



This survey carried out by the Halifax reviews house price performance between 2007 and 2010. The data is sourced from the Halifax housing statistics database

Houses in Britain's biggest cities more affordable, says Halifax

More of Britain's largest cities have become affordable to home buyers, Halifax has revealed in research of house price changes between 2007 and 2010.

The general fall in house prices between 2007 and 2010 has improved affordability across Great Britain and increased the choice of property available to prospective home buyers. Based on Halifax's own data, £150,000 could now purchase a semi detached property in five out of the ten largest British cities, compared to just one at the end of 2007. For those further up the property ladder, a budget of £250,000 could now buy all property types in half of the 10 biggest cities in Great Britain, compared to two in 2007. London is the only major British city where the average price of all property types remains above £250,000.

Other findings from Halifax's research reveals that over the last three years, property prices in towns located in southern England¹ have generally outperformed the rest of the country.

Seven of the ten post towns with the highest house price growth since 2007 are in the south of England. The Wiltshire town of Westbury recorded the biggest increase in house prices, with the average house price increasing by 8.9% between 2007 and 2010. Shetland in Scotland (5.1%) and Barnstaple in Devon (4.2%) were the next best performers. In the North, Altrincham (3.3%) and Northallerton (3.0%) were among the ten best performers.

In contrast, the eight towns that saw the biggest house price falls since 2007 are all in the North¹. The South Tyneside town of Jarrow saw the biggest fall, where the average house price fell by 31.4% over the period. Outside the North, Maidenhead in the South East recorded the largest house price decline (-27.1%).

Martin Ellis, housing economist at Halifax, commented: *"The higher performance of the housing market in southern England over the last three years reflects the stronger economic performance of this part of the country compared with the rest of the UK. Looking forward nationally, we expect limited movement in house prices overall this year but with the risks on the downside."*

While only 6% of the towns surveyed saw a rise in house prices over the past 3 years, Martin suggests that opportunities remain for both homeowners and prospective buyers: *"It is important to remember that those buyers who bought their home five or more years ago are likely to still have a healthy level of equity in their property. On the buyer side, monthly mortgage costs have now nearly halved from their peak in 2007, when 50% of a typical first-time buyer's income was devoted to paying their mortgage."*

KEY FINDINGS:

Table 1: £150K could buy...

Analysis by average price per property type for the largest GB Cities, Dec 2007 vs Dec 2010

	December 2007	December 2010
London	None	None
Birmingham	Terraced, Flats	Terraced, Flats, Semi Detached
Leeds	Terraced, Flats	Terraced, Flats, Semi Detached
Glasgow	Flats	Terraced, Flats
Sheffield	Terraced, Flats	Terraced, Flats, Semi Detached
Bradford	Terraced, Flats, Semi Detached	Terraced, Flats, Semi Detached
Edinburgh	None	None
Liverpool	Terraced, Flats	Terraced, Flats
Manchester	Terraced, Flats	Terraced, Flats, Semi Detached
Bristol	None	Flats

Source: Halifax

Table 2: £250K could buy...

Analysis by average price per property type for the largest GB Cities, Dec 2007 vs Dec 2010

	December 2007	December 2010
London	None	None
Birmingham	Terraced, Flats, Semi Detached	Terraced, Flats, Semi Detached, Detached
Leeds	Terraced, Flats, Semi Detached	Terraced, Flats, Semi Detached
Glasgow	Terraced, Flats, Semi Detached	Terraced, Flats, Semi Detached
Sheffield	Terraced, Flats, Semi Detached	Terraced, Flats, Semi Detached, Detached
Bradford	Terraced, Flats, Semi Detached, Detached	Terraced, Flats, Semi Detached, Detached
Edinburgh	Flats	Flats, Semi Detached
Liverpool	Terraced, Flats, Semi Detached, Detached	Terraced, Flats, Semi Detached, Detached
Manchester	Terraced, Flats, Semi Detached	Terraced, Flats, Semi Detached, Detached
Bristol	Terraced, Flats, Semi Detached	Terraced, Flats, Semi Detached

Source: Halifax

Table 3: Post Town house prices Dec 2007 – Dec 2010 – 10 Biggest House Price Gains

Post Town	Region	Dec 2007 £	Dec 2010 £	% change
Westbury	South West	189,956	206,932	8.9%
Shetland	Scotland	125,725	132,186	5.1%
Barnstaple	South West	203,977	212,454	4.2%
St Leonards On Sea	South East	167,230	172,775	3.3%
Altrincham	North West	319,385	329,835	3.3%
Deal	South East	199,415	205,641	3.1%
Northallerton	Yorkshire and the Humber	214,253	220,757	3.0%
Gosport	South East	142,874	147,063	2.9%
Witney	South East	274,472	280,499	2.2%
Dunmow	South East	280,688	286,783	2.2%
GB average		217,460	187,540	-13.8%

Source: Halifax

Table 4: Post Town house prices Dec 2007 – Dec 2010 – 10 Biggest House Price Falls

Post Town	Region	Dec 2007 £	Dec 2010 £	% change
Jarrow	North	139,393	95,630	-31.4%
Washington	North	149,184	103,211	-30.8%
Renfrew	Scotland	146,341	101,756	-30.5%
Newcastle Upon Tyne	North	188,709	133,188	-29.4%
Kidderminster	West Midlands	213,457	152,235	-28.7%
Ashington	North	135,133	96,621	-28.5%
Greenock	Scotland	142,022	102,494	-27.8%
Kilmarnock	Scotland	154,049	111,382	-27.7%
Maidenhead	South East	389,998	284,365	-27.1%
Westcliff On Sea	South East	215,706	158,432	-26.6%
GB average		217,460	187,540	-13.8%

Source: Halifax

EDITORS' NOTES:

This research is based on data from the Halifax's own extensive housing statistics database.

¹ The North consists of the North, North West, Yorkshire & the Humber, East Midlands, West Midlands, Scotland and Wales. The south consists of Greater London, South East, South West and East Anglia.

The ten largest cities are by population and have been sourced from: <http://www.ukcities.co.uk/populations/>

- 1. Post Town/ property type house Prices.** The prices used in this research 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 for December 2010 quarter 4 refers to the average for the 12 months to December 2010.
Data for December 2007 quarter 4 refers to the average for the 12 months to December 2007.

Source: Halifax housing statistics database.

- 2. £150K or £250K could buy.** Calculations based on the average price by property type for the ten largest GB cities. The prices used in this research are simple arithmetic ('crude') averages. These prices are not standardised and therefore can be affected by changes in the sample from period to period.

Source: Halifax housing statistics database.

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