

August 2015 Latest Property Price Summary

We track key reports on property prices produced on a monthly basis. This report summarises crucial numbers and what experts are saying 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.

Index

- | | |
|---------------------------------------|---------|
| • Report Headlines | Page: 1 |
| • Regional Property Price Differences | Page: 2 |
| • Demand for Property | Page: 3 |
| • Supply of Property | Page: 4 |

Report Headlines:-

- | | |
|--------------------------------|---|
| Rightmove | <i>"Hottest demand for two bedrooms or fewer as prices hit new high."</i> |
| Home.co.uk | <i>"Prices push on up as property drought continues."</i> |
| NAEA | <i>"Housing demand at an eleven year high."</i> |
| Nationwide | <i>"Annual house price growth edges up in July."</i> |
| Halifax | <i>"Annual house price growth eases to 7.9%."</i> |
| Agency Express | <i>"School's out and sales slow down."</i> |
| Hometrack | <i>"House price growth hits 8.4%."</i> |
| Land Registry | <i>"The June data shows a monthly price increase of 1.1 per cent."</i> |

Kate Faulkner comments on Report Headlines:

"Summer time is normally when buyers tend to disappear away and so demand falls until everyone's back in September feeling like they can't possibly spend another Xmas in the same home! However, it's only Agency Express that are reporting this. Most indices suggest the summer will remain quite busy as buyers who looked earlier in the year and didn't find what they wanted, or felt they were competing too much with others and decided to pull out of looking. Overall though, property price wise, apart from the city areas (according to Hometrack) things do seem to have slowed down towards the end of the half year. Moving forward, we should see stable to growth in volumes as stats are compared to the slowdown caused by the MMR, and it's too early to say whether this will result in an increase in prices, or if they will continue to ease."

Regional Property Price Differences

[Home.co.uk](#)

“Over the last seven years, the fortunes of the regional property markets have varied considerably. At one extreme we have observed a price growth in London of 44.9%, whilst at the other end of the spectrum prices in the North East remain 6.4% below their July 2008 levels. Prices in the three northern regions of England plus Scotland and Wales all remain significantly below their pre-crisis levels, in nominal terms. Indeed, in real terms, taking into account seven years of inflation, the actual capital losses for property in those regions are in the range of 25-30%. Viewed from this perspective, it is only London and the South East that have beaten the eroding effects of monetary inflation. (Jul 15)”

[Hometrack](#)

“House price inflation at a city level ranges from to 2.9% in Liverpool to 11.6% in Cambridge. Oxford and Cambridge continue to perform like extensions of the London market with all cities having a very similar profile of house price growth over the last eight years. Across the larger cities of northern England house price growth continues to increase, but it’s off a low base. The so-called ‘northern powerhouse’ cities of Leeds, Manchester, Newcastle, Liverpool and Sheffield have all registered a pick-up in growth since 2013 but with average prices still below 2007 levels. (Jun 15)”

[Land Registry](#)

“The region with the most significant annual price increase is London with a movement of 9.2 per cent. Yorkshire & The Humber saw the lowest annual price increase of 1.4 per cent. The North East experienced the greatest monthly price rise with a movement of 3.0 per cent. Yorkshire & The Humber also saw the largest monthly price decrease with a fall of 0.9 per cent. (Jun 15)”

Kate Faulkner comments on Regional Price Differences:

“The indices show some different results mainly because the Home.co.uk and Hometrack data is more reflective of the current market, whereas the Land Registry shows what happened in the market some months ago. What’s clear is how much the economy impacts on property prices. We often hear talk of people not being able to buy because of affordability issues, but someone is buying and someone is able to fund higher prices. This is typically where economies are doing super well, wages are robust and rising, and of course demand is substantially outstripping supply - London, Cambridge and Oxford being a case in point. People make so much money in these areas that they can afford the rises to the limited stock available. In these cases, the only solution to affordable housing locally is that subsidised by the government such as Help to Buy, Shared Ownership and discounted homes, and it’s these types of schemes that agents need to be involved in selling as this government is definitely planning to increase stock for these affordable solutions.”

Demand for Property

Rightmove

"Demand remains high, with both visits to the Rightmove website and enquiries to estate agents up by 22% in June compared to the same period a year ago. (Jul 15)"

Home.co.uk

"A resurgence of buyer demand continues to drive prices higher, predominantly in London and the South of England, bolstering confidence amongst vendors. (Jul 15)"

NAEA

"Average of 439 house-hunters registered per branch in June, up from 383 in May. June witnessed the highest demand for housing for eleven years. In August 2004, 582 house hunters were recorded. Agents reported a decrease in sales to FTBs, with only a quarter (24%) of sales made to this group; this is a 17% drop from last month. (Jun 15)"

Nationwide

"The outlook on the demand side remains encouraging. Employment growth has remained relatively robust in recent quarters, and, after a prolonged period of subdued growth, wage growth is also edging up. With consumer confidence buoyant and mortgage rates still close to all-time lows, demand for housing is likely to firm up in the quarters ahead. (Jul 15)"

Halifax

"This combination of well-supported demand and tight supply is likely to ensure that house price growth remains relatively strong in the near-term. (Jul 15)"

Agency Express

"Out of the twelve regions recorded by the Property Activity Index, seven reported declines in properties 'sold', with the largest decline recorded in London, falling by -19.4%. The East Midlands recorded their best July since the Index's records began, with an increase of +4.1% and the North West recorded the highest overall increase of +10.6%. (Jul 15)"

Bank of England

"The number of loan approvals for house purchase was 66,582 in June, compared to the average of 62,971 over the previous six months. (Jun 15)"

Land Registry

"In the months January 2015 to April 2015, sales volumes averaged 57,918 transactions per month. This is a decrease from the same period a year earlier, when sales volumes averaged 66,949 per month. (Jun 15)"

Kate Faulkner comments on Demand for Property:

"Demand is clearly still remaining high this year. As the introduction of MMR put people off / held them back from buying in the second half of last year, especially in expensive areas such as London, the second half of the year could be much better volume wise. We will have to wait for several month's data to find out if this increased demand will help to fuel house price rises in the rest of the regions, rather than just London and the South East, or if the price increases achieved prior to the credit crunch in some areas were true asset bubbles, driven by unsustainable lending."

Supply of Property

Rightmove

"The number of properties coming to market is running at a weekly run-rate 10.6% below the same period in 2014. The biggest drop-off in fresh supply is in the typical first-time buyer sector with two bedrooms or fewer, the sector where demand was already at its highest compared to available properties. The shortage of suitable property for sale highlights the need for an urgent and marked increase in the overall housing stock to help keep pace with the growth in household formation. (Jul 15)"

Home.co.uk

"The supply of property for sale remains low across the UK; down by 6% (June 2015 vs. June 2014). Only in the North East region, where the recovery is still in its infancy, do we see a significant rise in supply (up 6% compared to a year ago) and this has served to make prices dip this month. (Jul 15)"

NAEA

"The supply of properties has decreased marginally, from 46 per NAEA member branch in May, to 44 per branch in June. (Jun 15)"

Nationwide

"It remains unclear whether activity on the supply side will catch up with demand. The number of new homes under construction has started to pick up, albeit from historically low levels, and further increases are required if a sustainable recovery in the housing market is to be maintained over the longer term. (Jul 15)"

Halifax

"Supply is highly restricted with the stock of homes available for sale falling further to new record lows. (Jul 15)"

Agency Express

"During July, ten regions recorded a drop in new listings 'for sale' with London witnessing a sharp drop, with new listings falling by -51.7%. Listings 'for sale' in the North East increased by +4.3%. (Jul 15)"

Kate Faulkner comments on Supply of Property:

"No conflict with the indices from a supply side: we haven't enough homes for the number of buyers and we need to build more quickly! Many people blame agents for the increase in property prices, which is somewhat ridiculous as if agents have the power to increase prices, then why do they ever fall? What people forget too is that for agents and those in the buying/selling business to grow, they really need volumes to rise, and as yet, we haven't recovered in most areas to volume levels achieved before the credit crunch, mainly because there are just not enough properties to sell. Property price increases off the back of low volumes isn't much of a substitute, and makes it virtually impossible to increase business unless adding other services or acquiring competitor businesses."

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:-

- [Buying your first home](#)
- [Trading up](#)
- [Buy to Let](#)
- [Renting a Property](#)
- [Selling a Property](#)

For Industry Professionals

If you are you a property professional or journalist who needs up to date, accurate, facts and figures about residential property, subscribe to our [Property Information Portal](#).

For Media Professionals

If you need Kate to appear on TV, radio or for general comment, please contact directly:-

Kate Faulkner, Property Market Analyst and Commentator

Websites: [Kate Faulkner](#) Propertychecklists.co.uk

Email: kate@designsonproperty.co.uk

Telephone: **01652 641722**

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.

For more information contact Kate Faulkner directly on **07974 750562** or kate@designsonproperty.co.uk