

[www.nationwidehousepriceindex.co.uk](http://www.nationwidehousepriceindex.co.uk)

April 2024

## April sees slowing in annual house price growth

- UK house prices fell 0.4% month on month in April
- Annual rate of change slowed to 0.6%, from 1.6% in March

Headlines	Apr-24	Mar-24
Monthly Index*	520.9	523.1
Monthly Change*	-0.4%	-0.2%
Annual Change	0.6%	1.6%
Average Price (not seasonally adjusted)	£261,962	£261,142

\* 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:

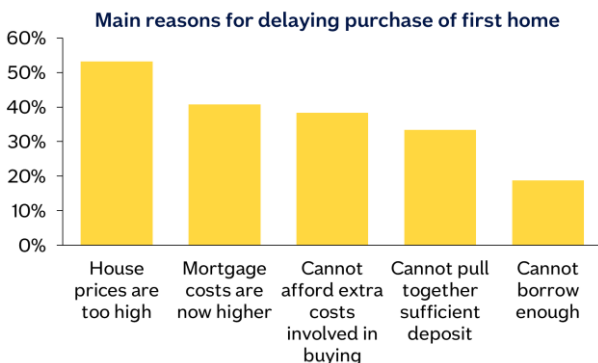
"UK house prices fell by 0.4% in April, after taking account of seasonal effects. This resulted in a slowing in the annual rate of house price growth to 0.6% in April, from 1.6% the previous month.

"The slowdown likely reflects ongoing affordability pressures, with longer term interest rates rising in recent months, reversing the steep fall seen around the turn of the year. House prices are now around 4% below the all-time highs recorded in the summer of 2022, after taking account of seasonal effects.

### Cost of living pressures and higher rates hold back would-be first-time buyers

"Recent research carried out by Censuswide on behalf of Nationwide found that nearly half (49%) of prospective first-time buyers (those looking to buy in the next five years) have delayed their plans over the past year<sup>1</sup>.

"Among this group, the most commonly cited reason for delaying their purchase is that house prices are too high (53%), but it is also notable that 41% said that higher mortgage costs were preventing them from buying (see chart below).



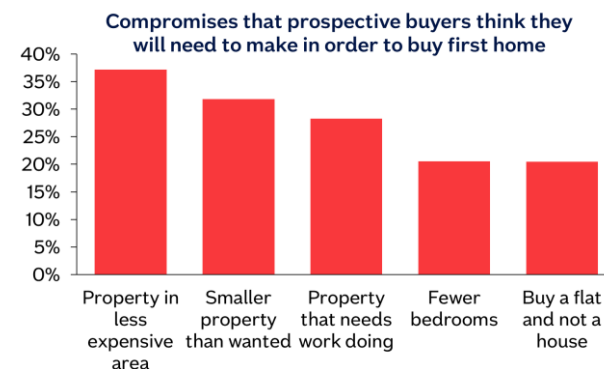
Source: Censuswide survey on behalf of Nationwide (Mar-24)

<sup>1</sup> Research conducted by Censuswide with 1,008 prospective FTBs (those looking to buy in next five years) between 15-19 March 2024. Censuswide abide by and employ members of the Market Research Society which is based on the ESOMAR principles and are members of The British Polling Council.

"Coupled with this, 84% of prospective first-time buyers said that the cost of living has affected their plans to buy, for example through having less money each month to save for a deposit. Around two thirds (67%) of respondents currently have between £0 and £10,000 saved towards a deposit. With a 10% deposit on a typical first-time buyer property currently around £22,000, it is not surprising to find that c.60% of prospective buyers have yet to save more than a quarter of their target deposit.

"Interestingly, 55% of respondents said they would be willing to buy in another part of the country where house prices are cheaper, or where they could buy a bigger property. Inevitably, there is a lot of variation in how far people would be willing to move, but half said they would move more than 30 miles from their current location.

"Buying a property in a less expensive area appears to be the most common compromise that prospective buyers will make. Around a third (32%) said they would consider a smaller property than they wanted, while 28% would go for a property that needed work doing.



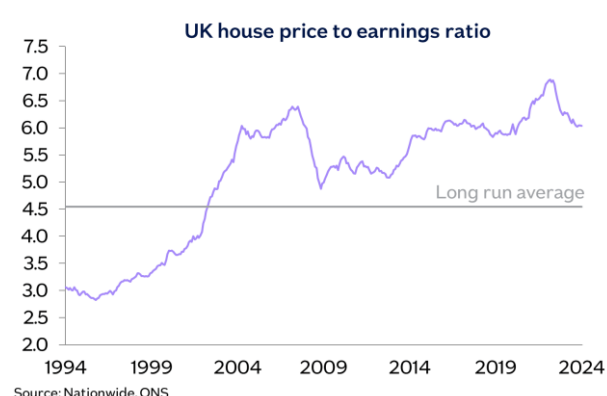
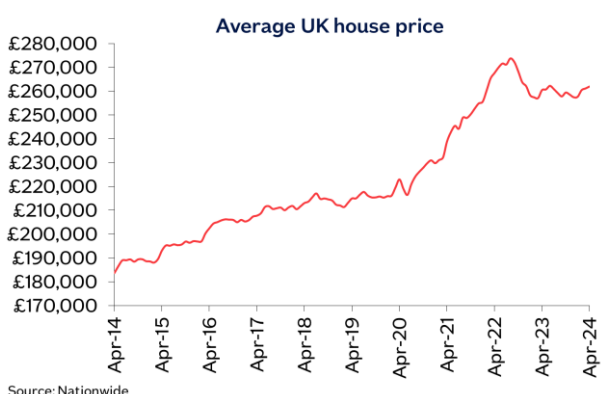
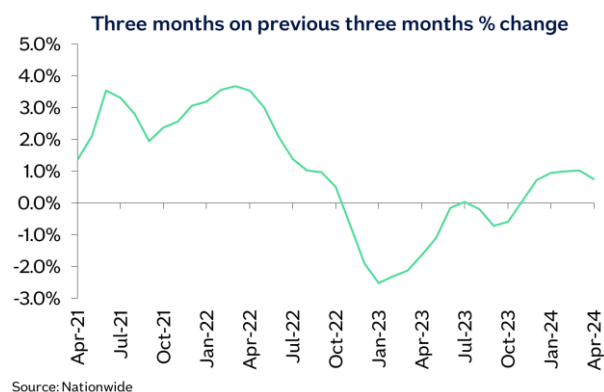
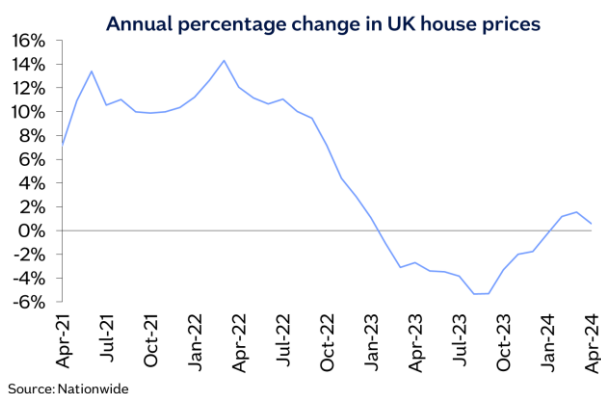
Source: Censuswide survey on behalf of Nationwide (Mar-24)

"Amongst recent first-time buyers (those who have bought their first home in the last five years), 38% said they ended up compromising on the property they purchased. Among this group, nearly 40% bought a property to do up (rather than 'turn key' ready) while 34% bought in a different area."

**Monthly UK House Price Statistics**

	Monthly % Change Seasonally Adjusted	3 month on 3 month % Change	Annual % Change	Average Price
Apr-22	0.2	3.5	12.1	267,620
May-22	0.7	3.0	11.2	269,914
Jun-22	0.1	2.1	10.7	271,613
Jul-22	0.1	1.4	11.0	271,209
Aug-22	0.8	1.0	10.0	273,751
Sep-22	-0.0	1.0	9.5	272,259
Oct-22	-1.2	0.5	7.2	268,282
Nov-22	-1.2	-0.7	4.4	263,788
Dec-22	-0.3	-1.9	2.8	262,068
Jan-23	-0.8	-2.5	1.1	258,297
Feb-23	-0.7	-2.3	-1.1	257,406
Mar-23	-0.7	-2.1	-3.1	257,122
Apr-23	0.6	-1.6	-2.7	260,441
May-23	-0.1	-1.1	-3.4	260,736
Jun-23	0.1	-0.2	-3.5	262,239
Jul-23	-0.3	0.0	-3.8	260,828
Aug-23	-0.7	-0.2	-5.3	259,153
Sep-23	-0.0	-0.7	-5.3	257,808
Oct-23	0.9	-0.6	-3.3	259,423
Nov-23	0.2	0.1	-2.0	258,557
Dec-23	-0.1	0.7	-1.8	257,443
Jan-24	0.7	0.9	-0.2	257,656
Feb-24	0.6	1.0	1.2	260,420
Mar-24	-0.2	1.0	1.6	261,142
Apr-24	-0.4	0.7	0.6	261,962

Note that monthly % changes are revised when seasonal adjustment factors are re-estimated.



## 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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