



# Housing market overview

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

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- > A little more of a mixed bunch this month when it comes to month-on-month house price changes. All but two of our sources are reporting rises ranging from 0.5% to 1.1%, but Gov.uk and Halifax both report decreases of 1.9% and 0.5% respectively. However, all sources continue to report year-on-year increases in the range 4.7% to 13.4%.
- > MarketWatch reports that UK home prices grew by more than 13% year-over-year in June, the highest level of growth since November 2004, giving a boost to shares in companies that build houses.
- > Halifax say that Government support measures over the last year have helped to boost demand, particularly amongst buyers searching for larger family homes at the upper end of the market. Indeed, the average price of a detached home has risen faster than any other property type over the past 12 months, up by more than 10% or almost £47,000 in cash terms. At a cost of over half a million pounds, they are now £200,000 more expensive than the typical semi-detached house.
- > Rightmove tell us that high prices, combined with an all-time low in the number of available properties on agents' books, are starting to slow the market's frenetic pace, with sales agreed in May 17% ahead of same period in 2019, slackening from April's +45%.
- > HSBC and TSB recently launched Britain's cheapest-ever mortgages at 0.94pc. According to analysts Moneyfacts, the two-year fixed-rate deals are Britain's cheapest mortgages since records began.
- > Almost 50,000 new homes were built in the first three months of this year, the highest quarterly figure for more than 20 years, according to the latest Government housebuilding figures. They say this is a 21% increase on the same quarter in 2020 and 4% up on the last three months of 2020.
- > 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	April '21	▼ 1.9%	▲ 8.9	£250,772	16.06.2021
LSL Property Services	May '21	▲ 0.5	▲ 13.4	£343,658	05.2021
Halifax	June '21	▼ 0.5	▲ 8.8	£260,358	07.07.2021
home.co.uk	June '21	▲ 1.1	▲ 9.0	£338,754	16.06.2021
Hometrack	May '21	N/A	▲ 4.7	£229,300	29.06.2021
Nationwide	June '21	▲ 0.7	▲ 13.4	£245,432	06.2021
Rightmove	June '21	▲ 0.8	▲ 7.5	£336,073	21.06.2021

# UK annual house prices – rate of change

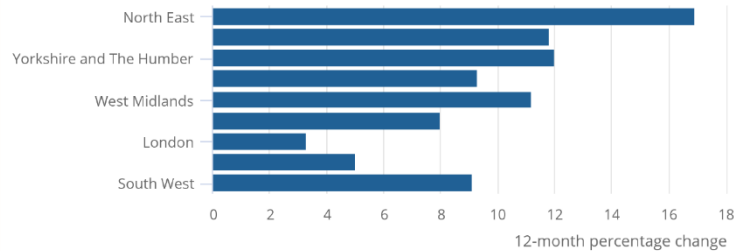


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ Asking prices across England and Wales continue to soar, adding another 1.1% since last month and pushing up annualised average growth to 9.0% (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 ever fewer properties has again forced up prices in every English region and Scotland since last month, with the largest hikes in the East Midlands (+2.1%), South West (+1.7%) and East of England (+1.5%). ”

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 April 2021	Monthly change	Annual change
First time buyer	£210,856	-1.7%	9.0%
Former owner occupier	£291,087	-2.2%	8.9%

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

“ Demand is particularly high in the top of the ladder sector (typically made up of detached properties with four bedrooms or more) whose buyer wealth profile remains more insulated from the mass market’s stretched affordability. The number of sales agreed for properties priced over £500,000, the majority of which will be in the top of the ladder sector, was up by 49% in May compared to May 2019. ”

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

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

Property status	Average price February 2021	Monthly change	Annual change
New build	£312,065	0.4%	10.5%
Existing resold property	£247,624	0.2%	8.9%

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

“ The average UK house price slipped by -0.5% in June, the first monthly fall since January. As a result annual house price inflation also eased back slightly from May's 14-year high of +9.6% to stand at +8.8% in June. It is important to put such a moderate decrease in context, with average prices still more than £21,000 higher than this time last year, following a broadly unprecedented period of gains. ”

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



# Number of housing transactions per month

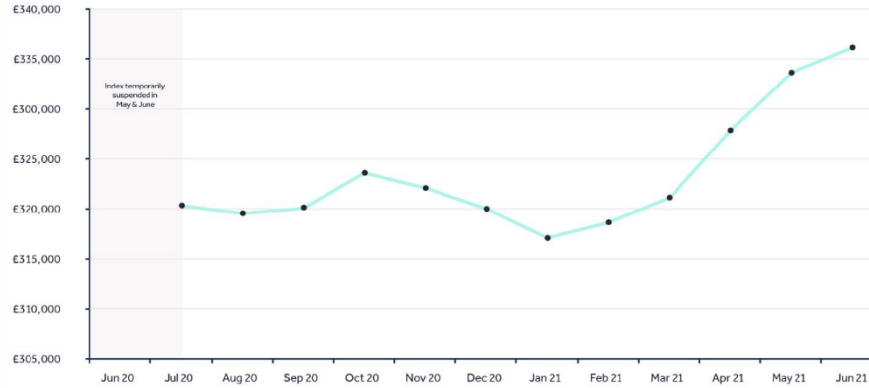
Country	February 2021	February 2020
England	64,764	56,568
Northern Ireland (Quarter 1 - 2021)	2,244	1,788
Scotland	7,198	5,939
Wales	2,943	3,168

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

“ Monthly supply remains vastly below normal expectations in all regions (-37% compared to May 2019). The East of England is worst hit by scarcity (-47%) while Greater London shows the first month where supply has fallen below expectations (down 7% compared to May 2019). ”

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

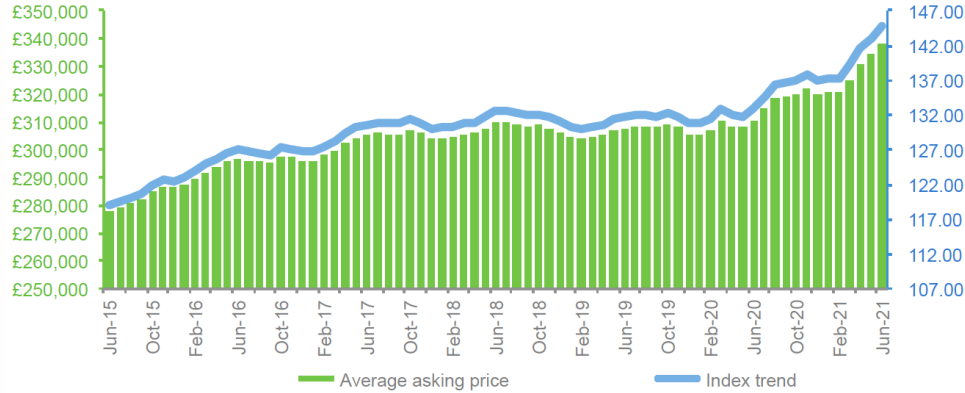
# Monthly asking-price trend



“ Price of property coming to market rises by a relatively modest 0.8% (+£2,509) this month, though still the largest rise at this time of year since 2015, and prices are now at a record in all countries and regions of Britain. ”

Source: [Rightmove price index](#)

# Home asking-price trend for England & Wales

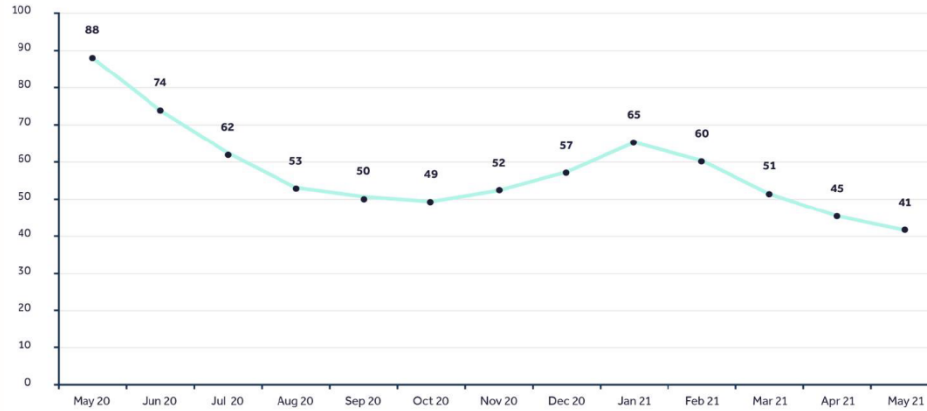


Source: [home.co.uk price index](https://www.home.co.uk/price-index/)

Regionally, there has been continued price growth across Wales and all nine English regions. Prices performed particularly strongly in the North West which achieved its highest rate of annual house price growth, 18.4%. Growth in the North West is underpinned by activity in both Greater Manchester and Merseyside, where prices are increasing at a staggering annual rate of 20.9%. London and the South East have also seen growth, although at a lower level.

Source: [LSL Property Services price index](https://www.lsl.co.uk/property-services/price-index/)

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

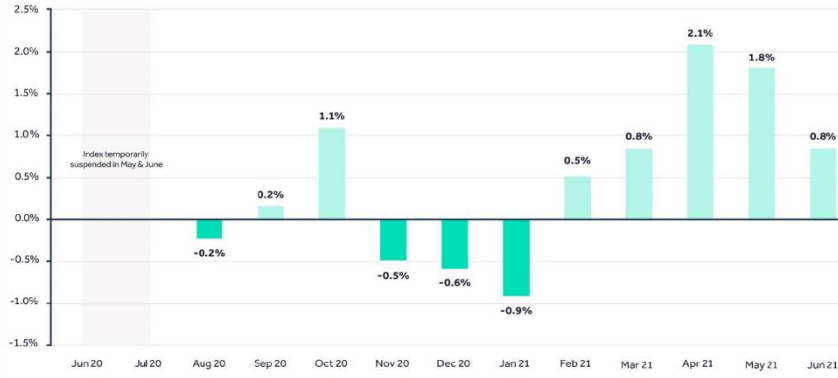


Source: [Rightmove price index](#)

“ The pace of the market remains frantic as buyers feverishly grab what little sales stock remains available: Typical Time on Market for unsold property in England and Wales remains at just 76 days. ”

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

# Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ Annual house price growth accelerated to 13.4% in June, the highest outturn since November 2004. While the strength is partly due to base effects, with June last year unusually weak due to the first lockdown, the market continues to show significant momentum. Indeed, June saw the third consecutive month-on-month rise (0.7%), after taking account of seasonal effects. Prices in June were almost 5% higher than in March. ”

Source: [Nationwide price index](#)

# UK sales volumes by funding status

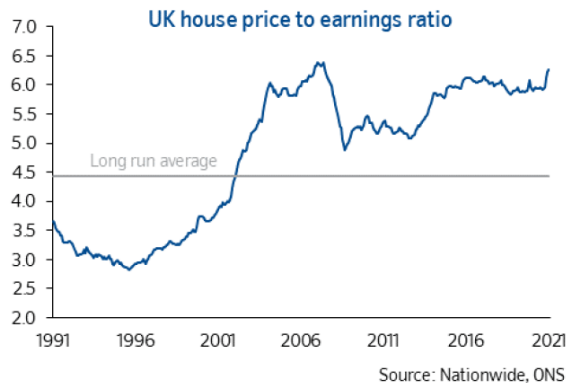
Funding status	Average price April 2021	Monthly change	Annual change
Cash	£237,710	-2.3%	9.0%
Mortgage	£261,677	-1.9%	8.9%

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

“ Completion prices for transactions funded by both mortgages and cash grew by a startling 13.4% annually in May, and at a national level, prices in England and Wales rose on a monthly basis by some £1,800, or 0.5%. ”

Source: [LSL Property Services price index](https://www.lsl.co.uk/property-services/price-index)

## UK house-price-to-earnings ratio



Source: [Nationwide price index](#)

House prices are close to a record high relative to average incomes. This is important because it makes it even harder for prospective first time buyers to raise a deposit. For example, a 10% deposit is over 50% of typical first time buyer's income. A potential buyer earning the average wage and saving 15% of take home pay would now take five years to raise a 10% deposit.

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 shrunk again, setting a further all-time low of 279,019, 31.6% lower than in June 2020 and 41.0% less than in June 2018. ”

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



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