Lloyds TSB

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The **Lloyds TSB Million Pound Property Report** tracks all residential property sales of at least £1 million in Great Britain using data from the HM Land Registry and Registers of Scotland. House sales refer to data from the first half of each year.

Million pound homes sales weaken to three year low

The number of home sales worth at least a million pounds has declined to its lowest level since 2009, according to new research by Lloyds TSB. There were 3,043 million pound property sales in Great Britain in the first half of 2012; the smallest total since the first half of 2009 (1,376) and 11% lower than in the same period in 2011 (3,413). **(See Table 1)**

Sales of million pound homes account for a minor part of the national housing market, representing just 1.0% of total sales in the first six months of 2012. Even in London, million pound sales account for only 5.2% of all sales. Lloyds TSB estimates that there are around 166,000[1] homes in Great Britain worth at least one million pounds.

Million pound property sales underperforms the wider housing market

The 11% decline in million pound home sales in the first half of the year was in contrast to the 3% market-wide rise in property sales over the period. This is a reversal of the trend in 2011 when sales of million pound properties (11%), significantly outperformed the rest of the market (-8%). **(See Table 2)**

London accounts for much of the decline in million pound sales

The decline in million pound sales in London – a 151 decrease (-7%) from 2,185 in the first half of 2011 to 2,034 in the same period this year – accounted for almost half (41%) of the national decline. Despite this, over two-thirds (67%) of all million pound sales in Great Britain in the first half of 2012 were in the capital. Scotland accounted for the highest proportion of million sales (1.7%) outside southern England. **(See Table 1)**

Sales of homes worth at least two million pounds also fall…

There were 670 sales of properties costing at least two million pounds in the first half of 2012; a fall of 10% on the same period in 2011 (744). This was the first annual fall since 2009.

…but sales of homes worth over five million pounds continue to grow

In contrast to the rest of the million pound sector of the property market, the number of five million pound plus property sales continued to increase, rising by 5% to 81 in the first six months of 2012. This was the third successive annual increase.

Suren Thiru, Lloyds TSB Housing Economist, said:

"The number of homes sold for over £1 million has fallen significantly over the past year, reversing the increases recorded over recent years. This partly reflects the changing market conditions for those looking to buy such properties including the 40% increase in the stamp duty rate for multi-million pound homes."

"However, there does remain a certain amount of strength at the very top end of the housing market with sales of homes worth more than £5 million continuing to outstrip the rest of the market with the very top end of London property market still seen as a 'safe haven' by investors."

ADDITIONAL FINDINGS:

Million pound sales by local authority district

- A quarter of all the million pound homes sold in the first six months of 2012 were in the London local authority districts of Kensington & Chelsea (423) and Westminster (337). **(See Table 3)**

- Edinburgh (22) recorded the highest number of million pound property sales outside southern England. **(See Table 4)**

- Just under half (49%) of the 379 local authority districts tracked recorded at least one sale of over a million pounds.

- Over three-quarters (77%) of all five million pound plus sales are in Kensington & Chelsea and Westminster.

EDITORS' NOTES:

[1]Based on the assumption that the proportion of sales is representative of the entire owner occupied housing stock.

The house sales data in this report is sourced from the HM Land Registry and the Registers of Scotland.

Table 1: Regional million pound property sales, 2011 H1-2012 H1

	H1 2011	H1 2012	Change	% Change
North East	13	4	-9	-69%
North West	43	34	-9	-21%
Yorkshire and The Humber	22	22	0	0%
East Midlands	13	19	6	46%
West Midlands	24	22	-2	-8%
East of England	233	180	-53	-23%
London	2185	2034	-151	-7%
South East	699	578	-121	-17%
South West	118	98	-20	-17%
Wales	3	1	-2	-67%
Scotland	60	51	-9	-15%
Great Britain	**3413**	**3043**	**-370**	**-11%**

Sources: Lloyds TSB, Land Registry, Registers of Scotland

Table 2: Regional property sales by price band, 2011 H1-2012 H1

Region	% Change H1 2011 - H1 2012		
	Under £1m	£1m+	Total
North East	-3%	-69%	-3%
North West	-2%	-21%	-2%
Yorkshire and The Humber	3%	0%	3%
East Midlands	3%	46%	3%
West Midlands	4%	-8%	4%
East of England	4%	-23%	4%
London	3%	-7%	2%
South East	5%	-17%	4%
South West	4%	-17%	4%
Wales	0%	-67%	0%
Scotland	9%	-15%	9%
Great Britain	**3%**	**-11%**	**3%**

Sources: Lloyds TSB, Land Registry, Registers of Scotland

Table 3: 10 Local Authority Districts with the highest number of million pound plus property sales, 2012 H1

Local Authority District	Region	H1 2012
Kensington and Chelsea	London	423
Westminster	London	337
Camden	London	175
Hammersmith and Fulham	London	174
Wandsworth	London	169
Richmond upon Thames	London	139
Elmbridge	South East	104
Islington	London	97
Barnet	London	87
Merton	London	56

Sources: Lloyds TSB, Land Registry, Registers of Scotland

Table 4: 10 Local Authority Districts outside southern England with the highest number of million pound plus property sales, 2012 H1

Local Authority District	Region	H1 2012
Edinburgh	Scotland	22
Cheshire East	North West	13
Harrogate	Yorkshire and The Humber	11
Trafford	North West	10
Stratford-on-Avon	West Midlands	10

East Northamptonshire	East Midlands	4
South Lanarkshire	Scotland	4
Wychavon	West Midlands	4
Leeds	Yorkshire and The Humber	4
Rutland	East Midlands	3
Aberdeen City	Scotland	3
Fife	Scotland	3
Sheffield	Yorkshire and The Humber	3

Sources: Lloyds TSB, Land Registry, Registers of Scotland

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