



# Asking Price Index

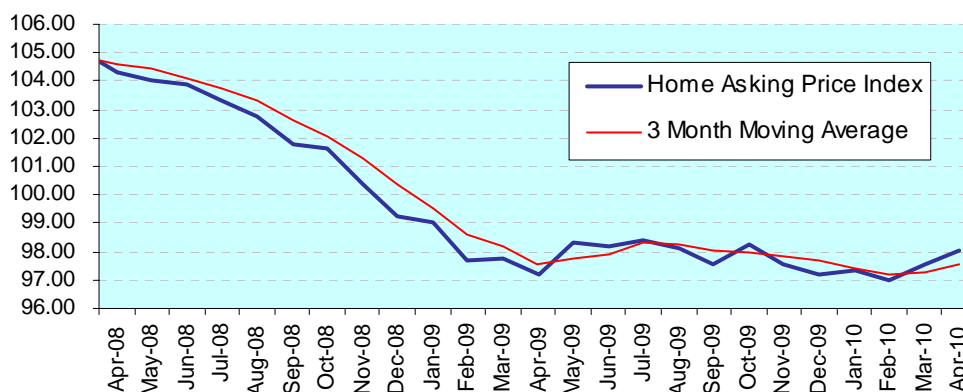
The UK's Independent Forward Market Indicator

Home Asking Price Index. Release date: 12<sup>th</sup> April 2010

## London Leaving the Regions Behind

"My medium term view now is that real house prices over the next three to five years will be flat at best. But it's quite conceivable that the equilibrium level of real house prices of 06/07 will not be reached again." Jamie Dannhauser, Lombard Street Research senior analyst, quoted in The Telegraph.

Home Prices Trend for England and Wales



[Laspeyres](#) Index based on Weighted Arithmetic Mean of Weighted Arithmetic Mean of Regional House Prices. [May04 = 100]

### Summary

The mix-adjusted average Asking Price for homes on the market in England and Wales rose by 0.5% for a second consecutive month.

Monthly rises were observed in 7 out of 9 English regions and Scotland, whilst prices in Wales edged down.

Greater London market house prices jumped a further 1.5%, making this the third monthly rise in a row.

The typical (median) marketing time has eased back from 136 to 123 days since March, as house sales pick up.

Asking prices in Scotland have risen 2.0% over the last quarter.

Released 12<sup>th</sup> April 2010

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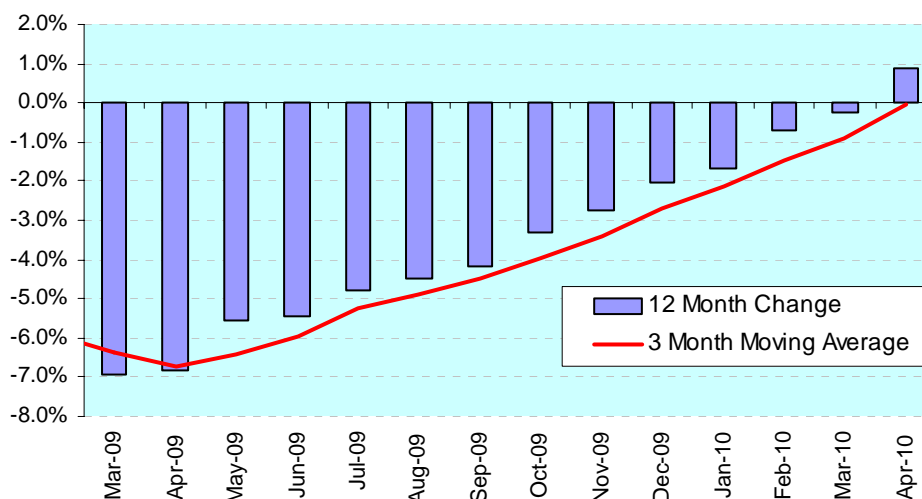
## Overview

The UK property market is experiencing heightened optimism, which continues to buoy asking prices. Time-on-market figures continue to fall showing that the market is regaining momentum. However, the UK property market outside of Greater London and the South East is less rosy than the national figures might suggest. Asking prices in the North and West of England are relatively subdued and time-on-market figures for these regions indicate a much slower market.

Overall, this April 2010 asking price report shows that the UK property market to be bipolar between the London & the South East and the rest of England and Wales. Scotland, on the other hand, is showing a very strong bounce in asking prices, up 1.3% this month and 3.5% so far this year.

## Twelve-Month Trend in Asking Prices

12 Month Change in Asking Prices by Month



The year-on-year (YoY) change in Asking Prices for England and Wales has now moved into positive territory and now stands at 0.9%, showing a continued consolidation in market house prices over the last 12 months.



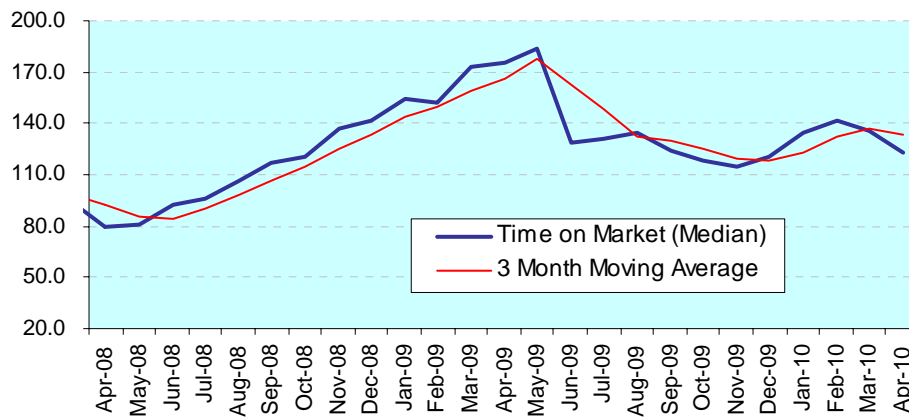
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## Time-on-Market Analysis

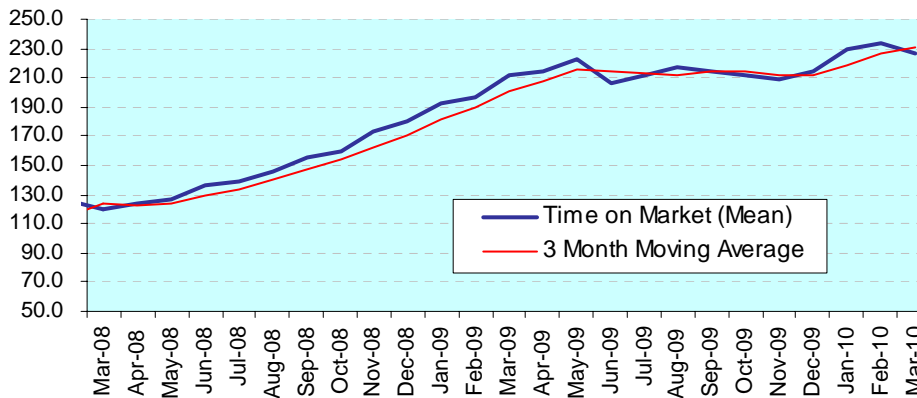
Typical Time on Market (median) for unsold properties has dropped back further this month and now stands at 123 days.

Typical Time on Market for England & Wales



Average Time on Market (mean) for unsold UK property also decreased to 227 days, but, with the mean a lot higher than the median, there are still a significant number of properties taking a longer time to sell.

Average Time on Market for England & Wales





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## Asking Prices, Inflation and Average Earnings

Over the last 12 months, asking prices for homes in England and Wales have risen 0.9%. Whilst asking prices appear have recovered some lost ground they are still falling behind other inflation measures, notably [CPI](#). Comparing February's ONS figures and the YoY change in asking price figures for the same month shows that market house prices were trailing by 5.4% relative to the [RPI](#) (ex. housing) and *ca.* 2.6% below the [AEI](#) (January figures from ONS excluding bonuses). The HAPI for England and Wales now stands at 98.0 [May04 = 100].

## Regional Housing Markets

Regional Asking Prices for April 2010, showing gains and losses since April 2009.

	Current average price	12 month change
Greater London	£347,484	+4.1%
South East	£284,789	+1.9%
South West	£254,258	+1.6%
West Midlands	£190,416	+1.4%
East Anglia	£238,841	+0.2%
East Midlands	£172,179	-1.0%
North West	£176,533	-1.1%
Wales	£178,673	-2.7%
Yorkshire and Humber	£170,347	-3.1%
North East	£153,423	-3.1%
Scotland	£162,830	-4.2%
England & Wales	£229,493	+0.9%

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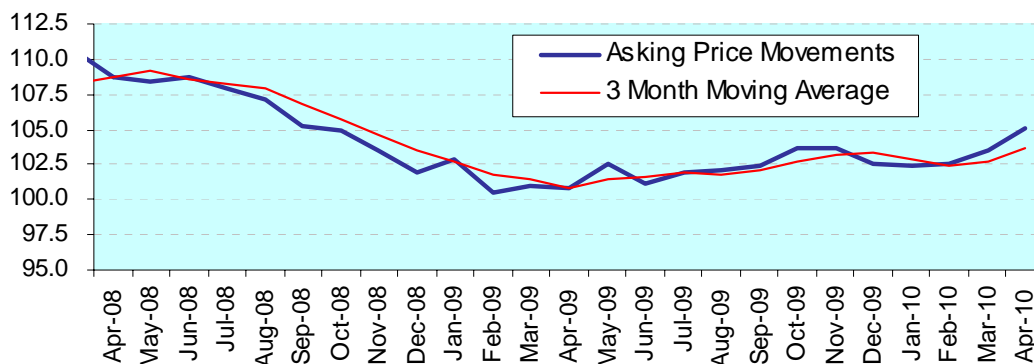
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## Greater London

Over the past 12 months the property market in Greater London has surpassed that of any other English region, Scotland or Wales. Asking prices in and around London have seen a significant recovery of 4.1% over this period.

Asking Price Movements for Greater London

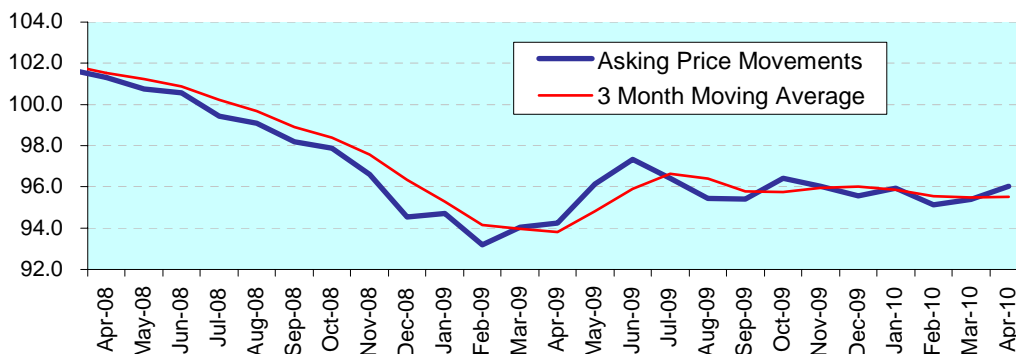


Laspeyres Indices based on Weighted Arithmetic Mean of Regional House Prices [May04 = 100]

## South East

Although asking prices have merely consolidated over recent months in the South East, the mix-adjusted Asking Price for property in the South East has risen 1.9% over the last year, thanks to strong gains in the second quarter of 2009.

Asking Price Movements for the South East



Laspeyres Index based on Weighted Arithmetic Mean of Regional House Prices [May04 = 100]



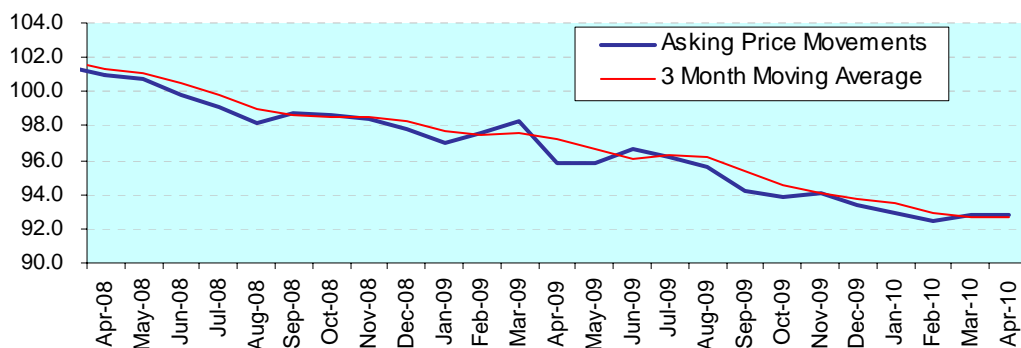
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## North East

The mix-adjusted average Asking Price for properties for sale in the North East has fallen by 3.1% since April 2009. The overall trend shows falling market house prices in this region over the last two years.

Asking Price Movements for the North East

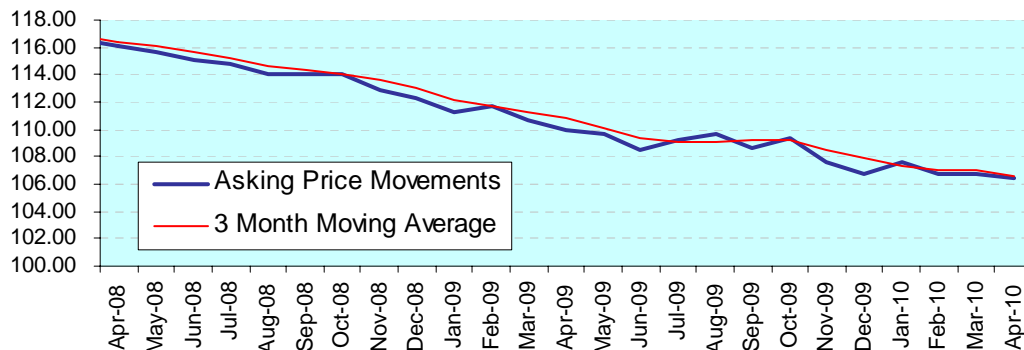


Laspeyres Index based on Weighted Arithmetic Mean of Regional House Prices [May04 = 100]

## Yorkshire and Humber

Asking Prices for homes in the Yorkshire and Humber region, one of the weakest markets, have fallen by 3.1% over the past 12 months. Yorkshire and Humber is one of the worst performing English regions over the last year.

Asking Price Movements for Yorkshire & Humber



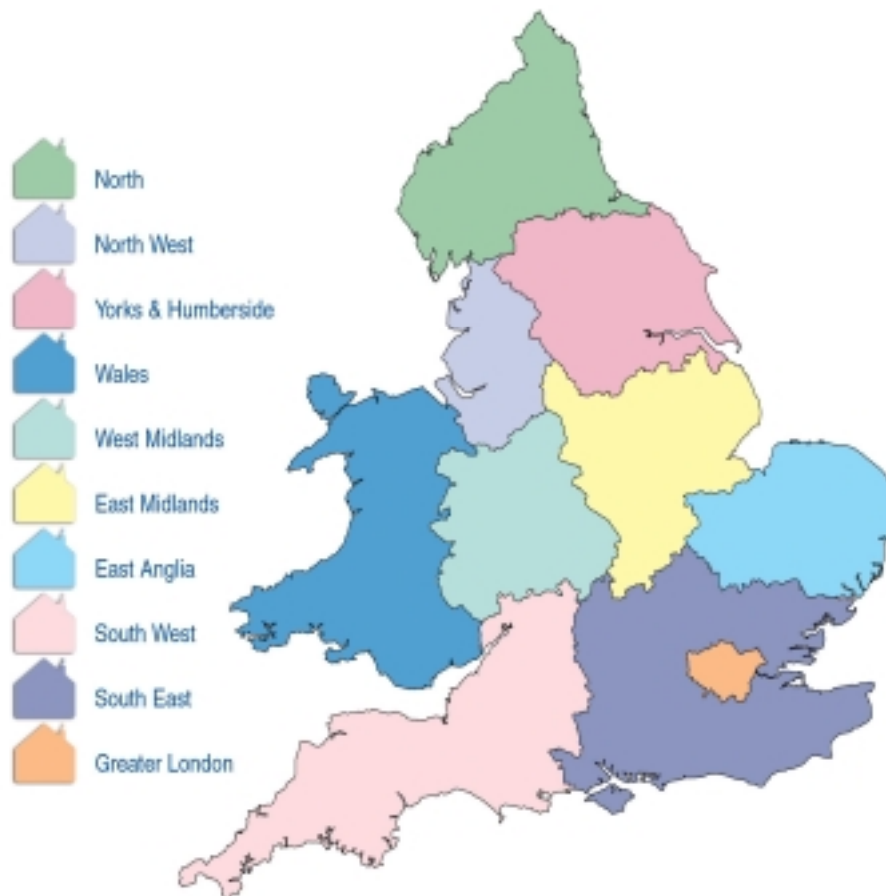
Laspeyres Index based on Weighted Arithmetic Mean of Regional House Prices [May04 = 100]



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**Regions** (as per DCLG)



Source: HM Land Registry



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## Comment

### London House Prices: A Special Case?

Whilst asking prices in the leading property market of Greater London have been rising steadily since February 2009, although surprisingly this recovery has not yet 'rippled' out to the rest of the country. In stark contrast, market house prices in most other regions are stagnant or falling.

One reason for this may be that property in London and the surrounding area currently looks like good value from an international perspective, due to the weakness of Sterling. As a worldwide financial, cultural and soon-to-be-Olympic capital, London has a unique appeal. Hence, the asking price increases seen in London may not signal that a similar recovery will occur in the rest of the country.

In April 2007 the average asking price for property in London was \$665,317(USD) now in April 2010 it is \$528,176(USD), a fall in dollar terms of 26%.

### The Northern Regions: Prices Still Falling...

Meanwhile market house prices in the England's more northern regions and Wales are still in a downward trend. No discernable recovery is evident in the North East or Yorkshire & Humber, for example, and both price trends indicate a long slow downward slide. Moreover, as our recent survey shows, the towns with the longest time on market correspond to these regions. (See: [The Worst 20 Property Sales Towns in March 2010](#)).





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## The Home.co.uk Asking Price Index

The [Home.co.uk](http://Home.co.uk) Asking Price Index is produced in association with [Calnea Analytics](#): the statistical consultancy responsible for the production of the official [Land Registry House Price Index](#).

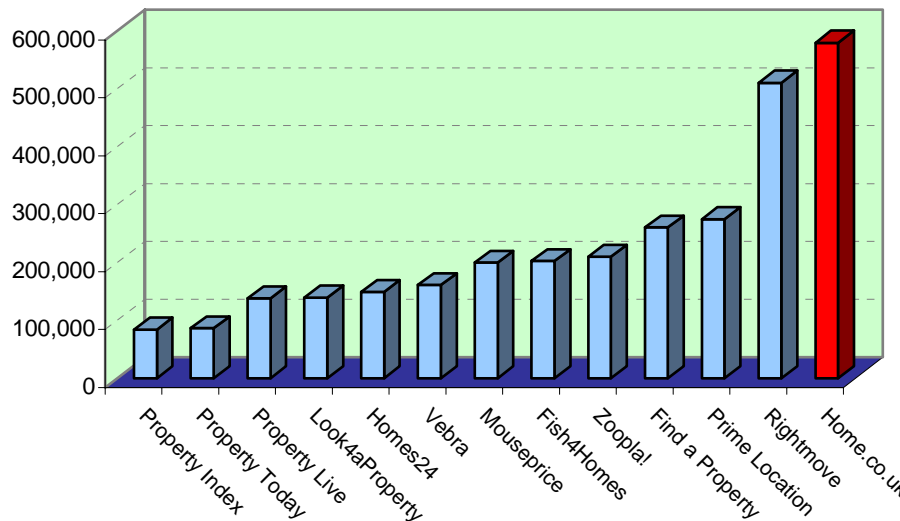
The Home.co.uk Asking Price Index (HAPI) is calculated using a weighting system based on the DCLG (formerly ODPM) [Survey of English Housing Stock](#) (published March 2006). This allows for enhanced regional delineation and conforms to the current geographical orthodoxy as set out by the [Office of National Statistics](#).

The HAPI is the UK's only independent forward market indicator. The published figures reflect current and historic confidence of buyers and sellers of UK property on the open market. The HAPI is calculated every month using around 600,000 UK property house prices found in the Home.co.uk Property Search Index. This figure represents the majority of the property for sale on the open market in the UK at any given time.

The HAPI is based on *asking price* data which means the index can provide insights into price movements around 5 months ahead of mortgage completion and actual sales data - thus making it the most forward looking of all house price indices. Properties above £1m and below £20k are excluded from the calculations.

### Searchable UK Properties for Sale by Website.

Source: Home.co.uk February 2010



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To learn more about Home.co.uk please visit:  
<http://www.home.co.uk/company/about.htm>

For details on the methodology used in the calculation of the HAPI please visit:  
[http://www.home.co.uk/asking\\_price\\_index/Mix-Adj\\_Methodology.pdf](http://www.home.co.uk/asking_price_index/Mix-Adj_Methodology.pdf)

## Future release dates:

Wednesday 12<sup>th</sup> May

Monday 14<sup>th</sup> June

Monday 12<sup>th</sup> July



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The Home.co.uk Asking Price Index was originally devised in association with Calnea Analytics Ltd