

Property market yet to stabilise, offering opportunity for the longer-term investor

The My Property Consultant Property Index Tracker - 27 November 2016

Lending

The BoE Mortgage Approval Rate has increased by 2.3% since last month but is down 10.4% over the last 12 months. The Council of Mortgage Lenders reported an increase in the number of loans last month of 10.8%, but that has dropped back down by 6.5% over the last few weeks.

Property transactions

















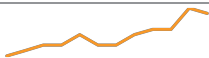




The HMRC Property Transactions Index has shown an increase of 1% over the last month but is down 8.3% from this time last year.

House Prices

Nationwide, Halifax and Rightmove all indicate an increase in house prices over the last 12 months (4.6%, 6.1% and 4.5% respectively), and ONS figures also show that prices have increased by 7.7% over 12 months.

Rents

Rents have fallen by 0.8% nationally and by 3.8% in London since last month, showing something of an anomaly. However the underlying market remains strong and Your Move expect growth to resume in future months, with landlords continuing to see impressive yields.

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£205,904	-0.1% ↓	4.6% ↑	After fifteen successive monthly increases, UK house prices were unchanged in October (after taking account of seasonal factors). As a result, the annual rate of house price growth slowed to 4.6%, from 5.3% in September, though this is still in line with the growth rates prevailing since early 2015.
Nationwide House Price Growth (National - 3 Month Avg)		£206,346	1.0% ↑	5.4% ↑	The data points to fairly stable demand conditions in the near term. Mortgage approvals edged up modestly in September, though they remain weak by historic standards. Surveyors report that new buyer enquiries have increased modestly in recent months.
Nationwide House Price Growth (London - 3 Month Avg)		£474,736	0.5% ↑	7.1% ↑	
Halifax House Price Growth (National) *		£217,411	1.6% ↑	6.1% ↑	House prices increased by 1.6% between September and October. This is the second consecutive monthly increase. Home sales appear to have stabilised in recent months following the distortions earlier in the year.
Rightmove Asking Price Growth (National)		£305,670	-1.1% ↓	4.5% ↑	The price of property coming to market has fallen by 1.1% (-£3,452) this month. This is a relatively strong performance, as the average fall over the last six years at this seasonally quieter time of year has been 1.8%.
Rightmove Asking Price Growth (G London)		£643,838	-0.3% ↓	3.9% ↑	Similarly, London's property market fell this month by 0.3% (-£1,995) however, this is a much smaller fall than the 1.5% average recorded in November over the last six years.
Your Move Buy to Let index (rents - National)		£900	-0.8% ↓	11.7% ↑	Recent rent increases in England and Wales levelled off in October, with the average property being let for £900 per calendar month. This figure was marginally down on September's total of £907.
Your Move Buy to Let index (rents - London)		£1,290	-3.8% ↓	0.2% ↑	Despite the slight drop in rents compared to last month, this is the second highest rent ever recorded by this survey.
ONS House Price Index (Average Price - National)		£217,888	0.2% ↑	7.7% ↑	Average house prices in the UK have increased by 7.7% in the year to September 2016, continuing the strong growth seen since the end of 2013. The average UK house price is £16,000 higher than in September 2015.
ONS House Price Index (Average Price - London)		£488,000	1.5% ↑	10.9% ↑	On a regional basis, London continues to be the region with the highest average house price at £488,000, followed by the South East and the East of England, which stand at £313,000 and £277,000 respectively.
Bank of England Mortgage Approval Rate *		62,392	2.3% ↑	-10.4% ↓	The number of loan approvals for house purchase in the UK rose to 62,932 from an upwardly revised 60,984. Figures came above market expectations of 61,500 but below the average of 64,841.
Bank of England Base Rate		0.25%	0.0% →	-50.0% ↓	The Base rate set by the Monetary Policy Committee at the Bank of England stays at 0.25% since the rate change back in July.
RICS Price Expectation Survey		23%	35.3% ↑	N/A	The October Survey shows new buyer enquiries increase modestly for the second consecutive month. Near term price expectations increased slightly but still point to very limited growth over the months to come.
HMRC Property Transactions (Uk Residential)		100,300	-6.2% ↓	-16.4% ↓	The seasonally adjusted estimate of the number of residential property transactions increased by 1.0% between September 2016 and October 2016.
HMRC Property Transactions (Uk Residential) *		97,640	1.0% ↑	-8.3% ↓	This month's seasonally adjusted figure however is 8.3% lower compared with the same month last year.
CPI - (Consumer Price Index)		101.2	0.1% ↑	0.9% ↑	The Consumer Prices Index (CPI) rose by 0.9% in the year to October 2016, compared with a 1.0% rise in the year to September. Although the rate was slightly lower than in September 2016, it remained higher than the rates otherwise seen since late 2014.
Rate of CPI		0.9%	N/A	N/A	CPIH (not a National Statistic) rose by 1.2% in the year to October 2016, unchanged from September.
CML - Total No. of Loans **		111,300	-6.5% ↓	-3.6% ↓	Paul Smee, director general of the CML, commented: House purchase activity appears to have steadied. We may not be seeing huge increases in activity on the scale of 2013-14 but there is a consistency in the levels in recent months. Mortgage affordability reached an historic low in September, for both first-time buyer and home movers, which partly reflects the re-pricing of mortgages following August's base rate cut. This should help turn a strong appetite for home-ownership into a reality as we approach the closing months of the year.
CML - Total value of Loans (£m)**		£20,700(m)	-7.2% ↓	5.1% ↑	Six months since the stamp duty changes on second properties and buy-to-let continues to operate at lower levels than a year ago. But lending for buy-to-let house purchase and remortgaging has settled at its current level over the last four months.
CML - Buy to Let: Number of Loans **		16,900	-6.6% ↓	-28.4% ↓	
CML - Buy to Let: Value of Loans (£m)**		£2,800(m)	-6.7% ↓	-22.2% ↓	

* Data is Seasonally Adjusted (SA).

** The data compiled is the combined value of both new house purchase loans as well as remortgaged loans. It relates to mortgage advances only.

Data illustrated is a snapshot of the latest official data as of: 27 November, 2016.

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