

# House Price Index

September 2024



Average house price

**£293,399**



Monthly change

**+0.3%**



Quarterly change

**+1.2%**

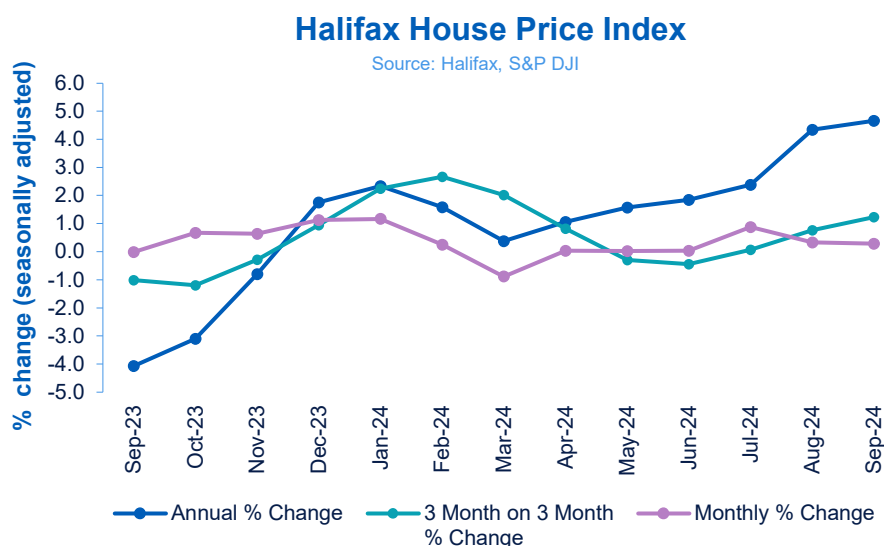


Annual change

**+4.7%**

## House prices rise for third straight month

- House prices increased by **+0.3%** in September, matching rise seen in August
- Year-on-year prices are up **+4.7%**, still the strongest rate since November 2022
- Higher annual growth continues to reflect the base impact of weaker prices a year ago
- Typical property now costs **£293,399** (compared to **£292,540** in August), highest since June 2022
- Average amount paid by first-time buyers now around **£1,000** less than two years ago
- Northern Ireland continues to record the strongest annual house price growth in the UK



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**Amanda Bryden, Head of Mortgages, Halifax, said:**

"UK house prices climbed for the third month in a row in September, with a slight increase of +0.3%, or £859 in cash terms. Annual growth edged up to +4.7%, the highest rate since November 2022. This

brings the average property price up to £293,399, just shy of the record high of £293,507 set in June 2022.

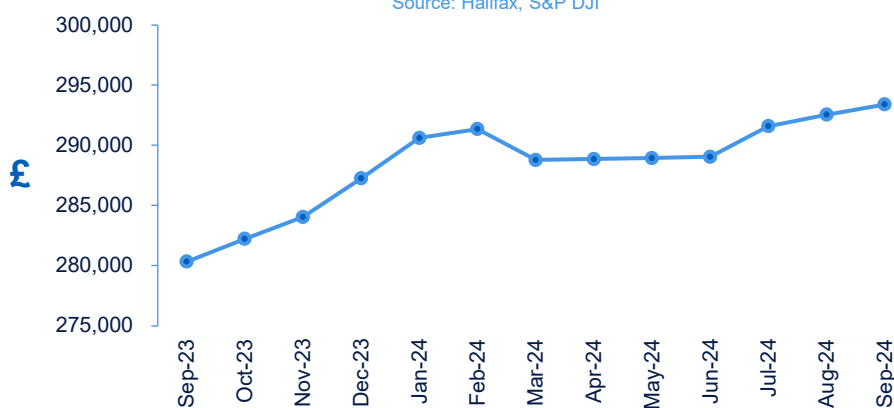
"It's essential to view these recent gains in context. While the typical property value has risen by around £13,000 over the past year, this increase is largely a recovery of the ground lost over the previous 12 months. Looking back two years, prices have increased by just +0.4% (£1,202).

"Market conditions have steadily improved over the summer and into early autumn. Mortgage affordability has been easing thanks to strong wage growth and falling interest rates. This has boosted confidence among potential buyers, with the number of mortgages agreed up over 40% in the last year and now at their highest level since July 2022.

"While improved mortgage affordability should continue to support buyer activity – boosted by anticipated further cuts to interest rates – housing costs remain a challenge for many. As a result we expect property price growth over the rest of this year and into next to remain modest."

### Halifax HPI: Average house price

Source: Halifax, S&P DJI



### Spotlight on first-time buyers

The average amount paid by first-time buyers has increased by +4.2% over the past year, which equates to an extra £9,409 in cash terms. This brings the typical first-time buyer property price up to £232,769, its highest level since May 2024.

However that's still about £1,000 less than the average amount paid by a first-time buyer two years ago (£233,760), a decrease of around -0.4%.

### Nations and regions house prices

Northern Ireland continues to record the strongest property price growth of any nation or region in the UK, rising by +9.7% on an annual basis in September. The average price of a property in Northern Ireland is now £203,593.

House prices in Wales also recorded strong growth, up +4.4%, compared to the previous year, with properties now costing an average of £224,119.

Scotland saw a more modest rise in house prices, where a typical property now costs £205,718, +2.1% more than the year before.

The North West once again recorded the strongest house price growth of any region in England, up by +5.1% over the last year, to sit at £234,355.

London continues to have the most expensive property prices in the UK, now averaging £539,238, up +2.6% compared to last year. This is still some way below the capital's peak property price of £552,592 set in August 2022.

## Housing activity

- **HMRC monthly property transaction data** shows UK home sales decreased in August 2024 compared to the previous month. UK seasonally adjusted (SA) residential transactions in August 2024 totalled 90,210 – down by -0.4% from July's figure of 90,610 (up +7.6% on a non-SA basis). Quarterly SA transactions (June 2024 – August 2024) were approximately +1.6% higher than the preceding three months (March 2023 - May 2024). Year-on-year SA transactions were +5.4% higher than August 2023 (+10.3% higher on a non-SA basis). (Source: HMRC)
- Latest **Bank of England figures** show the number of mortgages approved to finance house purchases increased in August 2024, by +3.8% to 64,858. Year-on-year the figure was +43.4% above August 2023. (Source: Bank of England, seasonally-adjusted figures)
- The **RICS Residential Market Survey** results for August 2024 show an improvement in sales market activity. New buyer enquiries has a net reading of +15%, up from +4%, with agreed sales up to +6%, from -1%. New instructions have also improved with a net reading of +7%, up from +3%. (Source: Royal Institution of Chartered Surveyors (RICS) monthly report)

## UK house prices Historical data

National: All Houses, All Buyers (Seasonally Adjusted)

Period	<sup>1</sup> Index Jan 1992=100	<sup>2</sup> Standardised Average Price £	Monthly Change %	Quarterly Change %	<sup>3</sup> Annual Change %
September 2023	483.4	280,332	0.0	-1.0	-4.1
October	486.7	282,221	0.7	-1.2	-3.1
November	489.8	284,039	0.6	-0.3	-0.8
December	495.3	287,244	1.1	0.9	1.8
January 2024	501.1	290,608	1.2	2.2	2.3
February	502.4	291,338	0.3	2.7	1.6
March	498.0	288,781	-0.9	2.0	0.4
April	498.1	288,862	0.0	0.8	1.1
May	498.2	288,931	0.0	-0.3	1.6
June	498.4	289,042	0.0	-0.4	1.9
July	502.8	291,585	0.9	0.1	2.4
August	504.5	292,540	0.3	0.8	4.3
September	505.9	293,399	0.3	1.2	4.7

## Editors' notes

House price data on a quarterly basis provides the clearest indication of overall market trends, smoothing out the monthly volatility caused by the reduced number of monthly transactions used to calculate all house price indices.

### 1. Index

The standardised index is seasonally adjusted using the U.S. Bureau of the Census X-11 moving-average method based on a rolling 84-month series. Each month, the seasonally adjusted figure for the same month a year ago and last month's figure are subject to revision.

### 2. Standardised average price

The standardised average price is calculated using the HPI's mix adjusted methodology.

### 3. National annual change figure

National annual change figures are the seasonally adjusted year-on-year figures.

### 4. Regional annual change figure

The regional annual change figures are based on the most recent three months of approved mortgage transaction data.

For further information on the methodology follow this link to [S&P DJI website](#).

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For historical data or for technical queries please contact [economics@spglobal.com](mailto:economics@spglobal.com)

### About the Halifax house price index

The Halifax House Price Index is the UK's longest running monthly house price series with data covering the whole country going back to January 1983. From this data, a "standardised" house price is calculated and property price movements on a like-for-like basis (including seasonal adjustments) are analysed over time. The annual change figure is calculated by comparing the current month seasonally adjusted figure with the same month a year earlier.

For more information on our housing market research, visit <http://www.halifax.co.uk/house-price-index>

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