

9th February 2024

DATA: Halifax reported UK house prices rose 2.5% in year to Jan 2024

They [report](#) house prices rose 1.3% in the month and this was “the fourth monthly rise in a row”. However, they also report that prices in the South East fell 2.3% in the month.

DATA: BoE reported further falls in fixed rate mortgages in Jan 2024

The average quoted fixed-rate at 75% loan-to-value fell compared to the previous month while the variable rate and revert-to-rate was unchanged.

DATA: UK Finance reported rises in mortgage arrears in Q4 2023

The latest [release](#) shows the number of owner-occupier mortgages in arrears of over 2.5% of their balance increased to 93,680 in Q4 2023, a 24.6% increase compared to Q4 2022. The number of buy-to-let mortgages in arrears increased by 123.9% over the same period. Despite the large increases, the proportions of total mortgages in arrears are still relatively low at 1.07% for owner-occupiers and 0.69% for buy-to-let mortgages.

DATA: MoJ published mortgage & landlord possessions for Q4 2023

The [release](#) shows an increase in claims issued and total orders for mortgage possession compared to the same period in 2022, but the number of reposessions by county court bailiffs fell over the period. All landlord possession actions increased when compared to Q4 2022. They also report the rate of mortgage possession claims per 100,000 mortgaged home-owning households was highest in Westminster and Kensington & Chelsea. However, this result may be affected by the large number of mortgaged second homes and mortgaged private rented homes in those markets.

DATA: DLUHC published social housing sales and demolitions, 2022-23

The data for England includes Official Statistics in Development on net supply that show “For 2022-23, the figures show that local authority affordable housing stock for rent decreased by over 5,700 while the rental stock owned by private registered providers increased by over 20,300, an estimated net increase of nearly 14,600 affordable homes for rent for these providers combined”.

DATA: DLUHC published H2B equity loans for parliamentary constituencies

The data shows the number and value of Help-to-Buy equity loans for all buyers and for first time buyers by parliamentary constituency.

DATA: HM Treasury published Mortgage Guarantee data for Q3 2023

They report “There were 41,052 mortgage completions from scheme launch on 19 April 2021 to the end of September 2023, which represents 1.6% of all residential mortgage completions in the UK from the beginning of April 2021 to the end of September 2023” though the success of the scheme cannot be measured directly.

DATA: HM Treasury published Help-to-Buy ISA data for Q3 2023

While the scheme is closed to new accounts, existing holders can continue saving into their account until November 2029 and must claim by December 2030.

DATA: ONS reported on the reweighting of the Labour Force Survey

They report the “New weighting methodology revises down the employment rate, revises up the rate of economic inactivity, while the unemployment rate is revised up slightly”.

DATA: ONS published user requested Census data on household size

The two tables include [one](#) for all usual residents in households by age and household size and [one](#) for household reference persons by age and household size. Both cover LSOAs.

DATA: NHBC published housing supply data for Q4 2023

They report “Total new home completions down 12%, with a 20% drop in private sector” and “New home registrations drop by 44% in 2023, compared to 2022”. Unfortunately, these figures are affected by a declining market share over time.

REPORT(PDF): RICS published residential market survey for Jan 2024

They report “Metrics on buyer demand, agreed sales and new instructions all move out of negative territory”, and “Sales expectations improve further at the three and twelve-month time horizons”. They also report “House price declines continue to ease, with London seeing a largely stable trend emerge”.

REPORT: BoE reported on lender screening using a menu of contracts

The staff working paper suggests “When lenders screen borrowers using a menu of contracts, they generate a contractual externality by making the composition of their competitors’ borrowers worse”. Their analysis suggests “Counterfactual simulations show that, because of the externality, there is too much screening along the loan to value dimension”.

REPORT: BoE reported on mortgage affordability for re-fixing in 2023

They find “the ‘stress’ assessment carried out by lenders at origination will generally have subjected borrowers coming to the end of their fixed-rate terms in 2023 to higher stress rates than the prevailing mortgage rates when re-fixing”.

REPORT(PDF): IMLA published Intermediary Mortgage Market Tracker

The report covers Q4 2023 and provides useful data on the mortgage lending pipeline.

REPORT(PDF): BPF reported on the build-to-rent market in Q4 2023

The report is prepared by Savills and shows “The number of BtR homes complete, under construction, or in planning stands at just under 267,000” with 100,300 completed.

REPORT: ASI reported on “the costs of housing restrictions”

They estimate removing restrictions to allow the typical two-storey house to be replaced by an eight-storey development “would boost the welfare of every person by 6.5% if limited to London, and 11.7% if extended to all cities”.

CORPORATE: Barratt published half year results

They report “The net private reservation rate per active outlet per average week from 1 January 2024 through to 28 January 2024 was 0.60 (2023: 0.49), including a contribution of 0.04 (2023: 0.01) from sales into the private rental sector and to registered providers of social housing”. They also announced they have “agreed the terms of a recommended all-share offer for the combination of Barratt and Redrow”.

CORPORATE: Redrow published half year results

They report “Our net private reservation rate per outlet per week over the first 5 weeks of calendar year 2024 was 0.52 (2023: 0.51)”.

CORPORATE: Grainger published trading update

They report “Like-for-like PRS rental growth 8.4% YTD” and “Occupancy 97.2% (PRS)”.

CORPORATE: Bellway published trading update

They report “an improvement in the private reservation rate during January to 0.59 per outlet per week (January 2023 - 0.45)”.

Chart of the Week

The latest ONS [release](#) of real-time indicators for economic activity and social change included the [latest Dataloft data](#) on average rents as a percentage of gross income for new tenancies. Based on the actual rental affordability of individual borrowers, the chart shows rental affordability has become increasingly stretched over the last twelve months, with the average rent as a percent of income hitting a high of 27.6% of gross income in January 2024 compared to 26.4% in January 2023 (though do note the y-axis doesn't start at zero).

Private Rents As % of Gross Income For New Tenancies

Source: ONS, Dataloft

