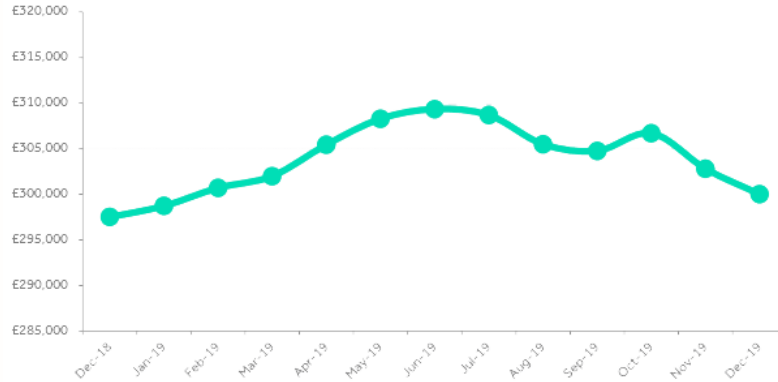
Country	August 2019	August 2018
England	70,685	84,466
Northern Ireland (Quarter 3 - 2019)	6,002	6,563
Scotland	9,987	10,536
Wales	4,168	4,811

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

“ Demand from buyers has remained almost level, with the number of sales agreed so far in 2019 down by just 3% on 2018 despite the political uncertainty. In contrast, the number of properties coming to market is down by 8%. ”

Source: [Rightmove price index](#)

Monthly asking-price trend

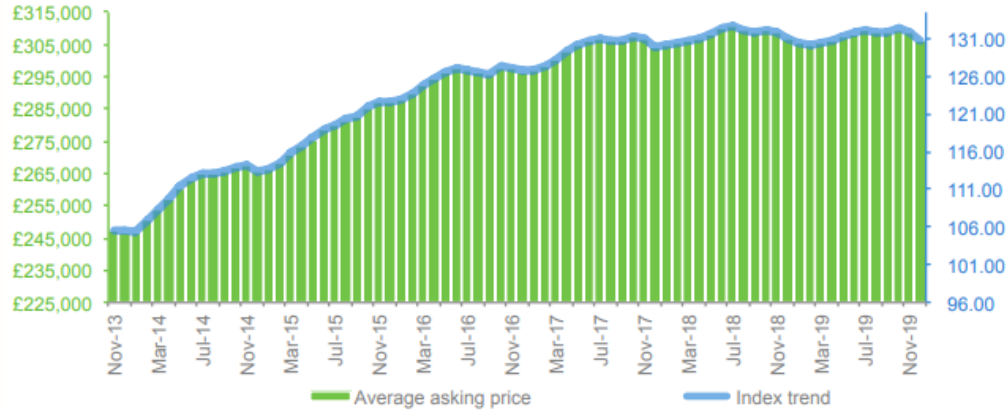


Source: [Rightmove price index](#)

“ The current sales supply shortage has served to support prices, although a larger than usual seasonal dip in the mix-adjusted average of -0.8% since last month suggests vendor confidence is lower than at this time last year. ”

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

Home asking-price trend for England & Wales

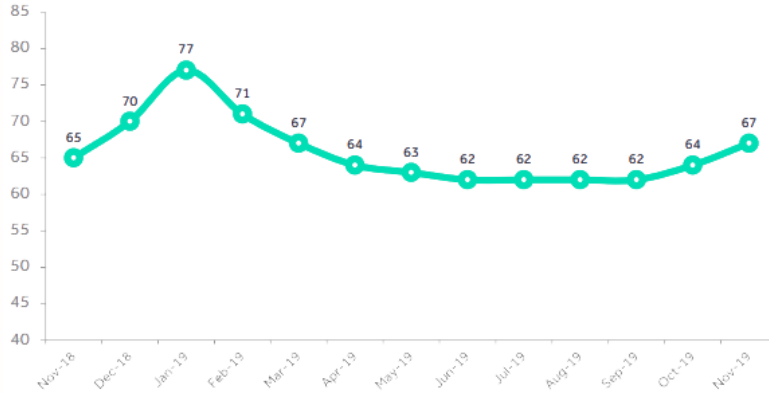


Source: [home.co.uk price index](https://www.home.co.uk/price-index/)

“ Average house prices rose by 4% over 2019, at the top of our predicted range of 2% to 4% growth for the year. This was driven by a monthly gain of 1.7% in December which was the biggest monthly increase of 2019, pushing up the year-on-year growth rate and reflecting that December 2018 was a particularly weak month. ”

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

Average-time-on-market indicator – National

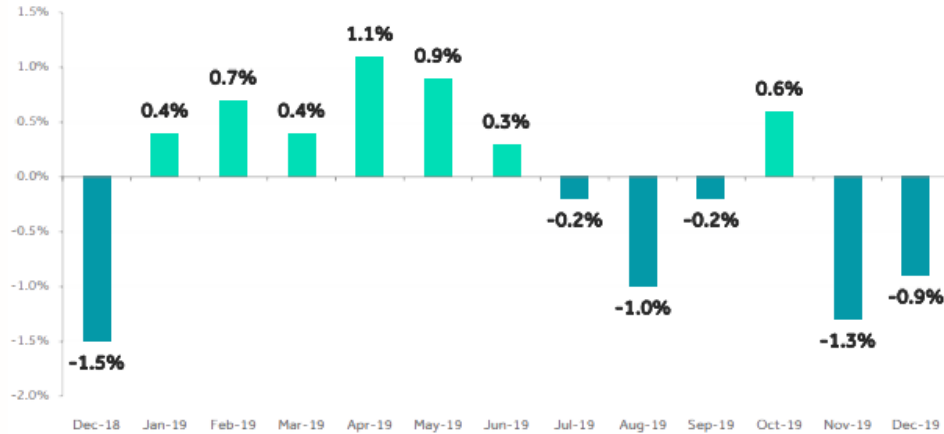


Source: [Rightmove price index](#)

“ Typical Time on Market for England and Wales is eleven days longer than in December 2018 (the longest such December figure since 2014), a clear indication of the reluctance of buyers to commit amidst the current uncertain political climate. ”

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

Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ Looking ahead, we expect uncertainty in the economy to ease somewhat in 2020, which should see transaction volumes increase and further price growth made possible by an improvement in households’ real incomes. ”

Source: [Halifax price index](#)

UK sales volumes by funding status

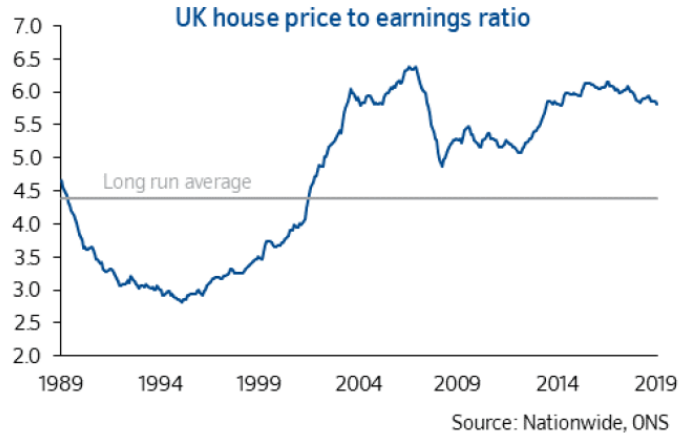
Funding status	Average price October 2019	Monthly change	Annual change
Cash	£221,587	-0.9%	0.6%
Mortgage	£242,671	-0.6%	0.8%

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

“ The underlying pace of housing market activity remained broadly stable, with the number of mortgages approved for house purchase continuing within the fairly narrow range prevailing over the past two years. ”

Source: [Nationwide price index](#)

UK house-price-to-earnings ratio

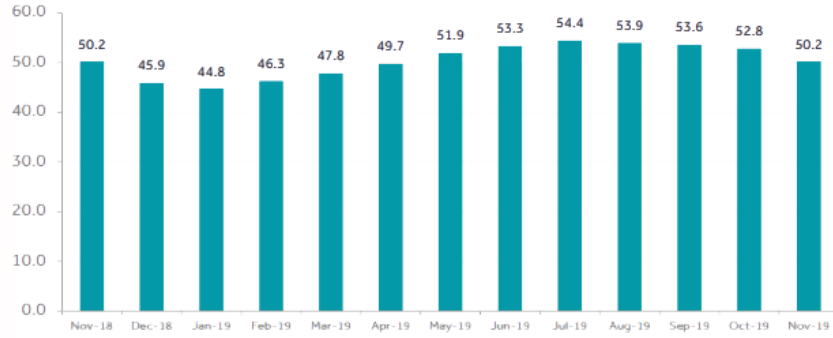


“ Fundamentals remain sound with low interest rates, lenders competing to lend, high employment, and wage growth helping buyer affordability ”

Source: [Rightmove price index](#)

Source: [Nationwide price index](#)

Average properties for sale per estate agent



Source: [Rightmove price index](#)



The total sales stock continues to diminish across England and Wales; down by 10.4% year-on-year.



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

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