

Housing market overview

Produced 7 December 2023

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

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- > This month all but two of the reported sources (Halifax and Nationwide) are indicating month-on-month house price decreases (in the range of -0.4 to -1.7 %). All of our sources are now recording annual house price decreases (in the range of -0.1% to -4.1%).
- > According to Knight Frank more than 40% of housebuilders have contributed to legal fees or stamp duty. Almost quarter are offering contributions to deposits. A further 16% are either offering cashbacks or mortgage subsidies to attract buyers and generate sales.
- > The NHBC reports private new home registrations fell 57% in the third quarter of 2023 against Q3 2022, with overall registrations more than halving to levels not seen since the first Covid lockdown.
- > Hometrack reports sellers are accepting 5.5% off the asking price to agree sales, which works out an average discount of £18,000 - the largest gap for over 5 years.
- > Nationwide says while mortgage rates are unlikely to return to the lows prevailing in the aftermath of the pandemic, modestly lower borrowing costs, together with solid rates of income growth and weak/negative house price growth should help underpin a modest rise in the activity in the quarters ahead.
- > Rightmove comments the number of sales being agreed for studio, one-, and two-bed properties is just 7% lower than 2019's level, compared to four-bed detached houses and all five-bed plus properties, where agreed sales are 14% behind 2019.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	September '23	▼ 0.5	▼ 0.1	£291,000	15.11.2023
LSL Property Services	October '23	▼ 0.4	▼ 4.1	£362,777	09.11.2023
Halifax	November '23	▲ 0.5	▼ 1.0	£283,615	07.12.2023
home.co.uk	November '23	▼ 0.6	▼ 1.6	£351,696	16.11.2023
Hometrack	November '23	N/A	▼ 1.2	£264,600	28.11.2023
Nationwide	November '23	▲ 0.2	▼ 2.0	£258,557	11.2023
Rightmove	November '23	▼ 1.7	▼ 1.3	£362,143	13.11.2023

UK annual house prices – rate of change

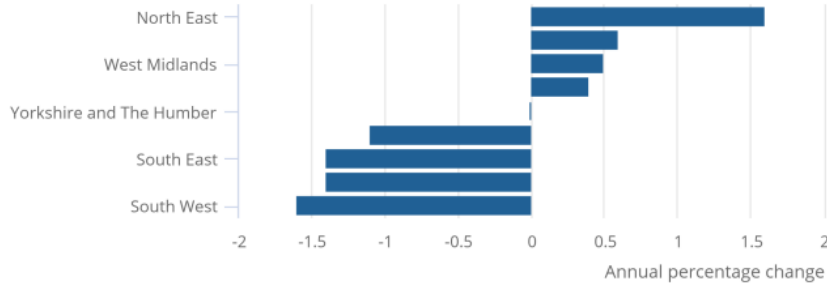


Source: [gov.uk price index](https://www.gov.uk/price-index)

“ Over the last year, despite the wider economic headwinds, property prices have held up better than expected, falling by a relatively modest -1.0% on an annual basis, and still some £40,000 above pre-pandemic levels. ”

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)

“ At a regional level, house prices are falling across all areas of England and Wales led by the Eastern region at -2.6%, followed by the South East (-2.4%) and London (-2.0%). Prices are 1% higher in Scotland. ”

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

UK house-price rates of change: types of buyer

Type of buyer	Average price September 2023	Monthly change	Annual change
First time buyer	£242,000	-0.4%	-0.3%
Former owner occupier	£341,000	-0.7%	-0.1%

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

“ While there are fewer buyers in the market, new sales are still being agreed, tracking 15% higher than a year ago and 5% higher than 2019 levels. ”

Source: [Hometrack price index](https://www.hometrack.com/price-index)

UK house-price rates of change: types of dwelling

Property status	Average price July 2023	Monthly change	Annual change
New build	£410,000	1.8%	15.7%
Existing resold property	£282,000	1.1%	-0.3%

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



The rebound in supply has been recorded in the market for 3 and 4+ bed family homes, a trend across all parts of the UK.



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

Number of housing transactions per month

Country	July 2023	July 2022
England	39,600	67,617
Northern Ireland	1,841	2,191
Scotland	8,046	9,611
Wales	2,313	3,841

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

“ The number of sales being agreed is now 10% below the same period in 2019, improving from being 15% below 2019’s level last month. The pandemic-driven stock shortage also now appears to be over, with the number of available homes for sale now just 1% behind this time in 2019. ”

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

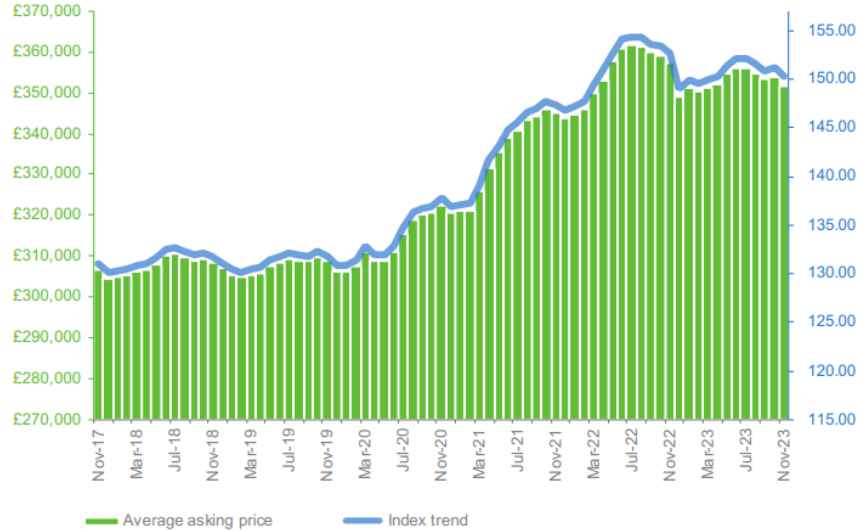
Monthly asking-price trend



Asking prices usually drop at this time of year, as serious sellers price more competitively to attract distracted buyers in the lead-up to Christmas. However, this year's November drop is the largest in five years, indicating that new sellers are also increasingly adopting more realistic price expectations from the outset of marketing to tempt potential buyers to act.

Source: [Rightmove price index](#)

Home asking-price trend for England & Wales



“ Asking prices across England and Wales dropped by 0.6% during October, making the year-on-year fall in asking prices just -1.6%. ”

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

Average-time-on-market indicator – National

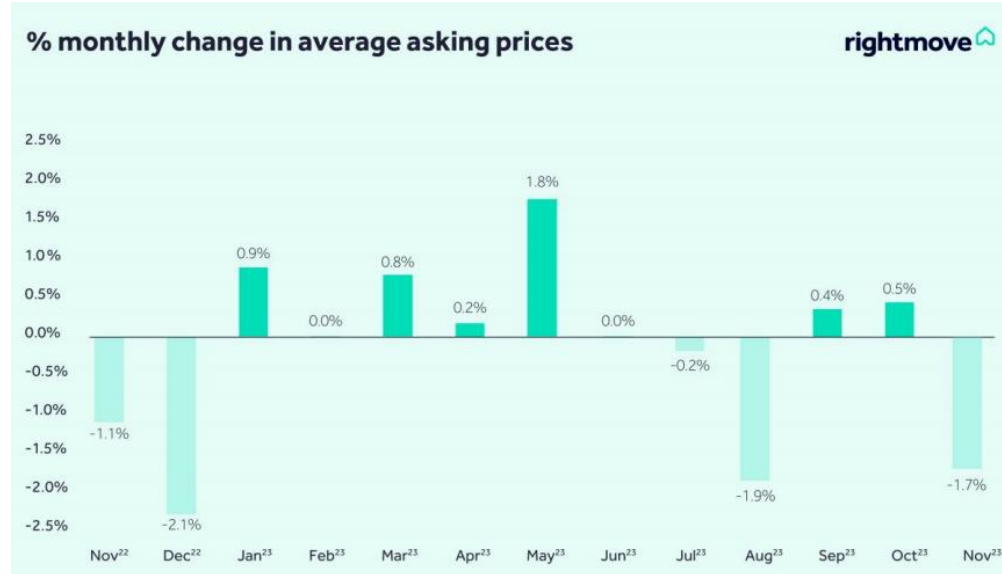


Source: [Rightmove price index](#)

“ The Typical Time on Market for unsold property in England and Wales increased by three days during October in line with seasonal expectations. The current median is 93 days; in pre-COVID October 2019, the same measure was 101 days. ”

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

Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ Greater realism on pricing supporting new sales volumes which are 15% higher than a year ago and 5% up on 2019 levels. ”

Source: [Hometrack price index](#)

UK sales volumes by funding status

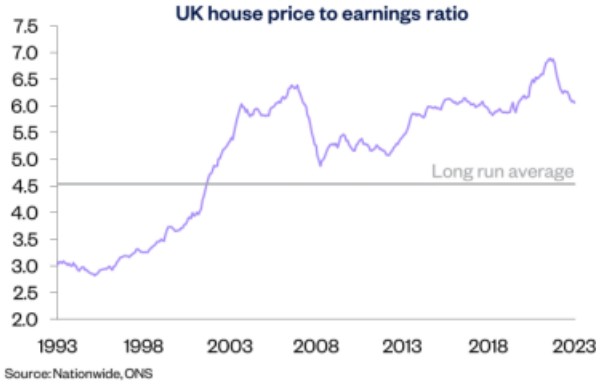
Funding status	Average price September 2023	Monthly change	Annual change
Cash	£275,000	-0.7%	-0.7%
Mortgage	£304,000	-0.4%	0.0%

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

“ While 5-year fixed mortgage rates have been falling below 5%, they need to fall further to bring more buyers back into the market. ”

Source: [Hometrack price index](#)

UK house-price-to-earnings ratio



Source: [Nationwide price index](#)

“ The economic conditions remain uncertain, making it hard to assess the extent to which market activity will be maintained. Other pressures – like inflation, the broader cost of living, overall employment rates and affordability – mean we expect to see downward pressure on house prices into next year. ”

Source: [Halifax price index](#)

Average properties for sale per estate agent



Source: [Rightmove price index](#)

“ The supply rate of new instructions entering the market is remarkably restrained overall: down 3% year-on-year and down 8% vs. October 2018. The largest increase at the regional level was observed in the North East (+7%), while the largest year-on-year fall in supply was in Greater London (-8%). ”

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

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