



# Housing market overview

Produced 07 October 2020

This document provides the latest information available from various sources, with dates varying from June – September 2020

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: types 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
UK sales volumes by funding status	13
UK house-price-to-earnings ratio	14

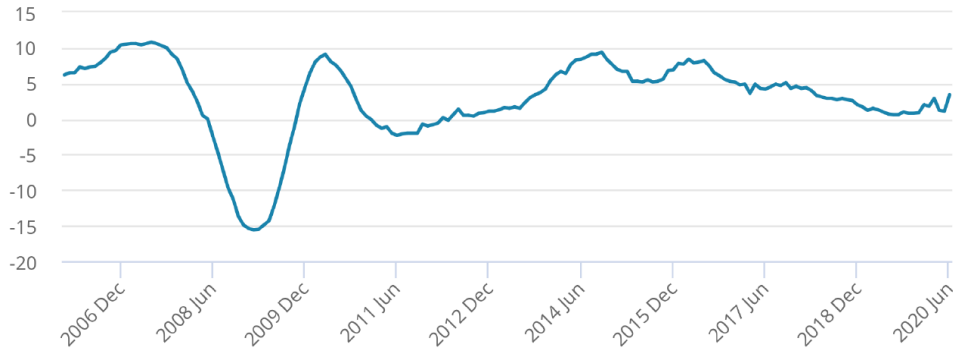
- > Like last month all of our available sources are reporting month-on-month increases in house prices in the range 0.2% to 2.7% (excluding the latest LSL data, which was not available at time of compilation). And similarly, all of our available sources are recording annual increases ranging from 2.6% to 7.3%.
- > Home.co.uk reports that estate agents had another phenomenally busy month in August, taking on even greater amounts of new instructions, especially in the capital region, east and south east of England. But, fortunately, mortgage approvals have also bounced back to more normal levels and this will help digest the glut of new stock.
- > Rightmove reports overall prices have remained steady since they hit a record in July, up by a marginal 0.2% on the month, and up by 5.0% annually, which is the highest annual growth rate they've recorded since September 2016. They say regions outside the south of England have seen the strongest price jumps, with Yorkshire & the Humber, East Midlands, West Midlands, the north east, north west and Scotland all at new records.
- > Halifax says across the last three months they have received more mortgage applications from both first-time buyers and home movers than anytime since 2008. They say there has been a fundamental shift in demand from buyers, brought about by the structural effects of increased home working and a desire for more space, while the Stamp Duty holiday is incentivising vendors and buyers to close deals at pace before the break ends next March.
- > Nationwide tell us that housing market activity has recovered strongly in recent months. They say mortgage approvals for house purchase rose from c66,000 in July to almost 85,000 in August - the highest they've seen since 2007, and well above the monthly average of 66,000 prevailing in 2019.

## Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	June '20	▲ 2.7	▲ 3.4	£237,834	16.09.2020
LSL Property Services*	February '20	▲ 0.5	▲ 1.0	£303,189	16.03.2020
Halifax	September '20	▲ 1.6%	▲ 7.3%	£249,870	07.10.2020
home.co.uk	September '20	▲ 0.4	▲ 3.8	£320,190	15.09.2020
Hometrack	August '20	N/A	▲ 2.6	£218,262	28.09.2020
Nationwide	September '20	▲ 0.9	▲ 5.0	£226,129	09.2020
Rightmove	September '20	▲ 0.2	▲ 5.0	£319,996	21.09.2020

\*August data not available at the time of compiling this report.

# UK annual house prices – rate of change

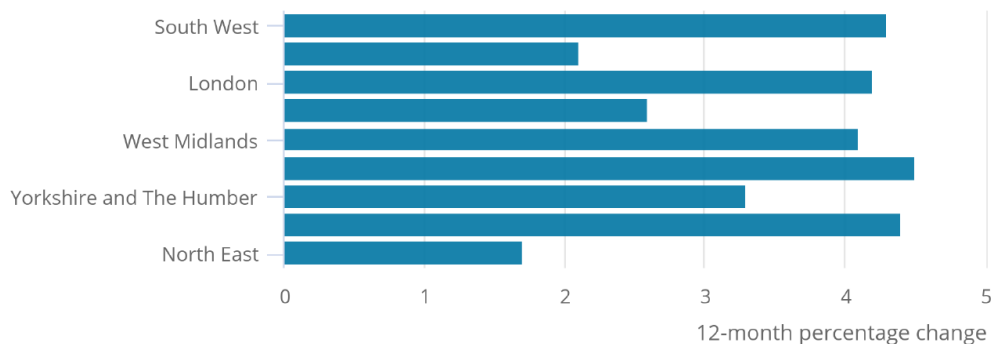


Source: [gov.uk price index](https://www.gov.uk/house-price-index)

The average UK house price is now approaching £250,000 after September saw a third consecutive month of substantial gains. The annual rate of change will naturally draw attention, with the increase of 7.3% the strongest since mid-2016.

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)

“ The best-performing region is Yorkshire, showing year-on-year price growth amounting to an annualised gain of 8.8%. A more cautious monthly rise of 0.3% takes the East of England (the UK’s worst performing region) further into positive growth year-on-year (+1.5%), although surging supply will hamper further growth. ”

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 June 2020	Monthly change	Annual change
First time buyer	£200,028	2.8%	3.2%
Former owner occupier	£276,014	2.8%	3.6%

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

“...while in the second-stepper sector (three- or four-bedroom homes excluding four-bedroom detached) they were up by 55%. The first-time-buyer sector of two bedrooms or fewer, although not as strong as the larger homes sectors, still saw sales agreed up by 36%.”

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

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

Property status	Average price April 2020	Monthly change	Annual change
New build	£302,253	1.5%	5.9%
Existing resold property	£226,377	-1.3%	0.7%

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

“ The trend of up-sizing to a larger home has continued at pace over the past month, leading to record asking prices in the second-stepper sector, made up of three- or four-bedroom homes. This price record has been fuelled by buyers looking for more space, including both those who need extra space for their families and those looking for room to work from home. ”

Source: [Rightmove price index](#)



# Number of housing transactions per month

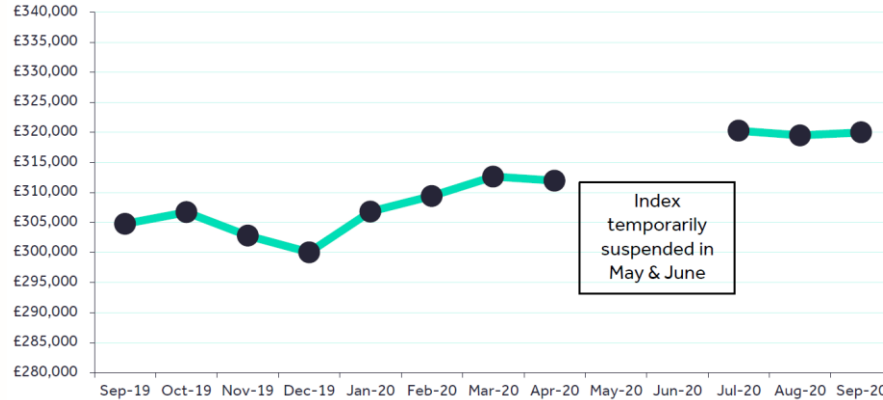
Country	April 2020	April 2019
England	18,917	60,107
Northern Ireland (Quarter 2 - 2020)	1,652	6,195
Scotland	2,340	7,927
Wales	1,166	3,462

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

“Nationally, sales agreed for the whole year to date are now down by only 5% on the same period last year. Two regions – the east of England (+4%) and the south east (+1%) – have already overtaken the number of sales agreed for the same period last year, helped by higher average prices causing the Stamp Duty holiday to have more of an impact for buyers and sellers in these areas. Unsurprisingly both Scotland and Wales are in double digit declines as they are still playing catch up from reopening their housing markets later than England, and are now down by 21% and 16% respectively.”

Source: [Rightmove price index](#)

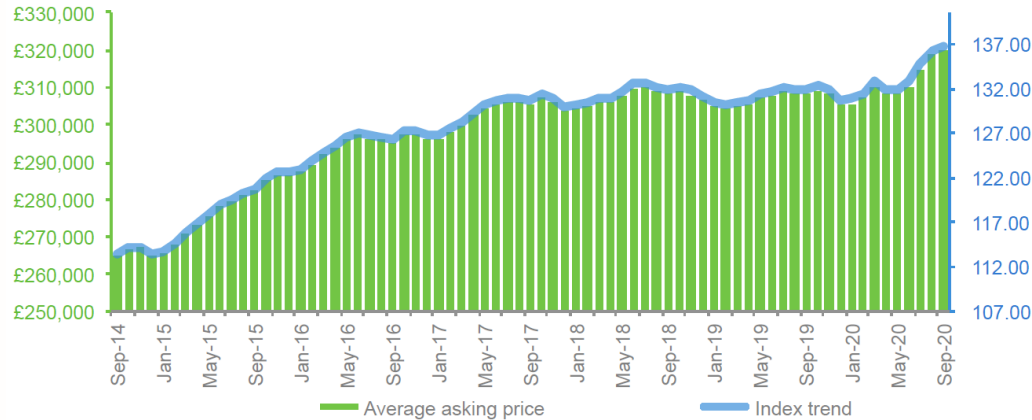
# Monthly asking-price trend



Overall prices have remained steady since they hit a record in July, up by a marginal 0.2% on the month, and up by 5.0% annually, which is the highest annual growth rate recorded since September 2016. Regions outside the south of England have seen the strongest price jumps, with Yorkshire & the Humber, East Midlands, West Midlands, north east, north west and Scotland all at new records.

Source: [Rightmove price index](#)

# Home asking-price trend for England & Wales

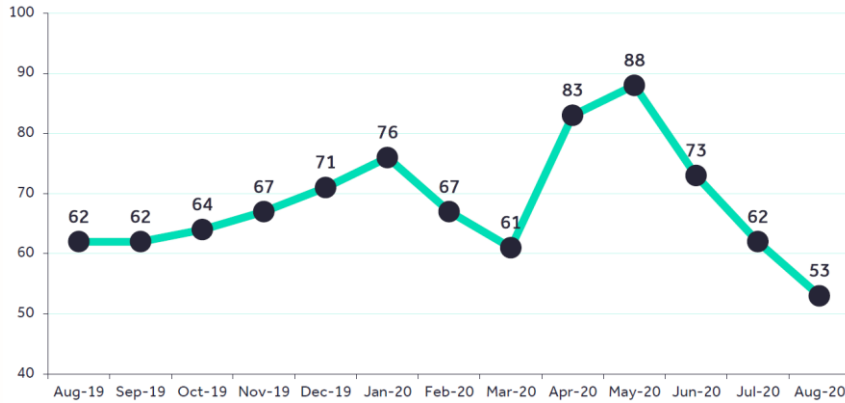


Source: [home.co.uk price index](https://www.home.co.uk/price-index/)

“ Few would dispute that the performance of the housing market has been extremely strong since lockdown restrictions began to ease in May. Across the last three months, we have received more mortgage applications from both first time buyers and home movers than anytime since 2008. There has been a fundamental shift in demand from buyers, brought about by the structural effects of increased home working and a desire for more space, while the stamp duty holiday is incentivising vendors and buyers to close deals at pace before the break ends next March. ”

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

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



“ The average number of days to agree a sale in London is now 49, a significant 20 days shorter than at this time last year. Nationally, the average time to secure a buyer has dropped from 62 days in August 2019 to 53 this August. ”

Source: [Rightmove price index](#)

## UK sales volumes by funding status

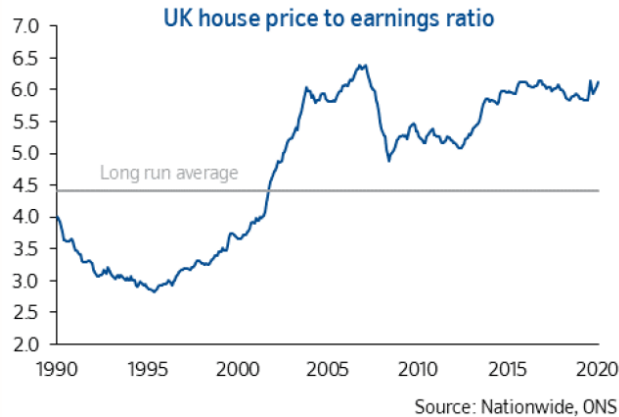
Funding status	Average price June 2020	Monthly change	Annual change
Cash	£225,591	2.9%	2.9%
Mortgage	£248,165	2.7%	3.6%

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

“ We’re hearing of challenges at all steps of the buying and selling process, including lenders having to deal with a higher number of mortgage applications and solicitors over their capacity, and we estimate there are nearly 40% more sales currently going through than at this time last year. ”

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

# UK house-price-to-earnings ratio



Source: [Nationwide price index](#)

“ Younger people were much more likely to have put off plans than older people, which may reflect concerns about employment prospects. Indeed, most forecasters expect labour market conditions to weaken significantly in the quarters ahead as tighter restrictions dampen economic activity and the furlough scheme winds down. While the recently announced jobs support scheme will provide some assistance, it is not as comprehensive as the furlough scheme it replaces. ”

Source: [Nationwide 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/contact](https://mms-marketing.co.uk/contact).

## 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 [hello@mms-marketing.co.uk](mailto:hello@mms-marketing.co.uk) with any feedback.