

Housing market overview

Produced 11 November 2024

This document provides the latest information available from various sources, with dates varying from August – October 2024.

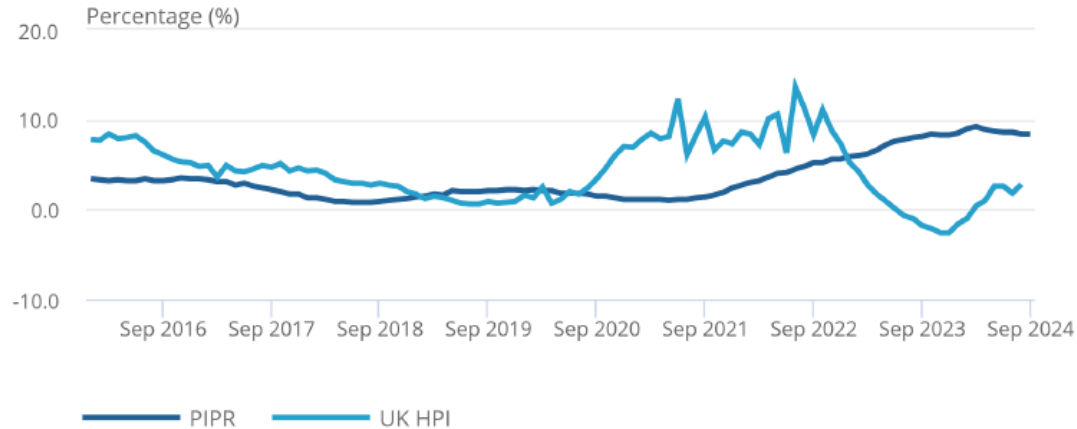
Market overview	3
Summary of published price indices	4
Private rent and house price annual inflation	5
Private rent annual inflation – 12-month % change	6
UK house-price rates of change: types of buyer	7
UK house-price rates of change: types of dwelling	8
Number of housing transactions per month	9
Monthly asking-price trend	10
Home asking-price trend (England & Wales)	11
Average-time-on-market indicator (National)	12
Asking-price fluctuation percentage	13
UK sales volumes by funding status	14
UK house-price-to-earnings ratio	15
Average properties for sale per estate agent	16
UK consumer confidence	17

- > In October, we saw all of our sources report both month-on-month and annual house price increases, besides LSL. Gov.uk, Halifax, home.co.uk, Hometrack, Nationwide and Rightmove saw monthly increases in the range of 0.1% to 1.5% and annual increases in the range of 1% to 3.9%. LSL reported a monthly decrease of 0.1% and an annual decrease of 3.3%.
- > Halifax says the typical property now costs £293,999 surpassing the previous peak set in June 2022 (£293,509) reaching a record high. Additionally, despite the affordability challenge, market activity has been improving. The number of new mortgages agreed recently reached its highest level in two years.
- > Hometrack tells us that sales activity is running at the highest level since the 2020 boom, furthermore, the high supply of homes for sale and affordability pressures keeps house price inflation in check. They say first-time buyers are the largest buyer group in 2024 (36% of sales) closely followed by existing homeowners buying with a mortgage (31% of sales) comprising both upsizers and those relocating.
- > Rightmove comments that despite the market activity remaining strong and the number of sales agreed being up 29% year-on-year, affordability pressures remain with many buyers waiting for Budget clarity and cheaper mortgage rates before acting. They say the number of available homes for sale is 12% higher than a year ago – and the highest per estate agent since 2014, which has intensified the competition to find affordability-stretched buyers.
- > Nationwide reports the number of mortgage approvals is approaching the levels seen pre-pandemic despite the significantly higher interest rate environment; the housing market has remained resilient in recent months. They expect the stamp duty changes will see a flurry of purchasers aiming to complete before the end of March 2025. Subsequently, they predict a period of weakness in the following three to six months.
- > The GfK consumer confidence Overall Index Score fell one point to -21 in October. Three measures were down and two were up compared to last month's announcement. Headline consumer confidence has taken a small fall this month from -20 to -21, which paints a picture of people holding their breath to see what's in store for them after the Budget announcement.
- > Taylor Wimpey says it expects to deliver volumes towards the upper end of its guidance range of 9,500 to 10,000 homes in FY24. They say they have seen steady signs of improvement in customer demand in the second half of the year as mortgage rates reduced and affordability improved.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	August '24	▲ 1.5	▲ 2.8	£293,000	16.10.2024
LSL Property Services	September '24	▼ 0.1	▼ 3.3	£353,958	10.10.2024
Halifax	October '24	▲ 0.2	▲ 3.9	£293,999	07.11.2024
home.co.uk	October '24	▲ 0.3	▲ 1.7	£359,725	17.10.2024
Hometrack	October '24	N/A	▲ 1.0	£267,500	28.10.2024
Nationwide	October '24	▲ 0.1	▲ 2.4	£265,738	10.2024
Rightmove	October '24	▲ 0.3	▲ 1.0	£371,958	21.10.2024

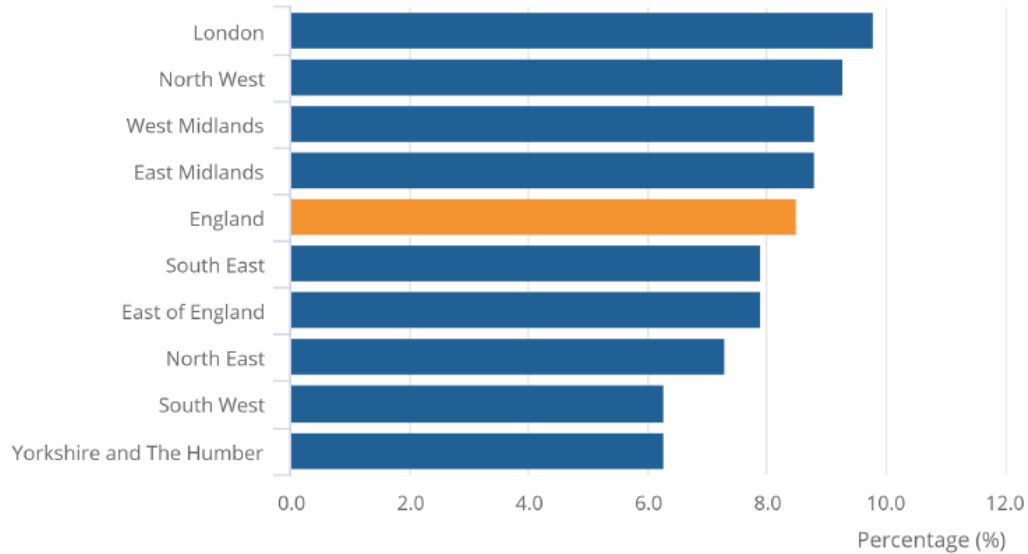
Private rent and house price annual inflation



“ Average UK private rents increased by 8.4% in the 12 months to September 2024 (provisional estimate). This was unchanged from the 12 months to August 2024, and 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://www.gov.uk/price-index)

“ First-time buyer numbers are supported by landlords selling homes, as in these instances the average asking price tends to be lower. 12% of homes listed for sale were previously rented. This is a positive development for the sales market and is likely to explain improved market performance in London. However, it’s less favourable for the rental market, where there is a chronic undersupply of homes - creating scarcity, pushing rents higher which hits lower-income renters the hardest. ”

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 August 2024	Monthly change	Annual change
First time buyer	£246,576	2.0%	3.4%
Former owner occupier	£338,048	1.1%	2.1%

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



First time buyers are on track to be the biggest buyer cohort in 2024, accounting for 36% of all sales. This is followed by existing homeowners buying with a mortgage (31%), comprising both upsizers and those relocating. The rapid growth in rents and the decline in mortgage rates have shifted the renting vs buying dynamics and supported more FTB purchases.



Source: [Hometrack price index](#)

UK house-price rates of change: types of dwelling

Property status	Average price June 2024	Monthly change	Annual change
New build	£417,612	-0.8%	25.6%
Existing resold property	£282,024	0.5%	1.3%

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



The total number of new instructions entering the market during September 2024 was 4% more than during September 2023 and 12% more than September 2019. Stock levels remain relatively high compared to the last ten years. The total, which is just below the level seen in October 2014, is now anticipated to decline according to seasonal expectations. Normally, the month of December indicates the annual minimum in the sum of agents' portfolios.



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

Number of housing transactions per month

Country	June 2024	June 2023
England	27,427	56,427
Northern Ireland	1,688	1,740
Scotland	8,493	9,380
Wales	1,599	3,210

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

“ The Chancellor confirmed that the temporary increase in the nil rate stamp duty thresholds (in England & Northern Ireland) would expire on 31 March 2025 and revert back to their previous levels. The main impact of the stamp duty changes is likely to be on the timing of property transactions, as purchasers aim to ensure their house purchases complete before the tax change takes effect. This will lead to a jump in transactions in the first three months of 2025 (especially March), and a corresponding period of weakness in the following three to six months. ”

Source: [Nationwide price index](#)

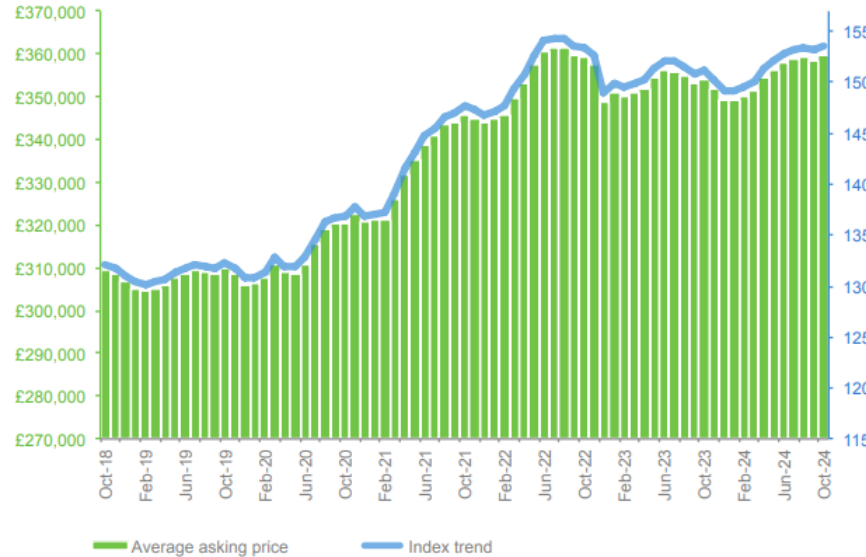
Monthly asking-price trend



“ The average price of property coming to the market for sale rises by 0.3% this month (+£1,199) to £371,958. This is a much lower monthly increase in new seller asking prices than is typical at this time of year, with the long-term average October rise being +1.3%. ”

Source: [Rightmove price index](#)

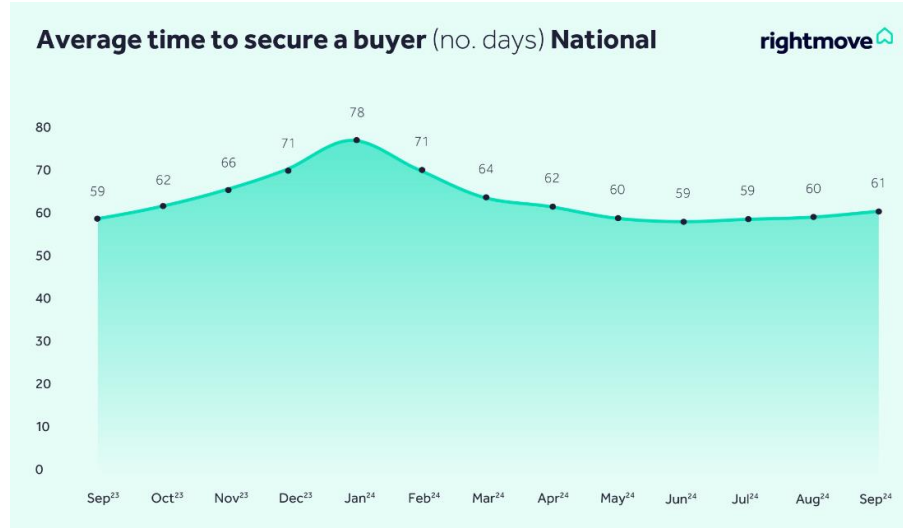
Home asking-price trend for England & Wales



“ The mix-adjusted average home price for England and Wales ticked up during the last month but remains just short of the 2022 high point. Seasonal expectations are now on an overall decline as we head towards the festive period, following which the market usually experiences a growth spurt as we head towards spring. ”

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

Average-time-on-market indicator – National

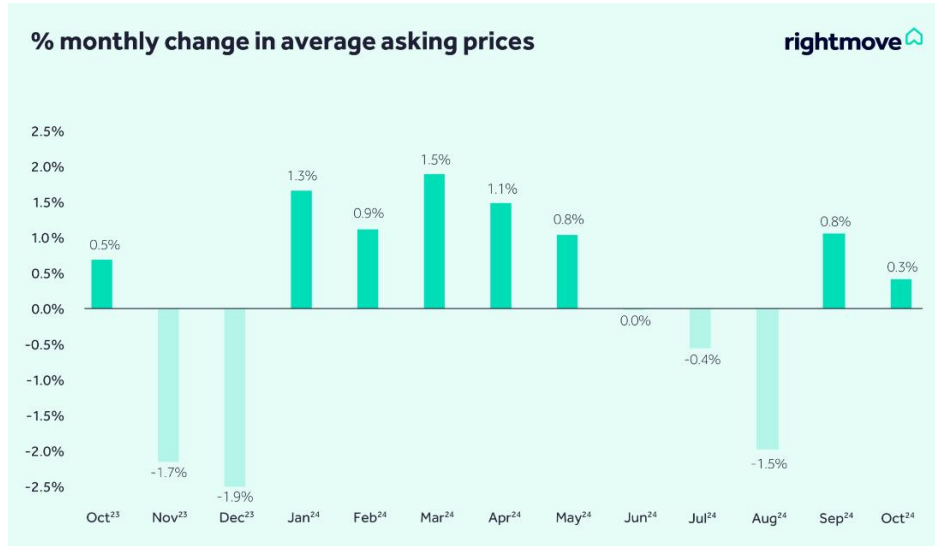


Source: [Rightmove price index](#)

“ Despite the ten-year high in unsold stock, the sales market momentum remains relatively healthy as indicated by the Typical Time on Market (median) for unsold property in England and Wales being five days less than in October 2019. However, the current median time on market for unsold property is four days more than in October last year due to high inventory levels.

”
Source: [Home.co.uk price index](#)

Asking-price fluctuation percentage



“ Buyer choice increases to a level not seen for ten years, putting downwards pressure on price growth. With a greater choice of properties to consider, buyers are making use of their increased negotiating power, helping to keep price rises subdued. However, market activity remains strong despite some uncertainty created by the upcoming Autumn Budget. This month’s limited price growth is also in part down to some sellers heading agents’ and Rightmove’s caution to price attractively to find a buyer, particularly with seller competition rising, helping to keep activity moving. Affordability remains stretched, limiting buyers’ purchasing power, but there are encouraging signs of this improving next year. ”

Source: [Rightmove price index](#)

UK sales volumes by funding status

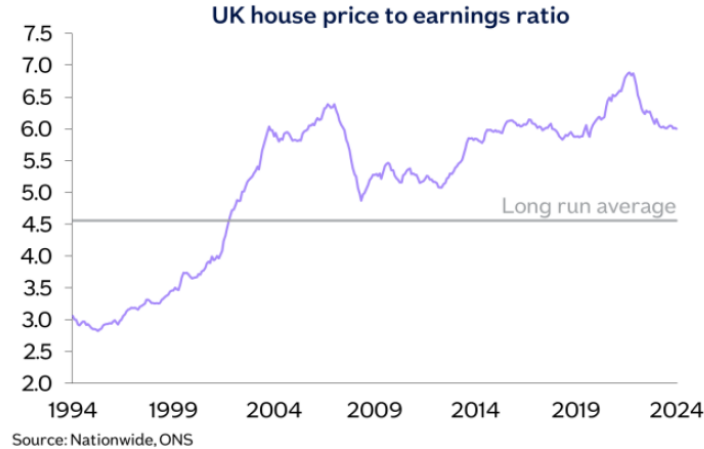
Funding status	Average price August 2024	Monthly change	Annual change
Cash	£276,805	1.5%	2.1%
Mortgage	£305,429	1.6%	3.1%

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

“ Cash buyers are on track to account for 27% of sales in 2024– a mix of homeowners who have paid off mortgages and some mortgage-free investors. Landlords buying homes with buy-to-let mortgages are set to account for 7% of purchases, with their volumes hit by higher mortgage rates. ”

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

UK house-price-to-earnings ratio



Source: [Nationwide price index](#)

“ The number of new mortgages agreed recently reached its highest level in two years. This aligns with average mortgage rates dropping steadily since spring - now over 160 basis points lower than in summer 2023 – coupled with continued positive income growth. ”

Source: [Halifax price index](#)

Average properties for sale per estate agent



“ The number of available homes for sale is 12% higher than at this time last year, but also the average number of homes for sale per estate agent branch is at its highest since 2014. Competition for buyers is particularly intense at the top-end of the market, where the number of four-bedroom detached houses and five-bedroom-plus homes available for sale is 17% ahead of last year. ”

Source: [Rightmove price index](#)

UK consumer confidence

Measure	↑↔↓	October 2024	September 2024	August 2024	October 2023
Overall Index Score	↓ 1	-21	-20	-13	-30
Personal Financial Situation over last 12 months	↓ 1	-10	-9	-7	-19
Personal Financial Situation over next 12 months	↑ 1	-2	-3	+6	-8
General Economic Situation over last 12 months	↓ 5	-42	-37	-35	-54
General Economic Situation over next 12 months	↓ 1	-28	-27	-15	-32
Major Purchase Index	↑ 2	-21	-23	-13	-34
Savings Index <small>(commented on but not used in Overall Index Score)</small>	↑ 4	27	23	33	25



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

Headline consumer confidence has taken a small fall this month from -20 to -21. As the Budget statement looms, consumers are in a despondent mood despite a fall in the headline rate of inflation. This month's Consumer Confidence Barometer paints a picture of people holding their breath to see what's in store for them on 30th October.

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.