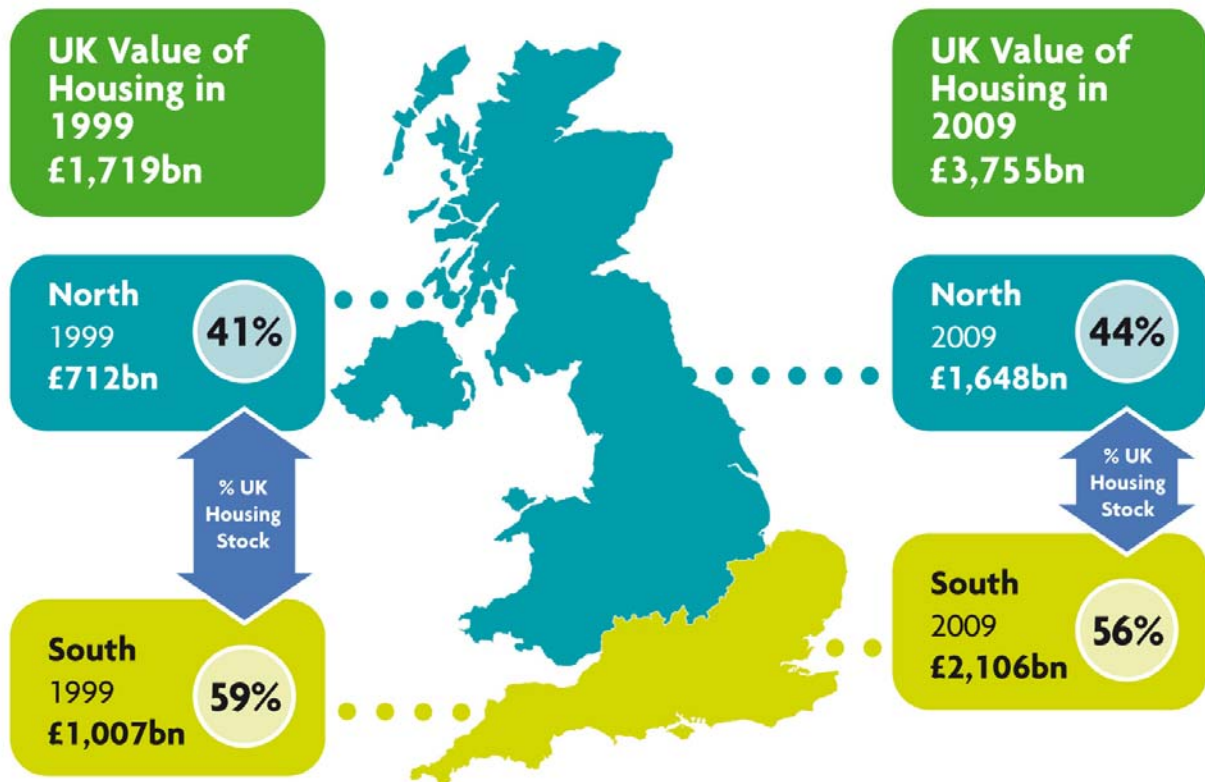


# Press Release



In this review of the **Value of Housing Stock**, Halifax tracks the value of private residential housing stock since 1999 at regional and national level. The review is based on data from the Communities and Local Government (CLG) for the stock of owner occupied and privately rented properties. **Value of housing for 2009 and all regions during the decade is based on estimates made by the Halifax.**

## VALUE OF HOUSING SOARS BY OVER £2,000 BILLION IN TEN YEARS AS NORTH-SOUTH GAP NARROWS



**The total value of privately owned housing stock in the UK more than doubled over the past decade, new Halifax research shows.** There was a 118% increase from £1,719 billion in 1999 to an estimated £3,755 billion in 2009. During the same period, the retail price index rose by 29%.

The significant increase of £2,000 billion over the ten year period is equivalent to £33,000 per head of the UK population.

However, since 2007 the value of housing stock in the UK has declined by 8%. This reflects the reduction in house prices between mid 2007 and early 2009. The improvement in house prices in 2009 saw housing value grow by an estimated 2% during the year.

### **Narrowing North-South divide**

The north<sup>1</sup>-south<sup>2</sup> gap in the value of the private housing stock narrowed during the 'noughties'. Between 1999 and 2009, the value of housing in the north increased by 132% compared to 109% in the south. As a result, the north's share of UK housing assets rose from 41% in 1999 to 44% in 2009.

### **Northern Ireland leads the way**

Regionally, Northern Ireland saw the biggest increase in housing value with a 198% rise from £31 billion in 1999 to £92 billion in 2009. The next largest rises were in the North East (147%), Scotland (145%), Yorkshire and the Humber (139%) and East Midlands (133%). The smallest increases were in the South East (100%) and the East of England and West Midlands (both 107%).

All regions have recorded a decline in the value of their housing stock since 2007: London (-5%), North East (-7%), North West (-8%) and the South East (-8%). In Northern Ireland the value of housing is estimated to have fallen by 19% since 2007, following a dramatic rise in the preceding few years.

### **Martin Ellis, housing economist at Halifax, commented:**

"The past decade has seen a substantial increase in the value of housing assets in the UK, with all regions recording average annual increases of 7%-12%. Notably, there are real signs of a narrowing north-south divide as the northern regions recorded bigger increases."

**Table 1: Value of Privately Owned Housing Stock in the UK 1999-2009<sup>3</sup>**

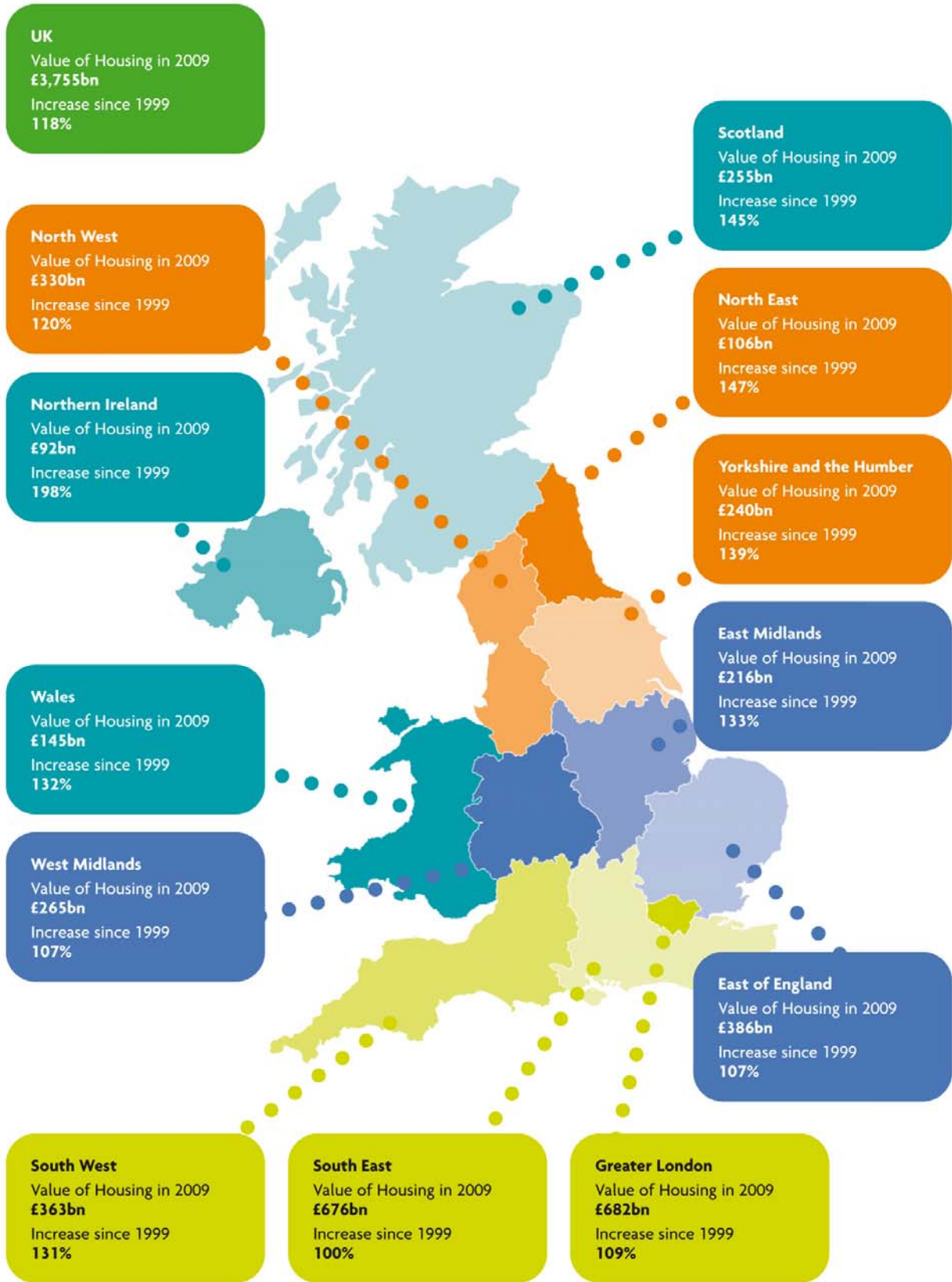
<b>Region</b>	<b>Year End 1999 - £ billion</b>	<b>Year End 2009<sup>2</sup> - £ billion</b>	<b>Total % change over the decade</b>	<b>Average annual compound growth rate</b>
North East	43	106	147%	9%
North West	150	330	120%	8%
Yorkshire and the Humber	100	240	139%	9%
East Midlands	92	216	133%	9%
West Midlands	128	265	107%	8%
East of England	186	386	107%	8%
Greater London	327	682	109%	8%
South East	338	676	100%	7%
South West	157	363	131%	9%
Wales	62	145	132%	9%
Scotland	104	255	145%	9%
Northern Ireland	31	92	198%	12%
<b>UK</b>	<b>1,719</b>	<b>3,755</b>	<b>118%</b>	<b>8%</b>

Source: Communities and Local Government for regional house prices and privately owned residential properties

<sup>1</sup> This includes North, North West, Yorkshire and the Humber, West Midlands, West Midlands, Wales, Scotland and Northern Ireland

<sup>2</sup> This includes London, South East, South West and East Anglia

<sup>3</sup> Before deducting for mortgage outstanding balances <sup>2</sup>2009 estimate based on Halifax calculation



**Editors' Notes:**

The data in this release has been sourced from the Communities and Local Government (CLG) department for UK house prices, private dwelling completions and stock of private properties.

Value of residential buildings for 1999-2008 the UK as a whole is from the ONS (series code CGRI), 2009 is a Halifax estimate. The 2009 estimate of housing wealth is derived from the Communities and Local Government house prices index for 2009 and the estimated number of privately owned residential buildings in the UK. This methodology varies from that used by the ONS, which takes the numbers of dwellings in each council tax band (by region) from the CLG, which are valued using council tax valuations in a base period uprated to current year prices using the CLG house price index.

Housing value at the regional level is estimated by the Halifax using estimates of owner occupation and privately rented dwelling and the CLG regional house price index.

This report is prepared from information that we believe is collated with care, however, it is only intended to highlight issues and it is not intended to be comprehensive. We reserve the right to vary our methodology and to edit or discontinue/withdraw this, or any other report. Any use of this report for an individual's own or third party commercial purposes is done entirely at the risk of the person making such use and solely the responsibility of the person or persons making such reliance.