

Housing market overview

Produced 17 December 2024

This document provides the latest information available from various sources, with dates varying from September – November 2024

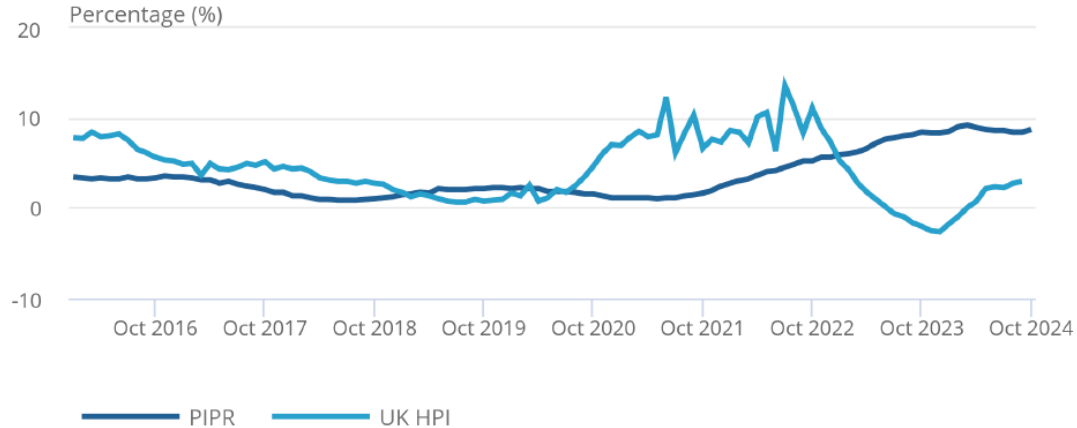
Market overview	3
Summary of published price indices	4
Private rent and house price annual inflation	5
Private rent annual inflation – 12-month % change	6
UK house-price rates of change: types of buyer	7
UK house-price rates of change: types of dwelling	8
Number of housing transactions per month	9
Monthly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

- > A mixed bunch this month sees three of our reported sources (LSL, Halifax and Nationwide) indicating month-on-month house price increases (in the range of 0.2% to 1.2%). gov.uk, home.co.uk and Rightmove all report decreases. More positively, all but one of our sources reported annual house price increases (in the range of 1.2% to 4.8%) with the only decrease being reported by LSL at 3.4%.
- > Halifax says UK house prices rose for the fifth month in a row in November, up by +1.3% in the month – they report this is the biggest increase so far this year. They go on to say latest figures continue to show improving levels of demand for mortgages, as an easing in mortgage rates boost buyer confidence. However, despite these positive trends, many potential buyers and movers still face significant affordability challenges.
- > Hometrack tells us that the housing market returns to growth in 2024, they report the UK records positive year-on-year growth with the average house price at +1.5%, up from -1.2% a year ago. They predict mortgage rates are unlikely to change over 2025 but expect lenders to innovate affordability assessments moving forward and that buyers paying more in stamp duty will act as a drag on house price inflation.
- > Rightmove comments on the Bank Rate cuts boosting optimism for 2025, despite the dampening effect of the Budget. Rightmove's 2025 forecast is that average new seller asking prices will rise by 4%, their highest prediction since 2021, with lower mortgage rates releasing some of the pent-up housing demand and putting modest upwards pressure on prices. They say the market remains price-sensitive and seller competition is at its highest in the last decade.
- > Nationwide reports the housing market activity has remained relatively resilient in recent months, with the number of mortgage approvals approaching the levels seen pre-pandemic despite the higher interest rate environment. They say the price of a typical UK home rose by 3.7% year on year in November, a strong rebound from the 2.4% recorded the previous month and marking the fastest rate of annual growth for two years.
- > The GfK consumer confidence Overall Index Score has improved by 3 points in November to reach -18. All indexes saw an improvement this month, with the greatest improvement being the Major Purchase Index.

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 '24	▼ 0.3	▲ 2.9	£292,000	20.11.2024
LSL Property Services	October '24	▲ 0.2	▼ 3.4	£354,822	11.11.2024
Halifax	November '24	▲ 1.3	▲ 4.8	£298,083	06.12.2024
home.co.uk	November '24	▼ 0.3	▲ 2.0	£358,697	13.11.2024
Hometrack	November '24	N/A	▲ 1.5	£267,200	29.11.2024
Nationwide	November '24	▲ 1.2	▲ 3.7	£268,144	11.2024
Rightmove	November '24	▼ 1.4	▲ 1.2	£366,592	18.11.2024

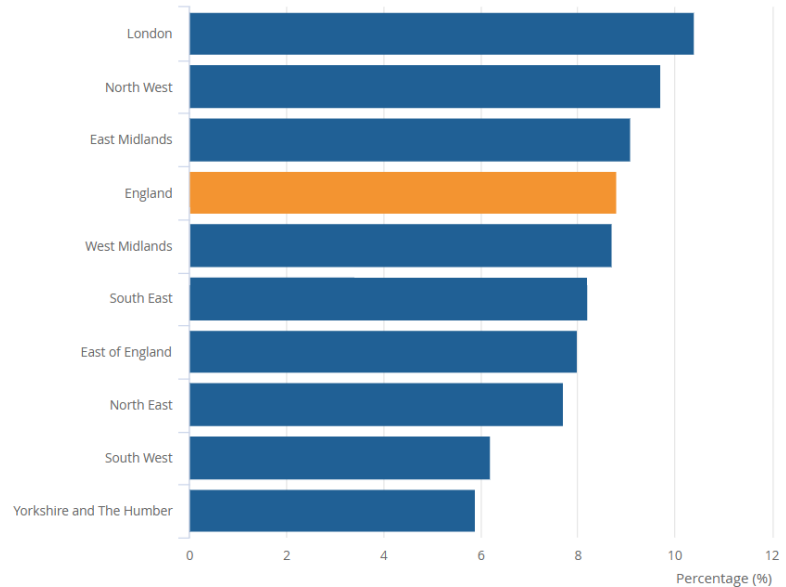
Private rent and house price annual inflation



“ Average UK private rents increased by 8.7% in the 12 months to October 2024 (provisional estimate). This was up from 8.4% in the 12 months to September 2024, but was below the record-high annual rise of 9.2% in March 2024. ”

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

Private rent annual inflation – 12-month % change



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

“ The tailwind of lower borrowing costs will undoubtedly boost activity further. However, the stamp duty hike announced in Labour’s first budget is clearly a step in the wrong direction. Such a move will only compound fundamental supply issues in the rental market by deterring much-needed investment. Consequently, chronic scarcity will continue to drive rents even higher. ”

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

UK house-price rates of change: types of buyer

Type of buyer	Average price September 2024	Monthly change	Annual change
First time buyer	£245,208	-0.4%	3.2%
Former owner occupier	£336,819	-0.2%	2.4%

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

“ Now is a good time to list, as most people traditionally hold off at this time of year from coming to market, believing that buyer activity is lower. Committed buyers are still offering and purchasing, and for some sellers who have a property that could attract a first-time buyer, the window of opportunity is closing for them to use the stamp duty relief, so now would be a good time to take action. ”

Source: [Rightmove price index](#)

UK house-price rates of change: types of dwelling

Property status	Average price July 2024	Monthly change	Annual change
New build	£424,569	6.8%	22.6%
Existing resold property	£283,812	0.6%	1.0%

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



The total number of new instructions entering the market during October 2024 was 14% more than during October 2023. The number of properties moving through the market remains significantly lower than in pre-pandemic November 2019 despite a large uptick in new instructions in October, the total of unsold property fell significantly over the same period.



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

Number of housing transactions per month

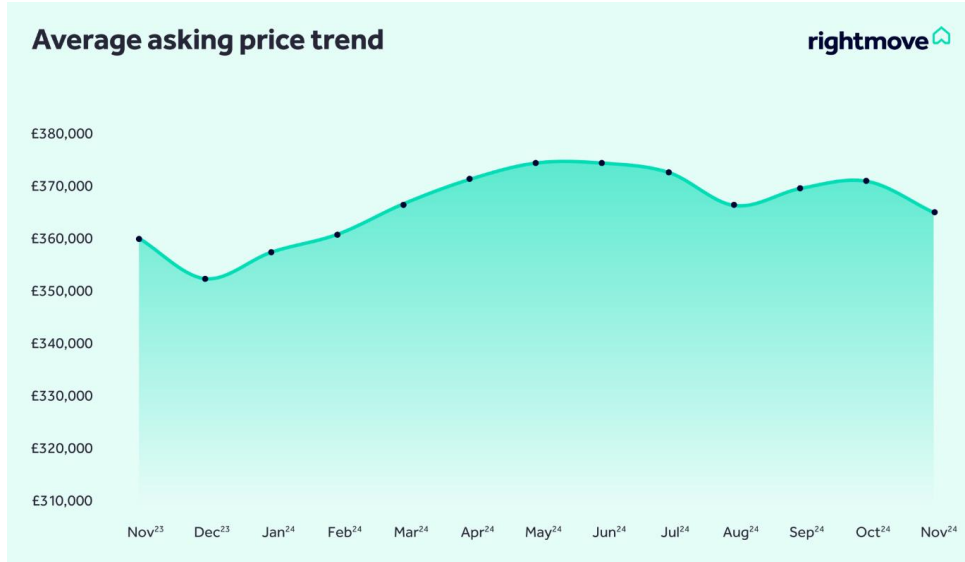
Country	July 2024	July 2023
England	35,666	52,069
Northern Ireland	1,991	1,998
Scotland	8,624	8,211
Wales	2,080	2,872

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

“ Gauging the underlying strength of the market will be more difficult in the coming months as the upcoming stamp duty changes will provide an incentive for buyers to bring forward house purchases to avoid paying additional tax. This is likely to lead to a jump in transactions in the first three months of 2025 (especially in March) and a corresponding period of weakness in the following three to six months, as occurred in the wake of previous stamp duty changes. This has the potential to shift the demand/supply balance in the near term and impact price movements. ”

Source: [Nationwide price index](#)

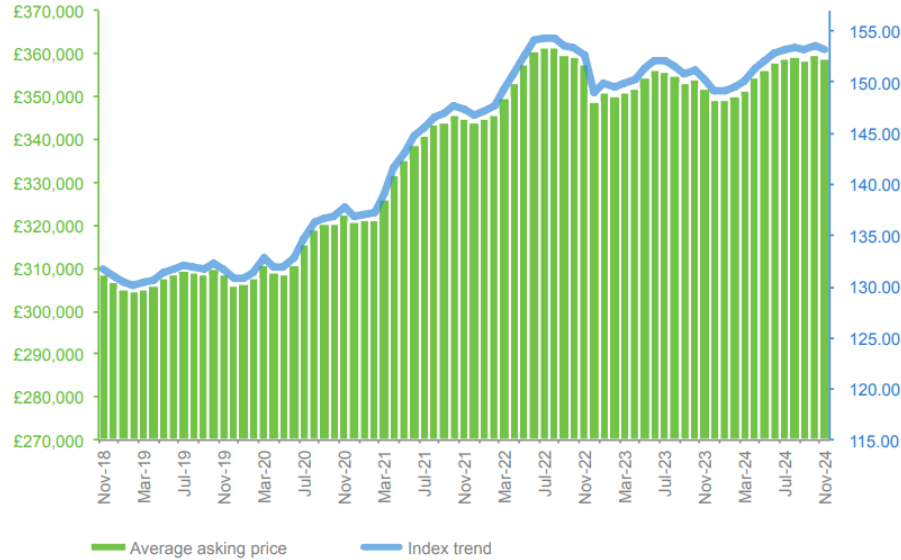
Monthly asking-price trend



“ The average price of property coming to the market for sale drops by 1.4% this month (-£5,366) to £366,592. This is the second month in a row that new seller pricing has fallen more than the norm, with the usual drop seen at this time of year being 0.8%. Last month’s pre-Budget jitters have turned into post-Budget disappointment, creating new challenges for the housing market, and appear to have caused a larger-than-normal seasonal slowdown in pricing as we head towards Christmas. ”

Source: [Rightmove price index](#)

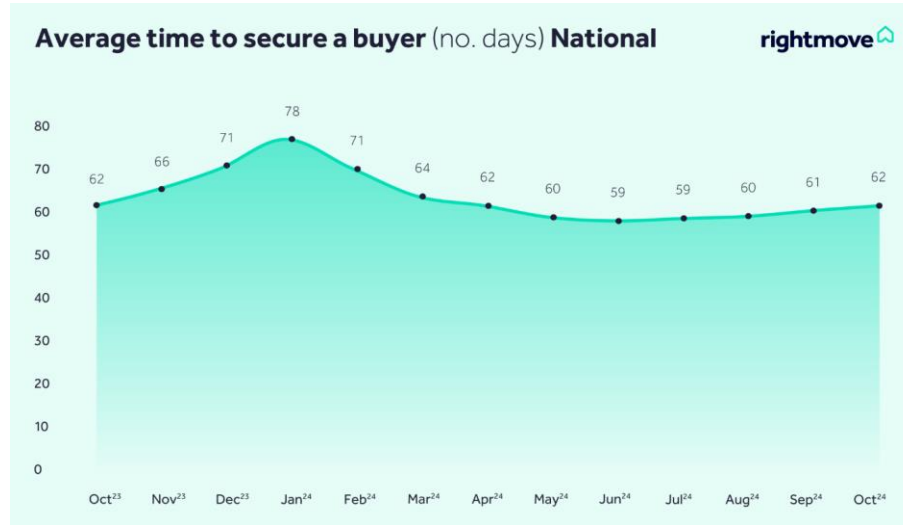
Home asking-price trend for England & Wales



Overall, the UK property sales market is in good shape. Current growth is driven mainly by the northern powerhouse regions and, given the latest rate cut by the Bank of England, above-inflation growth may well return to London and the southern regions next year. Most importantly, properties are moving through the market with ease as demand has increased sufficiently to match heightened supply.

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

Average-time-on-market indicator – National



Source: [Rightmove price index](#)

“ The UK property market continues to show renewed vitality. Property turnover is currently higher than during most of the last ten years and Typical Time on Market remains significantly lower than in pre-pandemic November 2019. ”

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

UK sales volumes by funding status

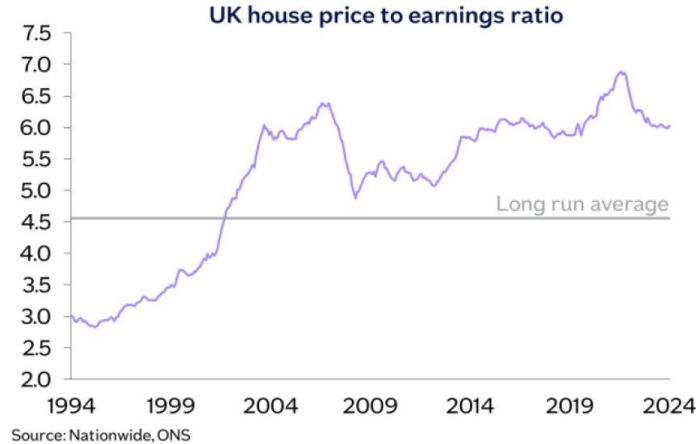
Funding status	Average price September 2024	Monthly change	Annual change
Cash	£275,731	-0.2%	2.2%
Mortgage	£303,920	-0.4%	3.1%

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

“ While mortgage rates have drifted higher in the wake of the Autumn Budget, we expect borrowing costs to remain at around 4.25% for a 75% loan-to-value 5-year fixed-rate loan... We expect lenders to innovate around how they assess affordability for those taking fixed-rate mortgages of 5+ years, which will support buying power and levels of market activity over 2025 and into 2026 without any further reduction in headline borrowing costs. ”

Source: [Hometrack price index](#)

UK house-price-to-earnings ratio

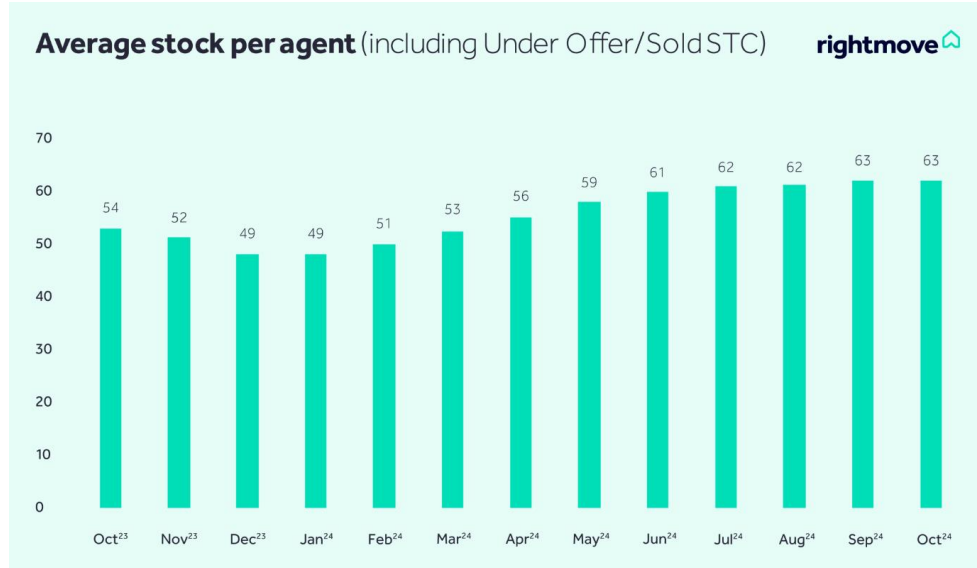


Source: [Nationwide price index](#)

In 2024, income growth has been stronger than expected. The latest Office for Budget Responsibility (OBR) data shows household disposable incomes increasing by 15% between 2022 Q2 and 2024 Q2. House prices grew by just 1.5% over the same period, a trend that has helped to repair housing affordability without the need for additional house price falls. Incomes are forecasted to grow more modestly after 2025, according to the OBR forecasts.

Source: [Hometrack price index](#)

Average properties for sale per estate agent



“ Seller competition to find a buyer is intense, with the average number of homes for sale per estate agent branch at its highest level for the time of year since 2014. We expect a surge in the number of completed sales in March next year to beat the Stamp Duty deadline at the end of that month. However, there is still caution for sellers as we approach 2025, with the market expected to remain price-sensitive. ”

Source: [Rightmove price index](#)

UK consumer confidence

Measure	↕↔↘	November 2024	October 2024	September 2024	November 2023
Overall Index Score	↑3	-18	-21	-20	-24
Personal Financial Situation over last 12 months	↑1	-9	-10	-9	-16
Personal Financial Situation over next 12 months	↑1	-1	-2	-3	-3
General Economic Situation over last 12 months	↑3	-39	-42	-37	-49
General Economic Situation over next 12 months	↑2	-26	-28	-27	-26
Major Purchase Index	↑5	-16	-21	-23	-24
Savings Index <small>(commented on but not used in Overall Index Score)</small>	↓3	24	27	23	29



Source: GfK Consumer Confidence Barometer powered by NIM (November 2024)

“ Consumer confidence has improved by three points in November to reach -18. There was evidence of nervousness in recent months as consumers contemplated the potentially worrying impact of the UK Budget at home, and even the implications of the US presidential election. The biggest change this month is in major purchase intentions, an important measure that has jumped five points from -21 to -16 in the run-up to Black Friday. ”

Source: [GfK consumer confidence 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/contact.

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 hello@mms-marketing.co.uk with any feedback.