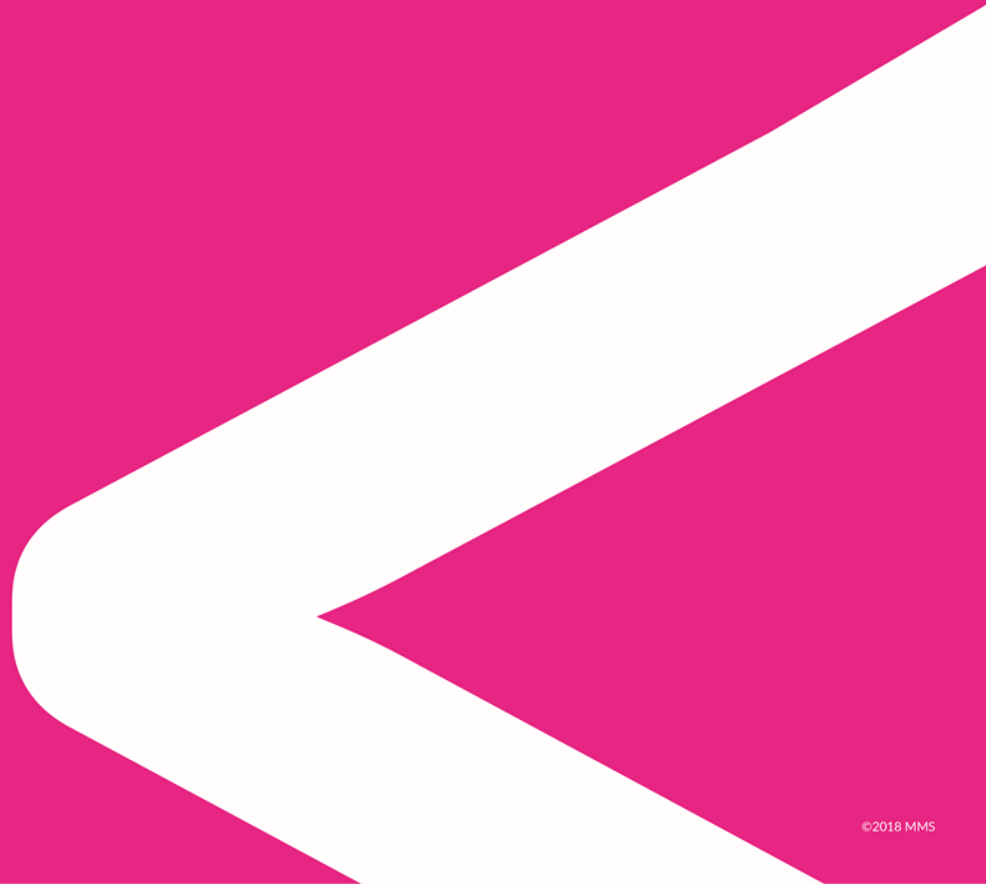




Housing market overview

Produced 06 September 2018

This document provides the latest information available from various sources, with dates varying from June - August 2018



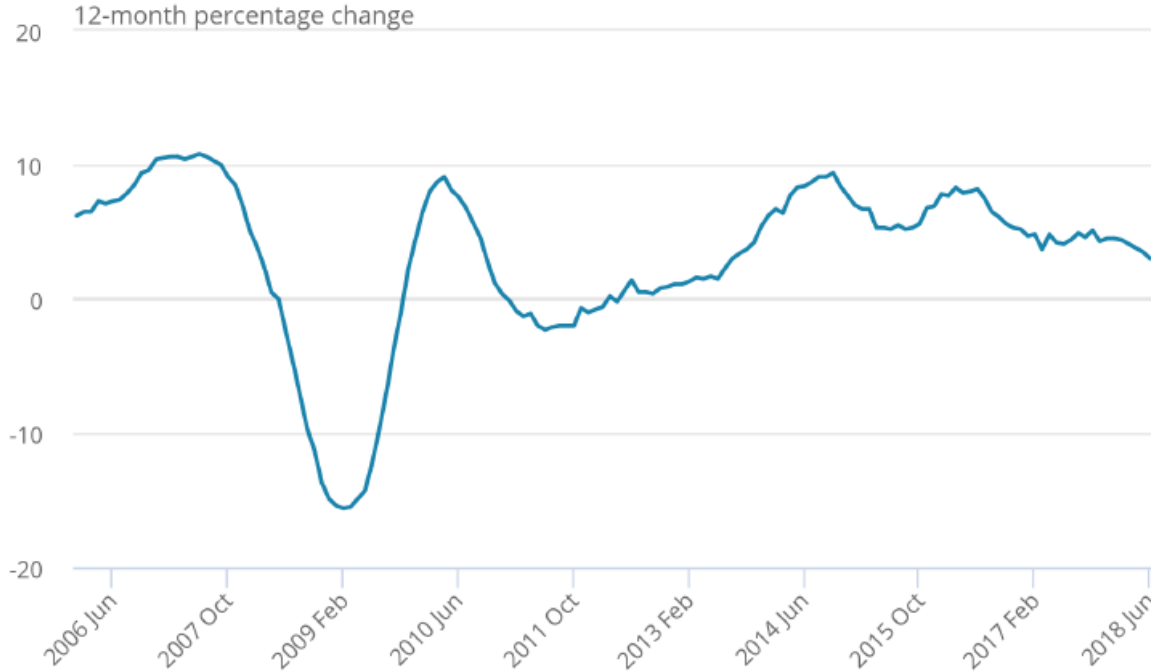
Market overview	3
Summary of published price indices	4
UK annual house prices – rate of change	5
Regional all-dwellings annual house price – 12-month % change	6
UK house-price rates of change: types of buyer	7
UK house-price rates of change: type of dwelling	8
Number of housing transactions per month	9
Monthly asking-price trend	10
Home asking-price trend (England & Wales)	11
Average-time-on-market indicator – England & Wales	12
Asking-price fluctuation percentage	13
UK sales volumes by funding status	14
UK house-price-to-earnings ratio	15
Average properties for sale per estate agent	16

- > There are more falls than rises in the month-on-month fluctuations, with four of our reported sources recording decreases and only two showing increases. The figures range from -2.3% (Rightmove) to +0.4% (gov.uk). However, all sources continue to record upward year-on-year movements, ranging from +1.1% (Rightmove and home.co.uk) to +4.2% (Hometrack).
- > Nationwide predicts that subdued economic activity and ongoing pressure on household budgets are likely to continue to exert a modest drag on house-price growth and market activity for the remainder of this year, though borrowing costs are likely to remain low. Overall, they continue to expect that house prices will rise by 1% over the course of 2018.
- > A recent report, carried out by Legal and General and the Centre for Economic Business Research, has found that parents are struggling to help their children acquire property and it is making them feel financially vulnerable. Astonishingly, The Banks of Mum and Dad are loaning an average £18,000 to their children to enable them to get on the property ladder.
- > New home registrations rose 35% in July against the same month last year, according to NHBC's latest figures. During July, NHBC said that more than 15,800 new homes were registered to be built in the UK. Of these 12,087 were for the private sector against 8,421 in 2017.
- > The HBF has hailed Help to Buy an "unmitigated success", with some 260,000 individuals benefiting from the scheme. More than four out of five of the 170,000 homes purchased through the Help to Buy scheme in the five years to March 2018 were bought by first-time buyers.
- > Halifax reports that mortgage approvals remain steady. Bank of England industry-wide figures show that the number of mortgages approved to finance house purchases – a leading indicator of completed house sales – fell by 0.9% between June and July to 64,768. This is almost exactly at the monthly average for the previous 12-month period of 64,986. (*Source: Bank of England, seasonally-adjusted figures*).

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 '18	^ 0.4	^ 3.0	£228,384	15.08.2018
LSL Property Services	July '18	v 0.2	^ 1.6	£302,251	13.08.2018
Halifax	August '18	^ 0.1	^ 3.7	£229,958	07.09.2018
Home.co.uk	August '18	v 0.3	^ 1.1	£309,585	14.08.2018
Hometrack	July '18	N/A	^ 4.2	£252,400	27.08.2018
Nationwide	August '18	v 0.5	^ 2.0	£214,745	08.2018
Rightmove	August '18	v 2.3	^ 1.1	£301,973	20.08.2018

UK annual house prices – rate of change

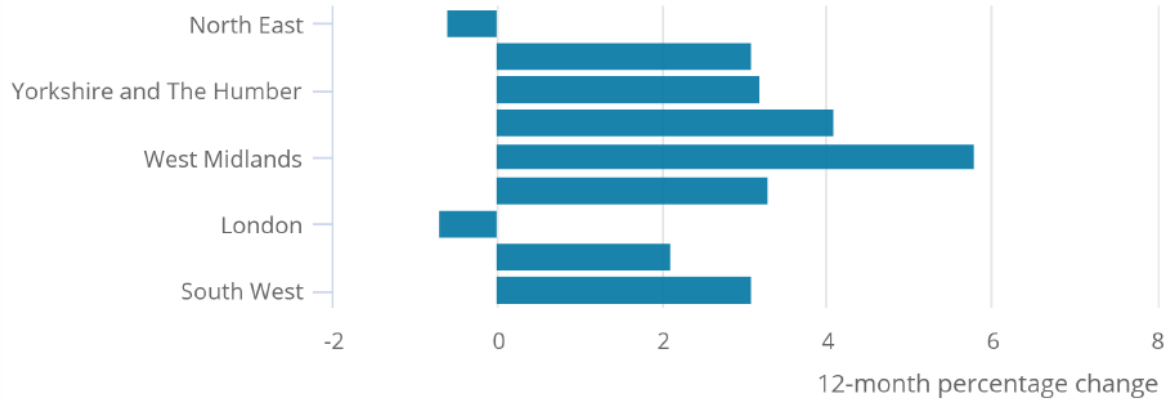


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ Average asking prices of newly-marketed property show seasonal drop of 2.3% (£7,281) this month, as new sellers launch a ‘late summer sale’ to try and find a buyer more quickly. ”

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

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



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

“ Considerable disparity remains across the regions although price-growth inconsistency is beginning to reduce as more regional markets cool off.

Greater London prices continue to slide (down 2.5% YoY) while Wales is enjoying the most momentum... (up 5.9% YoY).

”
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 2018	Monthly change	Annual change
First time buyer	£193,006	0.7%	2.8%
Former owner occupier	£264,498	0.2%	3.1%

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

“ The vast majority (c80%) of HTB loans were to first time buyers and while its share of FTB activity has continued to trend upwards, it remains relatively modest at 13% of transactions. ”

Source: [Nationwide.co.uk](https://www.nationwide.co.uk)

UK house-price rates of change: types of dwelling

Property Status	Average price April 2018	Monthly change	Annual change
New build	£294,070	3.8%	9.6%
Existing resold property	£222,087	0.9%	3.3%

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

“ The number of first-time buyers increased by around 3% in the first six months of 2018 to 175,500 compared with 171,200 in the same period in 2017, according to research from the Halifax. This is the sixth increase over a comparable period in the last seven years and the third consecutive year that first-time buyer numbers have topped 150,000. ”

Source: [Halifax price index](#)

Number of housing transactions per month

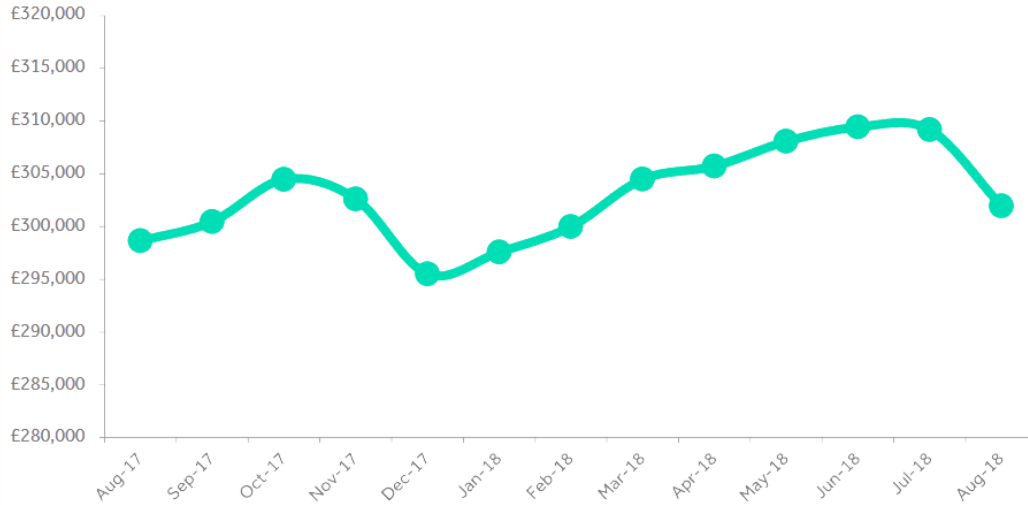
Country	April 2018	April 2017	Difference
England	50,308	62,318	-19.3%
Northern Ireland (Quarter 2 - 2018)	5,308	6,099	-13.0%
Scotland	7,371	8,139	-9.4%
Wales	3,005	3,490	-13.9%

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

“ Any new sellers who want to find a buyer quickly, perhaps with a pre-Christmas move in mind, should note that buyers have more choice this month compared to last, with total available stock being up 2.1% ”

Source: [Rightmove price index](#)

Monthly asking-price trend



Source: [Rightmove price index](#)

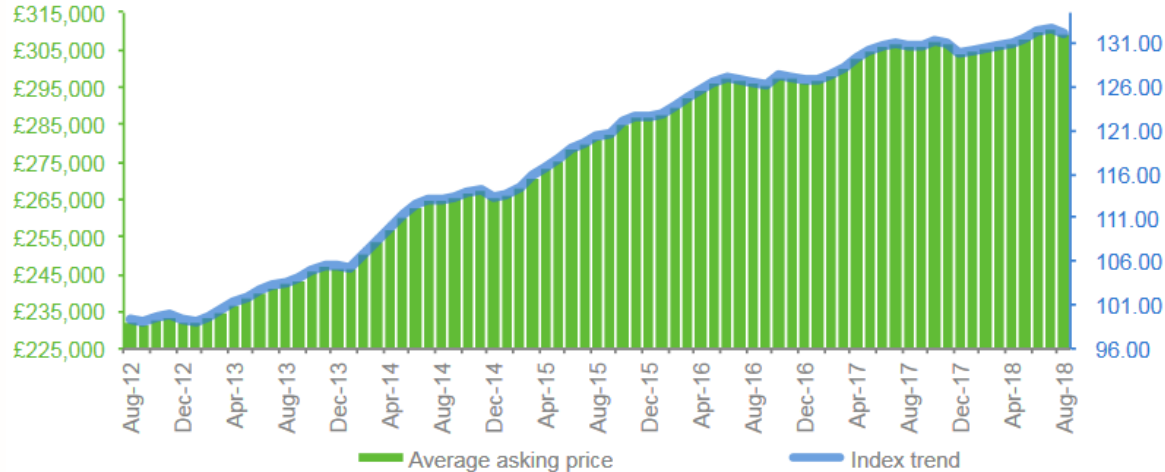


August saw a slight softening in annual house price growth to 2.0%, from 2.5% in July. Nonetheless, annual house price growth remains within the fairly narrow range of c2-3% which has prevailed over the past 12 months, suggesting little change in the balance between demand and supply in the market.



Source: [Nationwide price index](#)

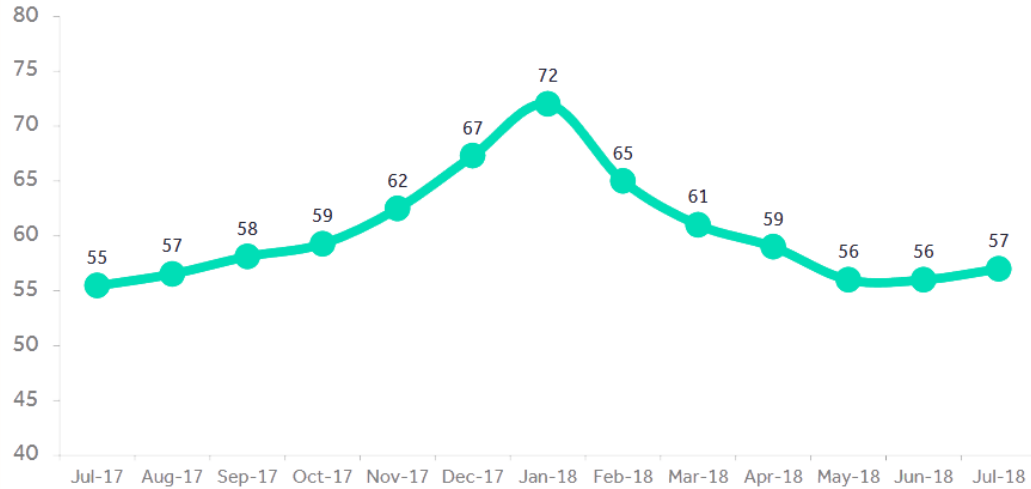
Home asking-price trend for England & Wales



“ Home prices have experienced a downward correction in the face of rising supply and falling demand. Rising supply has led to market saturation in the East of England, and this region looks set to join London and the South East in negative year-on-year growth before the end of the year. The same pattern of supply-induced slowdown combined with a pullback in demand is now affecting the East Midlands and the South West, and this is exerting downward pressure on prices. ”

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

Average-time-on-market indicator – National

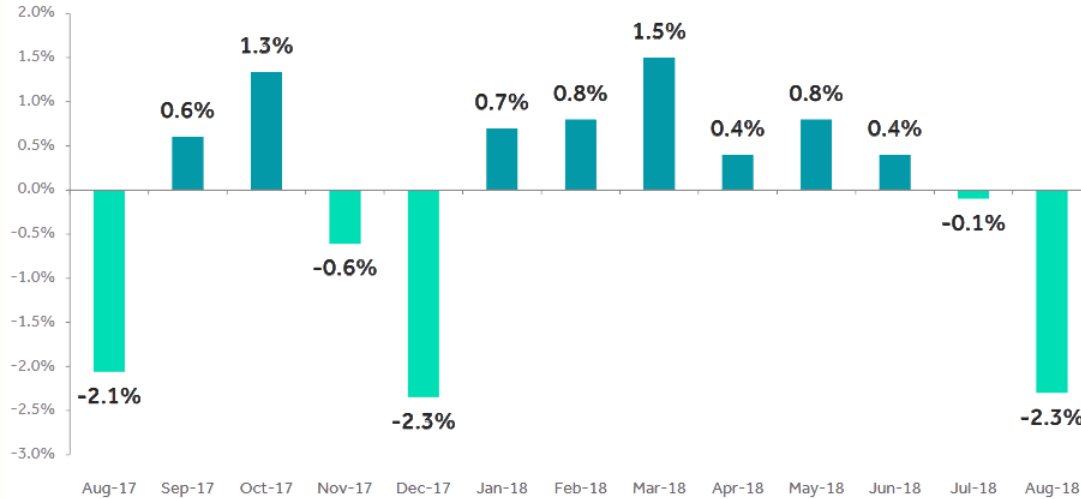


Source: [Rightmove price index](#)

“ Typical Time on Market continues to rise in London (+10%), the South East (+9%) and the East of England (+14% YoY). ”

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

Asking-price fluctuation percentage



“ This month’s 2.3% (£7,281) fall in new seller asking prices maintains the historical trend of sellers coming to the market in the peak summer holiday month pricing aggressively to try and secure quicker sales. ”

Source: [Rightmove price index](#)

UK sales volumes by funding status

Funding status	Average price June 2018	Monthly change	Annual change
Cash	£217,306	0.2%	2.7%
Mortgage	£238,438	0.5%	3.2%

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

“ Mortgage approvals remain steady. Bank of England industry-wide figures show that the number of mortgages approved to finance house purchases – a leading indicator of completed house sales – fell by 0.9% between June and July to 64,768. ”

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

UK house-price-to-earnings ratio



Source: [Nationwide price index](#)

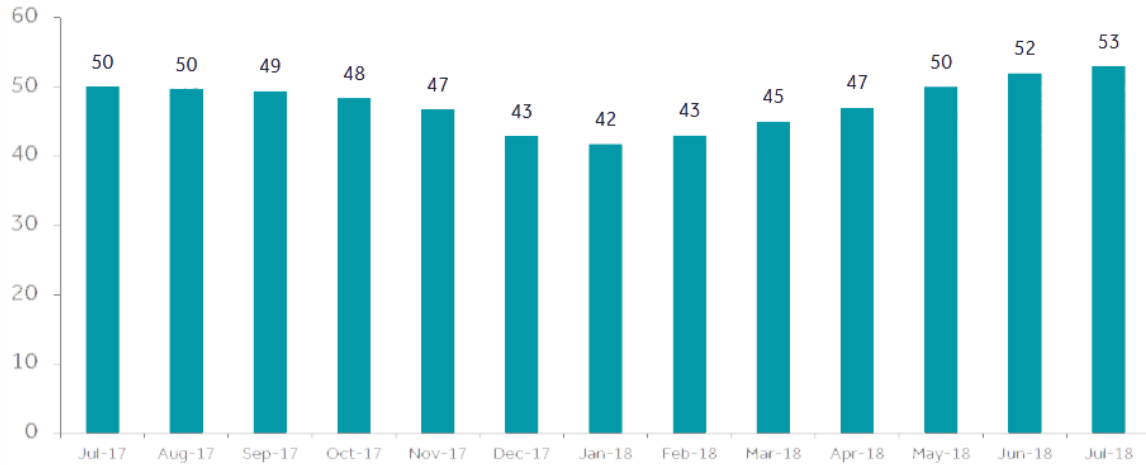


While the pace of employment growth has recently slowed, a low unemployment rate and a gradual pickup in wage growth are helping to support household finances. This has been accompanied by interest rates still remaining at a historically low rate and a stable, yet constrained, supply of new homes onto the market further supporting house prices.



Source: [Halifax price index](#)

Average properties for sale per estate agent



Source: [Rightmove price index](#)

“ The housing market was broadly stable last month with the number of new instructions remaining flat in July with new buyer enquiries also broadly stable. This is a continuation of a trend that we have been seeing for most of this year. ”

Source: [Halifax 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/uk-housing-market.

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 newhomes@mms-marketing.co.uk with any feedback or, even better, join in the conversation on LinkedIn, via **newhomeshubuk**.

