

Summary of the latest property market headlines

Despite the headlines from the indices suggesting prices are rising, they continue to remain pretty flat with fairly insignificant movements over the last few months, be it measured by asking prices, mortgage prices or actual prices from the Land Registry. Despite that, feedback from everyone across the moving chain – agents, brokers, legal companies, all are suggesting that the market is a picking up a bit.

Most analysis suggests that the current election will have little effect on prices, so the next potential impact is whether the predictions for a rate cut in August will materialise and if this, plus perhaps some renewed optimism from a new government post the election, may help the market start a steady recovery in the Autumn. However, it's likely to take until 2025 for any significant change to the market.

	High 2007/08	Low 2009	How much did prices fall?	Latest price vs 2007/08 high	Mar-24	Apr-24	May-24	Annual Change	Annual Average (05 - 24)		
Rightmove	£241,474	£213,570	13.1%	55.4%	£368,118	£372,324	£375,131	0.6%	3.7%	Asking prices	E & W
Home.co.uk	£258,531	£239,607	7.9%	37.7%	£351,282	£354,588	£356,006	0.4%	n/a	Asking prices	E & W
Nationwide	£184,131	£147,746	24.6%	43.5%	£261,142	£261,962	£264,249	1.3%	2.9%	Mortgaged only	UK
Halifax	£199,766	£157,767	26.6%	44.5%	£288,430	£288,949	£288,688	1.5%	3.0%	Mortgaged only , seasonally adjusted	UK
e.surv	£231,829	£197,145	17.6%	54.9%	£361,368	£359,154	n/a	-2.9%	3.5%	Actual prices, includes cash sales	E & W
Zoopla	£178,128	£153,449	16.1%	48.4%	£264,500	£264,300	n/a	-0.1%	n/a	Sold prices, mortgage valuations and agreed sales	UK
UK HPI	£190,032	£154,452	23.0%	48.9%	£283,000	n/a	n/a	1.8%	3.4%	Sold prices, includes cash sales and new builds	UK

Property price and market indices headlines:

Rightmove

Record asking prices driven by pent-up demand

"The average price of property coming to the market for sale reaches a new record of £375,131, rising by 0.8% (+£2,807) in the month, as the momentum of the Spring selling season exerts some modest upwards price pressure."

Home.co.uk

Home prices rise further while stock levels surge

"Asking prices have risen a fairly modest 0.4% since last month across England and Wales and are up just 0.4% since May 2023."

Nationwide

Modest rebound in house price growth in May as market shows resilience

"UK house prices rose 0.4% month on month in May."

Halifax

UK house prices static in May

"Average house prices stable in May, down just -0.1% a monthly basis."

e.surv

Annual change still negative at -2.9%...

"...but price falls are getting ever smaller."

Zoopla

What's behind the record high supply of homes for sale?

"Annual UK house price inflation is running at -0.1%."

Here's a summary of the insights from this month's indices:

Rightmove

- *The market remains price-sensitive with average asking prices just 0.6% higher than a year ago.*
- *The top-of-the-ladder sector is still leading price growth, with average prices up by 1.3% compared with last year.*
- *Pent-up demand from would-be buyers who paused their plans last year is a key driver behind increased home-mover activity despite mortgage rates remaining elevated for longer than anticipated:*
 - *The number of sales being agreed during the first four months of the year is 17% higher than last year, outstripping the 12% increase in the number of new sellers coming to market.*
- *Despite these positive lead indicators for higher transaction levels this year, the painful average of 154 days between agreeing a sale and legal completion remains a challenge for both agents and movers:*
 - *With 62 days on average needed to find a buyer before the legal process even begins, would-be sellers hoping to be in a new home for Christmas need to be taking action now.*
 - *Rightmove's analysis shows that properties that need an asking price reduction take more than three times longer to find a buyer as those that do not, giving sellers who price right from the outset the edge to sell more quickly.*

Nationwide

- *The market appears to be showing signs of resilience in the face of ongoing affordability pressures following the rise in longer term interest rates in recent months. Consumer confidence has improved noticeably over the last few months, supported by solid wage gains and lower inflation.*

Halifax

- *Market activity remained resilient throughout the spring months, supported by strong nominal wage growth and some evidence of an improvement in confidence about the economic outlook.*

Home.co.uk

- *The number of new instructions during April 2024 was 7% more than during April 2023.*
- *Market momentum remains relatively healthy, as indicated by the Typical Time on Market (median) for unsold property in England and Wales being one day less than last year. However, the current mean time on market at 165 days is eight days higher than in May 2023, indicating that harder to shift properties are hanging around longer on the market.*

e.surv

- *The price in April 2024 is -£18,920, or -5.0%, below the peak reached in October 2022, some eighteen months earlier. Nevertheless, April's price still remains some £43,750- or 13.9%- higher than at the start of the pandemic in March 2020, over 4 years ago.*
- *Transactions are at lowest levels since 1995.*

Zoopla

- *Momentum in sales activity continues, with 13% more sales agreed.*
- *At a city level, price inflation ranges from -3% in Ipswich to +3.6% in Belfast – southern cities continue to register modest price falls.*
- *There are more homes for sale than at any point in the last 8 years – up 20% year-on-year in number terms and 25% higher in value terms.*
- *More supply boosts choice and will keep price inflation in check in H2.*
- *The north-south divide in house price inflation is set to remain.*

Country and regional market performance for May/June

The country data is starting to see Scotland and Northern Ireland do much better than Wales and Scotland 'on average'. However, this is Land Registry data, so it reflects the market from 3-6 months ago – in other words, the end of 2023.

Versus the long term average, England and Wales are performing much lower than their long term average, while Scotland and Northern Ireland are well above.

Property prices by country

Property Prices - Countries	Land Registry latest data Mar 24/ Q1 24	Land Registry year on year change in price Mar 24/Q1 24	Land Registry annual average increase since 2005	Nationwide latest data Q1 24	Nationwide year on year change in price Q1 24
England	£299,321	1.0%	3.4%	£297,978	0.4%
Wales	£213,753	1.3%	2.9%	£202,533	1.2%
Scotland	£191,678	6.7%	3.8%	£179,148	3.7%
Northern Ireland (Q1)	£178,499	4.0%	2.5%	£181,303	4.6%

For Scotland, Wales, and Northern Ireland we monitor:

- *Halifax*
- *e.surv*

However, despite the averages, when you delve down more deeply into what's happening in each country, as with England and Wales, property price performance differs within each market.

Summary from the indices of the Scottish housing market

Latest data from Halifax and e.surv suggests that prices are rising, albeit small 'on average':

Halifax

"House prices in Scotland also increased, with a typical property now costing £204,952, +1.9% more than the year before."

e.surv

Strongest price growth for a year

"In March, average property prices in Scotland increased by 1.4%, or almost £3,000, following a five month decline. This was a far stronger performance than that witnessed in the English and Welsh markets. Scotland's average house price is currently just over £223,500, which is about £300 less than its high price from June 2023."

"Twenty one local authorities experienced rising prices in the month - the highest number since May last year and a further sign that the housing market is stabilising. Higher values helped four authorities – Midlothian, Argyll and Bute, Falkirk and Inverclyde - to reach new peaks."

"The five most expensive local authorities all reported higher prices in March, albeit marginally so in the case of East Lothian. A 1.5% increase for Midlothian made it the fifth local authority with average property prices above £300,000."

Summary from the indices of the Welsh housing market

Halifax have a slightly rosier picture of property prices in Wales than Principality:

Halifax

"In Wales, house prices grew annually by +0.7% to £219,483 (vs +1.1% in April)."

Summary from the indices of the Northern Ireland housing market

Halifax

"Northern Ireland continues to show strong growth, up +3.2% in May, pulling back slightly from +3.3% in April."

Regional property prices tracking

On a regional basis versus last month, Rightmove recorded most of the regions up, bar one, whereas this month it's six regions up, two down and one with no change. Home.co.uk also recorded a fall in the number of regions up, from six to four and the number down, increased from three to five.

In contrast Nationwide, Halifax and Zoopla are recording similar results, while the Land Registry is seeing a spike in performance by region – with seven regions up versus three last month and only two down versus six the previous month.

This 'difference' in performance is likely to reflect the different time the index measures the market, with asking price indices seeing a slowing of the market in some regions, mortgage indices showing prices across the regions not changing, while sold price data shows prices have improved in most regions.

Indices	No of regions up	No of regions down	No of regions no change	Indices	No of regions up	No of regions down
Rightmove	6	2	1	Rightmove	8	1
Home.co.uk	4	5	0	Home.co.uk	6	3
Nationwide	5	4	0	Nationwide	5	4
Halifax	6	3	0	Halifax	6	3
Zoopla	4	5	0	Zoopla	4	5
UK HPI	7	2	0	UK HPI	3	6

Property Prices - Regions	Rightmove Latest data May-24	Rightmove Year on year change in price May-24	Home.co.uk Latest data May-24	Home.co.uk Year on year change in price May-24	Nationwide Latest data Q1 24	Nationwide Year on year change in price Q1 24	Halifax Latest data May-24	Halifax Year on year change in price May-24	Zoopla Year on year change in price May-24	Land Registry Latest data Mar-24	Land Registry Year on year change in price Mar-24
North East	£190,158	5.8%	£196,627	2.5%	£158,543	4.1%	£172,449	1.9%	1.4%	£158,569	3.2%
North West	£259,898	1.5%	£269,034	3.7%	£209,548	2.9%	£232,258	3.8%	1.1%	£216,501	3.8%
Yorkshire & The Humber	£254,044	2.3%	£252,528	2.2%	£200,958	2.4%	£206,351	0.9%	0.8%	£209,868	5.0%
East Midlands	£288,394	0.0%	£282,946	-1.3%	£229,458	0.5%	£238,055	-0.4%	-0.4%	£242,223	1.0%
West Midlands	£295,507	2.3%	£303,868	1.1%	£236,006	-0.2%	£252,745	0.8%	0.7%	£246,298	2.4%
South West	£394,549	0.3%	£379,634	-0.7%	£297,228	-1.7%	£302,021	0.4%	-1.2%	£316,262	0.5%
East	£422,364	-0.6%	£394,677	-1.1%	£268,778	-1.3%	£329,853	-0.8%	-1.6%	£341,979	0.8%
South East	£494,300	-0.1%	£446,451	-0.2%	£328,544	-1.0%	£384,871	-0.2%	-1.3%	£373,223	-1.3%
London	£697,193	0.1%	£542,019	-0.2%	£519,505	1.6%	£536,821	0.2%	-0.5%	£499,663	-3.4%

Average prices from each region continue to show huge variations – with the North East 'average' ranging from £158,000 according to the Land Registry and Nationwide, shooting up by 24% compared to Home.co.uk, which has an average of £196,000.

However, the variations change quite a bit. For example in London, Rightmove report an average asking price of £697,000 while sold property prices from the Land Registry are just over £499,600, a 39% difference.

The biggest difference though is in the East where Rightmove has an average of £494,300 versus Nationwide's average for the region is £268,788 – an enormous 57% difference in price!

This shows that the only real data that matters to buyers and sellers is really the sold property price data versus the marketing price – averages from different indices can seriously distort the reality of what's happening to individual properties.

Commentary on the regional performance by indices is below:

[Home.co.uk](https://www.home.co.uk)

“The North West remains the regional property market growth leader with a year-on-year gain of 3.7%, while the East Midlands is now the worst performing region over the same period at -1.3%.”

[Halifax](https://www.halifax.co.uk)

“The North West is the strongest performing nation or region in the UK, where house prices grew +3.8% on an annual basis in May. The average price of a property in the North West is now £232,258.

“Eastern England recorded the largest decline in annual growth across the UK. House prices here now average £329,853, down -0.8% in May.

“Unsurprisingly, London continues to have the most expensive average price tag, now at £536,821, up marginally (+0.2%) compared to last year.”

City tracker – what’s happening in the last month according to the indices?

At city level, we have two main sources of data: Hometrack which is around six weeks into the home buying and selling process and the Land Registry data which is anything from a few months to six months or more out of date.

This means when prices are rising/falling, although still accurate from a historic perspective, the Land Registry data can report a fall when the actual market, now, is actually seeing a rise.

This month’s top performers are pretty similar to last month with the exception of Aberdeen and Milton Keynes appearing in the Land Registry top 5, while Hometrack’s top performers are pretty similar, with Manchester and Newcastle upon Tyne replacing last months top spots of Sheffield and Cardiff.

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

Land Registry's top 5 performers:	YoY	Hometrack's top 5 performers:	YoY
Glasgow	8.2%	Belfast (Q1)	3.6%
Edinburgh	7.8%	Glasgow	1.9%
Aberdeen	6.2%	Newcastle upon Tyne	1.5%
Milton Keynes	5.8%	Bradford	1.5%
Tunbridge Wells	5.5%	Manchester	1.4%

The two indices don’t always agree with each other though – especially as Aberdeen appears in the Land Registry top five with growth of 6.2% YoY, but also in Hometrack’s lowest performers – with a fall of 1.8%. And it’s the same with Milton Keynes. Land Registry reports prices up 5.8% YoY, while Hometrack report prices are down by 1.7%.

Lowest performers are:

Land Registry's lowest 5 performers:	YoY	Hometrack's lowest 5 performers:	YoY
Brighton and Hove	-5.5%	Norwich	-2.4%
Reading	-4.7%	Brighton and Hove	-2.0%
Croydon	-3.8%	Aberdeen	-1.8%
Nottingham	-3.7%	Milton Keynes	-1.7%
Norwich	-3.7%	Bournemouth, Christchurch & Poole	-1.4%

Out of the 30 cities we track via the Land Registry, since 2005, property prices have only risen above the average annual 3.8% inflation rate in five cities/towns. These include:

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

With the exception of Edinburgh and Milton Keynes, where prices have risen at the same rate as inflation over time, the remaining towns and cities we track actually show that property prices, in many areas, have risen at less than inflation.

The following towns and cities price growth ‘on average’ are performing below inflation:

- Newcastle upon Tyne
- Aberdeen
- Belfast
- Southampton
- Liverpool

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 Mar 24/Q1 24	Land Registry Year on year change in price Mar 24/Q1 24	Annual average increase since 2005	Hometrack latest data Apr-24	Hometrack Year on year change in price Apr-24
Belfast (Q1)	£213,626	£87,890	£164,101	3.5%	2.4%	£173,300	3.6%
Glasgow	£130,473	£96,139	£174,420	8.2%	3.2%	£148,000	1.9%
Edinburgh	£225,750	£183,029	£331,801	7.8%	3.8%	£271,800	0.2%
Aberdeen	£171,220	£146,598	£134,520	6.2%	2.4%	£137,200	-1.8%
Cardiff	£170,496	£139,651	£263,646	-1.1%	3.1%	£254,500	1.3%
Newcastle upon Tyne	£164,935	£133,086	£190,699	2.9%	1.7%	£153,800	1.5%
Bradford	£139,640	£111,109	£171,199	0.7%	2.9%	£157,300	1.5%
Liverpool	£130,249	£103,705	£175,085	0.0%	2.7%	£158,600	1.1%
Leeds	£161,439	£130,128	£238,551	4.0%	3.1%	£208,400	1.3%
Sheffield	£144,875	£120,193	£214,624	1.4%	3.3%	£172,100	1.3%
Manchester	£140,431	£111,679	£238,044	2.3%	5.1%	£223,800	1.4%
Lincoln	£128,707	£106,017	£179,937	-2.4%	2.8%	n/a	n/a
Nottingham	£119,010	£93,696	£188,457	-3.7%	2.9%	£201,200	-0.5%
Norwich	£166,498	£123,698	£240,448	-3.7%	3.4%	£260,400	-2.4%
Peterborough	£156,264	£123,752	£237,243	-0.9%	3.1%	£216,800	-1.3%
Birmingham	£148,578	£122,773	£230,060	-1.5%	3.0%	£209,000	0.9%
Leicester	£135,317	£110,071	£223,970	-1.9%	3.5%	£224,900	0.2%
Milton Keynes	£194,666	£147,827	£320,241	5.8%	3.8%	£308,000	-1.7%
Gloucester	£169,008	£129,203	£254,823	1.6%	3.1%	£229,800	-0.3%
Oxford	£289,855	£223,319	£462,088	1.2%	3.7%	£447,500	-0.9%
Cambridge	£283,241	£224,469	£493,952	3.5%	4.4%	£467,300	-0.6%
Bournemouth, Christchurch & Poole	£206,227	£163,937	£329,164	-1.6%	3.3%	£331,100	-1.4%
Southampton	£168,795	£134,665	£239,978	-2.8%	2.6%	£257,100	-1.1%
Portsmouth	£169,633	£130,868	£247,874	-2.7%	2.9%	£278,900	-0.9%
Brighton and Hove	£257,108	£202,054	£416,734	-5.5%	3.9%	£397,900	-2.0%
Reading	£216,724	£176,087	£327,158	-4.7%	3.3%	£404,600	-0.3%
Croydon	£248,005	£199,415	£394,239	-3.8%	3.5%	n/a	n/a
Tunbridge Wells	£279,413	£217,421	£462,292	5.5%	3.7%	n/a	n/a
Bristol	£195,196	£153,648	£340,419	-2.2%	4.3%	£336,700	-0.3%
London	£298,596	£245,351	£499,663	-3.4%	4.1%	£526,100	-0.8%

Appendix: City/town property indices price tracking

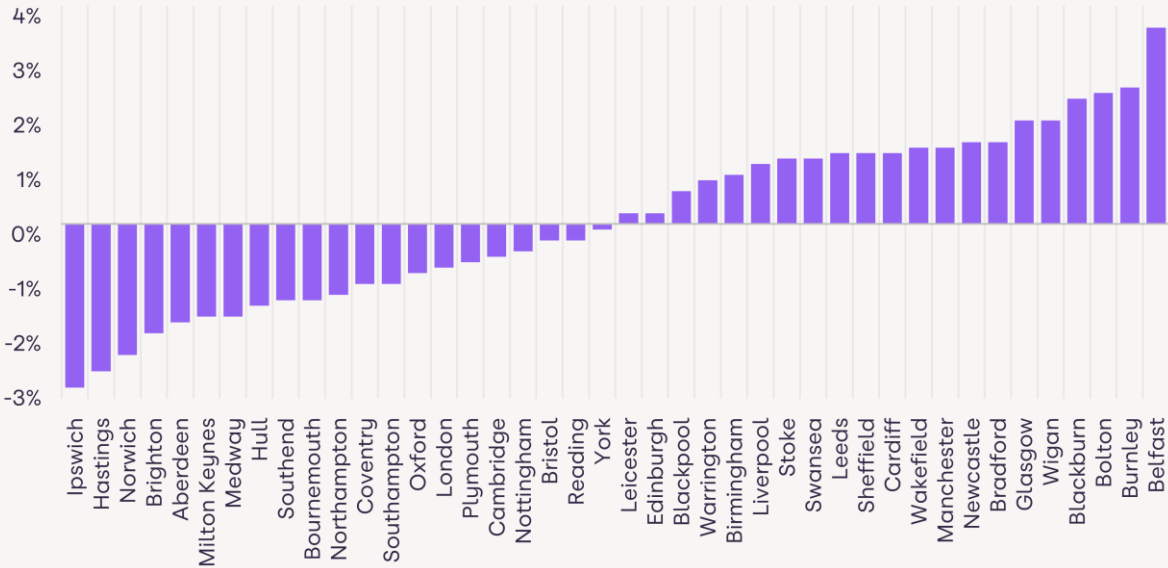
For city/town tracking, we use Land Registry (government data) and Zoopla/Hometrack. The Land Registry data is useful because we can analyse how property prices have changed over time and this helps us to put today's price information into context.

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.

In addition to the Land Registry data, Zoopla has a fantastic chart this month, which is potentially worth adding to any instruction meeting, to show buyers and sellers why local agents need to be the prime source of property price (and rent) changes in an area. The chart shows that city property price changes are ranging from falls of nearly 3% in Ipswich to rises of nearly 4% in Belfast – that's a 7% difference in performance. This is why country and even regional property price averages can severely mislead buyers, sellers and investors when they are deciding whether to buy or sell.

Zoopla explain the difference: "This variation is down to the absolute level of house prices and levels of affordability in the face of higher mortgage rates. Cities in coastal areas – and those that attracted an inflow of demand over the pandemic in the 'race for space' – are registering above-average price falls, as demand weakens, and these one-off pandemic factors fade.

Broad variation in house price inflation at a city level



Source: Zoopla House Price Index

YoY house price growth (%), April 2024

“We expect the current variation in house price inflation to continue over 2024 as incomes and house prices realign with the greatest adjustment across London and southern England.”

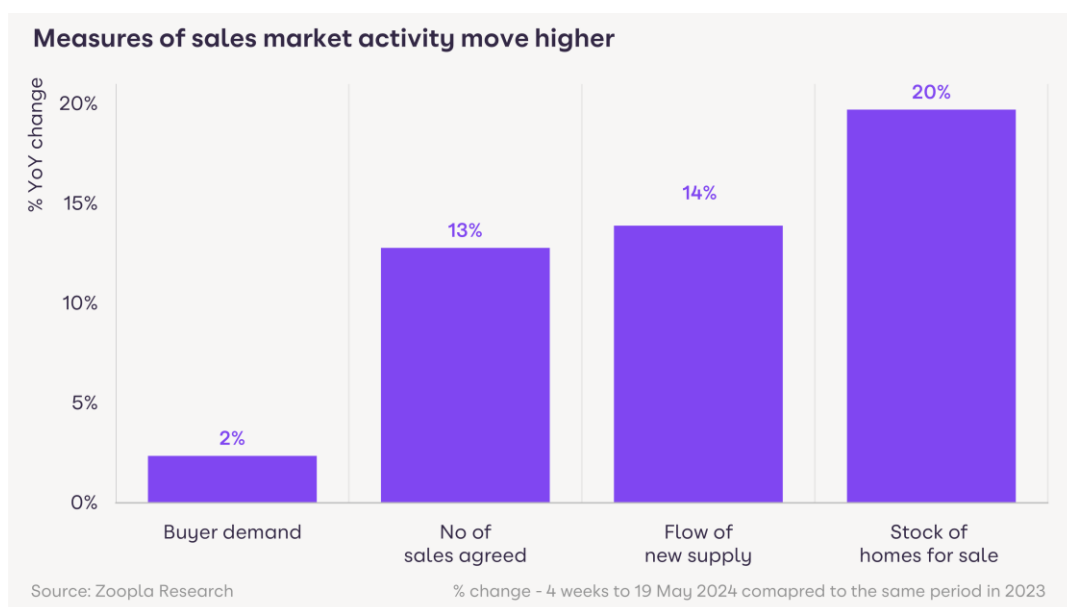
What's happening to supply and demand?

Zoopla's latest charts help us to understand what's happening to property demand and supply, with "more homes for sale than at any point in the last eight years" and "The average agent has 31 homes for sale, up 20% on this time last year."

The key growth in supply is 3 and 4-bed family homes, which is good news, as during the pandemic, buyers were struggling to secure these types of properties, so hopefully this will help to drive buyers as well as sellers back into the market over the summer.

According to Zoopla, "Many existing homeowners delayed moving decisions in H2 2023, unsure about the impact of higher borrowing costs on house prices and buyer demand. The decline in mortgage rates, together with rising sales volumes and firmer pricing, has brought more sellers back into the market, many of whom are also buyers."

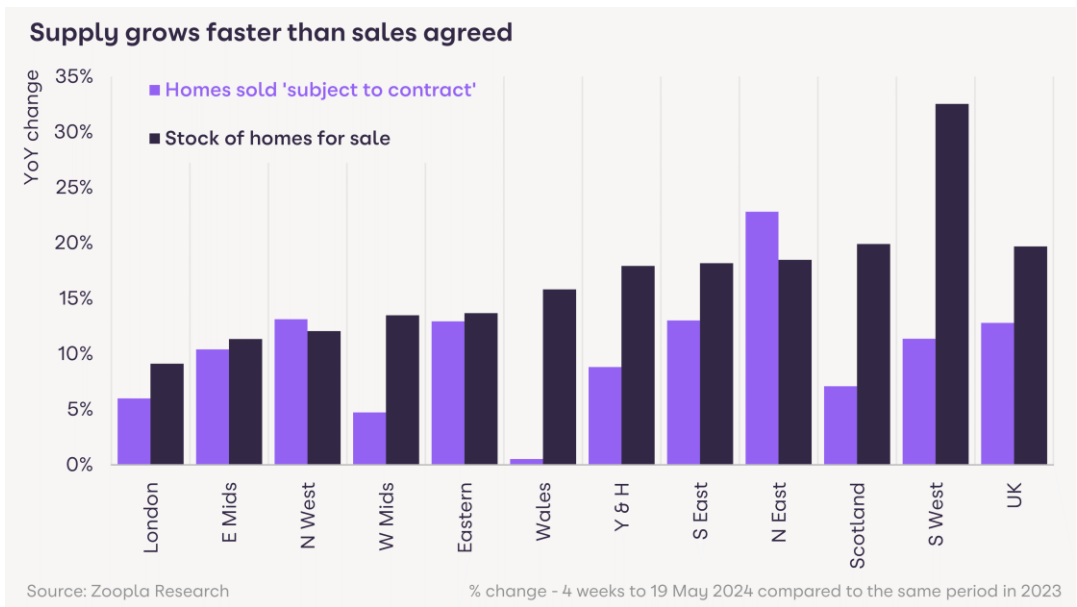
A warning though from Zoopla is that "almost a third of homes currently available for sale (31%) were also listed for sale in 2023 but failed to find a buyer." From an agent's perspective, properties which don't sell are a huge drain on profits and cashflow, so it's essential these are priced correctly to ensure that this time they do sell and it looks like buyers are understanding the importance of this with "Two-fifths (43%) of these homes that had been on the market in 2023 have had their asking price cut by more than 5% to attract demand."



It's not just price performance that varies – the percentage of sales agreed does too

According to Zoopla, "The number of homes which are having a sale agreed is 13% higher than this time last year... Sales agreed have grown 22% across the North East but are up by just 1% in Wales. While "The South West of England has recorded a 33% increase in homes for sale compared to last year, with an above-average increase in the expansion in 4-bed homes for sale.

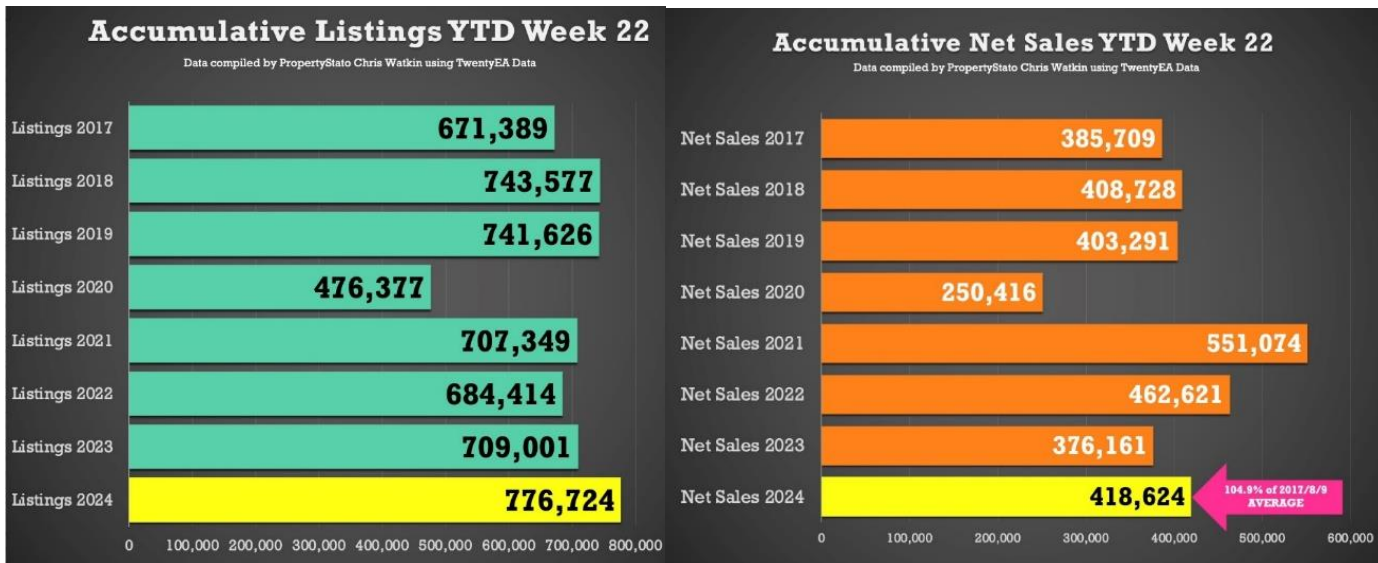
"Tax changes for holiday lets and the prospect of double council tax for second homes are likely to be encouraging some owners to sell. This exacerbates the expansion in homes for sale across the South West, which has the highest concentration of holiday homes."



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 reflects the current market more accurately.

Having said that, this does reflect Zoopla’s view that listings are at their highest for some years now, quite substantially.



And the good news is that net sales so far, on average, are actually 11% up year on year. Although this won’t reflect what’s happening everywhere, we do appear to be having a more buoyant market this year than last from a transaction perspective, which matters far more than what’s happening to property prices.

What are the current hottest and coldest postcodes?

At a more local level, The Advisory shows, by postcode which postcodes are hot and cold.

For example, in BS5 (Bristol) and M18 (Manchester), 75% of the properties on the market are under offer, in contrast, N1C (London) and L2 (Liverpool) being the worst performers according to this index, with only 10% of properties on the market under offer.

Bristol, Manchester, Liverpool and Sheffield are reported as having some of the busiest markets, while London, Liverpool, Hull and Padstow have some of the slower ones.

Top 10 hot markets - buyer demand

Postcode	%	Jun 24
BS5	75	Bristol
M18	75	Manchester
L32	72	Liverpool
S5	71	Sheffield
S9	71	Sheffield
SK3	71	Stockport
NE6	71	Newcastle Upon Tyne
RG22	71	Basingstoke
BS3	71	Bristol
BH17	70	Poole

Top 10 cold markets - buyer demand

Postcode	%	Jun 24
N1C	10	London
L2	10	Liverpool
W1	11	London
WC2	11	London
EC2	13	London
HU1	13	Hull
L1	14	Liverpool
PL28	15	Padstow
W2	16	London
NW4	16	London

Source: [TheAdvisory](#)

To find out what the Propcast market is reporting about your local postcode visit: [House Selling Weather Forecast here](#).

Overall, it looks like the market is about to turn for the better (subject to any unexpected shocks!) and the best hope we can have that it heads back to the norms of 1.2 million sales and small price rises each year as rates start to come down.

The recent releases from the ONS show unemployment has risen slightly and although wages continue to rise more than inflation, the wage growth is believed to be less down to a 'hot' economy and more due to skills shortages. This will hopefully mean the Bank of England will start to reduce base rates. Having said that, they do need to reduce down to around 3% - 3.5% to return to market norms, and that isn't likely to happen for a year or so.