

Press Release

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The **Halifax Property Age Review** tracks price movements for 4 defined property age bands (**Pre-1919, 1919-1945, 1946-1960 and Since 1960**) across the UK over the past twenty five years. The review is based on Halifax's own extensive housing statistics database.

Owners of pre-WW1 homes enjoy biggest house price increase

Houses built before 1919 have seen the largest surge in prices over the past 25 years, according to new research from Halifax. Properties built before the end of the First World War have risen by an average of 461% - equivalent to £516 per month - from £33,619 in 1986 to £188,473 in 2011. This is significantly more than the average house price increase for all properties of 357% (£449 per month). [See Table 1]

Properties from the Victorian era, famed for their high ceilings and fashionable detailing, the Edwardian period, with their decorative cornices, and the Georgian epoch, exemplified by the Circus in Bath, all contribute to this surge in price for pre-1919 homes.

Martin Ellis, Halifax Housing Economist, comments: "The age of a property often determines its size, its style and location. Properties from the Victorian or Edwardian era tend to be in higher demand: there are fewer of them, they are often larger, situated in desirable locations, and have a popular style. It's easy to see why pre-1919 homes witnessed such a dramatic increase over the past twenty five years".

Other Period Winners and Losers

After pre-1919 homes, properties built since 1960 have seen the next largest rise in house prices, increasing over the last twenty five years by 348% to £169,168. On the other side of the scale, however, properties built between the end of the Second World War and 1960 – a period which saw the advent of the high rise and of more European open plan homes – have seen the smallest increase in prices with an average rise of 249% over the period.

Martin Ellis continues: "Modern properties, built since 1960, have their own pull, which is sometimes linked to convenience; whether it is location on a commuter belt or the fact little extra work is needed. Properties built between the end of the Second World War and 1960, on the other hand, include many smaller properties, which will contribute to the smaller rise in price over the last twenty five years."

Price growth for older properties pegged back since 2007

However, a significant reversal has occurred since the housing downturn in 2007: while houses built before 1919 have seen the largest price growth over the past 25 years, they have performed the least

well since 2007 with average prices contracting by 30%. Property values for those built between 1919 and 1945 and 1946 to 1960 have declined by a quarter in the same period, while the average price of houses built since 1960 has fallen the least since 2007 (19%).

Martin Ellis concludes: “There are many intricate reasons for the reversal in fortunes for pre-1919 homes since 2007, of course. We may suggest, however, that demand for larger properties has dipped more than for smaller properties in the context of more constraining economic conditions since 2007”.

Other key findings:

Houses built before 1919 are on average the most expensive with an average price of £188,473. The least expensive are those built over the period 1946 to 1960 with an average price of £144,988 – 15% below the average price for all properties (£172,506).

Price growth over the past decade has been a lot closer

Over the last ten years, average prices have risen most for pre-1919 properties and those constructed after 1960, with both increasing by approximately 60%. Properties built between 1946 and 1960, which saw the smallest gains over the last quarter of a century, have also seen the smallest gains in the past ten years with an average rise of 48%.

Properties built Pre-1919

The most expensive properties across all age bands are unsurprisingly in Greater London: properties built before 1919 have an average price of just under £361,000 in the capital.

Over the last 25 years, the largest average price increases have been in Scotland (528%), Greater London (521%) and Yorkshire and the Humber (520%). The smallest increase has been in the South East (408%)

1919-1945

Northern Ireland has seen the largest price increase - by 393% - since 1986. During the same period, both the West Midlands and the South West recorded price growth of 390%. Scotland recorded the smallest rise (296%).

1946-1960

The largest growth rate was in Yorkshire and the Humber (306%); the lowest increase was in Scotland (201%).

Since 1960

Over the last 25 years the largest increases in average price for properties built since 1960 were in Yorkshire and the Humber (410%) and the West Midlands (403%). Smallest increase was in Northern Ireland (283%).

Table 1 – Average House Prices by Age of Property 1986-2011

Property Age	1986 - £	2001 - £	2007 -£	2011 - £	25 Year % Change	10 Year % Change	4 Year % Change
Pre-1919	33,619	117,990	269,101	188,473	461%	60%	-30%
1919-1945	40,675	115,335	241,036	180,949	345%	57%	-25%
1946-1960	41,559	97,671	195,368	144,988	249%	48%	-26%
Since 1960	37,740	104,770	207,890	169,168	348%	61%	-19%
All Ages	37,768	112,785	228,401	172,506	357%	53%	-24%

Source: Halifax; prices for 12 months to October

Editors' notes

House price and sales refer to data from October 1986 and October 2011 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 12 months to October for each year.

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
Nick Osbourne 0207 356 1714 / 07872819065	nicholas.osbourne@halifax.co.uk

For the latest housing research, previous releases, and for information on the Halifax House Price Index, please follow this link:

http://www.lloydsbankinggroup.com/media1/economic_insight/halifax_house_price_index_page.asp

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