

Nationwide HOUSE PRICE INDEX



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Q4 2012

Embargoed until 0700 Thurs 3 Jan 2013

Most regions saw price falls during 2012

- 11 out of 13 UK regions saw annual price falls during 2012
- London best performing region in 2012
- Northern Ireland continued to see largest price falls
- Within England, the North/South divide in property prices continued to widen

UK Fact File

Average UK House Price	£162,924
Annual percentage change	-1.1%
Quarterly change*	0.5%
Most expensive region	London
Least expensive region	N Ireland
Strongest annual price change	London
Weakest annual price change	N Ireland

* Seasonally adjusted

(Note that quarterly % changes are revised when seasonal adjustment factors are re-estimated)

Please note that these figures are for the three months to December, therefore will show a different UK average price and annual percentage change to our *monthly house price report*.

Text in blue indicates hyperlink

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

"Average UK house prices rose by 0.5% in the final quarter of 2012, after allowing for seasonal effects. Prices were down 1.1% over the year as a whole.

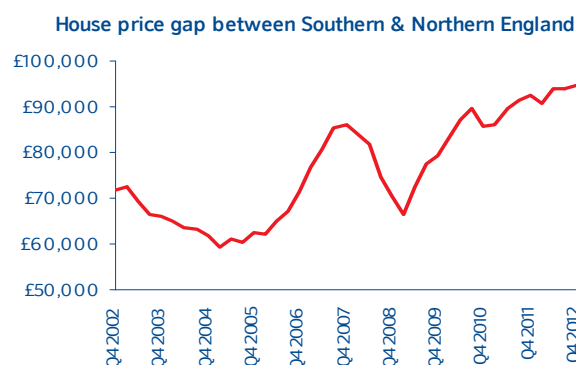
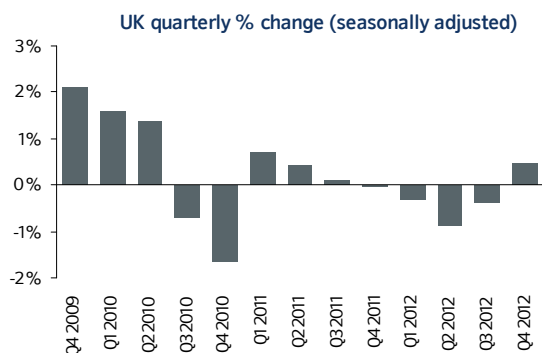
"England continued to outperform the other home nations, with prices down 0.4% in annual terms.

"Wales was second, with prices down 2.7% over the year, while Scotland saw prices fall by 3.3% compared with Q4 2011. Northern Ireland remained at the bottom of the table, with prices down 8.2% on an annual basis.

"Amongst the English regions, London was again the best performing area, with prices up 0.7% compared with Q4 2012. The South West was the only other region to record price growth over the year, with the rest seeing small declines.

"With the exception of East Anglia, the South of England and the Midlands outperformed the North of England. Yorkshire & Humberside was the weakest performing English region, with prices down 2.5% over the year.

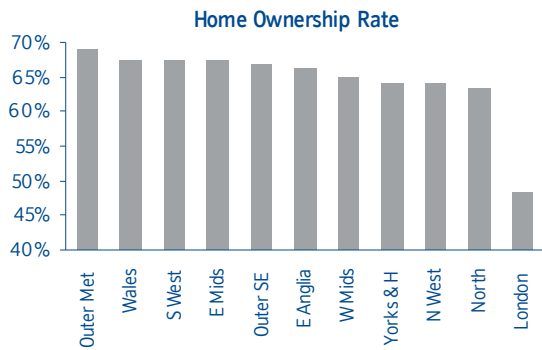
"Within England, the North/South divide in property prices continued to widen, with the price of a typical home in the South now around £95,000 more than in the North, a new high and around 2% more than at the close of 2011".



Media enquiries to: Robert Gardner, Chief Economist, robert.gardner@nationwide.co.uk
Lindsay McAloon, 01793 655195, lindsay.mcaloon@nationwide.co.uk

Home ownership across the regions

Recently released census data for England & Wales shows that home ownership rates are much lower in London than other regions. Less than half of London households own their property (either outright or with a mortgage).



Source: ONS Census 2011

But even these regional averages hide a wide range of local variation. The table below shows areas with the highest and lowest home ownership rates in each English region.

Whilst affordability does play a part, it is important to consider that these figures include those who own their property outright. Across England & Wales, 7.2 million households own their property outright, representing 31% of all households.

It is interesting to note that a number of our major cities feature as having the lowest owner occupation rates. This may in part reflect a lifestyle preference towards renting amongst those living in these cities, particularly amongst students and young adults.

Region	Lowest rate	Highest rate
Outer Met	Slough (53%)	Rochford (83%)
Wales	Cardiff (59%)	Monmouthshire (74%)
S West	Bristol (54%)	East Dorset (81%)
East Mids	Nottingham (45%)	Blaby (81%)
Outer SE	Oxford (47%)	Fareham (80%)
E Anglia	Norwich (44%)	Broadland (79%)
West Mids	Birmingham (55%)	Staffordshire Moorlands (80%)
Yorks & H	Kingston upon Hull (50%)	East Riding of Yorkshire (75%)
N West	Manchester (38%)	South Ribble (79%)
North	Newcastle-upon-Tyne (50%)	Barrow-in-Furness (74%)
London	Hackney (24%)	Havering (74%)

Source: ONS Census 2011

Regional Headlines

Prices are calculated on a mix adjusted basis

Regions over the quarter

Region	Average Price	Quarterly % change*
South West	£184,625	1.0%
Outer Metropolitan	£246,453	1.0%
Wales	£131,630	0.8%
London	£300,361	0.7%
East Midlands	£138,486	0.7%
West Midlands	£144,972	0.4%
East Anglia	£164,701	0.3%
North West	£133,253	0.2%
Outer South East	£198,009	0.2%
Scotland	£131,795	0.2%
Yorks & Humberside	£131,046	-1.1%
North	£114,264	-1.3%
Northern Ireland	£104,282	-1.4%
UK	£162,924	0.5%

* Seasonally adjusted

Regions over the last 12 months

Region	Average Price	Annual % change
London	£300,361	0.7%
South West	£184,625	0.2%
Outer South East	£198,009	-0.2%
Outer Metropolitan	£246,453	-0.2%
West Midlands	£144,972	-0.8%
East Midlands	£138,486	-0.8%
North	£114,264	-1.3%
North West	£133,253	-1.6%
East Anglia	£164,701	-1.9%
Yorks & Humberside	£131,046	-2.5%
Wales	£131,630	-2.7%
Scotland	£131,795	-3.3%
Northern Ireland	£104,282	-8.2%
UK	£162,924	-1.1%

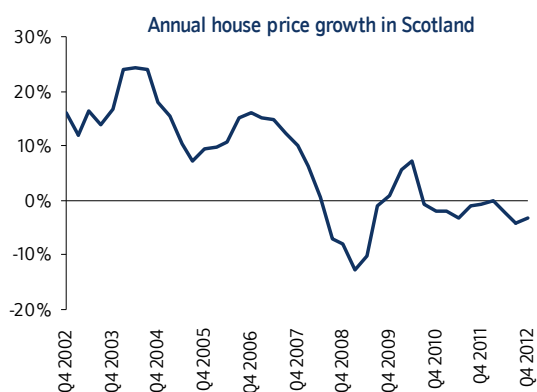
Scotland	
Average house price	£131,795
Annual percentage change	-3.3%
Quarterly change*	0.2%
Most expensive area	Edinburgh City
Least expensive area	Southern Scotland
Strongest annual price change	Aberdeen City
Weakest annual price change	Southern Scotland

* Seasonally adjusted

Scotland saw a 0.2% seasonally adjusted rise in the fourth quarter, resulting in an improvement in the annual rate of change from -4.0% to -3.3%.

The City of Aberdeen was the best performing area in 2012, and one of the few areas in Scotland to see price increases over the year. Southern Scotland, which includes Ayrshire and the Borders, saw an 8% fall in prices over the year.

[Click here for Scotland's sub-regional data](#)



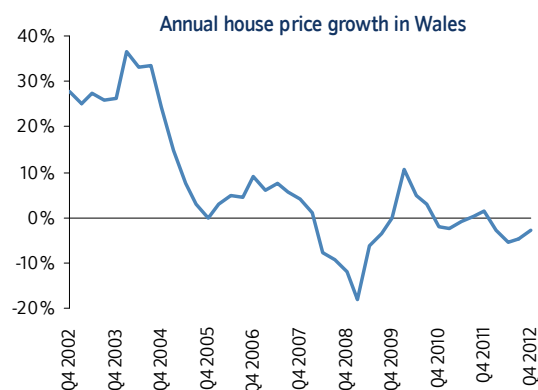
Wales	
Average house price	£131,630
Annual percentage change	-2.7%
Quarterly change*	0.8%
Most expensive area	Cardiff
Least expensive area	South Wales (West)
Strongest annual price change	Mid & West Wales
Weakest annual price change	South Wales (West)

* Seasonally adjusted

Wales saw a 0.8% seasonally adjusted price rise in the final quarter of 2012. However, prices were down 2.7% over the year, compared with a 1.5% increase during 2011.

All areas of Wales saw price falls during the year, but the most pronounced were in South Wales (West), which includes Neath, Port Talbot & Swansea.

[Click here for Wales' sub-regional data](#)



Media enquiries to: Robert Gardner, Chief Economist, robert.gardner@nationwide.co.uk
Lindsay McAloon, 01793 655195, lindsay.mcaloon@nationwide.co.uk

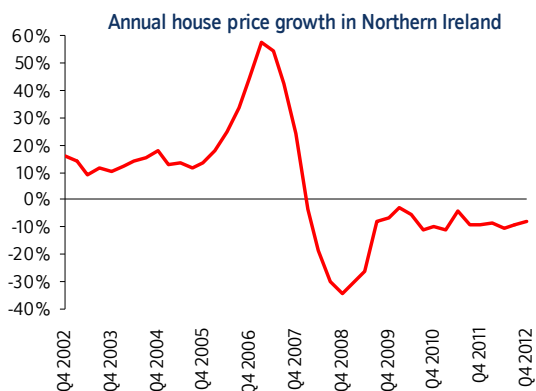
Northern Ireland	
Average house price	£104,282
Annual percentage change	-8.2%
Quarterly change*	-1.4%
Most expensive area	City of Belfast
Least expensive area	Northern Ireland (West)
Strongest annual price change	Northern Ireland (North East)
Weakest annual price change	Northern Ireland (South East)

* Seasonally adjusted

Northern Ireland saw a sixth consecutive quarter of house price falls, with a 1.4% seasonally adjusted fall in Q4. On an annual basis, prices were down 8.2%. The average house price in the province is now £104,282, similar to the level prevailing in 2004.

All areas have continued to see price falls, with the largest declines in the South East (which includes County Armagh and County Down), with prices down 10% year-on-year.

[Click here for Northern Ireland's sub region data](#)



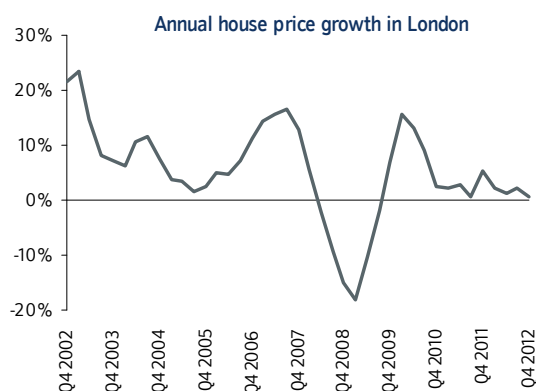
London	
Average house price	£300,361
Annual percentage change	0.7%
Quarterly change*	0.7%
Most expensive area	Westminster
Least expensive area	Barking & Dagenham
Strongest annual price change	Southwark
Weakest annual price change	Greenwich

* Seasonally adjusted

London was the best performing UK region for the second year running, with annual price growth of 0.7% during 2012. London has seen the greatest recovery in prices of any region, with prices now just 1% below their 2007 peak.

Southwark saw the strongest growth, with prices up 11% year-on-year, whilst Greenwich saw the weakest growth, with an 11% year-on-year fall.

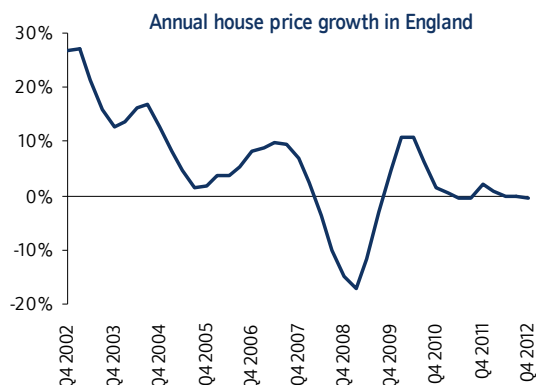
[Click here for London borough data](#)



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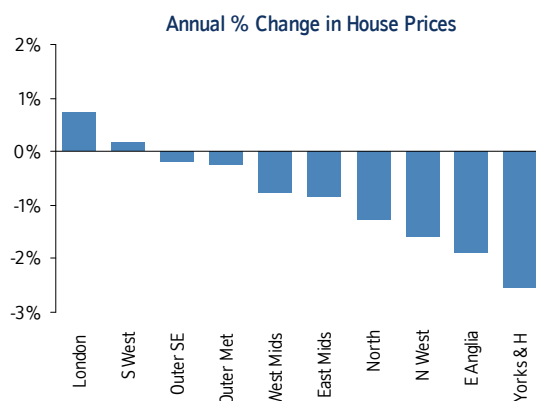
England	
Average house price	£186,390
Annual percentage change	-0.4%
Quarterly change*	0.4%
Most expensive region	London
Least expensive region	North
Strongest annual price change	London
Weakest annual price change	Yorks & Humberside

* Seasonally adjusted



Average house prices in England increased slightly during the final quarter of 2012, but were down 0.4% during the year as a whole.

London was the best performing region, with prices up 0.7% year-on-year. Outside of the capital, only the South West saw annual price growth, with a 0.2% rise. Yorkshire and Humberside was the worst performing region, with a 2.5% fall.

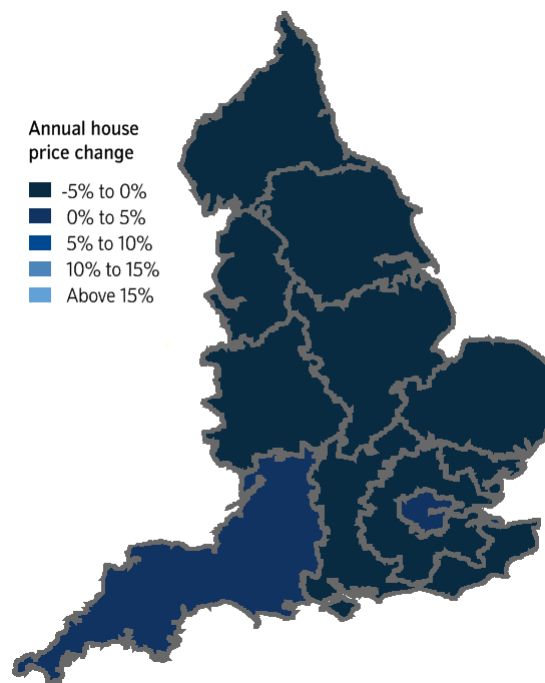


Southern England (South West, Outer South East, Outer Metropolitan, London and East Anglia) saw stronger price growth than northern England (West Midlands, East Midlands, Yorkshire & Humberside, North West and North), for the fifteenth consecutive quarter. Over the year, prices were unchanged in the south of England, whilst in the North they fell 1.4%.

Amongst England's major towns and cities, Cambridge saw the strongest price growth during 2012, with prices up 6%. Bradford was the worst performing city, with prices down 9% year-on-year.

While the North continues to be the most affordable English region according to the house price to earnings ratio, the most affordable sub-region, North Lincolnshire, can actually be found in Yorkshire and Humberside. The table below shows the most affordable sub region within each English region.

Region	Sub Region
Yorkshire & Humberside	North Lincolnshire
North	Cumbria
East Midlands	Nottinghamshire
North West	Lancashire
West Midlands	Staffordshire
East Anglia	Peterborough
Outer South East	Bedford
South West	Swindon
Outer Metropolitan	Medway
London	Bromley



Major Towns and Cities

Best performing regional towns / cities

Rank	Town / City	Annual % change	Average Price
1	Cambridge	6%	£336,667
2	Coventry	3%	£165,100
3	St. Albans	3%	£373,534
4	Brighton	2%	£310,981
5	Norwich	2%	£187,562

Worst performing regional towns / cities

Rank	Town / City	Annual % change	Average Price
1	Bradford	-9%	£145,478
2	Manchester	-9%	£171,830
3	Belfast	-8%	£149,604
4	Liverpool	-8%	£144,050
5	Plymouth	-7%	£167,450

Sub Regional Analysis

Just as the national data disguises differences in house prices throughout the UK, looking at the regions disguises movements in local house prices. To look at these developments more closely the areas can be divided into sub-regions.

Scotland

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Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Aberdeen City	£221,079	112%	4%	1%
Aberdeenshire & Moray	£161,667	116%	-5%	-2%
Dunbartonshire & North Lanarkshire	£145,874	67%	-6%	-1%
Dundee & Angus	£142,939	91%	-4%	-5%
Edinburgh City	£230,728	52%	-5%	-4%
Fife	£127,195	59%	-6%	-4%
Glasgow City	£152,217	46%	-5%	-5%
Highlands & Islands	£145,970	93%	1%	0%
Lothian & Falkirk	£148,038	58%	1%	-4%
Perthshire & Stirling	£150,912	70%	-7%	-8%
Renfrewshire & Inverclyde	£149,806	64%	-10%	-8%
South Lanarkshire	£132,473	61%	-1%	-2%
Southern Scotland	£125,016	61%	-10%	-8%

Yorkshire & Humberside

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Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Bradford	£145,478	61%	-9%	-9%
East Yorkshire	£144,498	60%	-3%	-3%
Leeds	£176,468	39%	-5%	-3%
North Lincolnshire	£122,196	54%	-4%	-2%
North Yorkshire	£182,573	39%	-5%	-6%
Sheffield	£166,739	59%	-1%	-3%
South Yorkshire	£134,910	57%	-3%	-4%
West Yorkshire	£141,727	54%	-4%	-3%
York	£209,760	44%	-6%	-2%

Northern Ireland

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Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
City of Belfast	£149,604	22%	-14%	-8%
Northern Ireland (North East)	£123,027	33%	-11%	-5%
Northern Ireland (South East)	£129,689	20%	-9%	-10%
Northern Ireland (West)	£100,853	28%	-10%	-9%

Wales

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Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Cardiff	£202,189	49%	0%	-4%
Mid & West Wales	£146,429	63%	-3%	-4%
North Wales	£155,703	52%	-9%	-4%
South Wales (East)	£149,507	56%	-5%	-6%
South Wales (West)	£142,575	64%	-6%	-8%

South West

[click here to return to commentary](#)

Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Bath	£253,821	43%	-3%	-1%
Bournemouth	£237,320	27%	-2%	-4%
Bristol	£230,229	46%	1%	2%
Cheltenham	£239,627	32%	0%	1%
Cornwall and Isles of Scilly	£198,648	40%	-5%	-3%
Dorset	£235,482	37%	-2%	-3%
Gloucestershire	£194,868	27%	-4%	-5%
North Devon	£191,457	37%	-5%	0%
Plymouth	£167,450	46%	-5%	-7%
Poole	£247,525	36%	-5%	-4%
Somerset	£191,648	33%	-1%	-1%
South Devon	£207,570	32%	-2%	-4%
South Gloucestershire	£215,189	33%	2%	1%
Swindon	£182,253	16%	0%	-1%
Wiltshire	£207,188	23%	-4%	-5%

North West

[click here to return to commentary](#)

Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Cheshire	£178,890	45%	-1%	-2%
City of Manchester	£171,830	30%	-11%	-9%
Greater Manchester	£156,927	50%	-5%	-5%
Lancashire	£142,001	53%	-6%	-4%
Merseyside	£145,409	47%	-4%	-5%
Warrington & Halton	£158,689	48%	-4%	-5%

Media enquiries to: Robert Gardner, Chief Economist, robert.gardner@nationwide.co.uk
Lindsay McAloon, 01793 655195, lindsay.mcaloon@nationwide.co.uk

West Midlands

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Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Birmingham	£165,301	28%	-3%	-4%
Coventry	£165,100	49%	-3%	3%
Greater Birmingham	£161,493	36%	-6%	-4%
Herefordshire	£188,900	50%	2%	1%
Shropshire	£166,844	33%	-2%	-1%
Staffordshire	£154,730	42%	-1%	-2%
Warwickshire	£193,717	37%	-1%	-3%
Worcestershire	£181,042	29%	-4%	-6%

East Midlands

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Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Derby	£154,989	46%	-4%	-4%
Derbyshire	£160,658	50%	0%	-1%
Leicestershire	£169,667	34%	-3%	-2%
Mid Lincolnshire	£143,408	46%	-1%	1%
Northampton Town	£173,180	28%	-1%	2%
Northamptonshire	£166,017	26%	-3%	-3%
Nottingham	£136,539	28%	4%	-4%
Nottinghamshire	£153,492	42%	-5%	-4%
South Lincolnshire	£146,651	33%	-2%	-5%

Outer Metropolitan

[click here to return to commentary](#)

Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Bracknell Forest	£262,541	25%	5%	5%
Central Kent	£242,844	31%	-3%	0%
East Surrey	£319,603	36%	1%	3%
Hart & Rushmoor	£261,113	29%	4%	1%
Hertfordshire	£278,305	32%	-2%	-3%
Luton	£189,523	26%	-2%	1%
Medway	£184,007	28%	2%	2%
North Surrey	£324,513	34%	4%	2%
Reading	£252,099	26%	1%	-1%
Slough	£254,040	24%	2%	0%
South Buckinghamshire & Chilterns	£306,946	35%	-4%	-3%
South Essex	£235,444	32%	-2%	-3%
St Albans	£373,534	46%	1%	3%
West Kent	£241,830	31%	-2%	-4%
West Surrey	£331,695	36%	0%	5%
West Sussex (North)	£267,933	32%	0%	2%
Windsor & Maidenhead	£329,707	36%	2%	3%
Wokingham	£284,012	27%	0%	2%

London

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London Boroughs	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Barking and Dagenham	£192,893	25%	-2%	-2%
Barnet	£353,616	47%	5%	3%
Bexley	£235,533	36%	2%	4%
Brent	£380,181	60%	8%	8%
Bromley	£273,943	39%	2%	3%
Camden	£602,357	79%	3%	6%
Croydon	£240,298	28%	1%	2%
Ealing	£374,538	48%	8%	5%
Enfield	£282,607	31%	-1%	1%
Greenwich	£279,685	51%	-2%	-11%
Hackney	£437,417	86%	2%	5%
Hammersmith and Fulham	£555,093	72%	4%	2%
Haringey	£398,234	61%	2%	5%
Harrow	£310,132	36%	0%	1%
Havering	£222,299	30%	-2%	-2%
Hillingdon	£289,410	33%	4%	3%
Hounslow	£318,919	48%	-3%	-1%
Islington	£518,849	79%	8%	2%
Kingston upon Thames	£357,401	48%	4%	3%
Lambeth	£384,102	53%	1%	4%
Lewisham	£302,920	59%	1%	2%
Merton	£344,031	42%	-2%	3%
Newham	£255,877	43%	2%	7%
Redbridge	£281,620	38%	1%	1%
Richmond upon Thames	£437,567	55%	2%	6%
Southwark	£415,290	72%	5%	11%
Sutton	£260,574	27%	1%	2%
Tower Hamlets	£415,444	63%	4%	3%
Waltham Forest	£276,290	39%	3%	5%
Wandsworth	£476,816	63%	8%	8%
Westminster	£691,074	86%	5%	3%

Note: City of London and Kensington & Chelsea excluded due to low sample size

East Anglia

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Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Cambridgeshire	£212,727	35%	-3%	-4%
Norfolk	£173,608	32%	-1%	-2%
Peterborough	£155,829	35%	0%	-4%
Suffolk	£187,186	33%	-2%	-3%

Media enquiries to: Robert Gardner, Chief Economist, robert.gardner@nationwide.co.uk
Lindsay McAloon, 01793 655195, lindsay.mcaloon@nationwide.co.uk

Outer South East

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Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
Basingstoke & Deane	£238,139	27%	0%	-1%
Bedford	£183,420	25%	1%	-3%
Brighton & Hove	£310,981	42%	6%	2%
Central Bedfordshire	£217,259	26%	-1%	1%
East Kent	£193,638	34%	0%	0%
East Sussex	£222,395	36%	-2%	-2%
Isle of Wight	£192,633	35%	-1%	-1%
Mid Hampshire	£266,022	35%	-1%	-2%
Milton Keynes & Aylesbury	£224,377	25%	-3%	-3%
New Forest	£256,205	40%	0%	2%
North Essex	£207,021	28%	-3%	-3%
Oxfordshire	£271,160	31%	0%	-1%
Portsmouth Area	£191,997	29%	-1%	-2%
Southampton Area	£216,343	23%	-1%	-3%
West Berkshire	£257,585	25%	3%	2%
West Sussex (South)	£247,620	39%	3%	0%

North

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Nationwide Sub Regions	Price in 2012 Q4	% change over 10 years	Annual % change last quarter	Annual % change this quarter
County Durham	£128,088	61%	-6%	-4%
Cumbria	£147,038	67%	-1%	-7%
Northumberland	£153,601	54%	-2%	6%
Teeside	£139,695	55%	-5%	-3%
Tyne and Wear	£149,580	57%	-4%	0%

Notes

- Indices and average prices for the UK and the regions are produced using Nationwide's updated mix adjusted House Price Methodology which was introduced with effect from the first quarter of 1995. All changes are nominal and do not allow for inflation. The methodology can be found on our website: <http://www.nationwide.co.uk/hpi/>
- Price indices are seasonally adjusted using the US Bureau of the Census X12 method. Quarterly series are seasonally adjusted using data since 1973. The seasonal adjustment is recalculated quarterly and may lead to revisions.
- The price changes in the sub regional, local authority and major towns and cities tables are based on the price per unit area of the properties in the sample rather than the mix-adjusted methodology used for the 13 regions. The average price per square foot in each of the sub-regions is grossed up by the average square footage in a particular region to arrive at an average house price. Unlike Nationwide's main index, this methodology does not take into account the different mix of properties transacted and is therefore a simplification.
- Sub-regional figures are therefore not directly comparable with regional prices. Samples are substantially smaller than at a regional level and figures should not be relied upon for any critical application. Due to greater volatility, sub-regional prices are smoothed over two quarters.
- The Nationwide 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.

Photographs of our economist are available at: www.nationwide.co.uk/mediacentre/economist.asp

Media enquiries to: Robert Gardner, Chief Economist, robert.gardner@nationwide.co.uk
Lindsay McAloon, 01793 655195, lindsay.mcaloon@nationwide.co.uk