

# Nationwide HOUSE PRICE INDEX



[www.nationwide.co.uk/hpi](http://www.nationwide.co.uk/hpi)

July 2013

Embargoed until 0700 2 August 2013

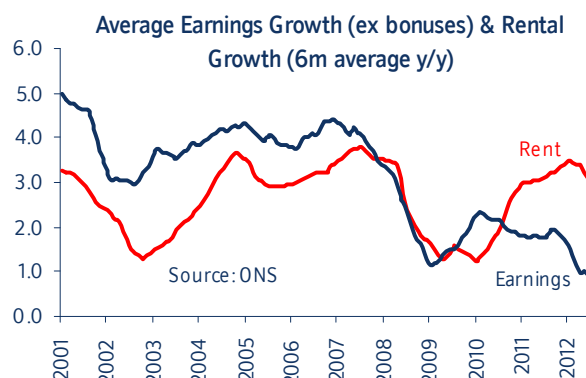
## House prices continue to gain momentum in July

- UK house prices increased by 0.8% in July and were 3.9% higher than July 2012
- The typical UK home is now worth £170,825
- Strongest rate of annual price growth since August 2010

Headlines	Jul-13	Jun-13
Monthly Index*	335.5	332.7
Monthly Change*	0.8%	0.3%
Annual Change	3.9%	1.9%
Average Price (not seasonally adjusted)	£170,825	£168,941

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

growth reinforces the notion that housing more generally remains in relative short supply."



## Monthly UK House Price Statistics

	Monthly % Change Seasonally Adjusted	3 Month on 3 Month % Change	Annual % Change	Average Price
Jan-12	-0.4	0.2	0.6	162,228
Feb-12	0.3	-0.2	0.9	162,712
Mar-12	-0.8	-0.5	-0.9	163,327
Apr-12	-0.1	-0.6	-0.9	164,134
May-12	0.2	-0.7	-0.7	166,022
Jun-12	-0.5	-0.6	-1.5	165,738
Jul-12	-1.0	-0.8	-2.6	164,389
Aug-12	1.2	-0.7	-0.7	164,729
Sep-12	-0.4	-0.7	-1.4	163,964
Oct-12	0.6	0.3	-0.9	164,153
Nov-12	0.0	0.5	-1.2	163,853
Dec-12	0.0	0.8	-1.0	162,262
Jan-13	0.5	0.5	0.0	162,245
Feb-13	0.2	0.6	0.0	162,638
Mar-13	0.1	0.7	0.8	164,630
Apr-13	0.0	0.7	0.9	165,586
May-13	0.4	0.6	1.1	167,912
Jun-13	0.3	0.5	1.9	168,941
Jul-13	0.8	1.0	3.9	170,825

Note: Historical figures including index levels can be viewed using the following link:

[www.nationwide.co.uk/hpi/datadownload](http://www.nationwide.co.uk/hpi/datadownload)

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

"UK house prices rose by a robust 0.8% in July, providing further evidence of an upturn in the housing market. The annual rate of house price growth increased to 3.9% in July, though this figure was boosted by the low base for comparison, as prices declined by 2.6% in July 2012.

"House prices are currently around 12% higher than the lows seen in the midst of the financial crisis, though they are still around 10% below the all time highs recorded in late 2007.

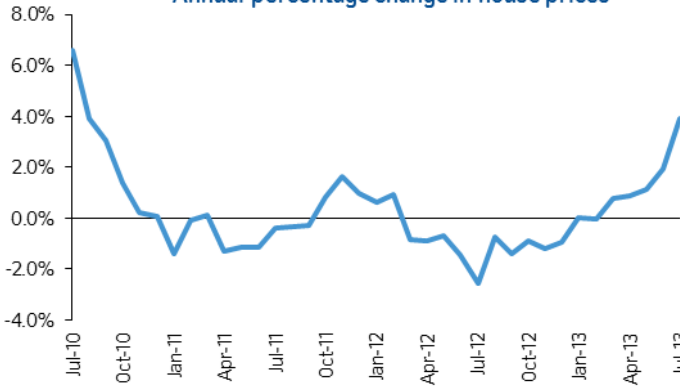
"Signs of a modest improvement in wider economic conditions and further modest gains in employment are likely to be lifting buyer sentiment. An improvement in the availability and a reduction in the cost of credit, partly as a result of policy measures such as the Funding for Lending and Help to Buy schemes, are also boosting the demand for homes.

"At the same time, the supply side of the market remains fairly constrained. Building activity is still subdued – in Q1 housing completions in England were down 8% compared to the same period of 2012 and around 40% below the average number of quarterly completions in 2007. The fact that rental growth has been consistently outstripping wage

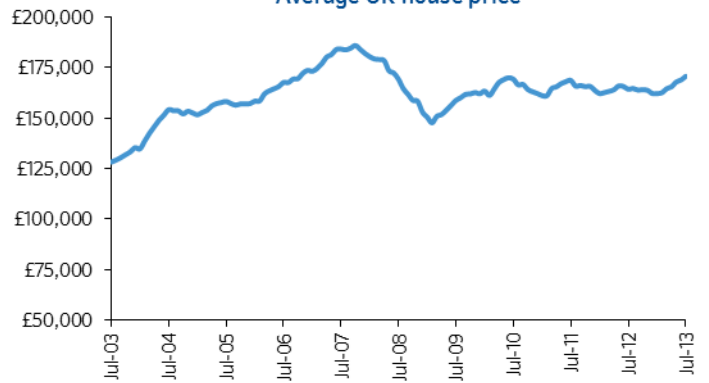
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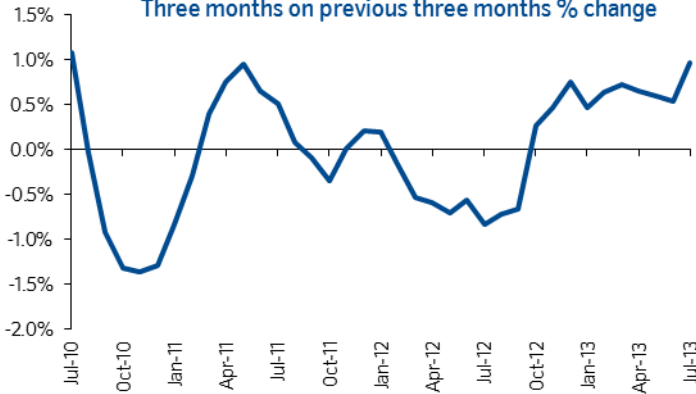
Annual percentage change in house prices



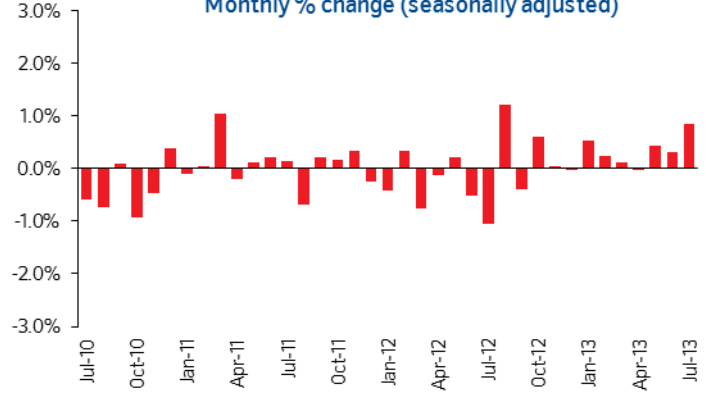
Average UK house price



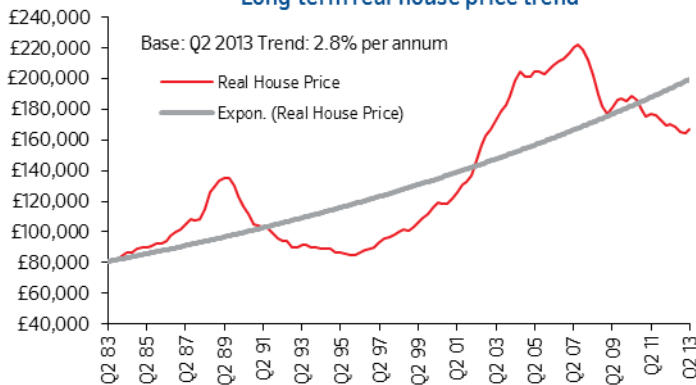
Three months on previous three months % change



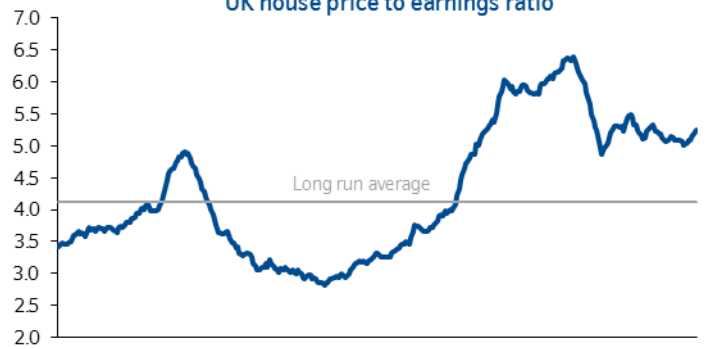
Monthly % change (seasonally adjusted)



Long term real house price trend



UK house price to earnings ratio



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.

The Nationwide Monthly House Price Index is prepared from information which we believe is collated with care, but no representation is made as to its accuracy or completeness. We reserve the right to vary our methodology and to edit or discontinue the whole or any part of the Index at any time, for regulatory or other reasons. Persons seeking to place reliance on the Index for their own or third party commercial purposes do so entirely at their own risk. All changes are nominal and do not allow for inflation.

More information on the house price index methodology along with time series data and archives of housing research can be found at [www.nationwide.co.uk/hpi](http://www.nationwide.co.uk/hpi)

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