

Housing market overview

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

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- > Similar to last month, all but two of our reported sources are now indicating month-on-month house price falls (in the range of 0.1 to 2.4%). Both the LSL Property Services Price Index and gov.uk Price Index is reporting an increase in month-on-month house prices, but the latest available data refers to October and November, so is somewhat historic. All of our sources are, however, continuing to record annual increases.
- > Nationwide reports longer-term interest rates, which underpin mortgage pricing, have returned towards the levels prevailing before the mini-Budget. They say if sustained, this should feed through to mortgage rates and help improve the affordability position for potential buyers, as will solid rates of income growth.
- > Halifax tells us the first half of last year was a very strong period for sellers, between January 2022 and August 2022, the average cost of a home rose by over £17,000 to £293,992 (growth of 6%), setting a new record high.
- > Hometrack comments that demand for homes is down 50% year-on-year, while the number of new sales agreed (i.e. sold subject to contract) is down by less (28%).
- > Rightmove says the number of views of homes for sale on Rightmove is up 11% compared to this time last year, a sign that there are many potential movers who are monitoring the market in detail and weighing up their options.
- > Rightmove also predicts an overall drop of 2% in average asking prices this year as economic headwinds continue to soften activity and lead to a more normal market.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	October '22	▲ 0.3	▲ 12.6	£296,422	14.12.2022
LSL Property Services	November '22	▲ 0.7	▲ 9.3	£378,778	11.2022
Halifax	December '22	▼ 1.5	▲ 2.0	£281,272	06.01.2023
home.co.uk	December '22	▼ 2.4	▲ 1.5	£348,880	14.12.2022
Hometrack	December '22	N/A	▲ 8.2	£258,100	12.2022
Nationwide	December '22	▼ 0.1	▲ 2.8	£262,068	12.2022
Rightmove	December '22	▼ 2.1	▲ 5.6	£359,137	12.12.2022

UK annual house prices – rate of change

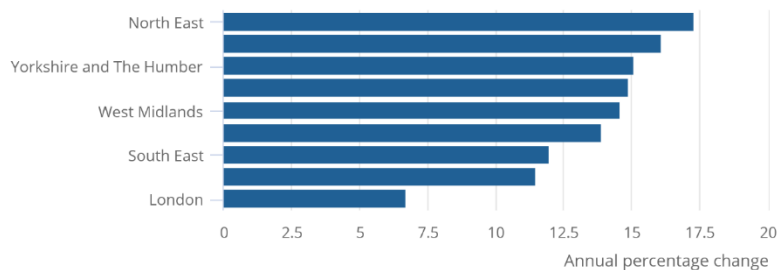


Source: [gov.uk price index](https://www.gov.uk/price-index)

December saw a further sharp slowdown in annual house price growth to 2.8%, from 4.4% in November. Prices fell by 0.1% month-on-month – a much smaller decline than in the previous couple of months.

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)

“ The cost of the average home remains high – greater than it was at the start of 2022 and over 11% more than house prices at the beginning of 2021. ”

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 October 2022	Monthly change	Annual change
First time buyer	£247,092	0.3%	12.9%
Former owner occupier	£347,117	0.3%	12.3%

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

“ Economic headwinds including rapidly rising mortgage costs mean that some would-be buyers may have paused their plans for the foreseeable future. However, over the past two weeks the number of people enquiring to estate agents is up 4% on the same period in 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 August 2022	Monthly change	Annual change
New build	£388,140	2.9%	22.7%
Existing resold property	£287,452	1.1%	11.8%

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

“ Annual house price growth slowed markedly across all property types in the final quarter of 2022 but detached were the strongest performing over the year as a whole, with average prices up 5.9%. Meanwhile, the average price of flats increased by just 2.1%. ”

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

Number of housing transactions per month

Country	August 2022	August 2021
England	54,779	64,198
Northern Ireland (Quarter 3 - 2022)	2,134	2,821
Scotland	9,310	10,003
Wales	2,961	3,832

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

“ Buyer interest remains stronger in more urban settings where jobs are being created and there are more services. Family housing in city suburbs and commuter areas have registered above-average demand over the last year while demand in city centres has been weaker. ”

Source: [Hometrack price index](#)

Monthly asking-price trend

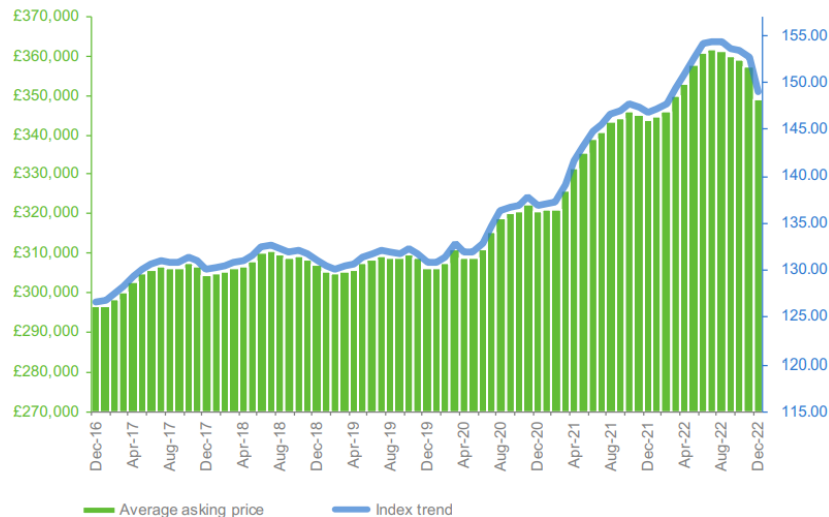


Source: [Rightmove price index](#)

“ The national average asking price has dropped 2.4% in a single month by our measure, which is a greater fall than in any month following the 2008 financial crisis. ”

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

Home asking-price trend for England & Wales



“ Asking prices across England and Wales dropped suddenly by 2.4% during November. This fourth consecutive monthly fall brings year-on-year growth down to just 1.5%. ”

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

Average-time-on-market indicator – National

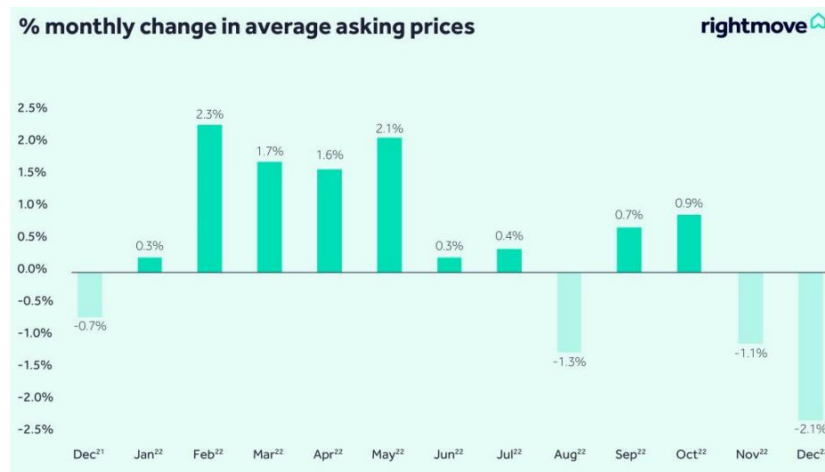


Source: [Rightmove price index](#)

“ The Typical Time on Market (median) for unsold property in England and Wales has risen an additional eight days to 78 days since last month, which is two days less than in December 2021. ”

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

Asking-price fluctuation percentage



Source: [Rightmove price index](#)



Most housing markets have recorded house price gains above the level of consumer price inflation and average earnings (+22%) over the last 5 years.



Source: [Hometrack price index](#)

UK sales volumes by funding status

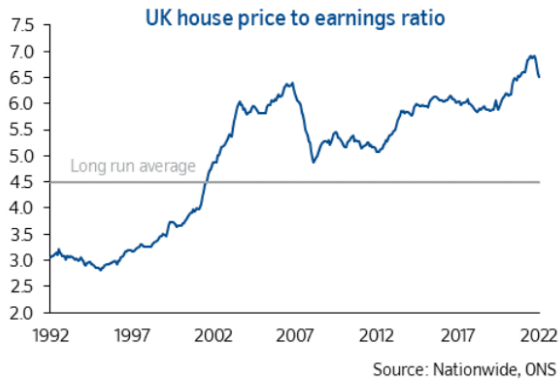
Funding status	Average price October 2022	Monthly change	Annual change
Cash	£280,886	0.5%	12.2%
Mortgage	£309,389	0.2%	12.8%

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

“ The average price paid in both cash- and mortgage-based transactions for a home in England and Wales in November 2022 was still higher - by some £2,600 at £378,778 - than the average price paid in October. ”

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](#)

“ As we enter 2023, the housing market will continue to be impacted by the wider economic environment and, as buyers and sellers remain cautious, we expect there will be a reduction in both supply and demand overall, with house prices forecast to fall around 8% over the course of the year. ”

Source: [Halifax price index](#)

Average properties for sale per estate agent



Source: [Rightmove price index](#)

“ The total sales stock in England and Wales has increased only marginally (by 2.7%) since last month and remains 24% lower than the 10-year average. ”

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

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