



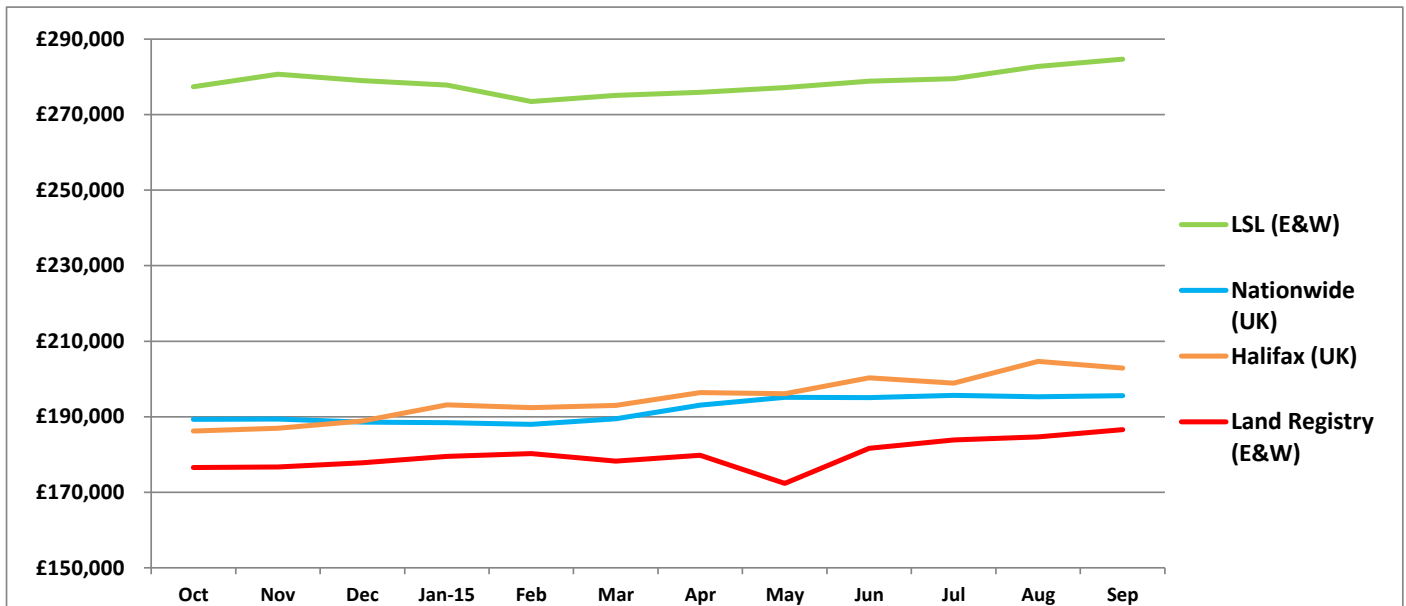
## November 2015 Latest Property Price Summary

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:-



### Kate Faulkner comments on Report Headlines:

*"The market clearly had a bit of an unexpected 'uptick' this month as until now, price growth seemed to have been slowing 'on average' each month. An odd statement though from Righmove suggests that buy to let investors are "competing" with first time buyers. This shouldn't really be happening as smart investors should secure a property at a discount, with cash for example, and find a way to add value. First time buyers on the other hand have the advantage over investors of needing a much lower deposit, essentially 'gearing' their purchase with a 5% deposit or accessing schemes such as new build Help to Buy. If investors are competing prices upwards, there is a danger they are likely to overpay and struggle to finance the property in the future. Hometrack's city index shows that although prices are up on average in the UK by 6.6% (8.4% in cities), there are still 9/20 cities with prices lower than their peak in 2007."*

#### Rightmove

*"First-time buyer prices surge nearly 10% in a year."*

#### NAEA

*"Sales to first time buyers rises."*

#### Nationwide

*"Slight pickup in house price growth in October."*

#### Halifax

*"Annual house price growth rises to 9.7%."*

#### Agency Express

*"October's property market bucks seasonal trends."*

#### LSL

*"Fastest annual rise in house prices for six months"*

#### Hometrack

*"City level house price growth tentative slowdown."*

#### Land Registry

*"The September data shows a monthly price increase of 1.0 per cent and the annual price change now stands at 5.3 per cent."*

## Regional Property Price Differences

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

*"The two useful reports from the indices this month are from LSL which shows that although prices are up and October saw good sales growth, volumes in Q3 15 vs Q3 14 were lower and in my view it's unlikely they will pick up towards the end of the year. Hometrack also shows that the diversity in price changes by city remains enormous, with London prices (on average) being up by 43%, while Belfast prices are still half the levels they were, rightly concluding "there is no such thing as a single UK housing market".*

#### Home.co.uk

*"The uplift in prices from East of England and the South East regions continues to drive the national average higher, thereby obscuring the poorer performance of several northern regions. Annualised price changes for the North East, North West and Yorkshire of just 0.0%, 0.8% and 1.3% respectively, indicate that the long-awaited market recovery is still not apparent. The Welsh property market also shows a distinct lack of vigour. Home prices there have risen by a mere 1.9% over the last year, a long way behind the mix-adjusted average price rise for England and Wales of 6.9%. (Oct 15)"*

#### LSL

*A "reawakening of price growth has been driven by London and the South East, the fastest growing regions across England and Wales. East Anglia has experienced the strongest year-on-year rise of any region, with a 6.2% annual increase in house...Despite the uptick in transactions during the second half of 2015, total sales volumes are still down by 4% over the first ten months of 2015, compared to the same period in 2014..The rate of change in the growth of transactions from Q3 2014 to Q3 2015 ranges from +3% in the North to -5% in East Anglia, with England & Wales as a whole being down by -2%. The rate of change in transactions in the north of the country remains positive, while the south-east corner shows a considerable decline in the number of properties being sold, possibly due to a shortage of available stock and affordability issues. (Oct 15)"*

#### Hometrack

*"It is dangerous to read too much into one month's headline results data but at a city level the average rate of in the last three months has slowed across thirteen of the twenty cities covered by the index. The discount between asking and achieved prices averages 3%. Newcastle and Liverpool have the largest discount averaging 6% [while] Cambridge is registering a small premium of 2% as strong demand and scarce supply are sustaining the highest city level price growth. The majority of cities have average prices between +18% in Bristol and -14% in Liverpool. Belfast prices still remain almost half the level seen in 2007 while those in London are 43% higher highlighting there is no such thing as a single UK housing market. (Sept 15)"*

#### Land Registry

*"The region with the most significant annual price increase is London with a movement of 9.6 per cent. The North East saw the only annual price decrease of 0.3 per cent. London also experienced the greatest monthly price rise with a movement of 1.8 per cent. The North East also saw the only monthly price decrease with a fall of 0.3 per cent. (Sept 15)"*

## Demand for Property

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

*“With demand higher than supply looking to continue, the question we need the market to answer moving forward is whether prices are continuing to rise due to increased wages or due to low mortgage rates. If it’s the later, the price rises we are seeing now, even though demand will remain higher than supply, may well halt in the future if interest rates ever start to rise. The other good news from the indices this month is that first time buyers are still strong purchasers in the market, meaning the more that are getting on the ‘lower rungs’ of the ladder now, the more second and third steppers there will be to drive property market purchases and sales in the future.*”

### Rightmove

*“High demand combined with a supply shortage at the lower end of the market, have pushed up prices for typical first-time-buyer properties by 4.9%. (Oct 15)”*

### NAEA

*“The number of sales made to first time buyers (FTBs) is at the highest since May 2015, with three in ten (29%) sales made to the group in September, a rise from 20% in August. On average, a total of 342 house hunters were recorded at each NAEA member branch in September - a decrease of 16% from August when 408 house hunters were registered per branch. The number of houses available per branch dropped marginally in September, with 37 properties available, compared to 38 in August. (Sept 15)”*

### Halifax

*“Improving economic conditions and household finances together with sustained low mortgage rates, have boosted housing demand during 2015. Strengthening demand is filtering through into higher sales levels although the ongoing shortage of supply is acting as a significant constraint on activity. (Oct 15)”*

### Agency Express

*“During October we traditionally observe a seasonal slowdown; however this month national figures recorded by the Property Activity Index have shown an increase of 2.7% in properties ‘Sold’. Looking back over the Index’s historical data we can see that the last increase in sales for October was recorded in 2011, where figures rose by 7.5%. Looking at performance across the rest of the UK, ten of the twelve regions recorded bucked seasonal trends reporting increases in properties ‘Sold’. Scotland reported the largest increase rising by 18.8%, but this month’s top performing region was the East Midlands, recording a rise of 9.1%. Other regions to buck the seasonal trend were the West Midlands 12.1%; Central England 7.3%; North East 6.1%; Yorkshire & Humberside 5.2% and London 4.9%. (Oct 15)”*

### Bank of England

*“The number of loan approvals for house purchase was 68,874 in September, compared to the average of 66,900 over the previous six months. (Sept 15)”*

### BBA

*“Borrowing figures in the mortgage market remain strong with the number of mortgage approvals in September 24% higher than a year ago and house purchases up 14%. Gross mortgage borrowing in September was £12.1 billion which was 17% higher than a year ago. (Sept 15)”*

### Land Registry

*“In the months April 2015 to July 2015, sales volumes averaged 71,766 transactions per month. This is a decrease from the same period a year earlier, when sales volumes averaged 78,330 per month. (Sept 15)”*

## Supply of Property

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

*“Currently and as Savills predict for the future, property transactions are around 20% down versus the years up to the credit crunch. So far we haven’t seen any sign of real growth in volumes year on year, even though rising prices should encourage sellers, so sales volumes continue to be restricted. People don’t tend to put their own home up for sale if they fear there isn’t a better one to move to. The only opportunity next year for a ‘step change’ in volume and movement from a supply perspective is the possibility that the Right to Buy for housing association tenants results in a rise in sales. Right to Buy purchases can help boost mortgage and legal volumes, but we will have to wait to see what the new rules will be and whether the tenants will sell the properties once purchased.”*

### Rightmove

*“The number of first-time-buyer properties (two bedrooms or fewer) coming to the market is down by 8% on the same period a year ago, exacerbated by first-time sellers struggling with second-step price gap. (Oct 15)”*

### NAEA

*“The supply of available housing decreased marginally from 38 in August to 37 in September, following a large drop last month, when the number of available properties fell from 55 in July to 38 in August. (Sept 15)”*

### Agency Express

*“For new listings ‘For Sale’, regions to buck the seasonal trend were the North East 4%; East Anglia 2.5% and the East Midlands 2.1%. The steepest decline made in October was recorded by Wales, which fell by -10.7%. (Oct 15)”*

## 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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## For Media Professionals

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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