

August 2019 property price update

Independent, free, expert advice on housing

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 consumers' needs via FREE of charge eBooks, checklists, articles and one-to-one advice.

Summary of property price reports

Report Headlines

Rightmove	<i>"First drop in prices this year signals buyers' market in second half of 2019"</i>
Home.co.uk	<i>"Supply drop stabilises London prices"</i>
NAEA PropertyMark	<i>"Housing market continues to show resilience as demand from buyers remains high"</i>
RICS	<i>"Steadier market in June"</i>
Nationwide	<i>"UK house price growth remained subdued in July"</i>
Halifax	<i>"Average house price dipped again in July"</i>
LSL Acadata HPI	<i>"House prices increase in June"</i>
LCPAca Residential Index	<i>"Prices stagnate and transactions fall at fastest rate since 2008"</i>
Hometrack	<i>"UK city house price growth is running at +1.7% as the rate of price inflation continues to slow"</i>

Key facts: Average prices across the indices vary from mortgaged-only prices from the Nationwide HPI (Jul 19) of £217,663, through to marketing prices (ie not necessarily sold) from Rightmove (Jul 19) of £308,692 and actual prices from LSL Acadata HPI of £300,039 (Jun 19). Average sold prices from the UK HPI stand at £229,431 (May 19). There is a 38% difference between the highest average price from LSL which include cash sales and the lowest from Nationwide which reflect mortgaged homes.

UK, England and Wales data

	High	Low	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Annual Change	Annual Average (05 - 19)		
Rightmove	£241,474	£213,570	£302,002	£305,449	£308,290	£309,348	£308,692	-0.2%	3.6%	Asking prices	E & W
Nationwide	£184,131	£147,746	£213,102	£214,920	£214,946	£216,515	£217,663	0.3%	2.6%	Mortgaged only	UK
Halifax	£199,766	£157,767	£233,181	£236,619	£237,837	£237,110	£236,120	4.1%	2.7%	Mortgaged only , seasonally adjusted	UK
LSL Acadata HPI	£231,829	£197,145	£303,073	£302,122	£300,866	£300,039	n/a	0.1%	3.4%	Actual prices, includes cash sales	E & W
LCPAca Residential Index	£198,659	£190,649	£254,196	£253,522	£254,839	£255,050	n/a	0.3%	n/a	Actual prices, includes cash sales	E & W
UK HPI	£190,032	£154,452	£226,798	£228,903	£229,431	n/a	n/a	1.2%	3.1%	Sold prices, includes cash sales and new builds	UK

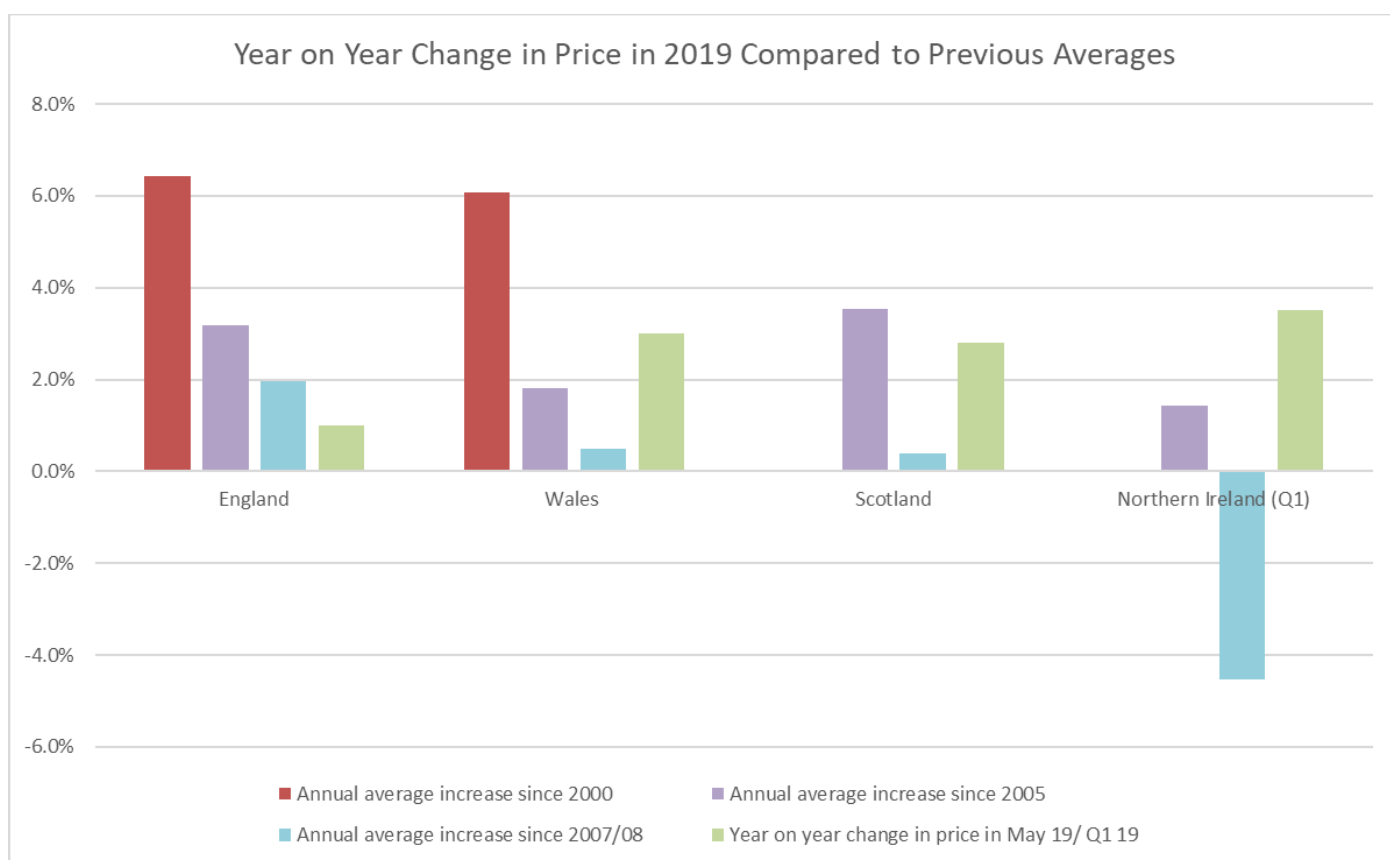
Country and regional summary (data from UK HPI)

UK HPI Market analysis by country

Kate Faulkner comments on country differences:

Versus last month, property prices 'on average' have really slowed across all countries. For Wales, Scotland and Northern Ireland, they are only just keeping up with inflation – which with over 50% of people who own a home, owning it outright, means no real house price growth so far this year and for those in England with just 1% increase registering, real property values are actually falling.

Property Prices - Countries	Highest average house price pre-credit crunch 2007/08	Lowest average house price during recession 2009	Market low +/- versus market height	Latest month's data May 19/ Q1 19	How much higher/lower are latest prices vs height in 2007/8	Year on year change in price in May 19/ Q1 19	Annual average increase since 2000	Highest yearly average increase since 2000	
								Date	% Increase
England	£194,764	£159,340	-18.19%	£245,817	26%	1.0%	6.4%	Jan-03	26.4%
Wales	£150,316	£123,104	-18.10%	£159,428	6%	3.0%	6.1%	Jul-04	33.4%
Scotland	£145,641	£120,180	-17.48%	£152,801	5%	2.8%	n/a	Feb-05	19.0%
Northern Ireland (Q1)	£224,670	£97,428	-56.64%	£134,811	-40%	3.5%	n/a	Q1 07	51.5%



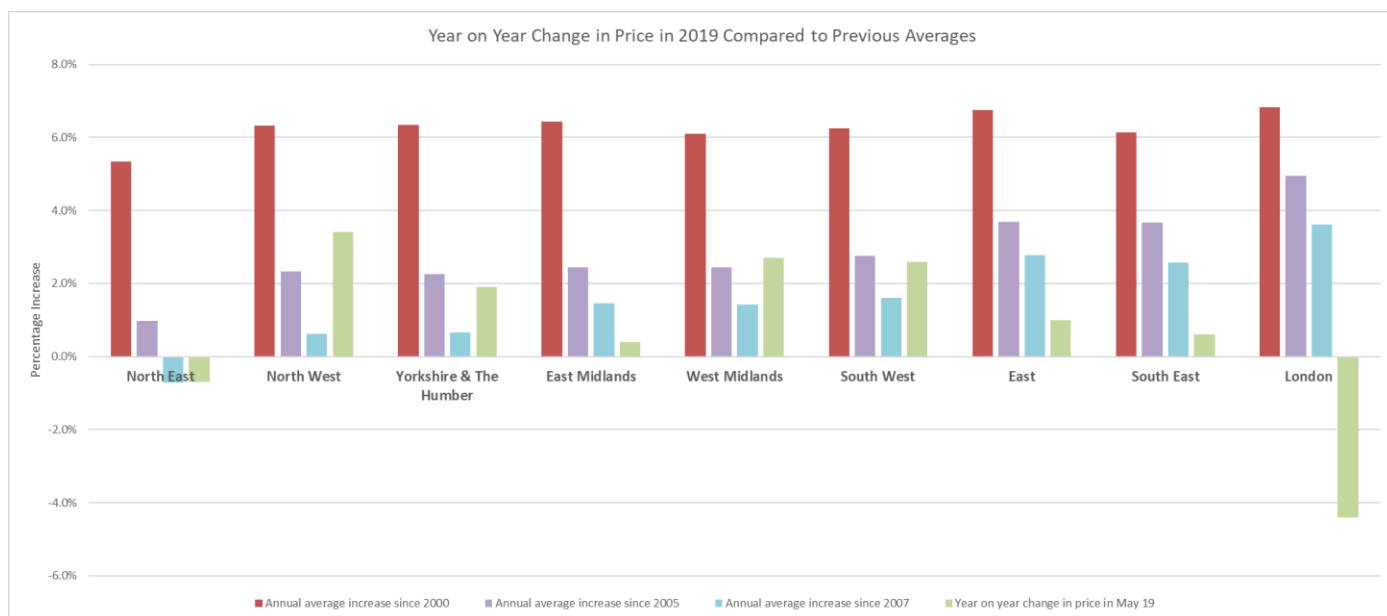
Source: [UK HPI](#)

Country and regional summary – cont'd

Kate Faulkner comments on regional differences:

Regionally the differences are stark. Not just from a price perspective but also from different regions showing different trends. For example, London up +53% versus 10 years is not surprising, and certainly as predicted by many, down by -4.4% year on year, but the North East is down year on year too. OK, it's only -0.7%, but considering property prices are still -8% below their average 12 years ago, these are certainly new trends in our property market when both previously strong and weak markets start to fall back. For most regions, even the power houses of the Midlands, price growth across all regions bar the North West are below rates of inflation, meaning in real terms house prices are falling. The question few know the answer to and if they turn out correct, it'll be a good 'guess' as to whether the new 'Brexit' deadline will come and go without affecting the property market or will the fall in the pound mean an unexpected boost for London as international investors can see prices getting a whole lot cheaper.

Property Prices - Regions	Highest average house price pre-credit crunch 2007/08	Lowest average house price during recession 2009	Market low +/- versus market height	Latest month's data May-19	How much higher/lower are latest prices vs height in 2007/8	Year on year change in price in May 19	Annual average increase since 2000	Highest yearly average increase since 2000	Date	% Increase
North East	£139,400	£112,008	-19.65%	£127,885	-8%	-0.7%	5.3%	Jan-04	34.8%	
North West	£152,427	£124,578	-18.27%	£164,261	8%	3.4%	6.3%	Jul-04	33.0%	
Yorkshire & The Humber	£150,233	£123,833	-17.57%	£162,520	8%	1.9%	6.3%	Jun-04	29.3%	
East Midlands	£159,537	£129,876	-18.59%	£189,622	19%	0.4%	6.4%	Feb-03	33.9%	
West Midlands	£165,807	£136,966	-17.39%	£196,489	19%	2.7%	6.1%	Jan-03	29.5%	
South West	£212,666	£171,356	-19.42%	£257,563	21%	2.6%	6.3%	Jan-03	29.8%	
East	£209,624	£168,263	-19.73%	£291,239	39%	1.0%	6.7%	Jan-03	28.9%	
South East	£238,845	£191,156	-19.97%	£323,745	36%	0.6%	6.1%	Jun-00	25.0%	
London	£298,596	£245,351	-17.83%	£457,471	53%	-4.4%	6.8%	Apr-00	28.3%	



Source: [UK HPI](#)

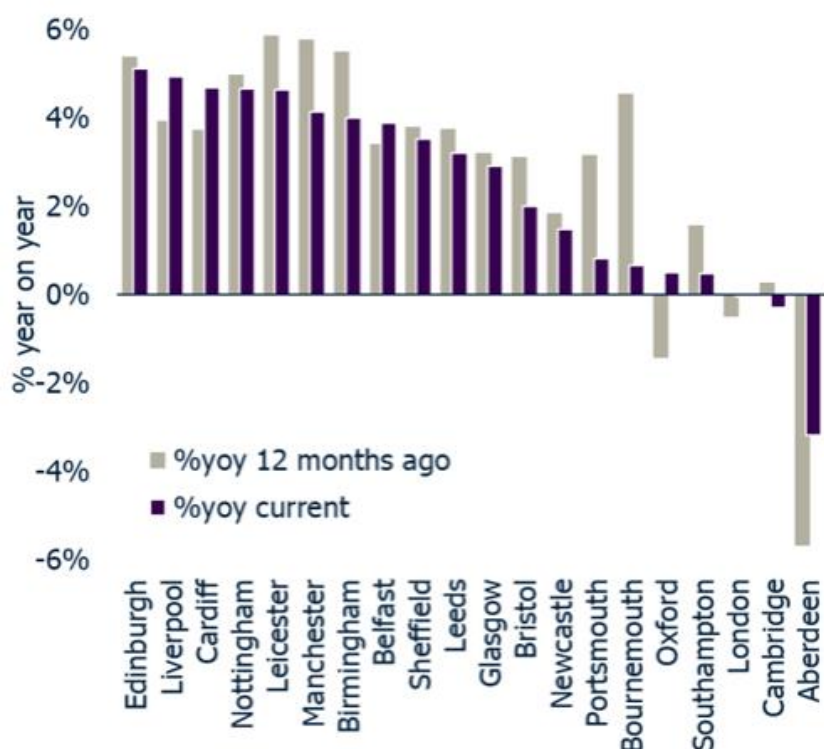
Country and regional summary – cont'd

RICS *“At regional level, with the exception of London, the South East, Yorkshire and Humberside and the East of England, all parts of the country are showing results that are consistent with further (in some cases modest) house price growth. Contributors envisage that this largely stable trend in national house price inflation will persist over the coming three months. However, twelve-month expectations are displaying a little more momentum with 25% more respondents anticipating prices will rise, the highest reading for this indicator in eleven months.” (Jun 19)*

LSL Acadata HPI *“Nine of the 10 GOR regions have seen their rates of annual price growth increase during May, with the largest change being in Wales at +2.0%, followed by the North East at +0.9%. The one GOR area in May to have seen a modest decline in its annual rate of growth is the East Midlands which slowed by -0.4%, with all the ‘Shires’ in the region, except for Derbyshire, seeing prices fall during May.” (Jun 19)*

Hometrack *“Seven cities are registering house price growth of less than +1% per annum – the first time we have seen this since June 2013. All these cities are in the south of England except for Aberdeen where price growth is -3.2%. Edinburgh (+5.1%) is registering the highest growth, followed by Liverpool (+4.9%) and Cardiff (+4.7%). There is a growing polarisation in market conditions across southern England and the rest of the country. Bristol has the highest annual growth rate in southern England at +2.0%. The remaining six cities are all registering growth of between -0.3% and +0.8% as affordability constraints impact demand, resulting in a lower rate of house price inflation. Weaker demand means sales are not keeping pace with the new supply of homes for sale. Increases in supply are compounding the downward pressure on prices in southern cities. The opposite is true elsewhere.” (Jun 19)*

Fig.1 – City price inflation – current and 12 months ago



Source: [Hometrack](#)

Detailed analysis of towns/cities current versus over time

Kate Faulkner comments on town and city differences:

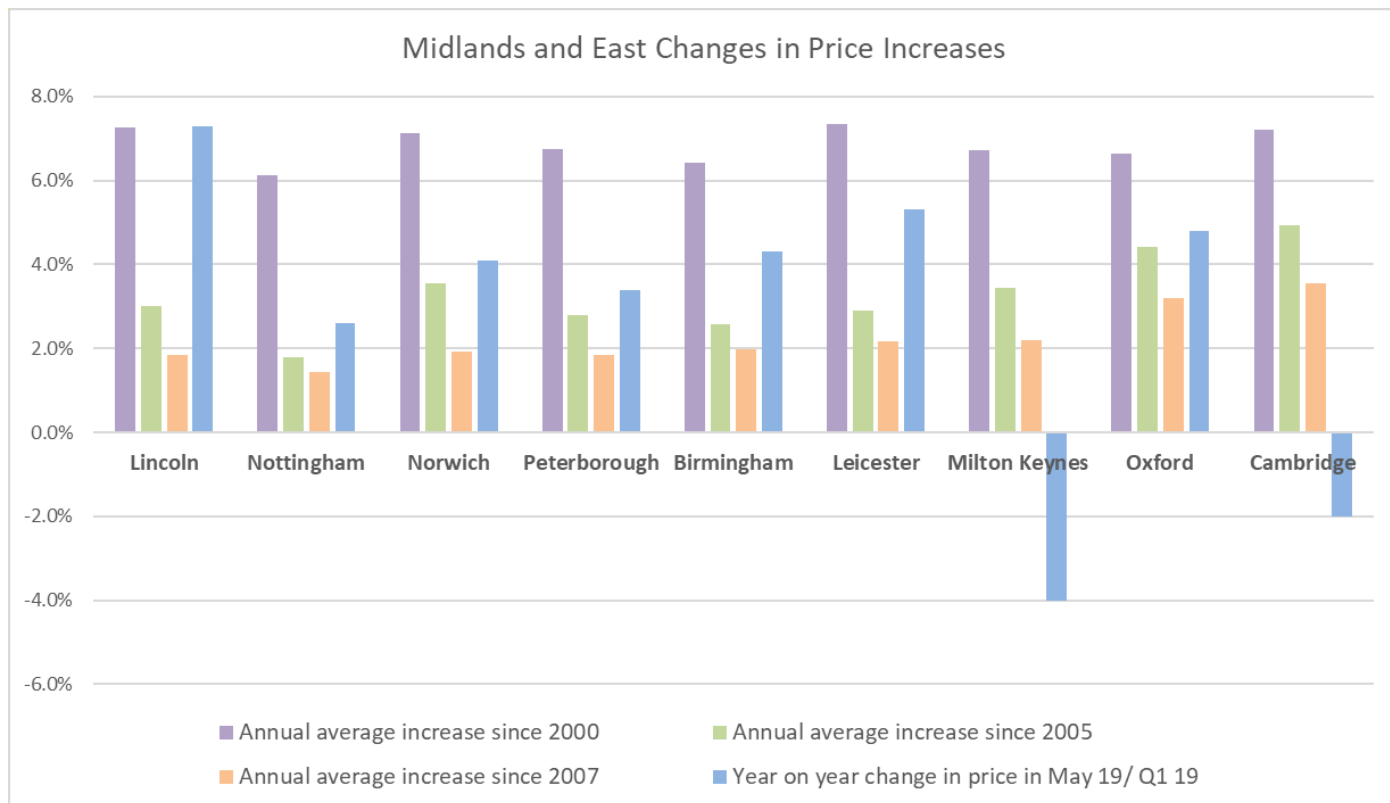
Although our regions are performing well below previous growth levels, city wise, things are looking better - for some. According to Hometrack, "Edinburgh (+5.1%) is registering the highest growth, followed by Liverpool (+4.9%) and Cardiff (+4.7%) showing how localised property market performance can be.

Property Prices Towns/Cities <i>England, Wales, Scotland & NI</i>	Highest average house price pre-credit crunch 2007/08	Lowest average house price during recession 2009	Market low +/- versus market height	Latest month's data May 19/ Q1 19	How much higher/ lower are latest prices vs height in 2007/8	Year on year change in price in May 19/ Q1 19	Annual average increase since 2000	Highest yearly average increase since 2000 Date % Increase
London	£298,596	£245,351	-17.83%	£457,471	53%	-4.4%	6.8%	Apr-00 28.3%
Cambridge	£283,241	£224,469	-20.75%	£430,282	52%	-2.0%	7.2%	May-00 27.5%
Oxford	£289,855	£223,319	-22.95%	£423,156	46%	4.8%	6.6%	Jun-00 29.5%
Bristol	£195,196	£153,648	-21.29%	£281,758	44%	3.1%	7.4%	Apr-03 29.7%
Brighton and Hove	£257,108	£202,054	-21.41%	£360,158	40%	0.4%	7.1%	Jul-00 35.4%
Reading	£216,724	£176,087	-18.75%	£294,058	36%	-4.1%	5.7%	Jun-00 35.9%
Tunbridge Wells	£279,413	£217,421	-22.19%	£378,457	35%	-3.0%	6.1%	May-00 25.2%
Milton Keynes	£194,666	£147,827	-24.06%	£252,917	30%	-4.0%	6.7%	Feb-03 32.0%
Manchester	£140,431	£111,679	-20.47%	£182,417	30%	5.2%	8.4%	Jun-04 34.9%
Leicester	£135,317	£110,071	-18.66%	£174,840	29%	5.3%	7.4%	Mar-03 35.4%
Birmingham	£148,578	£122,773	-17.37%	£188,079	27%	4.3%	6.4%	Feb-03 36.4%
Norwich	£166,498	£123,698	-25.71%	£209,266	26%	4.1%	7.1%	Oct-02 37.9%
Lincoln	£128,707	£106,017	-17.63%	£160,143	24%	7.3%	7.3%	Feb-03 38.0%
Peterborough	£156,264	£123,752	-20.81%	£194,233	24%	3.4%	6.7%	Dec-02 30.2%
Portsmouth	£169,633	£130,868	-22.85%	£210,283	24%	0.4%	6.0%	Mar-03 29.1%
Cardiff	£170,496	£139,651	-18.09%	£209,153	23%	3.4%	6.3%	May-03 30.7%
Bournemouth	£206,227	£163,937	-20.51%	£252,397	22%	2.0%	6.1%	Apr-03 32.5%
Southampton	£168,795	£134,665	-20.22%	£205,924	22%	-1.1%	5.8%	Apr-03 29.7%
Edinburgh	£225,750	£183,029	-18.92%	£268,091	19%	6.2%	n/a	May-07 17.3%
Nottingham	£119,010	£93,696	-21.27%	£141,124	19%	2.6%	6.1%	Mar-03 37.9%
Leeds	£161,439	£130,128	-19.39%	£182,832	13%	2.0%	6.5%	Apr-03 30.7%
Sheffield	£144,875	£120,193	-17.04%	£162,049	12%	0.5%	6.4%	Sep-04 31.9%
Glasgow	£130,473	£96,139	-26.32%	£131,564	1%	4.7%	n/a	Jan-05 19.2%
Liverpool	£130,249	£103,705	-20.38%	£126,458	-3%	1.6%	5.9%	Jul-04 59.0%
Bradford	£139,640	£111,109	-20.43%	£134,548	-4%	1.4%	5.8%	Sep-04 36.5%
Newcastle upon Tyne	£164,935	£133,086	-19.31%	£155,275	-6%	-1.0%	5.4%	Feb-04 39.2%
Belfast (Q1)	£213,626	£87,890	-58.86%	£128,386	-40%	4.4%	n/a	Q1 07 57.1%

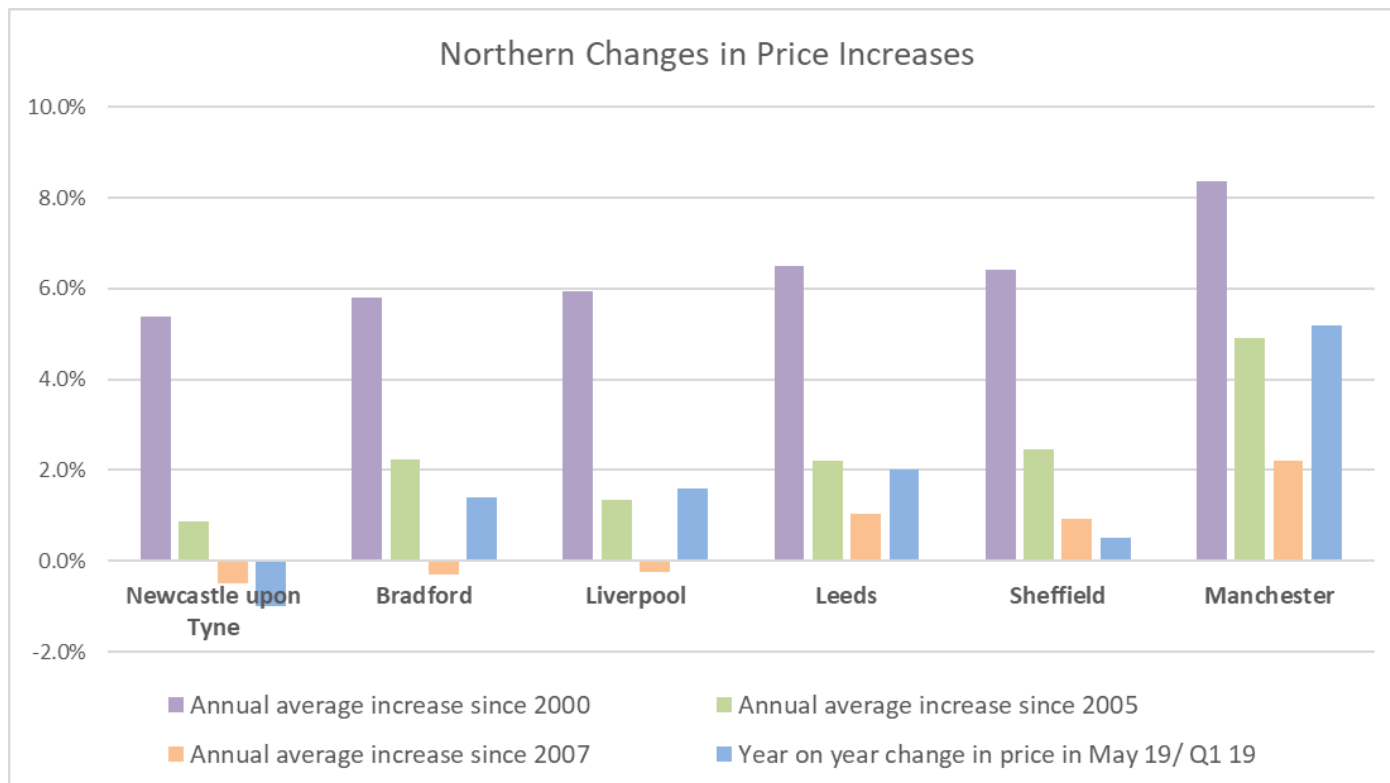
Five high growth areas YoY towns/cities	YoY %	Five low growth areas YoY towns/cities	YoY %	Five high growth areas last 11 years towns/cities	%	Five low growth areas last 11 years towns/cities	%
Lincoln	7.3%	London	-4.4%	London	53%	Belfast (Q1)	-40%
Edinburgh	6.2%	Reading	-4.1%	Cambridge	52%	Newcastle upon Tyne	-6%
Leicester	5.3%	Milton Keynes	-4.0%	Oxford	46%	Bradford	-4%
Manchester	5.2%	Tunbridge Wells	-3.0%	Bristol	44%	Liverpool	-3%
Oxford	4.8%	Cambridge	-2.0%	Brighton and Hove	40%	Glasgow	1%

Three high growth areas YoY London	YoY %	Three low growth areas YoY London	YoY %	Three high growth areas last 11 years London	%	Three low growth areas last 11 years London	%
Haringey	6.1%	Barnet	-9.6%	Haringey	78%	Hammersmith and Fulham	32%
Hackney	5.7%	Southwark	-5.8%	Waltham Forest	74%	Tower Hamlets	37%
Newham	2.4%	Kingston upon Thames	-5.6%	City of Westminster	73%	Barnet	39%

Detailed analysis of towns/cities current versus over time – cont'd

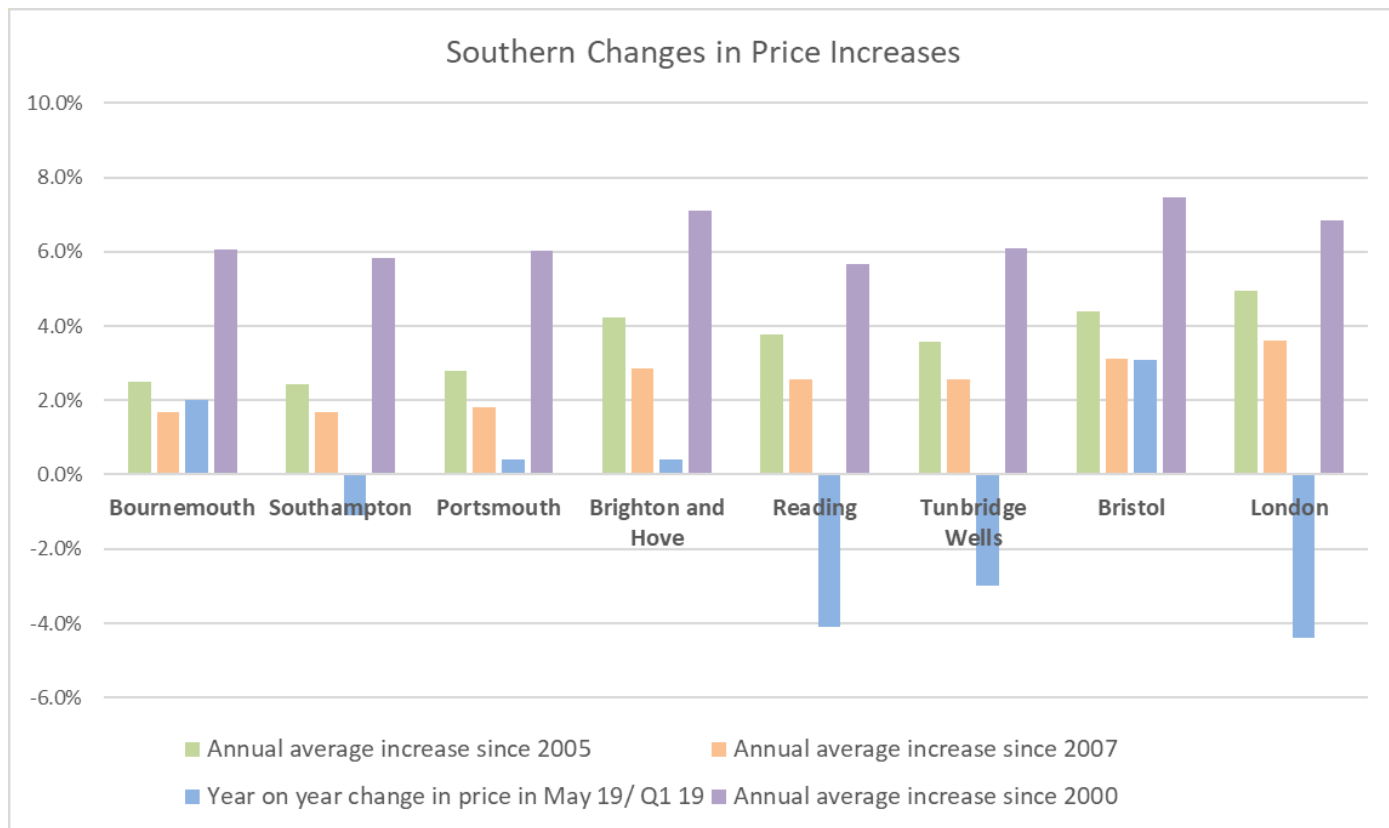


Source: [UK HPI](#)

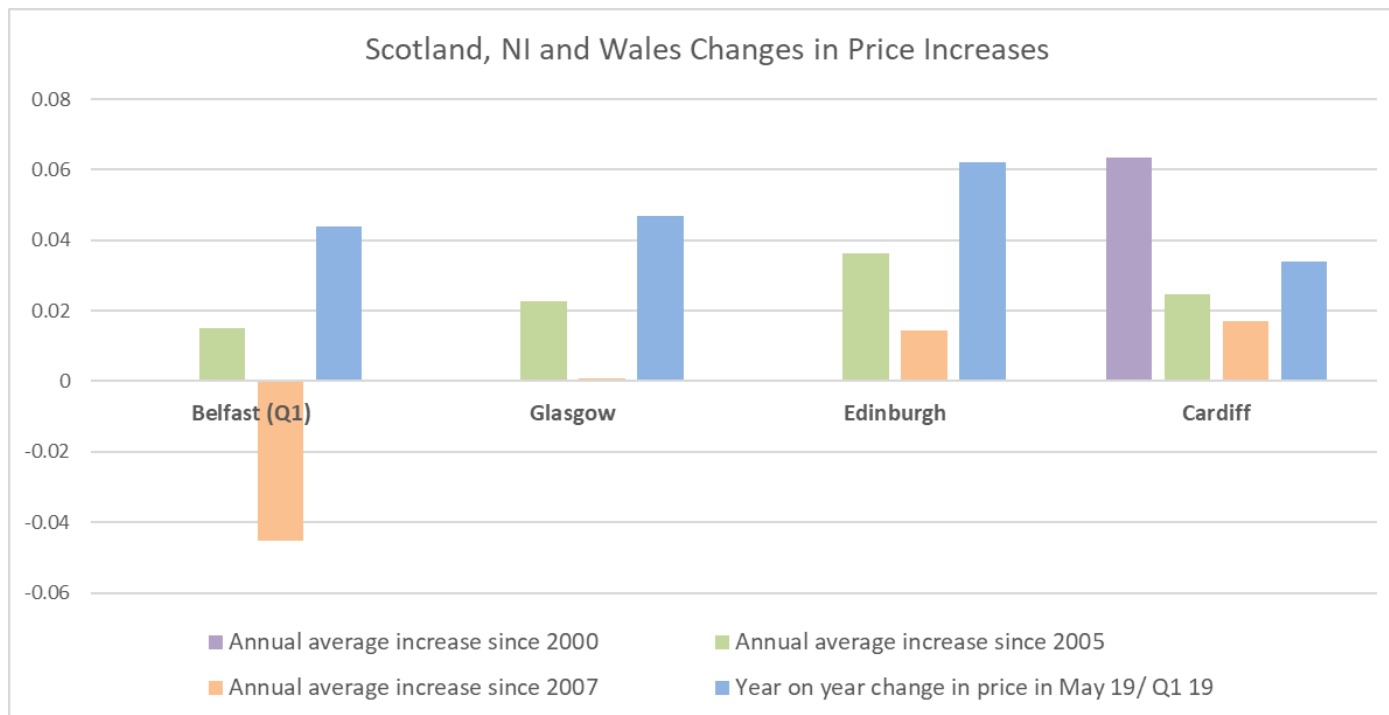


Source: [UK HPI](#)

Detailed analysis of towns/cities current versus over time – cont'd



Source: [UK HPI](#)



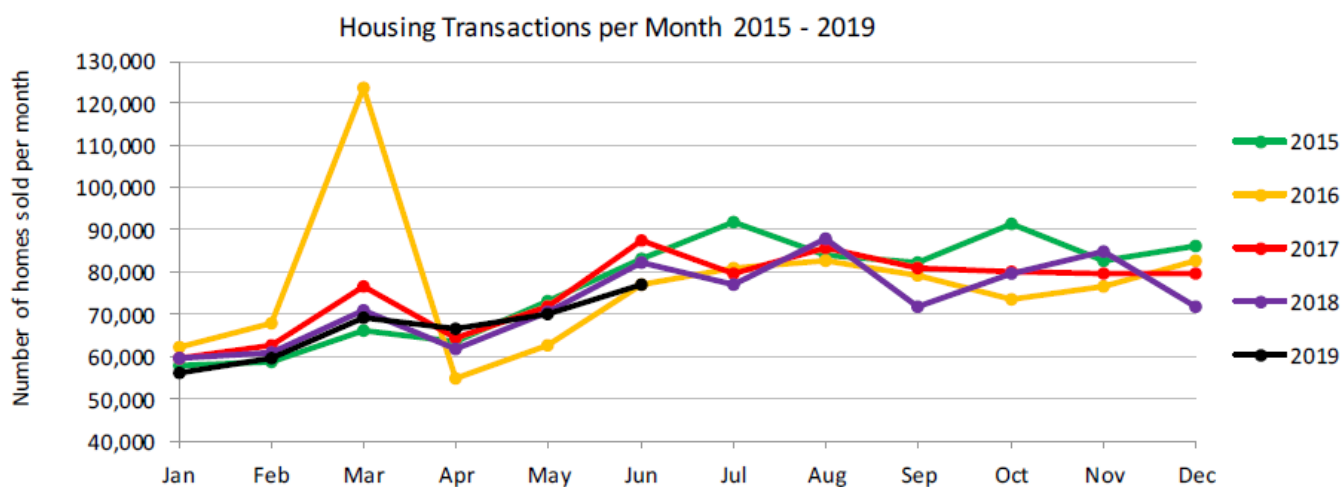
Source: [UK HPI](#)

Property transactions, demand and supply

Most commentary focuses on what is happening to property prices, but as anyone in the property industry knows, property prices are driven by what happens to supply and demand, which is why performance is so localised, pretty much to a property on a street.

Kate Faulkner comments on property transactions, demand and supply:

Considering the battering the economy is getting in the press and the fear of Brexit still looming, this month offers quite a positive picture, with the RICS reporting “a more stable trend in supply as far as the latest set of results are concerned with the new instructions indicator edging into positive territory for the first time in a year.” Talking to agents and developers, June and July haven’t been bad months, the question is whether the likely bad press about a recession and continued Brexit fears will mean people start ‘battening down the hatches’ come September – as they did last year to ‘wait and see’ what happens in the New Year. Let’s hope instead the pent up demand that definitely still exists carries the market to the end of the year and people’s confidence returns in 2020, if all remains calm!



Source: [LSL Acadata HPI](#)

[NAEA PropertyMark](#)

“The number of sales agreed remained high for the second month running, at an average of nine per branch. Year-on-year, the number of property transactions stayed the same, with an average of nine sales agreed per branch in June 2018. The number of sales made to FTBs in June decreased, falling from 26 per cent in May to 23 per cent.

“The number of house hunters registered per estate agent branch fell marginally in June, from 307 to 305. Year-on-year, housing demand is almost aligned, with just a one per cent difference from June 2018 when there was an average of 308 house hunters per branch.” (Jun 19)

[RICS](#)

“The New Buyer Enquiries net balance came in +10% in June. This is the first time since November 2016 where contributors have reported a modest rise in the appetite for potential purchasers to acquire property at the national level with demand reportedly increasing in seven out of twelve regions covered in the survey. Meanwhile, there are signs of a more stable trend in supply as far as the latest set of results are concerned with the new instructions indicator edging into positive territory for the first time in a year.

“The Newly Agreed Sales net balance edged up to +2% in June marking the first time in ten months where survey participants did not report a decline in activity on this basis. Sales expectations for the coming three months suggest that the stable trend in transactions volumes is likely to persist.” (Jun 19)

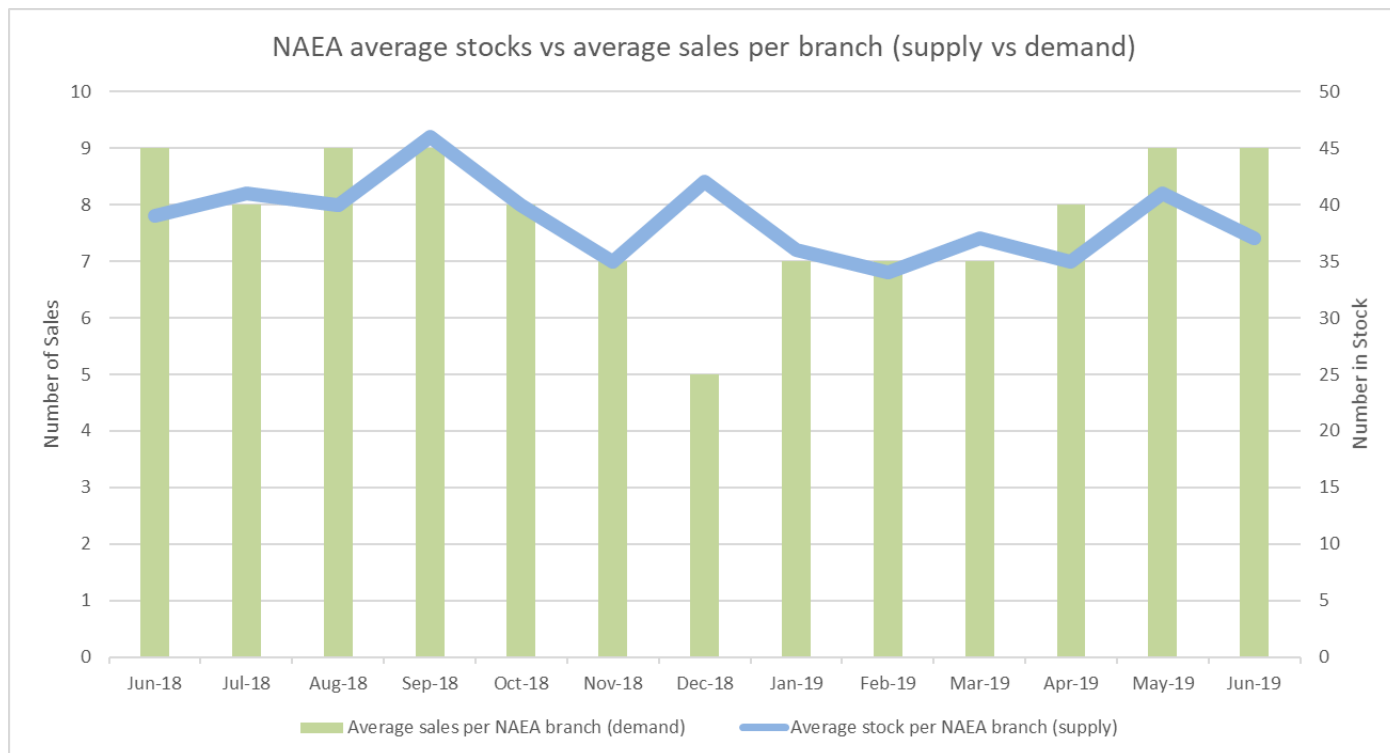
Property transactions, demand and supply – cont’d

Bank of England

“Mortgage approvals for house purchase (an indicator of future lending) increased by around 800 in June to 66,400 and the number of approvals for re-mortgaging rose slightly to 47,000. Notwithstanding these small rises, mortgage approvals remained within the narrow ranges seen over the past three years.” (Jun 19)

UK Finance

“There were 30,720 new first-time buyer mortgages completed in May 2019, 0.5 per cent more than in the same month in 2018. There were 29,430 homemover mortgages completed in May 2019, 1.2 per cent less than in the same month a year earlier.” (May 19)



Source: [NAEA PropertyMark](#)