

## Your March guide to what the property price indices are reporting

Despite the optimism reported in the indices, the changes month on month to property prices are still pretty insignificant. Over the last few months, they are either staying the same or fluctuating up and down slightly.

However, that doesn't mean there is any particular bad news as indications that the market is stabilising are good – bearing in mind prices were expected to fall further this year.

	High 2007/08	Low 2009	How much did prices fall?	Latest price vs 2007/08 high	Dec-23	Jan-24	Feb-24	Annual Change	Annual Average (05 - 24)		
<b>Rightmove</b>	£241,474	£213,570	13.1%	50.3%	£355,177	£359,748	£362,839	0.1%	3.5%	Asking prices	E & W
<b>Home.co.uk</b>	£258,531	£239,607	7.9%	35.4%	£349,226	£349,400	£349,965	-0.1%	n/a	Asking prices	E & W
<b>Nationwide</b>	£184,131	£147,746	24.6%	41.4%	£257,443	£257,656	£260,420	1.2%	2.9%	Mortgaged only	UK
<b>Halifax</b>	£199,766	£157,767	26.6%	46.0%	£287,105	£291,029	£291,699	1.7%	3.1%	Mortgaged only , seasonally adjusted	UK
<b>e.surv</b>	£231,829	£197,145	17.6%	56.7%	£362,187	£361,029	£363,249	-2.9%	3.6%	Actual prices, includes cash sales	E & W
<b>Zoopla</b>	£178,128	£153,449	16.1%	48.0%	£264,400	£263,600	n/a	-0.5%	n/a	Sold prices, mortgage valuations and agreed sales	UK
<b>UK HPI</b>	£190,032	£154,452	23.0%	49.8%	£284,691	n/a	n/a	-1.4%	3.4%	Sold prices, includes cash sales and new builds	UK

### Property price and market indices headlines:

#### Rightmove

##### **Early-bird buyers build market momentum but price sensitivity remains**

*“Average new seller asking prices rise by 0.9% this month to £362,839. The annual price change moves tentatively back into positive territory after 6 months of annual price falls, with prices up by 0.1% on a year ago.”*

#### Home.co.uk

##### **Spring optimism permeates the market**

*“Asking prices show a spring lift of 0.2% since last month across England and Wales but are down year-on-year, albeit by a mere 0.1% vs. Feb 2023.”*

#### RICS

##### **Sales volumes expected to recover further over the coming months**

*“House price declines continue to ease, with London seeing a largely stable trend emerge.”*

#### Nationwide

##### **Annual house price growth returns to positive territory for first time in over a year in February**

*“UK house prices rose 0.7% month on month in February.”*

#### Halifax

##### **House prices rise for fifth consecutive month**

*“Average house prices rose by +0.4% in February, the fifth monthly rise in a row.”*

#### e.surv

##### **Prices up by £3,000 in February...largest rise in prices in the last 17 months**

*“On a monthly basis, house prices have risen, in this instance by a significant £3,000, or 0.8%, in February 2024, and now stand at a level first seen in February 2022. This is the highest monthly increase since September 2022, some seventeen months ago.”*

#### Zoopla

##### **The positive momentum in the housing market continues**

*“UK house price inflation slows to -0.5% on rising sales volumes.”*

The best news from the indices though is the consistency of feedback that sales are up by 16% (Rightmove), 14% (Home.co.uk) and according to Zoopla, *“Sales momentum has been recovering for 5 months and we are on track for 10% more sales (1.1m) in 2024 than last year”*.

Additional highlights from this month's indices include:

### Rightmove

- *Agreed sales in the first six weeks of 2024 are 16% higher than over the same period last year, and 3% higher than in the more normal market of 2019, indicating that many early-bird buyers feel that 2024 offers the right conditions to mover.*
- *The growing market momentum is also evidenced by the increase in activity of both buyers and sellers on Rightmove with 7% more new listings coming to market than last year, and a 7% upturn in the number of buyers enquiring.*
- *However, the market remains very price-sensitive, and appears to be operating at two speeds, with properties that are priced accurately being snapped up by budget-conscious buyers, whilst over-priced properties are left on the shelf:*
  - *It's taking more than two weeks longer to find a buyer than at this time last year, with the average time to sell at its slowest since 2015, excluding the initial pandemic lockdown months of April & May 2020.*
  - *Rightmove analysis shows that sellers who price right initially are far more likely to sell quickly.*

### Nationwide

- *Annual rate of change returned to positive territory for first time since January 2023 - prices up 1.2% year on year.*
- *Borrowing costs remain well below the highs recorded last summer but, if the recent upward trend is sustained, it threatens to restrain the pace of any housing market recovery.*

### Home.co.uk

- *The total sales stock count for England and Wales has risen in line with seasonal expectations. The current total of unsold property is 440,674, around 16,800 more than last month.*
- *The number of new instructions entering the market during January 2024 was 14% more than during January 2023. Compared to pre-COVID January 2019, supply is slightly down (by 2%).*
- *The Typical Time on Market for unsold property in England and Wales remains unchanged since January. The current median is 112 days; in pre COVID February 2020, the same measure was 116 days.*

### e.surv

- *Although the annual average sale price of completed home transactions using cash and/or mortgages in England and Wales fell in February 2024 by some £10,750, or -2.9%, to £363,249, this still represents a near 1% gain over the -3.8% fall in the annual rate seen in January (revised).*
- *Transactions remain at lowest levels since 2013.*

### Zoopla

- *Sales momentum has been recovering for 5 months and we are on track for 10% more sales (1.1m) in 2024 than last year.*
- *All measures of activity higher with sales agreed up 15%.*
- *A fifth more homes for sale than last year as sellers return.*
- *Seven regions with positive annual price inflation, price falls in five.*

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

Country stats from Land Registry and Nationwide, despite measuring the market some months apart, are showing a fairly similar performance, with England and Wales down, albeit only a few percent. Meanwhile, defying the rhetoric about property prices falling, Scotland and Northern Ireland are just in the positive territory.

However, these 'high level' averages, often reported by the media as a reflection of the property market couldn't be more misleading.

As the regional data below shows, for England, prices may be down by 2-3%, but with variations of falls from -5.2% in the East (Nationwide) to +4.4% in the North West (Halifax), so pretty much wherever anyone lives, country rises and falls do not help buyers, sellers and home owners understand what's really going on with property prices.

### Property prices by country

Property Prices - Countries	Land Registry latest data Dec 23/ Q4 23	Land Registry year on year change in price Dec 23/Q4 23	Land Registry annual average increase since 2005	Nationwide latest data Q4 23	Nationwide year on year change in price Q4 23
England	£302,164	-2.1%	3.5%	£296,231	-2.9%
Wales	£213,816	-2.5%	2.9%	£201,730	-1.9%
Scotland	£190,341	3.3%	3.8%	£179,208	0.5%
Northern Ireland (Q4)	£177,611	1.4%	2.5%	£184,593	4.5%

### For Scotland, Wales, and Northern Ireland we monitor:

- 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

[e.surv](#)

#### **No change in Scotland's house price over last eighteen months...**

*"The average house price in Scotland in December 2023 has fallen by a minimal £93, or 0.0%, over the last twelve months, which is 0.2% lower than the revised rate seen in November, one month earlier. This is the lowest annual growth rate since May 2016, some seven and a half years earlier.*

*"16 of the 32 local authorities in Scotland were reporting a positive movement in prices over the previous twelve months, compared with 14 in November, perhaps presaging a potential upturn in house prices at the start of 2024.*

*"In December, East Renfrewshire had the highest annual rate of price growth of all local authority areas on the mainland, at 9.1%. Staying on the mainland, Midlothian has the second-highest annual growth rate at 8.2%.*

*"At the other end of the scale, the area on the mainland with the largest percentage fall in prices over the last twelve months, for the second month running, was Dumfries and Galloway, at -8.4%."*

[Zoopla](#)

*"Our index shows Scottish house prices remaining in positive territory over the whole of the last year."*

## Summary from the indices of the Welsh housing market

### Halifax

“Wales (+4.1%) also recorded strong increases over the last year.”

## Summary from the indices of the Northern Ireland housing market

### Halifax

“Northern Ireland is the strongest performing nation or region in the UK – house prices here increased by +5% on an annual basis. Properties in Northern Ireland now cost an average £195,956, which is £9,359 more than the same time in February 2023.”

## Regional property prices tracking

Property Prices - Regions	Rightmove	Rightmove	Home.co.uk	Home.co.uk	Nationwide	Nationwide	Halifax	Halifax	Zoopla	Land Registry	Land Registry
	Latest data Feb-24	Year on year change in price Feb-24	Latest data Feb-24	Year on year change in price Feb-24	Latest data Q4 23	Year on year change in price Q4 23	Latest data Feb-24	Year on year change in price Feb-24	Year on year change in price Feb-24	Latest data Dec-23	Year on year change in price Dec-23
North East	£184,370	2.7%	£191,039	2.4%	£155,577	-0.8%	£171,294	4.2%	0.6%	£157,557	-0.8%
North West	£255,145	2.9%	£264,723	3.9%	£206,584	-1.0%	£232,128	4.4%	0.7%	£218,353	1.2%
Yorkshire & The Humber	£243,441	1.5%	£244,686	1.4%	£198,692	-0.5%	£208,128	3.2%	0.3%	£207,501	-1.2%
East Midlands	£279,481	-0.3%	£277,964	-2.1%	£225,970	-3.2%	£239,294	0.9%	-0.8%	£248,390	-1.0%
West Midlands	£283,870	0.9%	£296,372	0.1%	£234,115	-2.8%	£255,333	2.4%	0.3%	£252,532	0.3%
South West	£374,738	-0.7%	£371,439	-1.2%	£298,597	-2.9%	£300,133	0.2%	-1.7%	£318,966	-2.2%
East	£408,737	-1.9%	£389,694	-1.9%	£270,903	-5.2%	£329,927	-0.8%	-2.1%	£342,489	-3.8%
South East	£471,749	-1.0%	£438,443	-0.3%	£328,661	-4.5%	£385,228	-0.6%	-1.9%	£377,162	-4.6%
London	£682,989	0.2%	£537,605	-1.0%	£515,132	-2.4%	£536,996	1.5%	-0.8%	£508,037	-4.8%

There is a real mix of rises and falls in this month’s data, ranging from 5.2% falls in the East according to Nationwide, through to rises of 4.4% in the North West.

The table below shows how many regions are up or down by index:

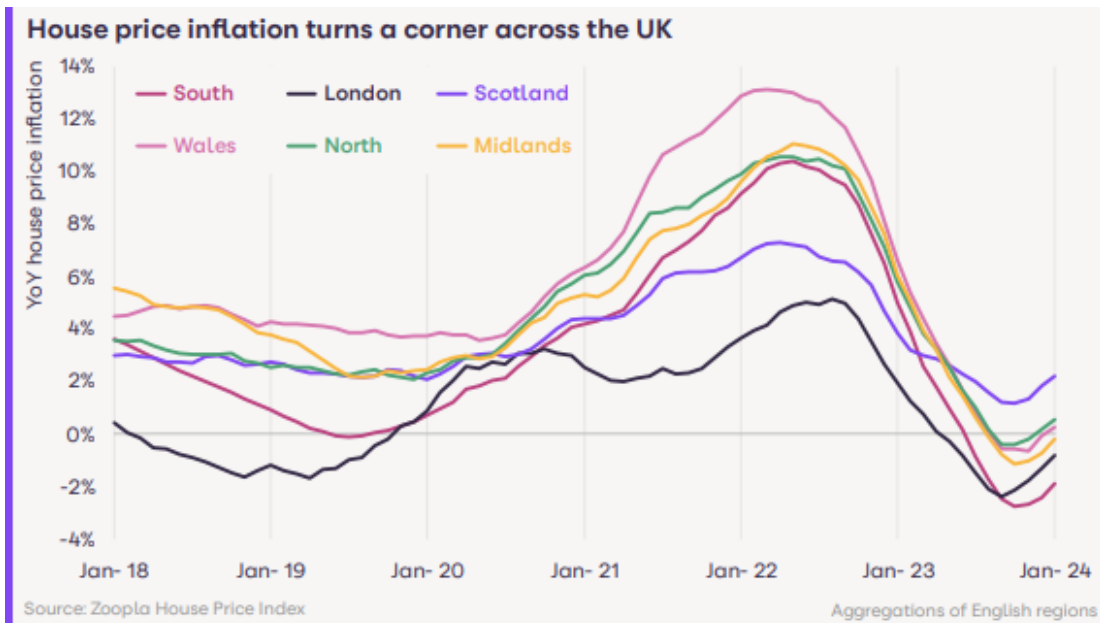
Indices	No of regions up	No of regions down
	Rightmove	5
Home.co.uk	4	5
Nationwide	0	9
Halifax	7	2
Zoopla	4	5
UK HPI	2	7

This throws up some interesting stats, with Rightmove, Home.co.uk (both asking price indices) and Zoopla, measured slightly later in the process, are all in agreement that around half the regions are seeing rises and the other some falls.

Meanwhile, the mortgage indices are really interesting because you’d expect Nationwide and Halifax to agree with each other as they measure the market at mortgage offer stage. However, Nationwide’s measurement is quarterly, and Halifax’s is yearly, which may explain the completely different picture they are both portraying.

Finally, the Land Registry is typically ‘behind’ other indices trend wise as it measures the market post completion.

So the regional data suggests that the market is improving currently and if it continues to do so, we should see more regions recording price rises as opposed to falls.



## Commentary on the regional performance by indices is below:

### Zoopla

*“Slowing price falls is a trend being recorded across all regions and countries of the UK. Five southern English regions are registering annual price falls of up to -2.1%, led by the East of England. House price inflation has moved into positive territory in the remaining four regions of England in addition to Wales, Scotland and Northern Ireland, where annual price inflation is 4.3%.”*

### **A three-speed housing market**

*“Higher mortgage rates and cost of living pressures have driven a rapid slowdown in the rate of house price inflation over the last 18 months. There are some notable variations in price inflation across the country which are primarily explained by the relative affordability of housing.*

*“Current housing trends fall into one of three groups.*

1. *Southern England regions - covering East of England, South East and South West regions, these areas have registered the largest annual price falls. Rising mortgage rates and reduced household buying power have hit higher-priced markets harder than more affordable markets. Average home prices are £344,000 in these areas, 30% above the UK average. The pace of price falls is starting to moderate in Southern England, but it's lagging in other areas of the UK.*
2. *London - we see London differently to the rest of southern England. While it is the most expensive housing market, with an average price of £534,000, almost 2x the UK average. However, weak house price inflation over the last seven years has improved affordability and opening the market up to more potential buyers than before.*

*The rebound in demand and low growth in the supply of homes for sale (just 7% in London vs 21% for the UK) explains why house price inflation is rebounding quicker than the southern England regions.*

3. *Rest of the UK - while house price growth has slowed rapidly over the last 12 months, annual price falls have been very limited across the rest of the UK where average house prices are 28% below the UK level. This explains why the impact on buying power from higher mortgage rates outside Southern England has been less pronounced.*

*Our index shows Scottish house prices remaining in positive territory over the whole of the last year. Northern regions of England, the West Midlands and Wales are registering firmer pricing in response to rising sales agreed and better levels of housing affordability.”*

## Home.co.uk

*“Looking at regional price growth over the last five years, it is clearly apparent that the northern English regions, Wales and Scotland benefitted most from the COVID boom, while London and surrounds fared worst. Moreover, these top regional performers continue to post the highest annualised growth rates. The current leader is the North West, over both 5-year and 1-year timescales. This stunning performance continues with the region adding 0.5% to the average asking price since last month.*

*“The underperformance of London, the East of England and the South East over the last five years is quite remarkable. However, such trends rarely continue for long in the property market and what is apparent is that there is plenty of room for price growth in the capital region.*

*“Looking at regional price performance over the last 12 months, it is the East Midlands that is the current laggard, having lost 2.1% since Feb 2023.”*

## Halifax

*“The North West saw positive growth of +4.4% on an annual basis to £232,128. The North East (+4.2%) also recorded strong increases over the last year. London continues to have the highest average house price across all of the regions, at £536,996. Prices in the capital have increased +1.5% and is the first positive annual growth seen since January 2023.*

*“Properties in Eastern England fell the most last month, when compared to the rest of the UK’s nations and regions, with homes selling for an average of £329,927 (-0.8%), a drop of £2,794 since the same time in 2023.”*

## e.surv

*“The region with the lowest fall in prices in both December (restated at -0.8%) and January was the North East, at -0.9%. In the North East, just two of its eight constituent areas are showing a positive movement in their annual prices, these being Tyne and Wear (+0.3%) and Northumberland (+0.3%), although between them they account for some 53% of house sales in the region.*

*“Second place is taken by the North West, at -1.3%. In this region, only two of its eleven constituent areas are showing a positive movement in their annual prices - Cheshire East (+1.6%) and the recently established Unitary Authority of Cumberland (+1.1%), which between them account for 11% of the region’s house sales. At third place is Yorkshire and the Humber, at -2.3%.”*

## What's happening in our top towns and cities?

Much of the property price rhetoric suggests that property prices double every 10 years and they have grown substantially over time.

However, this hasn't been the case for many years and in fact, out of the 30 cities we track, since 2005, property prices have only risen above the average annual 3.8% inflation rate in only six cities/towns. These include:

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

The rest of the towns and cities we track actually show that property prices, in many areas, have risen at less than inflation. In property, when you measure the market from and to can result in some very misleading information.

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

- Newcastle
- Belfast
- Aberdeen
- Southampton
- Lincoln

Based on the country averages of prices being a few percent up and down, city wise, the differences between them being up and down are even more stark. With prices being up by 4.6% according to the Land Registry and down by as much as 11.3% in Tunbridge Wells. Again, showing that country and even regional averages aren't reflective of what's happening to prices for individual buyers, sellers and home owners.

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

<b>Land Registry's top 5 performers:</b>	<b>YoY</b>	<b>Hometrack's top 5 performers:</b>	<b>YoY</b>
Newcastle upon Tyne	4.6%	Belfast (Q4)	4.5%
Manchester	3.8%	Glasgow	2.4%
Edinburgh	2.8%	Edinburgh	1.4%
Bristol	1.0%	Bradford	1.3%
Belfast (Q4)	0.6%	Liverpool	1.1%

### Lowest performers are:

<b>Land Registry's lowest 5 performers:</b>	<b>YoY</b>	<b>Hometrack's lowest 5 performers:</b>	<b>YoY</b>
Tunbridge Wells	-11.3%	Norwich	-3.5%
Reading	-9.0%	Southampton	-2.5%
Southampton	-8.1%	Brighton and Hove	-2.4%
Lincoln	-7.7%	Bournemouth, Christchurch & Poole	-2.2%
Oxford	-7.4%	Portsmouth	-2.0%

*“In January 2024, only 9 of the 111 Unitary Authority areas in England and Wales were recording house price gains over the previous twelve months, which is 2 fewer authorities with price rises over the year than in December 2023.*

*“The area with the highest annual increase in prices in January 2024, for the second month running, is Gwynedd in North Wales, up by 7.9%. 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 £325k in January 2023 to £375k one year later.*

*“By way of contrast, the area with the largest fall in prices over the last twelve months was Torfaen, in South Wales, where prices have fallen by -18.3% over the year, with the largest fall in average values being semi-detached properties, down from an average £230k in January 2023 to £190k one year later. However, Torfaen has the 7th lowest property count of the 111 Unitary Authorities in England and Wales, so movement in its average prices, when expressed in percentage terms, tends to be more volatile than most other areas.”*

Property Prices Towns/Cities <i>England, Wales, Scotland &amp; NI</i>	Highest average house price pre-credit crunch 2007/08	Lowest average house price during recession 2009	Land Registry latest data Dec 23/Q4 23	Land Registry Year on year change in price Dec 23/Q4 23	Annual average increase since 2005	Hometrack latest data Jan-24	Hometrack Year on year change in price Jan-24
Belfast (Q4)	£213,626	£87,890	£161,974	0.6%	2.3%	£169,700	4.5%
Glasgow	£130,473	£96,139	£173,635	0.1%	3.2%	£148,500	2.4%
Edinburgh	£225,750	£183,029	£337,558	2.8%	3.9%	£270,900	1.4%
Aberdeen	£171,220	£146,598	£136,574	-0.9%	2.4%	£136,700	-1.3%
Cardiff	£170,496	£139,651	£266,873	0.4%	3.1%	£252,700	0.1%
Newcastle upon Tyne	£164,935	£133,086	£199,817	4.6%	2.0%	£152,400	0.8%
Bradford	£139,640	£111,109	£173,726	-1.6%	3.0%	£156,000	1.3%
Liverpool	£130,249	£103,705	£174,603	-2.9%	2.7%	£156,700	1.1%
Leeds	£161,439	£130,128	£241,328	-0.9%	3.1%	£207,200	0.8%
Sheffield	£144,875	£120,193	£212,356	-4.4%	3.3%	£171,700	0.7%
Manchester	£140,431	£111,679	£242,523	3.8%	5.2%	£223,000	0.8%
Lincoln	£128,707	£106,017	£173,939	-7.7%	2.6%	n/a	n/a
Nottingham	£119,010	£93,696	£192,298	-1.1%	3.0%	£200,900	-0.6%
Norwich	£166,498	£123,698	£240,055	-3.4%	3.3%	£262,200	-3.5%
Peterborough	£156,264	£123,752	£244,305	-1.5%	3.3%	£215,900	-1.8%
Birmingham	£148,578	£122,773	£228,877	-2.6%	2.9%	£207,700	0.2%
Leicester	£135,317	£110,071	£234,997	0.1%	3.7%	£226,600	-1.1%
Milton Keynes	£194,666	£147,827	£316,142	-1.9%	3.7%	£310,700	-1.6%
Gloucester	£169,008	£129,203	£250,247	-0.3%	3.0%	£229,100	-1.9%
Oxford	£289,855	£223,319	£434,370	-7.4%	3.4%	£446,700	0.0%
Cambridge	£283,241	£224,469	£515,041	-3.0%	4.6%	£468,100	-1.2%
Bournemouth, Christchurch & Poole	£206,227	£163,937	£330,972	-5.2%	3.3%	£328,500	-2.2%
Southampton	£168,795	£134,665	£231,895	-8.1%	2.4%	£255,100	-2.5%
Portsmouth	£169,633	£130,868	£244,535	-6.0%	2.9%	£278,600	-2.0%
Brighton and Hove	£257,108	£202,054	£423,052	-5.0%	4.0%	£399,600	-2.4%
Reading	£216,724	£176,087	£301,827	-9.0%	2.9%	£404,900	-1.0%
Croydon	£248,005	£199,415	£402,505	-6.1%	3.6%	n/a	n/a
Tunbridge Wells	£279,413	£217,421	£423,528	-11.3%	3.2%	n/a	n/a
Bristol	£195,196	£153,648	£363,799	1.0%	4.6%	£335,900	-1.2%
London	£298,596	£245,351	£508,037	-4.8%	4.2%	£534,600	-0.8%

**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.*



## What's happening to supply and demand?

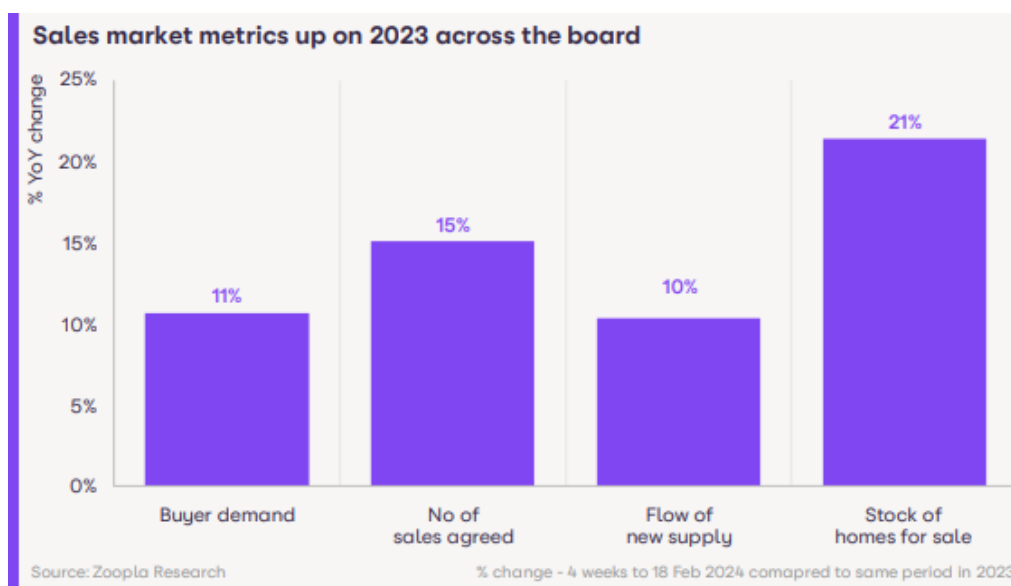
Towards the end of last year, the predictions were that 2024 would be pretty similar to 2023, but so far, even though we are only a few weeks into the market, it does look like the year might be better than expected from a transaction perspective, with volumes hitting around 1.1mn or slightly more.

A lot will depend on what happens with inflation, base rates and mortgage interest rates over the next few months, but, with the market picking up off the back of the falls in mortgage rates around December and January, if they do fall further this year, it may be enough to deliver a few more sales than 2023.

However, as with prices, this definitely depends on the area, the type of property and its condition.

The good news about that is that agents' advice as opposed to listening to the media – or the indices – is the best way for buyers and sellers to know whether they should move or not.

### Zoopla

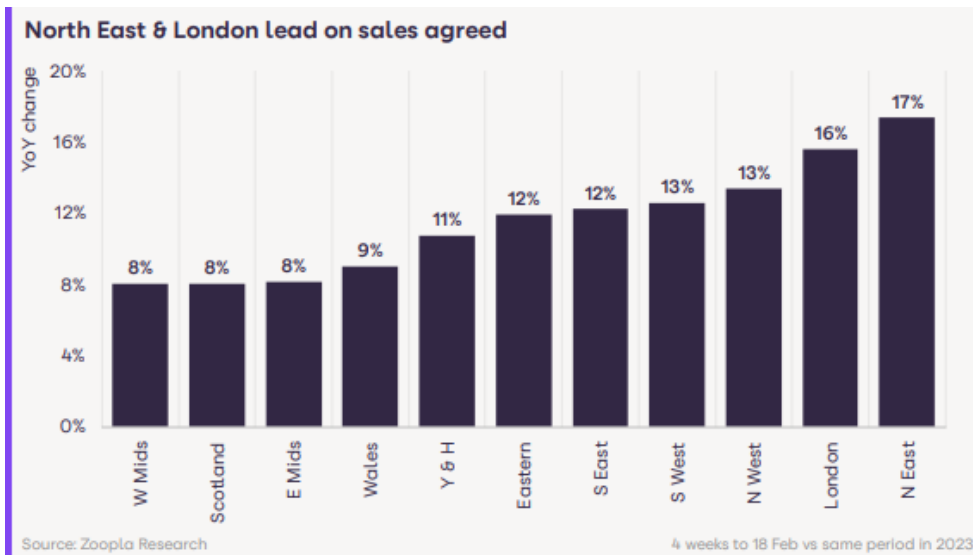


### **Sales market activity continues to improve**

*“All measures of sales market activity continue to improve as pent-up demand returns to the housing market. Buyer demand is 11% higher than a year ago. A better indicator of market health is sales agreed which are 15% higher than a year ago - evidence of greater buyer confidence and more realism on pricing by sellers. The North East (+17%) and London (+16%) have led the rebound in sales.*

*“Growing confidence amongst sellers is boosting the number of homes for sale, which are 21% higher than a year ago. More supply is increasing choice for would-be buyers and supporting sales.*

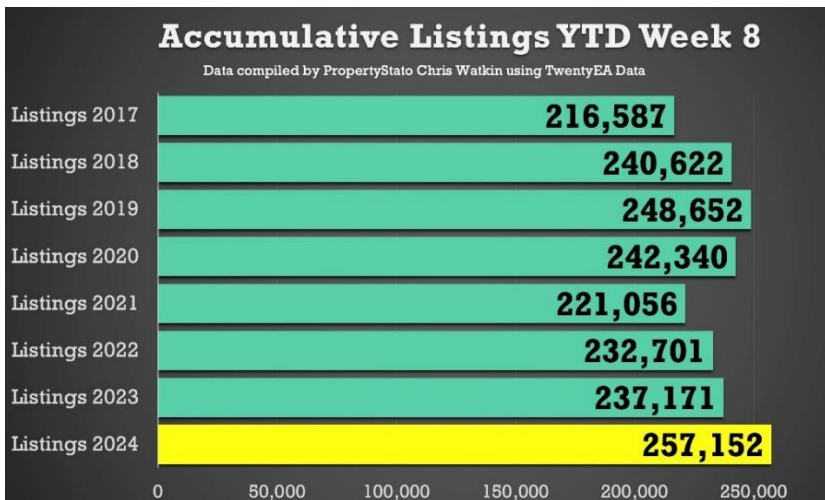
*“While increased activity levels are welcome news, it's important to note that a small proportion of sellers continue to reduce asking prices to attract buyer interest. Asking price reductions are lower than a year ago but remain above average, evidence of continued price sensitivity amongst buyers. Asking price reductions of 5% or more are greatest in the South East and East of England.”*



### Latest transaction data from Chris Watkin and TwentyEA

The beauty of this data is that it is much more up to date than other indices, so more reflective of the current market.

To date: Listings are up versus every year going back to 2017 and slightly higher than the most 'normal' year we have: 2019.



And the idea that we are heading towards a more 'normal' year this year is reflective of the net sales which are also similar to 2019, and actually nudging slightly ahead.

