

19/05/2018

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## Price of flats climbs £1,250 a month

- **£75,074 rise in price of flats over last five years**
- **Terraced homes trending with first-time buyers**
- **Average London flat price is £393,235 versus UK average £232,135**

**The average price of a flat in the UK has risen by £75,074 over the last five years, equivalent to £1,251 per month, according to new research from Halifax.**

Despite their popularity dipping, the average price of a flat has grown from £157,061 in 2013 to £232,135 in 2018. Flats now account for 15% of all home sales. **(See Table 1)**

Although six in every 10 property sales last year were either terraced or semi-detached properties, flats have increased in value by 48%, compared to 39% for all property types over the same period.

Meanwhile, terraced homes have seen average prices rise by £60,482 (41%, the second largest increase in percentage terms) since 2013, while detached homes recorded an increase of £73,638, although this is the smallest increase in percentage terms at 27%.

### **Terraces tops for first-time buyers**

Terraced properties remain the most popular property type among first-time buyers. However, the proportion of sales has cooled slightly over the past five years from 40% to 37%, whilst the popularity of detached properties has increased from 6% to 8%. **(Table 2)**

Terraced homes remain the most affordable property type in the UK with an average price of £208,311, followed by semi-detached (£225,123) and flats (£232,135). It's a different story outside London, as flats are the most affordable properties (£166,386), followed by terraces (£184,529).

However, only buyers in the North can snap up a terraced home for less than £125,000 – below the lowest stamp duty threshold – with terraces in the region costing £116,740. Five years ago, seven regions had the average price for a terraced home below £125,000.

**Russell Galley, Managing Director, Halifax, said:** “Although flats have recorded greater price gains over the past five years than any other property type, semi-detached and terraced homes have remained the most popular choices for homebuyers.

### **HALIFAX PRESS TEAM:**

Alison Wearden: 07700825034 [alison.wearden@lloydsbanking.com](mailto:alison.wearden@lloydsbanking.com)

Kimberley Hamilton 07557257298 [kimberley.hamilton@lloydsbanking.com](mailto:kimberley.hamilton@lloydsbanking.com)

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“More than a third of first-time buyers are still choosing terraced homes as their first step on to the property ladder, but we’re starting to see more of them choose detached houses, as the number has crept up in recent years.”

Flat prices in London have more than doubled over the last five years, contributing significantly to the national increase. The average price of a flat in the capital now stands at £393,235 – £276,377 more than flats in Wales (£116,858). **(Table 3)**

Despite a rise in value, the popularity of flats appears to be waning across the regions. They are the best performing property in only two out of 11 regions – North West (51%) and the South East (50%, joint top with terraced homes).

Terraced homes perform best in six regions: East Anglia (62%), Greater London (56% equal with bungalows), South East (50% same as flats), West Midlands (40% same as semi-detached), Yorkshire and the Humber (35% equal with semi-detached) and Wales (30%). The South West is the only region where detached properties achieve the best price performance. **(Table 4)**

**Table 1: Average house price (£) by property type, 2013-2018**

Property Type	Q1 2013	Q1 2017	Q1 2018	1 year % Change	5 year % Change
Terraced	147,829	215,034	208,311	-3%	41%
Bungalows	183,712	245,109	254,313	4%	38%
Semi-Detached	162,141	223,074	225,123	1%	39%
Detached	274,404	341,565	348,042	2%	27%
Flats	157,061	239,390	232,135	-3%	48%
<b>All Properties</b>	174,791	245,858	243,051	-1%	39%

Source: Halifax

**Table 2: Property sales by buyer and property type, 2013-2018**

Property Type	Buyer Type	12 months to March 2013	12 months to March 2017	12 months to March 2018
Terraced	First Time Buyer	40%	37%	37%
	Home Mover	26%	23%	23%
	<b>All Buyers</b>	<b>33%</b>	<b>30%</b>	<b>30%</b>
Semi Detached	First Time Buyer	29%	30%	29%
	Home Mover	30%	30%	30%

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	<b>All Buyers</b>	<b>30%</b>	<b>30%</b>	<b>30%</b>
<b>Flats</b>	First Time Buyer	21%	21%	22%
	Home Mover	11%	9%	9%
	<b>All Buyers</b>	<b>16%</b>	<b>15%</b>	<b>15%</b>
<b>Detached</b>	First Time Buyer	6%	8%	8%
	Home Mover	23%	29%	29%
	<b>All Buyers</b>	<b>15%</b>	<b>19%</b>	<b>19%</b>
<b>Bungalows</b>	First Time Buyer	3%	3%	3%
	Home Mover	10%	9%	9%
	<b>All Buyers</b>	<b>7%</b>	<b>6%</b>	<b>6%</b>

Source: Halifax

Table 3: Average house price (£) by property type and region, 2018

Region	Terraced	Semi-Detached	Detached	Bungalows	Flats	All Properties
North	116,740	156,816	258,959	181,320	117,485	159,462
North West	127,926	177,819	285,938	210,971	151,835	176,482
Yorkshire & the Humber	136,994	162,820	277,490	203,803	117,644	173,914
West Midlands	162,141	193,834	316,128	250,373	134,154	205,487
East Midlands	153,566	177,030	296,371	222,530	122,585	200,555
East Anglia	207,178	230,202	367,281	243,761	189,219	251,973
Greater London	471,119	537,299	723,832	458,550	393,235	449,646
South East	285,566	349,879	532,931	366,815	214,214	329,169
South West	211,194	244,942	405,806	284,125	184,423	253,468
Wales	130,504	160,422	268,236	176,705	116,858	174,949
Scotland	136,677	172,423	265,814	195,289	132,386	171,813
<b>UK (excl GL)</b>	<b>184,529</b>	<b>209,625</b>	<b>341,323</b>	<b>247,594</b>	<b>166,386</b>	<b>222,188</b>
<b>UK</b>	<b>208,311</b>	<b>225,123</b>	<b>348,042</b>	<b>254,313</b>	<b>232,135</b>	<b>243,051</b>

Source: Halifax

Table 4: Average house price by property type and region, % change 2013-2018

Region	Terraced	Semi-Detached	Detached	Bungalows	Flats	All Properties
North	16%	33%	26%	39%	35%	30%
North West	29%	32%	16%	37%	51%	33%
Yorkshire & the Humber	35%	35%	27%	28%	25%	35%

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West Midlands	40%	40%	28%	39%	38%	38%
East Midlands	45%	41%	40%	54%	39%	44%
East Anglia	62%	51%	50%	40%	-	51%
Greater London	56%	51%	32%	56%	54%	50%
South East	50%	46%	28%	46%	50%	41%
South West	32%	32%	39%	33%	36%	33%
Wales	30%	28%	14%	11%	-	29%
Scotland	25%	32%	19%	16%	26%	26%
<b>UK (excl GL)</b>	<b>44%</b>	<b>39%</b>	<b>28%</b>	<b>37%</b>	<b>44%</b>	<b>39%</b>
<b>UK</b>	<b>41%</b>	<b>39%</b>	<b>27%</b>	<b>38%</b>	<b>48%</b>	<b>39%</b>

Source: Halifax

## ENDS

### Editors' Notes:

All property prices are based on the crude average prices from the Halifax House Price database in quarter one 2013, and quarter one 2018.

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