

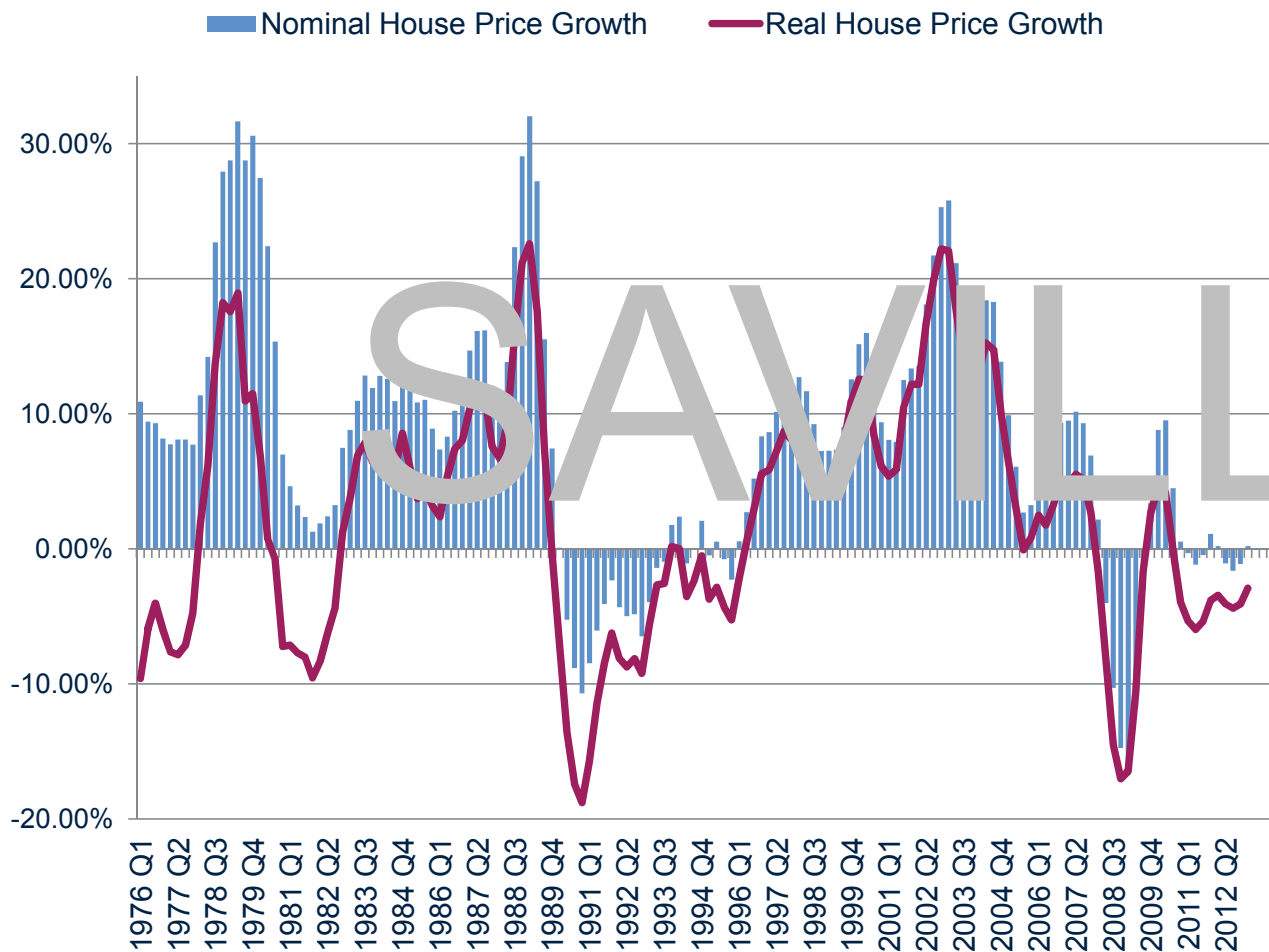
# Boom? Bust? – or both?

Housing market outlook



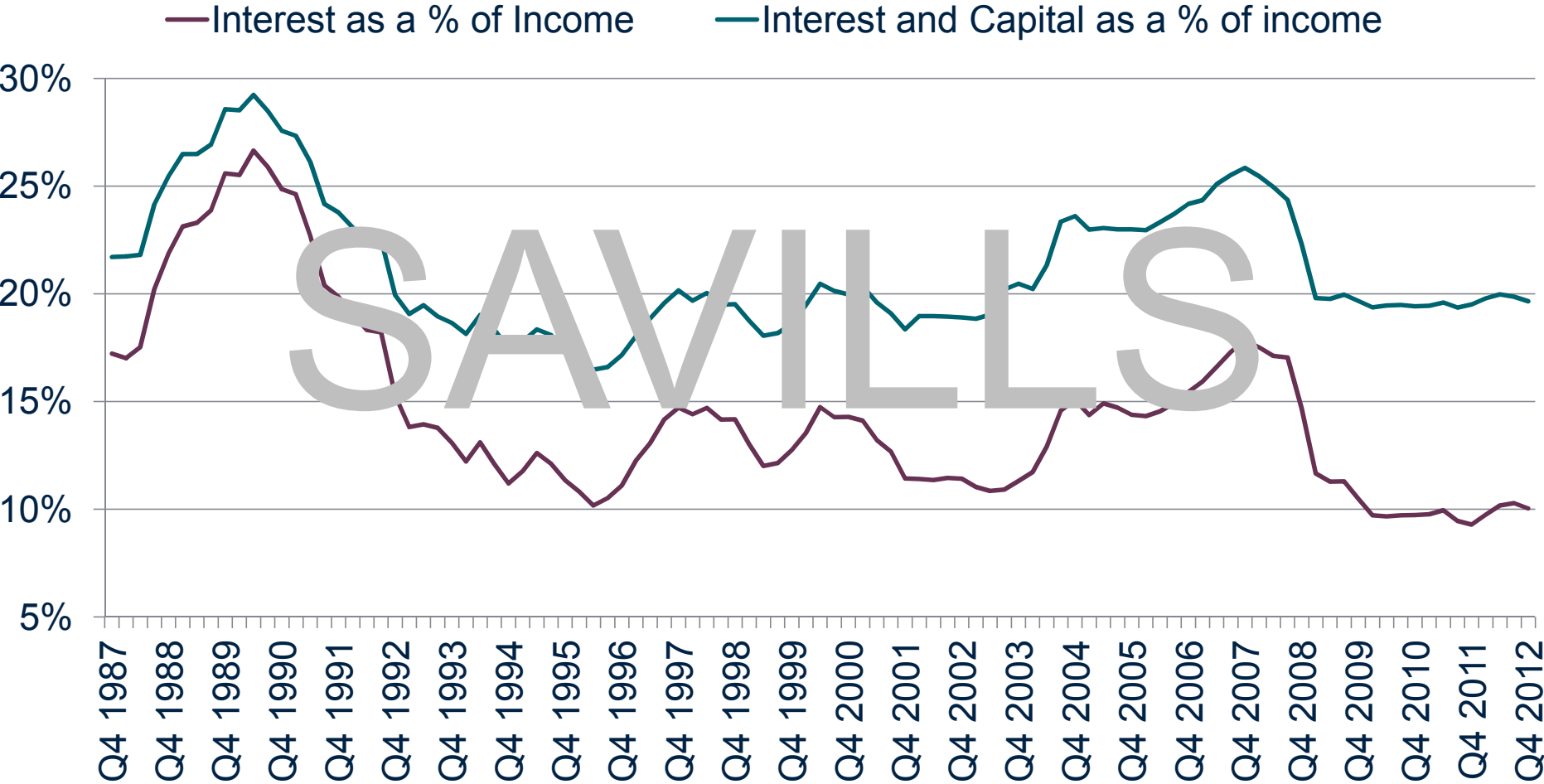
Yolande Barnes

# A short history lesson



	Real House Price Growth	Annualised
5 year	-22%	-4.9%
10 year	-1.5%	-0.1%
15 year	68%	3.5%
20 year	83%	3.1%
25 year	52%	1.7%
30 year	108%	2.5%
35 year	130%	2.4%

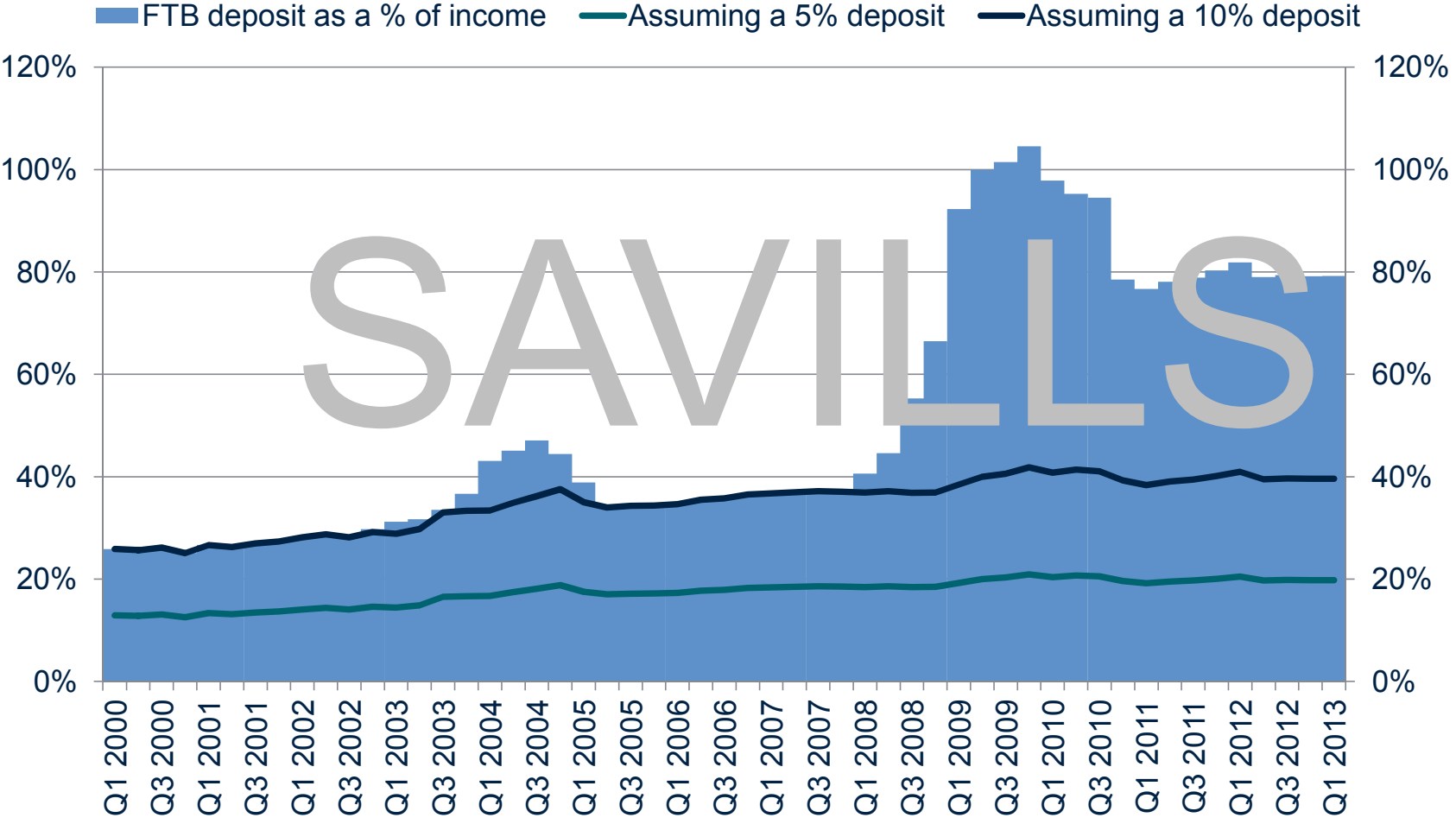
# Mortgage Affordability (Home movers)



Source: CML / Savills

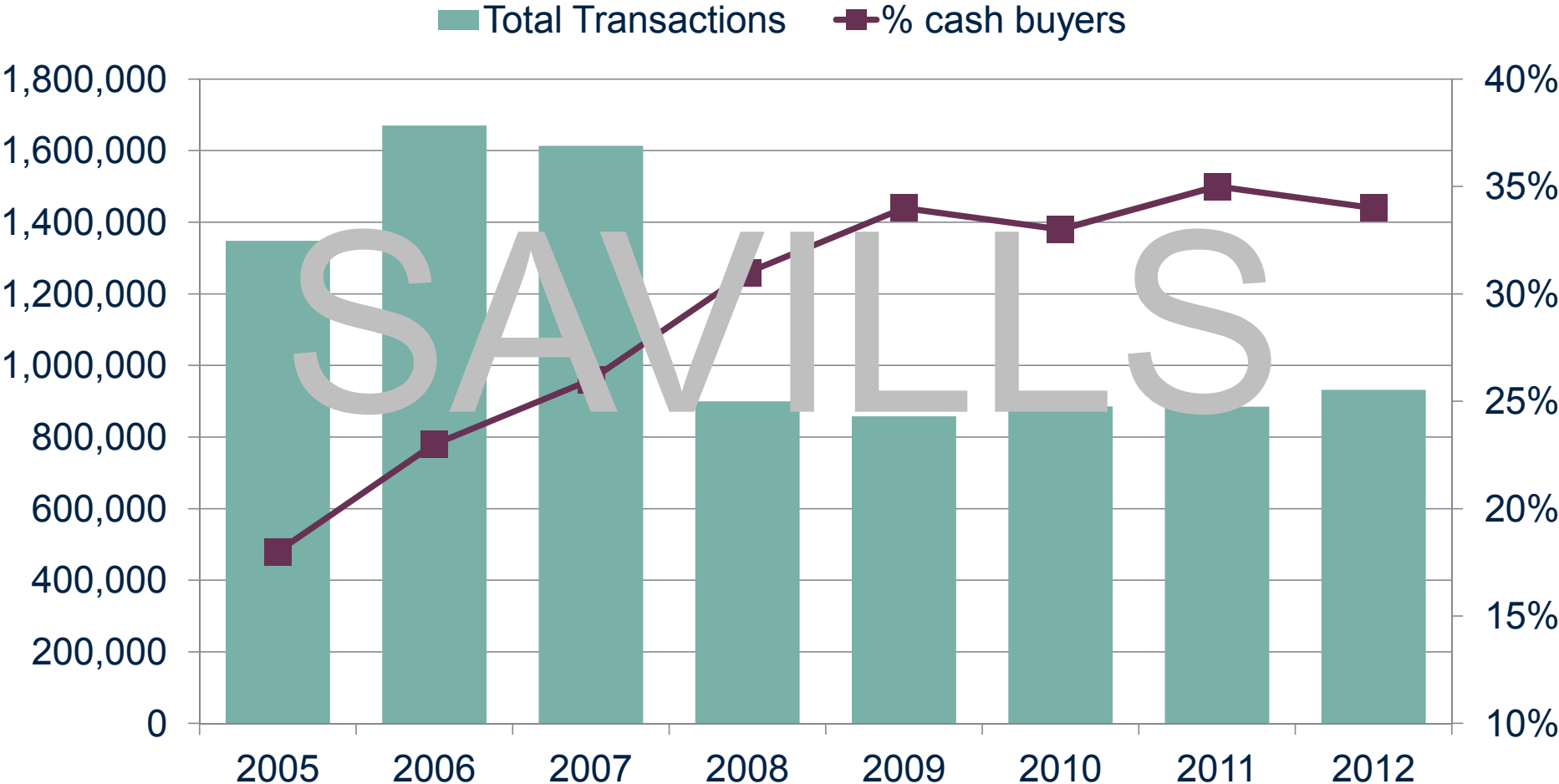


# Accessibility is the main issue now



Source: Savills / CML

# ... so a smaller market is driven by equity










Source: Savills, HMRC, CML

## ... leading to huge variations

	Value £m	1 year	Since peak
London	1,122,726	6.8%	7%
South East	910,447	2.0%	-8%
East	509,653	1.6%	-10%
South West	471,551	0.2%	-11%
Scotland	304,127	0.1%	-10%
East Mids	261,849	-0.1%	-18%
West Mids	335,578	-0.5%	-16%
Wales	176,257	-1.2%	-19%
Y and H	294,467	-1.7%	-21%
North West	402,936	-1.5%	-22%
North East	128,786	-2.4%	-26%
N Ireland	72,082	-10.2%	-52%
<b>UK</b>	<b>4,998,514</b>	<b>1.5%</b>	<b>-13%</b>

















# Our UK 'average mainstream' forecasts

	5 years to end 2012	2013	2014	2015	2016	2017	5 years to end 2017
Market conditions							
Nominal Price Growth	<b>-11%</b>	<b>0.5%</b>	<b>1.5%</b>	<b>2.0%</b>	<b>3.5%</b>	<b>3.5%</b>	<b>11.5%</b>
Real Price Growth*	<b>-24%</b>	<b>-2.0%</b>	<b>-1.0%</b>	<b>-0.5%</b>	<b>0.5%</b>	<b>0.0%</b>	<b>-3.0%</b>

\* using RPI

# UK mainstream forecasts















	5 years to end 2012	2013	2014	2015	2016	2017	5 years to end 2017
<b>Current</b>	 -11%	 0.5%	 1.5%	 2.0%	 3.5%	 3.5%	 11.5%
<b>After 'Help to buy'</b>	 -11%	 0.5%	 2.0%	 3.5%	 4.5%	 3.5%	 15.3%



# Prime London forecasts



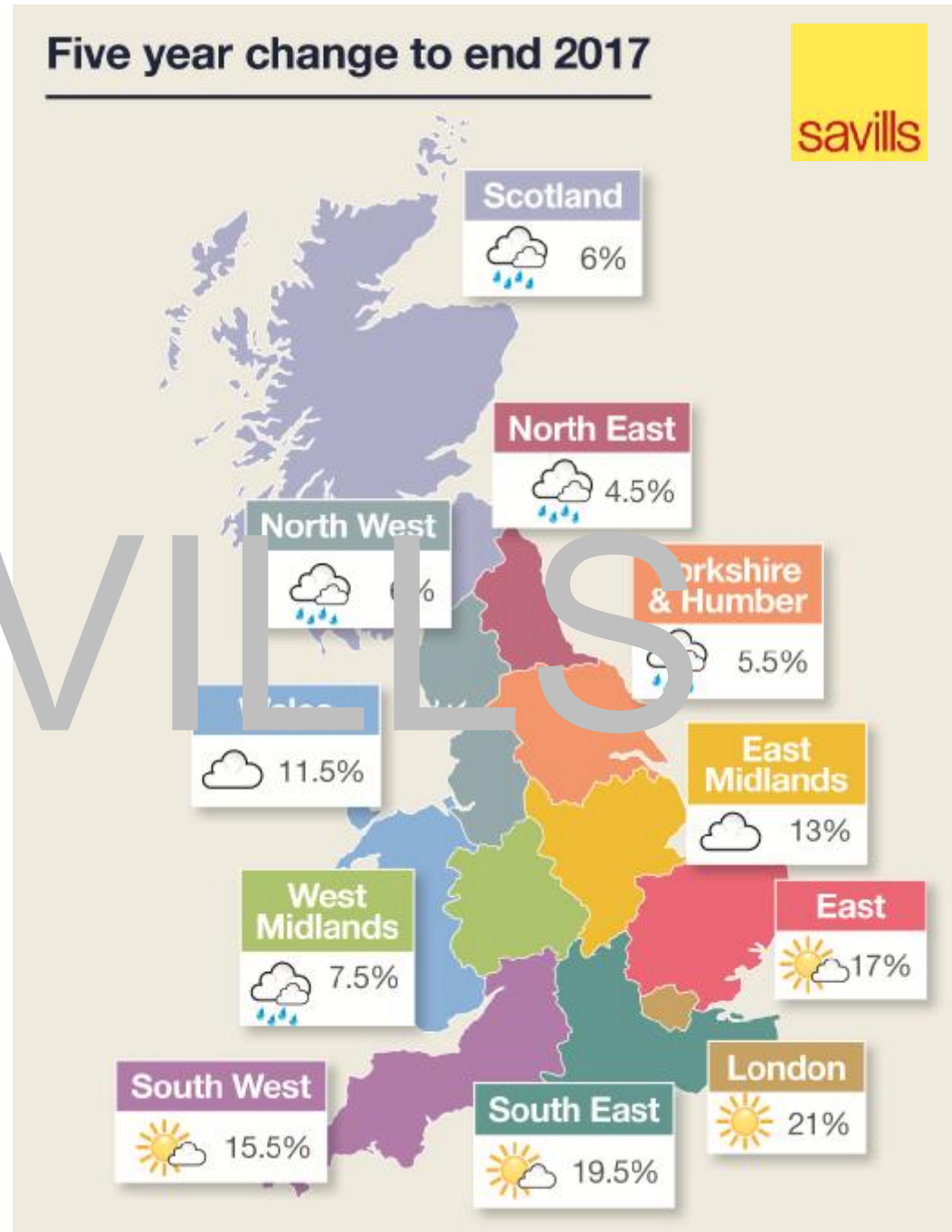
	2012	2013	2014	2015	2016	2017	5 yrs to 2017
Prime London	 3.5%	 0.0%	 3.5%	 7.5%	 6.0%	 5.0%	23.8%
Prime Regional	 -2.0%	 -0.5%	 2.0%	 3.5%	 4.5%	 5.0%	15.3%

UK mainstream

### Five year change to end 2017

savills

SAVILLS



savills

London city state  
v. everything  
else

SAVILLS

### Five year change to end 2017

