

Press Release

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The **Halifax Property Type Review** tracks price and sales movements by property type across the UK. The review is based on the Halifax's own extensive housing statistics database. House price and sales comparisons refer to data from Quarter 2 in 2000, Quarter 2 in 2009 and Quarter 2 in 2010.

Detached house prices rise by £91 a day over the past year *Family homes price rises surpass all other properties*

The average price of a detached family home has risen by more than any other property type over the past year, according to new research by Halifax. Based on Halifax's own house price data, owners of detached properties have seen the value of their home increase by £91 a day over the past year with the average price rising by 13% from £266,060 in 2009 Quarter 2 to £299,295 in 2010 Quarter 2. Prices for all other property types rose by 8-9% over the period.

Semi-detached homeowners are the biggest property winners over the past decade

Semi-detached properties recorded the largest average price increase (111%) since 2000; marginally higher than for terraced properties (110%) and bungalows (109%). Flats were the only property type not to double in value over the last ten years with an 81% average increase.

Semi-detached and terraced homes have remained the most popular types of property purchased over the last ten years. These property types combined accounted for 61% of all home sales in 2010; up from 58% in 2000.

Suren Thiru, Halifax Housing Economist, said:

"Although the price of all property types has been boosted by the combination of historically low interest rates and lack of properties available for sale over the past year, it is notable that detached homes have seen the largest average price rises. Such properties are likely to have benefited from greater demand from those buyer groups currently most able to enter the housing market."

"The changing pattern of homes bought over the past decade highlights some significant socio-economic forces. For example, the rise in the proportion of sales of flats and terraced homes reflects the increasing trend for people to live alone."

OTHER KEY FINDINGS

Moving up the property ladder remains difficult.

- The average price of a detached property is currently 63% above the average UK house price. Terraced properties remain the least expensive property type with an average price that is 17% below the average for all properties.
- The gap between most expensive property types (detached homes) and the least (terraced homes) has narrowed over the past decade from 106% to 98%.
- However, moving up the property ladder has become harder over the past three years as the gap between the least and most expensive property types has risen from 71% in 2007 to 98% in 2010. The average price of terraces fell more during the downturn and has risen by less during the recent recovery.
- Those looking to trade down later in life have seen their potential cash windfall almost double over the past decade. Trading down from a detached home to a bungalow would have earned an average windfall of £102,000 in 2010; an increase of 91% (£48,500) since 2000.

Changes in types of property purchased...

- Detached homes were the only property type to record a fall in its share of all sales since 2000, down from 21% to 15%. This decline was driven by a large drop in the proportion of home movers buying such properties.
- There has been a substantial shift in the type of properties bought by first-time buyers over the past three years. Flats have fallen in popularity, accounting for only 24% of purchases in 2010 compared with 36% in 2007. Purchases of semi-detached homes by first-time buyers over the same period have risen from 20% to 27%.

...reflects a decline in the traditional family unit.

- There has been a decrease in the 'traditional' family unit. The proportion of households in England occupied by married couples has declined from 48% in 2000 to 41% in 2010. Over the same period, the proportion of single person households in England has risen from 30% in 2000 to 33% in 2010.
- The proportion of one bedroom properties built in England nearly doubled during the 'noughties' decade, from 7% on 1999/00 to 13% in 2008/09. Over the same period, the proportion of homes being built with four or more bedrooms dropped from 32% to 17%.
- Although married households remain the most common form of household, single person households are projected to replace married households as the single most prevalent type of household by 2020, according to the latest projection from the Communities and Local Government (DCLG).

Table 1: UK house prices by property type, 2000-2010

	2000 Q2 £	2009 Q2 £	2010 Q2 £	1 year (2009 Q2-2010 Q2) % Change	10 year (2000 Q2 – 2010 Q2) % Change
Detached	148,047	266,060	299,395	13%	102%
Bungalows	94,509	180,271	197,379	9%	109%
Flat & Maisonettes	87,849	146,024	158,692	9%	81%
Semi-Detached	81,706	159,251	172,196	8%	111%
Terraced	72,009	140,690	151,403	8%	110%

Source: Halifax

Table 2: Property sales by buyer and property type, 2000-2010

Property type	Buyer type	2000 Q2	2009 Q2	2010 Q2
Terraced	First Time Buyers	42%	41%	42%
	Home movers	23%	26%	26%
	All buyers	30%	32%	33%
Semi Detached	First Time Buyers	26%	27%	27%
	Home movers	29%	28%	29%
	All buyers	28%	28%	28%
Flats	First Time Buyers	24%	24%	24%
	Home movers	8%	14%	13%
	All buyers	14%	18%	17%
Detached	First Time Buyers	6%	5%	5%
	Home movers	31%	23%	22%
	All buyers	21%	15%	15%
Bungalows	First Time Buyers	3%	3%	3%
	Home movers	8%	9%	10%
	All buyers	6%	7%	7%

Source: Halifax

Editors' notes

House price and sales comparisons refer to data from Quarter 2 in 2000, Quarter 2 in 2009 and Quarter 2 in 2010 and are based on Halifax's own extensive housing statistics database.

House Prices

The prices used are simple arithmetic ('crude') averages. These prices are not standardised and therefore can be affected by changes in the sample from period to period. Data is from Halifax with the average price based on the 3 months from April to June for each year analysed.

Household Composition (England):

Household composition data has been sourced from CLG: Table 402:

<http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/householdestimates/livables-households/>

House building: (England):

Permanent dwelling completed, by house and flat (all tenures) been sourced from CLG: Table 254:

<http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/housebuilding/livables/>

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