

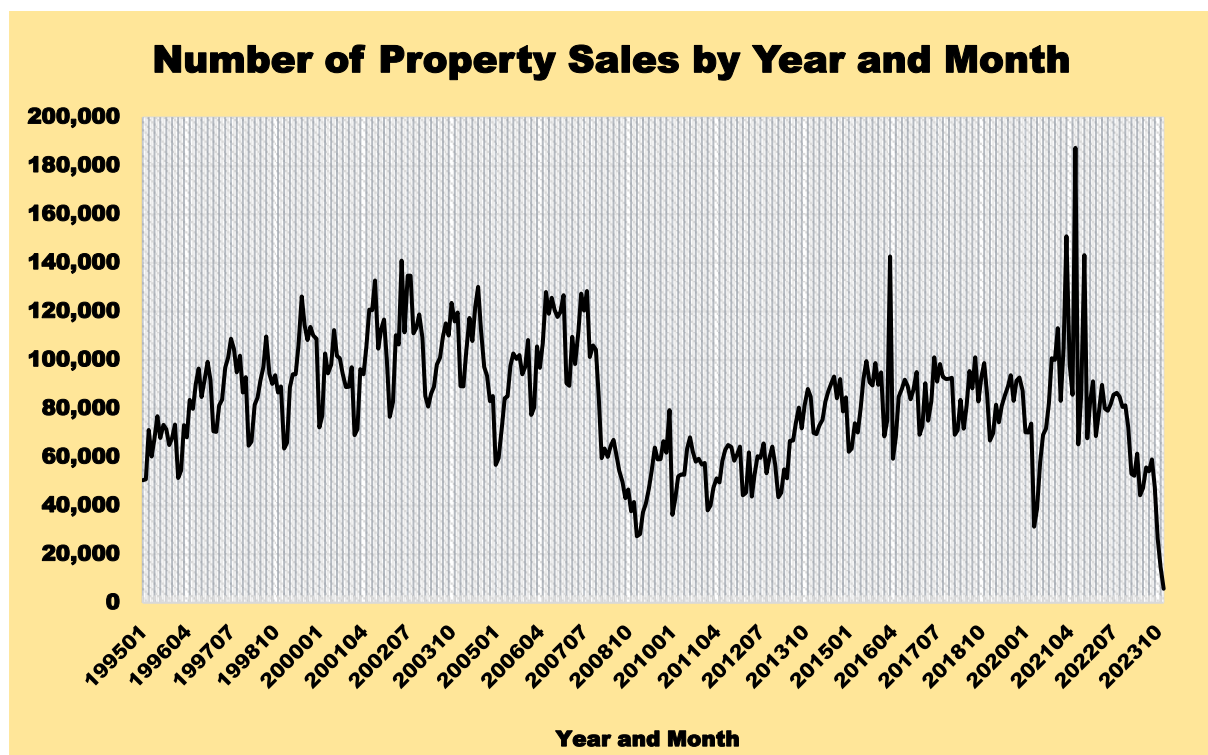
Trends in the Housing Market

Introduction

Since January 1995 Land Registry have released residential property sales data on a monthly basis in England and Wales. Each time a property is sold a record of the transaction is created and holds the address of the property along with the date of sale, the value of the transaction, whether the property is newly built, the property type (detached, semi-detached, terraced or flats) and whether the property is leasehold or freehold.

Trends

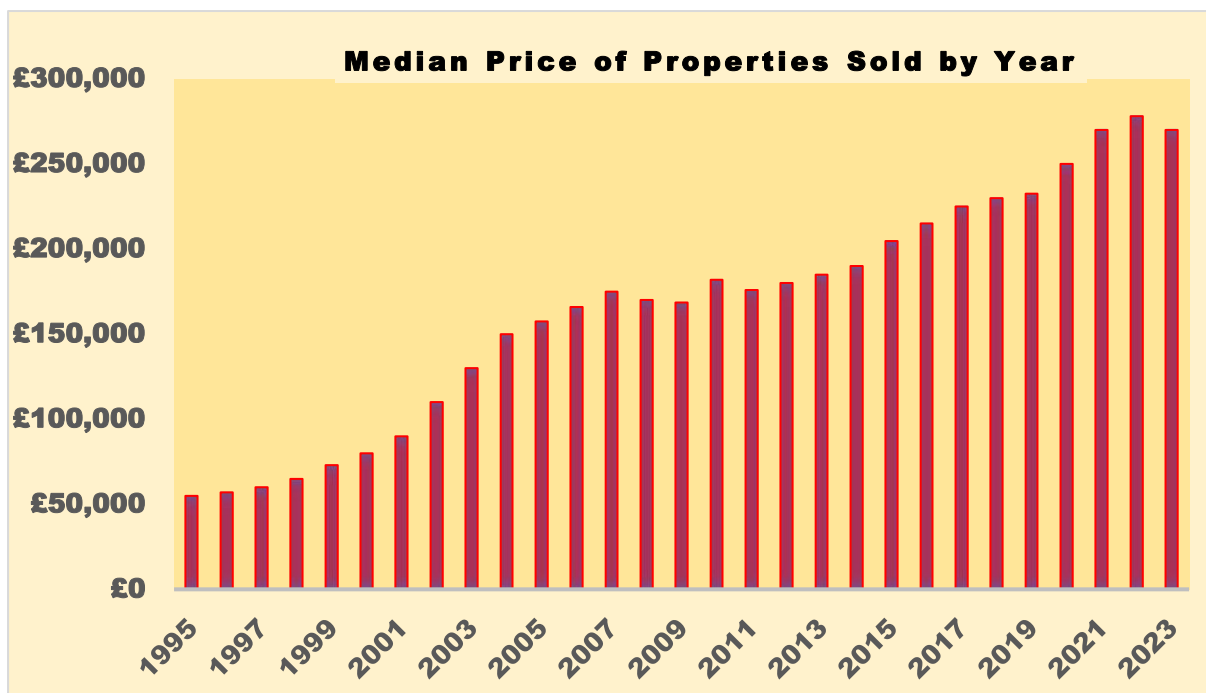
This data has been used to look at trends in the marketplace. The chart below shows the number of properties sold in England and Wales from 1995 onwards by month and year.



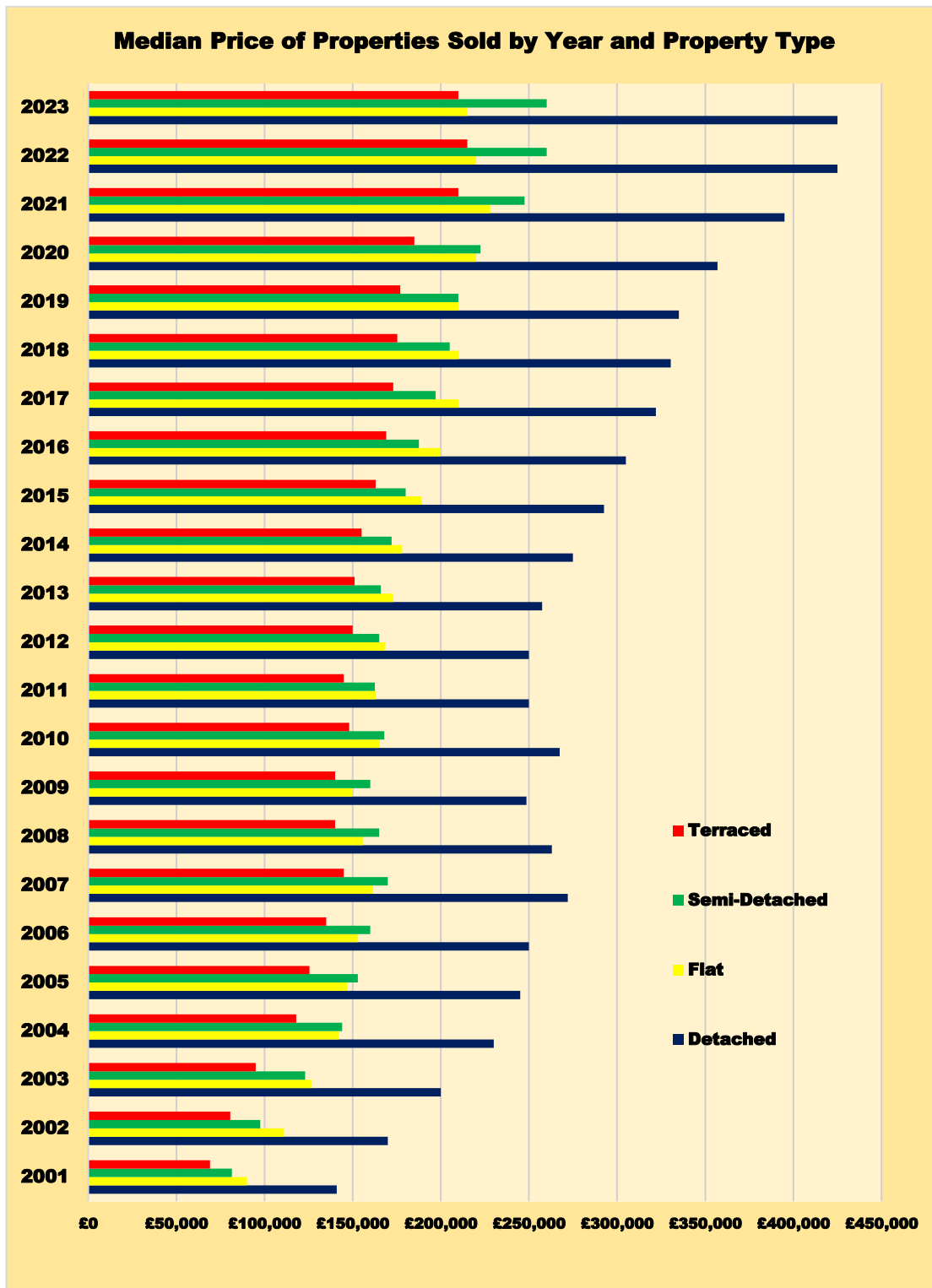
The figures show that the 2008/9 recession adversely affected the housing market with fewer properties sold. The 2008 figure shows a very sharp fall from earlier periods, with the numbers almost halving between 2007 and 2008. The housing market then recovered slightly but overall numbers are still well short of the numbers prior to 2008. It is worth bearing in mind that property sales can take a little while to be registered and show on the Land Registry database thus depressing the most recent 2023 figures. Nevertheless, even allowing for this, the 2023 figures are still going to be considerably lower than those in 2022 and do reflect a real cooling in the housing market.

There is also a strong cyclical trend. The chart shows how the number of sales varies by the time of year with far fewer sales in the winter months. The spike in early 2016 can be attributed to changes in stamp duty and the spike in June 2021 was due to a stamp duty holiday in England.

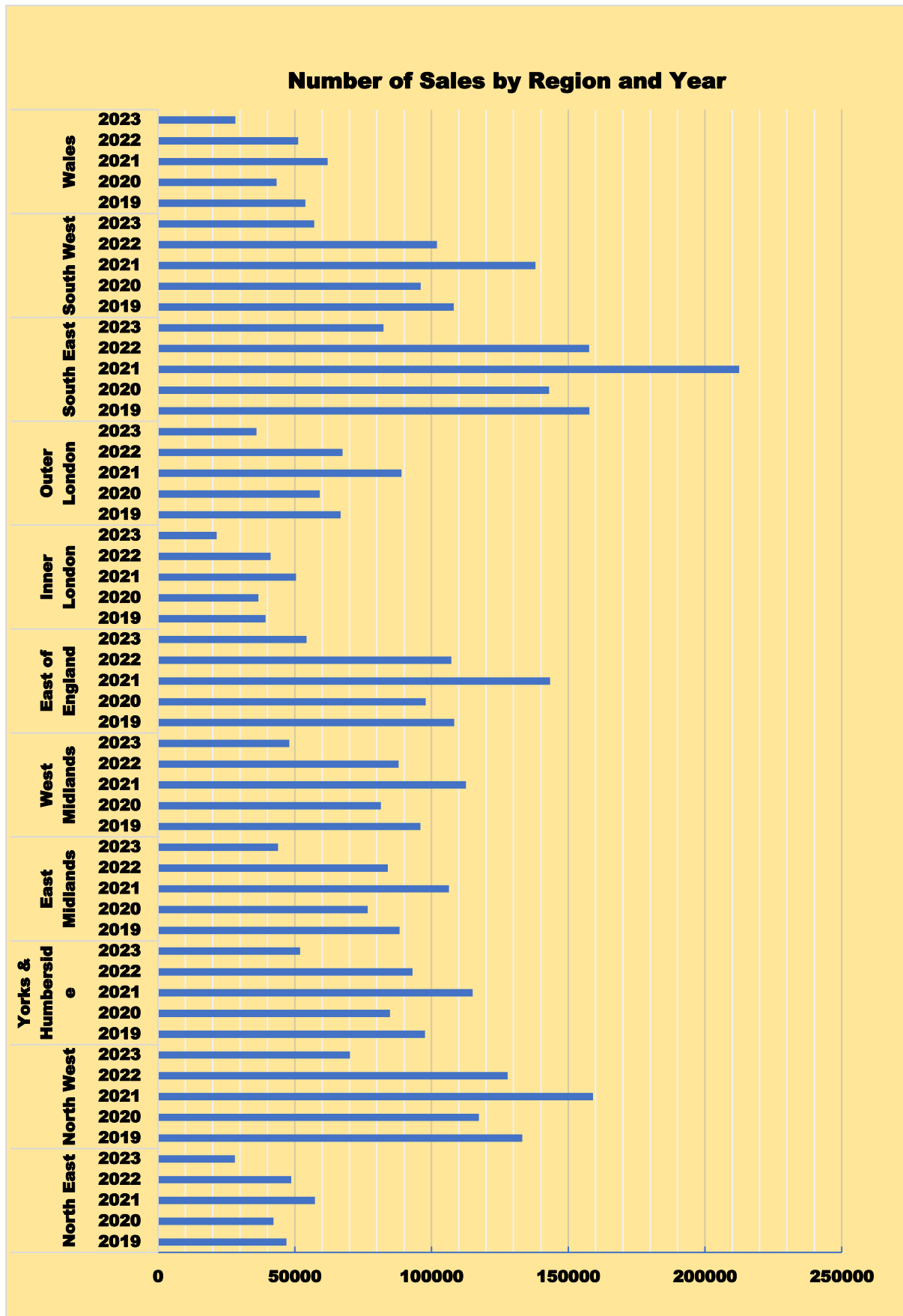
When we look at the price paid for properties over the same period, a very different picture emerges. Property prices have been on an upwards trajectory for many years and the 2008/9 recession only had a small effect upon prices as the chart below shows. The collapse of the property market was more to do with volume rather than value. It is striking that whilst the number of sales has fallen in 2023, prices have only dipped slightly.



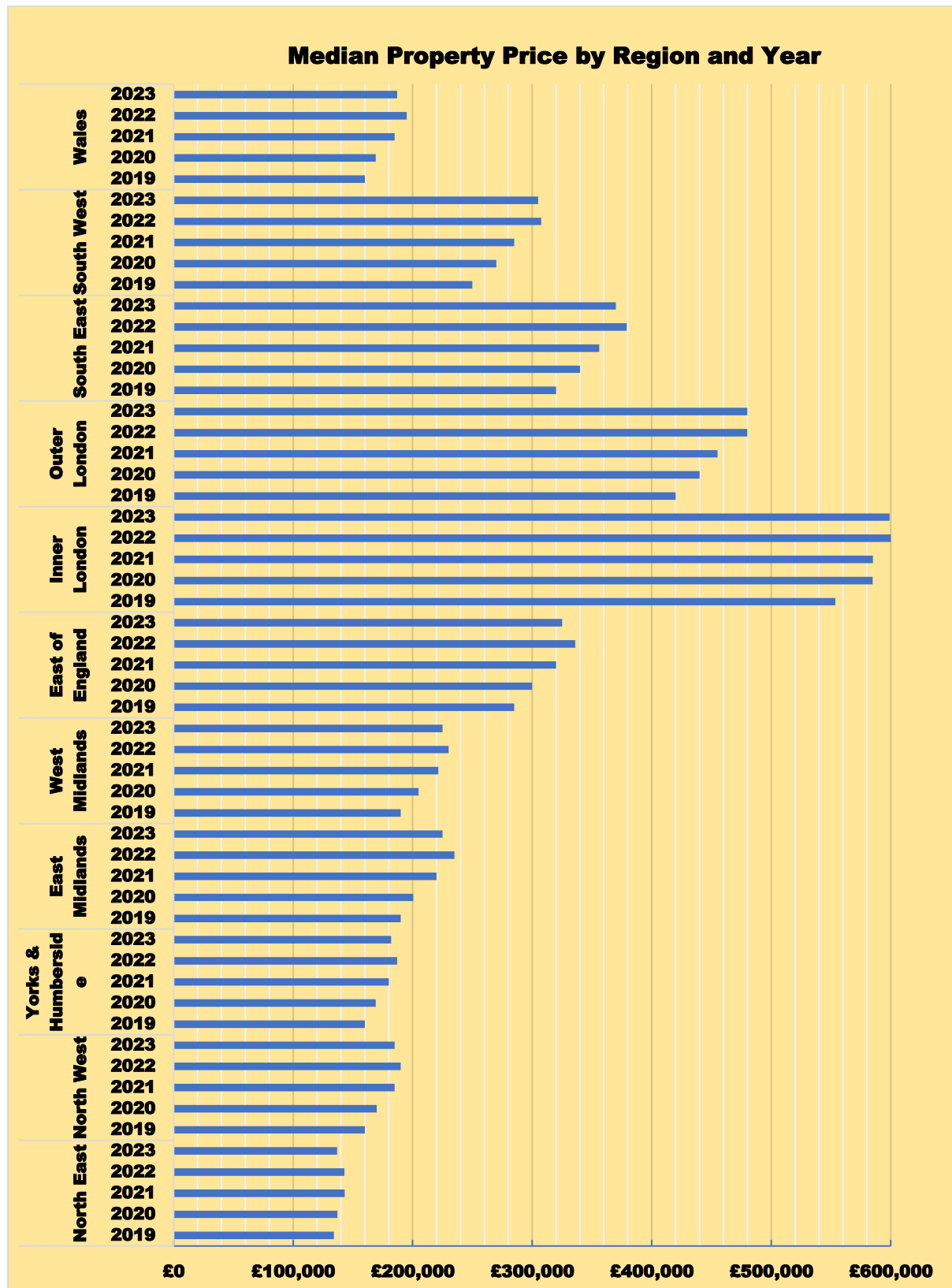
The following chart shows how the median price paid varies by year and property type. Detached properties are more expensive than all other property types and the differences are consistent over time. It is noteworthy that much has been said about the pandemic leading to an urban exodus in search of space. Looking at the median prices of flats and terraced properties in 2019,2020,2021 and 2022 there is little to suggest any such shift away from the overall upwards trend, although in 2023 the slight fall in property prices was due to these properties.



The following chart shows the number of sales by region over the last five years. The question here is to assess whether there has been a significant change in the regional patterns to see whether our preferences as to where we live have changed. Broadly speaking the numbers suggest a similar pattern across regions.



The final chart shows the regional variations in property prices over the last five years. The variations in property prices are large. The chart shows that the most expensive areas are still Inner London, followed by Outer London and the South East. The regional pattern over the last five years is broadly similar across all regions, although the North East does show far less price increase over the five year period.



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