



# Housing market overview

Produced 07 September 2021

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

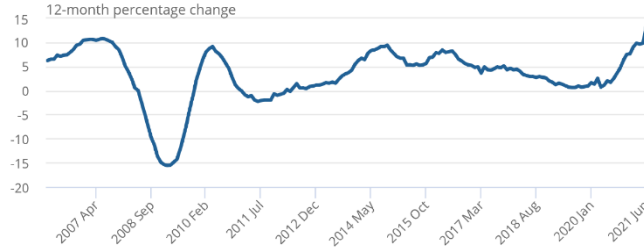
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- > Similar to last month house prices continue their upward trajectory, with all but one of our sources reporting month-on-month rises ranging from 0.7% to 4.5%. Rightmove is the only source reporting a decrease from the previous month of 0.3%. All sources report year-on-year increases in the range 5.6% to 13.2%.
- > Barratt report a strong demand for building after announcing its annual results. They completed 17,243 homes in the year ending June 30th 2021, 36.8% ahead of last year and 3.4% below the 2019 level of 17,856.
- > Home.co.uk tell us that the total stock of property for sale continues its downward trajectory, recording another new low this month. They say the supply rate of new sales listings remains remarkably low across all English regions, Scotland and Wales, despite the fact that properties outside of Greater London are achieving record valuations.
- > Halifax say that, given the rapid gains seen over the past 12 months, August's rise was relatively modest and the annual rate of house price inflation continued to slow, hitting a five-month low of 7.1% (versus 7.6% in July). They do report however, compared to June 2020, when the housing market began to reopen from the first lockdown, prices remain more than £23,600 higher (or +9.9%).
- > Rightmove report that buyer demand remains strong despite the relative summer pause and they predict that there will be an autumn bounce in both seller activity and prices. They say in the first week of August, individual buyer enquiries to agents were up by 56% on the same period in the pre-Covid year of 2019, and down by just 17% on the frenzied post-lockdown 2020 numbers.
- > Nationwide say underlying demand is likely to remain solid in the near term. They say consumer confidence has rebounded in recent months while borrowing costs remain low. This, combined with the lack of supply on the market, suggests continued support for house prices. But, they do say as we look towards the end of the year, the outlook is harder to foresee.

# 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 '21	▲ 4.5	▲ 13.2	£265,668	18.08.2021
LSL Property Services	July '21	▲ 0.9	▲ 9.1	£336,003	07.2021
Halifax	August '21	▲ 0.7	▲ 7.1	£262,954	07.09.2021
home.co.uk	August '21	▲ 0.8	▲ 7.6	£343,285	12.08.2021
Hometrack	July '21	N/A	▲ 6.0	£234,000	26.08.2021
Nationwide	August '21	▲ 2.1	▲ 11.0	£248,857	08.2021
Rightmove	August '21	▼ 0.3	▲ 5.6	£337,371	16.08.2021

# UK annual house prices – rate of change

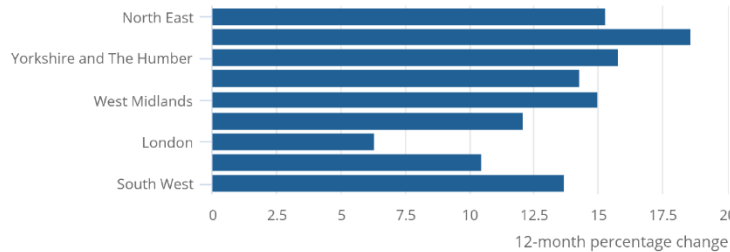


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ Overall, we saw a continued positive movement in house prices with the average price of completed sales growing by 9.1% in July to £336,003. Continuing government support for the housing market and low interest rates continue to help with buyer affordability and offset the initial stage withdrawal of the stamp duty holiday and the complete withdrawal of the Land Transaction tax in Wales. ”

Source: [LSL Property Services price index](https://www.lslproperty.com/price-index)

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



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

“ Fierce demand has again forced up prices in every English region (except the North East) and Wales since last month, with the largest hikes in Wales (+1.6%), the North West (+1.1%) and the West Midlands (+1.1%). ”

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 2021	Monthly change	Annual change
First time buyer	£222,712	4.6%	12.7%
Former owner occupier	£309,754	4.6%	13.9%

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

“ New record highs in price of property coming to market in the mass-market sectors, made up of first-time buyer properties, up by £1,328 (+0.6%) in the month, and second-stepper properties, up by £975 (+0.3%) in the month. ”

Source: [Rightmove price index](#)

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

Property status	Average price April 2021	Monthly change	Annual change
New build	£337,377	4.4%	14.4%
Existing resold property	£246,310	-1.9%	9.1%

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

“ Average house prices climbed again in August, with the cost of a property increasing by 0.7% or £1,789. Back-to-back monthly price gains have now pushed the cost of a typical home to a record of £262,954, topping the previous high (£261,642) recorded in May this year. ”

Source: [Halifax price index](#)



# Number of housing transactions per month

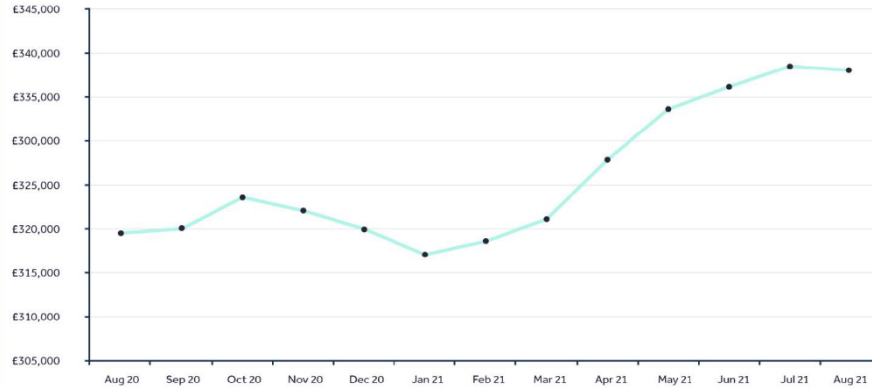
Country	April 2021	April 2020
England	40,061	23,673
Northern Ireland (Q2 2021 average monthly sales)	2,396	670
Scotland	7,007	2,632
Wales	2,159	1,381

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

“ In terms of transactions we can see what a difference twelve months can make. In the first quarter of this year, we saw a 32% increase in transactions over the same period last year. The stamp duty holiday and the desire for more space when working from home clearly spurred many purchasers into action. ”

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

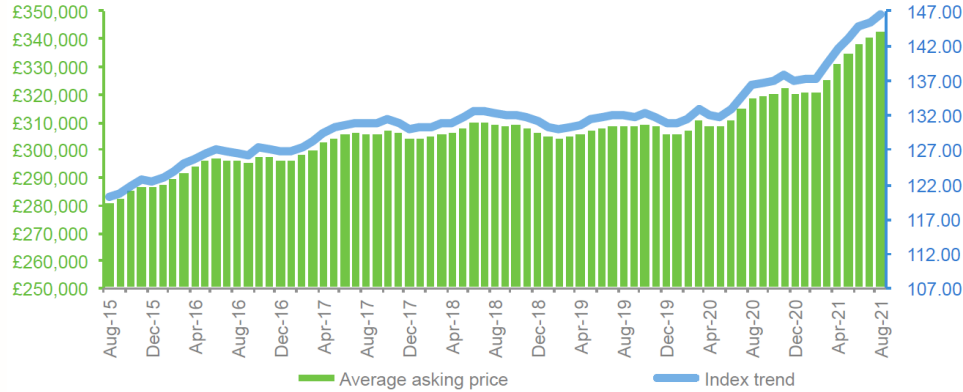
## Monthly asking-price trend



“ Summer holiday distractions normally lead to an August slowdown in activity and lessening of price pressure, and although we have seen the first overall monthly fall in the average price of property coming to market so far in 2021, this is predominantly due to a cooling at the higher end of the market. ”

Source: [Rightmove price index](#)

# Home asking-price trend for England & Wales

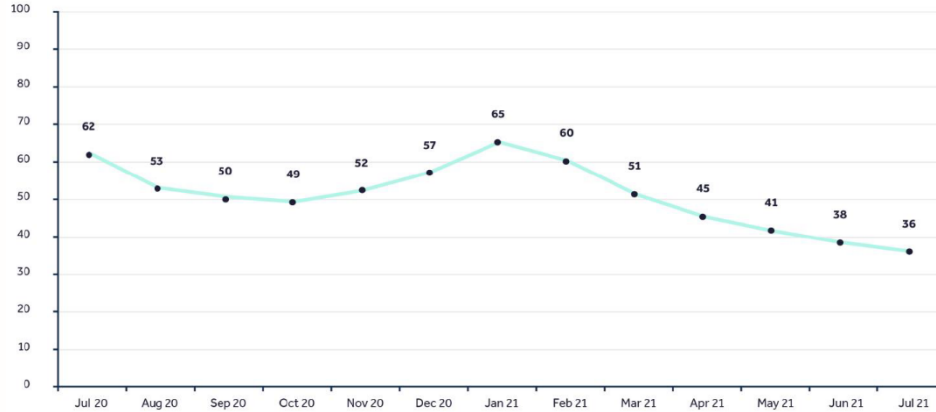


Supported by scarcity, asking prices across England and Wales continue to rise overall as demand overwhelms supply, adding another 0.8% since last month, although the annualised average growth has slipped to 7.6%.



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

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

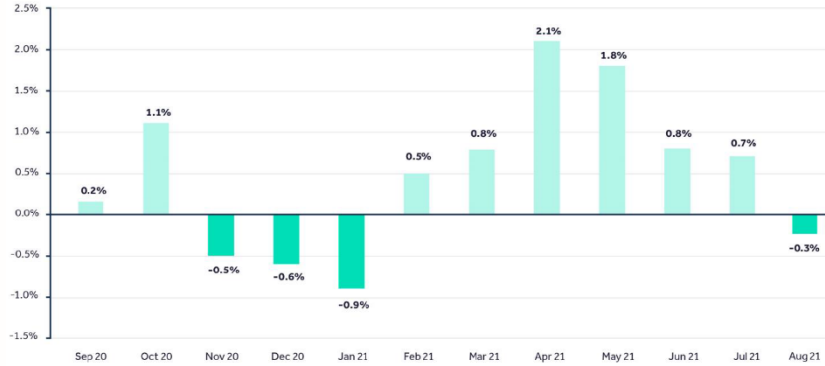


Source: [Rightmove price index](#)

“ Typical Time on Market for unsold property in England and Wales has risen slightly by four days since last month to 77 days although this is the lowest August figure since 2007. The lack of new stock and market fatigue after a feverish period of buying likely explain the rise in this key metric rather than the tapering of the stamp duty holiday. ”

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

# Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ Annual house price growth increased to 11% in August, from 10.5% in July. Prices rose 2.1% in month-on-month terms, after taking account of seasonal effects. House prices are now around 13% higher than when the pandemic began. ”

Source: [Nationwide price index](#)

# UK sales volumes by funding status

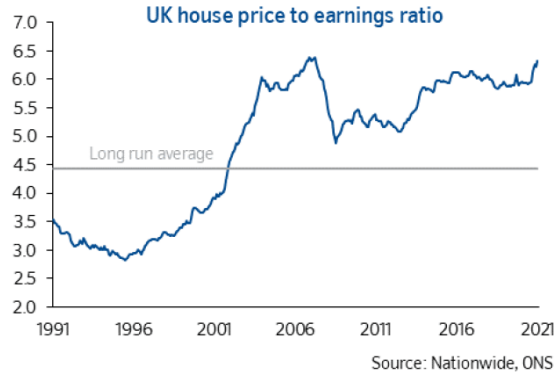
Funding status	Average price June 2021	Monthly change	Annual change
Cash	£252,922	4.9%	13.5%
Mortgage	£277,071	4.5%	13.2%

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

“ The average price of completed sales funded by both mortgages and cash grew at an annual rate of 9.1% in July. This is 0.5% lower than the annual rate of 9.6% recorded in June, the reduction almost certainly relating to the ending of the first stage of the Stamp Duty holiday in England, along with the complete withdrawal of the Land Transaction tax holiday in Wales. ”

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

# UK house-price-to-earnings ratio

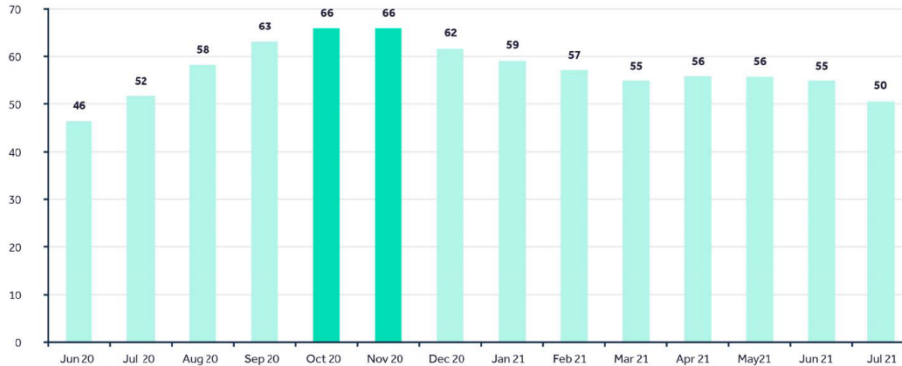


Source: [Nationwide price index](#)

Moreover, underlying demand is likely to soften around the turn of the year if unemployment rises, as most analysts expect, when government support schemes wind down. But even this is far from assured. The labour market has remained remarkably resilient to date and, even if it does weaken, there is scope for shifts in housing preferences as a result of the pandemic to continue to support activity for some time yet.

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 to a new record low of 266,369, 37.5% lower than in August 2020 and 45.3% less than in August 2018. ”

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



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