

February 2015 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.

Index

- | | |
|---------------------------------------|---------|
| • Report Headlines | Page: 1 |
| • Regional Property Price Differences | Page: 2 |
| • Demand for Property | Page: 3 |
| • Supply of Property | Page: 4 |

Report Headlines:-

Rightmove	<i>"Record start to 2015 but sellers will have to work harder this year."</i>
Home.co.uk	<i>"Optimism gives home prices an early nudge up."</i>
NAEA	<i>"Stamp Duty reforms boost middle market properties."</i>
RICS	<i>"Scotland and Northern Ireland continue to outperform."</i>
Nationwide	<i>"Annual house price growth continued to moderate at the start of 2015."</i>
Halifax	<i>"House prices in the three months to January were 1.9% higher than in the preceding three months."</i>
Agency Express	<i>"UK property market gains momentum."</i>
Acadata	<i>"Annual rate of house price growth continues to fall."</i>
Land Registry	<i>"The December data shows a monthly price increase of 0.6 per cent."</i>

Kate Faulkner comments on Report Headlines:

"There seems to be mixed messages coming from the data for December/January. In the main, the end of the year was fairly sluggish, but normal for Xmas time, while January for some areas seemed to be full of instructions but little sales, while other areas experienced price increases. January though is a low volume month historically, so we'll need a few more months' data until we can really see what's happening in the market this year."

Regional Property Price Differences

Home.co.uk

"The recovery that began in London in 2012 has now rippled out to become clearly established in most English regions, although it has yet to become truly apparent in the North. The property markets immediately adjacent to Greater London (East Anglia and the South East) are currently thriving. Further afield, regional property markets such as the South West, East Midlands and West Midlands put in solid performances in 2014, and they will most likely perform slightly better this year. Average prices in the North West, North East, Scotland, Wales and Yorkshire all remain significantly below their Jan. 2008 values (on average 8.7% less). (Jan 15)"

RICS

"The headline price net balance shows a further moderation in the rate of growth with London still the only area where more respondents are reporting falling rather than rising prices. The London reading fell further into negative territory in January with a net balance of 49% of surveyors seeing prices fall. In contrast, Northern Ireland witnessed the strongest price growth for the fifth consecutive month with a balance of 47% of respondents reporting rising prices; Scotland followed close behind with a net balance of 38%. (Jan 15)"

Acadata

"This month, three regions are showing an increase in their averaged annual rate of change compared to the previous month (the North West, East Midlands and East Anglia), with seven regions showing a decrease. There were two regions recording peak average house prices in December; the South West and the West Midlands, with the South East and Greater London both having dropped out of this group. (Jan 15)"

Land Registry

"The region with the most significant annual price increase is London with a movement of 16.3 per cent. North West saw the lowest annual price growth with a movement of 1.5 per cent. London also experienced the greatest monthly price rise with a movement of 1.8 per cent. The North West also saw the largest monthly decrease with a fall of 1.6 per cent. (Dec 14)"

Kate Faulkner comments on Regional Price Differences:

"Reporting on the property market is more difficult than it's ever been. In the past, the market 'made sense'. London would lead prices down, the rest of the UK would follow, London would recover and this would ripple out to the regions. Now though, London has potentially seen the best of its 'recovery' and although some areas are still doing well year on year, most are starting to flag - some hardly seeing a recovery at all. It will take a few months for the market trends to reveal themselves this year, but so far it looks like the 5%+ average increase achieved each year or 7-8% in London and other 'successful markets' over the last 15 years, seems to be at an end, with price rises settling around the 3% level."

Demand for Property

Rightmove

"Buyer activity cooled in the second half of 2014, though there are signs of a New Year bounce-back. More people are looking for property than last year. (Jan 15)"

NAEA

"NAEA members reported that the number of house hunters recorded per branch to be at a ten year high, with 360 house hunters registered per branch on average. The last time the number of house buyers registered per NAEA member branch was this high for December was in December 2004, in which 360 house hunters were similarly recorded. The percentage of sales made to first time buyers (FTBs) rose from November figures, with the group accounting for 26% of sales agreed compared to 24% in November. (Dec 14)"

RICS

"The new buyer enquiries series recorded its seventh consecutive negative reading in January, although at a value of -5, the contraction in demand appears minimal, and the headline reading continues to mask a very mixed picture across different parts of the UK. (Jan 15)"

Agency Express

"Regional month on month data recorded by the Property Activity Index highlighted slower activity for properties 'Sold' in January, with only five of the 12 regions recording increases. The top performing regions included: London up by 19.2% the region's first increase in properties 'Sold' in four consecutive months. Scotland up by 11.2%, reporting a record best January since the index's early recorded records in 2008. East Anglia up by 7.2%, their largest increase in properties 'Sold' since February 2014. Notable increases were also made by Central England rising by 6.2% and Yorkshire and Humberside by 3.3%. The largest decline made for properties 'Sold' was recorded by the East Midlands. After four month lows from September to December, the region made a further decline of 8.1%. (Jan 15)"

Acadata

"Comparing the percentage change in the volume of transactions between Q4 2013 and Q4 2014, by region and property type, the region with the highest increase in flat sales is Yorkshire & Humberside, followed by the East Midlands. The region with the highest percentage increase in terraced property sales is the East Midlands, followed by Yorkshire & Humberside."

"The North saw the highest percentage increase in sales of semi-detached and detached properties, with Greater London seeing the largest percentage fall in the number of properties sold across all property types between Q4 2013 and Q4 2014, while the South East saw the largest drop in sales of semi-detached and detached properties over this period. (Jan 15)"

Bank of England

"The number of loan approvals for house purchases was 60,275 in December, compared to the average of 62,652 over the previous six months. (Dec 14)"

Severn Trent

"The average number of daily transactions in January was down 12.5% year on year. It was, however, up 20.6% on December's average daily transactions. Only one day in January were there more transactions than the equivalent day last year. (Jan 15)"

Land Registry

"In the months July 2014 to October 2014, sales volumes averaged 82,067 transactions per month. This is an increase from the same period a year earlier, when sales volumes averaged 75,201 per month. (Dec 14)"

Kate Faulkner comments on Demand for Property:

"It does look like demand waned a little in December and January compared to the previous year, although the NAEA data suggests December was a good month. As ever though, the Acadata information reminds us demand and supply for different property types and regions is unbelievably varied, so more than ever, sellers need advice from local agents who know the ins and outs of every little corner of their area."

Supply of Property

Rightmove

"New seller numbers are up 2% on last year and, while modest, this is the highest weekly run-rate over this period for several years. However, the supply of property coming to market is still failing to replenish agents' stock for sale. Stock has fallen by 10% compared to the same period in 2014. (Jan 15)"

Home.co.uk

"The total number of properties for sale in England and Wales (458,112 homes) is just 1.5% higher than the record low set in March 2014. The trend for England and Wales shows how relatively few properties are actually for sale in the current market. Low supply continues to be a key market driver for 2015. (Jan 15)"

NAEA

"The supply of properties per branch is seasonally low, with just 45 available properties per branch recorded in December compared with 50 in November and 47 the year before in December 2013. (Dec 14)"

RICS

"On the supply side of the market, the situation looks broadly unchanged over the month with the headline new instructions balance recording a value of +3. However, conditions are equally disparate across areas, with the market remaining tight in the North West and South East, while in the South West more properties have come to market in recent months. (Jan 15)"

Nationwide

"Supply side developments are crucial in determining the pace of price growth. Surveyors continue to report a dearth of new homes coming on to the market, which may help to explain why house price growth has remained fairly robust, despite a more noticeable decline in housing demand since the summer. (Jan 15)"

Agency Express

"All 12 regions recorded by the Property Activity Index reported increases in new listings 'For Sale'. Prominent performers included: The North East who recorded a robust rise of 71.1%, their largest increase in new listings 'For Sale' since February 2014. The South East recorded a rise of 69.8% marking their largest increase in new listings 'For Sale' since January 2013, and East Anglia rose by 68.9%, reporting a record best month since the index's first records in 2007. Substantial increases were made by the remaining regions: London 55.4%; South West 53.1%; Wales 53.1%; Yorkshire & Humber 52.1%; Central England 48.8%; North West 43%; West Midlands 38%; East Midlands 26.1% and Scotland 26.1%. (Jan 15)"

Acadata

"New housing supply is edging up slowly, but with considerable pent-up demand, this is unlikely to relieve the market greatly in the medium term."

Kate Faulkner comments on Supply of Property:

"The indices which are measuring the latest trends, such as Agency Express, who report on board counts and property portals, show we are seeing higher stock levels this year - good news for stock strapped agents! Hopefully 2015 will see more matching of supply and demand to help deliver a more balanced property priced market. As we know, as much as everyone gets excited about property price rises/falls, it's stock versus buyers that dictates prices and whether agents have a good year or not."

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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Kate Faulkner, Property Market Analyst and Commentator

Websites: [Kate Faulkner](#) Propertychecklists.co.uk

Email: kate@designsonproperty.co.uk

Telephone: 01652 641722

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 20 TV and radio interviews, has been quoted every month in major newspapers and magazines and being featured in many local newspapers.

For more information contact Kate Faulkner directly on 07974 750562 or kate@designsonproperty.co.uk