

## October 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.

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### Report Headlines:-

- [Rightmove](#) *"Biggest September rise for 13 years to new record high benefits property-rich."*
- [Home.co.uk](#) *"Average London house price up £60,000."*
- [NAEA](#) *"Supply of available housing dwindles to eleven year low."*
- [RICS](#) *"Sales growth picks up speed as solid demand begins to filter through."*
- [Nationwide](#) *"Annual house price growth picks up in September to 3.8% whilst regional divergence grows."*
- [Halifax](#) *"Annual house price growth eases to 8.6%."*
- [Agency Express](#) *"UK property market gains momentum in September."*
- [LSL](#) *"The most frequently paid property price across England and Wales is just £125,000."*
- [Hometrack](#) *"City level house price inflation is running at 8.3% per annum, up from 6.6% in May."*
- [Land Registry](#) *"The August data shows a monthly price increase of 0.5 per cent and the annual price change now stands at 4.2 per cent."*

#### **Kate Faulkner comments on Report Headlines:**

*"Property price inflation is reported to be between +3% through to just under 9% year on year depending on which index you look at. The higher rates are being applied to mortgage lending via Halifax and Hometrack's City Index. But despite talks of affordability issues, LSL's data shows that more houses are sold at £125,000 than any other price bracket - much, much lower than any average given by the indices, showing how much higher priced property and areas are 'skewing' the real costs of the average house versus average wages, making the latter comparison pretty redundant in today's market."*

## Regional Property Price Differences

### Rightmove

*“All four southern regions rose this month, up by an average of 1.3% [for asking prices]. The average new seller asking price is higher in all of these regions than in any of the six northern regions. In contrast all the lower-priced northern regions fell, with an average decline of 0.9%. The top 15 most expensive counties have all seen price rises this month. The average increase is 1.8%, which is double the overall national average increase of 0.9% this month. All of these counties are in the south of the country, with Surrey, Hertfordshire, Oxfordshire, Buckinghamshire and Berkshire being the top five most expensive outside London. Another southern county, Bedfordshire, has the highest annual growth of 12.3%. (Sept 15)”*

### Home.co.uk

*“Price appreciation over the last 12 months in the northern regions lay in the range -0.2% to 1.4%. Wales too shows little or no sign of market recovery, with a rise of just 1.4% since September 2014. Looking back across the last five years, only three regions surpassed the average growth for England and Wales, namely London, the South East and the East of England. The Midland regions and the South West house prices have merely kept pace with inflation over the same period. In the North, Wales and Scotland - the best performer in this third-tier group, Scotland, is still dismal. During the last five years Scottish house prices have not managed to increase more than one per cent per annum. Wales, Yorkshire and the North West have all performed slightly worse over the same period. (Sept 15)”*

### RICS

*“As a result of the persistent supply demand imbalance, national house prices continue to rise at a significant pace. Moreover, all parts of the UK were reported to have seen some degree of growth for the second straight month. East Anglia continues to exhibit the sharpest house price inflation, with the West Midlands and Northern Ireland not far behind. (Sept 15)”*

### Nationwide

*“The gap between London house prices and the rest of the UK has continued to reach new highs. The price of a typical home in the capital (£443,399 on our measure) is more than double the UK aggregate and more than three and a half times the price of the typical property in the cheapest UK region (the North of England). (Sept 15)”*

### LSL

*“This month we have seen the southernmost regions in England starting to climb back up the league table in terms of annual price change. The South East has climbed two places to top of the league, at 5.8%, pushing East Anglia and the East Midlands into second and third place respectively. Greater London, at 3.9%, has also seen a rise in its relative position and is now in fifth place, up from eighth position last month. All other regions remained steady in their respective positions to each other during the month. (Sept 15)”*

### Hometrack

*“At a city level the highest rate of growth is 11.2% in Cambridge while the lowest Aberdeen at -2%. Compared to a year ago, just five cities are registering a higher rate of annual growth led by Edinburgh and Glasgow. Across the remaining fifteen cities growth has edged slightly lower although the three month growth rates suggest near term price rises. (Aug 15)”*

### Land Registry

*“The region with the most significant annual price increase is the East with a movement of 8.4 per cent. The North West saw the lowest annual price increase of 0.2 per cent. London experienced the greatest monthly price rise with a movement of 1.7 per cent. The North West also saw the greatest monthly price decrease with a fall of 1.4 per cent. (Aug 15)”*

### **Kate Faulkner comments on Regional Price Differences:**

*“All of the indices this month agree that certain areas such as those in the South are doing well price wise, but where wages are lower, population rises limited and less imbalance between demand and supply, there is very little happening. Prices are in most areas still rising at lower than their annual average (Land Registry) and what we are still looking for is whether rises in the ‘regions’ will ever see the 10-20% uplift that those in the South has experienced.”*

## Demand for Property

### Rightmove

*“Demand from those who can afford to buy remains high. Those who own property that is in most demand, either by type or location, are seeing their values continue to rise. Their properties are rich in features and benefits that others want to buy, and as a consequence they are getting proportionately richer than either owners of less desirable homes or those who are not on the housing ladder at all. (Sept 15)”*

### Home.co.uk

*“The key driver for demand is the availability of mortgage finance, which remains abundant. Talk of interest rate rises at the Bank of England has not dented buyers’ appetite. Competition between investors remains fierce in London and surrounding regions where the lack of supply is felt most keenly. (Sept 15)”*

### NAEA

*“On average, a total of 408 house hunters were recorded per NAEA member branch in August, a decrease of 12 per cent from July when 462 were recorded. Sales to first time buyers fell to the lowest level in over a year. Only one in five (20%) sales was made to FTBs this month, compared to 23% in July and 24% in June. (Aug 15)”*

### RICS

*“New buyer enquiries improved for a sixth successive month. Within this, almost all parts of the UK are seeing rising demand with the pick-up particularly strong in the West Midlands, the North and Wales. (Sept 15)”*

### Halifax

*“Housing demand has been strengthening recently, underpinned by economic growth, rising real earnings and very low mortgage rates. Increasing demand is combining with very low supply to drive robust underlying house price growth. There is little reason to expect any fundamental shift in the key market drivers over the coming months. (Sept 15)”*

### Agency Express

*“East Anglia saw an increase of 12.3% in properties ‘Sold’ marking the regions record best September since the index’s first records in 2007. Further up the coast, Yorkshire and Humberside saw an increase in properties ‘Sold’ rising by 9.6%, reporting the region’s largest rise in ‘Sold’ figures for five consecutive months. (Sept 15)”*

### Bank of England

*“The number of loan approvals for house purchase was 71,030 in August, compared to the average of 65,594 over the previous six months. (Aug 15)”*

### LSL

*“This is the strongest September for home sales since 2007. Monthly sales have totalled 84,000, an increase of 3% from August, and making September only the second month this year in which sales have overtaken 2014 levels, with the cheaper northern regions experiencing the fastest growth in property sales, while a shortage of property stock on the market in the south is slowing activity. In the three months to August 2015, the North and North West of England saw the biggest year-on-year increase in property sales, while East Anglia, London and the South East saw the most significant annual falls. (Sept 15)”*

### Land Registry

*“In the months March 2015 to June 2015, sales volumes averaged 65,550 transactions per month. This is a decrease from the same period a year earlier, when sales volumes averaged 73,985 per month. (Aug 15)”*

### **Kate Faulkner comments on Demand for Property:**

*“The demand data continues to show that where demand is high and stock is available, markets can get busier without seeing prices rise much, or at all, for example, in the case of the North West of England. With MMR biting at the start of the summer last year though, we would expect demand to start rising year on year, but the feedback from the indices shows a mixed picture suggesting volumes are actually down year on year over the summer whereas September appears to be picking up. We’ll need to see the October figures to know whether buyer demand is really picking up or whether it remains dampened due to the tightening rules on mortgages.”*

## Supply of Property

### Rightmove

*"Suitable supply remains tight, with the number of properties coming to market down 6% on the same period in 2014. The result is the biggest monthly price rise seen at this time of year for 13 years. (Sept 15)"*

### Home.co.uk

*"The supply crisis is worsening and August recorded the lowest number of properties entering the market for that month since the onset of the financial crisis. In London and the East of England, the volumes of properties entering the market are down 15% and 18% respectively year on year and down 75% and 73% vs. August 2008. (Sept 15)"*

### NAEA

*"Available housing has seen a large decrease this month, with 38 properties available per branch, compared to 55 in July, a decrease of 31% and the lowest since January 2004. (Aug 15)"*

### RICS

*"New instructions to sell dropped back yet again, meaning the number of new listings has now fallen in thirteen of the previous fourteen months. In an additional question, 40% of respondents feel the biggest factor behind this ongoing shortage is the lack of stock for sale deterring would be movers. The next most cited influence was economic uncertainty, with 12% stating this was holding back supply, while 11% believed stretched affordability was the issue. (Sept 15)"*

### Agency Express

*"Out of the 12 regions recorded by the Property Activity Index, eleven reported an increase in new listings 'For Sale'. London and the South East dominated the market; the South East saw a month on month increase of 29% and London an increase of 22.1%. However, the Index also revealed that over a three month rolling period figures for the capital actually fell by -22.3%. The only declines in this month's Property Activity Index were recorded the North West. Month on month figures show new listings 'For Sale' fell by -14% and while August's new listings 'For Sale' figures bucked seasonal trends, Septembers sales still fell -3%. (Sept 15)"*

### **Kate Faulkner comments on Supply of Property:**

*"Although the summer activity shows the amount of new stock coming onto the market was horrendously low, Agency Express's data suggests that it might have improved in September, meaning we may well see a good flurry of activity between now and the end of the year. The RICS research of their surveyors is insightful as it shows we are in a 'catch 22' with people not putting their homes onto the market because they cannot see anywhere to buy. In addition, the issue of economic uncertainty after the crash is clearly still affecting people's desire to 'leap' into their next purchase, with affordability still on the agenda, but in third place. For future market success, it's only new stock which can help to improve the property market's prospects, relying on existing sales isn't enough to drive future growth."*

## 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](http://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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If you need Kate to appear on TV, radio or for general comment, please contact directly:-

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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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