

November 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>"Buyer numbers hold steady as speculative sellers stay away"</i>
Home.co.uk	<i>"Reluctant vendors cut supply and boost home prices"</i>
NAEA Propertymark	<i>"FTB sales hit seven-month high ahead of Brexit deal"</i>
RICS	<i>"Uncertainty causing buyers and vendors to hesitate"</i>
Nationwide	<i>"Little change in UK house price growth in October"</i>
Halifax	<i>"Annual house price growth slows to 0.9%"</i>
LSL Acadata HPI	<i>"Wales and the North move ahead while the South and Midlands edge downwards"</i>
LCPAca Residential Index	<i>"Modest rally in prices and sales"</i>
Hometrack	<i>"UK city house price inflation is +2.4%, half the average growth rate over the last five years (4.8%)"</i>

Key facts: Average prices across the indices vary from mortgaged-only prices from the Nationwide HPI (Oct 19) of £215,368 through to marketing prices (*ie not necessarily sold*) from Rightmove (Oct 19) of £306,712 and actual prices from LSL Acadata HPI of £299,047 (Sep 19). Average sold prices from the UK HPI stand at £234,853 (Aug 19). There is a 42% 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	Jul-19	Aug-19	Sep-19	Oct-19	Annual Change	Annual Average (05 - 19)		
Rightmove	£241,474	£213,570	£308,692	£305,500	£304,770	£306,712	-0.2%	3.5%	Asking prices	E & W
Nationwide	£184,131	£147,746	£217,663	£216,096	£215,352	£215,368	0.4%	2.5%	Mortgaged only	UK
Halifax	£199,766	£157,767	£236,120	£233,541	£232,574	£232,249	0.9%	2.5%	Mortgaged only, seasonally adjusted	UK
LSL Acadata HPI	£231,829	£197,145	£300,886	£299,596	£299,047	n/a	-0.4%	3.4%	Actual prices, includes cash sales	E & W
LCPAca Residential Index	£198,659	£190,649	£263,145	£269,685	n/a	n/a	1.1%	n/a	Actual prices, includes cash sales	E & W
UK HPI	£190,032	£154,452	£232,710	£234,853	n/a	n/a	1.3%	3.2%	Sold prices, includes cash sales and new builds	UK

Kate Faulkner comments on the national market:

It's significant that both Rightmove and LSL are reporting prices falling in England and Wales, year on year, for this month, and albeit these are 'tiny' falls, they indicate a slowing market. This year to date, Rightmove's average peaked at £309,348 in June, while for the LSL Acadata HPI, the peak was in January: £304,739. Versus these peaks, prices currently are almost 1% lower than in June for Rightmove's asking price index while LSL Acadata record a 1.8% fall from their January peak. Add to this Hometrack's headline that "UK city house price inflation is +2.4%, half the average growth rate over the last five years (4.8%)", and although they record a rise versus other indices, it's clear there won't be any market bounce before Xmas and we'll have to now wait until 2020 to see 'what happens next'. With an election upon us, housing is going to be a key topic, but perhaps not as high as it would be without Brexit still 'being on the list of 'to dos'.



Figure 1. The annual house price growth in England & Wales, August 2015 – September 2019

[link to source Excel](#)

Source: [LSL Acadata HPI](#)

Country and regional summary (data from UK HPI)

UK HPI Market analysis by country

Kate Faulkner comments on country differences:

Country wise, both England and Scotland are seeing little growth – although both have huge internal regional differences. Meanwhile, Wales house prices are now surging ahead, especially when compared to Scotland with a 4.5% rise year on year, and still only 12% up over the last 12 years, but Scotland remains one of the best ‘value for money’ areas with average prices just 6% higher than the pre-credit crunch peak, and prices year on year only up by 1.6%. Northern Ireland remains ‘in recovery’ but the burst property price bubble remains with average prices still 39% lower than they were 12 years ago in nominal terms, when adding the impact of inflation – a 36% rise since 2007 – real prices are vastly down. Astonishingly though, this didn’t stop a ridiculous headline from the Belfast Telegraph suggesting that prices are ‘soaring’ compared to the rest of the UK! This is a stark reminder to agents, brokers and legal companies that they need to ensure local communities know what’s really happening in the market and making sure people ignore these ridiculous headlines.

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 Aug 19/ Q2 19	How much higher/lower are latest prices vs height in 2007/8	Year on year change in price in Aug 19/ Q2 19	Annual average increase since 2000	Highest yearly average increase since 2000	
								Date	% Increase
England	£194,764	£159,340	-18.19%	£251,233	29%	1.1%	6.6%	Jan-03	26.4%
Wales	£150,316	£123,104	-18.10%	£168,318	12%	4.5%	6.4%	Jul-04	33.4%
Scotland	£145,641	£120,180	-17.48%	£154,549	6%	1.6%	n/a	Feb-05	19.0%
Northern Ireland (Q2)	£224,670	£97,428	-56.64%	£136,767	-39%	3.5%	n/a	Q1 07	51.5%



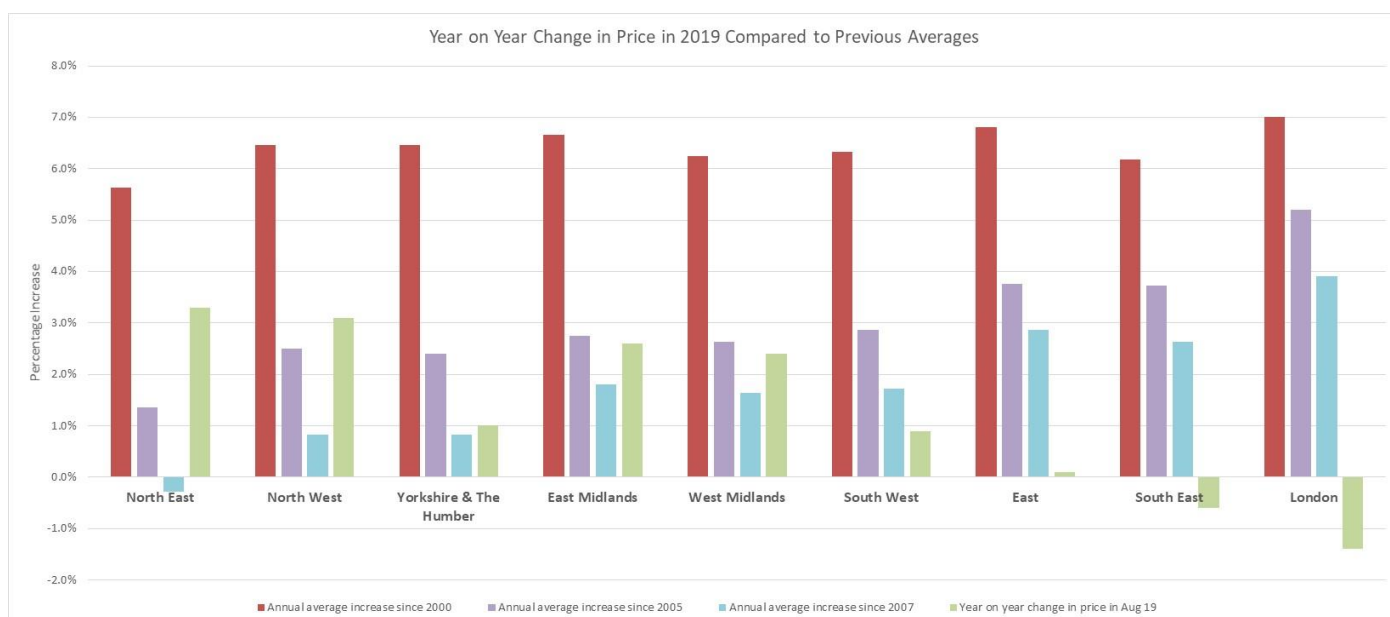
Source: [UK HPI](#)

Country and regional summary – cont'd

Kate Faulkner comments on regional differences:

Although England has an average growth year on year of just 1.1%, this hides the differences in each region. It's clear London and the South East are stalling 'on average' with prices slightly lower than last year while the North West continues to see price rises of just over 3%. Interestingly, the North East has picked up recently, with a 3.3% increase, but this won't be felt by all sellers as prices for many who bought before the credit crunch are still lower – 3% on average. With inflation running at 36%, London property prices are the only region which have seen property prices rise in real terms, while the South East has seen property prices maintained and although higher than the 2007 peak, all other areas, in real terms are much lower than we've seen previously. With small rises year on year, it's unlikely that this is going to change over the next year or so, especially if we hit a recession which is either driven by poor economic performance in the UK or indeed at a Global level.

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 Aug-19	How much higher/lower are latest prices vs height in 2007/8	Year on year change in price in Aug 19	Annual average increase since 2000	Highest yearly average increase since 2000	Date	% Increase
North East	£139,400	£112,008	-19.65%	£134,736	-3%	3.3%	5.6%	Jan-04	34.8%	
North West	£152,427	£124,578	-18.27%	£168,221	10%	3.1%	6.5%	Jul-04	33.0%	
Yorkshire & The Humber	£150,233	£123,833	-17.57%	£165,767	10%	1.0%	6.5%	Jun-04	29.3%	
East Midlands	£159,537	£129,876	-18.59%	£197,682	24%	2.6%	6.7%	Feb-03	33.9%	
West Midlands	£165,807	£136,966	-17.39%	£201,510	22%	2.4%	6.2%	Jan-03	29.5%	
South West	£212,666	£171,356	-19.42%	£260,901	23%	0.9%	6.3%	Jan-03	29.8%	
East	£209,624	£168,263	-19.73%	£294,192	40%	0.1%	6.8%	Jan-03	28.9%	
South East	£238,845	£191,156	-19.97%	£326,232	37%	-0.6%	6.2%	Jun-00	25.0%	
London	£298,596	£245,351	-17.83%	£472,753	58%	-1.4%	7.0%	Apr-00	28.3%	



Source: [UK HPI](#)

RICS

“Overall, this indicator is consistent with a broadly flat trend in national house price inflation. Nevertheless, as we have noted before, this headline gauge is being weighed down significantly by negative momentum in London and the South East whilst the price picture appears to be firmer across other areas of the UK. In particular, solid gains were reported in Northern Ireland, Scotland and the North West.” (Sep 19)

Country and regional summary – cont'd

LSL Acadata HPI

“Wales remains top of the house price league table for the fifth month in succession, largely a result of the better ‘affordability’ of housing in Wales compared to all regions in England, with the exception of the North East. The North West has been in second place for the last four months, with Merseyside, Halton and Cheshire East all setting a new peak average price in August 2019. The North East has reached third place in August – this is its highest position in the league table over the last twelve months. Similar to Wales, ‘affordability’ appears to have been a key factor in the North East’s climb up the league table, given that it has the lowest-priced housing of any region in Great Britain. The East Midlands has occupied one of the top four spots for each of the last twelve months and continues to do so in September.

“However, we now have four regions with negative growth rates, the three areas in the south of England – Greater London, the South East and the East of England - with them being joined this month by the West Midlands.” (Sep 19)

TwentyCi

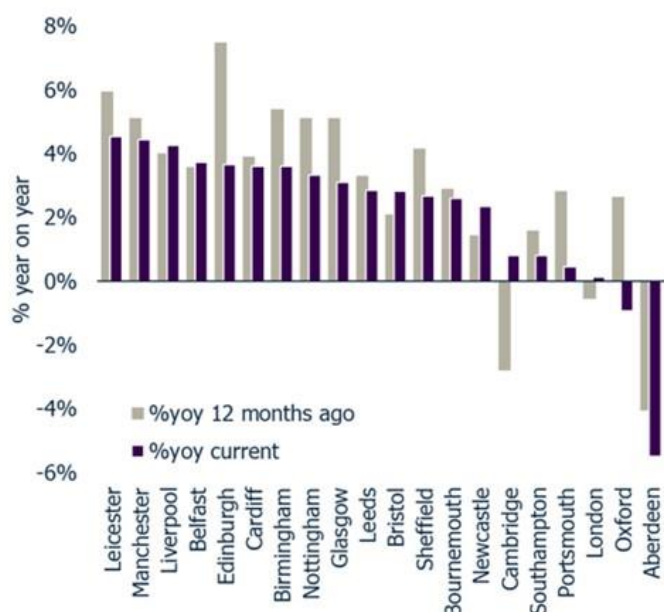
“Growth in average asking prices can be seen across the North of the UK and the Midlands with London and the South of the country seeing a slight decline in the last year, showing a small percentage reduction in average asking prices. In previous reports we have seen growth in average asking prices for properties in the South of the UK. It is likely that homes in this part of the country have seen average asking prices stabilise following their earlier peak, the latter of which is now being felt in the North.

“Across the country it’s mostly a positive picture with most major cities reporting an increase or at least holding steady when it comes to average property asking prices. The exceptions where average asking prices have fallen in the 12 months to September 2019 are Birmingham, London and Southampton.” (Q3 19)

Hometrack

“UK city house price inflation is running at +2.4%, half the average growth rate over the last 5 years and below the growth in average earnings (+3.8%). House price growth ranges from +4.5% in Leicester and +4.3% in Manchester to -5.5% in Aberdeen. Prices are flat in London and falling -0.5% in Oxford.” (Sep 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:

With the country data suggesting Wales is doing well and the regional data reporting rises particularly in the North of England, the towns and city data show a much more buoyant picture. Activity though seems to be best in the Midlands, with Leicester, Lincoln and Peterborough recording growth of around 5% year on year. Meanwhile, other areas are suffering from an affordability perspective with Oxford suffering the most this month, with falls of -4.3%, followed by Milton Keynes where prices have fallen by -1.7%. However, considering the falls in transactions, prices are, in the main, far more resilient than they have been in the past.

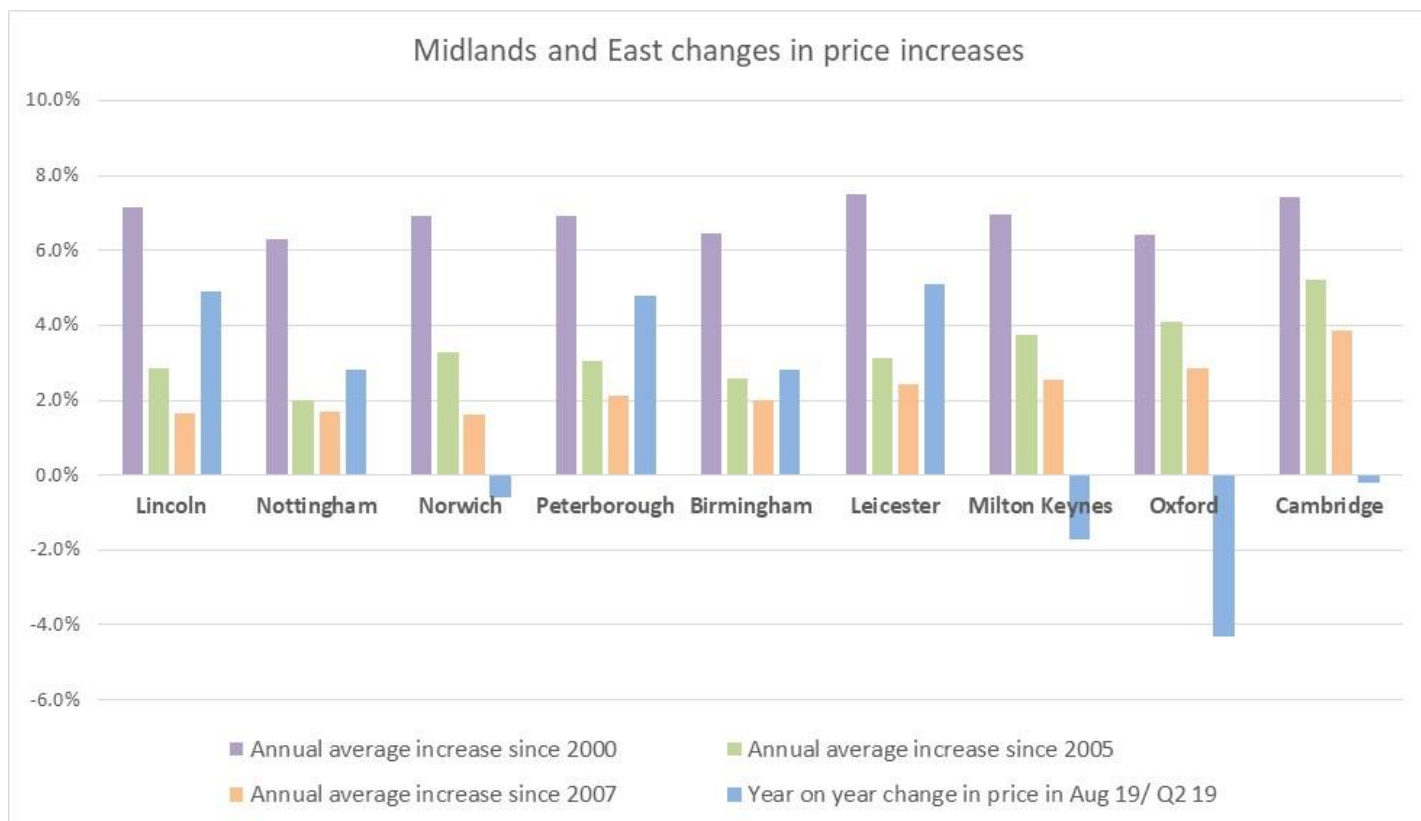
Property Prices Towns/Cities <i>England, Wales, Scotland & NI</i>	Highest average house price pre-credit crunch 2007/08	Lowest average house price during recession 2009	Market low +/- versus market height	Latest month's data Aug 19/ Q2 19	How much higher/ lower are latest prices vs height in 2007/8	Year on year change in price in Aug 19/ Q2 19	Annual average increase since 2000	Highest yearly average increase since 2000	
								Date	% Increase
Belfast (Q2)	£213,626	£87,890	-58.86%	£129,451	-39%	3.3%	n/a	Q1 07	57.1%
Glasgow	£130,473	£96,139	-26.32%	£137,970	6%	1.6%	n/a	Jan-05	19.2%
Edinburgh	£225,750	£183,029	-18.92%	£265,894	18%	2.9%	n/a	May-07	17.3%
Cardiff	£170,496	£139,651	-18.09%	£211,960	24%	2.3%	6.4%	May-03	30.7%
Newcastle upon Tyne	£164,935	£133,086	-19.31%	£166,662	1%	3.5%	5.8%	Feb-04	39.2%
Bradford	£139,640	£111,109	-20.43%	£139,364	0%	0.2%	6.0%	Sep-04	36.5%
Liverpool	£130,249	£103,705	-20.38%	£136,517	5%	3.5%	6.4%	Jul-04	59.0%
Leeds	£161,439	£130,128	-19.39%	£188,595	17%	2.6%	6.7%	Apr-03	30.7%
Sheffield	£144,875	£120,193	-17.04%	£166,916	15%	1.0%	6.6%	Sep-04	31.9%
Manchester	£140,431	£111,679	-20.47%	£179,506	28%	-0.2%	8.3%	Jun-04	34.9%
Lincoln	£128,707	£106,017	-17.63%	£156,825	22%	4.9%	7.1%	Feb-03	38.0%
Nottingham	£119,010	£93,696	-21.27%	£145,479	22%	2.8%	6.3%	Mar-03	37.9%
Norwich	£166,498	£123,698	-25.71%	£202,208	21%	-0.6%	6.9%	Oct-02	37.9%
Peterborough	£156,264	£123,752	-20.81%	£200,961	29%	4.8%	6.9%	Dec-02	30.2%
Birmingham	£148,578	£122,773	-17.37%	£188,783	27%	2.8%	6.4%	Feb-03	36.4%
Leicester	£135,317	£110,071	-18.66%	£180,063	33%	5.1%	7.5%	Mar-03	35.4%
Milton Keynes	£194,666	£147,827	-24.06%	£263,417	35%	-1.7%	7.0%	Feb-03	32.0%
Oxford	£289,855	£223,319	-22.95%	£406,045	40%	-4.3%	6.4%	Jun-00	29.5%
Cambridge	£283,241	£224,469	-20.75%	£446,167	58%	-0.2%	7.4%	May-00	27.5%
Bournemouth	£206,227	£163,937	-20.51%	£252,991	23%	0.8%	6.1%	Apr-03	32.5%
Southampton	£168,795	£134,665	-20.22%	£209,382	24%	-0.7%	5.9%	Apr-03	29.7%
Portsmouth	£169,633	£130,868	-22.85%	£212,858	25%	0.1%	6.1%	Mar-03	29.1%
Brighton and Hove	£257,108	£202,054	-21.41%	£367,249	43%	0.7%	7.2%	Jul-00	35.4%
Reading	£216,724	£176,087	-18.75%	£295,353	36%	-1.8%	5.7%	Jun-00	35.9%
Tunbridge Wells	£279,413	£217,421	-22.19%	£400,159	43%	1.6%	6.4%	May-00	25.2%
Bristol	£195,196	£153,648	-21.29%	£278,533	43%	-1.5%	7.4%	Apr-03	29.7%
London	£298,596	£245,351	-17.83%	£472,753	58%	-1.4%	7.0%	Apr-00	28.3%

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	%
Leicester	5.1%	Oxford	-4.3%	London	58%	Belfast (Q2)	-39%
Lincoln	4.9%	Reading	-1.8%	Cambridge	58%	Bradford	0%
Peterborough	4.8%	Milton Keynes	-1.7%	Tunbridge Wells	43%	Newcastle upon Tyne	1%
Liverpool	3.5%	Bristol	-1.5%	Brighton and Hove	43%	Liverpool	5%
Newcastle upon Tyne	3.5%	London	-1.4%	Bristol	43%	Glasgow	6%

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	%
Hackney	5.4%	Kensington and Chelsea	-9.1%	Lewisham	75%	Tower Hamlets	34%
Lewisham	3.9%	Brent	-8.7%	Hackney	73%	Hammersmith and Fulham	38%
Barking and Dagenham	2.7%	City of Westminster	-6.9%	Waltham Forest	71%	Sutton	43%

Source: [UK HPI](#)

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



Source: [UK HPI](#)

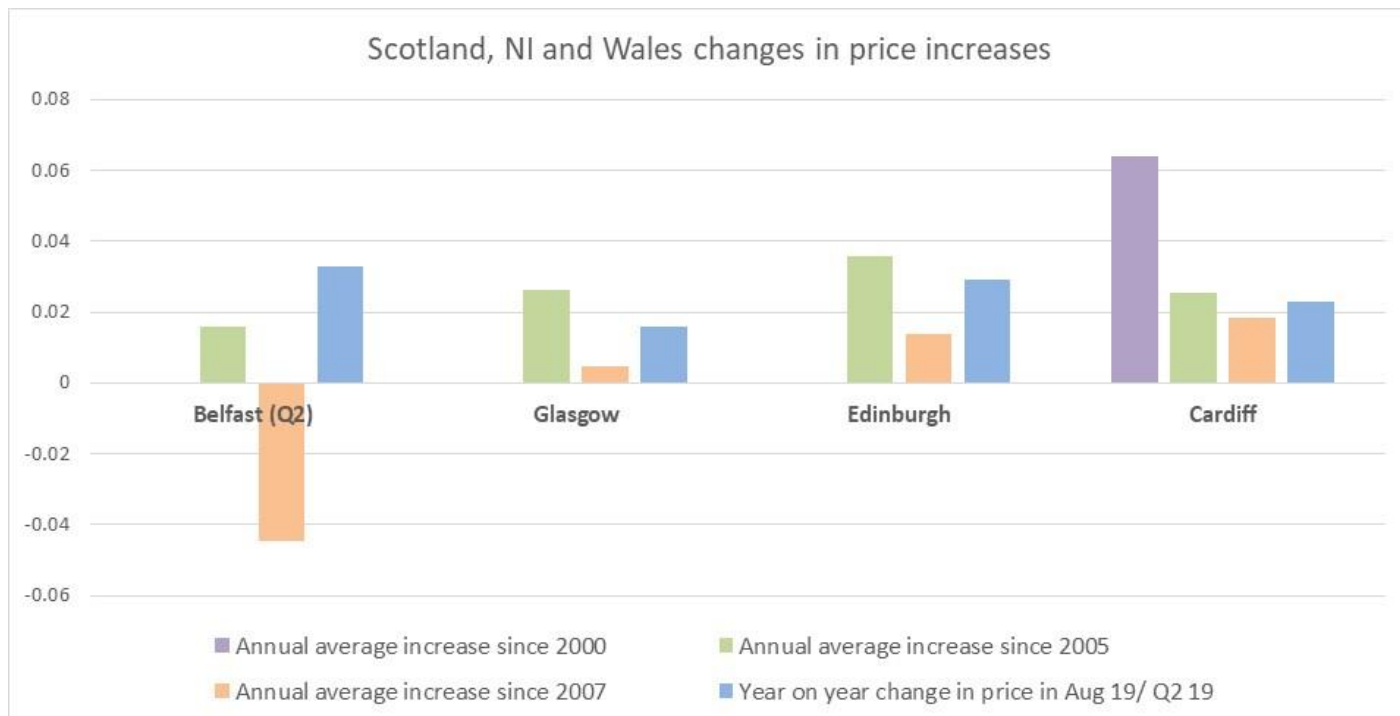


Source: [UK HPI](#)

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



Source: [UK HPI](#)



Source: [UK HPI](#)

Future price forecasts

House price forecast data is taken from Reallymoving conveyancing quote forms. Users tend to get quotes 12 weeks before completion, allowing them to offer a unique insight into what property prices will look like in the next few months.

Property Prices - Regions	Latest month's data Aug-19	Year on year change in price in Aug 19	Reallymoving forecast for Dec 19	Annual average increase since 2005	Annual average increase since 2007	Annual average increase since 2000
North East	£134,736	3.3%	2.9%	1.4%	-0.3%	5.6%
North West	£168,221	3.1%	8.1%	2.5%	0.8%	6.5%
Yorkshire & The Humber	£165,767	1.0%	10.5%	2.4%	0.8%	6.5%
East Midlands	£197,682	2.6%	6.1%	2.7%	1.8%	6.7%
West Midlands	£201,510	2.4%	0.7%	2.6%	1.6%	6.2%
South West	£260,901	0.9%	2.9%	2.9%	1.7%	6.3%
East	£294,192	0.1%	2.4%	3.8%	2.9%	6.8%
South East	£326,232	-0.6%	-2.9%	3.7%	2.6%	6.2%
London	£472,753	-1.4%	-0.7%	5.2%	3.9%	7.0%

Source: [Reallymoving](#)

Kate Faulkner comments on future price forecasts:

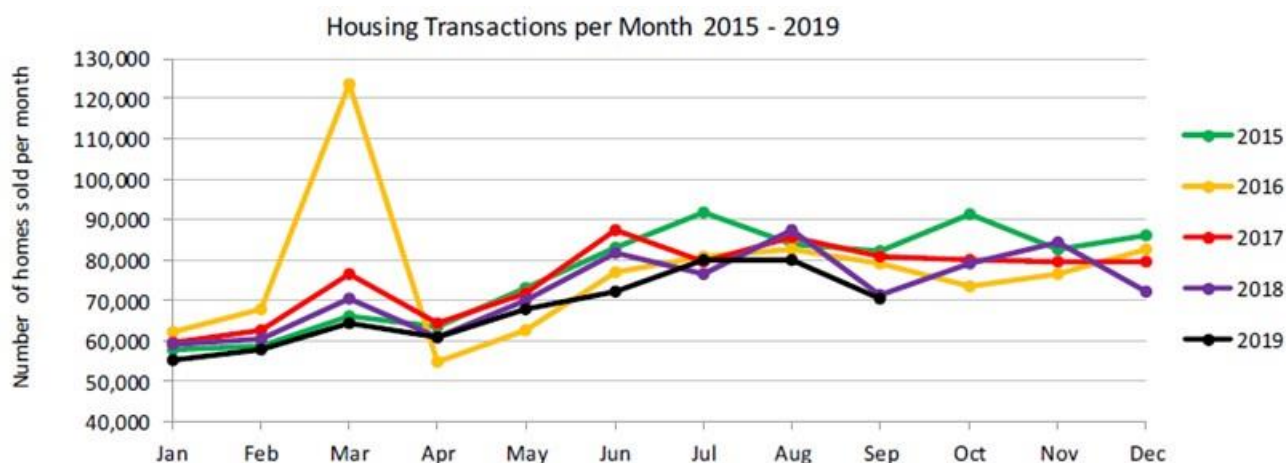
Reallymoving have produced a forecast of what will happen to property prices over the next few months, based on their quoting service. According to this information, the North East price rises will remain in place for the rest of the year, while they are expecting the North West, Yorkshire and Humber and the East Midlands to see more of a bounce, and the South East to see price falls worsen.

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:

Transactions are definitely running behind even the new 'low norm' we've seen since the credit crunch, but despite the low sales and the fact that property price growth is waning, in the past, prices have fallen by far more when sales have contracted. The RICS probably sum up the current issues when it comes to transactions and sales: *"Following three consecutive months of a largely stable trend in supply, the latest results point to a renewed decline in the volume of fresh listings coming on to the market. Comments from contributors are suggesting that the Brexit impasse seems to be dissuading vendors."* According to LSL Acadata, volumes are down -4.5% so far year on year, with the South West and East Midlands seeing the highest falls (-5%) while East Anglia, the North and Yorkshire and Humber appear to be most resilient with just -2% falls.



Source: [LSL Acadata HPI](#)

NAEA PropertyMark

"The number of sales agreed fell to the first time in four months, to an average of eight per branch. The number of sales made to FTBs in September rose to the highest level seen since February, at 30 per cent and up from 26 per cent in August."

"The number of house hunters registered per estate agent branch decreased in September, from 433 to 387. Year-on-year, housing demand is up, rising from 338 house hunters per branch in September 2018." (Sep 19)

RICS

"Following three consecutive months of a largely stable trend in supply, the latest results point to a renewed decline in the volume of fresh listings coming on to the market. Comments from contributors are suggesting that the Brexit impasse seems to be dissuading vendors. The new instructions net balance fell to -37%, the weakest reading since June 2016. In light of this, average stock levels on estate agents' books remain near record lows. Alongside this, a more cautious approach from property purchasers is visible in the September results. After holding more or less steady in the last four months, the new buyer enquiries net balance fell to -15%, pointing to a modest decline in buyer demand. Unsurprisingly, the negative trend in demand and supply appears to be feeding through to the overall sales numbers." (Sep 19)

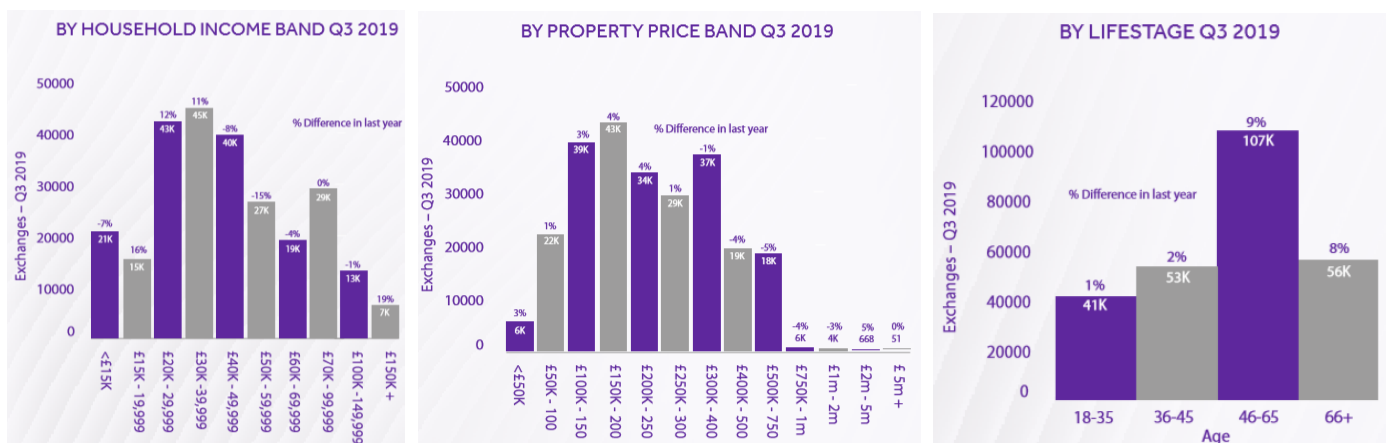
Property transactions, demand and supply – cont’d

TwentyCi

“Households with income bands of £20,000 - £50,000 are proportionally buying and selling more properties in Q3 2019. As reported previously, this is likely helped by government schemes such as Help to Buy, making it possible for people with less disposable income to get on the property ladder. Those with the least affordability in the < £15,000 bracket, are finding it more difficult to sell their homes, whilst at the other extreme, households with the greatest affordability to whom property comes comparatively cheaply, are seemingly unaffected.

“Properties valued at £300k and below are those which sold best in Q3 2019, with exchanges up across all property price bands to this value, compared to the same period last year. In the same way that more properties are exchanging from lower income household bands, properties that match this price bracket in terms of affordability are also those exchanging best in Q3 2019. At the more costly end of the scale, properties priced at £1m+ have seen some growth, if less significant than the year on year increases seen from more affordable properties.

“Most growth in property exchanges during Q3 2019 has come from the 18-35 age group, possibly reflecting the current comparative ease for younger first-time buyers to become homeowners than it is for their older counterparts to exchange. There is also growth in exchanges from the aged 66+ group, albeit at a slower rate.” (Q3 19)



Source: TwentyCi

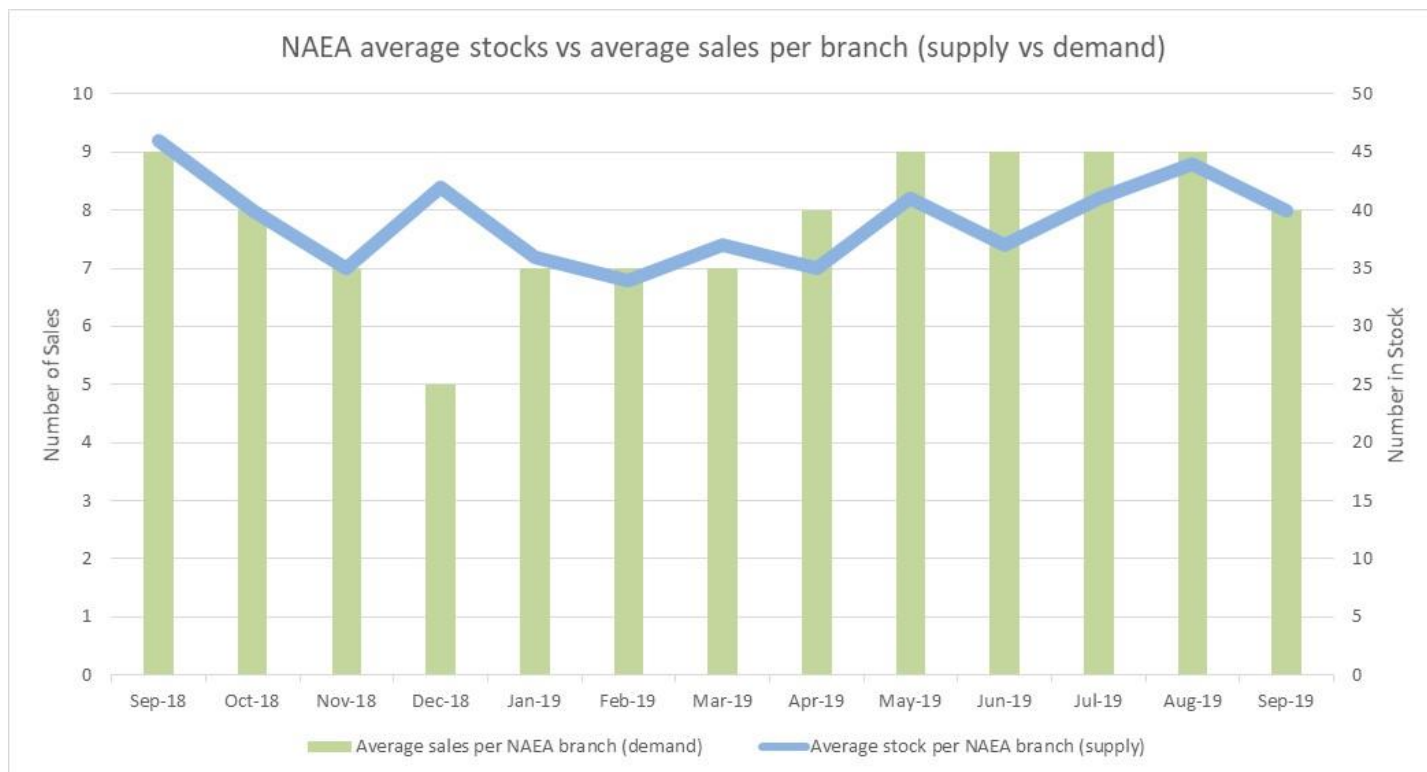
Bank of England

“Mortgage approvals for house purchase (an indicator for future lending) were broadly unchanged in September, at 66,000, and remained within the narrow range seen over the past three years.” (Sep 19)

UK Finance

“There were 33,300 new first-time buyer mortgages completed in August 2019, 2.1 per cent fewer than in the same month in 2018. There were 33,610 homemover mortgages completed in August 2019, 8.2 per cent fewer than in the same month a year earlier.” (Aug 19)

Property transactions, demand and supply – cont'd



Source: [NAEA Propertymark](#)

The Hotter Your Market - The Easier Your Sale

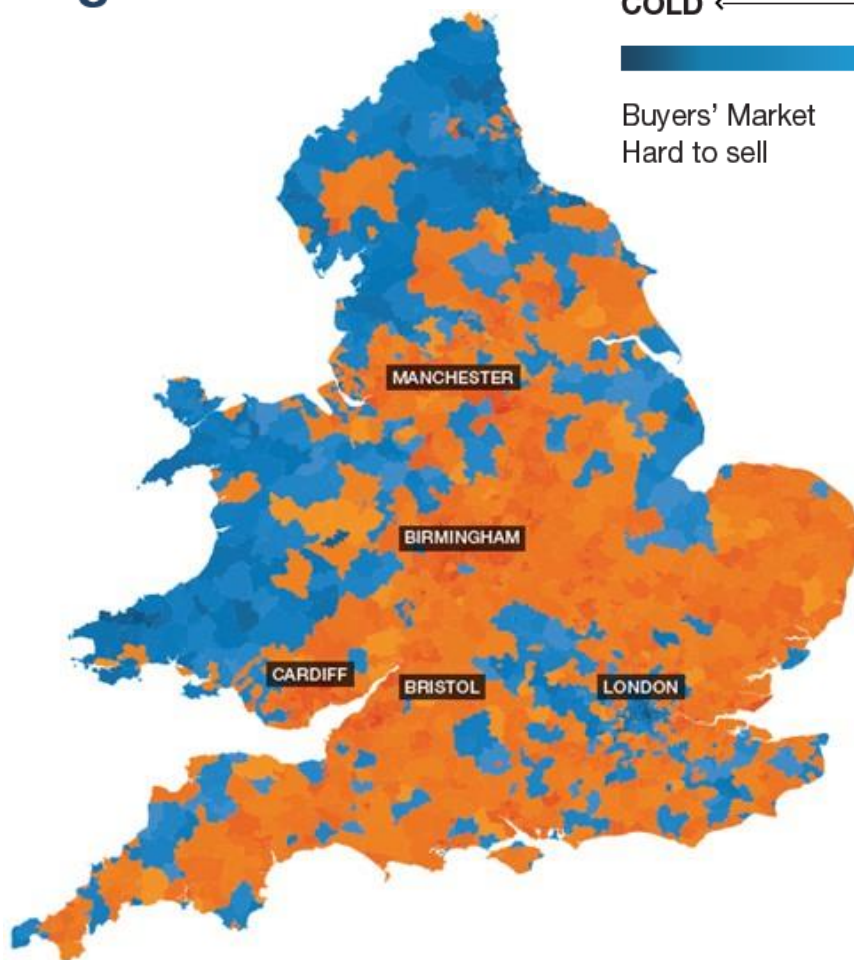
England and Wales

COLD ← ————— → HOT



Buyers' Market
Hard to sell

Sellers' Market
Easy to sell



Tracking buyer demand

The Advisory track current market conditions. So buyers and sellers can gain an independent view of how easy it would be to buy and sell their home in their area. This makes it easier for good agents that are honest about market conditions to value and manage expectations. For example, in BS3 75% of the properties on the market are under offer.

Top 10 hot markets - buyer demand

Postcode	%	Nov 19
M32	71°	Manchester
B44	70°	Birmingham
BS7	70°	Bristol
BS3	70°	Bristol
BS5	69°	Bristol
S11	68°	Sheffield
BS6	66°	Bristol
S17	66°	Sheffield
BH17	66°	Poole
S10	65°	Sheffield

Top 10 cold markets - buyer demand

Postcode	%	Nov 19
EC2	9°	London
L2	9°	Liverpool
WC2	9°	London
W1	10°	London
SW10	13°	London
L1	13°	Liverpool
NW8	13°	London
SW1	14°	London
W2	14°	London
SW5	14°	London

Source: [The Advisory](#)