

Nationwide HOUSE PRICE INDEX



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February 2019

Annual house price growth remained sluggish in February

- Annual house price growth 0.4% in February
- Marginal house price fall month on month after taking account of seasonal factors

Headlines	Feb-19	Jan-19
Monthly Index*	426.4	426.6
Monthly Change*	-0.1%	0.2%
Annual Change	0.4%	0.1%
Average Price (not seasonally adjusted)	£211,304	£211,966

* Seasonally adjusted figure (note that monthly % changes are revised when seasonal adjustment factors are re-estimated)

Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said:

"After almost grinding to a complete halt in January, annual house price growth remained subdued in February, with prices just 0.4% higher than the same time last year.

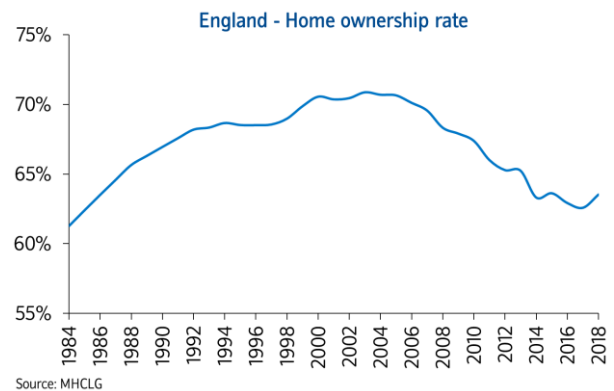
"Indicators of housing market activity, such as the number of property transactions and the number of mortgages approved for house purchase, have remained broadly stable in recent months, but survey data suggests that sentiment has softened.

"Measures of consumer confidence weakened around the turn of the year and surveyors reported a further fall in new buyer enquiries over the same period.

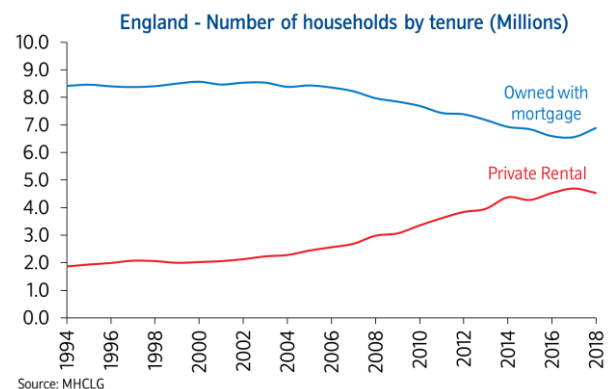
"While the number of properties coming onto the market also slowed, this doesn't appear to have been enough to prevent a modest shift in the balance of demand and supply in favour of buyers in recent months.

An uptick in the home ownership rate

"The latest English Housing Survey from the Ministry of Housing, Communities & Local Government (MHCLG) showed a slight rise in the home ownership rate in 2018 to 63.5% (from 62.6% in 2017).



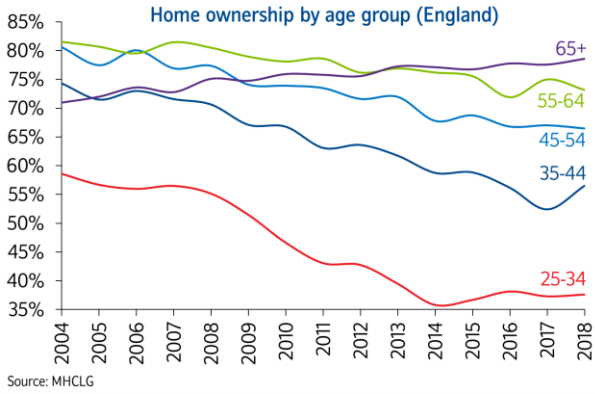
"The rise in home ownership was driven by an increase in the number of people owning their home with a mortgage, which began to increase again after declining continuously since 2005. The number of people owning their own home with a mortgage rose by 5% over the year to 6.9 million, though this is still 20% below the peak recorded in 2000.



"Supportive labour market conditions and a number of policy changes, especially in the regulatory and tax system, have improved the bargaining position of home buyers relative to investors. Government schemes, such as Help To Buy equity loan, have also helped support first time buyer numbers.

"The biggest improvement in home ownership over the past year has been amongst those aged 35-44, helping to reverse some of the decline seen in the last few years. Nonetheless, at 57%, the home ownership rate amongst this age group is still well below its 2006 peak of 73%.

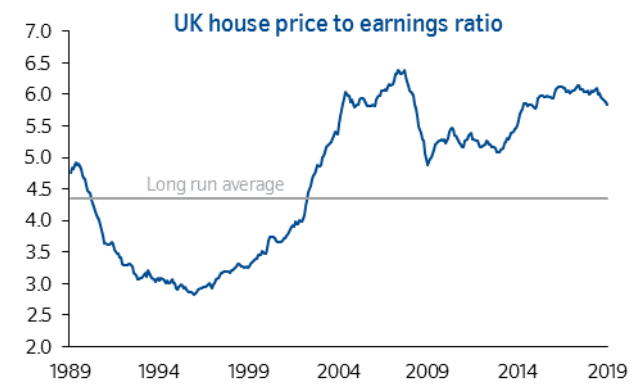
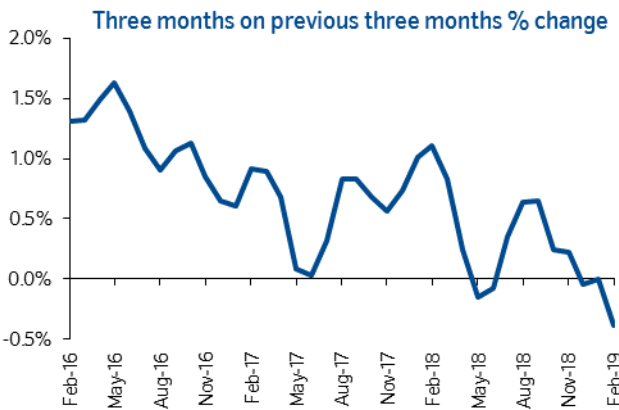
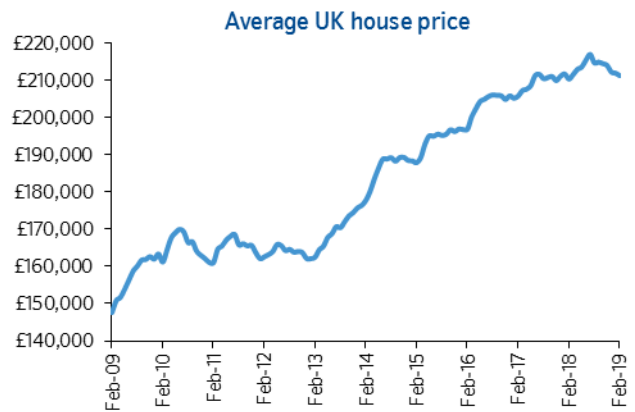
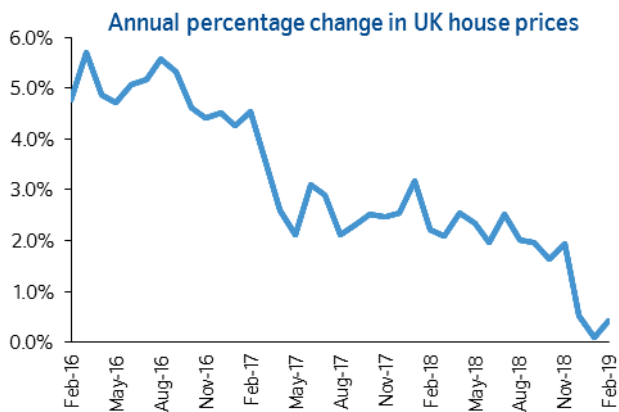
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“The number of households owning their homes outright remained at a record high of 7.9 million. This figure has increased by 1.2 million over the past decade, almost entirely amongst homeowners aged 65 or above.”

Monthly UK House Price Statistics

	Monthly % Change Seasonally Adjusted	3 Month on 3 Month % Change	Annual % Change	Average Price
Feb-17	0.6	0.9	4.5	205,846
Mar-17	-0.1	0.9	3.5	207,308
Apr-17	-0.4	0.7	2.6	207,699
May-17	-0.1	0.1	2.1	208,711
Jun-17	0.9	0.0	3.1	211,301
Jul-17	0.2	0.3	2.9	211,671
Aug-17	0.0	0.8	2.1	210,495
Sep-17	0.3	0.8	2.3	210,801
Oct-17	0.2	0.7	2.5	211,085
Nov-17	0.1	0.6	2.5	209,988
Dec-17	0.6	0.7	2.6	211,156
Jan-18	0.7	1.0	3.2	211,756
Feb-18	-0.4	1.1	2.2	210,402
Mar-18	-0.2	0.8	2.1	211,625
Apr-18	0.2	0.2	2.6	213,000
May-18	-0.2	-0.1	2.4	213,618
Jun-18	0.5	-0.1	2.0	215,444
Jul-18	0.7	0.3	2.5	217,010
Aug-18	-0.5	0.6	2.0	214,745
Sep-18	0.2	0.6	2.0	214,922
Oct-18	0.0	0.2	1.6	214,534
Nov-18	0.4	0.2	1.9	214,044
Dec-18	-0.8	0.0	0.5	212,281
Jan-19	0.2	0.0	0.1	211,966
Feb-19	-0.1	-0.4	0.4	211,304



Source: Nationwide, ONS

Notes

Indices and average prices are produced using Nationwide's updated mix adjusted House Price Methodology, which was introduced with effect from the first quarter of 1995. The data is drawn from Nationwide's house purchase mortgage lending at the post survey approvals stage. Price indices are seasonally adjusted using the US Bureau of the Census X12 method. Currently the calculations are based on a monthly data series starting from January 1991. Figures are recalculated each month which may result in revisions to historical data.

More information on the house price index methodology along with time series data and archives of housing research can be found at <http://www.nationwide.co.uk/about/house-price-index/headlines>

Historical figures including index levels can be viewed using the following link: <http://www.nationwide.co.uk/about/house-price-index/download-data>

Photographs of our economist are available at: <http://www.nationwide.co.uk/about/media-centre-and-specialist-areas/media-centre/photo-library>

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