

# Nationwide HOUSE PRICE INDEX



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September 2022

## Annual house price growth slows to single digits in September

- Modest slowing in annual UK house price growth to 9.5% in September, from 10% in August
- 10 of the UK's 13 regions recorded slower annual price growth in the third quarter of the year
- South West was the strongest performing region once again, while London remained weakest

Headlines	Sep-22	Aug-22
Monthly Index*	542.7	542.7
Monthly Change*	0.0%	0.7%
Annual Change	9.5%	10.0%
Average Price (not seasonally adjusted)	£272,259	£273,751

\* Seasonally adjusted figure (note that monthly % changes are revised when seasonal adjustment factors are re-estimated)

### Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said:

"In September, annual house price growth slowed to single digits for the first time since October last year although, at 9.5%, the pace of increase remained robust. Prices were unchanged over the month from August, after taking account of seasonal effects. This is the first month not to record a sequential rise since July 2021.

"There have been further signs of a slowdown in the market over the past month, with the number of mortgages approved for house purchase remaining below pre-pandemic levels and surveyors reporting a decline in new buyer enquiries. Nevertheless, the slowdown to date has been modest and, combined with a shortage of stock on the market, this has meant that price growth has remained firm.

"By lowering transaction costs, the reduction in stamp duty may provide some support to activity and prices, as will the strength of the labour market, assuming it persists, with the unemployment rate at its lowest level since the early 1970s.

"However, headwinds are growing stronger suggesting the market will slow further in the months ahead. High inflation is exerting significant pressure on household budgets with consumer confidence declining to all-time lows.

"Housing affordability is becoming more stretched. Deposit requirements remain a major barrier, with a 10% deposit on a typical first-time buyer property equivalent to almost 60% of annual gross earnings – an all-time high.

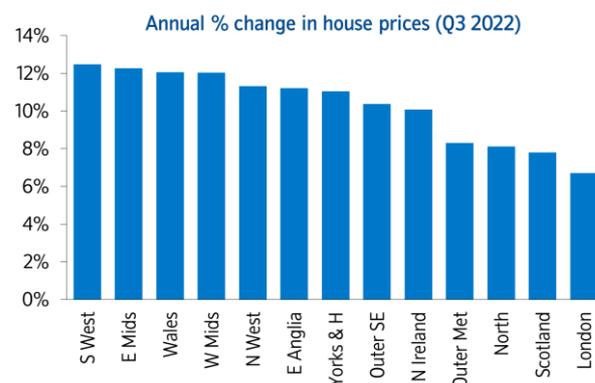
"Moreover, the significant increase in prices in recent years, together with the significant increase in mortgage rates since the start of the year, have pushed the typical mortgage payment as a share of take-home pay well above the long-run average.

### Most regions see further slowing in price growth

"Our regional house price indices are produced quarterly with data for Q3 (the three months to September) showing a softening in annual house price growth in 10 of the UK's 13 regions (see table on page 4).

"The South West remained the strongest performing region, even though it saw a slowing in annual house price growth to 12.5%, from 14.7% in Q2. This was closely followed by the East Midlands, which saw annual price growth pick up to 12.3%, from 11.4% in the previous quarter.

"Wales saw annual price growth slow to 12.1% but remained the top performing nation. Price growth in Northern Ireland softened to 10.1%. Meanwhile, Scotland saw a further slowdown in annual growth to 7.8%, compared with 9.5% last quarter.



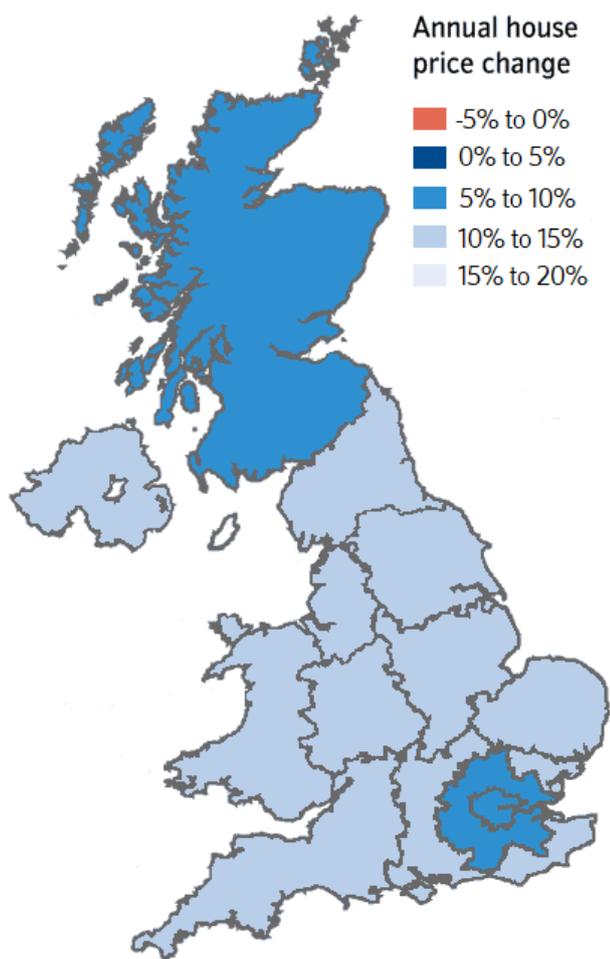
"England saw a further slowing in annual house price growth in Q3 to 9.9%, from 10.7% in Q2. While the South West

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remained the strongest performing region, southern England continued to see weaker growth overall than northern England.

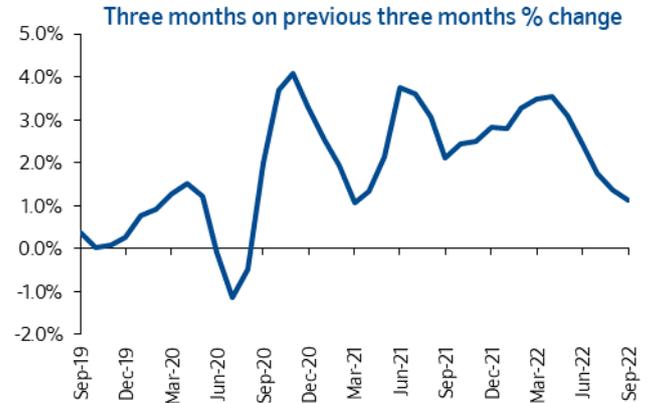
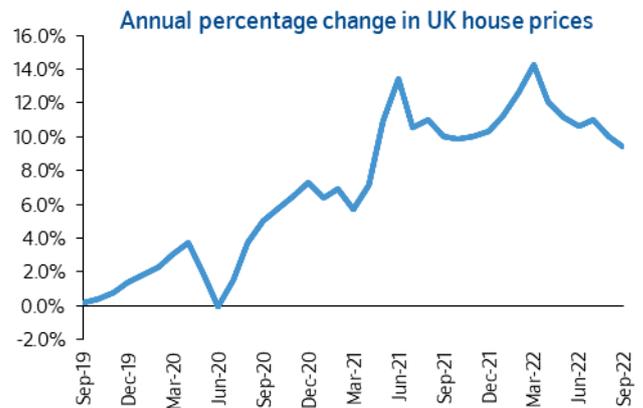
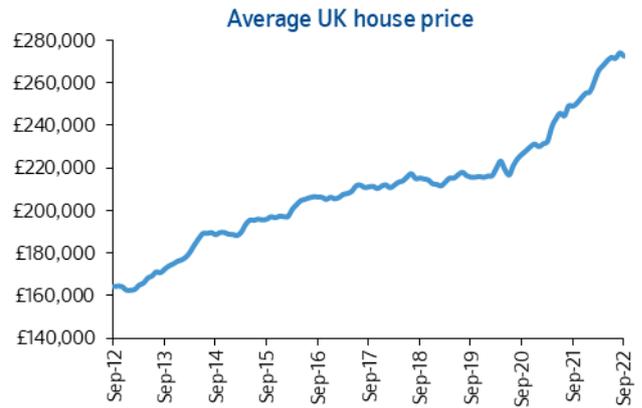
“Within northern England (which comprises North, North West, Yorkshire & The Humber, East Midlands and West Midlands), the East Midlands was the strongest performing region with price growth picking up to 12.3% year-on-year, from 11.4% in the second quarter.

“London remained the weakest performing UK region, although did see a modest pickup in annual price growth to 6.7%, from 6.0% last quarter.”



## Monthly UK House Price Statistics

	Monthly % Change Seasonally Adjusted	3 Month on 3 Month % Change	Annual % Change	Average Price
Sep-20	1.3	2.0	5.0	226,129
Oct-20	0.9	3.7	5.8	227,826
Nov-20	0.9	4.1	6.5	229,721
Dec-20	0.8	3.3	7.3	230,920
Jan-21	0.0	2.6	6.4	229,748
Feb-21	0.5	1.9	6.9	231,068
Mar-21	-0.4	1.1	5.7	232,134
Apr-21	2.4	1.3	7.1	238,831
May-21	1.7	2.1	10.9	242,832
Jun-21	0.7	3.7	13.4	245,432
Jul-21	-0.3	3.6	10.5	244,229
Aug-21	1.8	3.1	11.0	248,857
Sep-21	0.5	2.1	10.0	248,742
Oct-21	0.9	2.4	9.9	250,311
Nov-21	1.0	2.5	10.0	252,687
Dec-21	1.1	2.8	10.4	254,822
Jan-22	0.9	2.8	11.2	255,556
Feb-22	1.7	3.3	12.6	260,230
Mar-22	1.1	3.5	14.3	265,312
Apr-22	0.4	3.5	12.1	267,620
May-22	0.9	3.1	11.2	269,914
Jun-22	0.3	2.4	10.7	271,613
Jul-22	0.2	1.8	11.0	271,209
Aug-22	0.7	1.4	10.0	273,751
Sep-22	0.0	1.1	9.5	272,259



Source: Nationwide, ONS

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Building Society

# Quarterly Regional House Price Statistics

Q3 2022

Please note that these figures are for the three months to September, therefore will show a different UK average price and annual percentage change to our *monthly* house price statistics.

## Regions over the last 12 months

Region	Average Price (Q3 2022)	Annual % change this quarter	Annual % change last quarter
South West	£321,725	12.5%	14.7%
East Midlands	£241,699	12.3%	11.4%
Wales	£213,684	12.1%	13.4%
West Midlands	£247,120	12.0%	11.8%
North West	£212,998	11.3%	13.3%
East Anglia	£289,266	11.2%	14.2%
Yorks & H	£209,261	11.0%	11.8%
Outer S East	£353,276	10.4%	11.1%
N Ireland	£183,960	10.1%	11.0%
Outer Met	£435,709	8.3%	10.0%
North	£159,309	8.1%	10.6%
Scotland	£184,496	7.8%	9.5%
London	£534,545	6.7%	6.0%
UK	£273,135	10.3%	11.4%

Please see page 5 for definitions of English regions

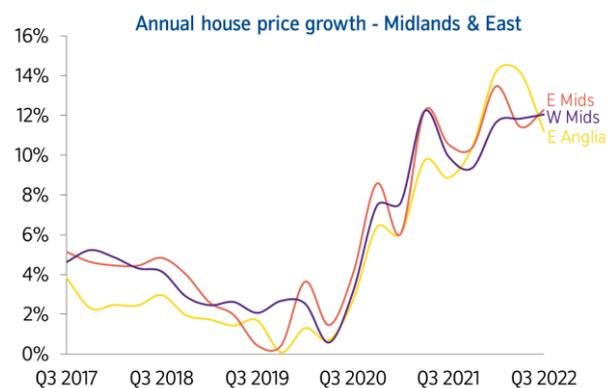
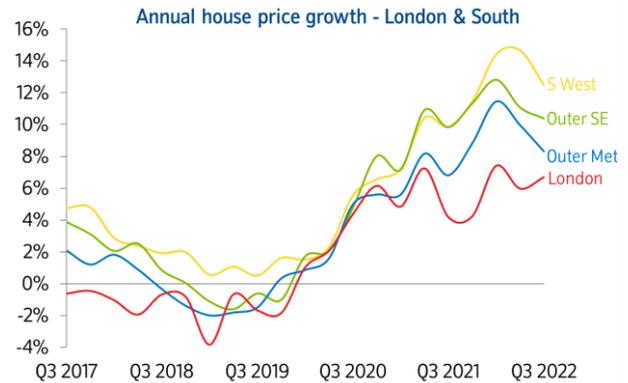
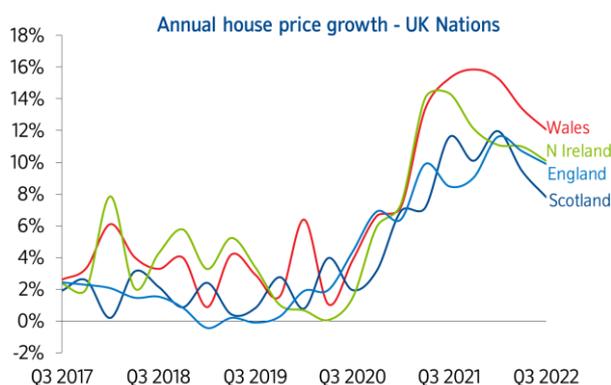
UK Fact File (Q3 2022)	
Quarterly average UK house price	£273,135
Annual percentage change	10.3%
Quarterly change*	1.3%
Most expensive region	London
Least expensive region	North
Strongest annual price change	South West
Weakest annual price change	London

\* Seasonally adjusted

## Nations – annual & quarterly price change

Nation	Average Price (Q3 2022)	Annual % change this quarter	Quarterly % change*
Wales	£213,684	12.1%	2.5%
N Ireland	£183,960	10.1%	1.5%
England	£311,508	9.9%	0.8%
Scotland	£184,496	7.8%	1.6%

\* Seasonally adjusted



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## English Region Definitions

**East Anglia:** Cambridgeshire (Cambridge, East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire), Norfolk (Breckland, Broadland, Great Yarmouth, King's Lynn & West Norfolk, North Norfolk, Norwich, South Norfolk), Peterborough, Suffolk (Babergh, East Suffolk, Ipswich, Mid Suffolk, West Suffolk)

**East Midlands:** Derby, Derbyshire (Amber Valley, Bolsover, Chesterfield, Derbyshire Dales, Erewash, High Peak, North East Derbyshire, South Derbyshire), Leicester, Leicestershire (Blaby, Charnwood, Harborough, Hinckley & Bosworth, Melton, North West Leicestershire, Oadby & Wigston), Lincolnshire (Boston, East Lindsey, Lincoln, North Kesteven, South Holland, South Kesteven, West Lindsey), North Northamptonshire, Nottingham, Nottinghamshire (Ashfield, Bassetlaw, Broxtowe, Gedling, Mansfield, Newark & Sherwood, Rushcliffe), Rutland, West Northamptonshire

**London:** Barking & Dagenham, Barnet, Bexley, Brent, Bromley, Camden, City of London, Croydon, Ealing, Enfield, Greenwich, Hackney, Hammersmith & Fulham, Haringey, Harrow, Havering, Hillingdon, Hounslow, Islington, Kensington & Chelsea, Kingston upon Thames, Lambeth, Lewisham, Merton, Newham, Redbridge, Richmond upon Thames, Southwark, Sutton, Tower Hamlets, Waltham Forest, Wandsworth, Westminster

**North:** County Durham, Cumbria (Allerdale, Barrow-in-Furness, Carlisle, Copeland, Eden, South Lakeland), Darlington, Gateshead, Hartlepool, Middlesbrough, Newcastle upon Tyne, North Tyneside, Northumberland, Redcar & Cleveland, South Tyneside, Stockton-on-Tees, Sunderland

**North West:** Blackburn with Darwen, Blackpool, Bolton, Bury, Cheshire East, Chester West & Chester, Halton, Knowsley, Lancashire (Burnley, Chorley, Fylde, Hyndburn, Lancaster, Pendle, Preston, Ribble Valley, Rossendale, South Ribble, West Lancashire, Wyre), Liverpool, Manchester, Oldham, Rochdale, Salford, Sefton, St. Helens, Stockport, Tameside, Trafford, Warrington, Wigan, Wirral

**Outer Metropolitan:** Basildon, Bracknell Forest, Brentwood, Buckinghamshire, Castle Point, Chelmsford, Crawley, Dartford, Epping Forest, Gravesham, Harlow, Hart, Hertfordshire (Broxbourne, Dacorum, East Hertfordshire, Hertsmere, North Hertfordshire, St Albans, Stevenage, Three Rivers, Watford, Welwyn Hatfield), Horsham, Luton, Maidstone, Medway, Mid Sussex, Reading, Rochford, Rushmoor, Sevenoaks, Slough, Southend-on-Sea, Surrey (Elmbridge, Epsom & Ewell, Guildford, Mole Valley, Reigate & Banstead, Runnymede, Spelthorne, Surrey Heath, Tandridge, Waverley, Woking), Thurrock, Tonbridge & Malling, Tunbridge Wells, Windsor & Maidenhead, Wokingham

**Outer South East:** Adur, Arun, Ashford, Basingstoke & Deane, Bedford, Braintree, Brighton & Hove, Canterbury, Central Bedfordshire, Chichester, Colchester, Dover, East Hampshire, Eastleigh, East Sussex (Eastbourne, Hastings, Lewes, Rother, Wealden), Fareham, Folkestone & Hythe, Gosport, Havant, Isle of Wight, Maldon, Milton Keynes, New Forest, Oxfordshire (Cherwell, Oxford, South Oxfordshire, Vale of White Horse, West Oxfordshire), Portsmouth, Southampton, Swale, Tendring, Test Valley, Thanet, Uttlesford, West Berkshire, West Oxfordshire, Winchester, Wokingham

**South West:** Bath & North East Somerset, Bournemouth, Christchurch & Poole, Bristol, Cornwall, Dorset, Devon (East Devon, Exeter, Mid Devon, North Devon, South Hams, Teignbridge, Torridge, West Devon), Gloucestershire (Cheltenham, Cotswold, Forest of Dean, Gloucester, Stroud, Tewkesbury), Isles of Scilly, North Somerset, Plymouth, Somerset (Mendip, Sedgemoor, Somerset West & Taunton, South Somerset), South Gloucestershire, Swindon, Torbay, Wiltshire

**West Midlands:** Birmingham, Coventry, Dudley, Herefordshire, Sandwell, Shropshire, Solihull, Staffordshire (Cannock Chase, East Staffordshire, Lichfield, Newcastle-under-Lyme, South Staffordshire, Stafford, Staffordshire Moorlands, Tamworth), Stoke-on-Trent, Telford & Wrekin, Walsall, Warwickshire (North Warwickshire, Nuneaton & Bedworth, Rugby, Stratford-on-Avon, Warwick), Wolverhampton, Worcestershire (Bromsgrove, Malvern Hills, Redditch, Worcester, Wychavon, Wyre Forest)

**Yorkshire & The Humber:** Barnsley, Bradford, Calderdale, Doncaster, East Riding of Yorkshire, Kingston upon Hull, Kirklees, Leeds, North East Lincolnshire, North Lincolnshire, North Yorkshire (Craven, Hambleton, Harrogate, Richmondshire, Ryedale, Scarborough, Selby), Rotherham, Sheffield, Wakefield, York

## Notes

Indices and average prices are produced using Nationwide's updated mix adjusted House Price Methodology, which was introduced with effect from the first quarter of 1995. The data is drawn from Nationwide's house purchase mortgage lending at the post survey approvals stage. Price indices are seasonally adjusted using the US Bureau of the Census X12 method. Currently the calculations are based on a monthly data series starting from January 1991. Figures are recalculated each month which may result in revisions to historical data.

More information on the house price index methodology along with time series data and archives of housing research can be found at [www.nationwidehousepriceindex.co.uk](http://www.nationwidehousepriceindex.co.uk)

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