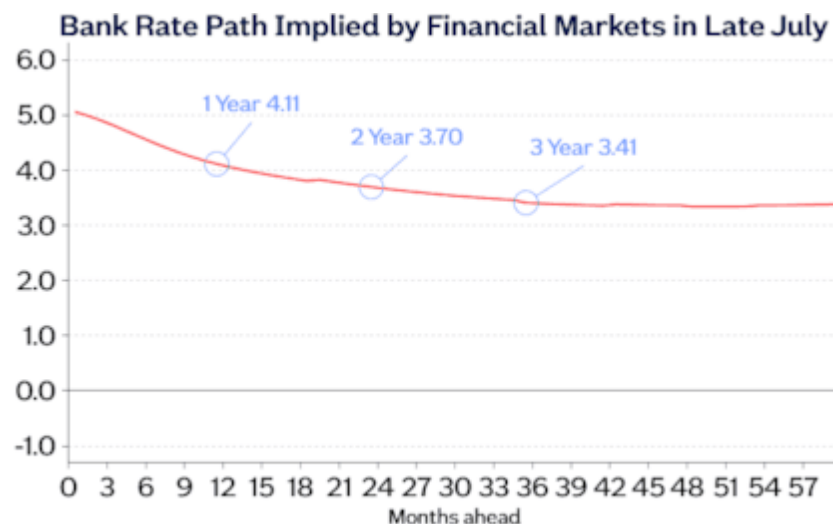


Summary of the latest property market headlines

Interesting looking at today's average prices. Although they have hardly moved for the last few months, property prices have recovered from the small falls we have seen over the last 18 months to their 2022/23 highs.

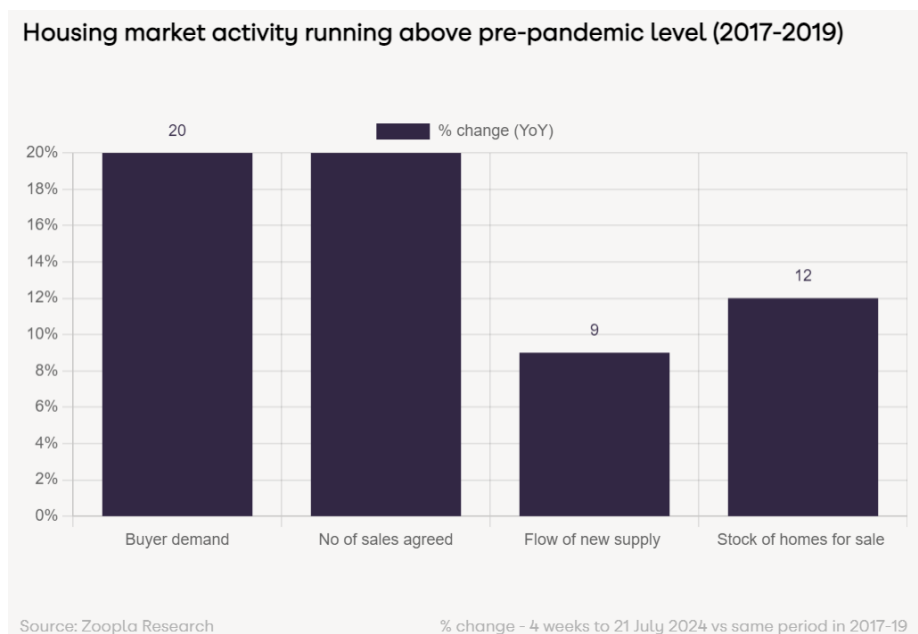
With mortgage rates set to fall over the coming months in line with the last rate cut and more forecasted, it's likely that we have seen the 'worst' of the price falls. And, what happens next after a 'lull' in the market is pent up demand will mean there are many who will be keen to purchase, assured that price falls are now off the table.

Bank Rate information from Nationwide's report:



Source: Bank of England

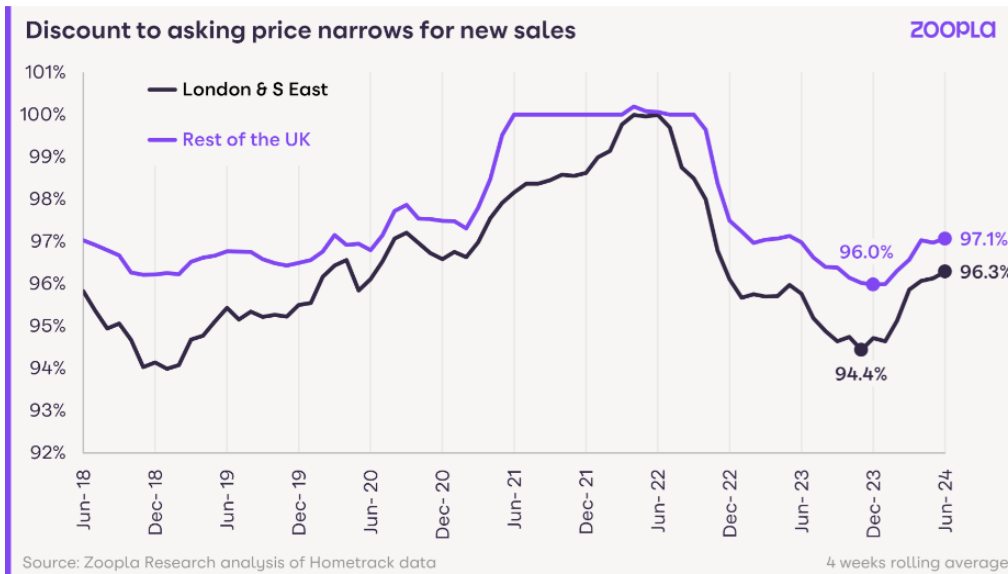
The other good news is that according to Zoopla, housing market activity is running above pre-pandemic levels:



Source: Zoopla Research

% change - 4 weeks to 21 July 2024 vs same period in 2017-19

Another good guide to property price performance is Zoopla's latest data on asking versus agreed prices. During a downturn, the margin tends to widen and narrow when prices are on the rise and people are competing to purchase a property.



During the height of the market in 2021, the price offered versus asking were pretty similar – around 100%, while they fell to 95/96% during the mortgage rate crisis.

What this tells us is that although we will always get ‘boom and bust’ in the economy and in the property market, it does appear that market falls are getting smaller versus the 20% falls we’ve seen in past recessions. Equally though, price rises are getting smaller too. Although there was a spike in prices during the pandemic, over time, prices on average, have only kept up with inflation increases since 2005.

	High 2007/08	Low 2009	How much did prices fall?	Latest price vs 2007/08 high	May-24	Jun-24	Jul-24	Annual Change	Annual Average (05 - 24)		
Rightmove	£241,474	£213,570	13.1%	54.7%	£375,131	£375,110	£373,493	0.4%	3.6%	Asking prices	E & W
Home.co.uk	£258,531	£239,607	7.9%	38.7%	£356,006	£357,903	£358,603	0.7%	n/a	Asking prices	E & W
Nationwide	£184,131	£147,746	24.6%	44.6%	£264,249	£266,064	£266,334	2.1%	3.0%	Mortgaged only	UK
Halifax	£199,766	£157,767	26.6%	45.8%	£288,688	£288,455	£291,268	2.3%	3.1%	Mortgaged only, seasonally adjusted	UK
e.surv	£231,829	£197,145	17.6%	55.4%	£356,014	£360,175	£360,630	-1.3%	3.5%	Actual prices, includes cash sales	E & W
Zoopla	£178,128	£153,449	16.1%	49.1%	£264,900	£265,600	n/a	0.1%	n/a	Sold prices, mortgage valuations and agreed sales	UK
UK HPI	£190,032	£154,452	23.0%	50.0%	£285,000	n/a	n/a	2.2%	3.4%	Sold prices, includes cash sales and new builds	UK

Property price and market indices headlines:

[Rightmove](#)

Political certainty and potential rate drop bode well for Autumn market

“Average new seller asking prices drop by 0.4% this month to £373,493, a bigger July drop than usual, as new sellers try to cut through the distractions of the General Election, sporting events and summer holiday season with a tempting price.”

[Home.co.uk](#)

Market activity increases despite burdensome bank rate

“Asking prices nudged up 0.2% during the last month across England and Wales (the sixth consecutive monthly rise) and are now up 0.7% compared to July 2023.”

[RICS](#)

Buyer demand steady over the month while the near-term outlook appears to be brightening

“Respondents increasingly anticipate market activity will gain momentum in the months ahead.”

[Nationwide](#)

House price growth edged up in July

“UK house prices rose 0.3% month on month in July.”

Halifax

UK house prices rise in July

"House prices increased by +0.8% in July, following three relatively flat months."

e.surv

Housing market steady ahead of interest rate cuts

"Prices just 1.3% lower than a year ago."

Zoopla

House price inflation static, still negative in south

"UK house prices edged 0.1% higher over the last 12 months, increasing by just £310 to £265,600."

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

Rightmove

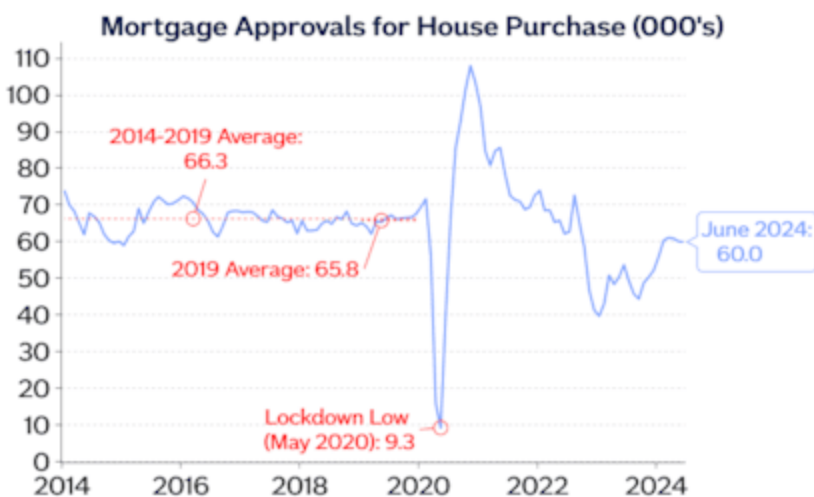
- Market activity has remained steady throughout the General Election campaign, and though there are signs that some would-be movers are waiting for the first Bank of England Base Rate cut, most are continuing with their moving plans:
 - The number of sales being agreed remains encouraging at 15% above the same period a year ago, when mortgage rates were approaching their peak.
 - The number of new sellers coming to market is a steady 3% above last year.
 - Buyer demand remains stable overall, but there's a slight drop (-2%) in demand in the particularly affordability-stretched first-time buyer sector.

Home.co.uk

- Despite the relatively large amount of stock for sale, market momentum remains relatively healthy as indicated by both the Typical Time on Market (median) for unsold property being seven days less than in July 2019 and our Market Turnover Indicator
- The total number of new instructions entering the market during June 2024 was 4% more than during June 2023.
- However, the current median time on market for unsold property in England and Wales is six days more than in July last year.

Nationwide

- Annual growth rate picked up to 2.1%, from 1.5% in June.
- Housing market activity has been holding relatively steady in recent months with the number of mortgages approved for house purchase at around 60,000 per month (see chart below). While this is still c.10% below the level prevailing before the pandemic struck, it is still a respectable pace given the higher interest rate environment.



Source: Bank of England

Halifax

- *Annual growth rate of +2.3% is the highest since January 2024.*
- *Northern Ireland continues to record the strongest annual house price growth in the UK.*

e.surv

- *Three English regions in positive territory; Wales near a turning point.*
- *London set to support national price performance.*

Zoopla

- *UK house prices are on track to be up to 2% higher over 2024.*
- *Buyers are paying a greater proportion of the asking price (96.8%), which has rebounded the most in London and the South East.*
- *The housing market continues to adjust to 4%+ mortgage rates with increased market activity rather than faster price growth.*
- *House prices are broadly flat over the last 12 months, but prices are higher across all regions and countries of the UK over H1 2024.*
- *The supply of homes for sale continues to grow and is 16% higher than a year ago – the average estate agent has 33 homes for sale.*
- *More supply and choice is supporting sales growth but will also keep price inflation in check.*

Country and regional market performance for June/July

Country wise, it's a similar story to the national picture, according to Land Registry data – although bear in mind this lags the current market by some months. Overall, price rises remain steady and slightly below the long term average.

What's more interesting is the local analysis from the e.surv on Scotland and The Principality for Wales. According to e.surv, "At a local authority level, the market saw increases in 15 areas" while in Wales "some local authorities saw decreases, such as Merthyr Tydfil, average prices in Bridgend exceeded £250,000 to hit a new peak."

Property prices by country

Property Prices - Countries	Land Registry latest data May 24/ Q1 24	Land Registry year on year change in price May 24/Q1 24	Land Registry annual average increase since 2005	Nationwide latest data Q2 24	Nationwide year on year change in price Q2 24
England	£302,393	2.2%	3.5%	£302,102	0.6%
Wales	£216,002	2.4%	3.0%	£207,650	1.4%
Scotland	£191,435	2.5%	3.8%	£181,186	1.4%
Northern Ireland (Q1)	£178,499	4.0%	2.5%	£190,300	4.1%

For Scotland, Wales, and Northern Ireland we monitor:

- Halifax
- e.surv
- Principality Building Society

Local expertise for each country though is essential when looking at how the property market is performing. This is especially the case in the likes of Scotland and Wales where areas are as diverse as the English Regions.

Summary from the indices of the Scottish housing market

Halifax

"Scotland saw a rise in house prices, a typical property now costs £205,264, +2.1% more than the year before."

e.surv

Record high house prices for third month in a row

"Scotland's residential property market gives us further cause for optimism this month as average home prices increased in May for the third month in a row. The market has remained remarkably resilient in recent years given the challenges it has faced but this month's gain of nearly £600 (0.3%), represents the strongest performance for two years. This is a hat trick of record new house prices over the past three months.

"Our data shows that Scotland's average house price is now well in excess of £225,000 and comfortably above its earlier peak in September 2023. Clearly, Scotland is enjoying an earlier and stronger revival than across most of England and Wales.

"At a local authority level, the market saw increases in 15 areas, and, with the onset of a new government, we expect market sentiment will further improve. The new government has already said it is supportive of the existing mortgage guarantee scheme which has been used to good effect in Scotland. Confidence will likely be further buoyed as the Bank of England begins to cut its base rate in the coming months."

Summary from the indices of the Welsh housing market

Principality Building Society

Average house price in Wales rises after five quarters of consecutive decline

“The second quarter of 2024 has brought much-needed positive news to the Welsh housing market. After five consecutive quarters of declining house prices, we are now seeing a recovery.

“The average price of a home sold in Wales rose to £236,369 in the second quarter of 2024, rising 3.1.% but still -2.4% below the year-earlier level and still 5% below its peak of £249,000 at the end of 2022. Meanwhile, a majority of local authorities reported higher prices in Q2 for the first time since 2022, resulting in the most positive market conditions for two years.

“While some local authorities saw decreases, such as Merthyr Tydfil, average prices in Bridgend exceeded £250,000 to hit a new peak.”

Halifax

“In Wales, house prices grew +3.4% to £221,102 – the highest price seen since October 2022.”

Summary from the indices of the Northern Ireland housing market

Halifax

“Northern Ireland continues to record the strongest property price growth of any nation or region in the UK, rising by +5.8% on an annual basis in July, up from +4.1% the previous month and the highest increase since February 2023. The average price of a property in Northern Ireland is now £195,681.”

Regional property prices tracking

Regionally, we are seeing a stronger picture this month than last, with most regions showing positive property growth – although Zoopla and Nationwide reports still show it’s a mixed picture out there.

Indices	No of regions up	No of regions down	No of regions no change
Rightmove	6	3	0
Home.co.uk	6	2	1
Nationwide	5	4	0
Halifax	8	1	0
Zoopla	4	5	0
UK HPI	9	0	0

Property Prices - Regions	Rightmove Latest data Jul-24	Rightmove Year on year change in price Jul-24	Home.co.uk Latest data Jul-24	Home.co.uk Year on year change in price Jul-24	Nationwide Latest data Q2 24	Nationwide Year on year change in price Q2 24	Halifax Latest data Jun-24	Halifax Year on year change in price Jun-24	Zoopla Year on year change in price Jun-24	Land Registry Latest data May-24	Land Registry Year on year change in price May-24
North East	£193,043	4.6%	£198,929	4.8%	£158,467	2.9%	£171,663	2.6%	1.3%	£162,360	3.7%
North West	£264,256	3.5%	£270,575	3.3%	£213,580	4.1%	£232,489	4.1%	1.5%	£217,525	2.9%
Yorkshire & The Humber	£252,153	1.4%	£256,372	3.3%	£206,653	3.8%	£206,480	1.8%	0.6%	£209,055	3.9%
East Midlands	£290,501	0.2%	£285,704	0.1%	£231,745	-0.2%	£239,448	0.6%	-0.4%	£245,574	3.2%
West Midlands	£293,846	1.6%	£306,860	1.6%	£242,873	1.4%	£253,649	1.8%	0.6%	£250,787	3.0%
South West	£392,961	-1.0%	£381,989	-1.2%	£301,139	-1.5%	£301,359	1.1%	-0.7%	£318,223	2.3%
East	£424,262	-0.4%	£396,724	-0.8%	£270,597	-1.8%	£330,282	-0.4%	-1.2%	£337,757	1.9%
South East	£485,733	-0.9%	£449,146	0.0%	£331,995	-1.1%	£386,468	1.3%	-1.0%	£375,693	0.7%
London	£692,544	0.6%	£544,821	0.3%	£525,248	1.6%	£536,052	1.2%	-0.3%	£523,376	0.2%

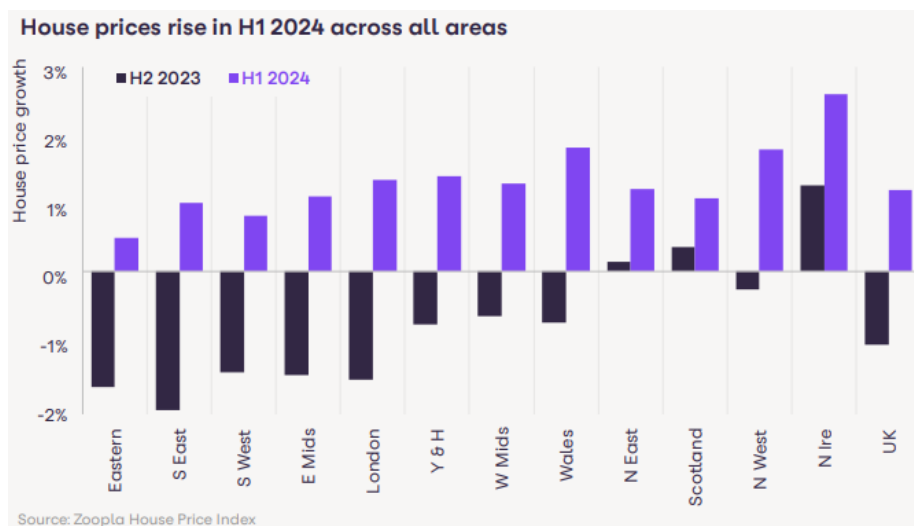
The top growth year on year from the different indices show the highest rise was recorded in the North East by Home.co.uk while the biggest fall was recorded by Nationwide, -1.8% in the East of England.

Commentary on the regional performance by indices is below:

[Zoopla](#) *House price inflation static, still negative in south*

“UK house prices edged 0.1% higher over the last 12 months, increasing by just £310 to £265,600. Annual price inflation ranges between -1.2% in the East of England to +3.9% in Northern Ireland.

“House prices have increased across all regions and countries of the UK over the first half of 2024. We expect house prices to continue to increase slowly over the second half of 2024.”



[Home.co.uk](#) *“The North East is the new regional property market growth leader with a year-on-year gain of 4.8%, while the South West is now the worst performing region with a loss of -1.2% over the same period.”*

[e.surv](#) *“The year-on-year price comparisons have moved favourably across all parts of England and Wales, albeit that the improvements have been noticeably more limited in the West and East Midlands. “Signs of a north-south divide in this data are becoming much less clear.*

“Whilst prices in North East and North West England are rising the most strongly (by more than 1% year-on-year), there has been a particularly sharp improvement in the South West, where prices are now also in positive territory. Wales too has seen a significant improvement compared with three months ago, even though currently prices continue to nudge lower.

“Price trends across much of southern England are similar to the national picture and, early indications for July are that London is no longer pulling down overall price growth in England and Wales.

“The North East and North West have the highest proportion of unitary authorities and counties reporting higher prices year-on-year, and there is every reason to think that both regions will see higher prices year-on-year when we report on July. Wales has the next strongest reading, although the early signs are that the country will continue in slightly negative territory.”

[Halifax](#) *“House prices in the North West recorded strong growth, up +4.1%, compared to the previous year, properties here now average £232,489. The only region or nation to record a fall across the UK was Eastern England. Properties here now average £330,282, down -0.4% on an annual basis. London continues to have the most expensive property prices in the UK, now averaging £536,052, up (+1.2%) 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.

There continues to be no ‘pattern’ to the rises and falls in the property market, it’s all dependent now on the local economy, wage growth and stock levels – as well as the property type – detached, semi, terraced or flat.

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	6.3%	Belfast	4.3%
Bradford	4.8%	Bradford	1.8%
Edinburgh	4.7%	Manchester	1.8%
Sheffield	4.7%	Liverpool	1.4%
Newcastle upon Tyne	4.6%	Glasgow	1.3%

Lowest performers are:

Land Registry's lowest 5 performers:	YoY	Hometrack's lowest 5 performers:	YoY
Brighton and Hove	-4.7%	Aberdeen	-2.2%
Reading	-4.3%	Norwich	-1.9%
Birmingham	-2.4%	Portsmouth	-1.4%
Nottingham	-1.9%	Milton Keynes	-1.2%
Portsmouth	-1.9%	Bournemouth, Christchurch & Poole	-1.1%

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
- London
- Bristol
- Brighton and Hove

With the exception of Edinburgh, 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	Market low +/- versus market height	Land Registry latest data May 24/Q1 24	Land Registry Year on year change in price May 24/Q1 24	Annual average increase since 2005	Hometrack latest data Jun-24	Hometrack Year on year change in price Jun-24
Belfast (Q1)	£213,626	-58.9%	£164,101	3.5%	2.4%	£175,200	4.3%
Glasgow	£130,473	-26.3%	£176,055	6.3%	3.2%	£148,700	1.3%
Edinburgh	£225,750	-18.9%	£327,751	4.7%	3.8%	£273,100	0.7%
Aberdeen	£171,220	-14.4%	£134,244	1.3%	2.4%	£137,300	-2.2%
Cardiff	£170,496	-18.1%	£261,977	-0.4%	3.0%	£255,600	1.0%
Newcastle upon Tyne	£164,935	-19.3%	£193,353	4.6%	1.8%	£154,400	0.8%
Bradford	£139,640	-20.4%	£174,930	4.8%	3.1%	£158,300	1.8%
Liverpool	£130,249	-20.4%	£173,358	1.8%	2.7%	£159,200	1.4%
Leeds	£161,439	-19.4%	£231,743	1.1%	2.9%	£209,000	0.6%
Sheffield	£144,875	-17.0%	£216,934	4.7%	3.4%	£172,500	1.1%
Manchester	£140,431	-20.5%	£234,867	1.8%	5.0%	£225,300	1.8%
Lincoln	£128,707	-17.6%	£190,136	2.2%	3.1%	n/a	n/a
Nottingham	£119,010	-21.3%	£192,343	-1.9%	3.0%	£202,000	0.0%
Norwich	£166,498	-25.7%	£238,232	-1.4%	3.3%	£261,500	-1.9%
Peterborough	£156,264	-20.8%	£246,650	3.6%	3.3%	£217,600	-0.9%
Birmingham	£148,578	-17.4%	£225,435	-2.4%	2.9%	£209,900	1.0%
Leicester	£135,317	-18.7%	£231,241	1.1%	3.6%	£225,100	-0.9%
Milton Keynes	£194,666	-24.1%	£310,058	1.3%	3.6%	£308,000	-1.2%
Gloucester	£169,008	-23.6%	£258,518	1.3%	3.2%	£230,200	-0.8%
Oxford	£289,855	-23.0%	£454,736	4.0%	3.6%	£449,900	-0.5%
Cambridge	£283,241	-20.7%	£477,582	0.7%	4.2%	£468,000	-0.8%
Bournemouth, Christchurch & Poole	£206,227	-20.5%	£334,756	1.2%	3.4%	£332,300	-1.1%
Southampton	£168,795	-20.2%	£240,777	-0.9%	2.6%	£258,100	-0.2%
Portsmouth	£169,633	-22.9%	£250,555	-1.9%	3.0%	£279,300	-1.4%
Brighton and Hove	£257,108	-21.4%	£419,833	-4.7%	3.9%	£400,200	-1.0%
Reading	£216,724	-18.8%	£309,582	-4.3%	3.0%	£405,400	-0.1%
Croydon	£248,005	-19.6%	£392,840	-1.2%	3.4%	n/a	n/a
Tunbridge Wells	£279,413	-22.2%	£446,265	0.3%	3.5%	n/a	n/a
Bristol	£195,196	-21.3%	£345,414	2.4%	4.3%	338,00	-0.3%
London	£298,596	-17.8%	£523,376	0.2%	4.4%	£536,500	-0.3%

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?

Supply and demand seem to be settling down a bit more, with an increase in properties coming to market and an increase in buyer demand, which is likely to continue if mortgage rates continue to fall. Although the market isn't expected to get back to the average 1.2 million transactions until 2025/6.

Here's a summary of the latest supply and demand data from each of the indices:

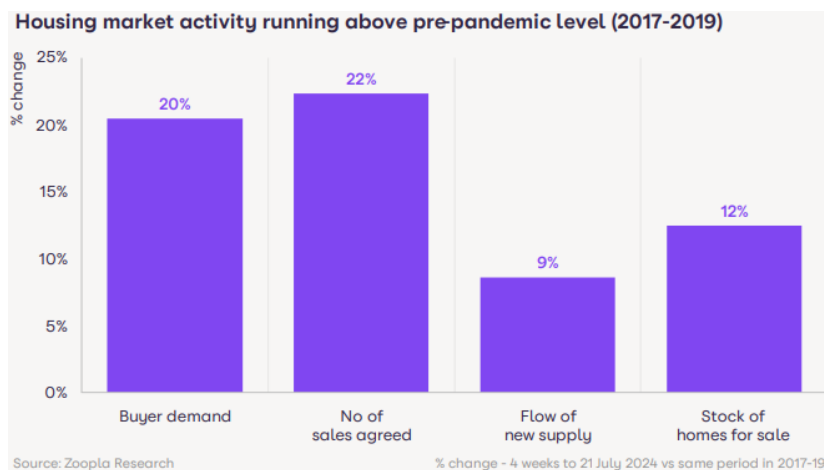
Zoopla

Supply of homes for sale continues to grow

"One important feature of the housing market at present is that there are more homes for sale than at any point in the last six years. This is improving choice for home buyers and supporting more sales."

"The average agent has 33 homes for sale, 16% higher than a year ago and above the longer run average of 25."

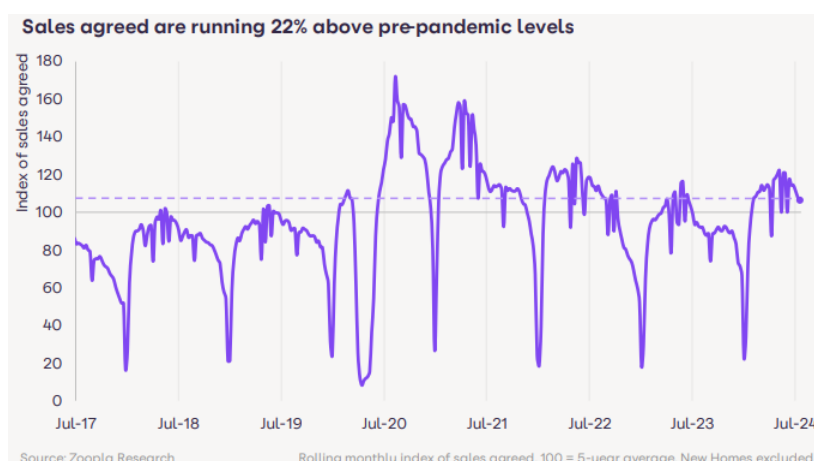
"More supply means more sellers, most of whom are also buyers, motivated to move by a range of reasons. Many would-be movers are upsizers who are looking further afield to get the home and features they are looking for, while also seeking value for money."



Sales agreed up 16% year-on-year

"A greater supply of homes for sale and more buyers has resulted in the number of sales being agreed is 16% higher than a year ago. A long-run index of weekly sales shows how sales in the first half of 2024 have been stronger than in 2023 and the pre-pandemic years."

"This is positive and reveals a more balanced housing market with sales volumes increasing but with greater stability in price inflation. Sales are up across all regions and countries of the UK."

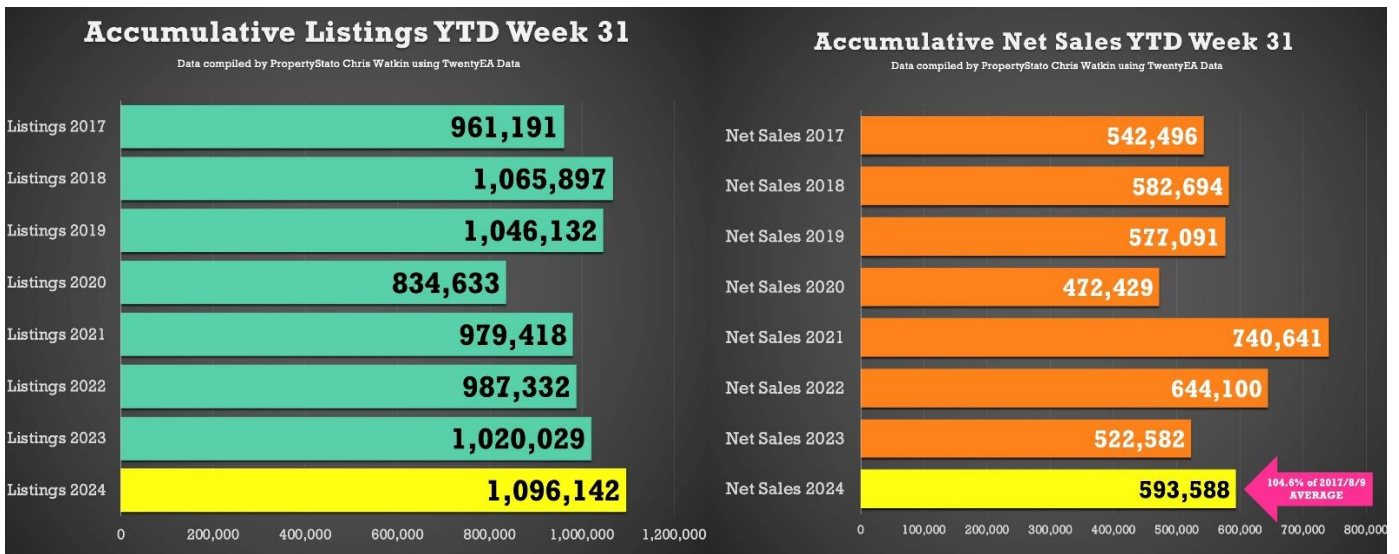


Rightmove

“The number of sales being agreed is now an encouraging 15% above the same period a year ago, when we were approaching the peak of mortgage rates. This compares to last month’s figure which was +6% above last year. This positive sales figure emphasises that serious home-hunters have been largely undeterred by the General Election and have been getting on with their moves. Similarly, the number of new sellers coming to market in the last four weeks is a steady 3% above last year, indicating that despite the uncertainty of an election, the vast majority of movers haven’t been put off.”

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. As you can see from the charts, listings are actually the highest they have been since 2017, while net sales are seeing similar high performance, albeit lower than the pandemic peak in 2021.



Overall, sales and buyers are in a good place over the coming months, especially if wages keep rising above inflation and mortgage rates keep falling.