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In this review of the **Value of the UK Private Housing Stock**, Halifax tracks the value of private residential housing stock in the decade since 2002 at regional and national level. The review is based on data from the Communities and Local Government (CLG) and the ONS for 2002-2011. Estimates for the value of housing for the UK in 2012 and for all regions for the whole period 2002-2012 are made by Halifax.

UK PRIVATE HOUSING WORTH OVER £4 TRILLION

The value of the UK's private housing stock is estimated at £4.2 trillion¹, according to new research from Halifax. This is £1.64 trillion (62%) higher than a decade ago.

The increase of £1.64 trillion from £2.57 trillion in 2002 is equivalent to £71,200 per property in the owner-occupied and private rented sectors. The value of the UK private residential housing stock has grown at a faster rate than overall consumer prices with the retail price index up by 38% over the past ten years.

Strong rise in housing stock values across all regions over the past decade

Regionally, the biggest increase in the value of the private housing stock has been in Scotland where it has more than doubled (115%) from £134 billion in 2002 to £288 billion in 2012. The next largest increases were in London (83%) and the North East (76%). The smallest increases were in the West Midlands (45%) and the South East (50%). (See Table 1)

UK housing equity in good shape

The value of mortgage debt has grown rapidly, rising by 88% since 2002 from £675 billion to £1.27 trillion. Nonetheless, the value of the private housing stock has grown by more than outstanding mortgage debt; £1.64 trillion compared with £595 billion. As a result, housing equity has increased by £1 trillion over the decade from £1.89 trillion in 2002 to £2.90 trillion.

Martin Ellis, housing economist at Halifax, commented:

"The combined value of all privately owned houses in the UK is estimated to have exceeded £4 trillion at the end of last year. The increase in total housing value over the past decade is equivalent to over £71,000 per privately owned property.

"Aggregate housing equity held by UK households is in a healthy state with total housing assets worth nearly £3 trillion more than the total value of mortgage debt. Despite the rapid rise in mortgage debt over the past ten years, housing equity has grown by £1 trillion since 2002."

Table 1: Value of Privately Owned Housing Stock in the UK 2002-2012

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Region	Year End 2002 - £ billion	Year End 2012 - £ billion	Total % change over the decade
North East	62	109	76%
North West	215	341	59%
Yorkshire and the Humber	149	254	71%
East Midlands	155	236	52%
West Midlands	197	287	45%
East	288	443	54%
London	448	821	83%
South East	518	777	50%
South West	261	398	52%
Scotland	134	288	115%
Wales	96	149	56%
Northern Ireland	47	71	52%
UK	2,568	4,172	62%

Source: The ONS for regional house prices and the CLG for privately owned residential properties

Editors' Notes:

¹Before deducting for mortgage outstanding balances

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

Value of residential buildings for 2002-2011 in the UK as a whole is from the ONS (series code CGRI), 2012 is a Halifax estimate. The 2012 estimate of housing wealth is derived from the ONS house prices index for 2012 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, which are valued using council tax valuations in a base period uprated to current year prices using the ONS house price index.

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

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