



Housing market overview

Produced 07 June 2021

This document provides the latest information available from various sources, with dates varying from March – May 2021

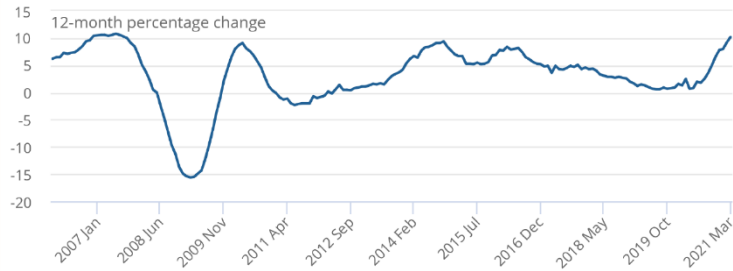
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- > House prices continue their upward trajectory, with all of our sources reporting month-on-month rises ranging from 0.7% to 1.8%. All of our sources are also reporting year-on-year increases in the range 4.1% to 11.7%.
- > Halifax reports that the current strength in house prices points to a deeper and long-lasting change as buyer preferences shift in anticipation of new, post-pandemic lifestyles – they say as greater demand for larger properties with more space might warrant an increased willingness to spend a higher proportion of income on housing.
- > Rightmove reports this month sees a new national record for the price of property coming to market, hitting an average of a third of a million pounds (£333,564). That is 1.8% (+£5,767) above the previous all-time high recorded a month ago. They say while the level of new properties coming up for sale is at a similar level to the long-term average, demand continues to massively exceed supply, especially in northern regions.
- > LSL tell us that while anyone still in the midst of buying and selling will be hoping to take advantage of the Stamp Duty holiday, its withdrawal could be less painful because of the introduction of the government’s high LTV lending scheme. They say this should support buyers currently facing affordability issues and offset some of the impact of the stamp duty withdrawal.
- > NHBC’s new home registrations climbed 10% in the first quarter of 2021 against the same period in 2020, with the new home warranty and insurance provider reporting a sector “bounce back”.
- > Nationwide say while March’s spike in transactions was driven by the original end date of the stamp duty holiday, a lot of momentum has been maintained. They say their research indicates that the extension to the Stamp Duty holiday is not the key factor, though it is clearly impacting the timing of transactions.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	March '21	^ 1.8%	^ 10.2	£256,405	19.05.2021
LSL Property Services	April '21	^ 0.7	^ 11.7	£341,462	04.2021
Halifax	May '21	^ 1.3	^ 9.5	£261,743	07.06.2021
home.co.uk	May '21	^ 1.1	^ 8.6	£335,213	12.05.2021
Hometrack	April '21	N/A	^ 4.1	£228,300	26.05.2021
Nationwide	May '21	^ 1.8	^ 10.9	£242,832	05.2021
Rightmove	May '21	^ 1.8	^ 6.7	£333,564	17.05.2021

UK annual house prices – rate of change

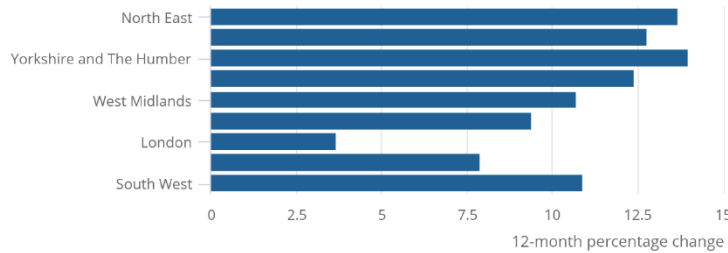


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ Asking prices across England and Wales add a further 1.1% since last month, pushing annualised average growth up to 8.6% (the highest annualised growth since Sept 2014). ”

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

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



“ Phenomenal demand chasing fewer properties again forced up prices in every English region and Scotland since last month, with the largest hikes in the East Midlands (+1.9%), South East (+1.7%) and East of England (+1.6%). ”

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

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

UK house-price rates of change: types of buyer

Type of buyer	Average price March 2021	Monthly change	Annual change
First time buyer	£214,452	1.6%	9.5%
Former owner occupier	£299,590	2.2%	11.1%

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

“ Buyer affordability is increasingly stretched, but there’s obviously some elasticity left to stretch a bit more as many buyers are squeezing their way into higher price bands. This high demand, with both willingness and ability to pay more, has pushed the average price of property coming to market to a new all time high of a third of a million pounds. ”

Source: [Rightmove price index](#)

UK house-price rates of change: types of dwelling

Property status	Average price January 2021	Monthly change	Annual change
New build	£302,956	0.4%	2.9%
Existing resold property	£247,471	0.2%	8.7%

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

“ House prices reached another record high in May, with the average property adding more than £3,000 (+1.3%) to its value in the last month alone. A year on from the first easing of national lockdown restrictions, and the gradual reopening of the housing market, annual growth surged to 9.5%, meaning the average UK home has increased in value by more than £22,000 over the past 12 months. ”

Source: [Halifax price index](#)

Number of housing transactions per month

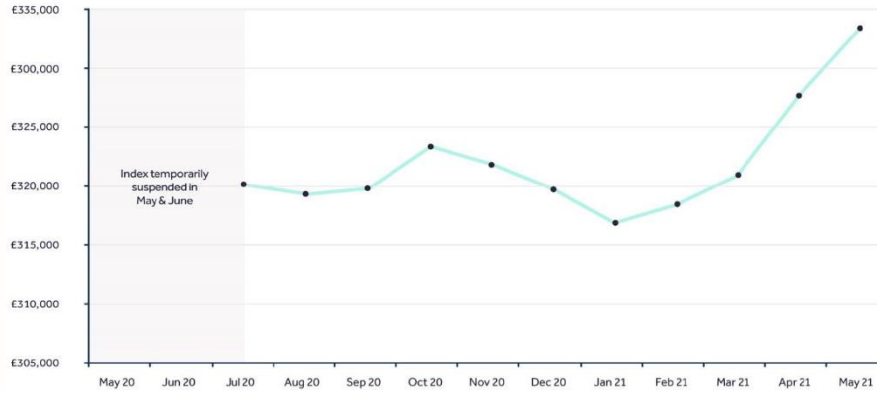
Country	January 2021	January 2020
England	53,323	56,603
Northern Ireland (Quarter 1 - 2021)	2,244	1,788
Scotland	7,562	7,022
Wales	2,597	3,171

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

“ Pumped up by £11.8 billion of fresh mortgage lending in March alone, the market is on fire. Surging demand is evident everywhere except London, with seemingly unlimited credit feeding an insatiable appetite for the little stock available. ”

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

Monthly asking-price trend

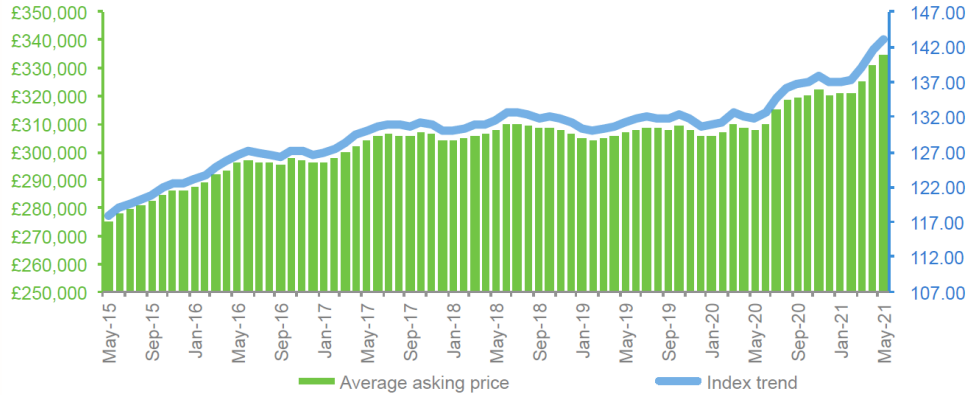


Source: [Rightmove price index](#)

“ May saw a further acceleration in annual house price growth to 10.9%, the highest level recorded since August 2014. In month-on-month terms, house prices rose by 1.8% in May, after taking account of seasonal effects, following a 2.3% rise in April. ”

Source: [Nationwide price index](#)

Home asking-price trend for England & Wales



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

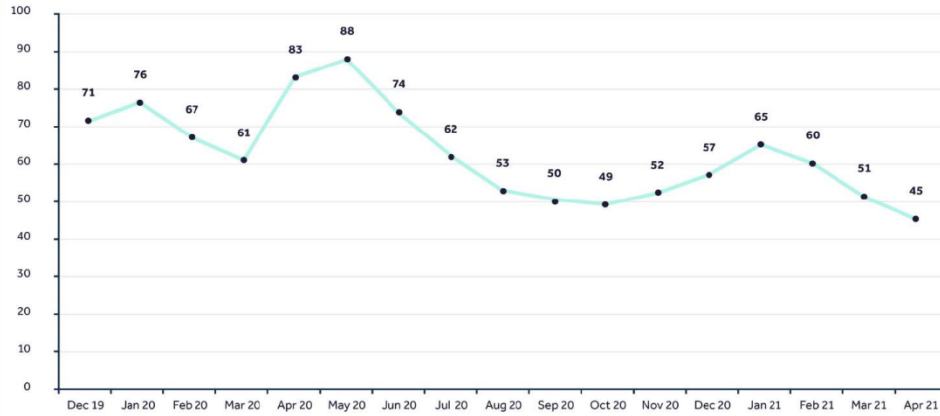


This month sees a new national record for the price of property coming to market, hitting an average of a third of a million pounds (£333,564). That is 1.8% (+£5,767) above the previous all time high recorded a month ago.



Source: [Rightmove price index](https://www.rightmove.co.uk/property-market-news/average-asking-price/)

Average-time-on-market indicator – National

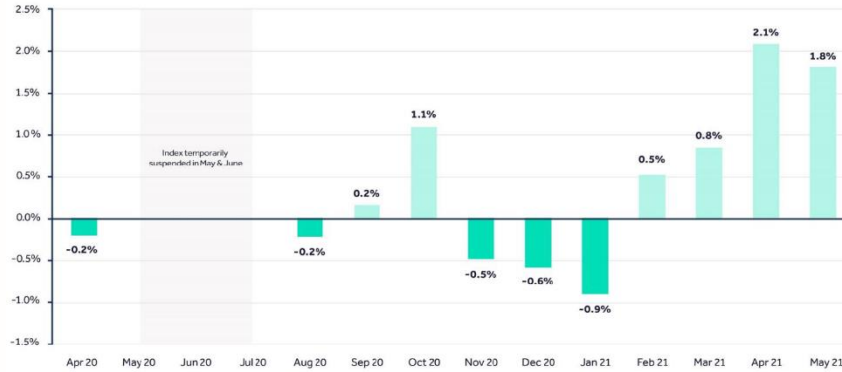


Source: [Rightmove price index](#)

“ Market momentum has increased again as buyers grab the little sales stock available: Typical Time on Market for unsold property in England and Wales has fallen by a further 10 days since last month to just 76 days. This figure is 13 days less than in May 2019. ”

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

Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ This month, our data shows that on an annualised basis, prices grew by nearly 12% (11.7%) in April, the highest year-on-year growth since January 2005, and this despite England and Wales having been in various states of lockdown and economic contraction since March 2020. This gives a real sense of how the housing market is performing, compared to the wider economy. ”

Source: [LSL Property Services price index](#)

UK sales volumes by funding status

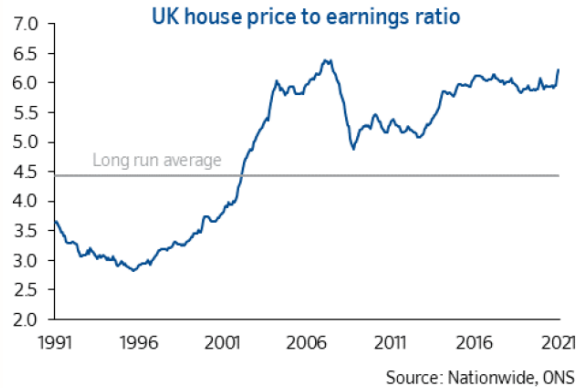
Funding status	Average price March 2021	Monthly change	Annual change
Cash	£244,199	2.0%	10.4%
Mortgage	£267,336	1.9%	10.3%

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

“ For some homebuyers, lockdown restrictions have also resulted in an unexpected build-up of savings, which can now be deployed to fund bigger deposits for bigger properties, potentially pushing property prices even higher. ”

Source: [Halifax price index](#)

UK house-price-to-earnings ratio

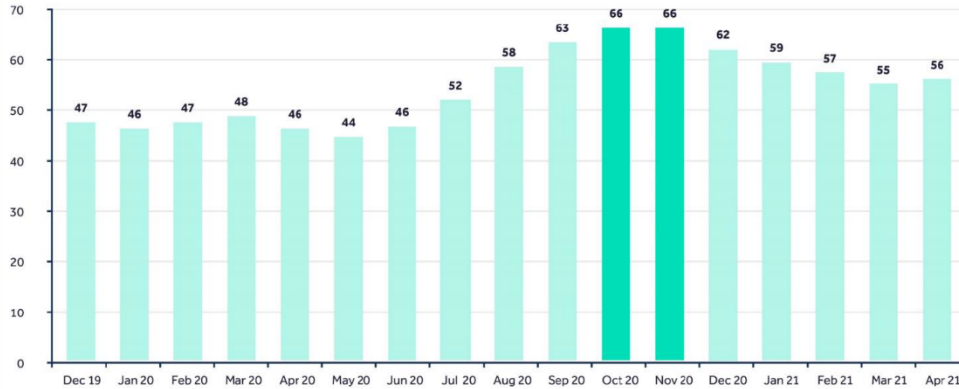


Source: [Nationwide price index](#)

“ Further ahead, the outlook for the market is far more uncertain. If unemployment rises sharply towards the end of the year as most analysts expect, there is scope for activity to slow, perhaps sharply, though even this could potentially be offset by ongoing shifts in housing preferences, if current trends are maintained. ”

Source: [Nationwide price index](#)

Average properties for sale per estate agent



Source: [Rightmove price index](#)

“ The total stock of property for sale in England and Wales has dropped again, setting a further all-time low of 291,025, 25.8% lower than in May 2020 and 36.1% less than in May 2018. ”

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

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