

March 2015 Latest Property Price Summary

We track most of the monthly reports on property prices produced on a monthly basis. This report summarises what's being said about the market and includes [Kate Faulkner's](#) comments on what this means primarily for the general public, but also for the industry, market and economy.

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Report Headlines:-

- [Rightmove](#) *"Structural housing shortage results in not enough sellers and rising prices."*
- [Home.co.uk](#) *"Londoners price too high as properties pile up."*
- [NAEA](#) *"Almost three quarters of homes sold for less than asking price."*
- [Nationwide](#) *"Annual house price growth continues to soften."*
- [Halifax](#) *"House prices in the three months to February were 2.6% higher than in the preceding three months."*
- [Agency Express](#) *"Further growth for the UK property market during February."*
- [Acadata](#) *"House prices still increasing but at more moderate levels."*
- [Land Registry](#) *"The January data shows a monthly price increase of 1.3 per cent."*

Kate Faulkner comments on Report Headlines:

"We are now entering probably the first 'normal' year in the property market since before the crash. No boom, no bust, just buyers and sellers, hopefully matching for the first time. Most importantly, we aren't seeing the panic buying we saw back in 2013/14, so the market is calming down. According to the Halifax report/ONS: "Housebuilding increased in 2014 with the number of completions in England rising by 8% from 109,490 in 2013 to 118,760 in 2014". But despite more sellers coming onto the market, we have too many agents - on and off-line - chasing too few properties. Without a dramatic increase in the number of homes built for sale, consolidation is bound to be the main issue for agents moving forward - who will survive the fall out?"

Regional Property Price Differences

Home.co.uk

"The North-South divide has widened further over the last 12 months as a result of rapid growth in Greater London and the Home Counties while prices in the North stagnate. Moreover, the North East, North West, Yorkshire and Wales have yet to show any real signs of price recovery. Average prices in the North West, North East, Wales and Yorkshire all remain essentially unchanged from their Feb. 2010 values, a remarkably poor performance compared to the 18% rise overall for England and Wales over the same time frame. (Feb 15)"

Acadata

"The average annual rate of change for each region, except Wales, has fallen in January compared to the previous month. Greater London saw the largest drop in the annual rate of house price growth, down 3.0% compared to the previous month, followed by the East Midlands, down 1.6%. The pattern of change in the housing market which began in London some seven months ago, of a decline in the rate of house price growth, is now being repeated across the remainder of England. (Feb 15)"

Hometrack

"At a city level, the annual rate of growth ranges from 4.1% in Glasgow to 16.3% in Aberdeen. For the last five months the weakest performing cities have been registering positive growth on a rising trend. The impetus for national house price growth is emerging from the lower growth cities where house prices have been recovering for a limited period. The profile of the recent recovery in house prices varies across markets. There are two distinct groups of cities, first are those where house prices bottomed out in 2008/9 and have been recovering for 5-6 years. Second are cities where prices stopped falling as late as 2013 and the recovery has been shorter, running for the last 2-3 years.

"Fourteen cities saw house prices trough in 2008/9 with the strongest gains in southern England. The lowest growth has been seen in cities such as Manchester and Birmingham where the performance of house prices is more reliant on the local economy and growth in incomes and employment. The high growth, high value cities, such as, London, Bristol, Oxford and Cambridge, are all continuing to register slower house price inflation. (Jan 15)"

Land Registry

"The region with the most significant annual price increase is London with a movement of 12.0 per cent. North East saw the lowest annual price growth with a movement of 0.1 per cent. North West experienced the greatest monthly price rise with a movement of 2.6 per cent. Yorkshire & The Humber saw the largest monthly decrease with a fall of 1.5 per cent. (Jan 15)"

Kate Faulkner comments on Regional Price Differences:

"There is much talk about a 'housing crisis' going into the election and with Panorama's view on housing this week, it's bound to continue to be a 'hot topic'. The problem is, the information given is very London and South East centric. These regional figures show that some areas are not recovering from their falls at all, while other areas are seeing +5-10% growth. Politicians need to be aware that they shouldn't just be focusing on areas where there is a social and affordable housing crisis, but areas where there isn't. Some areas, like Nottingham, don't have the level of crisis we see everywhere else. But the media coverage and rhetoric has convinced people in Nottingham the crisis exists here too - yet our house prices, on average are the same as they were 10 years ago. We all need to work hard to make sure local people know if there is a problem or not, otherwise we will just convince first time buyers they can't afford to ever buy, ensuring they stay in the rental market for longer than needed."

Demand for Property

Rightmove

“Housing demand is at a record high with visits to Rightmove hitting over 100 million in January for the first time ever. For the right property at the right price, demand is outstripping supply and leading to some further upwards price pressure. However there is a limit to what the majority are willing or can afford to pay, especially with the tighter lending criteria. In locations where there is a tight-stock market some different tactics are required for a successful move as competition gets fiercer for quality homes as demand increases. (Feb 15)”

NAEA

“NAEA members reported that the number of house hunters recorded per branch is at a 10 month low. Following a ten year high for demand seen in December, the January report showed a decrease from the 2014 average across the year of 365 house-hunters per branch, to just 353 at each branch. This indicates that we’re experiencing a slump in interest. The slump could be attributed to uncertainty in the run up to the General Election. Activity is expected to drop off in the lead up, and the January Housing Market Report illustrates what could be the start of this.

“There was a rise in the number of sales agreed in January, following a seasonal decline in December, with agents reporting an average of eight sales agreed per branch in January.

“The percentage of sales made to first time buyers (FTBs) remained the same as levels recorded in December 2014, with the group accounting for 26% of sales agreed compared to 24% in November. (Jan 15)”

Agency Express

“The regions recording the largest increases in properties ‘Sold’ during February include the North East +79.4%; West Midlands +78.5%; East Anglia +64.9%; Scotland +62.8%; Yorkshire & Humber +55.7% and Central England +55.1%. (Feb 15)”

Acadata

“While sales volumes across the south are slightly more sluggish, the North is the current powerhouse of activity, with completed home sales up 7.0% year-on-year during Q4 2014, followed by 4.1% annual increase in Yorkshire & Humberside. Yorkshire & Humberside have seen the most significant jump in flat sales during Q4 2014, up 18.6% year-on-year. Overall, in England and Wales, completed home sales in January dipped a slight 0.5% compared to a year ago. (Feb 15)”

Bank of England

“The number of loan approvals for house purchase was 60,786 in January, compared to the average of 61,666 over the previous six months. (Jan 15)”

Severn Trent

“The average number of daily transactions in January was down 12.5% year on year. It was, however, up 20.6% on December’s average daily transactions. Only one day in January were there more transactions than the equivalent day last year. (Jan 15)”

Land Registry

“In the months August 2014 to November 2014, sales volumes averaged 79,549 transactions per month. This is an increase from the same period a year earlier, when sales volumes averaged 77,694 per month. (Jan 15)”

Kate Faulkner comments on Demand for Property:

“So some indices are saying sales volumes are on the up, some on the way down. Actually what it looks like is happening, is volumes for January and February are up on the preceding months, but versus the previous year, volumes do look like they are slightly down. We need a good quarter’s data though before we can make any conclusions on likely trends for 2015.”

Supply of Property

Rightmove

“Quality stock is in short supply in some locations, which is unsurprising given the structural under-supply of homes and the recovery from the economic downturn. The 31% increase in housing transactions in the last two years in England and Wales has outstripped the 11% rise in the number of new properties coming to market. Rightmove statistics show that the average available stock for sale per estate agency branch for the last two months (57 and 58 properties) has never been lower at the beginning of the year. New seller numbers this month are also 4% below those recorded in the same period in 2014. (Feb 15)”

Home.co.uk

“Supply of property for sale nationwide shows a significant uptick: 19% more properties were placed on the market this January than in January 2014. Greater London leads the way with a massive 51% increase, ahead of the South East (+28%), Scotland (+19%) and East Anglia (+18%). High prices are encouraging potential vendors to commit, although there are clear signs that supply is beginning to outpace demand in London, as indicated by a rising median time on market (20 days longer than in Feb. 2014). (Feb 15)”

NAEA

“For the past three years, the supply of property in January has decreased from levels seen each December. This January, supply has decreased to 44 properties available per branch, compared to 45 in December and 50 in November 2014. (Jan 15)”

Halifax

“The supply of both new and second hand homes available for sale remains low; another factor that is likely to be supporting house prices. Supply remains tight despite housebuilding in England increasing for the second consecutive year in 2014 and a recent rise in the number of properties coming on to the market. (Feb 15)”

Agency Express

“The regions recording the largest increases in new listings of properties ‘For Sale’ during February include the East Midlands +58.2%; Scotland +58%; South West +40.5%; Yorkshire & Humber +39.6% and the North West +39.4%. (Feb 15)”

Kate Faulkner comments on Supply of Property:

“Although thoughts on demand vary, everyone agrees stock availability is, in the main, poor. The only way we can increase stock levels moving forward is through new homes, and in my view, agents need to expand into other services, such as financial, block management, working with housing associations and local authorities to survive into the future.”

What to do next?

Buying, selling or investing in today's variable market means you need to take a great deal of care before making a decision. It's essential to secure independent, up to date, advice you can trust.

Kate and her team from Propertychecklists.co.uk, make it easy to access the information and support you need via the FREE of charge checklists, daily articles and advice:-

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About Kate Faulkner

Kate has written six property books including four for the consumer organisation Which? – Buy, Sell and Move House; Renting and Letting; Develop your Property and Property Investment Handbook. Kate presents at a seminar almost every week to landlords, investors, first time buyers and is often asked to present at industry conferences and chair debates.

From a media perspective, Kate's appearances include BBC Breakfast News, Your Money, GMTV, ITV, Radio 4 You and Yours, The Big Questions and 5Live. In the last 12 months, Kate has carried out over 20 TV and radio interviews, has been quoted every month in major newspapers and magazines and being featured in many local newspapers.

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