

# House prices in Wales plateau for the first time since January 2021

Wales has not recorded the UK's highest annual growth for the first time since January 2021, according to the Halifax House Price Index.

However, house price inflation still remains extremely strong at 14.1% with the average house price at £211,942 – another all-time high for Wales.

The UK's monthly house price series reported that the South West of England has overtaken Wales as the strongest performer with an annual house price inflation at 14.6%.

The average house price in the South West is now at £298,162.

Across the UK, the average house price hit a new record high of £282,753 in March after increasing by nearly the equivalent of average earnings over the past year.

House prices have risen by 18.2%, or £43,577 in cash terms, since the first UK lockdown two years ago.

Property values increased by 1.4% month on month, or £3,860 on average in cash terms, and were 11.0% higher than a year earlier.

Here are the average house prices across the UK in March and the annual increase, according to [Halifax](#):

- East Midlands, £234,083, 12.3%
- Eastern England, £330,883, 11.7%
- London, £534,977, 5.9%
- North East, £162,692, 9.5%
- North West, £214,591, 10.8%

- Northern Ireland, £177,265, 13.0%
- Scotland, £194,621, 8.2%
- South East, £385,790, 11.6%
- South West, £298,162, 14.6%
- Wales, £211,942, 14.1%
- West Midlands, £238,647, 10.0%
- Yorkshire and Humber, £194,639, 9.5%

Nathan Emerson, chief executive of [Propertymark](#), said: “Our member agents in Wales continue to report an extremely busy and vibrant market. This is due to the many attractive rural areas and the large disparity in the level of stock compared to demand which remains completely outbalanced meaning fierce competition among buyers.”

He added: “Coastal and rural locations are proving to also be very desirable. Home working has allowed buyers to move away from cities that were once close to their offices and bring often larger budgets to other areas, so it is unsurprising that the average house price in the South West has seen huge growth this month.”

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Russell Galley, managing director of Halifax said: “The new record price of £282,753 is up some £28,113 on a year ago, not far off average UK earnings over the same period (£28,860).

“The story behind such strong house price inflation remains unchanged: limited supply and strong demand, despite the prospect of increasing pressure on households’ finances. Although there is some recent evidence of more homes coming onto the market, the fundamental issue remains that too many buyers are chasing too few properties.”

Mr Galley added: “However, in the long-term we know the performance of the housing market remains inextricably linked to the health of the wider economy. There is no doubt that households face a significant squeeze on real earnings, and the difficulty for policymakers in needing to support the economy yet contain inflation is now even more acute because of the impact of the war in Ukraine.

“Buyers are therefore dealing with the prospect of higher interest rates and a higher cost of living. With affordability metrics already extremely stretched, these factors should lead to a slowdown in house price inflation over the next year.”

Mike Scott, chief analyst at estate agency [Yopa](#), said: “The Halifax House Price Index for March confirms the Nationwide’s report of a new acceleration in house prices, with the price of the average house rising by 1.4% in the month and by 11% since March 2021. This is the largest monthly rise for six months.”

He added: “There was some expectation of a slowdown in the rate of growth of house prices this year, but it is clear that this has not yet happened. The combination of restricted supply, high demand and interest rates that remain at historically low levels despite the recent base rate increase is continuing to push prices higher.

“Yopa does expect that the rate of growth will slow down in the second half of the year, as interest rates rise further and cost of living increases start to bite. However, we do not anticipate that the market will turn around completely, with

prices starting to fall, since it will take more than one year to rebuild the stock of homes for sale to a more normal level.”

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