

Housing market overview

Produced 7 August 2023

This document provides the latest information available from various sources, with dates varying from May – August 2023

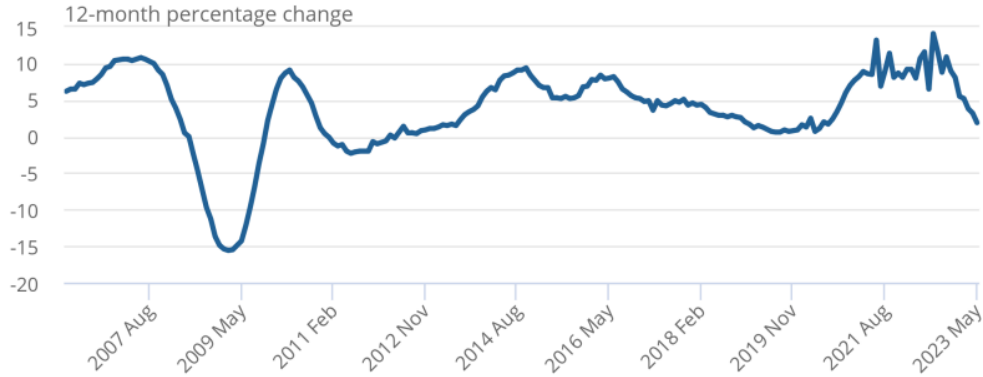
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- > This month four of our reported sources are indicating month-on-month house price decreases (in the range of -0.2 to -0.3 %). However, the majority of our sources (gov.uk, LSL, Hometrack and Rightmove) are continuing to record annual house price increases. (in the range of +0.5% to +1.9%).
- > Lovell's operating profit for its half year fell 27% in the face of "continued economic turbulence".
- > Vistry's completions in its Housebuilding division totaled 2,847 against the 3,219 of the equivalent period in 2022, factoring in its Countryside acquisition, as the business faced "more challenging market conditions".
- > Rightmove says buyer demand remains resilient, being 3% higher than 2019, with agents reporting that right-priced homes are still attracting motivated buyers due to a shortage of property for sale compared to historic norms.
- > Hometrack says comparing trends in the last 4 weeks to the same period over the last 5 years we find that agreed sales of family homes are down by up to 41%.
- > Taylor Wimpey reports for the four weeks ending July 30, was the start of the "seasonally quieter" third quarter, its net private sales rate was 0.47 per outlet per week (2022 equivalent period: 0.57).
- > Nationwide reports there were 86,000 completed housing transactions in June, 15% below the levels prevailing the same time last year and around 10% below pre-pandemic levels.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	May '23	> 0.0	^ 1.9	£285,861	19.07.2023
LSL Property Services	June '23	∨ 0.3	^ 1.2	£371,204	06.2023
Halifax	July '23	∨ 0.3	∨ 2.4	£285,044	07.08.2023
home.co.uk	July '23	> 0.0	∨ 1.5	£355,941	12.07.2023
Hometrack	July '23	N/A	^ 0.6	£261,500	07.2023
Nationwide	July '23	∨ 0.2	∨ 3.8	£260,828	07.2023
Rightmove	July '23	∨ 0.2	^ 0.5	£371,907	17.07.2023

UK annual house prices – rate of change

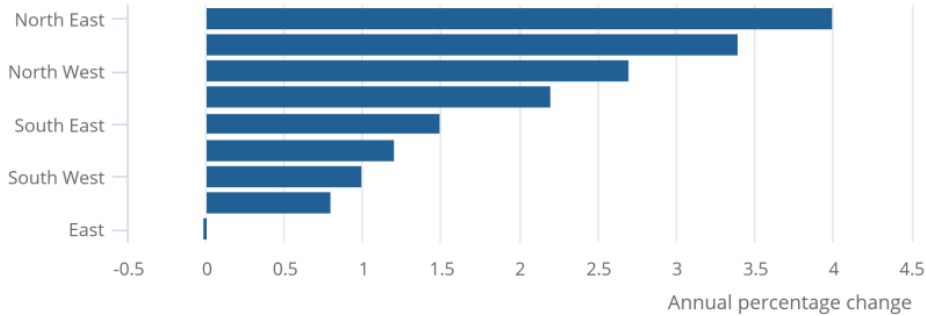


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ Average UK house prices edged down slightly in July, with the monthly fall of -0.3% equivalent to a drop of around £1,000 in cash terms. ”

Source: [Halifax price index](https://www.halifax.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 pace of annual decline slowed to -2.4% in July, versus -2.6% in June. These figures add to the sense of a housing market which continues to display a degree of resilience in the face of tough economic headwinds. ”

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 May 2023	Monthly change	Annual change
First time buyer	£238,092	0.2%	1.9%
Former owner occupier	£334,499	-0.2%	1.9%

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

“ We’re seeing activity amongst first-time buyers hold up relatively well, with indications some are now searching for smaller homes, to offset higher borrowing costs. ”

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

UK house-price rates of change: types of dwelling

Property status	Average price March 2023	Monthly change	Annual change
New build	£407,509	1.2%	18.3%
Existing resold property	£276,765	-0.9%	3.0%

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

“ New sales of 3- and 4-bed family houses have been hit harder than for smaller homes with lower prices, making them more affordable to would-be buyers. ”

Source: [Hometrack price index](#)

Number of housing transactions per month

Country	March 2023	March 2022
England	39,785	65,344
Northern Ireland (Quarter 1 - 2023)	1,427	1,953
Scotland	7,992	8,189
Wales	2,393	3,717

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

“ The numbers of sales agreed in June in the mid-market second-stepper sector and the top-of-the-ladder sector are 14% behind 2019’s level. ”

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

Monthly asking-price trend



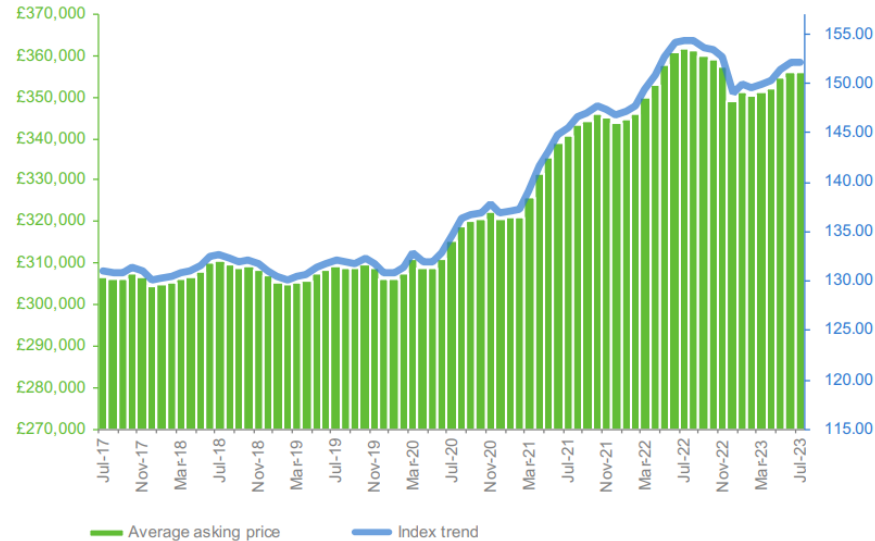
Source: [Rightmove price index](#)

“ Properties that need a reduction in asking price are more than 10% less likely to find a buyer than those that were priced right from the start. ”

Source: [Rightmove price index](#)

Home asking-price trend for England & Wales

Home Asking Price Trend for England & Wales



“ Asking prices across England and Wales remain unchanged since last month, as is to be expected on the basis of seasonality, but mortgage woes will also have contributed to more conservative pricing. Meanwhile, year-on-year growth slid further into the negative (-1.5%). ”

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

Average-time-on-market indicator – National

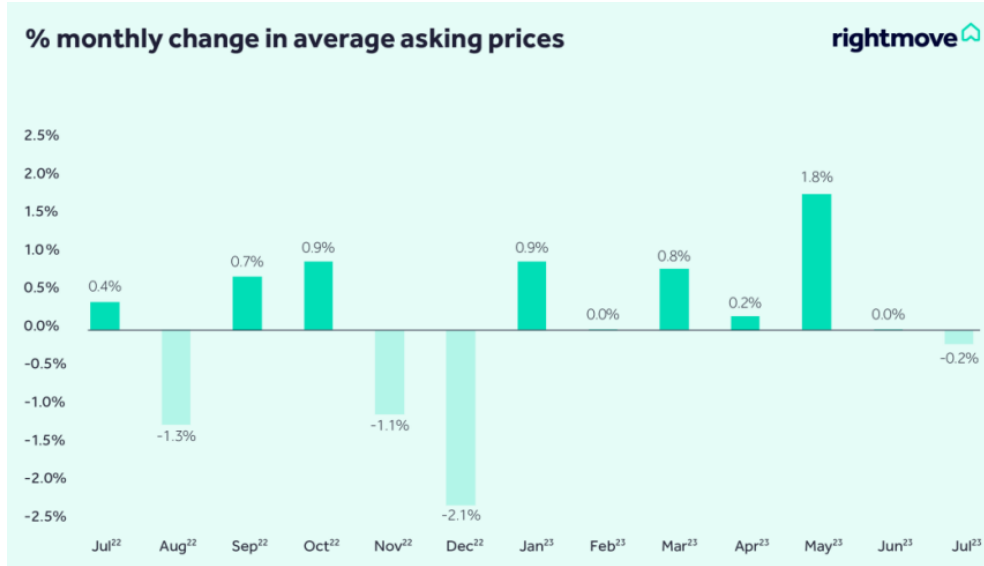


Source: [Rightmove price index](#)

“ The Typical Time on Market for unsold property in England and Wales decreased by one day during June to make the current median a relatively healthy 78 days, although this will be partly driven by an increased influx of new instructions. ”

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

Asking-price fluctuation percentage



Source: [Rightmove price index](#)



Asking price is being cut by more than 5% to attract more demand and boost the chance of a sale.



Source: [Hometrack price index](#)

UK sales volumes by funding status

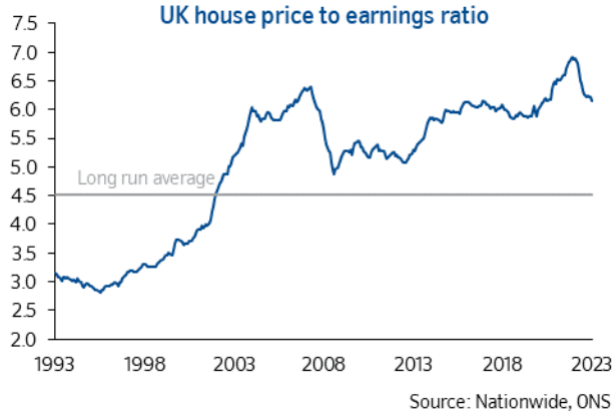
Funding status	Average price May 2023	Monthly change	Annual change
Cash	£270,767	0.1%	1.7%
Mortgage	£298,259	0.0%	2.0%

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

“ Sales volumes are bearing the brunt of higher mortgage rates and are expected to be 23% lower over 2023 compared to 2022. ”

Source: [Hometrack price index](#)

UK house-price-to-earnings ratio

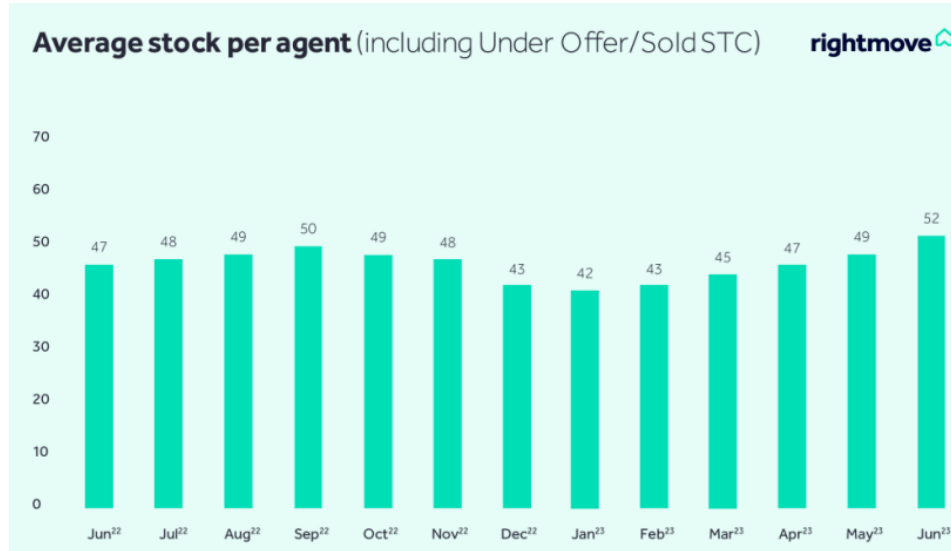


Source: [Nationwide price index](#)

“ While activity is likely to remain subdued in the near term, healthy rates of nominal income growth, together with modestly lower house prices, should help to improve housing affordability over time, especially if mortgage rates moderate once Bank Rate peaks. ”

Source: [Nationwide price index](#)

Average properties for sale per estate agent



Source: [Rightmove price index](#)

“ The supply rate of new instructions entering the market has improved: up 11% vs. June 2022 but down 8% vs. June 2018. The largest year-on-year rise is in the South West (+18%). ”

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

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