

February 2024

The UK's most comprehensive property price report

This report is to help give everyone – industry and consumers – a quick five-minute guide to what's happening in the property market, according to the property indices, along with property expert Kate Faulkner's comments.

Property price and market indices headlines:

Rightmove

Tentatively promising new year start as buyer and seller activity jump

"Average new seller asking prices rise by 1.3% month-on-month to £359,748, the biggest December to January increase in prices since 2020, though average prices are still 0.7% lower than at this time last year."

Home.co.uk

Prices hold firm on rate cut optimism and falling stock

"Asking prices remain unchanged since last month across England and Wales but are down year-on-year by just 0.5% vs. Jan 2023."

RICS

Outlook for sales market activity continues to improve gradually

"House price declines continue to moderate at the national level, with respondents now anticipating a flat trend over the year ahead."

Nationwide

House prices begin 2024 on a more upbeat note

"UK house prices rose by 0.7% in January, after taking account of seasonal effects. This resulted in an improvement in the annual rate of house price growth from -1.8% in December to -0.2% in January, the strongest outturn since January 2023."

Halifax

Positive start to 2024 for UK house prices

"Average house prices rose by +1.3% in January, the fourth monthly rise in a row."

e.surv

Annual prices still falling in January

"House prices in England and Wales saw a slight increase this month, rising by £620 (0.2%) to reach a level last seen in February 2022. This marks only the second time in the past 15 months that prices have grown by more than 0.1%."

Zoopla

UK house price inflation moderates to -0.8% on rising sales volumes

"Our UK house price index recorded annual price falls of -0.8% in December 2023, up from a -1.4% low in October 2023."

What are the indices saying is happening to house prices today versus the past?

National property price tracking

	High 2007/08	Low 2009	How much did prices fall?	Latest price vs 2007/08 high	Nov-23	Dec-23	Jan-24	Annual Change	Annual Average (05 - 24)		
Rightmove	£241,474	£213,570	13.1%	49.0%	£362,143	£355,177	£359,748	-0.7%	3.4%	Asking prices	E & W
Home.co.uk	£258,531	£239,607	7.9%	35.1%	£351,696	£349,226	£349,400	-0.5%	n/a	Asking prices	E & W
Nationwide	£184,131	£147,746	24.6%	39.9%	£258,557	£257,443	£257,656	-0.2%	2.8%	Mortgaged only	UK
Halifax	£199,766	£157,767	26.6%	45.7%	£283,615	£287,105	£291,029	2.5%	3.1%	Mortgaged only , seasonally adjusted	UK
e.surv	£231,829	£197,145	17.6%	55.7%	£358,337	£362,187	£361,029	-3.6%	3.5%	Actual prices, includes cash sales	E & W
Zoopla	£178,128	£153,449	16.1%	48.4%	£264,500	£264,400	n/a	-0.8%	n/a	Sold prices, mortgage valuations and agreed sales	UK
UK HPI	£190,032	£154,452	23.0%	49.9%	£284,950	n/a	n/a	-2.1%	3.4%	Sold prices, includes cash sales and new builds	UK

This month's indices are super useful to everyone in the property market. The reason being is they clearly show that all the predictions of the property market crashing in 2023 were, basically, very wrong!

In a recent interview with BBC Radio Nottingham, I gave examples of properties that had gone up, down and stayed the same, going right back to the last recession in 2007/8. The individual sold property price data we have access to is really useful to show buyers and sellers that the main people they should talk to to find out what's happening property wise is: their local agent.

In the meantime, the best information and analysis from this month's property indices is that demand, instructions and indeed sales agreed appear to be better than they were versus last year, which is a great start to 2024.

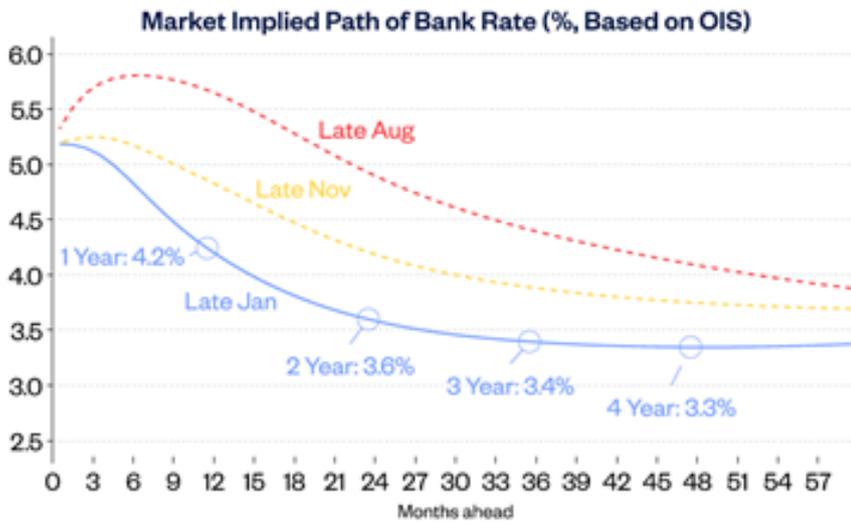
And, hopefully this should continue with lenders competing mortgage rates down to sub 5%, although Zoopla's conclusion is that it's "Important not to over-interpret the positive start to the year – there is some upside for sales volumes, but we remain in a buyers' market."

Rightmove

- The number of new properties coming onto the market for sale is 15% higher than in the same period last year.
- Buyer demand in the first week of 2024 is also 5% higher than in the same period last year. However, competitive pricing from sellers is still vital, with the number of new properties coming to market outpacing the rise in demand.
- The number of sales agreed is 20% higher than during the first week of last year, indicating a strong return of buyer confidence when compared with the unsettled post-mini-Budget period a year ago.
- The average 5-year mortgage rate is now 4.86%, compared to 6.11% at the July 2023 peak. While there may be more surprises to come, early indicators suggest a more stable year for the mortgage market after its volatility from September 2022 onwards.

Nationwide

- UK house prices rose 0.7% month on month in January.
- There have been some encouraging signs for potential buyers recently with mortgage rates continuing to trend down.



"If average mortgage rates were to trend down to 4%, this would ease the mortgage payments burden to 34% of take-home pay (assuming house prices and earnings are unchanged). However, other things equal, mortgage rates of 3% (still well above the lows seen in the wake of the pandemic) would be needed to bring this measure of affordability back towards its long run average."

Halifax

- The average house price in January was £291,029, up +1.3% or, in cash terms, £3,924 compared to December 2023.
- This is the fourth consecutive month that house prices have risen and, as a result, the pace of annual growth is now +2.5%, the highest rate since January last year.
- Northern Ireland recorded the strongest growth across all the nations or regions within the UK.
- South East England continues to see most downward pressure on house prices.

Home.co.uk

- The total sales stock count for England and Wales has fallen again. The current total of unsold property is 423,827, around 15,000 less than last month and typical for the time of year.
- The number of new instructions entering the market in December 2023 was only 3% more than during December 2022. This is a remarkably small increase given the market chaos caused by the doomed Truss-Kwarteng mini-budget, which led to a shock drop in prices of 2.4% in just one month.
- The Typical Time on Market for unsold property in England and Wales rose by twelve days during December, again in line with seasonal expectations. The current median is 112 days; in pre-COVID January 2020, the same measure was 120 days.

e.surv

- Monthly prices are now showing a small increase.
- North East continues as the only region with price gains over the year.
- Transactions remain at lowest levels of last seventeen years.

Zoopla

- Demand up 12% year-on-year, led by London and East of England.
- Sales agreed up 13% year on year - sales up across all regions.
- Available homes for sale over 20% higher than a year ago.
- A fifth of sellers having to accept more than 10% below the asking price to secure a sale, closer to 1 in 4 across southern England.

How different are the country and regional property stats this month?

This month's country stats from Land Registry show that over time, the property inflation stats show that Wales and Northern Ireland have grown less than the long-term inflation since 2005, while Scotland and England are just in line. So, in spite of the huge rises and falls since 2005, in the main, property prices by country are either rising over time with general inflation – or just below.

Their stats on a year on year basis show that Scotland and Northern Ireland, up to November time, were up year on year while England and Wales were slightly down, but nothing like the huge forecasted falls.

Nationwide's quarterly mortgaged only sales actually show that Scotland is just up year on year, while Northern Ireland is 4.5% up versus Q4 in 22 – which considering the rises in mortgage rates throughout 2023, is quite an incredible result. Meanwhile, they agree with the Land Registry that prices in England and Wales are slightly down year on year.

Property prices by country

Property Prices - Countries	Land Registry latest data Nov 23/ Q3 23	Land Registry year on year change in price Nov 23/Q3 23	Land Registry annual average increase since 2005	Nationwide latest data Q4 23	Nationwide year on year change in price Q4 23
England	£301,613	-2.9%	3.4%	£296,231	-2.9%
Wales	£212,866	-2.4%	2.9%	£201,730	-1.9%
Scotland	£194,006	2.2%	3.9%	£179,208	0.5%
Northern Ireland (Q3)	£180,000	2.1%	2.5%	£184,593	4.5%

On a regional basis, we have data from the Land Registry, Home.co.uk and Halifax monthly while Nationwide monitor this on a quarterly basis.

What's good about the data is that, bar London and the South, even though the average national prices vary a lot from one indices to another, regional data varies a lot less.

For example, nationally, Rightmove typically has the highest monthly average price: £359,748 while the lowest is Nationwide at £257,656, which is a staggering 39%+ difference!

And if you look at London prices in particular, they also range dramatically between the indices with Rightmove showing the highest average of £664,550 versus the lowest – which is the Land Registry at £505,283, a 31% difference. There is also a big difference in the 'performance' of London according to the different indices, with the Halifax and Rightmove showing falls of less than half a percent, while the Land Registry shows the highest fall of 6%, a significant difference.

The South East, East and South West showing the highest falls, are likely to be worst affected due to reliance and need for larger mortgages. Regions that are showing a positive market according to Halifax and Home.co.uk are: North East and West and Yorkshire and Humber, whilst Rightmove also records positive price movement for the North West and Yorkshire/Humber region.

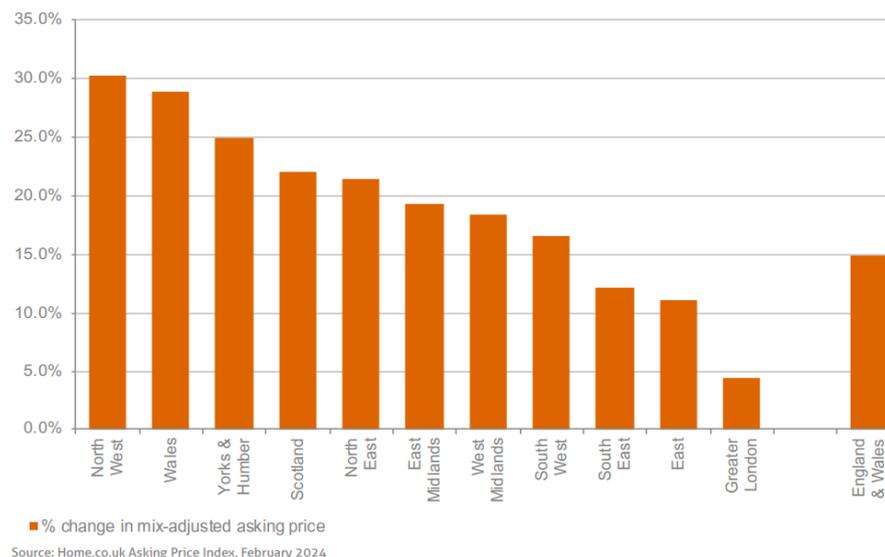
However, it's important to note two things. Firstly, the falls are pretty minute, mostly just a few percent. And secondly, that compared to 2019, which is the best 'base year' we have for the market pre the pandemic, that most home owners have seen good price growth during the time they own a property.

Regional property prices tracking

Property Prices - Regions	Land Registry Latest data Nov-23	Land Registry Year on year change in price Nov-23	Rightmove Latest data Jan-24	Rightmove Year on year change in price Jan-24	Home.co.uk Latest data Jan-24	Home.co.uk Year on year change in price Jan-24	Halifax Latest data Jan-24	Halifax Year on year change in price Jan-24	Nationwide Latest data Q4 23	Nationwide Year on year change in price Q4 23
North East	£159,871	-0.4%	£179,557	-0.1%	£190,546	3.3%	£169,505	2.0%	£155,577	-0.8%
North West	£213,333	-2.0%	£251,815	1.2%	£263,444	3.8%	£229,707	3.2%	£206,584	-1.0%
Yorkshire & The Humber	£209,526	-0.8%	£236,695	0.6%	£244,028	1.4%	£207,602	2.8%	£198,692	-0.5%
East Midlands	£243,577	-3.0%	£279,050	-2.7%	£278,141	-1.9%	£236,862	0.5%	£225,970	-3.2%
West Midlands	£243,655	-3.4%	£282,952	0.5%	£295,176	0.1%	£251,185	0.7%	£234,115	-2.8%
South West	£319,221	-4.1%	£371,680	0.1%	£371,793	-1.6%	£295,399	-1.4%	£298,597	-2.9%
East	£346,659	-3.3%	£406,622	-2.5%	£388,644	-2.0%	£327,270	-2.0%	£270,903	-5.2%
South East	£385,844	-2.3%	£466,698	-1.5%	£437,106	-1.0%	£379,220	-2.3%	£328,661	-4.5%
London	£505,283	-6.0%	£664,550	-0.5%	£538,593	-1.9%	£529,528	-0.4%	£515,132	-2.4%

What's more useful though is this chart from Home.co.uk which shows a good picture for any sellers looking to move having bought five years – or more – ago. Even with the rise in mortgage costs over the last 18 months, most regional buyers will have seen good price growth, hopefully enough to remortgage at a reasonable rate with a better Loan to Value and/or in a position where they have gained enough equity to trade up – or indeed release some equity and trade down.

5-year Regional Price Growth, Feb 2024 vs. Feb 2019



For Scotland, Wales, and Northern Ireland we monitor:

- *Principality Building Society*
- *Halifax*
- *Zoopla*
- *e.surv*

Please find a summary of the Scottish, Welsh and Northern Ireland markets below:

Summary from the indices of the Scottish housing market

Halifax

“Scotland and Wales both saw positive growth, +4% on an annual basis to £206,087 and £219,609 respectively.”

[e.surv](#)

No change in Scotland's house price over last twelve months

"The average house price in Scotland in November 2023 has fallen by a minimal £16, or 0.0%, over the last twelve months, which is 0.5% lower than the rate seen in October, one month earlier. This is the lowest annual growth rate since May 2016, some seven and a half years earlier.

"14 of the 32 local authorities in Scotland were reporting a positive movement in prices over the previous twelve months, compared with 17 in October. However, as with the previous month, Edinburgh had the largest fall in prices over the year when measured on a weight-adjusted basis, which on its own counterbalanced some 27% of the positive movement in values in the 14 areas with price gains.

"In November, on the mainland, East Renfrewshire had the highest increase in its annual rate of price growth, at 12.0%. In East Renfrewshire, all property types have seen an increase in values over the last twelve months, but particularly semi-detached homes, with average prices rising from £300k in November 2022 to £350k twelve months later. Staying on the mainland, Midlothian has the second-highest annual growth rate at 10.7%. Again, similar to East Renfrewshire, all property types have seen an increase in their average prices, but in Midlothian it is terraced properties that have had the most significant increase, up from an average £205k in November 2022 to £235k one year later.

"At the other end of the scale, the area on the mainland with the largest percentage fall in prices over the last twelve months was Dumfries and Galloway, at -5.4%. In Dumfries and Galloway, all property types saw prices fall over the year, with the largest fall on a weight-adjusted basis being terraced homes, down from an average £140k in November 2022 to £125k one year later."

Summary from the indices of the Welsh housing market

[Principality Building Society](#)

Average house price in Wales falls for fourth consecutive quarter

"There have now been four consecutive quarters of price falls since average prices peaked in Wales at just over £249,000 at the end of 2022. The price of homes fell by more than £5,000 in the fourth quarter of 2023 to a little over £234,000. This is 6% or £15,000 below their recent peak, but still 25% stronger than five years ago.

"Nevertheless, it is the weakest period for the Welsh housing market since the aftermath of the Global Financial Crisis in 2009. The 6% year-on-year decline is relatively modest in nominal terms, given some rather more gloomy forecasts, but of course it is a more significant adjustment in real terms after adjusting for inflationary pressures.

"The 2.2% decline in prices recorded in the quarter is the largest drop in the period December 2020 to December 2023, but with the jobs market appearing resilient and expectations of Bank of England interest rate cuts during 2024, we are now perhaps moving towards a more positive outlook. Certainly, there are already significant cuts in mortgage rates."

Summary from the indices of the Northern Ireland housing market

[Halifax](#)

"Northern Ireland recorded the strongest growth across all the nations or regions within the UK - house prices here increased by +5.3% on an annual basis. Properties in Northern Ireland now cost on average £195,760, which is £9,761 higher than the same time in January 2023."

[Zoopla](#)

"Northern Ireland is an outlier with house prices up 3.2% over 2023."

Commentary on the regional performance by indices is below:

Home.co.uk

“The ‘new normal’ post-COVID continues to favour the northern English regions, Wales and Scotland in terms of price growth. This month’s data shows that the former growth leader, the North East, has been pipped to the top spot by the North West. It is remarkable that these regions, despite all the challenges since late 2022, have managed to retain a state of overall growth. This is clear testament to the considerable demand driven vigour in these markets.

“Meanwhile, it is the East Midlands, South West, East and London that have borne the brunt of the price corrections. The East of England is the current laggard with a fall of 2.0% since January 2023. Should these regions recover their losses and return to growth, the national average figures would almost certainly return to real growth.”

Halifax

“North West (+3.2%), Yorkshire and Humber (+2.8%), North East (+2.0%) and East Midlands (0.5%) also recorded house price increases over the last year.

“The South East fell the most last month when compared to other UK regions, with homes selling for an average £379,220 (-2.3%), a drop of £8,866.

“London retains the top spot for the highest average house price across all the regions, at £529,528, albeit prices in the capital have declined by -0.4% on an annual basis.”

e.surv

“The largest upward change in rates took place in the North East, up by +0.4% on the previous month, making it the only region to have a positive annual rate of growth, at +0.2%. The largest downward movement in rates occurred in the South East, where prices fell by an additional -0.8%, resulting in a decline of -5.7% on an annual basis.

“The three regions with an overall positive change in growth rates were the North East, Greater London and the South West. The seven areas where prices deteriorated further were, in ranked order (smallest to largest), the East Midlands, Wales, Yorkshire and the Humber, the North West, the West Midlands, the East of England and the South East.”

Zoopla

“On a regional basis, we register the largest price falls in the East of England (-2.5%) and the South West (-2.2%).”

City/town property indices price tracking

What's amazing when you look at property price data is the huge differences between regions, but that within those regions, the towns and cities also perform at different rates.

Over time, out of the 30 cities we track, since 2005, property prices have only risen above the average annual 3.8% inflation rate in only seven cities/towns. These include:-

- Manchester
- Bristol
- Cambridge
- Oxford
- Brighton and Hove
- London
- Edinburgh

Milton Keynes property prices are on a par with the average annual rate of inflation.

All the remaining towns and cities have seen their average property prices grow at less than inflation – which is not something anyone would realise if they took their understanding of property prices trends from the media.

The following towns and cities price growth 'on average' are performing well below inflation:-

- Newcastle
- Belfast
- Aberdeen
- Southampton
- Nottingham

Topping the price growth charts according to Land Registry and Hometrack:-

From a year on year basis, Edinburgh, Manchester and Oxford appear to be performing well historically and also year on year. Meanwhile Brighton and Hove appears to have lost some of it's historic steam, along with Cambridge and London.

Land Registry's top 5 performers:	YoY	Hometrack's top 5 performers:	YoY
Oxford	5.7%	Belfast (Q3)	4.0%
Edinburgh	4.0%	Glasgow	1.5%
Bradford	1.6%	Edinburgh	1.3%
Manchester	1.6%	Bradford	0.9%
Belfast (Q3)	1.3%	Liverpool	0.9%

Lowest performers are:

Land Registry's lowest 5 performers:	YoY	Hometrack's lowest 5 performers:	YoY
Reading	-8.2%	Norwich	-3.9%
Croydon	-7.9%	Aberdeen	-2.9%
Tunbridge Wells	-7.7%	Southampton	-2.7%
Cambridge	-6.0%	Brighton and Hove	-2.5%
London	-6.0%	Portsmouth	-2.3%

“In December 2023, only 11 of the 111 Unitary Authority areas in England and Wales were recording house price gains over the previous twelve months, which is 8 fewer authorities with price rises over the year than in November 2023.

“The area with the highest annual increase in prices in December 2023 is Gwynedd in Wales, up by 6.4%. In Gwynedd, prices for both detached and semi-detached homes have increased over the last twelve months, with the most significant increase on a weight-adjusted basis being detached properties, up from an average £345k in December 2022 to £370k one year later.

“By way of contrast, the area with the largest fall in prices over the last twelve months was – perhaps ironically given its proximity to Gwynedd - Denbighshire. In Denbighshire, prices have fallen by 16.1% over the year, with the largest fall in average values being detached properties, down from an average £310k in December 2022 to £245k in December 2023. However, it is perhaps likely that this had more to do with the attributes of the individual houses sold in the period, as opposed to a collapse in the housing market.”

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	Land Registry latest data Nov 23/Q3 23	Land Registry Year on year change in price Nov 23/Q3 23	Annual average increase since 2005	Hometrack latest data Dec-23	Hometrack Year on year change in price Dec-23
Belfast (Q3)	£213,626	£87,890	£165,949	1.3%	2.4%	£170,200	4.0%
Glasgow	£130,473	£96,139	£175,665	0.8%	3.2%	£146,300	1.5%
Edinburgh	£225,750	£183,029	£345,124	4.0%	4.0%	£269,900	1.3%
Aberdeen	£171,220	£146,598	£140,414	0.3%	2.6%	£139,900	-2.9%
Cardiff	£170,496	£139,651	£268,479	1.1%	3.1%	£252,600	0.1%
Newcastle upon Tyne	£164,935	£133,086	£193,032	0.1%	1.8%	£153,000	0.5%
Bradford	£139,640	£111,109	£179,053	1.6%	3.2%	£157,300	0.9%
Liverpool	£130,249	£103,705	£177,521	-1.1%	2.8%	£157,400	0.9%
Leeds	£161,439	£130,128	£242,238	-0.6%	3.1%	£209,000	0.6%
Sheffield	£144,875	£120,193	£217,090	-2.0%	3.4%	£172,000	0.4%
Manchester	£140,431	£111,679	£238,461	1.6%	5.1%	£223,000	0.4%
Lincoln	£128,707	£106,017	£179,175	-4.2%	2.8%	n/a	n/a
Nottingham	£119,010	£93,696	£184,054	-3.5%	2.7%	£201,800	-0.6%
Norwich	£166,498	£123,698	£249,434	0.5%	3.6%	£263,700	-3.9%
Peterborough	£156,264	£123,752	£240,811	-1.8%	3.2%	£216,600	-1.9%
Birmingham	£148,578	£122,773	£225,934	-3.1%	2.9%	£208,100	-0.1%
Leicester	£135,317	£110,071	£234,158	0.8%	3.7%	£225,400	-1.8%
Milton Keynes	£194,666	£147,827	£322,934	-0.4%	3.8%	£312,500	-1.8%
Gloucester	£169,008	£129,203	£245,974	-2.8%	2.9%	£229,100	-2.2%
Oxford	£289,855	£223,319	£507,001	5.7%	4.2%	£444,500	-0.6%
Cambridge	£283,241	£224,469	£501,287	-6.0%	4.4%	£470,100	-1.9%
Bournemouth, Christchurch & Poole	£206,227	£163,937	£331,174	-5.9%	3.3%	£334,300	-1.9%
Southampton	£168,795	£134,665	£239,156	-4.6%	2.6%	£257,400	-2.7%
Portsmouth	£169,633	£130,868	£247,630	-4.2%	2.9%	£278,300	-2.3%
Brighton and Hove	£257,108	£202,054	£439,286	-1.2%	4.2%	£402,000	-2.5%
Reading	£216,724	£176,087	£302,496	-8.2%	2.9%	£406,200	-1.2%
Croydon	£248,005	£199,415	£395,865	-7.9%	3.5%	n/a	n/a
Tunbridge Wells	£279,413	£217,421	£439,991	-7.7%	3.4%	n/a	n/a
Bristol	£195,196	£153,648	£353,544	-2.8%	4.5%	£338,300	-1.5%
London	£298,596	£245,351	£505,283	-6.0%	4.2%	£536,800	-1.1%

Appendix: City/town property indices price tracking

For city/town tracking, we use Land Registry (government data) and Zoopla/Hometrack. The Land Registry data is useful because we can analyse how property prices have changed over time and this helps us to put today’s price information into context.

The Zoopla/Hometrack data is useful as they take into account the change in mix of property transactions during the pandemic to houses away from flats. This has meant the likes of the Land Registry and other indices have over exaggerated price changes year on year.

Demand and supply

Although much of the ‘noise’ about the property market is about property prices in the media, from an industry perspective, the most important data is what’s happening to transactions.

Unlike property prices, transactions tend to be easier to understand and predict, which for anyone trying to forecast for their property business, is useful.

On average, since 2000, the market has moved 1.2 million households a year since 2000. In 2020, even with the lockdowns we moved 1mn households, then 1.6 million in 2021 and 1.3 million in 2022.

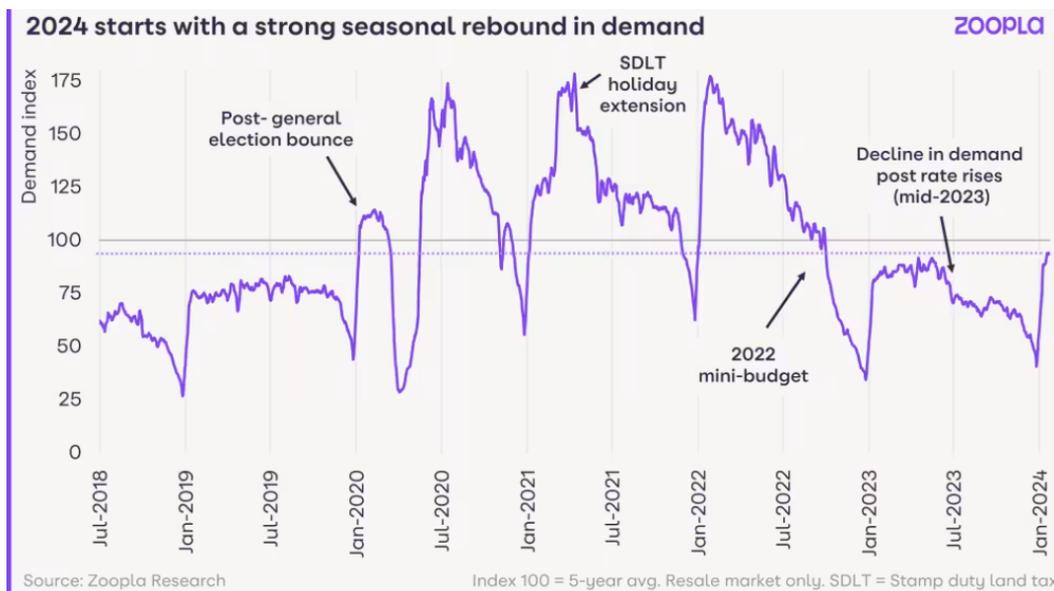
So it shouldn’t have been a huge surprise that in 2023 while mortgage rates were rising, there were only just over 1 million transactions – especially as Zoopla predicted it at the start.

For 2024, the forecasts for transactions are similar to last year, picking up during 2025 and rising back to the annual ‘norm’ of 1.2mn by 2026:

Forecasted UK transactions (millions)	2024	2025	2026	2027	2028
	1 - 1.04	1.1 - 1.13	1.16 - 1.2	1.16 - 1.2	1.16 - 1.2

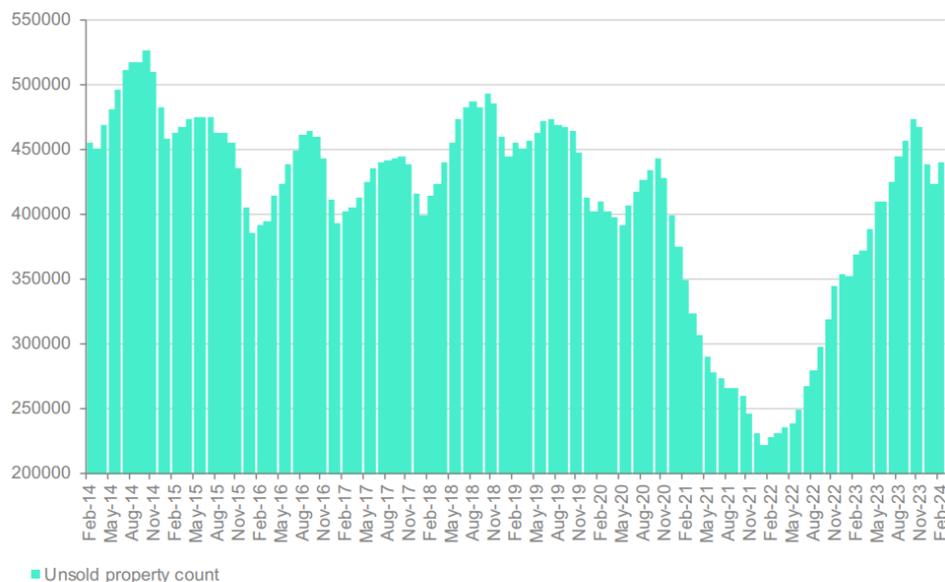
Source: [Savills](#); [JLL](#); [Zoopla](#)

Demand wise, Zoopla’s data shows that demand for this year is starting quite strong, especially compared to pre-pandemic data during 2019:



And, although demand isn't bouncing back as well as supply, the more buyers and sellers there are around, the more likely the market will get back to normal transaction levels:

Total Stock of Property for Sale, England and Wales



Source: Home.co.uk Asking Price Index, February 2024

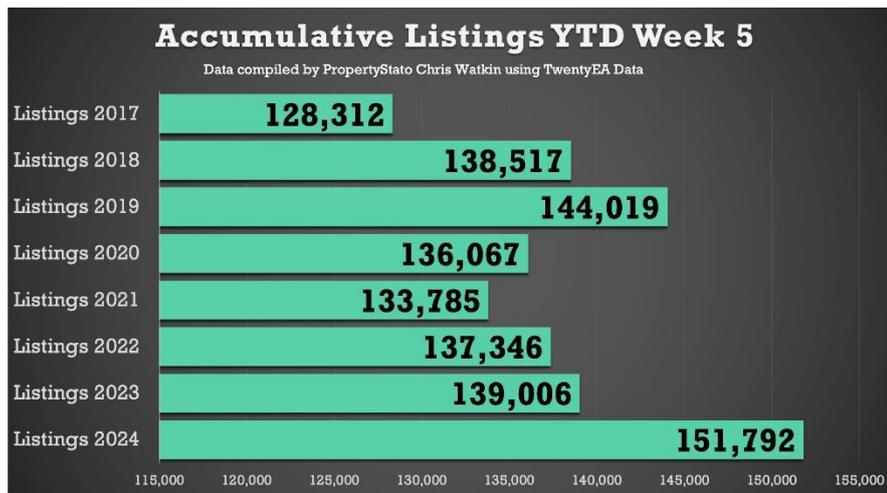
And hopefully we'll see some increases in the time it takes to sell a property to help boost cashflow:

% Change in Typical Time on Market, Feb 2024 vs. Feb 2019



Source: Home.co.uk Asking Price Index, February 2024

Overall, so far, from a demand and supply perspective, it's starting to look like this year may be a slightly better year than last year as although prices may not rise by much and some may even fall a bit, what the industry needs is more people moving.

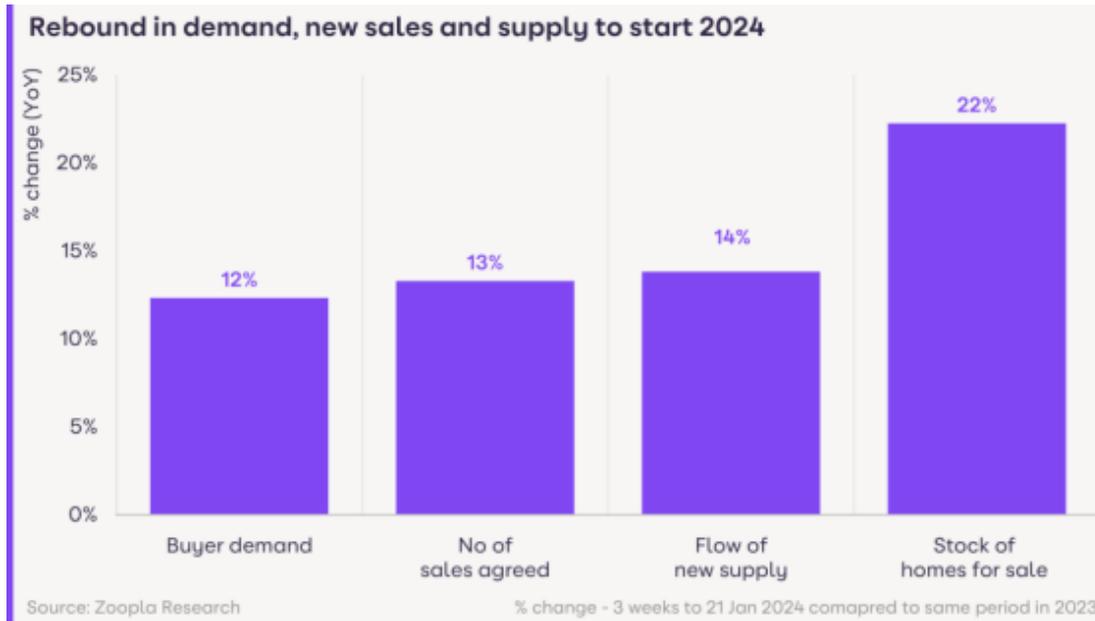


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2024 starts with rebound in sales market activity

“Housing demand and sales agreed have registered a strong seasonal rebound over the first three weeks of 2024 as sub-5% mortgage rates support market activity. Buyer demand is 12% higher than a year ago but remains 13% below the five-year average, which includes the pandemic ‘boom years’ (2021-2022).

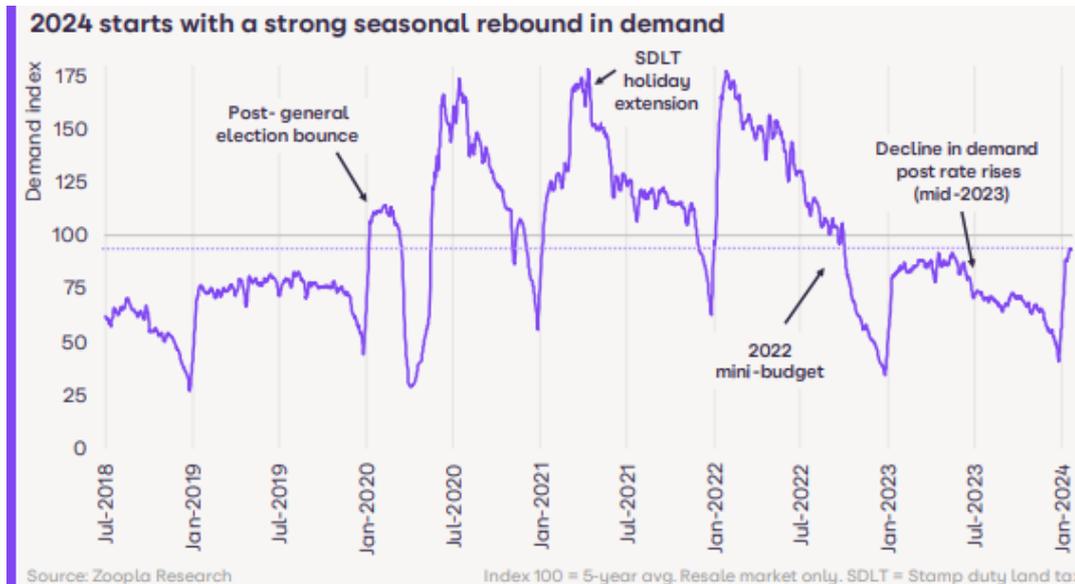
“It’s a positive start, reflecting a return of pent-up demand following a weak 2023 H2, when many buyers delayed moving decisions in the face of rising mortgage rates.”



All measures of sales activity are up year-on-year

“We reported an increase in sales agreed in the final weeks of 2023 and this trend has continued into 2024. New sales agreed are 13% higher than last year and higher across all countries and regions. Sales are up the most in Yorkshire and the Humber (+19%) and the West Midlands (+17%). This is evidence that buyers and sellers are becoming more aligned on pricing.

“A greater flow of homes listed for sale also indicates that sellers, many of whom are also buyers, feel more confident. Overall supply is 22% higher than last year. The average estate agent has 28 homes for sale, boosting buyers’ choice and keeping prices in check.”



What are the current hottest and coldest postcodes?

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.

It's important to know that although many areas aren't having a great time sales wise just now, at postcode level the picture can either be worse or much better as the data below highlights. It also shows that serious buyers and sellers need to understand their local markets, from the agents to know whether it's a good time to buy or sell.

This makes it easier for good agents that are honest about market conditions to value and manage expectations. For example, in BS6 and 5 (Bristol), 70% and 68% of the properties on the market are under offer, in contrast, B4 (Birmingham) and W1 (London) being the worst performers according to this index, with only 4% and 9% of properties on the market under offer, showing that 'average property prices' can mislead buyers and sellers.

From PropCast's perspective, the hot markets at postcode level don't necessarily track the overall increases and decreases seen even at town and city levels, with Bristol, Manchester and Sheffield having some of the busiest markets, and Birmingham, London and Liverpool having some of the slower ones.

To find out what's happening in your postcode visit the [House Selling Weather Forecast here](#).

Top 10 hot markets - buyer demand

Postcode	%	Feb 24
BS6	70	Bristol
BS5	68	Bristol
M18	66	Manchester
S5	66	Sheffield
BH17	66	Poole
BS3	66	Bristol
S6	65	Sheffield
B30	65	Birmingham
RG30	65	Reading
S8	64	Sheffield

Top 10 cold markets - buyer demand

Postcode	%	Feb 24
B4	4	Birmingham
W1	9	London
L2	9	Liverpool
LN13	10	Alford
EC2	12	London
L1	12	Liverpool
WC2	13	London
NW8	13	London
SW8	13	London
SW1	14	London

Source: [TheAdvisory](#)

Where is the market going?

Nationwide

“While a rapid rebound in activity or house prices in 2024 appears unlikely, the outlook is looking a little more positive. The most recent RICS survey suggests the decline in new buyer enquiries has halted, while there are tentative signs of a pickup in the number of properties coming onto the market.

“How mortgage rates evolve will be crucial, as affordability pressures were the key factor holding back housing market activity in 2023. Indeed, at the end of 2023, a borrower earning the average UK income and buying a typical first-time buyer property with a 20% deposit had a monthly mortgage payment equivalent to 38% of take-home pay – well above the long run average of 30%.

“If average mortgage rates were to trend down to 4%, this would ease the mortgage payments burden to 34% of take-home pay (assuming house prices and earnings are unchanged). However, other things equal, mortgage rates of 3% (still well above the lows seen in the wake of the pandemic) would be needed to bring this measure of affordability back towards its long run average.”

Halifax

“Looking ahead, affordability challenges are likely to remain and further modest falls should not be ruled out, against a backdrop of broader uncertainty in the economic environment.”

Zoopla

Don't get carried away – it remains a buyers' market

“The rebound in activity in the first weeks of 2024 is positive news but it's important not to over-interpret what this might mean for 2024. Mortgage rates fell to 4.2% over Q1 2023, which supported sales volumes and led to firmer pricing and modest price falls over 2023. We expect lower mortgage rates to do the same in 2024 – supporting sales volumes rather than having any impact on prices.

“We believe that house prices will be kept in check by several factors. Firstly, a greater supply of homes for sale will provide buyers with more choice, especially for larger family homes. Secondly, half of those with a mortgage are yet to refinance onto higher rates. This is important as many would-be buyers are upsizers who will need a larger mortgage to move to a bigger home. Higher repayments will ensure buyers remain price sensitive and focused on value for money.

“Thirdly, our data shows we are still in a buyers' market. A small but not insignificant number of sellers continue to cut asking prices to make sure homes attract buyer interest, continuing the trend from 2023. Furthermore, over 1 in 5 sellers are still having to accept more than 10% off the asking price to agree a sale. This is close to 1 in 4 across London and the South-East and rising across the rest of the UK.

“Sellers must continue to price realistically if they are serious about moving in 2024. Improved market conditions will boost the chances of a sale, but sellers shouldn't expect to list at a higher asking price.”

Outlook

“The adjustment to higher mortgage rates was always going to take longer than a year, especially given the modest fall in house prices over 2023. Lower mortgage rates are welcome news, but it seems unlikely rates will fall much further in the near term, remaining in the 4-5% range with the best deals for those with big deposits. This will support more sales rather than price rises in 2024m something businesses should welcome as volumes need to recover from the lows of 2023.”