

Housing market overview

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This document provides the latest information available from various sources, with dates varying from January – March 2022

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- > House prices continue their upward trajectory, with all of our sources reporting month-on-month rises ranging from 0.4% to 1.7%. All sources report year-on-year increases in the range 6.9% to 14.3%.
- > Nationwide comments the price of a typical UK home climbed to a new record high of £265,312, with prices increasing by over £33,000 in the past year. They say prices are now 21% higher than before the pandemic struck in early 2020.
- > Hometrack reports there is a wide spread of affordability across the country. In London, the average house price is nearly 11x the average income. This compares to the North of England, where the average house price is 5.1x average earnings.
- > The Telegraph reports by the end of this year, mortgage costs could have surged so much that a buyer purchasing an average home with a 40pc deposit would pay an extra £1,500 a year to their lender.
- > Rightmove comments for those looking to move this is the best ever spring sellers' market, not just because of record price levels:
 - They say we enter the spring selling season with the biggest mismatch between supply and demand for this time of year ever measured by Rightmove, with more than twice as many buyers as sellers.
 - And the chance of finding a buyer in the first week is highest ever, and twice as likely compared to the same period in 2019.
- > Halifax says the impact of the pandemic on buyer demand can be seen most clearly when looking at different property types. With a premium now put on those properties offering greater space – both indoors and out – prices for flats have increased by 10.6% or £15,404 over the last two years. Compare this to the average price of a detached property which has leapt by 21.3% or £77,717 over the same period.
- > Property Reporter says UK chain-free property transactions combined to create a total value of £28.8 billion in the past year, £8.7 billion, or 43%, higher than the previous year. They say this increase has been created by the sheer volume of chain-free transactions increasing by 29% in the past year.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	January '22	^ 0.4	^ 9.6	£273,762	23.03.2022
LSL Property Services	February '22	^ 1.5	^ 6.9	£361,767	02.2022
Halifax	March '22	^ 1.4	^ 11.0	£282,753	07.04.2022
home.co.uk	March '22	^ 1.1	^ 7.4	£349,790	16.03.2022
Hometrack	February '22	N/A	^ 8.1	£245,200	29.03.2022
Nationwide	March '22	^ 1.1	^ 14.3	£265,312	03.2022
Rightmove	March '22	^ 1.7	^ 10.4	£354,564	21.03.2022

UK annual house prices – rate of change

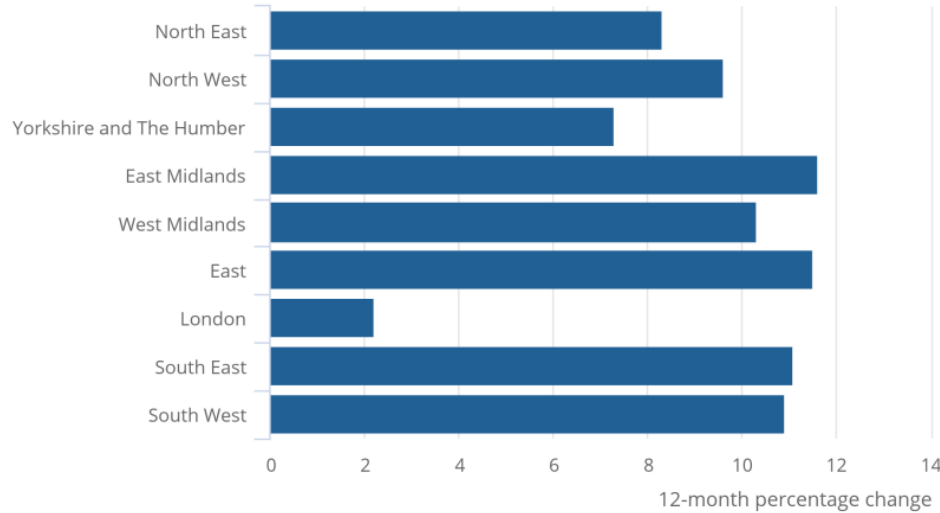


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ March saw a further acceleration in annual house price growth to 14.3%, the strongest pace of increase since November 2004. Prices rose by 1.1% month-on-month, after taking account of seasonal effects, the eighth consecutive monthly increase. ”

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

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



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

“ With 2021’s strong momentum continuing into the beginning of this year, the annual rate of house price inflation (+11.0%) continues to track around its highest level since mid-2007. ”

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

UK house-price rates of change: types of buyer

Type of buyer	Average price January 2022	Monthly change	Annual change
First time buyer	£227,846	0.4%	8.9%
Former owner occupier	£321,360	0.4%	10.6%

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

“ It is becoming more difficult for existing homeowners to trade up, with the price gaps between different property types now at a record high. This is particularly acute for those looking to move from flats to terraced houses, where the price gap has more than doubled since the onset of the pandemic (from around £12,000 to over £25,000). ”

Source: [Nationwide price index](#)

UK house-price rates of change: types of dwelling

Property status	Average price November 2021	Monthly change	Annual change
New build	£367,219	5.8%	25.4%
Existing resold property	£264,684	1.8%	8.6%

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

“ Between Q1 2020 and Q1 2022, the average price of a detached property increased by 22.6%, nearly £68,000 in cash terms. Meanwhile, over the same period, flats only increased by 14.1%, around £24,000 in cash terms up £24,000. ”

Source: [Nationwide price index](#)

Number of housing transactions per month

Number of sales volumes by country

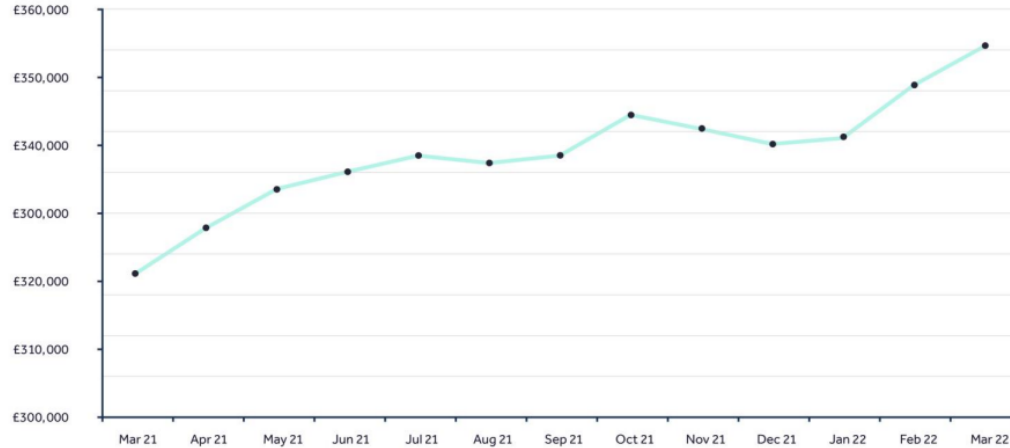
Country	November 2021	November 2020
England	31,974	76,747
Northern Ireland (Quarter 4 - 2021)	2,050	2,826
Scotland	9,457	12,445
Wales	2,319	4,236

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

“ More vendors entered the market last month as evidenced by a 15% rise in the supply of new instructions across the UK compared to February 2021. The biggest rise by far was the North East with a 29% increase in new listings year-on-year. ”

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

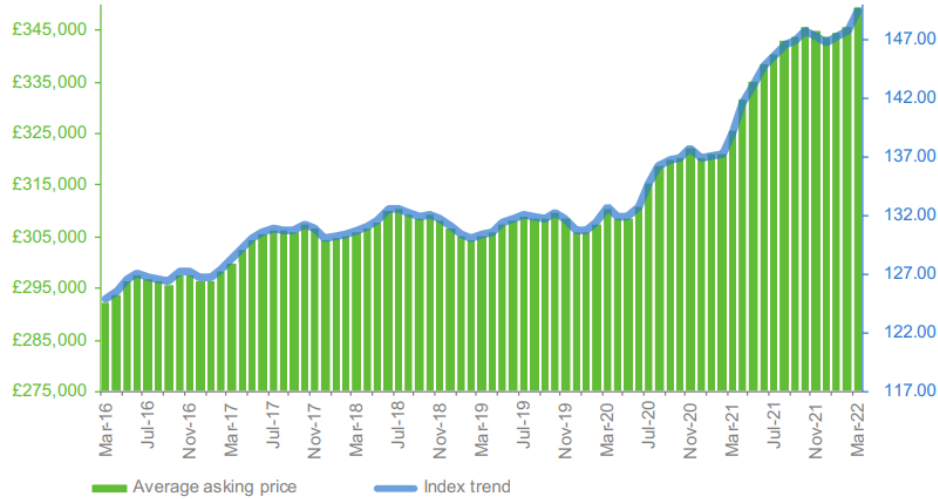
Monthly asking-price trend



“ The largest monthly price rise has been recorded in the “top of the ladder” sector, predominantly comprising four bedroom or more properties. This has seen a 3.8% (+£23,619) jump due to high demand and the greatest scarcity of supply, though encouragingly for prospective buyers in this sector 12% more properties have come to market in the last month compared to the same period a year ago. ”

Source: [Rightmove price index](#)

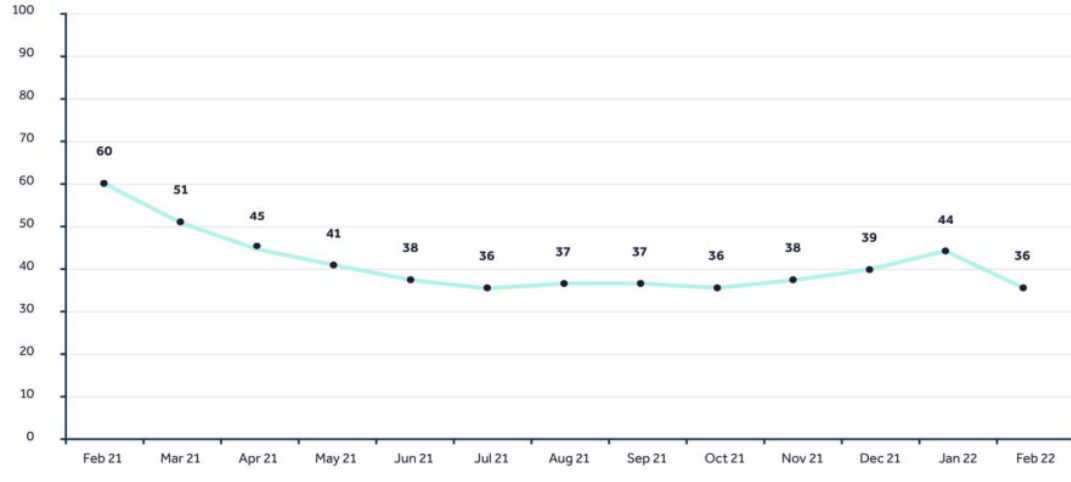
Home asking-price trend for England & Wales



“ Asking prices across England and Wales leapt 1.1% in February, while prices in the South West and West Midlands jumped by a phenomenal 1.8% and 1.9% respectively. ”

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

Average-time-on-market indicator – National

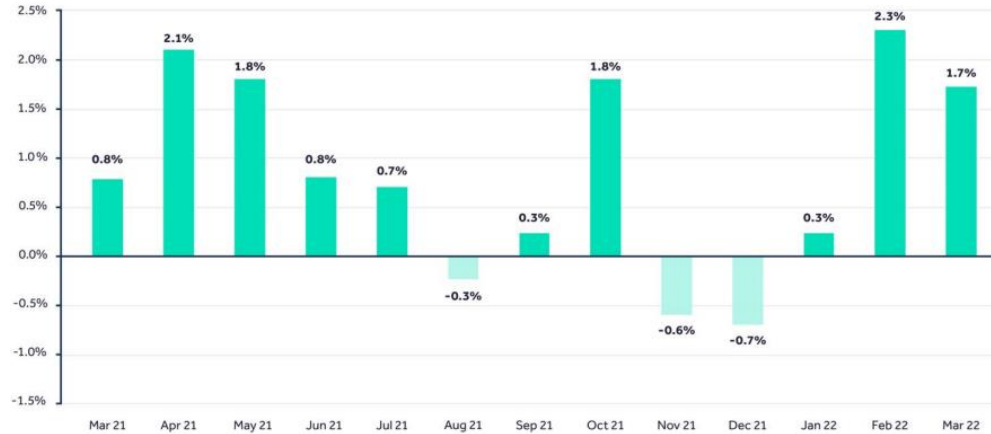


Source: [Rightmove price index](#)

“ The market is exceptionally fast for this time of year. The Typical Time on Market for unsold property in England and Wales has dropped to 70 days (median), 43 days less than in March 2021 and the lowest such figure since 2008. ”

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

Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ Monetary inflation remains high and rising, making real home price growth increasingly negative overall. We estimate current real growth to be -2.6%. ”

Source: [Home price index](#)

UK sales volumes by funding status

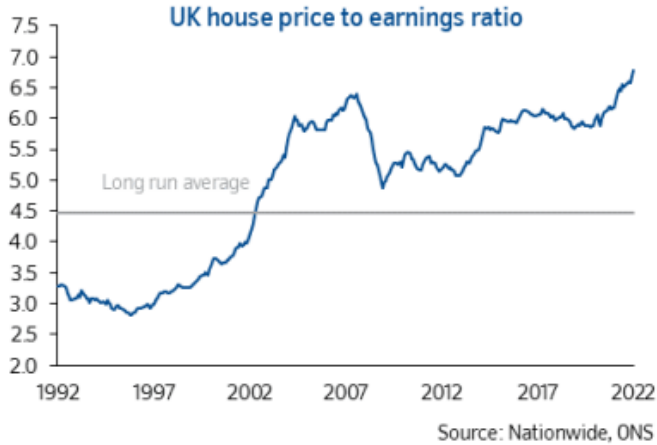
Funding status	Average price January 2022	Monthly change	Annual change
Cash	£260,569	0.5%	9.8%
Mortgage	£285,480	0.3%	9.7%

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

“ The housing market has retained a surprising amount of momentum given the mounting pressure on household budgets and the steady rise in borrowing costs. The number of mortgages approved for house purchase remained high in February at around 71,000, nearly 10% above pre-pandemic levels. ”

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

UK house-price-to-earnings ratio

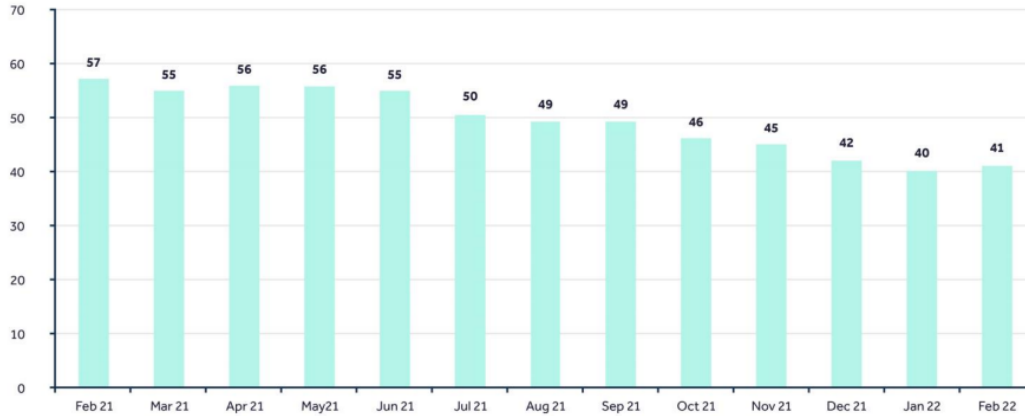


Source: [Nationwide price index](#)

“ Another consideration for many buyers when it comes to affordability is the cost of mortgage finance. Mortgage rates have already started to rise after the recent rise in the Bank of England base rate to 0.75%, and independent economic forecasters expect at least another 0.25% rate rise this year. ”

Source: [Hometrack price index](#)

Average properties for sale per estate agent



Source: [Rightmove price index](#)

“ The total stock of property for sale in England and Wales nudged up again for the second consecutive month, adding just 1,712 properties to the unsold stock total since last month. ”

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

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