

Shortage of supply of housing stock pushes up house prices. The My Property Consultant Property Index Tracker - May 2021

The data collected is a snapshot of the current and latest official data, however these figures can be lagging sometimes. This is because some of the organisations included can take as much as 3 months to collect, process and publish the information.

House Prices

Nationwide, Halifax and Rightmove all reported national increases in house prices over the last 12 months (7.1%, 8.3%, 5.1% respectively). The ONS also reported an increase of 8.6% during the same period.

Rents

The HomeLet Buy-to-Let Rental Index reports an increase of 2.9% in the national average over the last year. London's figures however have dropped by 5.3% over the same period due to a sharp decline following the pandemic with recent signs of an uptick over the last few months

Lending

The BoE Mortgage Approval Rate has decreased by a further 5.6% this month but is up by 47% compared to this time last year, when the first lockdown was in full force.

Property transactions

After taking into account seasonal fluctuations the HMRC have reported an annual increase of 107.9% compared to this time last year. This number is still hugely inflated due to the Stamp Duty holiday and more importantly due to the effects of the first lockdown.

Indicator	12 Month Trendline	Current Value	Monthly/Quarterly % Change	Annual % Change	Comments
Nationwide House Price Growth (National)		£238,831	2.9% ↑	7.1% ↑	Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said: "Annual house price growth accelerated to 7.1% in April, only slightly below the peak of 7.3% recorded in December and up from 5.7% in March. In month-on-month terms, house prices rose by 2.9% in April, after taking account of seasonal effects, the biggest month rise since February 2004. "Just as expectations of the end of the stamp duty holiday led to a slowdown in house price growth in March, so the extension of the stamp duty holiday in the Budget prompted a reacceleration in April. "However, our research suggests that while the stamp duty holiday is impacting the timing of housing transactions, for most people it is not the key motivating factor prompting them to move in the first place. For example, amongst homeowners surveyed at the end of April that were either moving home or considering a move, three quarters said this would have been the case even if the stamp duty holiday had not been extended.
Nationwide House Price Growth (National - 3 Month Avg)		£231,644	0.8% ↑	6.3% ↑	
Nationwide House Price Growth (London - 3 Month Avg)		£482,576	-0.8% ↓	4.8% ↑	
Halifax House Price Growth (National) *		£258,204	1.4% ↑	8.3% ↑	Russell Galley, Managing Director, Halifax, said: "House prices in April eclipsed the record high set the month before as the market continued to maintain its recent momentum. The average property is now worth £258,204, up 1.4% month on month and 8.3% annually, the highest annual growth rate in 5 years. In cash terms, almost £20,000 has been added to the value of the average home since the market had essentially come to a standstill in April 2020.
Rightmove Asking Price Growth (National)		£327,797	2.1% ↑	5.1% ↑	<ul style="list-style-type: none"> National average price of property coming to market hits a new all-time high of £327,797, following a 2.1% (+£6,733) monthly jump. This figure shatters the previous record, set in October last year, by over £4,000. The big jump comes as buyer demand sets another new record, chasing the lowest ever proportion of property available to buy. This is now the fastest-selling market that Rightmove has measured since our records began. Although some of the froth is likely to come off the market later in the year once some government economic measures end, we expect activity to remain robust for the rest of 2021. London saw a monthly increase of 1.7% (10,331) taking it to its highest value since March 2020..
Rightmove Asking Price Growth (G London)		£635,306	1.7% ↑	1.4% ↑	
Homelet Buy to Let index (rents - National)		£996	0.4% ↑	2.9% ↑	Commenting on this month's data, Andy Halstead, chief executive at HomeLet & Let Alliance, said: "We're continuing to see a sustained demand for let property; against a backdrop of reduced stock, with landlords facing increased costs and growing concerns about legislative changes. "As we gradually ease from protective measures, the stark reality is that we're fast approaching a summer where rental prices could accelerate at a rate never seen before. "Landlords have been hit by a sustained raft of legislative changes, which mean that their costs to let property have had to increase. The ban on all tenant evictions and plans to abolish Sections 21s may prompt some landlords to consider exiting the market when they're able to, causing yet more strain on property supply. Letting property will continue to be an excellent long term investment, but the pandemic has amplified some of the issues that both landlords and tenants are facing.
Homelet Buy to Let index (rents - London)		£1,580	-0.4% ↓	-5.3% ↓	
ONS House Price Index (Average Price - National)		£250,341	-0.02% ↓	8.6% ↑	<ul style="list-style-type: none"> Although there was hardly any change in value over the last month (-£56), UK average house prices increased by 8.6% over the year to February 2021, up from 8.0% in January 2021; this is the highest annual growth rate the UK has seen since October 2014. Average house prices increased over the year in England to £268,000 (8.7%), in Wales to £180,000 (8.4%), in Scotland to £162,000 (8.0%) and in Northern Ireland to £148,000 (5.3%). The lowest annual growth was in London, where average prices increased by 4.6% over the year to February 2021, down from 5.7% in January 2021, however London's average house prices remain the most expensive of any region in the UK at an average of £496,000 in February 2021.
ONS House Price Index (Average Price - London)		£496,269	-1.4% ↓	4.6% ↑	
Bank of England Mortgage Approval Rate *		82,735	-5.6% ↓	47.0% ↑	The number of mortgage approvals for house purchase in the UK decreased to 82,740 in March of 2021, from a downwardly revised 87,390 and in the previous month and below market expectations of 92,300.
Bank of England Base Rate		0.1%	0.0% →	0.0% →	Following the 2 interest rate drops imposed by the government in March last year, the interest rate remains at an all-time low of 0.1% this month.
RICS Price Expectation Survey		75%	26% ↑	N/A	The latest RICS UK Residential Survey results point to buyer demand remaining firm across the market, while the flow of properties being listed for sale has lost impetus of late. As a result, respondents to the survey frequently highlight this mismatch between supply and demand to be a critical factor in driving up house prices, with growth reportedly accelerating further across all parts of the UK.
HMRC Property Transactions (Uk Residential)		180,690	49.6% ↑	107.9% ↑	<ul style="list-style-type: none"> The provisional seasonally adjusted estimate of UK residential transactions in March is 190,980, double (102.3%) the amount of transactions in March 2020 and 32.2% higher than in February. The provisional non-seasonally adjusted estimate of UK residential transactions in March is 180,690, double (107.9%) the amount of transactions in March and 49.6% higher than February. This is the Highest quarter 1 total since the introduction of Stamp Duty statistics in their current format from 2005, and the highest quarterly total since 2006 Quarter 2 when transactions reached 419,270
HMRC Property Transactions (Uk Residential) *		190,980	32.2% ↑	102.4% ↑	
CPI - (Consumer Price Index)		109.1	0.0% →	0.5% ↑	<ul style="list-style-type: none"> The Consumer Prices Index (CPI) rose by 0.7% in the 12 months to March 2021, up from 0.4% to February 2021; on a monthly basis, CPI rose by 0.3% in March 2021, compared with little change in March 2020. The largest upward contribution to the CPIH 12-month inflation rate came from transport (0.44 percentage points), and overall these were partially offset by falls in the price of food. The Consumer Prices Index including owner occupiers' housing costs (CPIH) rose by 1.0% in the 12 months to March 2021, up from 0.7% to February.
Rate of CPI (12 Month Rate)		0.7%	N/A	N/A	

* Data is Seasonally Adjusted (SA). Data is subject to adjustments post publication by each individual organisation, past figures are therefore subject to revision and change.

Data illustrated is a snapshot of the latest official data as of: 13 May, 2021.

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