

RESEARCH

Housing Market Update

August 2024

Market Overview

With the election now over all eyes are on the new Labour government to deliver on its manifesto promises. With this in mind, the recent King's Speech outlined a raft of new legislation with a focus on the housing market and boosting housing delivery. The Renters' Rights Bill was also announced and at first glance, it appears similar to the previous government's Renters (Reform) Bill.

This month's recent residential sales data suggests a stable market, with little significant

movement in either direction. Total transactions and mortgage approvals remain largely flat compared to the previous month. Annual sales price growth also shows minimal change, hovering around 1.5% (Nationwide) and 1.6% (Halifax), similar to May's figures. The potential, and widely expected interest rate reductions later this year (likely later this summer or early autumn) is likely dampening any substantial rise in demand for now.

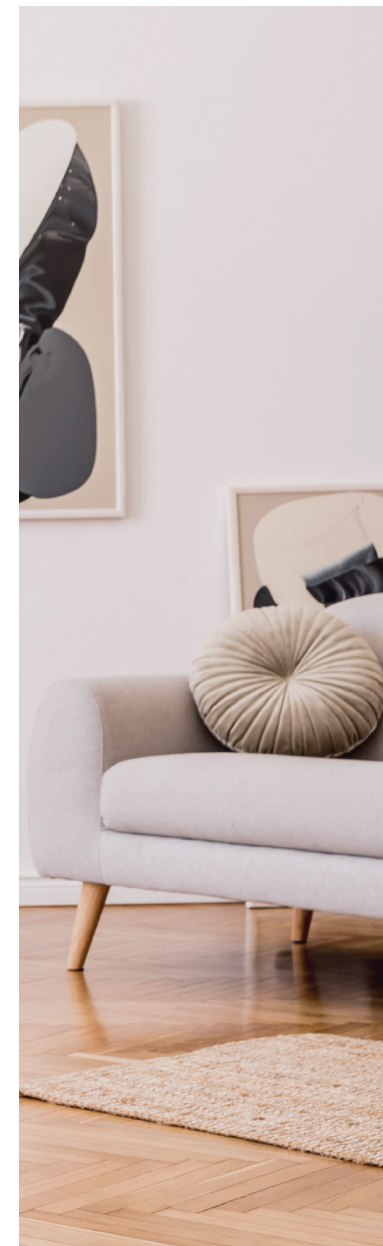
Sales and Lettings prices

- Annual house price growth accelerated slightly to 1.5% in June, according to Nationwide, up from 1.3% a month earlier. This reflects a small monthly growth of 0.2%, down from 0.4% in May. This means house prices are down by around 3% from the peak in August 2022 to an average of £266,064.
- Average house prices rose 1.6% in the 12 months to June, according to Halifax, marking no change from the 1.6% growth recorded in May. On the whole, house prices have remained fairly static recently with a -0.2% monthly fall reported in June which followed two months of no change. The typical UK home now costs £288,455 according to the bank, now just 2% below the peak in September 2022.
- Rightmove reports an annual asking price rise of 0.4% in their latest July report. This is down slightly from 0.6% in June and reflects a monthly fall of -0.4%. The report goes on to say that the election, the euro football tournament and the normal summer holiday period may have forced sellers to drop prices in order to grab the attention of 'distracted' buyers. The average new seller asking price is now £373,493.
- In the lettings market, rental growth was reported to have eased slightly yet again, although at 8.6% (annually), this is still strong compared with long-term historical averages (latest figures, Price Index of Private Rents, ONS). Regionally, London continues to see the highest rates of growth at 9.7% followed by the North West at 9.6% and the East Midlands at 9.4%. The slowest rates of growth were seen again in the North East at 5.9% but even there this level of growth is high compared to the longer term. Of our Carter Jonas office locations, York posted the highest growth at 12.3% in the 12 months to June, while Oxford saw the 'slowest' growth at 4.3%.



**A typical UK home
now costs £288,455**

Source: Halifax



Activity

- The monthly rate of mortgage approvals remained relatively stable, down by just -1% in May over April's figure. This is the fourth month in a row where the number of approvals has hovered around the 60,000 mark. May's number of approvals is still 20% more than the same month last year, and year to date mortgage approvals are 30% more than in 2023. Both figures are indicative of an improving market overall.
- Total residential sales rose 2.4% month on month to 91,290 in May, marking the fifth consecutive month of rising sales volumes according to HMRC's latest figures. This is also now the highest number of monthly transactions in 17 months.
- In the private rented sector, tenant demand was found to have risen in May for the second month in a row, according to ARLA Propertymark's latest report. The average number of new prospective tenants per branch rose from 90 in April to 97 in May. This follows a very normal seasonal trend though and is still well below the same month in each of the last two years.
- Across our tracked Carter Jonas locations, enquiries have risen by an average of 5% over the past four weeks. However, the trend wasn't uniform. Our two northern offices saw a significant increase of nearly 50%, while London experienced a more moderate rise of 17%. Conversely, enquiries in our central offices declined by around 17%, and those in the south remained flat. This regional disparity in enquiries suggests both buyers and sellers are hesitant, likely due to the recent general election and the ongoing wait for mortgage rate decreases.



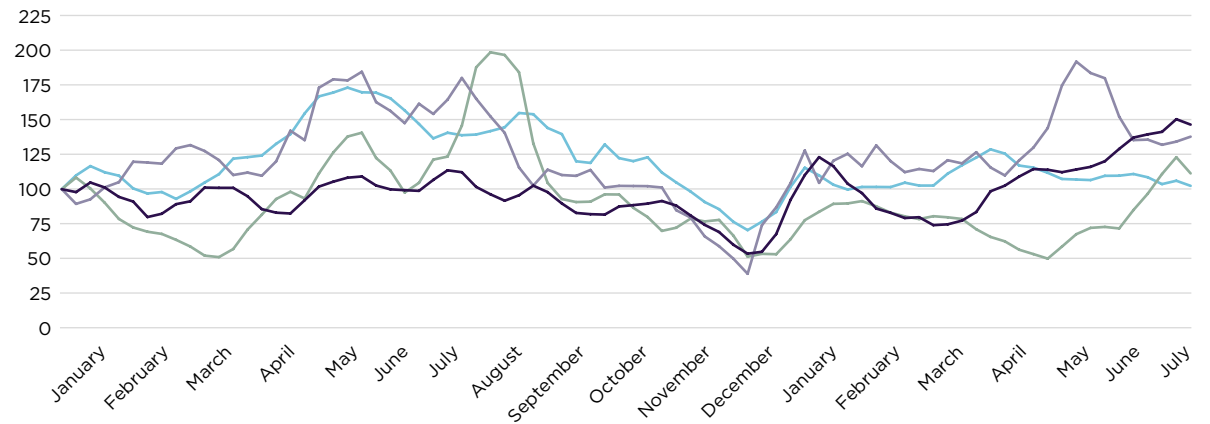
50%


rise in enquiries
in our northern
offices over the
past four weeks

Figure 1 Carter Jonas Enquiry level trends, since January 2023

Source: Carter Jonas. Enquiry levels are four-week rolling average

London / Central / North / South





Official House Price data

HM Land Registry
May 2024

Source: HM Land Registry

Carter Jonas location	Average Price	Monthly Change (%)	Annual Change (%)
Bath and North East Somerset	£449,100	5.1%	10.0%
Vale of White Horse	£424,823	2.7%	9.8%
South Oxfordshire	£498,227	0.4%	6.4%
North Yorkshire	£273,921	1.1%	4.1%
Oxford	£454,736	0.4%	4.0%
South Cambridgeshire	£435,932	1.4%	3.6%
Winchester	£492,796	-0.3%	2.9%
United Kingdom	£285,201	1.2%	2.2%
England	£302,393	1.3%	2.2%
Cambridgeshire	£342,261	0.5%	1.8%
West Oxfordshire	£379,854	-0.9%	1.6%
Suffolk	£287,460	0.8%	1.1%
Leeds	£231,743	-0.7%	1.1%
West Berkshire	£405,968	3.0%	0.9%
Cambridge	£477,582	1.0%	0.7%
London	£523,376	3.9%	0.2%
Outer London	£473,827	1.2%	0.0%
Somerset	£286,247	0.2%	-0.1%
Wiltshire	£320,145	-1.2%	-1.1%
York	£313,028	0.9%	-1.7%
Inner London	£580,575	0.2%	-5.1%
South West London	£691,316	-0.5%	-7.4%
Prime Central London	£1,079,565	0.3%	-16.4%

Official Price Index of Private Rents

ONS June 2024

Source: ONS

Note: Rents are for all property types and bedroom numbers, £ per calendar month



Carter Jonas location	Average Rent (pcm)	Monthly Change (%)	Annual Change (%)
York	£1,107	0.4%	12.3%
London	£2,098	0.6%	9.7%
Winchester	£1,357	1.4%	9.3%
Prime Central London	£3,223	0.8%	9.2%
South West London	£2,278	0.7%	9.0%
England	£1,310	0.7%	8.6%
Vale of White Horse	£1,227	0.2%	8.5%
South Oxfordshire	£1,270	1.3%	7.9%
West Berkshire	£1,200	0.5%	7.7%
South Cambridgeshire	£1,270	0.6%	7.2%
Cambridge	£1,650	0.2%	6.9%
West Oxfordshire	£1,245	0.6%	6.8%
Bath and North East Somerset	£1,564	1.0%	6.6%
Wiltshire	£941	1.1%	6.0%
North Yorkshire	£779	0.6%	5.6%
Oxford	£1,663	0.2%	4.3%





Monthly change in enquiry levels

15%

LONDON

-4%

SOUTH

-17%

CENTRAL

47%

NORTH

We're closely analysing what happens next

We're monitoring the market so we can get you the best possible price for your property. If you're keen to sell your property as soon as possible or simply curious to know what it's worth during these changing times [CLICK HERE](#) to book a complimentary market appraisal.

Lisa Simon Partner,
Head of Residential
lisa.simon@carterjonas.co.uk

Leslie Schroeder
Head of Residential Research
leslie.schroeder@carterjonas.co.uk

020 7518 3200

**One Chapel Place
London
W1G 0BG**

chapelplace@carterjonas.co.uk

Sources: Carter Jonas Research, Halifax, Nationwide, ONS, Rightmove, Zoopla

About Carter Jonas

Carter Jonas LLP is a leading UK property consultancy supported by a national network of 33 offices and 1,000 property professionals. Our team is renowned for their quality of service, expertise and the **simply better property advice** they offer their clients.

© Carter Jonas 2024. The information given in this publication is believed to be correct at the time of going to press. We do not however accept any liability for any decisions taken following this report. We always recommend that professional advice is taken.

Exclusive UK affiliate of

CHRISTIE'S
INTERNATIONAL REAL ESTATE