



UK House prices	NOVEMBER 2009 (seasonally adjusted)
Annual change	-1.6%
Monthly change	1.4%
Average Price	£167,664

Commenting, Martin Ellis, housing economist, said:

"House prices increased by 1.4% in November. This was the fifth successive monthly rise with prices more than 4% higher over the first eleven months of the year.

The recovery in house prices since the spring has been driven by increased demand for property, largely due to the improvement in affordability for existing homeowners and first-time buyers who can raise the necessary deposit.

Somewhat higher demand has combined with a low level of properties available for sale to push up prices. Further ahead, the prospects for the market will depend on how the UK economy evolves and whether there is a significant increase in the supply of properties for sale. Overall, our view is that house prices will be flat during 2010."

Key facts

- **House prices rose by 1.4% in November.** Prices increased for the fifth consecutive month with the average house price up by 4.2% (£6,803) in the first eleven months of 2009.
- **Prices over the period September to November were 3.7% higher than in the previous three months.** This is the biggest increase on a three monthly basis since November 2006.
- **Prices have increased by 8.5% since reaching a trough in April 2009; an increase in the average price of £13,174.** This follows a decline of 23% between August 2007 and April 2009.
- **House prices in November were 1.6% lower on an annual basis.** The annual rate of change (measured by the average for the latest three months against the same period a year earlier) has improved significantly from a low of -17.7% in April.

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 is calculated as an average for the latest three months compared with the same period a year earlier. These figures provide a better picture of the underlying trend compared to a monthly year-on-year number as they smooth out any short-term fluctuations.

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- **Housing market activity continues to pick up.** Completed house sales in England and Wales were 11% higher on an annual basis in August, according to the latest Land Registry figures. Bank of England industry-wide figures show that the number of mortgages approved to finance house purchase – a leading indicator of completed house sales – increased, on a seasonally adjusted basis, for the eleventh successive month in October. Approvals were 79% higher than in October 2008 and were at their highest level since March 2008. Despite this improvement, approvals remain 56% below their late 2006 peak.
- **Increasing demand and low supply are causing house prices to rise.** The increase in sales in recent months has outpaced only a modest rise in the stock of properties available for sale. As a result, the ratio of house sales to the stock of unsold properties on surveyors' books increased for the tenth consecutive month in October. (Source: RICS monthly survey, October 2009.) The increase in this ratio suggests that market conditions will provide further support for house prices in the short-term.

Halifax House Price Index is prepared from information that we believe is collated with care, but we do not make any statement as to its accuracy or completeness. 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. © Bank of Scotland plc all rights reserved 2009.

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UK House Prices: Historical Data

All Houses, All Buyers (Seasonally Adjusted)

Period	Index 1983=100 1	Standardised Average Price £ 2	Monthly Change %	Annual Change %*	Price/ Earnings Ratio 3
Nov 2008	532.9	164,646	-2.1	-14.9	4.55
Dec	520.6	160,861	-2.3	-16.2	4.43
Jan 2009	531.2	164,126	2.0	-17.2	4.67
Feb	519.1	160,390	-2.3	-17.7	4.62
Mar	509.2	157,320	-1.9	-17.5	4.32
Apr	500.0	154,490	-1.8	-17.7	4.33
May	513.1	158,541	2.6	-16.3	4.45
Jun	511.0	157,876	-0.4	-15.0	4.43
Jul	516.9	159,709	1.2	-12.1	4.49
Aug	521.1	161,022	0.8	-10.1	4.51
Sep	529.1	163,487	1.5	-7.4	4.58
Oct	535.1	165,349	1.1	-4.7	4.62 ^e
Nov	542.6	167,664	1.4	-1.6	4.68 ^e

EDITORS' NOTES

* The annual change numbers are the quarterly year-on-year figures. These figures provide a better picture of underlying trends compared to a monthly year-on-year number as they smooth out any short-term fluctuations.

1. INDEX

The standardised index is seasonally adjusted using the U.S. Bureau of the Census XII 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's month figure are subject to revision.

2. STANDARDISED AVERAGE PRICE

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

3. PRICE/EARNINGS RATIO

Ratio of the Halifax standardised average price to national average earnings for full-time male employees. Price Earnings ratios revised to reflect new data in the Annual Survey of Hours and Earnings (ASHE). ^e Halifax estimates.

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ISDN facilities are available for broadcast media interviews

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