



UK House prices	May 2012 (seasonally adjusted)
Annual change	-0.1%
Quarterly change	+0.8%
Monthly change	+0.5%
Average Price	£160,941

Commenting, Martin Ellis, housing economist, said:

"House prices in the three months to May were 0.8% higher than in the previous quarter, marking the second successive increase in this measure of the underlying trend. The more volatile monthly figures showed a 0.5% rise in May following April's 2.3% decline."

"Whilst there has been a modest improvement in the trend for house prices recently, the current average UK price is very similar to the levels both a year ago and at the beginning of this year. We expect this situation to continue with prices likely to still be around today's levels at the end of 2012 as the ongoing tough economic environment constrains housing demand."

"Recent monthly house sales figures have clearly been affected by the ending of the stamp duty holiday for first-time buyers in late March. Overall, the trend for sales - like that for prices - appears to be one of broad stability."

Key facts

- **House prices in the three months to May were 0.8% higher than in the preceding three months (December 2011-February 2012).** This was the second successive increase in this measure of the underlying trend in prices following six consecutive falls between October 2011 and March 2012. It was the biggest three monthly increase since August 2011 (+0.9%).
- **On a monthly basis, house prices increased by 0.5% in May.** This follows the significant monthly rises and falls recorded in the previous two months: +2.2% in March and -2.3% in April.
- **Prices in the three months to May were 0.1% lower than in the same period a year earlier.** This continued the improving trend in the annual rate and was the smallest yearly decline in house prices for 17 months (October 2010:+1.2%).

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.

For more information on our housing market research, click on www.Lloydsbankinggroup.com





House price index

- **Small rise in the average UK house price in the first five months of 2012.** The UK average price in May 2012 was 0.7% higher than in December 2011, at £160,941.
- **Sharp fall in sales in April.** Home sales fell by 18% between March and April, providing further evidence that the expiry of the stamp duty holiday for first-time buyers at the end of March encouraged some to bring forward their house purchases to beat the deadline. Nonetheless, sales were still 3% higher than in April 2011. (*Source: HMRC*)
- **Housing market conditions have tightened slightly since the end of 2011.** The supply / demand balance in the market, as measured by the ratio of house sales to the stock of unsold properties, has tightened a little in recent months. This modest improvement in market conditions has probably helped to support house prices. (*Source: RICS's monthly survey*)

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 2012.

For more information on our housing market research, click on www.Lloydsbankinggroup.com



UK House Prices: Historical Data All Houses, All Buyers (Seasonally Adjusted)

	Index 1983=100 1	Standardised Average Price £ 2	Monthly Change %	Quarterly Change %*	Annual Change %**	Price/ Earnings Ratio 3
Period						
May 2011	522.2	161,341	0.3	-1.1	-4.2	4.41
Jun	528.9	163,430	1.3	-0.5	-3.5	4.47
Jul	530.0	163,765	0.2	0.5	-2.6	4.48
Aug	524.1	161,926	-1.1	0.9	-2.6	4.41
Sep	522.3	161,368	-0.3	0.1	-2.3	4.39
Oct	528.3	163,227	1.2	-0.4	-1.8	4.43
Nov	522.9	161,556	-1.0	-0.6	-1.0	4.37
Dec	517.5	159,888	-1.0	-0.1	-1.3	4.32
Jan 2012	520.8	160,925	0.6	-0.9	-1.8	4.37
Feb	518.9	160,328	-0.4	-1.0	-1.9	4.32
Mar	530.1	163,796	2.2	-0.1	-0.6	4.40
Apr	518.1	160,073	-2.3	0.4	-0.5	4.33 ^e
May	520.9	160,941	0.5	0.8	-0.1	4.33 ^e

EDITORS' NOTES

* House price data on a quarterly basis provides the clearest indication of overall market trends, smoothing out the monthly volatility caused by the reduced number of monthly transactions used to calculate all house price indices.

** 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 month's 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.

For further information please contact:

Helpline No 08456 045404

Email housingeconomics@lloydsbanking.com

Press Office Contacts:

For further information please contact the Halifax press team:

Clare Mortimer 01902 302252 / 07768 541555 claremortimer@halifax.co.uk

Emma Partridge 01902 325180 / 07824471951 emmapartridge1@halifax.co.uk

Shella Ali: 0207 356 2017 / 07795 611154 shella.ali@lloydsbanking.com

For more information on our housing market research, click on
www.Lloydsbankinggroup.com