

LSL Property Services/Acadameetrics England & Wales House Price Index

APRIL 2012

STRICTLY UNDER EMBARGO UNTIL 00.01 FRIDAY 11TH MAY

Transactions tumble following return of stamp duty

- Transactions plummet by 18% following the end of the stamp duty holiday
- But prices remain steady, falling just 0.2% in April

House Price	Index	Monthly Change %	Annual Change %
£220,668	224.7	-0.2	-0.7

Richard Sexton, director of e.surv comments: “The sharp fall in transactions in April shows the huge impetus the end of the stamp duty holiday injected into the market. The 32% rise we saw in March has now been replaced by the corresponding fall and the pressure is now on for the government to show schemes like New Buy will be able to make up for the return of stamp duty and drive the market forward.

“Property prices have shown remarkable stability over the last 12 months. Even though the UK entered recession in the first quarter, prices have increased by 0.4% since December and by 1.4% since June. On an annual basis, we’re likely to see price growth return next month as the spike in prices created by the rush to beat last year’s stamp duty hike for properties over £1m falls out of the figures. The market has been supported by strong underlying demand from buyers, who, despite having to clear relatively large hurdles to access mortgage finance, are still anxious to take a step onto the property ladder. Strong underlying demand from buyers pushed transactions in Q1 2012 20% higher than in the same period last year.

“The East Midlands joined London as the only other region to see a monthly increase in prices in April. A large volume of prime property in London is changing hands at very high prices and this is bumping up prices across the capital. This is in marked contrast to the North of England, where prices have fallen 4% on the year as public sector cuts and static economic growth have caused disproportionate economic strain on the region. Nonetheless, the North saw prices rise 1.1% in April, which is likely to have been driven by the stamp duty rush. This means the increase is unlikely to be sustained in the short-term, but it shows even where prices have fallen, there remains a strong appetite for property across the country.”

For detailed analysis by Dr Peter Williams, housing market specialist and Chairman of Acadameetrics, see page 3.

House price index: historical data



Table 1. Average House Prices in England & Wales for the period May 2011 - April 2012

[link to source Excel](#)

		House Price	Index	Monthly Change %	Annual Change %
May	2011	£219,132	223.1	-1.4	-1.1
June	2011	£217,476	221.4	-0.8	-2.2
July	2011	£218,781	222.7	0.6	-2.0
August	2011	£220,448	224.4	0.8	-1.6
September	2011	£220,420	224.4	0.0	-1.5
October	2011	£220,892	224.9	0.2	-1.0
November	2011	£219,664	223.6	-0.6	-0.9
December	2011	£219,828	223.8	0.1	-0.8
January	2012	£220,201	224.2	0.2	-0.9
February	2012	£220,989	225.0	0.4	-1.3
March	2012	£221,100	225.1	0.1	-1.5
April	2012	£220,668	224.7	-0.2	-0.7

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Dr Peter Williams, housing market specialist and Chairman of Acadametrics, comments:

Last month, the main feature of the housing market was the increase in transactions arising from first time buyers who bought properties in advance of the 24th March 2012 ending of the Stamp Duty Land Tax (SDLT) holiday. We calculate that this increased March sales by an additional 4,500 properties over and above normal sales for the time of year. Unsurprisingly, this month the opposite is true, with April sales down by an estimated 11,000 from March, where, in a normal year, they would be the same. Whilst some of the 'lost' April sales were those first-time buyer purchases, pulled forward by a month or more to benefit from the SDLT concession, sales volumes are still lower than one might expect, even after taking into account this effect. Other factors that came into play in this period were the announcement by some of the larger lenders that they would increase their standard variable rates and reduce lending, and the fact that both unemployment and inflation rose, all of which are likely to have had a negative impact on sales. We will get a better feel for what is happening over the next few months.

House prices

Despite the activity generated by first time buyers in March, price changes have been relatively modest, with the +0.1% increase in the average house price in March followed by a -0.2% decrease in April. In part, this is because on average the price paid for a home in England & Wales still lies within the £125,000-£250,000 tax holiday SDLT banding available to first time buyers. Hence, an increase or decrease in activity within this band will not have significantly altered the average price paid overall.

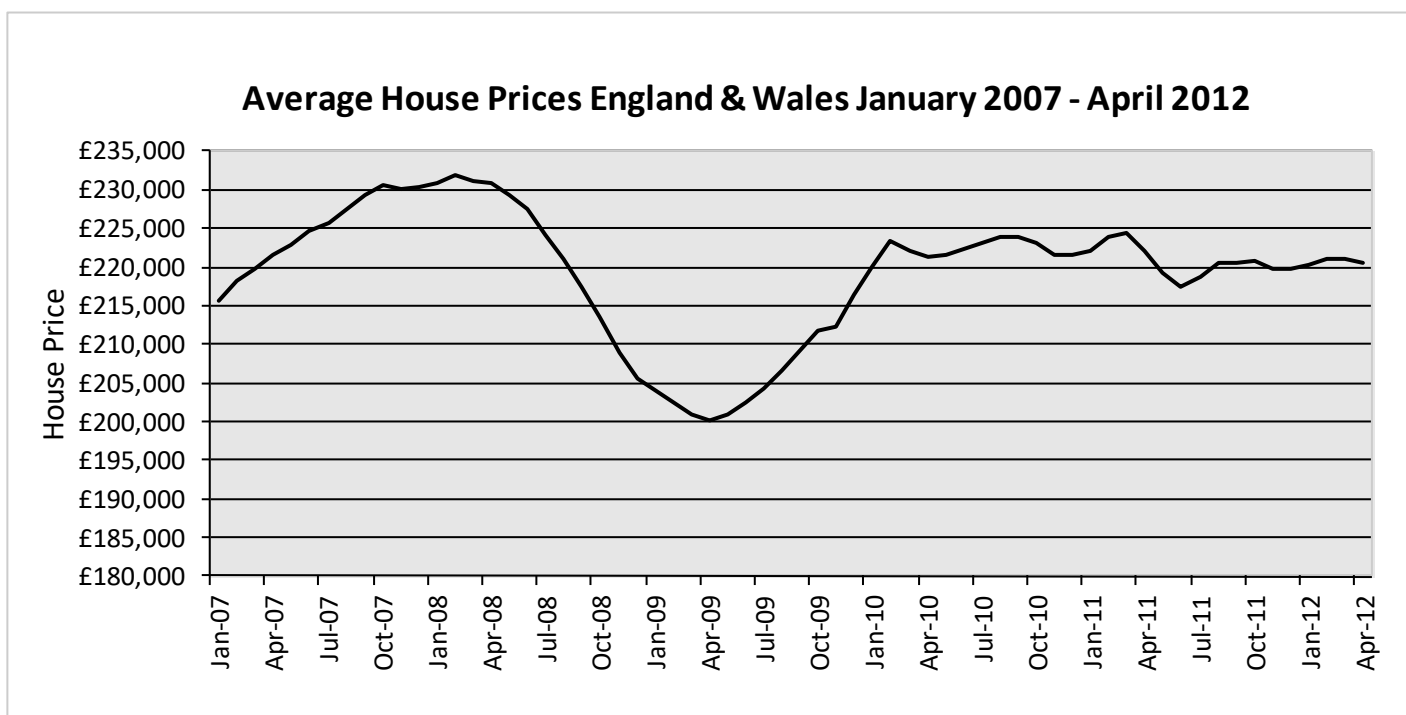


Figure 1. The Average House Price in England and Wales, January 2007 – April 2012

[link to source Excel](#)

As Figure 1 highlights, there has been relatively little movement in nominal house prices over the last nine months, especially when compared to the change in prices that took place over the previous five years. That said, in real terms, prices have, of course, been falling. The graph shows prices rising during 2007, reaching a peak in February 2008, followed by a fall during the 'credit crunch' years to a trough in April 2009, after which prices recovered during 2009/2010, reaching their most recent peak in March 2011. This was the last month in which properties costing £1 million or more could be bought at an SDLT rate of 4%. Following the increase in SDLT rates on these higher priced properties to 5% on 6th April 2011, the number of £1 million plus homes sold has decreased by 15%, resulting in a decline in average house prices to the current level at around £220,000. The first time that average house prices reached the £220,000 level was in April 2007. Hence, nominal prices are now back to where they were exactly five years ago, although RPI has increased by 18% over this same period.



The annual change in average house prices is currently standing at -0.7% . This is the twelfth month in succession in which the annual rate has been negative on the LSL Acadametrics index. However, once the April 2011 figure, boosted by the rush to buy £1 million plus homes, drops out of the annual statistics next month, we anticipate that the annual rate of change in house prices will switch to positive territory. Whilst there is now a new rate of SDLT of 7% for properties valued at over £2 million, these make up less than 1% of the market and it is far from clear whether it will have a big impact upon the market given other tax changes that might benefit wealthier buyers.

As always, we caution that a single headline rate of price change for England & Wales as a whole masks considerable variation at regional and more local levels. Figure 5 on page 7 shows that the annual change in regional prices ranges between $+0.2\%$ for the East Midlands and Greater London to -4.0% for the North. At the more local level, Tables 2 and 3, pages 8 - 11, show even larger movements within unitary authorities and London boroughs and underpin the importance of tracking market developments at these levels. Much housing market commentary is very generalised whereas the reality is highly localised. This is highlighted by these tables which show the spread of price change in London being from plus 8.9% (Newham) to minus 12.9% (City of London) over the period March 2011 to March 2012, and, in England and Wales, from plus 6.7% (Luton) to minus 15.5% (Merthyr Tydfil). These changes are for only one year and highlight the fact that, for buyers, location matters!

There is little to suggest that the patterns we highlight here are going to change radically over the next few years. Growth prospects have been downgraded and, at best, recovery is weak. This may prompt some adjustments to government policy but there is little to suggest that we will see any sharp rise in prices and, with continued tight access to mortgages, demand will remain suppressed. Although there have been a number of more positive housing market surveys published in March and April the mood seems to have become more negative most recently with some arguing we have seen the best of 2012 already. The 2nd May [BBC Today lecture](#) by Mervyn King, Governor of the Bank of England, was notably downbeat. Figure 4 shows most of the indices at or below zero for the month of April. The state of the housing market and the economy are closely intertwined. If we see the latter begin to recover then we can expect to see growth in prices and transactions, subject of course to what might happen to interest rates! Standard and Poor's recently estimated that negative equity in the UK ranged from around 12% in the North East to 3% in the South East, and there is little in the data to suggest that this situation is improving. The 'patient' remains under close watch and we will report back next month on the progress made.

Housing Transactions

Traditionally the number of houses sold in April is at the same level as March, the long term numbers for each month being 82,189 and 82,108 respectively. However, this April we estimate that there has been a decline in sales of some 18%, from this year's March levels. Whilst most property analysts (ourselves included) anticipated a decline in April sales, due to the March end of the tax holiday for first time buyers, the magnitude of the decline comes as a surprise. We will need further detailed information on the sales breakdown between property types and the percentage of sales to first time buyers to fully understand the April decline. Unfortunately, such detailed data will take a few months to emerge from the Land Registry.

Comparing the first quarter of 2012 with the same period one year earlier, transactions have increased by some +20% across England & Wales. The region seeing the largest rise over the year is the South West, up +29%, whilst the region with the smallest rise is Wales at +8.4%.

Comparing the first quarter of 2012 with the last quarter of 2011, transaction numbers across England & Wales are down some -18% against an expected seasonal fall of -21%. Using seasonally adjusted figures over this period, we find that the sale of flats has increased by +8%, terraces by +7%, semi-detached properties by +2%, whilst detached properties have seen a reduction of -3%. The increase in the sale of flats and terraces over this period is another indicator of the recent strength of the first time buyer sector of the market.

The Figure 2 graph below shows the number of monthly housing transactions in England & Wales for the period January 2006 - April 2012. As can be seen, the current housing market remains subdued in comparison to the transaction levels experienced in 2006 and 2007, although 2006 and 2007 were not exceptional viewed over the eleven year period 1997 - 2007. The graph shows that transactions in the first three months of 2012 were higher than they were in the previous three years, with sales edging upwards, after the seasonal January 2012 trough, itself followed by the upward blip in sales in March and then the April fall.

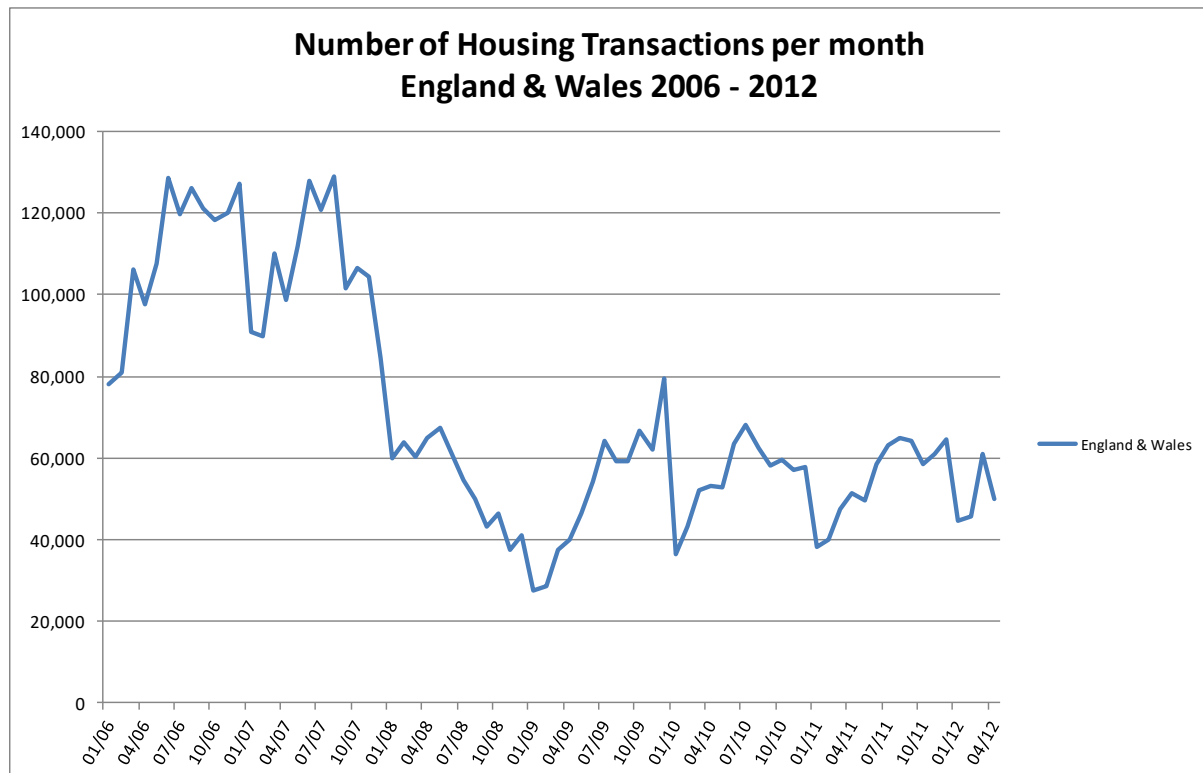


Figure 2. The number of housing transactions by month in England & Wales, 2006 - 2012 (not seasonally adjusted)

[link to source Excel](#)

NOTES

1. LSL Acad E&W HPI is the only house price index to use:
 - the **actual** prices at which every property in England & Wales was transacted, including prices for properties bought with cash, using the factual Land Registry data as opposed to valuation estimates or asking prices
 - the price of **every** single relevant transaction, as opposed to prices based upon samples
 LSL Acad E&W HPI is a price series as opposed to a value series.
2. the current month LSL Acad E&W HPI comprises a forecast of the LR outcome, using an academic “index of indices” model, pending release of sufficient real data from the Land Registry.
3. LSL Acad E&W HPI forecasts are progressively replaced with real data, until every transaction reported to the Land Registry has been recorded and we have provided our LSL Acad E&W HPI “ultimate” data. All LSL Acad E&W HPI numbers, published prior to receipt of all transaction data, are subject to change; in publishing precise numbers for a number of reasons, we do not claim precision.
4. the accuracy of our forecasts is shown monthly on the Acadametrics website www.acadametrics.co.uk in our “[Development of Forecasts](#)” and in our “[Comparison of Indices](#)”, which shows how each index, including the LSL Acad E&W HPI “forecast”, compares with the LSL Acad E&W HPI, once sufficient factual Land Registry data have replaced forecast data, to enable LSL Acad E&W HPI to approach the “ultimate” results.
5. the Acadametrics website enables comparisons of selected indices over selected timescales to be undertaken [here](#) with ease and provides historic results and other information.
6. Acadametrics is an independent privately owned consultancy working with Dr Stephen Satchell, Economics Fellow Trinity College Cambridge, and specialises in the assessment of risk in property and mortgage portfolios.
7. Acadametrics Prices and Transactions ([sample here](#)), which exclude any forecast element, underlie the LSL Acad E&W HPI data and are available upon subscription for organisations needing the factual month by month Land Registry prices, at county/London borough level by property type, for e.g. property portfolio valuation, planning and advisory purposes.

Comparison of indices

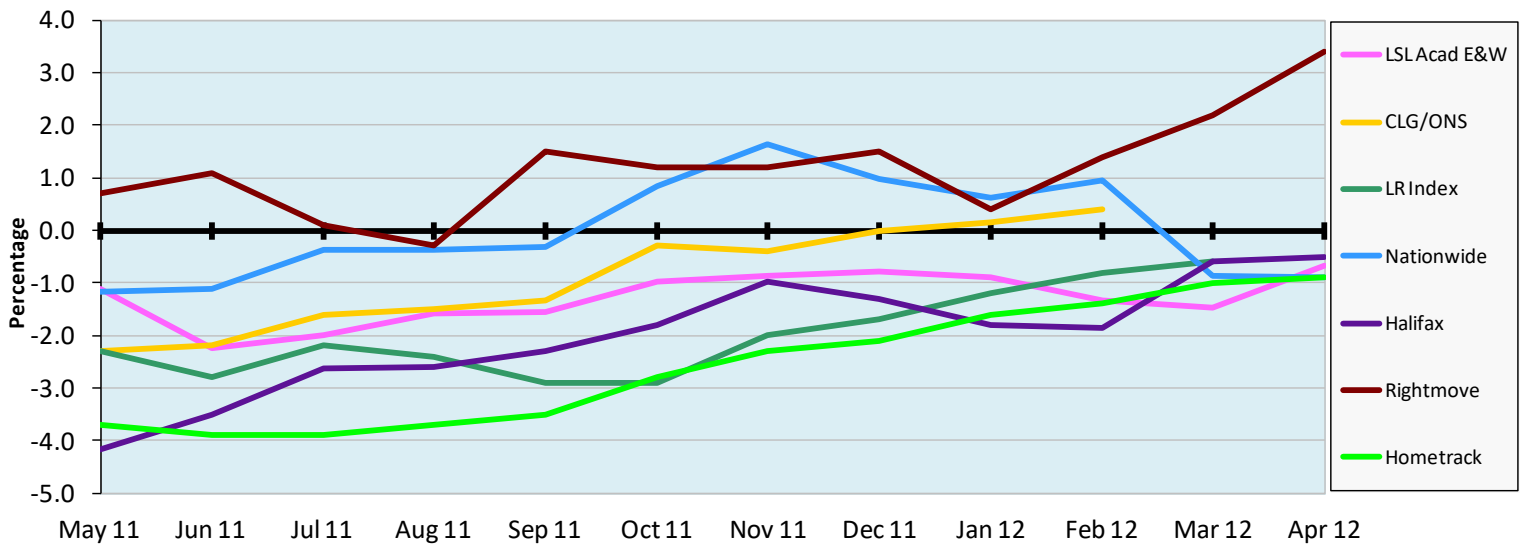


Figure 3. ANNUAL CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)

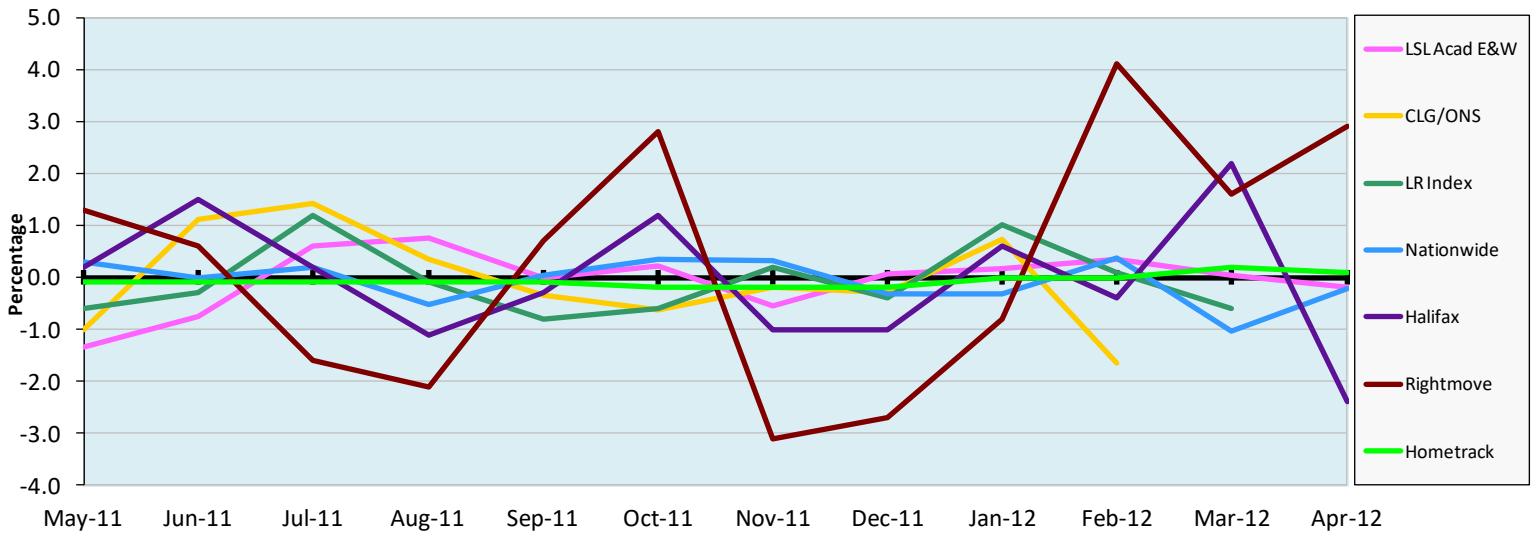


Figure 4. MONTHLY CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)



This month, Greater London has been joined by the East Midlands as one of only two regions in England & Wales showing an increase in average house prices over the year, with the other eight regions continuing to show a fall. As our Table 3 on page 9 reveals, the major increase in prices in the East Midlands took place in Northamptonshire and Rutland. We suspect that the price fall in the South East is partly due to an increase in the sale of properties in the SDLT band £125,000 - £250,000, which has had the effect of reducing the average price paid in the region. This factor has not had such an influence in the other regions, since the South East and Greater London are the only two regions in England & Wales where the average price of a home is higher than this SDLT banding.

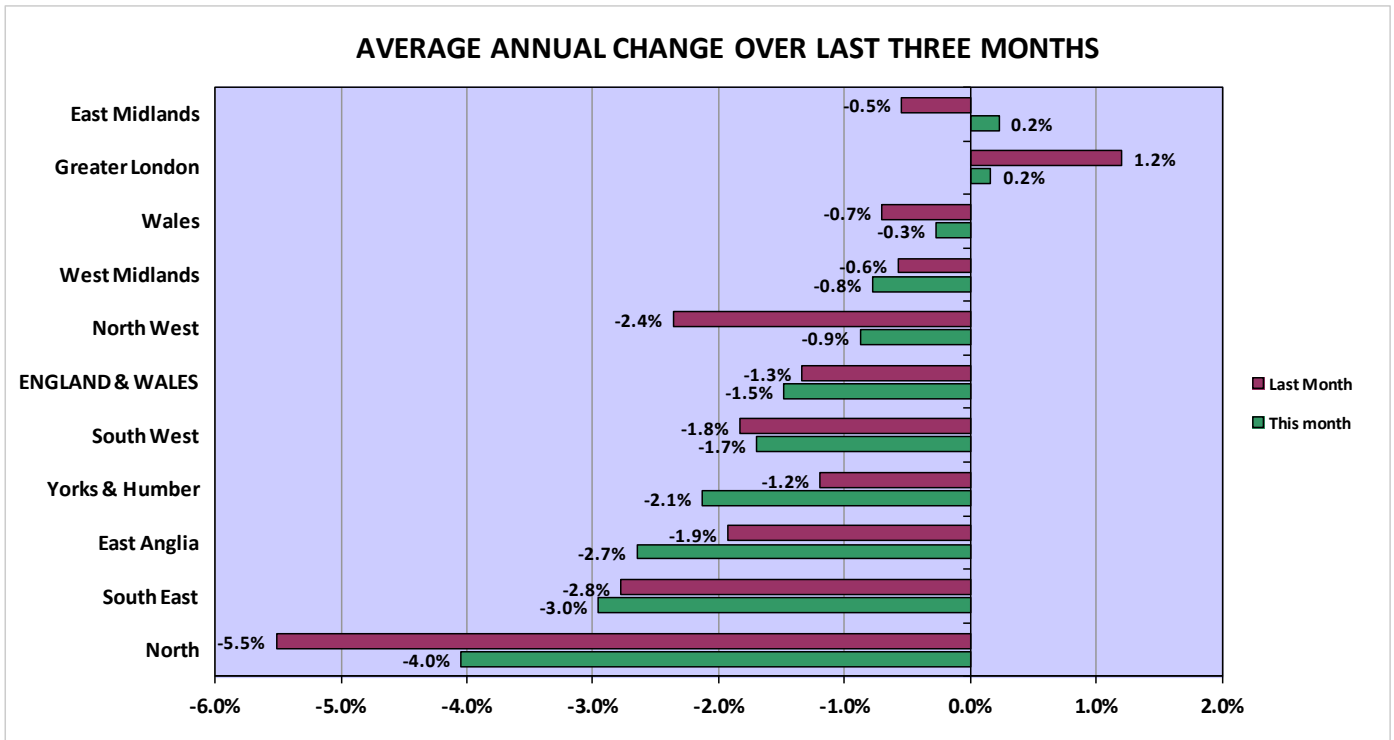


Figure 5. The annual change in the average house price, analysed by region

[link to source Excel](#)

ANNUAL CHANGE IN PRICE BY REGION

Regions Annual %

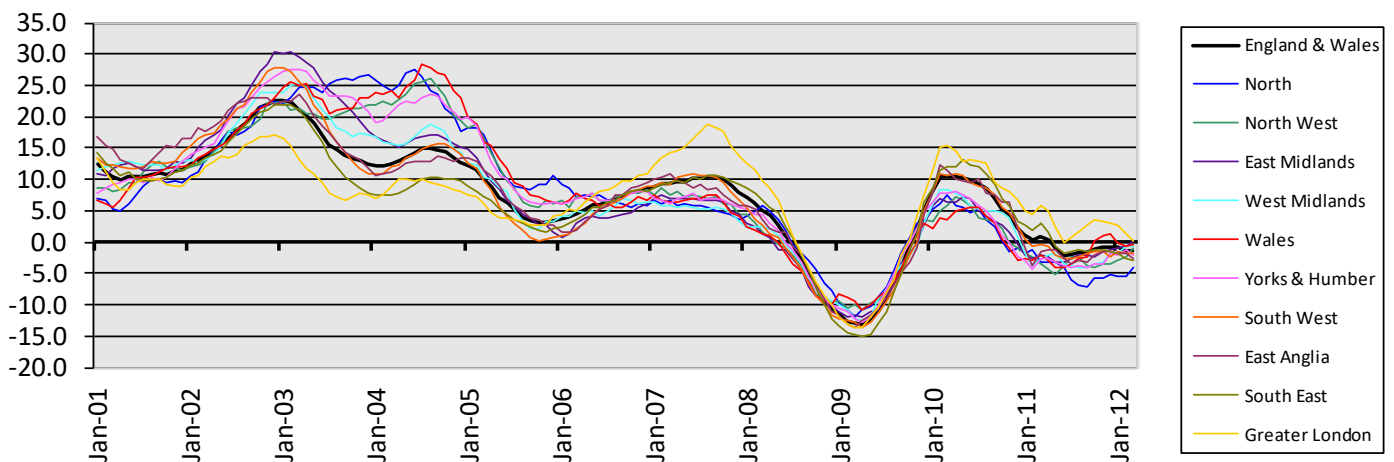


Figure 6. A comparison of the annual change in house prices, by region for the period Jan 2001 - Mar 2012

[link to source Excel](#)

Note that individual regions can be compared using our "National and Regional series from 1995 with Interactive Charts", linked from page 5 NOTE 5 above and from our covering email; timescales can be varied for clarity. Numerous other comparisons are facilitated in this and other interactive charts available through the same links.



Table 2. The annual change in mix adjusted house prices, for the 33 London boroughs, over the period March 2011 - 2012. [link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	LONDON BOROUGH	Mar-11	Mar-12	% Change
1	1	KENSINGTON AND CHELSEA	1,278,418	1,387,538	8.5%
2	2	CITY OF WESTMINSTER	918,304	876,936	-4.5%
3	3	CAMDEN	745,986	698,065	-6.4%
4	4	HAMMERSMITH AND FULHAM	623,555	653,922	4.9%
6	5	RICHMOND UPON THAMES	543,861	567,600	4.4%
5	6	CITY OF LONDON	597,480	520,277	-12.9%
7	7	ISLINGTON	504,025	498,765	-1.0%
8	8	WANDSWORTH	490,508	488,553	-0.4%
9	9	BARNET	453,549	440,193	-2.9%
12	10	SOUTHWARK	382,079	399,205	4.5%
10	11	HARINGEY	430,058	393,042	-8.6%
14	12	LAMBETH	377,146	389,791	3.4%
18	13	HACKNEY	347,737	377,386	8.5%
11	14	MERTON	393,155	374,843	-4.7%
15	15	EALING	370,037	368,714	-0.4%
16	16	BRENT	360,282	363,964	1.0%
17	17	KINGSTON UPON THAMES	349,835	348,557	-0.4%
19	18	TOWER HAMLETS	344,565	346,601	0.6%
13	19	HOUNSLOW	380,524	336,671	-11.5%
20	20	HARROW	333,598	332,079	-0.5%
21	21	BROMLEY	317,853	313,764	-1.3%
23	22	REDBRIDGE	278,746	284,796	2.2%
22	23	GREENWICH	284,299	282,535	-0.6%
24	24	HILLINGDON	277,534	280,810	1.2%
25	25	ENFIELD	275,165	269,139	-2.2%
26	26	SUTTON	254,277	262,006	3.0%
27	27	LEWISHAM	250,728	259,837	3.6%
28	28	CROYDON	245,983	241,137	-2.0%
29	29	HAVERING	237,563	238,759	0.5%
30	30	WALTHAM FOREST	225,100	232,936	3.5%
32	31	NEWHAM	205,514	223,704	8.9%
31	32	BEXLEY	215,652	218,383	1.3%
33	33	BARKING AND DAGENHAM	179,487	175,383	-2.3%
		ALL LONDON	395,215	395,863	0.2%

This month, we publish the average house price for each of the 33 London boroughs for both March 2011 and March 2012, and show the percentage change over the year. Over this period, the average price for London as a whole has risen by a marginal +0.2%, but there is considerable variation at borough level, from +8.9% in Newham to -12.9% in the City of London. It is unusual to see Newham topping the leader board in terms of price growth in London, but there has been a 115% increase in the volume of flats sold in the borough over the year, which activity has increased the average property price by 8.9%.

The Land Registry recently advised that one of the highest value private transactions it has ever recorded took place in March of this year, when a semi-detached house in Kensington & Chelsea was exchanged for £55 million. The Chancellor will be pleased to learn that the exchange date was five days after his budget speech, which means that the higher SDLT rate of 7% applies. For technical reasons this particular transaction has not been included in our HPI index calculations but, even without including this sale, Kensington and Chelsea remains top of our league table in terms of price.

Counties and unitary authorities



Table 3. The annual change in mix adjusted house prices, for the 108 Counties and Unitary Authorities in England and Wales, over the period March 2011 – 2012

[link to source Excel](#)

PRIOR YR RANK	RANK BY PRICE	COUNTY / UNITARY AUTHORITY / REGION	Mar-11	Mar-12	% Change
18	22	CAMBRIDGESHIRE	243,120	226,061	-7.0%
83	74	CITY OF PETERBOROUGH	143,242	151,239	5.6%
49	50	NORFOLK	181,866	178,393	-1.9%
40	40	SUFFOLK	201,299	200,129	-0.6%
		EAST ANGLIA	200,260	194,953	-2.7%
90	91	CITY OF DERBY	135,130	133,004	-1.6%
98	101	CITY OF NOTTINGHAM	118,075	112,952	-4.3%
64	62	DERBYSHIRE	162,067	162,951	0.5%
86	85	LEICESTER	138,646	140,198	1.1%
48	47	LEICESTERSHIRE	182,769	179,933	-1.6%
74	73	LINCOLNSHIRE	152,102	151,715	-0.3%
54	48	NORTHAMPTONSHIRE	175,586	179,654	2.3%
68	69	NOTTINGHAMSHIRE	156,191	157,393	0.8%
10	9	RUTLAND	285,569	291,510	2.1%
		EAST MIDLANDS	160,715	161,076	0.2%
		GREATER LONDON	395,215	395,863	0.2%
56	61	CUMBRIA	173,775	163,472	-5.9%
75	83	DARLINGTON	150,545	143,693	-4.6%
95	95	DURHAM	126,135	121,472	-3.7%
96	97	HARTLEPOOL	125,092	117,352	-6.2%
101	99	MIDDLESBROUGH	111,097	113,820	2.5%
46	58	NORTHUMBERLAND	184,900	164,831	-10.9%
94	94	REDCAR AND CLEVELAND	127,548	125,011	-2.0%
81	81	STOCKTON-ON-TEES	145,777	146,174	0.3%
84	86	TYNE AND WEAR	142,123	139,714	-1.7%
		NORTH	147,622	141,655	-4.0%
100	98	BLACKBURN WITH DARWEN	116,396	116,975	0.5%
104	104	BLACKPOOL	107,235	101,022	-5.8%
29	34	CHESHIRE	210,743	203,490	-3.4%
78	76	GREATER MANCHESTER	148,764	149,425	0.4%
91	92	HALTON	132,895	126,415	-4.9%
80	80	LANCASHIRE	147,087	146,643	-0.3%
82	84	MERSEYSIDE	143,501	140,294	-2.2%
53	46	WARRINGTON	176,047	183,242	4.1%
		NORTH WEST	153,267	151,923	-0.9%
27	27	BEDFORDSHIRE	217,993	214,948	-1.4%
15	15	BRACKNELL FOREST	259,901	250,428	-3.6%
12	10	BRIGHTON AND HOVE	273,172	274,423	0.5%
3	3	BUCKINGHAMSHIRE	360,958	350,160	-3.0%
21	18	EAST SUSSEX	240,544	232,047	-3.5%
17	16	ESSEX	243,483	241,488	-0.8%
11	11	HAMPSHIRE	276,993	261,855	-5.5%
6	6	HERTFORDSHIRE	317,429	309,809	-2.4%
33	43	ISLE OF WIGHT	208,393	192,253	-7.7%
20	20	KENT	240,688	228,447	-5.1%
76	65	LUTON	149,730	159,701	6.7%
63	64	MEDWAY	162,593	161,580	-0.6%
44	35	MILTON KEYNES	195,346	202,998	3.9%
5	4	OXFORDSHIRE	320,578	318,852	-0.5%

Counties and unitary authorities



62	63	PORTSMOUTH	162,688	162,311	-0.2%
22	26	READING	230,757	220,626	-4.4%
38	41	SLOUGH	203,577	199,678	-1.9%
57	53	SOUTHAMPTON	173,515	175,461	1.1%
42	39	SOUTHEND-ON-SEA	199,977	200,980	0.5%
2	2	SURREY	405,599	381,101	-6.0%
55	51	THURROCK	174,233	176,227	1.1%
7	8	WEST BERKSHIRE	313,173	299,482	-4.4%
13	13	WEST SUSSEX	265,178	258,696	-2.4%
1	1	WINDSOR AND MAIDENHEAD	426,529	423,379	-0.7%
4	5	WOKINGHAM	324,992	314,121	-3.3%
		SOUTH EAST	271,493	263,473	-3.0%
8	7	BATH AND NORTH EAST SOMERSET	309,982	303,912	-2.0%
43	44	BOURNEMOUTH	195,540	190,373	-2.6%
35	30	CITY OF BRISTOL	205,990	211,419	2.6%
77	68	CITY OF PLYMOUTH	149,665	158,105	5.6%
23	23	CORNWALL	227,323	225,641	-0.7%
19	21	DEVON	241,969	228,170	-5.7%
14	12	DORSET	260,776	259,919	-0.3%
24	19	GLOUCESTERSHIRE	226,986	230,603	1.6%
28	29	NORTH SOMERSET	211,766	212,846	0.5%
9	14	POOLE	300,953	258,113	-14.2%
31	38	SOMERSET	209,427	201,259	-3.9%
41	33	SOUTH GLOUCESTERSHIRE	200,665	208,697	4.0%
61	54	SWINDON	165,053	172,481	4.5%
50	52	TORBAY	181,429	175,908	-3.0%
16	17	WILTSHIRE	247,815	239,836	-3.2%
		SOUTH WEST	224,233	220,430	-1.7%
108	108	BLAENAU GWENT	80,449	77,913	-3.2%
88	89	BRIDGEND	137,664	134,734	-2.1%
97	96	CAERPHILLY	120,142	120,522	0.3%
47	45	CARDIFF	183,713	184,573	0.5%
85	88	CARMARTHENSHIRE	141,009	134,988	-4.3%
45	49	CEREDIGION	191,791	179,510	-6.4%
69	67	CONWY	154,499	158,323	2.5%
79	71	DENBIGHSHIRE	147,225	153,189	4.1%
73	72	FLINTSHIRE	152,182	152,445	0.2%
66	70	GWYNEDD	157,788	155,489	-1.5%
60	60	ISLE OF ANGLESEY	168,393	163,676	-2.8%
103	107	MERTHYR TYDFIL	107,544	90,852	-15.5%
30	24	MONMOUTHSHIRE	209,795	224,190	6.9%
102	102	NEATH PORT TALBOT	110,016	106,208	-3.5%
87	82	NEWPORT	137,738	144,528	4.9%
51	57	PEMBROKESHIRE	177,046	166,861	-5.8%
52	55	POWYS	176,956	171,085	-3.3%
105	103	RHONDDA CYNON TAFF	104,993	105,723	0.7%
72	79	SWANSEA	152,777	148,985	-2.5%
36	32	THE VALE OF GLAMORGAN	205,685	210,638	2.4%
92	90	TORFAEN	128,604	133,105	3.5%
67	66	WREXHAM	157,146	158,959	1.2%
		WALES	152,657	152,238	-0.3%
25	31	HEREFORDSHIRE	222,630	211,014	-5.2%
37	42	SHROPSHIRE	205,190	198,635	-3.2%

Counties and unitary authorities



58	56	STAFFORDSHIRE	171,689	168,901	-1.6%
107	105	STOKE-ON-TRENT	95,113	97,021	2.0%
32	25	WARWICKSHIRE	208,682	222,487	6.6%
71	75	WEST MIDLANDS	153,042	150,968	-1.4%
34	36	WORCESTERSHIRE	207,968	202,959	-2.4%
65	78	WREKIN	158,739	149,207	-6.0%
		WEST MIDLANDS	171,838	170,495	-0.8%
106	106	CITY OF KINGSTON UPON HULL	101,249	95,569	-5.6%
59	59	EAST RIDING OF YORKSHIRE	171,625	164,073	-4.4%
99	100	NORTH EAST LINCOLNSHIRE	116,674	113,638	-2.6%
93	93	NORTH LINCOLNSHIRE	127,719	126,283	-1.1%
26	28	NORTH YORKSHIRE	219,956	212,912	-3.2%
89	87	SOUTH YORKSHIRE	136,702	137,815	0.8%
70	77	WEST YORKSHIRE	153,450	149,274	-2.7%
39	37	YORK	202,024	202,908	0.4%
		YORKS & HUMBER	156,527	153,196	-2.1%
		ALL ENGLAND & WALES	224,424	221,100	-1.5%

This month, we also publish the average house price for each of the 108 Counties and Unitary Authorities in England & Wales, for both March 2011 and 2012, and show the percentage change over the year. Over this period, the average house price in England & Wales, as a whole, has fallen by -1.5%, but considerable variation, from +6.9% (Monmouthshire) to -15.5% (Merthyr Tydfil), occurs at the individual Unitary Authority level. Over the year, 71 of the 108 Unitary Authority areas, some 66%, have witnessed a decline in prices. Last month the equivalent figure was 73.

Regional data table



Table 4. Average house prices by region, April 2011 - March 2012, with monthly and annual % growth [link to source Excel](#)

	North			North West			East Midlands			West Midlands		
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual
Apr-11	£145,480	-1.5	-3.1	£152,282	-0.6	-4.4	£159,650	-0.7	-2.3	£171,099	-0.4	-2.1
May-11	£144,261	-0.8	-3.3	£150,591	-1.1	-5.1	£158,608	-0.7	-3.3	£170,993	-0.1	-1.7
Jun-11	£142,209	-1.4	-4.1	£151,197	0.4	-3.8	£159,391	0.5	-3.3	£169,415	-0.9	-3.5
Jul-11	£139,156	-2.1	-6.2	£152,640	1.0	-2.4	£159,809	0.3	-2.6	£168,556	-0.5	-3.7
Aug-11	£137,314	-1.3	-6.8	£153,388	0.5	-2.4	£160,264	0.3	-2.2	£169,661	0.7	-4.1
Sep-11	£137,896	0.4	-7.0	£152,634	-0.5	-3.8	£160,177	-0.1	-2.2	£169,522	-0.1	-4.1
Oct-11	£139,537	1.2	-5.9	£151,891	-0.5	-3.9	£159,878	-0.2	-2.3	£170,675	0.7	-3.4
Nov-11	£138,769	-0.6	-5.6	£151,093	-0.5	-3.4	£160,181	0.2	-1.5	£169,066	-0.9	-3.3
Dec-11	£137,900	-0.6	-5.3	£149,973	-0.7	-3.5	£159,637	-0.3	-1.2	£170,317	0.7	-1.9
Jan-12	£138,417	0.4	-5.5	£149,973	0.0	-3.0	£160,150	0.3	-0.9	£170,428	0.1	-1.7
Feb-12	£140,086	1.2	-5.5	£151,041	0.7	-2.4	£160,664	0.3	-0.5	£171,264	0.5	-0.6
Mar-12	£141,655	1.1	-4.0	£151,923	0.6	-0.9	£161,076	0.3	0.2	£170,495	-0.4	-0.8

	Wales			Yorks & Humber			South West			East Anglia		
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual
Apr-11	£150,664	-1.3	-3.0	£155,941	-0.4	-2.6	£223,991	-0.1	-0.7	£199,767	-0.2	-1.2
May-11	£148,820	-1.2	-4.0	£154,241	-1.1	-3.2	£222,095	-0.8	-2.1	£200,032	0.1	-1.3
Jun-11	£148,999	0.1	-4.2	£152,792	-0.9	-3.8	£220,432	-0.7	-2.6	£198,159	-0.9	-2.8
Jul-11	£149,863	0.6	-3.6	£152,691	-0.1	-4.0	£220,379	0.0	-2.7	£198,047	-0.1	-3.6
Aug-11	£151,741	1.3	-2.6	£154,110	0.9	-3.7	£220,616	0.1	-2.4	£198,137	0.0	-3.0
Sep-11	£152,086	0.2	-2.4	£153,769	-0.2	-4.0	£222,217	0.7	-1.9	£198,035	-0.1	-3.1
Oct-11	£155,038	1.9	0.1	£153,234	-0.3	-3.6	£222,334	0.1	-1.6	£197,817	-0.1	-2.1
Nov-11	£154,576	-0.3	0.9	£152,730	-0.3	-3.4	£220,859	-0.7	-1.6	£196,600	-0.6	-1.5
Dec-11	£153,713	-0.6	1.2	£153,893	0.8	-1.8	£221,343	0.2	-2.3	£195,343	-0.6	-1.6
Jan-12	£152,078	-1.1	0.0	£153,802	-0.1	-2.0	£221,639	0.1	-1.5	£194,902	-0.2	-1.8
Feb-12	£151,810	-0.2	-0.7	£153,963	0.1	-1.2	£222,336	0.3	-1.8	£194,960	0.0	-1.9
Mar-12	£152,238	0.3	-0.3	£153,196	-0.5	-2.1	£220,430	-0.9	-1.7	£194,953	0.0	-2.7

	South East			Greater London			ENGLAND & WALES			
	Av HP	%monthly	%annual	Av HP	%monthly	%annual	Av HP	%monthly	%annual	
Apr-11	£267,520	-1.5	1.6	£389,337	-1.5	5.0		£222,141	-1.0	0.4
May-11	£263,733	-1.4	-0.6	£379,180	-2.6	2.5		£219,132	-1.4	-1.1
Jun-11	£261,793	-0.7	-1.8	£373,806	-1.4	-0.2		£217,476	-0.8	-2.2
Jul-11	£263,564	0.7	-1.7	£380,730	1.9	0.6		£218,781	0.6	-2.0
Aug-11	£265,258	0.6	-1.4	£387,558	1.8	1.7		£220,448	0.8	-1.6
Sep-11	£263,992	-0.5	-1.6	£389,032	0.4	2.6		£220,420	0.0	-1.5
Oct-11	£263,383	-0.2	-1.3	£392,363	0.9	3.6		£220,892	0.2	-1.0
Nov-11	£261,006	-0.9	-1.2	£391,282	-0.3	3.1		£219,664	-0.6	-0.9
Dec-11	£260,367	-0.2	-1.5	£394,066	0.7	3.1		£219,828	0.1	-0.8
Jan-12	£261,425	0.4	-1.8	£395,011	0.2	2.6		£220,201	0.2	-0.9
Feb-12	£262,443	0.4	-2.8	£396,094	0.3	1.2		£220,989	0.4	-1.3
Mar-12	£263,473	0.4	-3.0	£395,863	-0.1	0.2		£221,100	0.1	-1.5
Apr-12								£220,668	-0.2	-0.7



1. LSL Acad E&W HPI is derived from Land Registry (LR) house price data, seasonally and mix adjusted by property type. © Crown copyright material reproduced with the permission of Land Registry. The prices are smoothed to show underlying trends. LSL Acad E&W HPI includes cash purchase prices and is the only index based upon the **complete, factual**, house price data for England & Wales, as opposed to a sample.
2. most indices employ data available to the provider as result of its business; index methodologies are designed to exploit the advantages and overcome the disadvantages of each particular dataset; a valuation series (whether the values are professionally estimated at e.g. time of mortgage offer or by an estate agent) is not the same as a price series; price series (LSL Acad E&W HPI, CLG/ONS and LR) can be prepared only when the prices at which properties have been transacted have been recorded at LR (LSL Acad E&W HPI and LR) or when firm prices at mortgage completion (CLG/ONS) have been made available by lenders; valuation series can be prepared whenever the data e.g. asking or mortgage offer prices are available to the provider; publicity accrues to those indices which are released first; indices published at or before month end are likely to employ data for the current and prior months. LR overcomes the delay in availability of full LR transaction data by using only the prices of properties for which two prices are recorded at LR and the published American Case Shiller methodology, developed to prepare indices for metropolitan districts, since the USA lacks a central Land Registry. LSL Acad E&W HPI overcomes the above delay with an “index of indices” forecasting model, purpose developed by Dr Stephen Satchell Economics Fellow Trinity College Cambridge and Dr George Christodoulakis, then at the Sir John Cass Business School; of the price series, LSL Acad E&W HPI, LR and CLG/ONS are published in that order.
3. LSL Acad E&W HPI provides prices at national and regional level to 1995 and, at county/London borough level, to 2000; back-cast national prices for graphing are available to 1987.
4. at **national** level, only some 60,000 monthly transactions now occur compared with at least 100,000 in past markets. For any given month, c.33% (20,000) of these will be reported to LR by month end. When monthly sales were c.100,000, we found that using the initial 15,000 transactions then reported to LR, introduced volatility into our first LSL Acad E&W HPI result. Rather than rely upon a small sample, likely to be unrepresentative, LSL Acad E&W HPI therefore employs the above “index of indices”, and a series of auto regression and averaging models. After the elapse of one month, LR provides c.85% of the transactions for the prior month, used to replace the initial LSL Acad E&W HPI “forecast” with a first LSL Acad E&W HPI “update” result. A further month later, LR provides c.90% of transactions, used to replace the first, with a second, LSL Acad E&W HPI “update” result. Three months after any given month, LR provides c.95 % of the month’s transactions, sufficient to enable us to describe our next update as an LSL Acad E&W HPI “final” index, closely approximating the LSL Acad E&W HPI “ultimate” results; LSL Acad E&W HPI “ultimate” includes the price of virtually every single LR transaction for the month, smoothed, seasonally and mix adjusted; the first LSL Acad E&W HPI “update” now uses c.37,000 real transactions for the month (as well as, by smoothing, c.40,000 transactions for the prior month); only CLG/ONS with, this year, 28,000 mortgage completions (and the Rightmove asking price index) have specified comparable data volumes; lender index data volumes are not quantified; the Halifax HPI employs three month smoothing for annual change results but not for other results; Hometrack provides survey data and specifies that theirs is a survey, not an index; current results are showing a divide between indices with more, and indices with less, data volumes.
5. in each of the 10 **regions**, an average of only some 6,000 transactions now occur monthly; hence, we wait one month, pending receipt from LR of the c.85% sample and provide monthly results one month in arrears of the most recent month. In our Regional data table, **red** data represent LSL Acad E&W HPI “forecast” results, **blue** data represent LSL Acad E&W HPI “update” results and black data represent the LSL Acad E&W HPI “final” index.
6. at **county and London borough** levels, c.60,000 national monthly transactions, spread over 10 regions and 108 counties and 33 London boroughs, provide an average of only c.425 house prices monthly within each sub-district. Even delayed one and smoothed over three months, LSL Acad E&W HPI is indicative until we are able to publish the LSL Acad E&W HPI “final” index using the LR 95% sample. LSL Acad E&W HPI data are calculated on a consistent basis from county and London borough through to region and ultimately to national level; at every level, the current month price represents the average of the prices for the current month and for the prior and subsequent months (“three month, centre month smoothed”). LR employs a “four month, end month smoothed”, process for county/London borough data, but not for national and regional results.
7. **data limitations** are not confined to volumes. LSL Acad E&W HPI and the LR index are unable to distinguish between 3, 4 or 5 bedroom houses or between those with 2, 1 or even no bathroom; the lender hedonic indices and the CLG/ONS mix adjusted index do so. LR data exclude commercial and, thus, auction sales and do not reflect repossession prices on the grounds that such prices do not reflect those between a willing buyer and a willing seller; some feel that auction prices represent true market prices; others believe that the repossession price of a recent new build flat in Manchester is not (at least not yet) reflected in the price of a flat in an upmarket area.
8. LSL Acad E&W HPI is prepared from Land Registry data using a methodology designed to provide a “true measure of house price inflation”; Acadametrics does not guarantee the accuracy of the LSL Acad E&W HPI results and Acadametrics shall not be liable for any loss or damage, whatsoever, consequential upon any error, incorrect description of or inadequacy in the data; persons using the data do so entirely at their own risk; LSL Acad E&W HPI is freely provided for publication with due attribution to Acadametrics. Permission is required for any commercial use of the data.
9. The monthly, smoothed, average Land Registry prices at regional, county and London borough level by property type, which underlie LSL Acad E&W HPI, together with historic data are available from Acadametrics as in page 5 NOTE 7 above.
10. LSL Acad E&W HPI was published under the name FTHPI from September 2003 until December 2009.