



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 2010, 2009 and 2007.

Million pound home sales rise at fastest rate since 2006

The number of million pound property sales in 2010 increased at the fastest rate for four years, according to research by Lloyds TSB. There were 7,185 million pound property sales in Great Britain in 2010: 54% higher than in 2009. This is the largest annual increase since 2006 (62%) and suggests a real resurgence at the very top end of the housing market. In total, there are now an estimated 184,000¹ homes in Britain worth at least one million pounds.

Despite this significant increase, million pound property sales remain 13% below the levels they reached before the onset of the financial crisis in 2007 (8,216), following a sizable 43% decline in sales between 2007 and 2009. These figures underline the fact that the upper end of the market was significantly affected by the financial crisis.

Million pound property sales outperform the rest of the market

Sales of million pound properties rose significantly more than total housing transactions in 2010. The 54% increase in million pound home sales in 2010 was nine times the overall increase in sales (6%). In contrast, there was a 1% fall in the number of sales worth less than £250,000. Despite this outperformance, million pound sales continue to represent a very small proportion of the total market, accounting for just 1% of all sales in Britain in 2010.

West Midlands sees largest rise in million pound sales

The geographical distribution of million pound home sales also reflects the wider north-south divide in the housing market with London and the South East accounting for 83% of all million pound sales in Great Britain in 2010. Nonetheless, there are signs of substantial growth elsewhere: the West Midlands recorded the biggest percentage increase in million pound sales (109%), followed by the East of England (62%), while London also saw a marked rise (56%).

Wales (-25%) and the North East (-19%) were the only regions to see a fall in million pound sales, although the total number of million pound sales in both areas is very low.

Substantial increase in multi-million pound home sales

There were 1,420 sales of properties costing at least two million pounds in 2010; 62% higher than in 2009 (878). Three quarters of all two million pound plus sales were in London (1,051). The number of five million pound properties sales rose by 79% from 70 in 2009 to 125 in 2010.

Suren Thiru, Lloyds TSB Housing Economist, said:

“The number of properties sold for over £1 million has risen substantially over the past year, reflecting the strength of the very top end of the housing market. A small number of areas in London still account for the lion’s share of all £1 million sales, with housing market activity in such locations continuing to benefit from strong demand from wealthy international buyers and limited supply. In contrast, the level of activity across the wider housing market remains subdued.”

ADDITIONAL FINDINGS:

Million pound property sales by local authority district:

- 64% of the 380 local authority districts tracked saw at least one sale of over a million pounds in 2010.
- Kensington & Chelsea and Westminster accounted for nearly a quarter (22%) of all the million pound homes sold in 2010 with 868 sales.
- Elmbridge in Surrey had the highest number of million pound sales outside London (268).
- Edinburgh saw the most million pound property sales outside southern England with 70 sales in 2010.

Million pound property sales and stamp duty:

- An extra £10,000 will be added to the total stamp duty bill for someone paying £1 million for a home as a consequence of last month’s increase in the stamp duty rate from 4% to 5% for homes worth over £1 million.

Table 1: Regional million pound property sales, 2009-2010

Region	2009	2010	% Change
West Midlands	44	92	109%
East of England	316	513	62%
London	2750	4299	56%
South East	1061	1636	54%
Scotland	102	148	45%
South West	199	268	35%
North West	86	115	34%
Yorkshire and The Humber	52	60	15%
East Midlands	34	35	3%
North East	16	13	-19%
Wales	8	6	-25%
Great Britain	4668	7185	54%

Sources: Land Registry, Registers of Scotland, Lloyds TSB

Table 2: Regional property sales by price band, 2009-2010

	% Change 2010-2009				
	Under				
	£250k	£250k-£500k	£500k-£1M	£1m+	Total
North East	4%	27%	39%	-19%	6%
North West	3%	24%	29%	34%	5%
Yorkshire and The Humber	-1%	24%	36%	15%	2%
East Midlands	1%	26%	34%	3%	3%
West Midlands	3%	29%	51%	109%	6%
East of England	-4%	32%	50%	62%	4%
London	2%	36%	52%	56%	22%
South East	-9%	29%	43%	54%	3%
South West	-5%	25%	43%	35%	1%
Wales	6%	19%	5%	-25%	7%
Scotland	5%	24%	40%	45%	7%
Great Britain	-1%	29%	46%	54%	6%

Sources: Land Registry, Registers of Scotland, Lloyds TSB

Table 3: 10 Local Authority Districts with the highest number of million pound plus property sales in 2010

Local Authority District	Region	2010
Kensington and Chelsea	London	868
Westminster	London	721
Camden	London	403
Wandsworth	London	355
Hammersmith and Fulham	London	336
Richmond upon Thames	London	309
Elmbridge	South East	268
Barnet	London	209
Islington	London	159
Merton	London	121

Sources: Land Registry, Registers of Scotland, Lloyds TSB

Table 4: 10 Local Authority Districts outside southern England with the highest number of million pound plus property sales, 2010

Local Authority	Region	2010
Edinburgh, City	Scotland	70
Trafford	North West	42
Cheshire East	North West	40
Stratford-on-Avon	West Midlands	22
Harrogate	Yorkshire and The Humber	16
Leeds	Yorkshire and The Humber	13
Birmingham	West Midlands	12
Solihull	West Midlands	11
Warwick	West Midlands	11
Aberdeen City	Scotland	10

Sources: Land Registry, Registers of Scotland, Lloyds TSB

EDITORS' NOTES:

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

Property purchases of at least one million pounds are more likely to have been paid for in cash or with a small mortgage compared to the rest of the housing market. Figures from the Council of Mortgage Lenders show that in January 2011, nearly 40% of all buyers did not need a loan to buy their home. This figure is likely to be much higher at the very top end of the housing market.

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