

# LSL Property Services/Acadameetrics England & Wales House Price Index

SEPTEMBER 2012

STRICTLY UNDER EMBARGO UNTIL 00.01 FRIDAY 12TH OCTOBER



## House sales fall as prices dip during September

- **Transactions fall 24% in September as a knock-on effect of Olympic distraction**
- **House prices drift down 0.1% on monthly basis**
- **Annual house price increase slows to 2.2%**

| House Price | Index | Monthly Change % | Annual Change % |
|-------------|-------|------------------|-----------------|
| £225,374    | 229.5 | -0.1             | 2.2             |

**David Newnes, Director of LSL Property Services plc, owner of Your Move and Reeds Rains estate agents, comments:** “A combination of dipping house prices and falling sales numbers point to a slowing market in September as a lethargic mortgage market and the knock-on impact of reduced buyer activity in August took its toll during the month. House prices are still in positive territory this year, and have increased on an annual basis for six consecutive months due to a shortage of properties on the market alongside the ongoing appetite from cash buyers and those with substantial equity. However, the rate of increase is slowing.

“It’s clear that the September housing market was still feeling the effects of the distraction of the Olympics in August, with lower activity and reduced competition in the previous month feeding through into a lower number of sales in September. In fact, transactions fell by 24%, compared to a typical seasonal monthly fall of 9%. While we have already started to see buyer activity rebound, the short-term factors hampering September’s performance shouldn’t mask the wider problems the national housing market faces. The lack of lending, especially to first-timer buyers, is choking off first time buyer sales outside of prime London, while uncertainty over job prospects in many parts of the country is still affecting sentiment of many prospective buyers.

“Much hangs on an improvement in the mortgage market. We’ve yet to see enough time elapse to feel a substantial impact from the Funding For Lending scheme in sales prices and numbers, or a boost to activity at the bottom end of the property market. However, lenders are confident that it will lead to increased funding for home buyers, and expect credit availability to increase significantly in the final quarter of the year, according to the Bank of England’s latest Credit Conditions Survey. If this is the case and the cheaper finance reaches those waiting to purchase their first home, it could provide a welcome new impetus for transactional activity, and a new source of optimism for would-be buyers.”

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



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

[link to source Excel](#)

|                  |             | House Price | Index | Monthly Change % | Annual Change % |
|------------------|-------------|-------------|-------|------------------|-----------------|
| <b>October</b>   | <b>2011</b> | £220,959    | 225.0 | 0.2              | -0.9            |
| <b>November</b>  | <b>2011</b> | £219,716    | 223.7 | -0.6             | -0.8            |
| <b>December</b>  | <b>2011</b> | £219,905    | 223.9 | 0.1              | -0.8            |
| <b>January</b>   | <b>2012</b> | £220,547    | 224.5 | 0.3              | -0.7            |
| <b>February</b>  | <b>2012</b> | £221,370    | 225.4 | 0.4              | -1.2            |
| <b>March</b>     | <b>2012</b> | £223,344    | 227.4 | 0.9              | -0.5            |
| <b>April</b>     | <b>2012</b> | £224,495    | 228.6 | 0.5              | 1.1             |
| <b>May</b>       | <b>2012</b> | £226,692    | 230.8 | 1.0              | 3.4             |
| <b>June</b>      | <b>2012</b> | £226,603    | 230.7 | 0.0              | 4.2             |
| <b>July</b>      | <b>2012</b> | £226,128    | 230.2 | -0.2             | 3.3             |
| <b>August</b>    | <b>2012</b> | £225,611    | 229.7 | -0.2             | 2.3             |
| <b>September</b> | <b>2012</b> | £225,374    | 229.5 | -0.1             | 2.2             |

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

## House prices

The LSL Acad E&W House Price Index shows a marginal fall of £237 or 0.1% in the average price of properties sold in England & Wales during September, as compared with August. For the fourth month in succession prices have fallen, with May 2012 looking as though it may have been the peak for the year. On an annual basis, the rate of growth in house prices peaked in June 2012 at 4.2%, but has been declining since then and stood at 2.2% in September. London continues to be the main driver of the increase in prices (see figure 5 on page 9). The annual change in London prices at 8.2% is 3.7 times greater than in any other region, being the only above average rate for England & Wales as a whole.

The LSL Acadametrics Index shows an annual increase of 2.2% in house prices which is higher than that of other house price indices, (Figure 3, page 8). However we would remind readers that our Index includes cash transactions, whereas the indices produced by the lenders do not. In its *UK Economy and Property Chart Book*, RICS estimates that cash transactions now account for approximately one third (35%) of all housing transactions, up from less than one sixth (15%) prior to the current financial crisis. Cash transactions have clearly become an important part of the housing market and not least in areas where there is a high demand for properties, such as Central London, where prices are rising faster than elsewhere. Little wonder then that our index is higher than others at the same time as highlighting a fundamental flaw in the price discussions which result.

Our trend line in Figure 1 below shows the movement in national house prices over the last twelve months and supports a view of slow growth in prices over time. However one might ask whether there should be two trend lines for the year, the first showing a growth in prices from September 2011 to May 2012, with the second showing a fall in prices from May 2012 to September 2012?

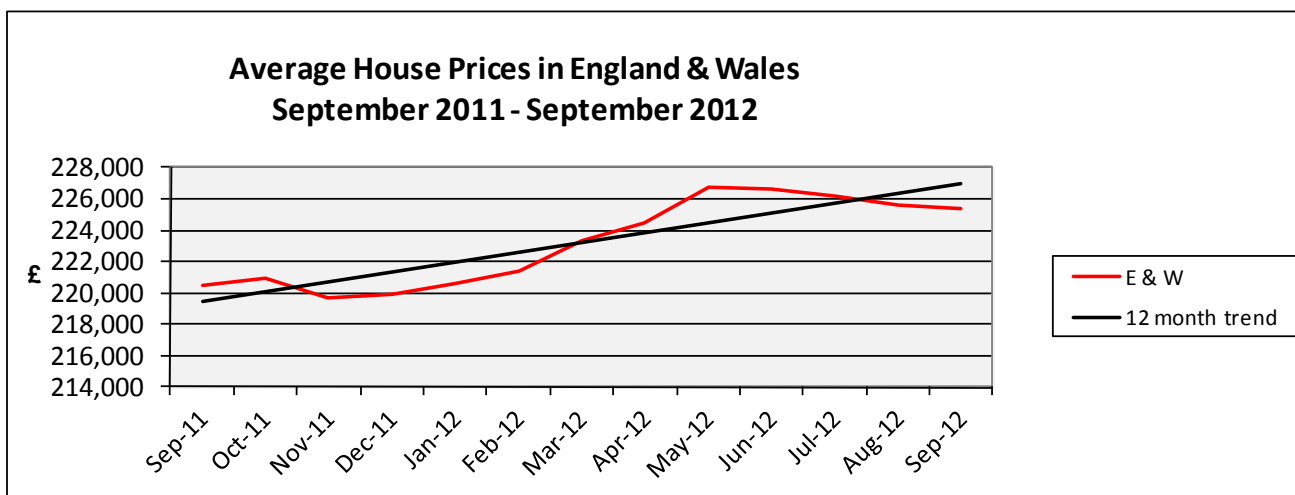


Figure 1. The Average House Price in England & Wales, September 2011 – September 2012

[link to source Excel](#)

One of the main features of the housing market in September is the low number of transactions in the month. Our current estimate of the final number of September transactions that will eventually be recorded in England & Wales is just under 50,000 (solicitors are still in the process of sending details to Land Registry). If this estimate is correct it will be the second lowest number of properties sold in the month of September since the Land Registry first computerised its records in 1995. The Olympics may have triggered a ‘feel-good’ factor, but as a result people were watching TV in August, with few viewings and offers being made. This had a knock-on effect on the number of transactions completed in September.

Although we are showing nominal falls in prices on a monthly basis, it is very evident that real house prices have been falling quite rapidly for some time, after taking account of inflation. In Table 2 below we compare the growth in house prices for the last ten years with the change in the Retail Price Index over the same period, so showing house price growth expressed in ‘real’ money terms. These results may come as a bit of a shock to some readers.



Table 2. The calculation of 'real' house price growth for each of the ten years August 2002 - August 2011 for the average house price in England & Wales. [link to source Excel](#)

|          |                                |          |          |          |          |          |          |          |          |          |          |
|----------|--------------------------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|----------|
| <b>1</b> | <b>House Prices</b>            | 2002     | 2003     | 2004     | 2005     | 2006     | 2007     | 2008     | 2009     | 2010     | 2011     |
| 2        | August                         | £140,496 | £161,097 | £185,270 | £192,686 | £205,840 | £227,511 | £221,148 | £206,470 | £223,976 | £220,526 |
| 3        | August 2012                    | £225,611 | £225,611 | £225,611 | £225,611 | £225,611 | £225,611 | £225,611 | £225,611 | £225,611 | £225,611 |
| 4        | % growth                       | 60.6%    | 40.0%    | 21.8%    | 17.1%    | 9.6%     | -0.8%    | 2.0%     | 9.3%     | 0.7%     | 2.3%     |
|          |                                |          |          |          |          |          |          |          |          |          |          |
| <b>5</b> | <b>RPI Index</b>               | 176.4    | 181.6    | 187.4    | 192.6    | 199.2    | 207.3    | 217.2    | 214.4    | 224.5    | 236.1    |
| 6        | RPI Aug 12                     | 243.0    | 243.0    | 243.0    | 243.0    | 243.0    | 243.0    | 243.0    | 243.0    | 243.0    | 243.0    |
| 7        | % change                       | 37.8%    | 33.8%    | 29.7%    | 26.2%    | 22.0%    | 17.2%    | 11.9%    | 13.3%    | 8.2%     | 2.9%     |
|          |                                |          |          |          |          |          |          |          |          |          |          |
| <b>8</b> | <b>Real House Price growth</b> | 22.8%    | 6.2%     | -7.9%    | -9.1%    | -12.4%   | -18.1%   | -9.9%    | -4.1%    | -7.5%    | -0.6%    |

The second line of the table above shows the average house price in England & Wales in August of each year for the period 2002 - 2011. This price can then be compared with the average price in August 2012 (line 3) and the % growth in line 4. This % growth is expressed in money terms, i.e. without the effects of inflation. As can be seen there is only one year, August 2007, in which prices were higher than in August 2012. In the 5th line the RPI Index for each August for the period 2002 - 2011 is shown. Compare this to the RPI Index in August 2012 (line 6) - the resulting % change in prices over the relevant period is shown in line 7.

Finally we calculate the 'real' house price growth for each of the last ten years (line 8). The results show that it is only those home owners who purchased a property prior to August 2003 who have seen a positive 'real' return on their investment. Those who purchased a property during the years 2004 - 2008 will have seen a reduction in its value of at least 8% when expressed in 'real' terms, with those who bought in 2007 seeing the real value down by 18%.

Although most households think in nominal terms, the fact that their investment is not holding up well relative to inflation does raise questions. Of course other investments are also impacted by inflation, so one question is what are the alternatives? However, it does cast a different light on debates about house prices and the value of homes. The decision by many to rent rather than buy in recent years looks more sensible, and although rents have risen (and debt service costs have fallen), the overall return to the landlord has been eroded. Property is not necessarily an inflation proof investment although over the long term it has outperformed RPI.

The fall in monthly prices and the steady decline in the annual rate of house price inflation do point to a slowing market at a time when the government is trying hard to induce new levels of activity and confidence. The Funding for Lending scheme (FLS) should result in a greater supply of cheaper mortgage funding. This in turn should stimulate transactions and prices, not least because supply remains constrained. However there is little in recent figures to support any strong optimism about the market, with a clear consensus indicating that it will remain subdued for the rest of the year.



## Housing Transactions

In an average year, housing transactions usually fall by 9% between August and September, as families take their summer holidays in August. This results in fewer offers being made in that month, with a knock-on effect on sales completions in September. However, this year we estimate that the number of property transactions completed in the month fell by 24%, to just under 50,000 sales. If this proves correct, it will have been the second quietest September for property sales in the Land Registry data series, which started in 1995. For the record the quietest September was in 2008, midway through the last banking crisis, when funding for mortgages was much reduced.

The most obvious reason for the decline in September sales in 2012 is the Olympics, which may well have enthralled the nation, but which also resulted in far fewer property viewings in August. This in turn had a consequential effect on the number of sales completions being recorded in September. A typical estate agent comment describing the month was: "The market was quiet in August due to holidays and the Olympic Games". Most estate agents have reported an increase in activity following the Olympic closing ceremony, so we might anticipate higher than normal transaction numbers next month.

The graph on page 7 shows how transaction numbers (without seasonal adjustment) have fluctuated during 2012. The year started with a typical lull in transactions during January and February, but with sales in March being boosted more than the norm by first-time buyers looking to complete prior to the ending of a stamp-duty tax-holiday on 24th March 2012. April transactions were as a consequence quieter than usual, as many sales had been brought forward into March. There was a recovery to more normal levels of sales in May, but demand in June and July was dampened by the weather and the effects of the Queen's Jubilee. August saw the highest number of sales in the year, but the Olympics meant that viewings were down in the month with a subsequent knock-on effect on September completions.

The other striking feature of the transactions graph is that it depicts the fall in the number of properties sold per annum over the period 2008 - 2012, compared to the period 2006 - 2007. The main causes of the decline in transactions remain the difficulties in obtaining mortgage finance, with high deposit levels and an excellent credit record still being paramount in the eyes of the lender. In addition, uncertainties in the economic outlook are causing buyers to remain cautious about any commitment to the purchase of a high value asset.

One feature of the current housing market, in terms of transactions, is the decline in the number of semi-detached properties being bought and sold. Table 3 below shows the annual change, by region and property type, in the number of transactions in England and Wales for the period June - August 2012, compared with the period June - August 2011.

Table 3. The % change in the number of property transactions in England & Wales for the three month period June - August 2012, compared with the same three months in 2011, analysed by Region and property type. [link to source Excel](#)

| Region                     | % Change in Transactions; Jun - Aug 2012/2011 |            |           |            |            |
|----------------------------|---|------------|-----------|------------|------------|
|                            | Detached                                      | Semi       | Terraced  | Flats      | All Types  |
| NORTH                      | 5%  | -7%        | -10%      | -8%        | -6%        |
| NORTH WEST                 | 4%  | -4%        | -8%       | -4%        | -4%        |
| YORKS & HUMBERSIDE         | 4%  | -1%        | -3%       | -13%       | -1%        |
| WALES                      | 1%  | -2%        | -2%       | -8%        | -2%        |
| WEST MIDLANDS              | 9%  | -2%        | -4%       | 1%         | 0%         |
| EAST MIDLANDS              | 2%  | -10%       | 3%        | 3%         | -2%        |
| EAST ANGLIA                | -4%   | -8%        | -4%       | -12%       | -6%        |
| SOUTH WEST                 | 4%  | -5%        | 6%        | -2%        | 1%         |
| SOUTH EAST                 | 5%  | -6%        | 6%        | -4%        | 1%         |
| GREATER LONDON             | -4%   | -6%        | 2%        | 2%         | 0%         |
| <b>ENGLAND &amp; WALES</b> | <b>3%</b>                                     | <b>-5%</b> | <b>0%</b> | <b>-2%</b> | <b>-1%</b> |

Source: Land Registry data and Acadametrics analysis



The table shows that overall there has been a 1% decline in the number of transactions over the three month period June - August 2012 compared to last year, with only the South East and the South West seeing an increase in property sales. The number of detached properties sold has seen an increase in all regions, except for East Anglia and Greater London. The number of terraced properties sold has remained constant over England & Wales as a whole, although there is something of a North/South divide, with terraces proving popular in the South but less so in the North. Flats have seen a decline in sales, except in the Midlands and Greater London. However it is semi-detached properties that have seen the largest decline in terms of the number of properties sold and this trend is universal across all regions. The question is why is this happening? It is an issue that we will return to in a later commentary, but it might suggest that middle income households are currently experiencing an economic chill.

Overall we have a subdued market which itself is a significant limiting factor in terms of economic recovery. The government has focused considerable attention on increasing the supply of new homes as an economic multiplier even though the impact of this policy has been limited to date. There is a case for giving more attention to the housing market, and the Labour party proposal for suspending Stamp Duty on homes under £250,000 has some merit here as a market stimulus. As it stands, the market seems destined to drift downwards in terms of prices, both nominal and real, as well as in property transactions: this then becomes a self-reinforcing process. The government is promising a new housing strategy in November and it needs to deliver a step change in policy and market activity.

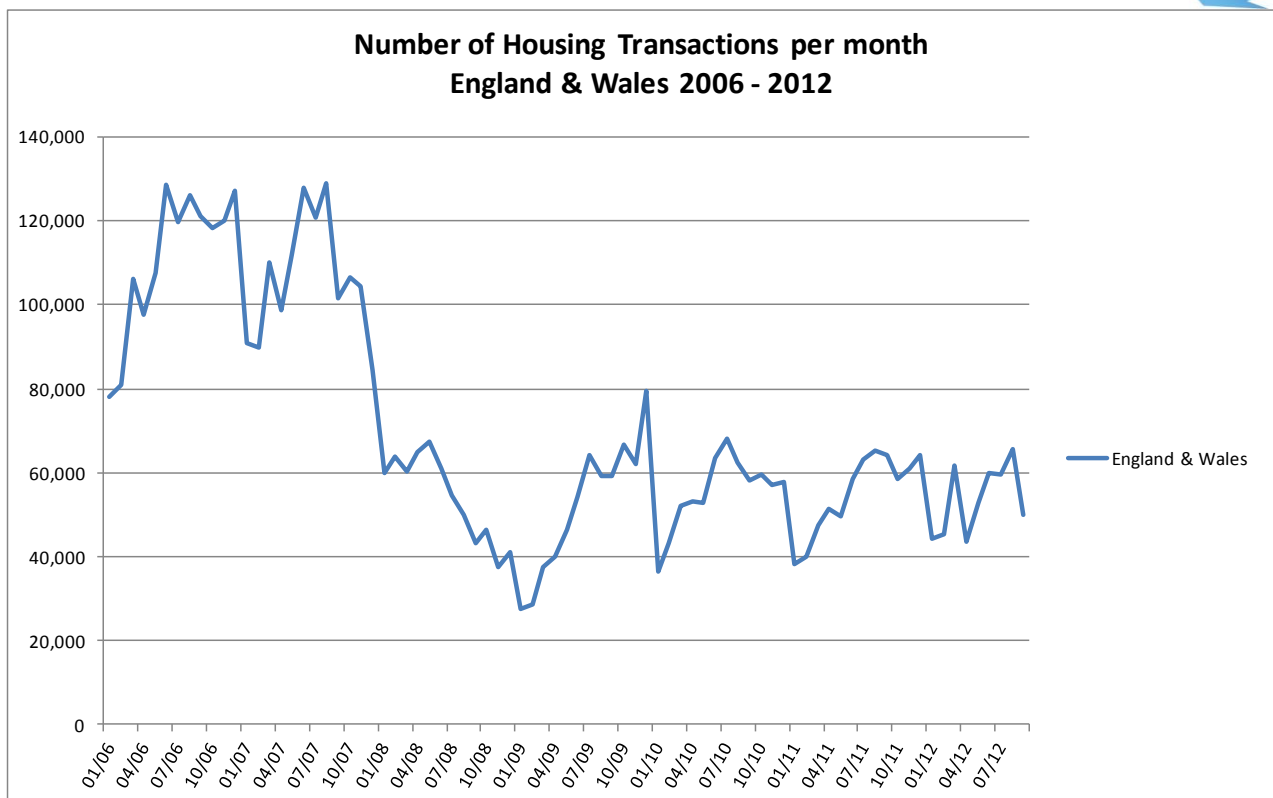


Figure 2. The number of housing transactions by month in England & Wales, 2006- 2012 (not seasonally adjusted) [link to source Excel](#)

## NOTES

- 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.
- 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.
- 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.
- the accuracy of our forecasts is shown monthly on the Acadametrics website [www.acadametrics.co.uk](http://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.
- the Acadametrics website enables comparisons of selected indices over selected timescales to be undertaken [here](#) with ease and provides historic results and other information.
- 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.
- 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

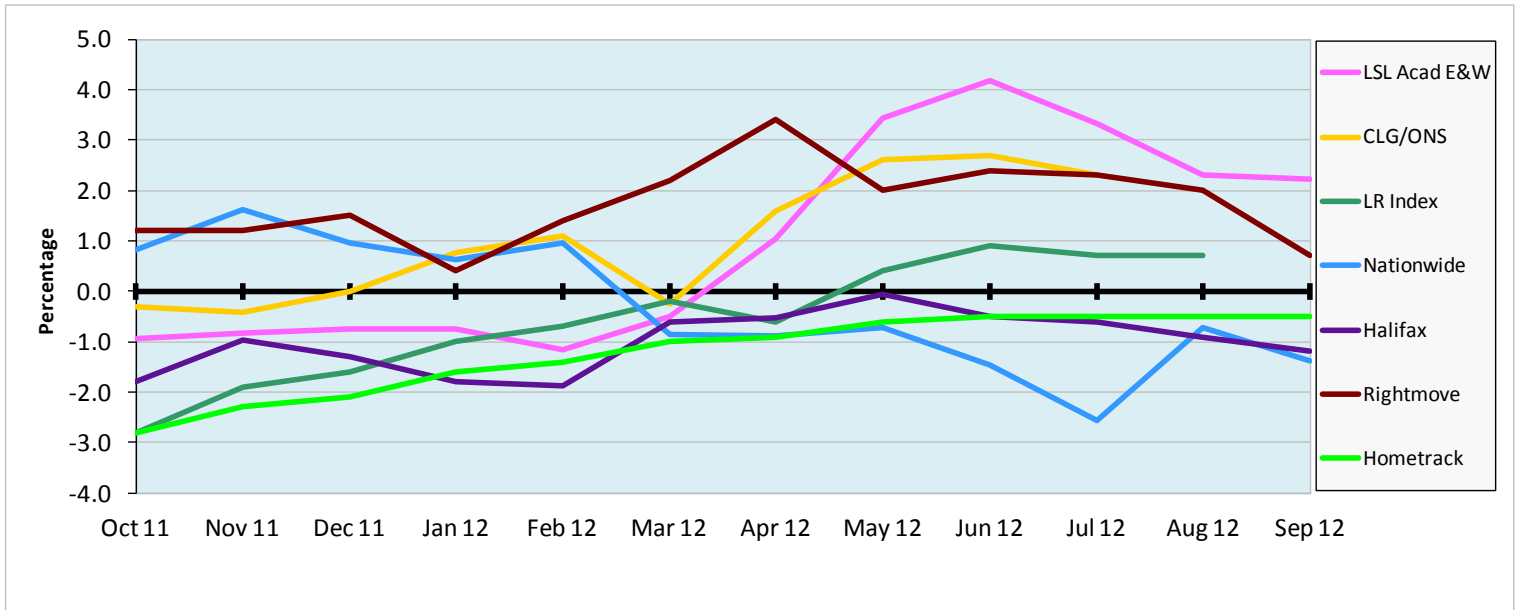


Figure 3. ANNUAL CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)

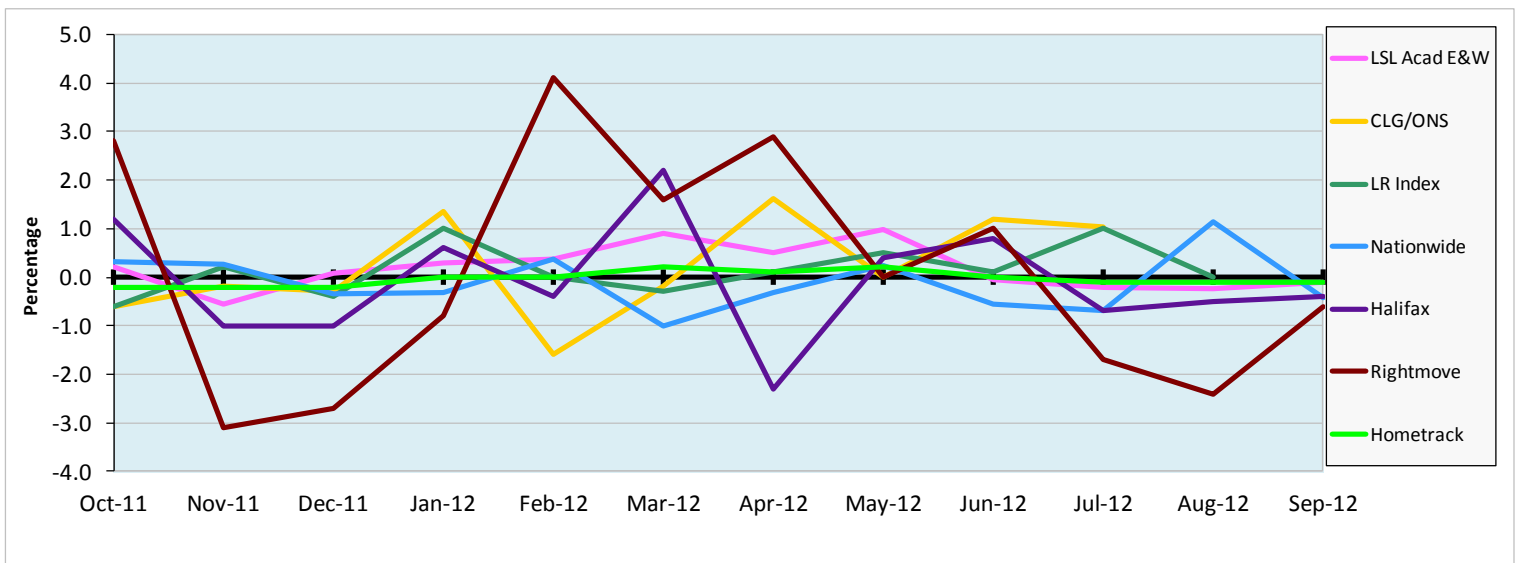


Figure 4. MONTHLY CHANGE IN HOUSE PRICES - COMPARISON OF INDICES CHART

[link to source Excel](#)





Greater London continues to dominate the housing market in terms of annual price change. Figure 5 below shows that London is the only region in England & Wales recording an above average price increase, with the other nine regions all falling below the 2.3% average rate. This month the North has pushed the South East into second place in terms of annual growth, assisted by price increases of detached and terraced properties in both Darlington and Middlesborough, up on average by 8% and 7% respectively. The North is also the only region this month to show an increase in the rate of annual price change, when compared to last month, with the remaining nine regions all experiencing a reduction or no change in the rate of house price inflation.

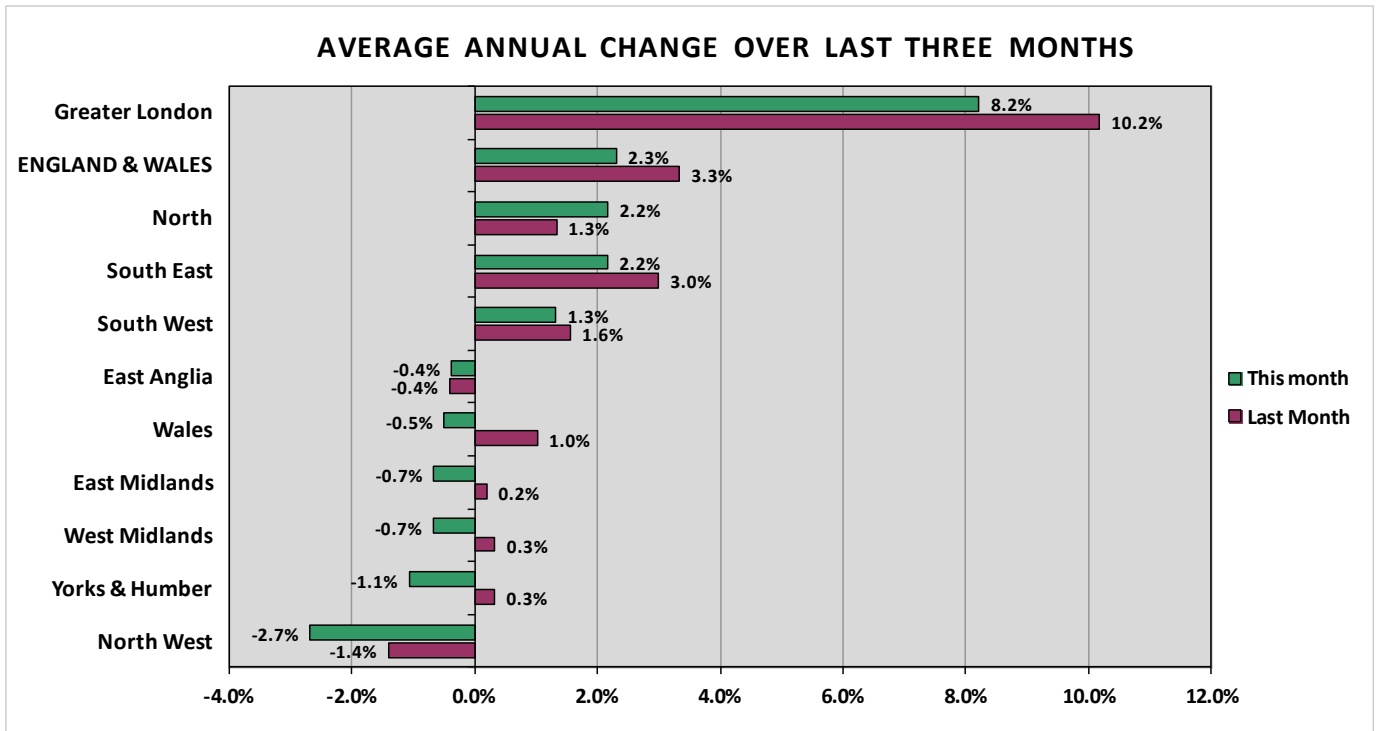


Figure 5. The annual change in the average house price, analysed by region

[link to source Excel](#)

## ANNUAL CHANGE IN PRICE BY REGION

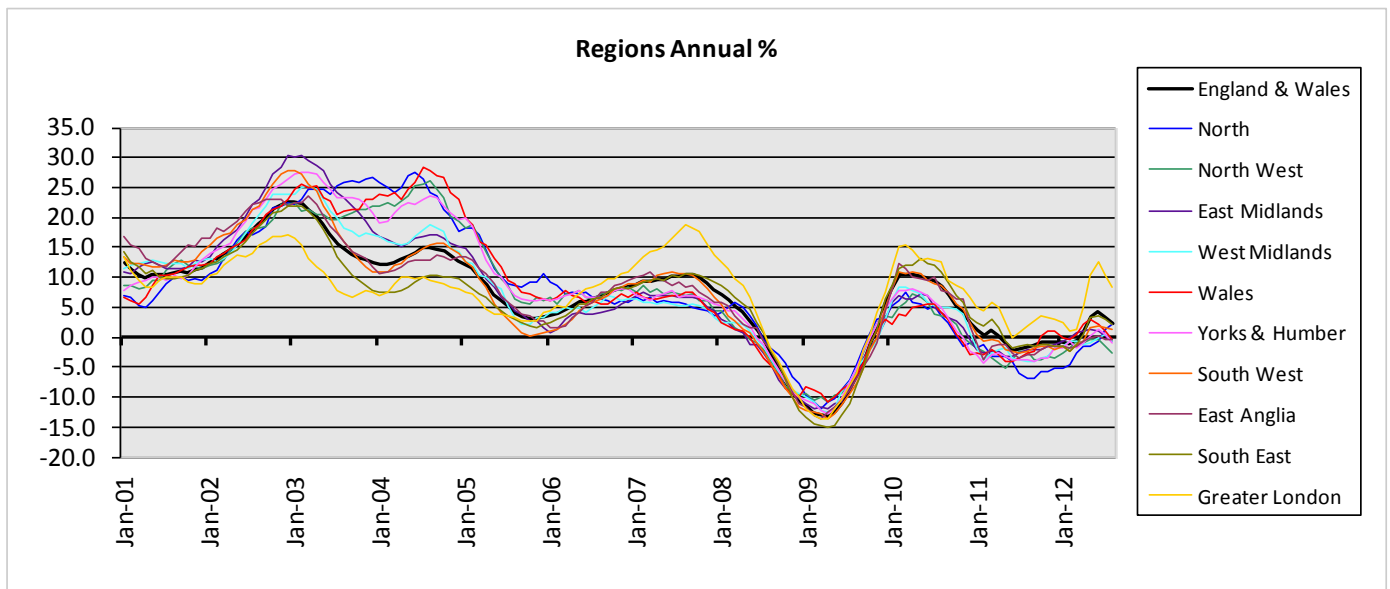


Figure 6. A comparison of the annual change in house prices, by region for the period January 2001 - August 2012

[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 7 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 4. The change in mix adjusted house prices, for the 33 London boroughs, comparing August 2011 with August 2012. [link to source Excel](#)

| PRIOR YR RANK | RANK BY PRICE | LONDON BOROUGH         | Aug-11         | Aug-12         | % Change    |
|---------------|---------------|------------------------|----------------|----------------|-------------|
| 1             | 1             | KENSINGTON AND CHELSEA | 1,170,717      | 1,437,122      | 22.8%       |
| 2             | 2             | CITY OF WESTMINSTER    | 905,407        | 1,033,909      | 14.2%       |
| 3             | 3             | CAMDEN                 | 692,488        | 763,569        | 10.3%       |
| 4             | 4             | HAMMERSMITH AND FULHAM | 582,832        | 683,420        | 17.3%       |
| 5             | 5             | RICHMOND UPON THAMES   | 565,284        | 591,059        | 4.6%        |
| 6             | 6             | CITY OF LONDON         | 494,612        | 584,613        | 18.2%       |
| 7             | 7             | ISLINGTON              | 491,891        | 516,909        | 5.1%        |
| 8             | 8             | WANDSWORTH             | 467,569        | 512,168        | 9.5%        |
| 10            | 9             | BARNET                 | 409,065        | 452,094        | 10.5%       |
| 9             | 10            | MERTON                 | 421,279        | 428,845        | 1.8%        |
| 11            | 11            | SOUTHWARK              | 399,992        | 418,215        | 4.6%        |
| 12            | 12            | HARINGEY               | 397,516        | 415,520        | 4.5%        |
| 16            | 13            | BRENT                  | 354,785        | 409,834        | 15.5%       |
| 14            | 14            | EALING                 | 370,381        | 401,539        | 8.4%        |
| 15            | 15            | HACKNEY                | 369,853        | 394,104        | 6.6%        |
| 13            | 16            | LAMBETH                | 381,957        | 393,745        | 3.1%        |
| 17            | 17            | KINGSTON UPON THAMES   | 351,416        | 383,519        | 9.1%        |
| 18            | 18            | HOUNSLOW               | 347,103        | 379,169        | 9.2%        |
| 19            | 19            | TOWER HAMLETS          | 346,051        | 357,561        | 3.3%        |
| 20            | 20            | HARROW                 | 326,679        | 341,817        | 4.6%        |
| 21            | 21            | BROMLEY                | 323,476        | 330,511        | 2.2%        |
| 23            | 22            | REDBRIDGE              | 284,792        | 297,525        | 4.5%        |
| 24            | 23            | HILLINGDON             | 279,918        | 297,413        | 6.2%        |
| 25            | 24            | ENFIELD                | 269,862        | 288,554        | 6.9%        |
| 22            | 25            | GREENWICH              | 286,645        | 287,920        | 0.4%        |
| 26            | 26            | LEWISHAM               | 261,682        | 272,495        | 4.1%        |
| 27            | 27            | SUTTON                 | 257,396        | 261,021        | 1.4%        |
| 30            | 28            | WALTHAM FOREST         | 229,228        | 246,318        | 7.5%        |
| 28            | 29            | CROYDON                | 237,470        | 239,256        | 0.8%        |
| 29            | 30            | HAVERING               | 233,520        | 238,975        | 2.3%        |
| 32            | 31            | BEXLEY                 | 215,169        | 224,695        | 4.4%        |
| 31            | 32            | NEWHAM                 | 218,404        | 220,263        | 0.9%        |
| 33            | 33            | BARKING AND DAGENHAM   | 178,828        | 177,410        | -0.8%       |
|               |               | <b>ALL LONDON</b>      | <b>387,802</b> | <b>419,630</b> | <b>8.2%</b> |

Once again Kensington & Chelsea dominate the London house price league in terms of both the average price paid for a property and the annual growth in those prices. The buyer of an average property in Kensington & Chelsea, priced at £1.4 million, would be able to purchase eight houses in Barking & Dagenham for a similar outlay and still have some change. However we note that the annual rate of change in prices in the borough, at 22.8%, has fallen from last month's figure of 31.6%. The same story applies to the next four London boroughs ranked by price, with all four witnessing a slow-down in annual price growth, compared with last month. We reported too last month that the average house price in nine London boroughs had reached a new peak: this month that number has reduced to seven, highlighted in grey in the table above. These factors may be a sign that prices in London are beginning to run out of steam, although with 12 London boroughs experiencing house price inflation at, or in excess of, 7.5% the cauldron continues to bubble.

The London housing market is differentiated by price, with the boroughs having the highest priced homes seeing the largest price gains, whilst price growth in the lower priced areas is more modest. The top 11 boroughs ranked by price have experienced average annual house price growth of 10.8%, the middle 11 boroughs have seen average growth of 6.5%, whilst the lowest 11 boroughs have witnessed average growth of only 3.1%. As if to emphasize this point, there is only one borough in London this month which has seen a fall in average prices over the last year, being Barking & Dagenham, which is the lowest ranked London borough in terms of its average house price.

# Counties and unitary authorities



Table 5. The percentage change in mix adjusted house prices, for the 108 Counties and Unitary Authorities in England & Wales, comparing August 2011 with August 2012 [link to source Excel](#)

| PRIOR YR RANK | RANK BY PRICE | COUNTY / UNITARY AUTHORITY / REGION | Aug-11         | Aug-12         | % Change     |
|---------------|---------------|-------------------------------------|----------------|----------------|--------------|
| 18            | 18            | CAMBRIDGESHIRE                      | 238,192        | 238,988        | 0.3%         |
| 77            | 75            | CITY OF PETERBOROUGH                | 148,772        | 147,883        | -0.6%        |
| 49            | 49            | NORFOLK                             | 180,162        | 180,425        | 0.1%         |
| 39            | 44            | SUFFOLK                             | 199,416        | 196,195        | -1.6%        |
|               |               | <b>EAST ANGLIA</b>                  | <b>198,273</b> | <b>197,521</b> | <b>-0.4%</b> |
| 86            | 81            | CITY OF DERBY                       | 138,561        | 141,769        | 2.3%         |
| 98            | 101           | CITY OF NOTTINGHAM                  | 116,803        | 109,825        | -6.0%        |
| 71            | 64            | DERBYSHIRE                          | 153,759        | 159,605        | 3.8%         |
| 89            | 88            | LEICESTER                           | 132,562        | 134,801        | 1.7%         |
| 46            | 48            | LEICESTERSHIRE                      | 187,923        | 180,773        | -3.8%        |
| 70            | 71            | LINCOLNSHIRE                        | 153,823        | 150,907        | -1.9%        |
| 51            | 52            | NORTHAMPTONSHIRE                    | 176,426        | 174,435        | -1.1%        |
| 64            | 67            | NOTTINGHAMSHIRE                     | 156,136        | 155,236        | -0.6%        |
| 10            | 9             | RUTLAND                             | 279,526        | 297,870        | 6.6%         |
|               |               | <b>EAST MIDLANDS</b>                | <b>160,300</b> | <b>159,240</b> | <b>-0.7%</b> |
|               |               | <b>GREATER LONDON</b>               | <b>387,802</b> | <b>419,630</b> | <b>8.2%</b>  |
| 63            | 60            | CUMBRIA                             | 160,797        | 162,748        | 1.2%         |
| 94            | 89            | DARLINGTON                          | 124,377        | 134,430        | 8.1%         |
| 96            | 98            | DURHAM                              | 119,511        | 117,943        | -1.3%        |
| 97            | 93            | HARTLEPOOL                          | 118,697        | 125,209        | 5.5%         |
| 103           | 99            | MIDDLESBROUGH                       | 105,135        | 112,958        | 7.4%         |
| 55            | 54            | NORTHUMBERLAND                      | 169,492        | 171,402        | 1.1%         |
| 93            | 96            | REDCAR AND CLEVELAND                | 125,303        | 119,448        | -4.7%        |
| 81            | 72            | STOCKTON-ON-TEES                    | 143,498        | 150,788        | 5.1%         |
| 90            | 86            | TYNE AND WEAR                       | 131,628        | 136,111        | 3.4%         |
|               |               | <b>NORTH</b>                        | <b>137,376</b> | <b>140,354</b> | <b>2.2%</b>  |
| 99            | 94            | BLACKBURN WITH DARWEN               | 115,426        | 122,468        | 6.1%         |
| 102           | 104           | BLACKPOOL                           | 105,456        | 99,151         | -6.0%        |
| 31            | 41            | CHESHIRE                            | 208,478        | 200,194        | -4.0%        |
| 78            | 79            | GREATER MANCHESTER                  | 148,287        | 146,194        | -1.4%        |
| 87            | 91            | HALTON                              | 138,520        | 133,163        | -3.9%        |
| 79            | 84            | LANCASHIRE                          | 148,065        | 139,692        | -5.7%        |
| 83            | 82            | MERSEYSIDE                          | 142,391        | 140,939        | -1.0%        |
| 43            | 46            | WARRINGTON                          | 194,723        | 188,455        | -3.2%        |
|               |               | <b>NORTH WEST</b>                   | <b>153,389</b> | <b>149,279</b> | <b>-2.7%</b> |
| 29            | 29            | BEDFORDSHIRE                        | 212,766        | 215,196        | 1.1%         |
| 11            | 13            | BRACKNELL FOREST                    | 266,893        | 269,575        | 1.0%         |
| 14            | 11            | BRIGHTON AND HOVE                   | 262,263        | 275,322        | 5.0%         |
| 3             | 3             | BUCKINGHAMSHIRE                     | 357,916        | 366,855        | 2.5%         |
| 21            | 22            | EAST SUSSEX                         | 228,890        | 233,698        | 2.1%         |
| 16            | 17            | ESSEX                               | 241,320        | 242,291        | 0.4%         |
| 12            | 14            | HAMPSHIRE                           | 265,010        | 266,681        | 0.6%         |
| 5             | 4             | HERTFORDSHIRE                       | 312,477        | 327,967        | 5.0%         |
| 45            | 43            | ISLE OF WIGHT                       | 192,036        | 196,205        | 2.2%         |
| 19            | 16            | KENT                                | 236,500        | 242,581        | 2.6%         |
| 68            | 66            | LUTON                               | 155,437        | 155,368        | 0.0%         |
| 62            | 57            | MEDWAY                              | 162,329        | 167,705        | 3.3%         |
| 40            | 30            | MILTON KEYNES                       | 199,120        | 214,191        | 7.6%         |
| 6             | 6             | OXFORDSHIRE                         | 312,134        | 317,130        | 1.6%         |

# Counties and unitary authorities



|     |     |                              |                |                |              |
|-----|-----|------------------------------|----------------|----------------|--------------|
| 59  | 59  | PORTSMOUTH                   | 164,671        | 167,032        | 1.4%         |
| 24  | 19  | READING                      | 220,967        | 238,502        | 7.9%         |
| 41  | 34  | SLOUGH                       | 197,927        | 209,336        | 5.8%         |
| 61  | 61  | SOUTHAMPTON                  | 164,045        | 162,365        | -1.0%        |
| 44  | 39  | SOUTHEND-ON-SEA              | 192,241        | 201,021        | 4.6%         |
| 2   | 2   | SURREY                       | 388,001        | 394,216        | 1.6%         |
| 53  | 51  | THURROCK                     | 172,051        | 175,663        | 2.1%         |
| 7   | 8   | WEST BERKSHIRE               | 304,444        | 302,032        | -0.8%        |
| 13  | 12  | WEST SUSSEX                  | 262,659        | 269,974        | 2.8%         |
| 1   | 1   | WINDSOR AND MAIDENHEAD       | 450,330        | 442,718        | -1.7%        |
| 4   | 5   | WOKINGHAM                    | 318,945        | 321,069        | 0.7%         |
|     |     | <b>SOUTH EAST</b>            | <b>265,279</b> | <b>271,018</b> | <b>2.2%</b>  |
| 8   | 7   | BATH AND NORTH EAST SOMERSET | 285,967        | 316,744        | 10.8%        |
| 25  | 24  | BOURNEMOUTH                  | 219,174        | 226,159        | 3.2%         |
| 35  | 26  | CITY OF BRISTOL              | 204,255        | 219,840        | 7.6%         |
| 69  | 68  | CITY OF PLYMOUTH             | 153,907        | 155,184        | 0.8%         |
| 23  | 25  | CORNWALL                     | 223,487        | 223,297        | -0.1%        |
| 20  | 20  | DEVON                        | 231,580        | 235,353        | 1.6%         |
| 15  | 15  | DORSET                       | 254,387        | 260,892        | 2.6%         |
| 22  | 23  | GLOUCESTERSHIRE              | 226,012        | 230,212        | 1.9%         |
| 30  | 32  | NORTH SOMERSET               | 209,747        | 212,487        | 1.3%         |
| 9   | 10  | POOLE                        | 280,368        | 278,397        | -0.7%        |
| 37  | 40  | SOMERSET                     | 203,627        | 200,911        | -1.3%        |
| 33  | 37  | SOUTH GLOUCESTERSHIRE        | 206,107        | 205,128        | -0.5%        |
| 56  | 55  | SWINDON                      | 168,791        | 169,584        | 0.5%         |
| 47  | 50  | TORBAY                       | 183,591        | 180,176        | -1.9%        |
| 17  | 21  | WILTSHIRE                    | 240,653        | 233,981        | -2.8%        |
|     |     | <b>SOUTH WEST</b>            | <b>220,776</b> | <b>223,700</b> | <b>1.3%</b>  |
| 108 | 108 | BLAENAU GWENT                | 85,351         | 80,568         | -5.6%        |
| 85  | 90  | BRIDGEND                     | 140,509        | 133,541        | -5.0%        |
| 95  | 97  | CAERPHILLY                   | 123,595        | 119,195        | -3.6%        |
| 50  | 47  | CARDIFF                      | 179,962        | 183,190        | 1.8%         |
| 82  | 85  | CARMARTHENSHIRE              | 142,585        | 139,191        | -2.4%        |
| 48  | 45  | CEREDIGION                   | 181,217        | 191,346        | 5.6%         |
| 60  | 63  | CONWY                        | 164,600        | 160,426        | -2.5%        |
| 84  | 87  | DENBIGHSHIRE                 | 141,592        | 134,972        | -4.7%        |
| 65  | 73  | FLINTSHIRE                   | 155,945        | 150,620        | -3.4%        |
| 66  | 76  | GWYNEDD                      | 155,925        | 147,790        | -5.2%        |
| 73  | 69  | ISLE OF ANGLESEY             | 150,645        | 155,094        | 3.0%         |
| 105 | 105 | MERTHYR TYDFIL               | 98,920         | 97,299         | -1.6%        |
| 27  | 31  | MONMOUTHSHIRE                | 216,708        | 213,412        | -1.5%        |
| 101 | 102 | NEATH PORT TALBOT            | 110,630        | 109,587        | -0.9%        |
| 80  | 70  | NEWPORT                      | 145,602        | 151,185        | 3.8%         |
| 57  | 53  | PEMBROKESHIRE                | 167,933        | 171,624        | 2.2%         |
| 52  | 56  | POWYS                        | 172,383        | 167,955        | -2.6%        |
| 104 | 103 | RHONDDA CYNON TAFF           | 104,942        | 103,559        | -1.3%        |
| 76  | 80  | SWANSEA                      | 149,991        | 144,747        | -3.5%        |
| 42  | 28  | THE VALE OF GLAMORGAN        | 197,826        | 216,220        | 9.3%         |
| 91  | 95  | TORFAEN                      | 130,042        | 122,174        | -6.1%        |
| 67  | 65  | WREXHAM                      | 155,641        | 155,699        | 0.0%         |
|     |     | <b>WALES</b>                 | <b>151,757</b> | <b>151,004</b> | <b>-0.5%</b> |
| 32  | 36  | HEREFORDSHIRE                | 207,136        | 206,881        | -0.1%        |
| 38  | 42  | SHROPSHIRE                   | 200,449        | 198,709        | -0.9%        |

## Counties and unitary authorities



|     |     |                                   |                |                |              |
|-----|-----|-----------------------------------|----------------|----------------|--------------|
| 54  | 58  | <b>STAFFORDSHIRE</b>              | 170,827        | 167,475        | -2.0%        |
| 107 | 106 | <b>STOKE-ON-TRENT</b>             | 96,964         | 92,718         | -4.4%        |
| 28  | 27  | <b>WARWICKSHIRE</b>               | 214,753        | 219,450        | 2.2%         |
| 75  | 74  | <b>WEST MIDLANDS</b>              | 150,156        | 148,812        | -0.9%        |
| 36  | 38  | <b>WORCESTERSHIRE</b>             | 203,683        | 202,634        | -0.5%        |
| 72  | 78  | <b>WREKIN</b>                     | 151,836        | 147,175        | -3.1%        |
|     |     | <b>WEST MIDLANDS</b>              | <b>169,666</b> | <b>168,519</b> | <b>-0.7%</b> |
| 106 | 107 | <b>CITY OF KINGSTON UPON HULL</b> | 97,399         | 92,436         | -5.1%        |
| 58  | 62  | <b>EAST RIDING OF YORKSHIRE</b>   | 165,479        | 160,959        | -2.7%        |
| 100 | 100 | <b>NORTH EAST LINCOLNSHIRE</b>    | 112,873        | 111,140        | -1.5%        |
| 92  | 92  | <b>NORTH LINCOLNSHIRE</b>         | 128,532        | 127,603        | -0.7%        |
| 26  | 33  | <b>NORTH YORKSHIRE</b>            | 216,717        | 211,083        | -2.6%        |
| 88  | 83  | <b>SOUTH YORKSHIRE</b>            | 137,124        | 140,056        | 2.1%         |
| 74  | 77  | <b>WEST YORKSHIRE</b>             | 150,210        | 147,652        | -1.7%        |
| 34  | 35  | <b>YORK</b>                       | 205,010        | 208,203        | 1.6%         |
|     |     | <b>YORKS &amp; HUMBER</b>         | <b>154,225</b> | <b>152,578</b> | <b>-1.1%</b> |
|     |     | <b>ALL ENGLAND &amp; WALES</b>    | <b>220,526</b> | <b>225,611</b> | <b>2.3%</b>  |

Although in England & Wales as a whole the average rise in prices over the year has been 2.3%, we find far more significant changes in price at the county and unitary authority level, ranging from +10.8% in Bath & NE Somerset to -6.1% in Torfaen. 54 of the 108 authorities in England & Wales showed August price falls, compared with only 45 in July, so a decline in house prices is being experienced across half of the country.

There are two county and unitary authority areas this month that are witnessing peak average house prices, namely Hertfordshire and Reading, with both areas seeing large increases in the average price of detached properties.

As we reported in the Housing Transactions section of this News Release, the number of properties sold during the three months June - August 2012 in England & Wales is down 1% on the equivalent three months in 2011. This was largely due to the combination of the Queen's Jubilee and heavy rainfall, both of which had a negative impact on the volume of properties being sold. The highest transaction growth over the three month period, compared with the previous year, was in Bracknell Forest, up 20%. This was followed by Shropshire, up 17%, while sales in Middlesbrough declined by an overall 17%, with the number of semi-detached properties sold over the period being particularly weak.

# Regional data table



Table 6. Average house prices by region, September 2011 - August 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 |
| Sep-11 | £137,938 | 0.4      | -7.0    | £152,625   | -0.5     | -3.8    | £160,206      | -0.1     | -2.2    | £169,506      | -0.1     | -4.1    |
| Oct-11 | £139,529 | 1.2      | -5.9    | £151,946   | -0.4     | -3.9    | £159,957      | -0.2     | -2.2    | £170,669      | 0.7      | -3.4    |
| Nov-11 | £138,690 | -0.6     | -5.7    | £151,154   | -0.5     | -3.3    | £160,284      | 0.2      | -1.4    | £169,141      | -0.9     | -3.2    |
| Dec-11 | £137,924 | -0.6     | -5.3    | £150,044   | -0.7     | -3.5    | £159,793      | -0.3     | -1.1    | £170,497      | 0.8      | -1.8    |
| Jan-12 | £138,904 | 0.7      | -5.2    | £150,443   | 0.3      | -2.7    | £160,520      | 0.5      | -0.6    | £170,842      | 0.2      | -1.5    |
| Feb-12 | £141,576 | 1.9      | -4.5    | £152,091   | 1.1      | -1.7    | £161,516      | 0.6      | 0.0     | £171,200      | 0.2      | -0.6    |
| Mar-12 | £143,877 | 1.6      | -2.5    | £152,187   | 0.1      | -0.7    | £161,664      | 0.1      | 0.6     | £170,531      | -0.4     | -0.8    |
| Apr-12 | £143,217 | -0.5     | -1.6    | £150,752   | -0.9     | -1.0    | £161,505      | -0.1     | 1.1     | £169,212      | -0.8     | -1.1    |
| May-12 | £142,081 | -0.8     | -1.5    | £150,126   | -0.4     | -0.3    | £160,801      | -0.4     | 1.4     | £169,531      | 0.2      | -0.9    |
| Jun-12 | £141,192 | -0.6     | -0.7    | £150,726   | 0.4      | -0.3    | £161,013      | 0.1      | 1.0     | £169,259      | -0.2     | -0.1    |
| Jul-12 | £141,089 | -0.1     | 1.3     | £150,497   | -0.2     | -1.4    | £160,140      | -0.5     | 0.2     | £169,125      | -0.1     | 0.3     |
| Aug-12 | £140,354 | -0.5     | 2.2     | £149,279   | -0.8     | -2.7    | £159,240      | -0.6     | -0.7    | £168,519      | -0.4     | -0.7    |

|        | Wales    |          |         | Yorks & Humber |          |         | South West |          |         | East Anglia |          |         |
|--------|----------|----------|---------|----------------|----------|---------|------------|----------|---------|-------------|----------|---------|
|        | Av HP    | %monthly | %annual | Av HP          | %monthly | %annual | Av HP      | %monthly | %annual | Av HP       | %monthly | %annual |
| Sep-11 | £152,078 | 0.2      | -2.4    | £153,874       | -0.2     | -3.9    | £222,278   | 0.7      | -1.9    | £198,169    | -0.1     | -3.0    |
| Oct-11 | £155,018 | 1.9      | 0.0     | £153,188       | -0.4     | -3.6    | £222,356   | 0.0      | -1.5    | £197,974    | -0.1     | -2.0    |
| Nov-11 | £154,559 | -0.3     | 0.9     | £152,716       | -0.3     | -3.4    | £220,849   | -0.7     | -1.6    | £196,707    | -0.6     | -1.4    |
| Dec-11 | £153,632 | -0.6     | 1.1     | £153,872       | 0.8      | -1.8    | £221,542   | 0.3      | -2.2    | £195,437    | -0.6     | -1.5    |
| Jan-12 | £152,091 | -1.0     | 0.0     | £154,011       | 0.1      | -1.9    | £221,601   | 0.0      | -1.5    | £195,425    | 0.0      | -1.6    |
| Feb-12 | £152,308 | 0.1      | -0.4    | £154,654       | 0.4      | -0.7    | £221,369   | -0.1     | -2.3    | £195,086    | -0.2     | -1.9    |
| Mar-12 | £153,470 | 0.8      | 0.5     | £153,454       | -0.8     | -1.9    | £221,783   | 0.2      | -1.1    | £197,418    | 1.2      | -1.4    |
| Apr-12 | £153,746 | 0.2      | 2.1     | £154,507       | 0.7      | -0.9    | £222,761   | 0.4      | -0.6    | £198,534    | 0.6      | -0.6    |
| May-12 | £153,159 | -0.4     | 2.9     | £154,383       | -0.1     | 0.1     | £225,321   | 1.1      | 1.4     | £199,849    | 0.7      | -0.1    |
| Jun-12 | £152,341 | -0.5     | 2.2     | £154,995       | 0.4      | 1.4     | £224,449   | -0.4     | 1.8     | £198,550    | -0.6     | 0.2     |
| Jul-12 | £151,420 | -0.6     | 1.0     | £153,302       | -1.1     | 0.3     | £223,983   | -0.2     | 1.6     | £197,264    | -0.6     | -0.4    |
| Aug-12 | £151,004 | -0.3     | -0.5    | £152,578       | -0.5     | -1.1    | £223,700   | -0.1     | 1.3     | £197,521    | 0.1      | -0.4    |

|        | South East |          |         | Greater London |          |         | ENGLAND & WALES |          |         |
|--------|------------|----------|---------|----------------|----------|---------|-----------------|----------|---------|
|        | Av HP      | %monthly | %annual | Av HP          | %monthly | %annual | Av HP           | %monthly | %annual |
| Sep-11 | £264,034   | -0.5     | -1.6    | £389,238       | 0.4      | 2.6     | £220,481        | 0.0      | -1.5    |
| Oct-11 | £263,434   | -0.2     | -1.3    | £392,660       | 0.9      | 3.7     | £220,959        | 0.2      | -0.9    |
| Nov-11 | £261,087   | -0.9     | -1.2    | £391,376       | -0.3     | 3.2     | £219,716        | -0.6     | -0.8    |
| Dec-11 | £260,487   | -0.2     | -1.5    | £393,998       | 0.7      | 3.1     | £219,905        | 0.1      | -0.8    |
| Jan-12 | £262,379   | 0.7      | -1.4    | £394,509       | 0.1      | 2.4     | £220,547        | 0.3      | -0.7    |
| Feb-12 | £263,720   | 0.5      | -2.3    | £394,744       | 0.1      | 0.9     | £221,370        | 0.4      | -1.2    |
| Mar-12 | £268,392   | 1.8      | -1.2    | £400,087       | 1.4      | 1.2     | £223,344        | 0.9      | -0.5    |
| Apr-12 | £269,156   | 0.3      | 0.6     | £408,024       | 2.0      | 4.8     | £224,495        | 0.5      | 1.1     |
| May-12 | £272,059   | 1.1      | 3.1     | £418,670       | 2.6      | 10.4    | £226,692        | 1.0      | 3.4     |
| Jun-12 | £271,029   | -0.4     | 3.5     | £420,741       | 0.5      | 12.5    | £226,603        | 0.0      | 4.2     |
| Jul-12 | £271,473   | 0.2      | 3.0     | £419,586       | -0.3     | 10.2    | £226,128        | -0.2     | 3.3     |
| Aug-12 | £271,018   | -0.2     | 2.2     | £419,630       | 0.0      | 8.2     | £225,611        | -0.2     | 2.3     |
| Sep-12 |            |          |         |                |          |         | £225,374        | -0.1     | 2.2     |



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.

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## LSL PROPERTY SERVICES PLC

LSL is one of the leading residential property services companies in the UK and provides a broad range of services to a wide range of customers including mortgage lenders together with buyers and sellers of residential properties.

LSL's operations cover four key areas; surveying, estate agency, corporate services and financial services.

### Surveying

LSL's [surveying](#) business operates under e.surv Chartered Surveyors, Chancellors Associates and Barnwoods brands. e.surv is one of the largest employers of residential Chartered Surveyors in the UK and is the largest distributor and manager of mortgage valuations and private surveys.

### Estate Agency

LSL's [estate agency](#) business operates under the Your Move, Reeds Rains, Intercounty and several independent brands. Your Move is the single largest estate agency brand in the UK.

In January 2010 the acquisition of the Halifax Estate Agency (HEA) business from Lloyd Banking Group saw LSL increase in size to become the second largest UK estate agency network - with around 570 branches. It is also the largest letting agency in the UK.

### Corporate Services

LSL Corporate Client Services was launched in 2008 to provide asset management and lettings property portfolio management services to corporate clients. This business has grown through the addition of St Trinity Asset Management - which previously operated as HEA Corporate Services - and Templeton LPA, which LSL acquired in February 2010.

### Financial Services

LSL offers financial services across its entire branch network. In May 2010 LSL acquired over 450 advisers from leading financial services network Home of Choice - these advisers now operate under the brand of First Complete.

In October 2010 LSL also announced the acquisition of mortgage distribution company, Advance Mortgage Funding Limited (trading as Pink Home Loans) and its subsidiary business BDS Mortgage Group Limited, (together known as Pink), from Skipton Building Society. It further confirmed LSL's position as one of the largest mortgage advisory businesses in the UK today.

For further information see [www.lslps.co.uk](http://www.lslps.co.uk)