

November 2014 Latest Property Price Summary

We track most of the monthly reports on property prices produced on a monthly basis. This report summarises what's being said about the market and includes **Kate Faulkner's** comments on what this means primarily for the general public, but also for the industry, market and economy.

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Report Headlines:-

- [Rightmove](#) *"London loses its 'boom-town crown' to the South East."*
- [Home.co.uk](#) *"Home prices push higher despite rising supply."*
- [NAEA](#) *"Number of house hunters at ten year high, but supply seasonally low for September."*
- [Hometrack](#) *"Housing market momentum starting to turn."*
- [Nationwide](#) *"Annual house price growth continues to soften."*
- [Halifax](#) *"House prices in the latest three months (August-October 2014) were 0.8% higher than in the previous three months (May-July 2014)."*
- [Agency Express](#) *"UK property market bounces back after summer slowdown."*
- [Land Registry](#) *"The September data shows a monthly price fall of 0.2 per cent."*

Kate Faulkner comments on Report Headlines:

"With any luck, the 'crazy' growth recovery rates in property prices we have seen over the last 18 months in London and a few other parts of the country are now over. This means we may be able to see some return to a post credit crunch 'norm' which allows property businesses to plan ahead rather than not know what's going to happen to the market from one month to the next."

Regional Property Price Differences

Rightmove

“The ripple effect of buyers priced out of London combined with those cashing in and moving out of the capital means that the South East has taken London’s boom-town crown. Analysis by Rightmove and Oxford Economics forecasts the South East will be the region with the highest increase in property values in the next five years, driven by a continuation of the supply/demand imbalance in the medium term. The South East has kick-started its journey on the five-year road to the highest growth in values by overtaking London in this month’s index. The top three locations [expect to be] Southampton, Brighton and Luton. (Oct 14)”

Home.co.uk

“Prices slipped in the weaker regional markets over the last month (Wales -0.4%, North East -0.1% and North West -0.1%), and this is consistent with the normal seasonal price variations. Contrary to seasonality, prices pushed up significantly in the more vigorous southern regions. Asking prices in East Anglia, where supply remains very tight, jumped 1.1% over the last month. London prices also rose by 1.1% following last month’s dip. Looking back further, we can see that only five of England’s nine regions have prices that are nominally higher than they were in October 2007, whilst home prices in Scotland and Wales remain below those levels. If we take the effects of inflation into account – RPI (excl. housing) totals approximately 28% since October 2007 – then only Greater London has shown any real price gains over this period. (Oct 14)”

Hometrack

“Average house prices have grown between £61,000 and £5,000 in the 12 months to September 2014. The strongest performing cities are in southern England. In percentage terms, house price growth has ranged from 18.1% in London to 4.3% in Glasgow. London and Cambridge are registering the highest rate of annual growth at 18.1% and 17.9% respectively. Glasgow and Leicester are registering the slowest annual growth. (Oct 14)”

Land Registry

“The region in England and Wales which experienced the greatest increase in its average property value over the last 12 months is London, with a movement of 18.4 per cent. The East experienced the greatest monthly rise with a movement of 1.4 per cent. Yorkshire & The Humber saw the lowest annual price growth with a movement of 1.4 per cent. Yorkshire & The Humber also saw the most significant monthly price fall of 2.2 per cent. (Sept 14)”

Kate Faulkner comments on Regional Price Differences:

“The reports this month really highlight the fact that national average property prices are completely redundant in the UK. Even using a London only average is becoming pointless. With growth levels in some areas achieving 4 to 5 times more than others, local, road by road, property by property agent expertise is now one of the key reasons for consumers to use an estate agent and surveyor to make sure their property is priced correctly.”

Demand for Property

Rightmove

“Demand has been on the up in most locations so far this year, but agents in many parts of the country report a slowing in that pace with an initial post-summer pick-up failing to gain momentum. The time to sell index is up from 65.8 days to 67.8 days this month, indicating that sales are taking longer and buyers are in less of a rush to buy. (Oct 14)”

NAEA

“House hunters are out in force as the number of people looking for a property for the month of September is at a ten year high. Member agents reported an average of 406 house hunters at each branch - the highest number recorded since October 2004, when an average of 511 buyers were reported. Sales agreed increased slightly in September, with agents reporting nine sales agreed in the month per branch, compared to eight in August. First time buyers are also continuing to gain ground, according to the report, with the group now accounting for just under a third of all sales per branch (30 per cent), an increase from 28 per cent in August – which was up eight per cent from the two months before. (Sept 2014)”

Hometrack

“Pent-up demand has fed back into the market in the last 18 months. Our recent analysis shows that house prices have been driven by investor and more affluent, equity driven demand from those in managerial professions against a backdrop of low market liquidity. Greater participation in the market by more debt-reliant households is required to sustain demand and the momentum in house price growth. However, warnings from the Bank of England and others on the sustainability of house price growth have impacted market sentiment since May. More importantly, tougher affordability checks for residential mortgages with stress rates at up to 7% are impacting demand with many households unable or unwilling to move. The piecemeal introduction of maximum loan to income caps will certainly impact demand in the high value inner areas of the London market and this looks to play out further in the months ahead. (Oct 14)”

Agency Express

“Month-on-month the number of UK wide residential properties achieving a ‘Sold’ status has dropped by -7.4%. Although we have experienced a robust property market throughout 2014, the Property Activity Index’s data shows that October 2014 saw a higher number of properties achieving a ‘Sold’ status, recording only a 0.9% drop. Across the rest of the UK the seasonal trend continues. Out of the twelve regions recorded by the Property Activity Index all recorded declines for properties ‘Sold’. The regions that recorded the smallest declines for ‘Properties Sold’ were East Anglia -0.80%; East Midlands -2.50%; South East 5.20%; South West -6.20% and London -7.40%. (Oct 14)”

Bank of England

“The number of loan approvals for house purchase was 61,267 in September, compared to the average of 64,720 over the previous six months. (Sept 14)”

Severn Trent

“The average number of daily transactions in October was down 8% year on year. It was also down 1.4% on the average number of daily transactions in September. This indicates a definite softening of the housing market in the Midlands. (Oct 14)”

Land Registry

“In the months April 2014 to July 2014, sales volumes averaged 75,950 transactions per month. This is an increase from the same period a year earlier, when sales volumes averaged 64,317 per month. (Sept 14)”

Kate Faulkner comments on Demand for Property:

“There are mixed messages this month on property demand. In the main, it looks like sales and the number of those registering to buy is less this year than last, but there are some reports which still show the market is pretty healthy when looked at over time. With most reports in the media suggesting prices are slowing though, this is helping to ‘cool’ the market, with buyers taking their time. Hopefully this will return us to some sort of ‘norm’ of a low growth, but positive property market over the next 12 months.”

Supply of Property

Rightmove

"There are more sellers giving it a go with newly-marketed listings on the up, and it seems that they recognise there is a window to sell now. However, to sell their property more quickly they should make it the most attractive in terms of price and preferably presentation if they are serious about selling within weeks rather than months. (Oct 14)"

Home.co.uk

"Supply is growing across the UK as vendors are being encouraged by rising prices. Last month, 10% more properties entered the market than in September 2013. The rise in supply in London is much more extreme: up 49% by the same measure. (Oct 14)"

NAEA

"While the supply of housing increased slightly from last month, from 49 houses available in August to 51 in September, this figure is seasonally low for September. The last time that supply levels were lower for September was in 2002, when 43 houses were available per NAEA member branch. (Sept 14)"

Agency Express

"Eleven regions recorded declines in new listings 'For Sale'. The regions that recorded the smallest declines were Wales -2.60%; West Midlands -8.70% and the North East +8.90%. This month's top performing region was the North East. The rise of 8.90% in new listings 'For Sale' not only bucked the seasonal trend, they recorded their record best October and their largest increase in new listings 'For Sale' for three months. (Oct 14)"

Kate Faulkner comments on Supply of Property:

"With the economy appearing to be moving into more of 'good news' territory, jobs appearing to be more secure and businesses making decent profits again (including residential property ones), then sellers are happier to risk selling up and moving on. Of course for many, they can now do this as huge numbers are out of negative equity and can afford to sell, when in the past they would have struggled to get the numbers to work."

What to do next?

Buying, selling or investing in today's variable market means you need to take a great deal of care before making a decision. It's essential to secure independent, up to date, advice you can trust.

Kate and her team from Propertychecklists.co.uk, make it easy to access the information and support you need via the FREE of charge checklists, daily articles and advice:-

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For Media Professionals

If you need Kate to appear on TV, radio or for general comment, please contact directly:-

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About Kate Faulkner

Kate has written six property books including four for the consumer organisation Which? – Buy, Sell and Move House; Renting and Letting; Develop your Property and Property Investment Handbook. Kate presents at a seminar almost every week to landlords, investors, first time buyers and is often asked to present at industry conferences and chair debates.

From a media perspective, Kate's appearances include BBC Breakfast News, Your Money, GMTV, ITV, Radio 4 You and Yours, The Big Questions and 5Live. In the last 12 months, Kate has carried out over 15 TV and radio interviews, has been quoted every month in major newspapers and magazines and being featured in many local newspapers.

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