

Article

# Property sales in Rural and Urban Areas of England and Wales: September 2011 to year ending September 2015

House Price Statistics for Small Areas (HPSSAs) report statistics on house prices for all property sales along with a breakdown of these sales by dwelling type (detached, semi-detached, terraced and flats/maisonettes) and newly built or existing dwellings. For the reported house price statistics, associated counts of residential property sales are also published. The HPSSAs report the number of sales for residential properties, and also report 4 price variables for different house types and geographies. These are median price, mean price, lower quartile price and tenth percentile price.

Contact:  
Nigel Henretty  
better.info@ons.gsi.gov.uk

Release date:  
24 March 2016

Next release:  
To be announced

## Table of contents

1. [Main points](#)
2. [Introduction](#)
3. [Composition of the housing market in rural and urban areas of England and Wales](#)
4. [Price of newly built rural and urban dwellings](#)
5. [Trends in rural and urban house prices](#)
6. [Regional differences in rural house price change](#)
7. [Newly built dwellings at the lower end of the housing market](#)
8. [Background note](#)

# 1. Main points

In year ending September 2015, the median price of new detached properties for rural parts of England and Wales ranged from £295,000 in Town and Fringe areas to £340,000 in Villages. The median price of new detached dwellings was higher than any other property type for all rural categories.

The average price of flats in the Villages of the North East was 52% higher than the average price of flats for the region as a whole. This is the largest difference of all English regions and Wales.

New flats were the most expensive type of new property on average in Major Conurbations, but the cheapest in City and Town areas.

There was a rural-urban split in sales of new housing, with urban areas having an increasing proportion of new flats, and rural areas having an increasing proportion of new detached properties.

## 2. Introduction

Changing house prices and the development of new housing have affected rural and urban parts of England and Wales differently over the last two decades. Urban regeneration, large housing developments in rural areas and the changing use of land and buildings has contributed to changes in the composition of housing as well as varying price increases for different types of housing. Last year, the Government published a [10-point plan for boosting productivity in rural areas](#) for England. Increasing the availability of housing in rural areas forms a part of this plan.

This article uses the ONS [House Price Statistics for Small Areas \(HPSSAs\)](#) and the [2011 Rural-Urban Classification](#) to explore the changing nature of the composition and price paid for both newly built and existing residential dwellings in the 5 years up to the year ending September 2015<sup>1</sup>.

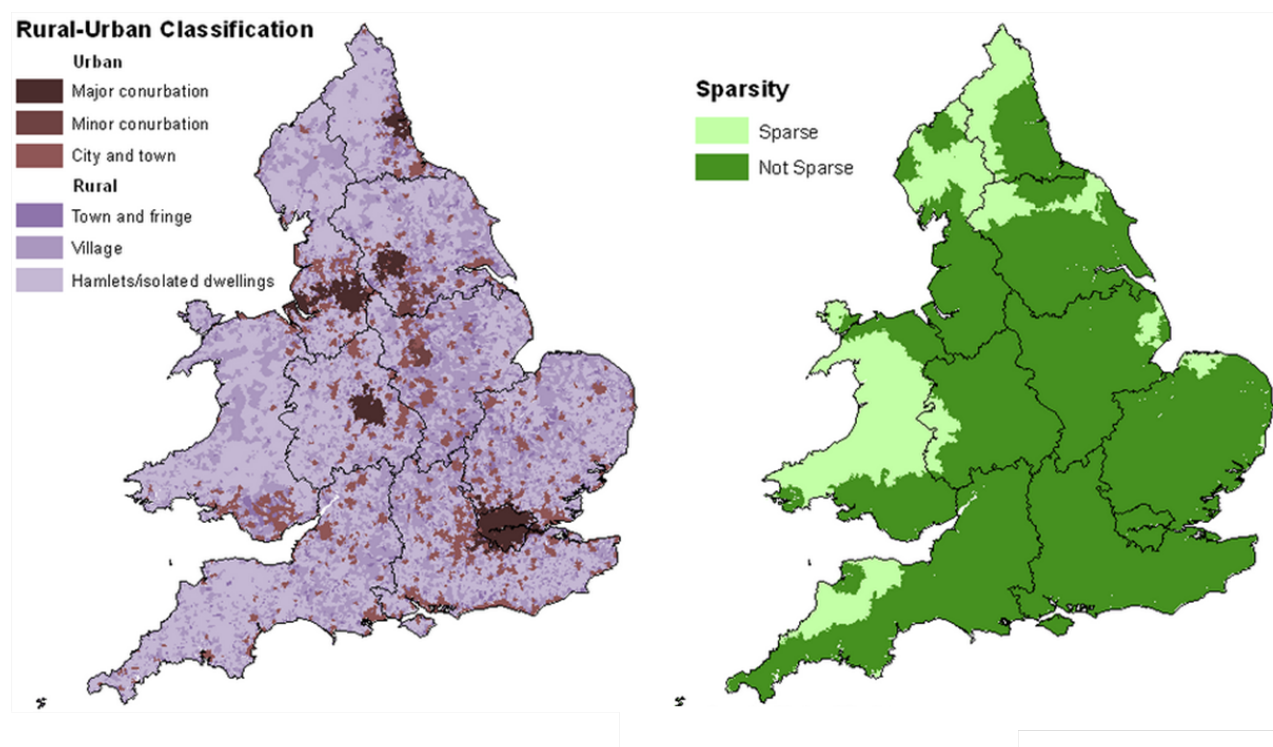
Data on the price paid for residential dwellings come from the Land Registry of England and Wales, which publishes a comprehensive dataset on all residential property transactions. These data are used to produce statistics on the number of property sales and median house prices for each different type of house - detached, semi-detached, terraced and flats/maisonettes. These statistics are published in the HPSSAs for a range of geographies including the 2011 Rural-Urban Classification. The analysis in this article uses these data back to the year ending September 2011, because this is the period to which the 2011 Rural-Urban Classification best relates.

The 2011 Rural-Urban Classification of Output Areas (OAs) allows data at that geographical level to be seen from a consistent rural-urban view. OAs are treated as 'urban' if they are allocated to a [2011 built-up area](#) with a population of 10,000 or more usual residents<sup>2</sup>, while all remaining OAs are classed as 'rural'. In 2011, 81.5% of the population lived in urban areas and the remaining 18.5% lived in rural areas, despite rural areas accounting for a far larger physical area. The urban and rural domains are then subdivided into 6 broad settlement types. The classification also categorises OAs based on their context - whether the wider surrounding area of a given OA is sparsely populated or less sparsely populated<sup>3</sup>. This results in the following 10 categories which are also displayed in Map 1:

1. Urban: Major conurbation
2. Urban: Minor conurbation
3. Urban: City and town
4. Urban: City and town in a sparse setting
5. Rural: Town and fringe
6. Rural: Town and fringe in a sparse setting
7. Rural: Village
8. Rural: Village in a sparse setting
9. Rural: Hamlets and isolated dwellings
10. Rural: Hamlets and isolated dwellings in a sparse setting

### Map 1: Rural-urban classification 2011 by Output Area

#### England and Wales



For more information about the 2011 Rural-Urban Classification see the [User Guide](#), and for an overview of the general characteristics of rural and urban areas in England and Wales, including population statistics, see the 2011 Census report on [Rural-Urban Analysis](#).

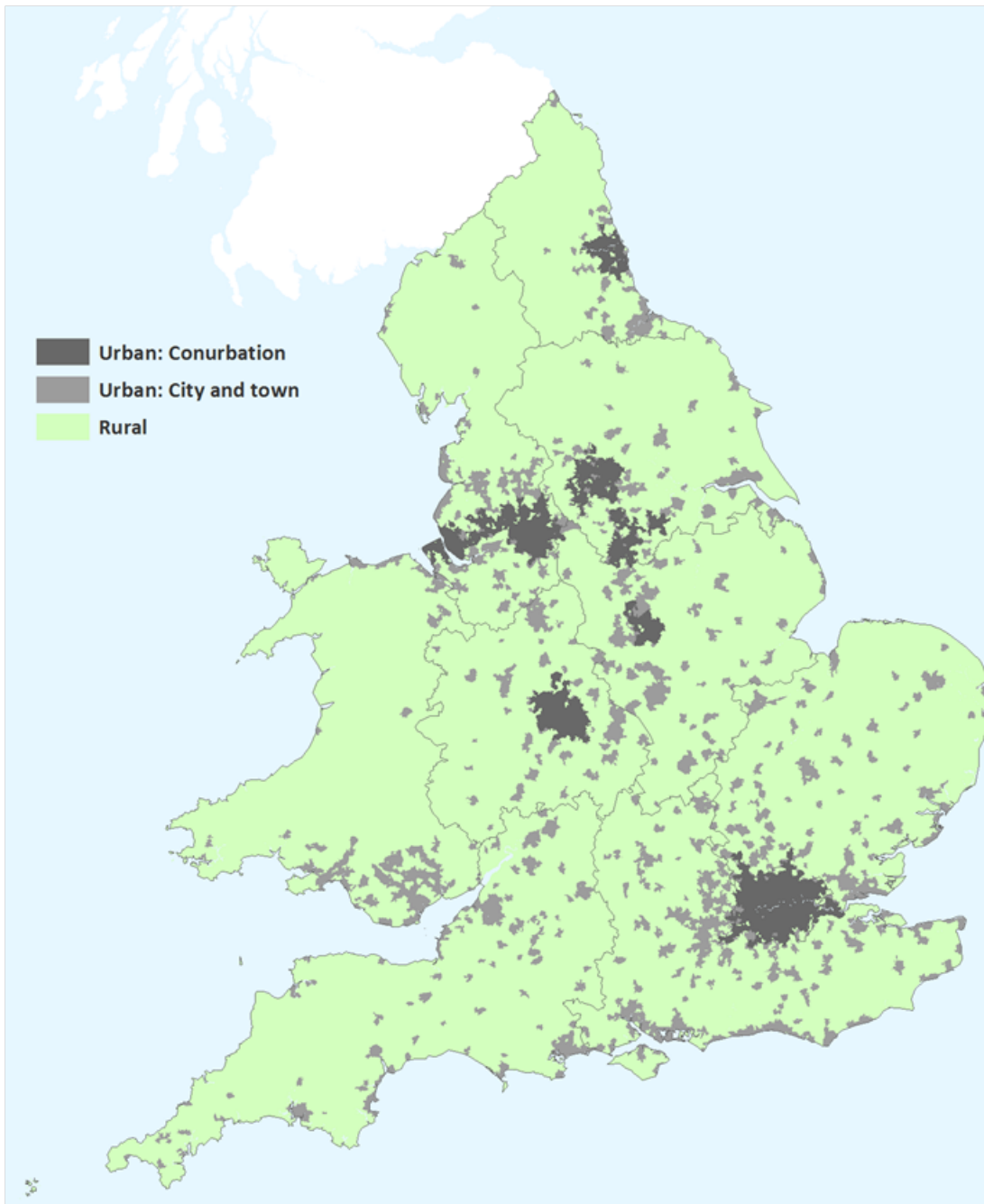
In order to summarise the differing trends in the composition of rural and urban property sales, we have combined: the categories for major and minor conurbations into one category; the city and town category with the city and town in a sparse setting category; and the remaining 6 categories into one rural category. This gives the following 3 broad rural-urban categories:

1. Urban: Conurbation
2. Urban: City and town
3. Rural

Map 2 shows the geographical area covered by the 3 broad rural-urban categories.

## Map 2: Broad rural-urban categories by Output Area

England and Wales



## Notes for Introduction

1. HPSSA data are based on quarterly rolling years. Data are aggregated into Quarters (blocks of 3 months) then years built from series of 4 consecutive quarters. Each time data for a new quarter is released a new rolling quarterly year is constructed. For example, if the previous year's data were for quarter 4, 2014 (consisting of quarter 1, to quarter 4 that is, January to December 2014) then the next quarter released would be quarter 1, 2015. The quarter 1, 2015 rolling year consists of quarter 2 to quarter 4 (April to December) 2014 and quarter 1 (January to March) 2015. Consecutive rolling years therefore have 3 quarters data in common. For simplicity we will refer to a quarterly rolling year as, for example, year ending September 2015.
2. The usually resident population refers to people who live in the UK for 12 months or more, including those who have been resident for less than 12 months but intend to stay for a total period of 12 months or more. The population base for the 2011 Census was the usually resident population of England and Wales, defined as anyone who, on the night of 27 March 2011, was either (a) resident in England and Wales and who had been resident, or intended to be resident in the UK for a period of 12 months or more, or (b) resident outside the UK but had a permanent England and Wales address and intended to be outside the UK for less than a year.
3. Differences in the settlement pattern mean that the definition of what is 'rural' differs in Wales and England. This is explored further in a [statistical article about deprivation in rural areas in Wales](#). Further information is available on the [Welsh Government statistics rural sub-theme page](#).

### 3. Composition of the housing market in rural and urban areas of England and Wales

The composition of sales for different dwelling types varies between the rural-urban categories and also varies between sales of newly built and existing dwellings. Each rural-urban category has its own distinct balance - or composition - of sales of the different house types. Table 1 shows the number and percentage of property sales for each of the rural-urban categories in the year ending September 2015.

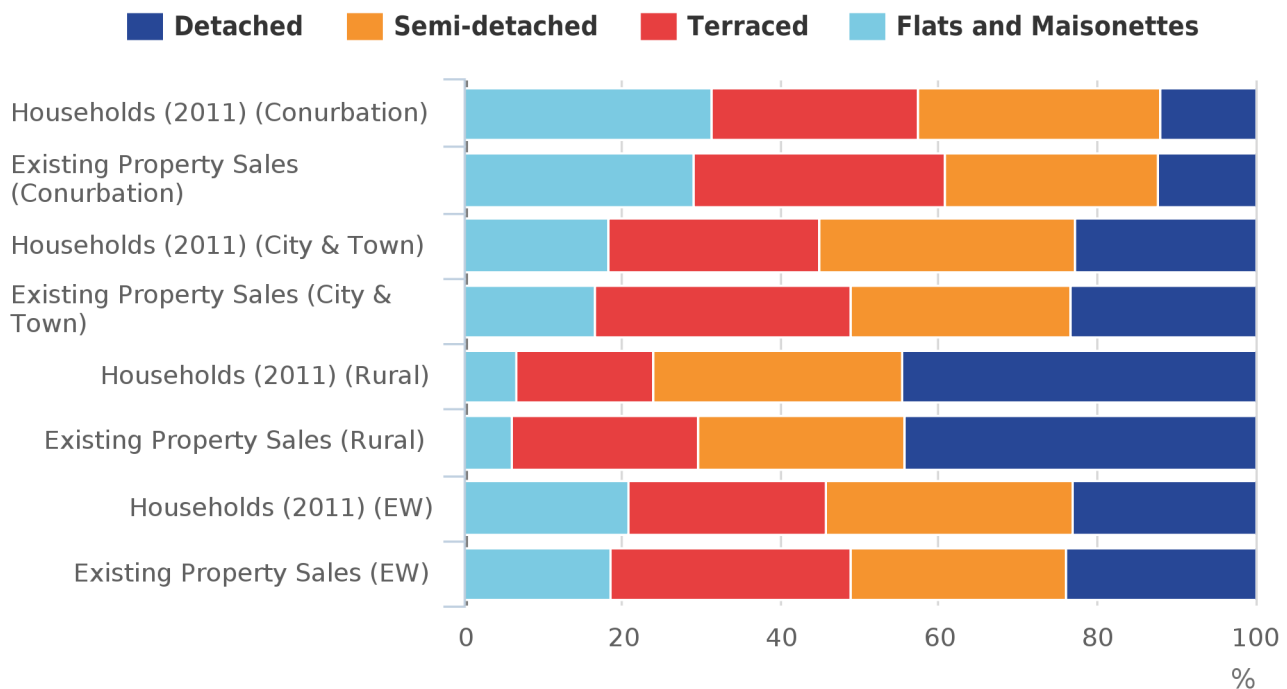
**Table 1: Number and percentage of residential property sales within each rural-urban classification, England and Wales, year ending September 2015**

Rural-urban classification code	Rural-urban classification name	Number of sales	Percent sales
A1	Urban: Major Conurbation	249,205	28.5
B1	Urban: Minor Conurbation	25,683	2.9
C1	Urban: City and Town	425,547	48.7
C2	Urban: City and Town in a Sparse Setting	2,319	0.3
D1	Rural: Town and Fringe	89,972	10.3
D2	Rural: Town and Fringe in a Sparse Setting	5,416	0.6
E1	Rural: Village	46,240	5.3
E2	Rural: Village in a Sparse Setting	4,796	0.5
F1	Rural: Hamlets and Isolated Dwellings	22,468	2.6
F2	Rural: Hamlets and Isolated Dwellings in a Sparse Setting	2,664	0.3
<b>Total</b>		<b>874,310</b>	<b>100</b>

Source: Office for National Statistics and Land Registry

Figure 1 shows for all broad rural-urban categories, the composition of sales of existing properties in year ending September 2015 is similar to the composition of households' property type overall according to the 2011 Census. This suggests that in both rural and urban areas, the composition of sales of existing properties reflects the composition of the overall dwelling stock and remains relatively stable over time. The composition of households and sales of existing properties in Urban: City and Town areas was most similar to the overall composition of property types in England and Wales, whereas the composition of property types in rural areas differed markedly from England and Wales overall.

**Figure 1: Proportion of households (in 2011) and sales of existing dwellings within each rural-urban category by property type, England and Wales (EW)**



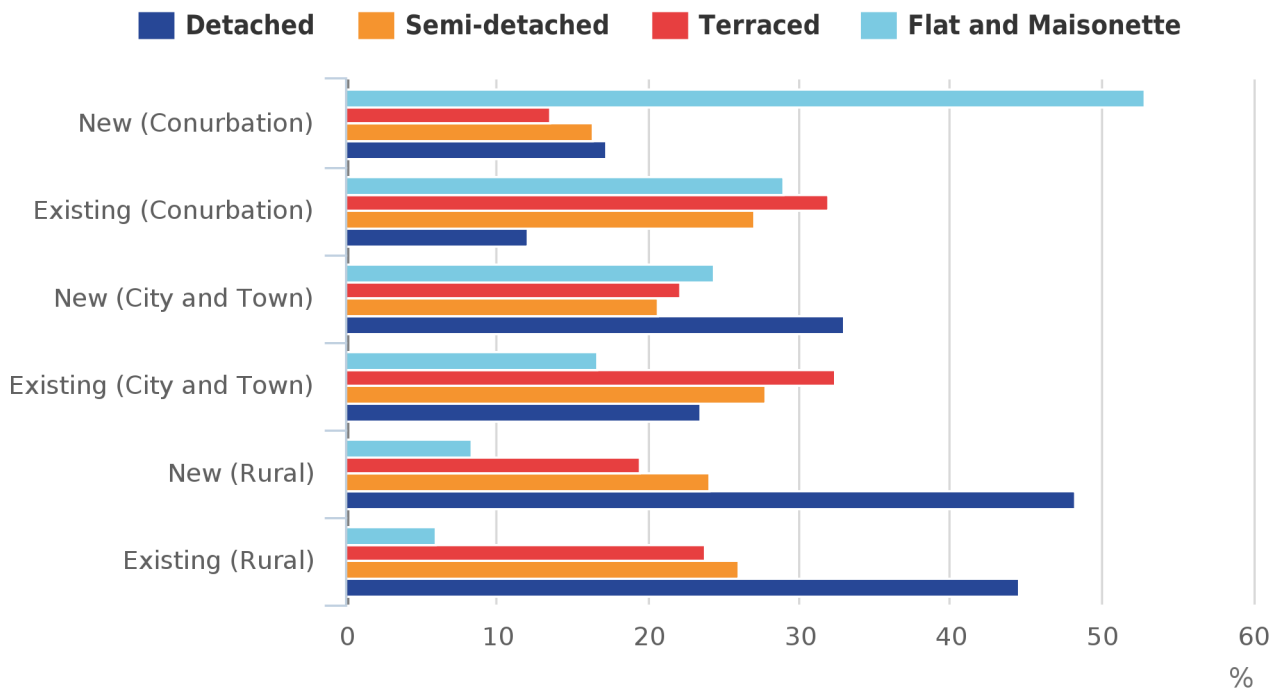
Source: Office for National Statistics and Land Registry

Notes:

1. Year ending September 2015
2. Data for the number of property sales on which these proportions are based are available in the data download.

However, the composition of sales of new properties does not always reflect the composition of the dwelling stock. Figure 2 shows the composition of sales of different house types in the broad rural-urban categories in England and Wales. It also shows the proportion of sales of both new and existing dwellings. For example, in the year ending September 2015, sales of new flats comprised 53% of all new property sales in Urban Conurbations. The proportion of sales of new properties for each of the 4 property types within the Urban Conurbation category adds up to 100%. The same is the case for each rural-urban category. Generally, the more urban areas had a lower proportion of sales of detached houses and a higher proportion of flats than the other categories in year ending September 2015.

**Figure 2: Proportion of sales for newly built and existing dwellings within each rural-urban category by property type, England and Wales**



Source: Office for National Statistics and Land Registry

**Notes:**

1. Year ending September 2015
2. Data for the number of property sales on which these proportions are based are available in the data download

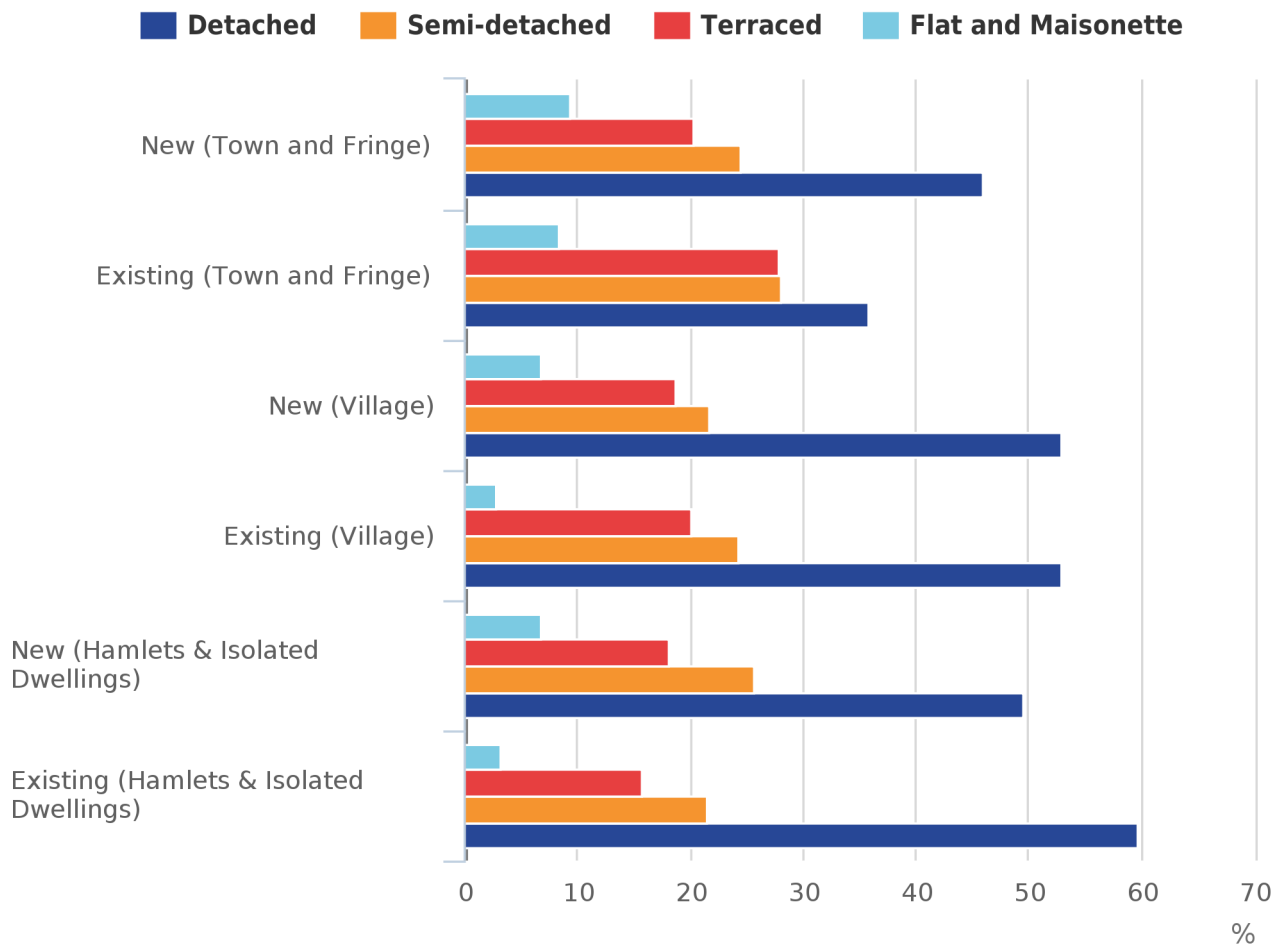
Both the Urban: Conurbation and the Urban: City and Town categories had a higher proportion of sales of newly built flats than for sales of existing flats. For existing dwellings in rural areas, detached houses were the most commonly sold property type in year ending September 2015, with over 44% of all sales for existing dwellings being detached. Unlike in urban areas, the composition of house types for both new and existing dwellings in rural areas is similar.

These patterns suggest a general rural-urban divergence in the development of new housing, with urban areas having a higher proportion of newly built flats, and rural areas having a higher proportion of new detached properties.

Figure 3 shows that within the broad rural category, the 3 main types of rural areas had distinct compositions of newly built and existing dwelling sales. Rural Town and Fringe was the only rural category in which sales of new detached properties comprised a larger share than sales of existing detached properties in year ending September 2015. In Rural Hamlets and Isolated Dwellings, detached properties were the only dwelling type which comprised a smaller share of sales for newly built dwellings than existing dwellings.

**Figure 3: Proportion of sales for newly built and existing dwellings within each rural category, England and Wales**

Year ending September 2015



Source: Office for National Statistics and Land Registry

**Notes:**

1. Data for the number of property sales on which these proportions are based are available in the data download

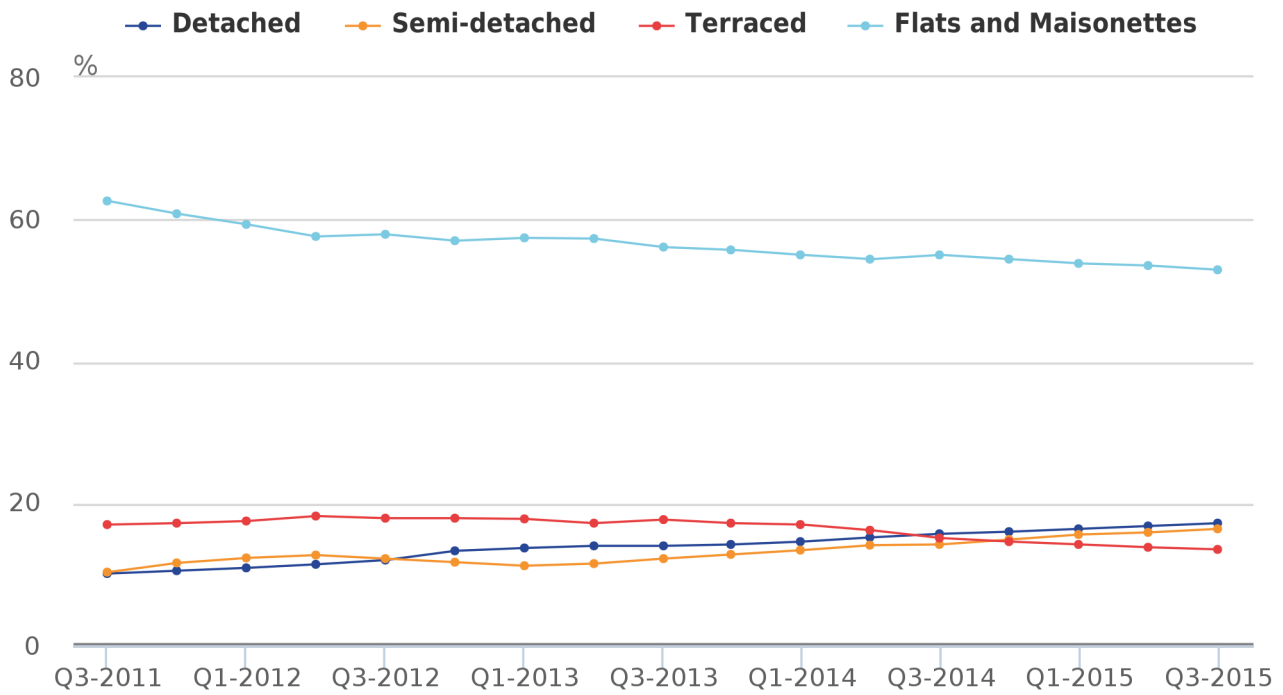
Sales of flats comprised the smallest share of sales for both newly built and existing dwellings in all rural categories in year ending September 2015. In all rural categories, sales of new flats did comprise a larger share of all newly built dwellings than did sales of existing flats.

The larger share of sales for new flats than existing flats does not necessarily indicate an increasing proportion of sales of new properties in rural areas over time, as shown in Figure 4.



**Figure 4a: Proportion of sales for newly built dwellings within each broad rural-urban category, England and Wales**

Urban: Conurbation



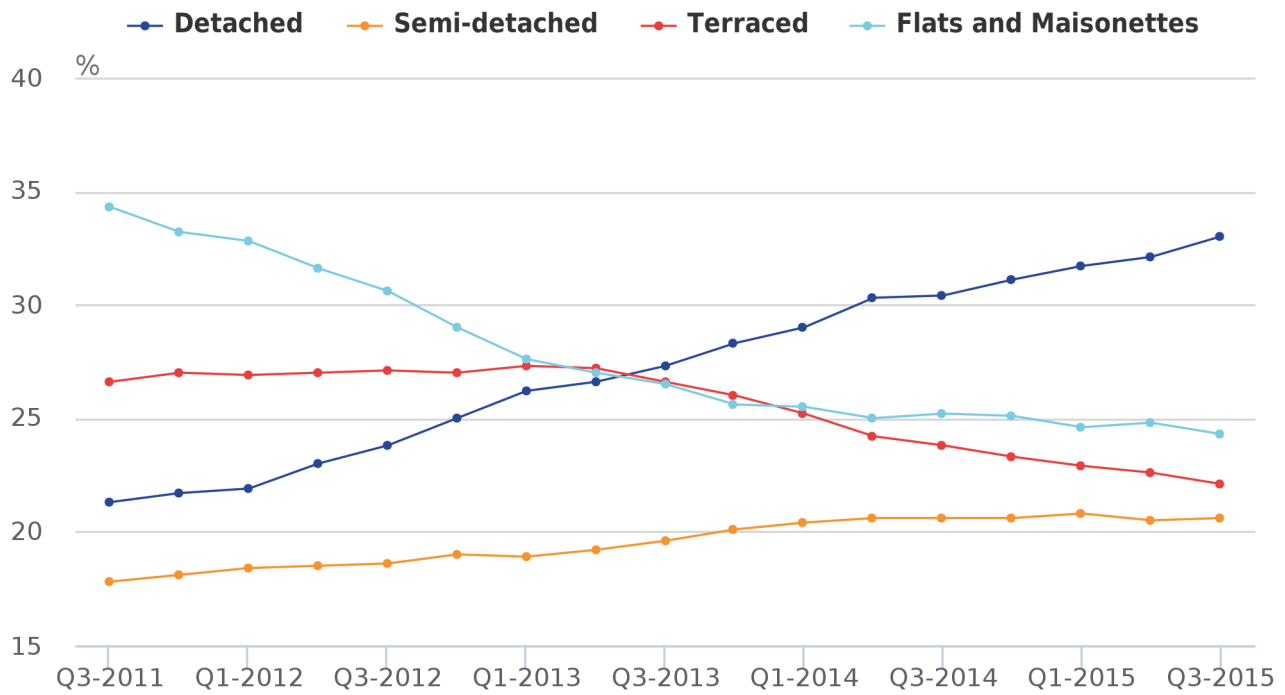
Source: Office for National Statistics and Land Registry

Notes:

1. Year ending September 2011 to year ending September 2015.
2. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 4b: Proportion of sales for newly built dwellings within each broad rural-urban category, England and Wales**

Urban: City and Town



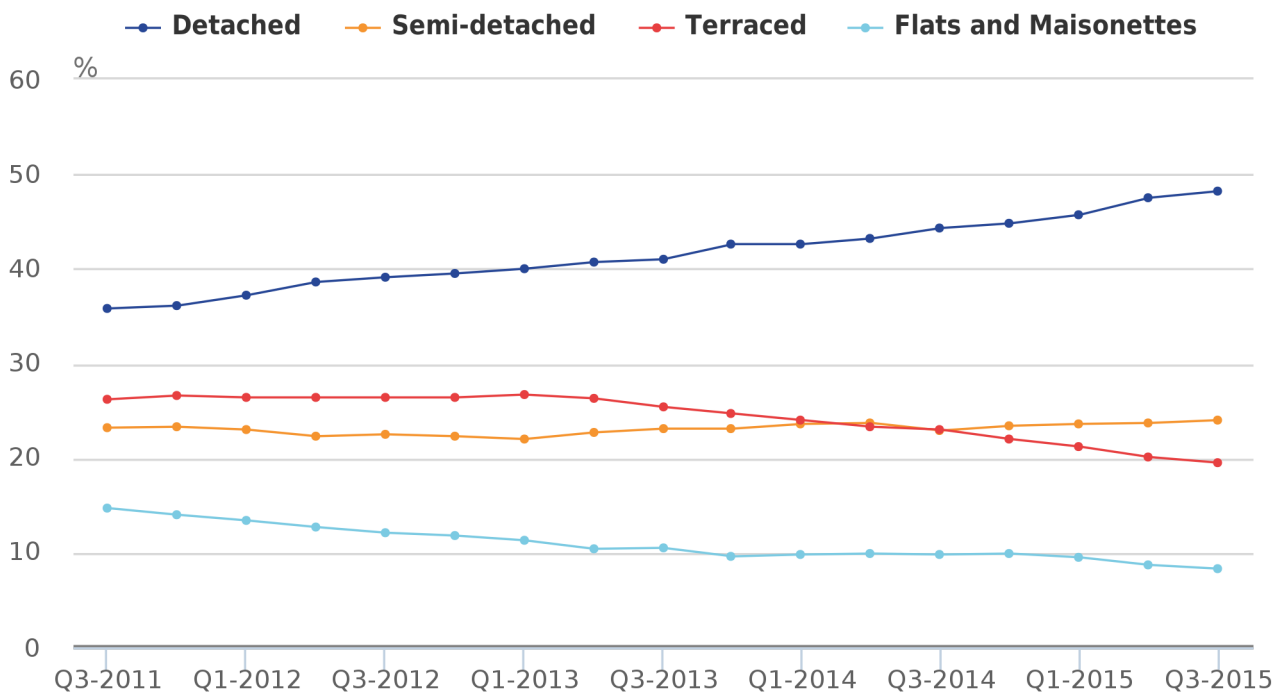
Source: Office for National Statistics and Land Registry

Notes:

1. Year ending September 2011 to year ending September 2015
2. Excludes City and Town in a Sparse Setting
3. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 4c: Proportion of sales for newly built dwellings within each broad rural-urban category, England and Wales**

**Rural**



**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2011 to year ending September 2015
2. Excludes rural categories in a sparse setting
3. Data for the number of property sales on which these proportions are based are available in the data download

Figure 4 shows the changes in the composition of sales for newly built dwellings over time for the 3 broad rural-urban categories over the last 5 years. The composition of sales for existing dwellings has remained stable over time and is broadly consistent with the number of property sales, but for sales of newly built dwellings, the composition has changed notably. The overall trend for rural and urban areas shows that the proportion of sales of newly built flats has decreased over the last 5 years. Over this period, the proportion of sales of new detached properties has been steadily increasing in both rural and urban areas. These trends reflect the changes in the geographical distribution of new properties across the English regions and Wales since 2011. Regions with more rural areas have had an increasing proportion of new detached property sales while regions with more urban areas have had an increasing proportion of sales of flats.

The proportion of sales of newly built flats in Urban Conurbations has been decreasing over the last 5 years, although flats were still the most commonly sold type of new property in year ending September 2015, which continues a trend going back to 1996. Terraced houses comprised the smallest share of sales of newly built dwellings in Urban Conurbations. This share has been falling since 2012, while the share of sales for both new detached and semi-detached dwellings have risen steadily.

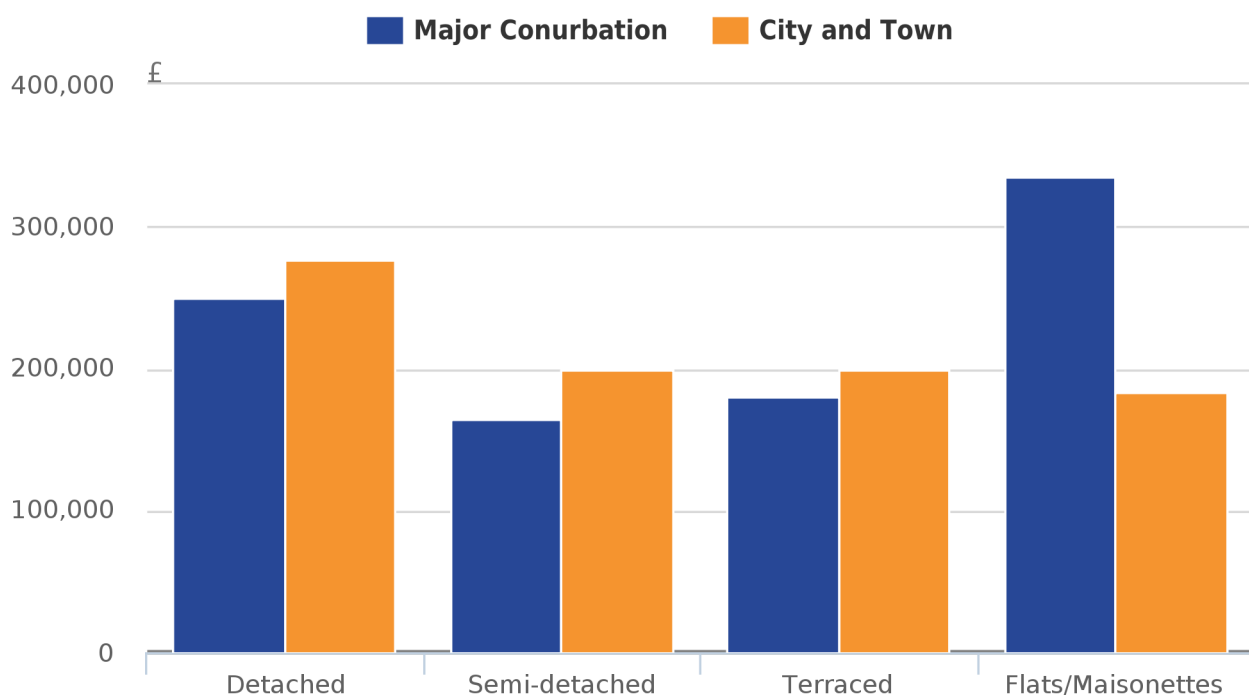
The share of sales of newly built terraced dwellings and flats in City and Town areas has also decreased substantially since 2011. Flats were the most commonly sold type of newly built dwelling in 2011. Over the last 5 years, the share of new detached properties has increased from 21% of all sales of newly built dwellings in year ending September 2011, to 33% in year ending September 2015. At the same time, sales of new detached dwellings accounted for the largest share of all City and Town property types.

Unsurprisingly, flats in rural areas were the least commonly sold type of newly built dwelling throughout the last 5 years, although this share has been decreasing steadily over this period. Since 2011, the share of newly built flats decreased from 15% of all newly built rural dwellings to 8% in year ending September 2015. The share of sales of newly built terraces in rural areas has also declined, while new detached properties had the largest increase in share of new rural properties, reaching 48% in year ending September 2015.

## 4. Price of newly built rural and urban dwellings

Looking at the latest data on the price of new housing, Figure 5 shows that in the year ending September 2015, new flats were the only new dwellings which had a higher median sale price in Major Conurbations (£335,000) than in City and Town areas (£182,950)<sup>1</sup>. New flats were the most expensive type of new property on average in Major Conurbations, but the cheapest in City and Town areas. New detached, semi-detached and terraced dwellings all had a lower median sale price in Major Conurbations than in City and Town areas.

**Figure 5: Median price paid for newly built dwellings, England and Wales**



Source: Office for National Statistics and Land Registry

**Notes:**

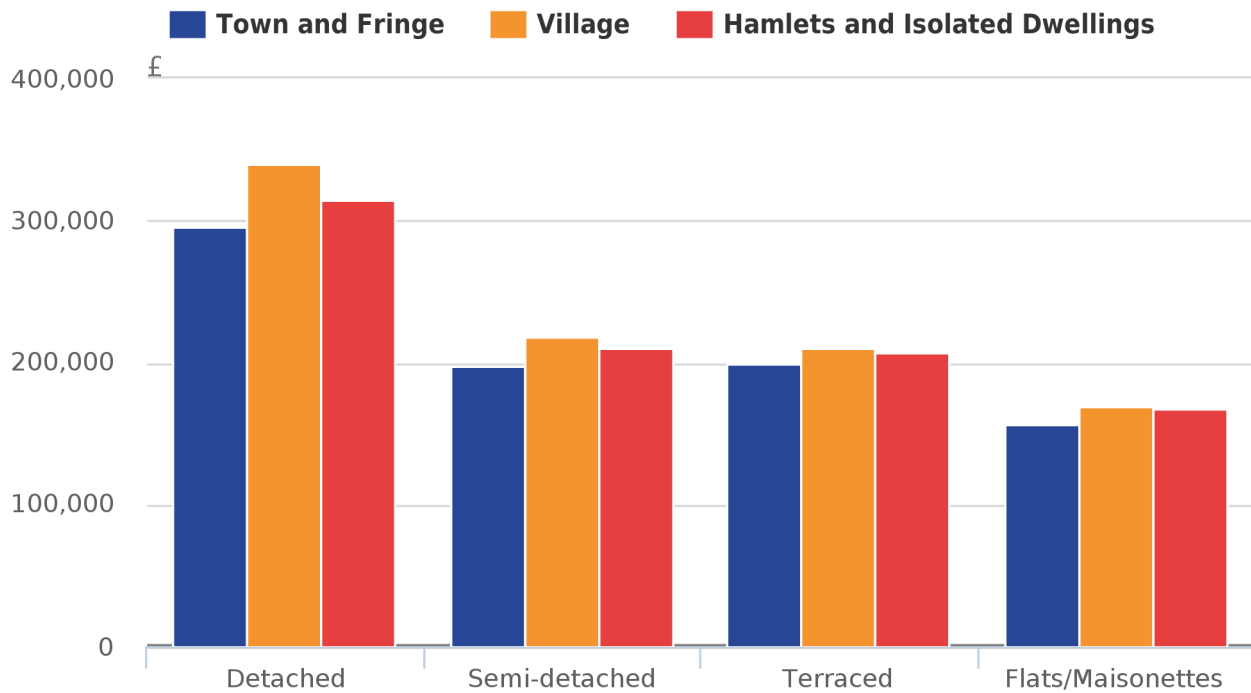
1. Year ending September 2015
2. Excludes categories in a sparse setting
3. Data for the number of property sales on which these proportions are based are available in the data download

The median sale price of new properties within each property type varied less in rural areas than in urban areas. Figure 6 shows that flats were the property type for which the median price of new dwellings was lowest for all rural categories. On average, house prices were higher in Villages than other rural areas for all types of property.

In year ending September 2015, the median price of new detached properties in the rural categories, ranged from £295,000 in Town and Fringe areas to £340,000 in Villages. The median price of new detached dwellings was higher than any other property type for all rural categories.

**Figure 6: Median price paid for newly built rural dwellings, England and Wales**

Year ending September 2015



Source: Office for National Statistics and Land Registry

**Notes:**

1. Year ending September 2015
2. Excludes categories in a sparse setting
3. Data for the number of property sales on which these proportions are based are available in the data download

**Notes for Price of newly built rural and urban dwellings**

1. Data for Minor Conurbations have not been included in Figure 4 because this urban category relates only to Nottingham and Sheffield, which account for a much smaller proportion of property sales and are less geographically distributed than the other urban categories and so is not directly comparable. Major Conurbations include sales predominantly in London in which the median price of sales was higher than any other English region and Wales. This inflates the median price paid figure for Urban Conurbations overall.

**5. Trends in rural and urban house prices**

Looking at the change in price of all housing between the year ending September 2011 and year ending September 2015 helps highlight house price changes in rural and urban areas as defined by the 2011 Rural-Urban Classification. This classification relates to areas defined by the population at the time of the 2011 Census, so although data for earlier years are available, this 5 year historical period is the most suitable to explore changes in rural-urban house prices over time.

Figure 7 shows the percentage change in median sale price for both existing and new dwellings, by type and rural-urban category over the last 5 years. The median price paid for all types of existing dwelling increased in all rural-urban categories between year ending September 2011 and year ending September 2015.

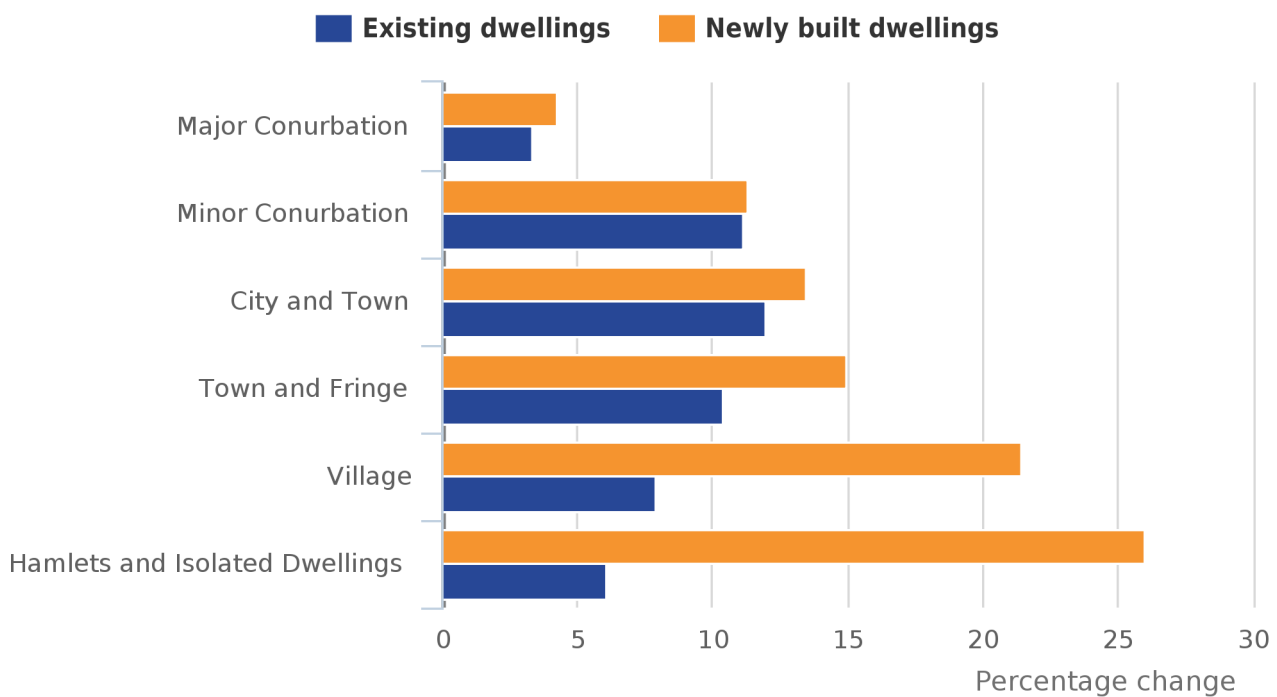
The price of both new and existing detached dwellings increased on average for all rural-urban categories. This could, in part, be driven by changes in the overall dwelling stock and the volume of different types of properties being sold over this period.

The median sale price of new detached properties increased more in the more rural categories, while the price of existing detached properties increased to a lesser extent for these categories. The increase in median price of both new and existing detached properties over the last 5 years was smallest for Major Conurbations. The increase in the median price paid for new detached properties was largest in Hamlets and Isolated Dwellings.

New and existing flats had increases in the average price paid over the last 5 years in all rural-urban categories except for new flats in Villages (down 15%) and Hamlets and Isolated Dwellings (down 10%). Decreases in the median price of new flats in the most rural areas may be a result of a relatively small number of sales taking place. It may also reflect the differing nature of flats in rural areas compared with urban areas, with new flats being likely to account for a higher proportion of house to flat conversions in rural areas and a higher proportion of office to flat conversions in urban areas.

**Figure 7a: Percentage change in median price paid, England and Wales**

**Detached**



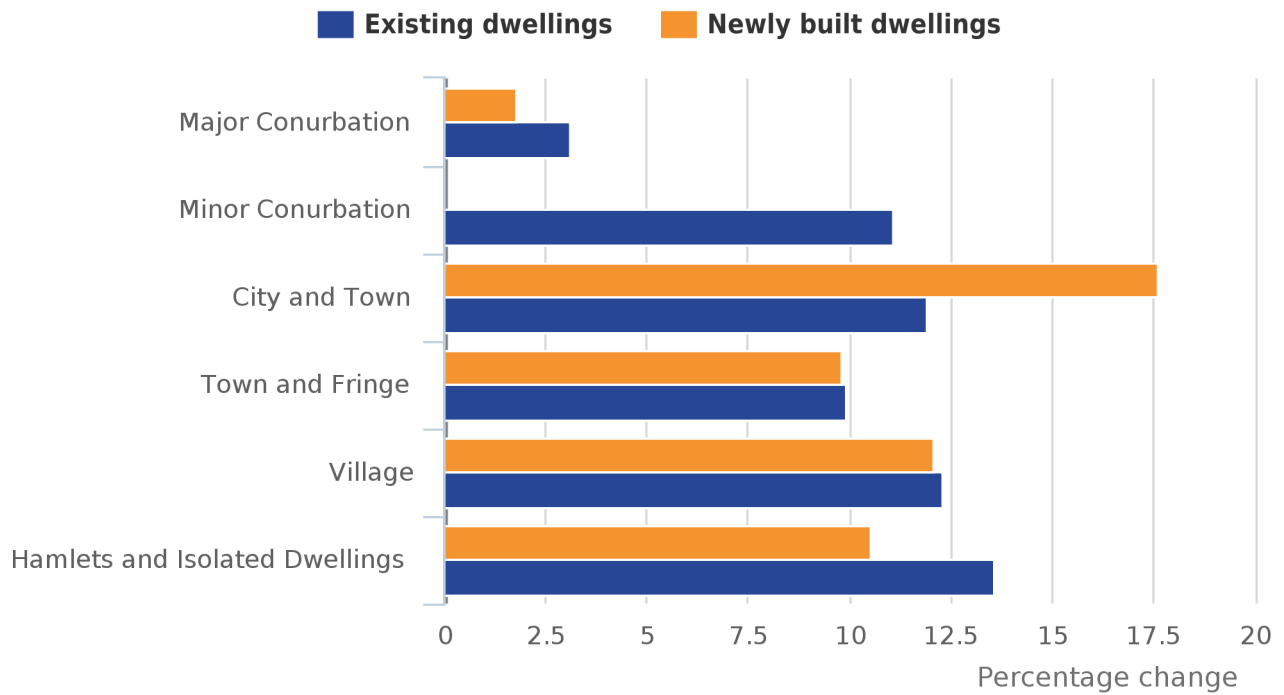
**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2011 to year ending September 2015,
2. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 7b: Percentage change in median price paid, England and Wales**

Semi-detached



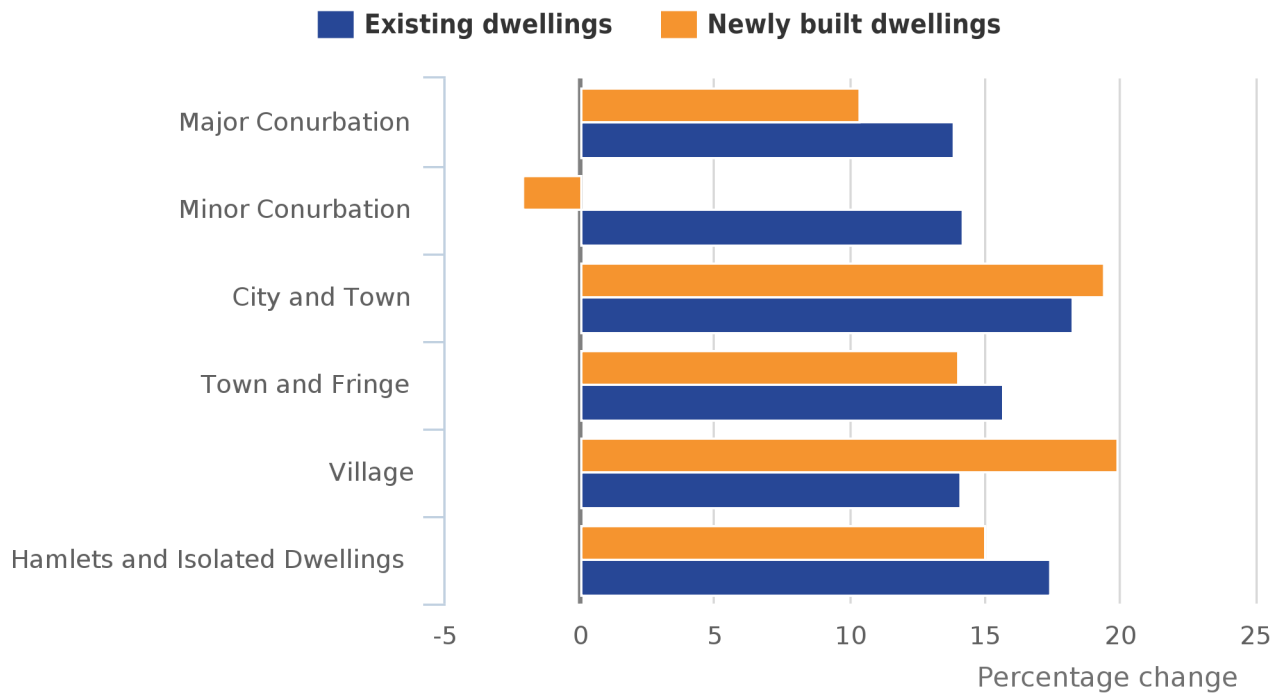
Source: Office for National Statistics and Land Registry

Notes:

1. Year ending September 2011 to year ending September 2015
2. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 7c: Percentage change in median price paid, England and Wales**

**Terraced**



**Source: Office for National Statistics and Land Registry**

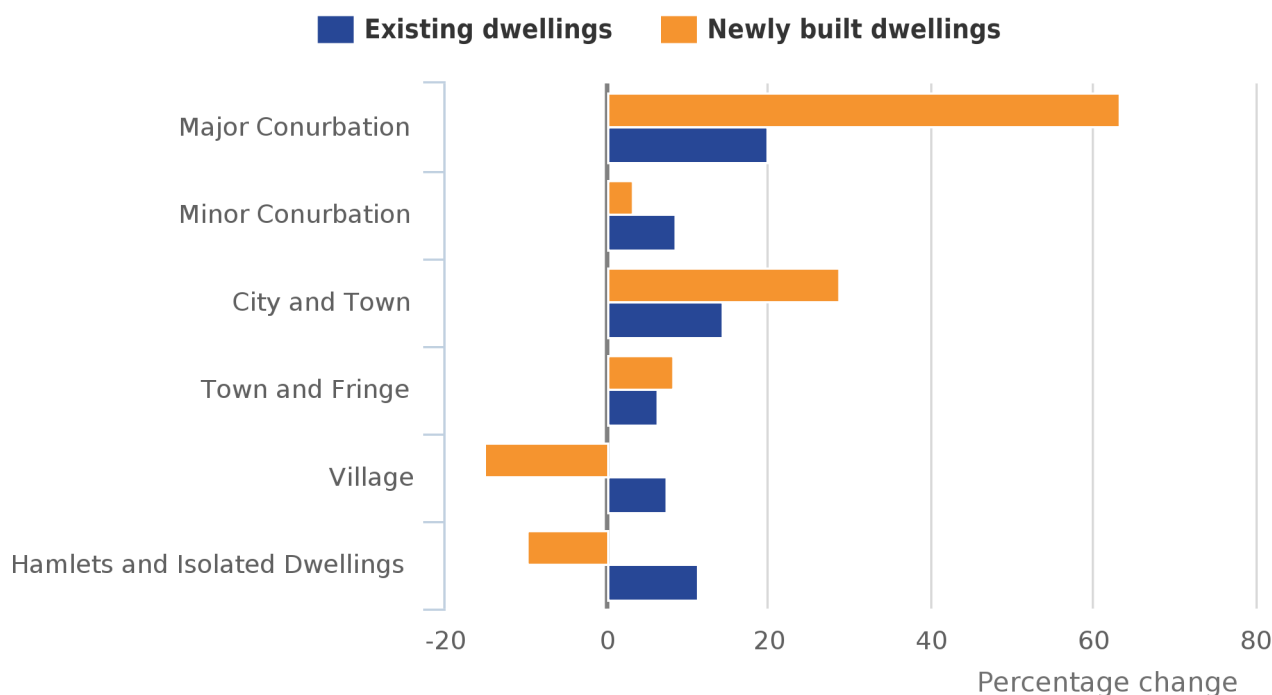
**Notes:**

1. Year ending September 2011 to year ending September 2015
2. Data for the number of property sales on which these proportions are based are available in the data download



**Figure 7d: Percentage change in median price paid, England and Wales**

**Flats and Masionettes**



**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2011 to year ending September 2015
2. Data for the number of property sales on which these proportions are based are available in the data download

For semi-detached properties, the largest increase in median price paid was for newly built properties in City and Town areas, rising 18% over the last 5 years. For terraced properties, the median price paid for new dwellings in Minor Conurbations decreased by 2.1%. This was the only decrease in average house prices for any property type in all urban areas.

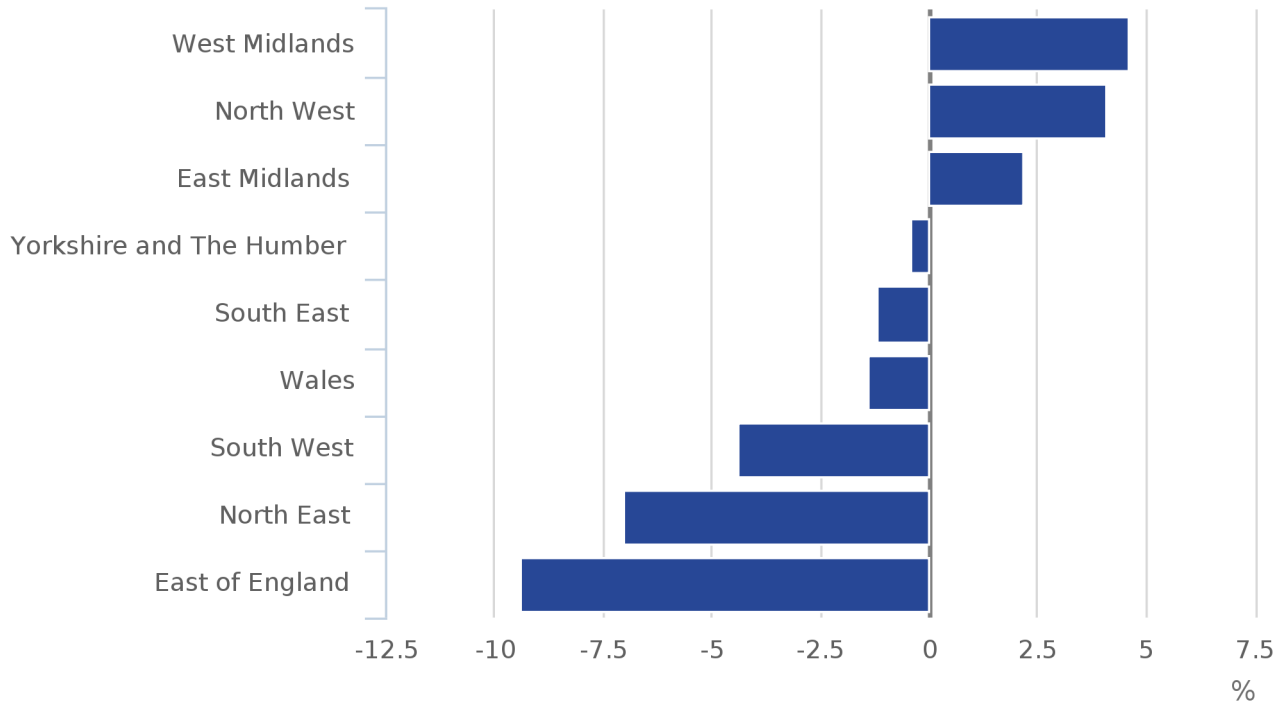
## 6. Regional differences in rural house price change

The median price paid for properties in rural areas is partly driven by the composition of property types that are sold in a given period of time and by regional differences in average house prices. Therefore, when analysing house prices in rural areas, we must take account of both property type and regional variation in order to make comparisons between different rural categories. Figures 8 to 11 show - for each property type - the percentage difference between the median price for each region/country and its rural category median price. London has been excluded from these charts because the vast majority of London is not rural.

Figure 8 shows that the median price paid for detached properties in Town and Fringe areas was lower than the regional median of detached dwellings for most English regions and Wales in year ending September 2015. The North West, West Midlands and East Midlands were the only English regions in which the average price of detached properties in Town and Fringe areas was higher than the average price of all detached properties in those regions.

**Figure 8a: Percentage difference between the median price paid for each region/Wales and its rural category median price, detached dwellings, England and Wales**

**Rural town and fringe**



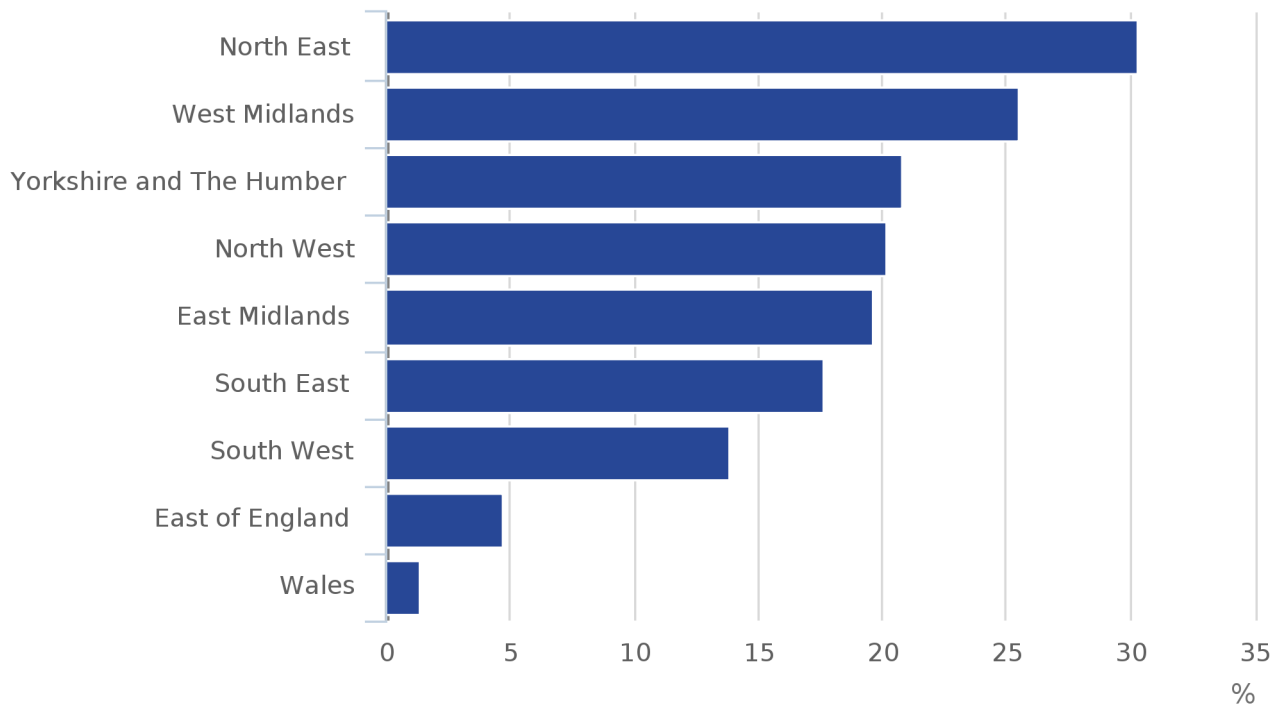
**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015,
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 8b: Percentage difference between the median price paid for each region/Wales and its rural category median price, detached dwellings, England and Wales**

**Rural villages**



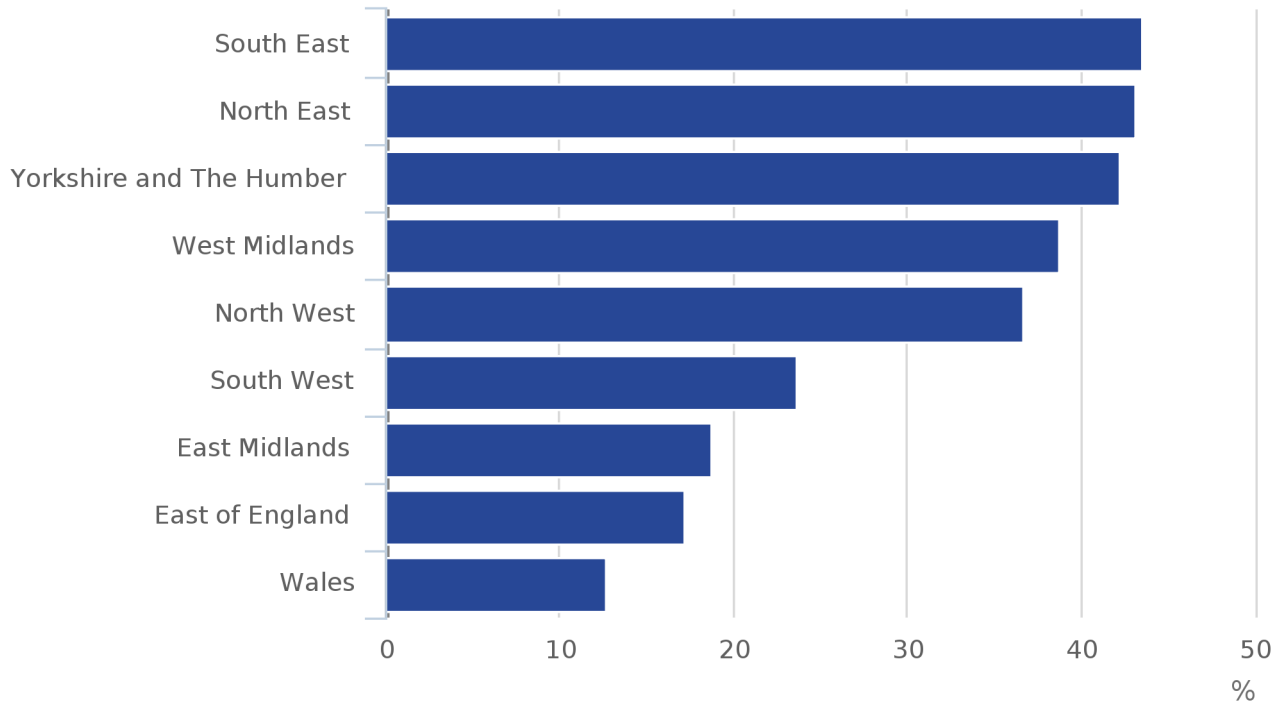
**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015,
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 8c: Percentage difference between the median price paid for each region/Wales and its rural category median price, detached dwellings, England and Wales**

**Rural hamlets and isolated dwellings**



**Source: Office for National Statistics and Land Registry**

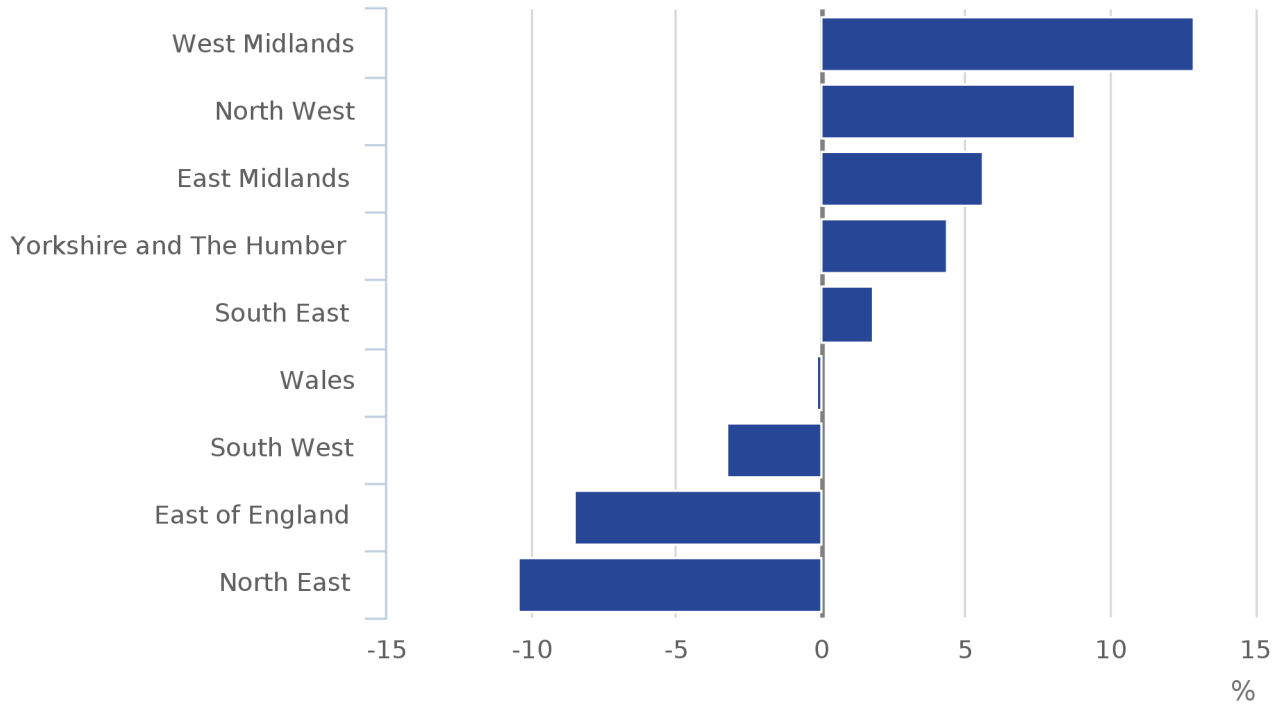
**Notes:**

1. Year ending September 2015
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download

In Hamlets and Isolated Dwellings the median price of detached properties was higher in all regions and Wales than the overall average price of detached properties. The largest difference was in the South East, where the average price of detached properties in Rural Hamlets and Isolated Dwellings was 43.5% more than the average price of all detached properties in the South East overall. The differences were also greater than 40% in both the North East and Yorkshire and The Humber. For Villages, the difference from each region or country's overall median price for detached properties was smaller than in Hamlets and Isolated Dwellings. The largest difference was in the North East where the median price paid for detached properties in Villages was 30% higher than the median price of all detached properties in the region.

**Figure 9a: Percentage difference between the median price paid for each region/Wales and its rural category median price, semi-detached dwellings, England and Wales**

**Rural town and fringe**



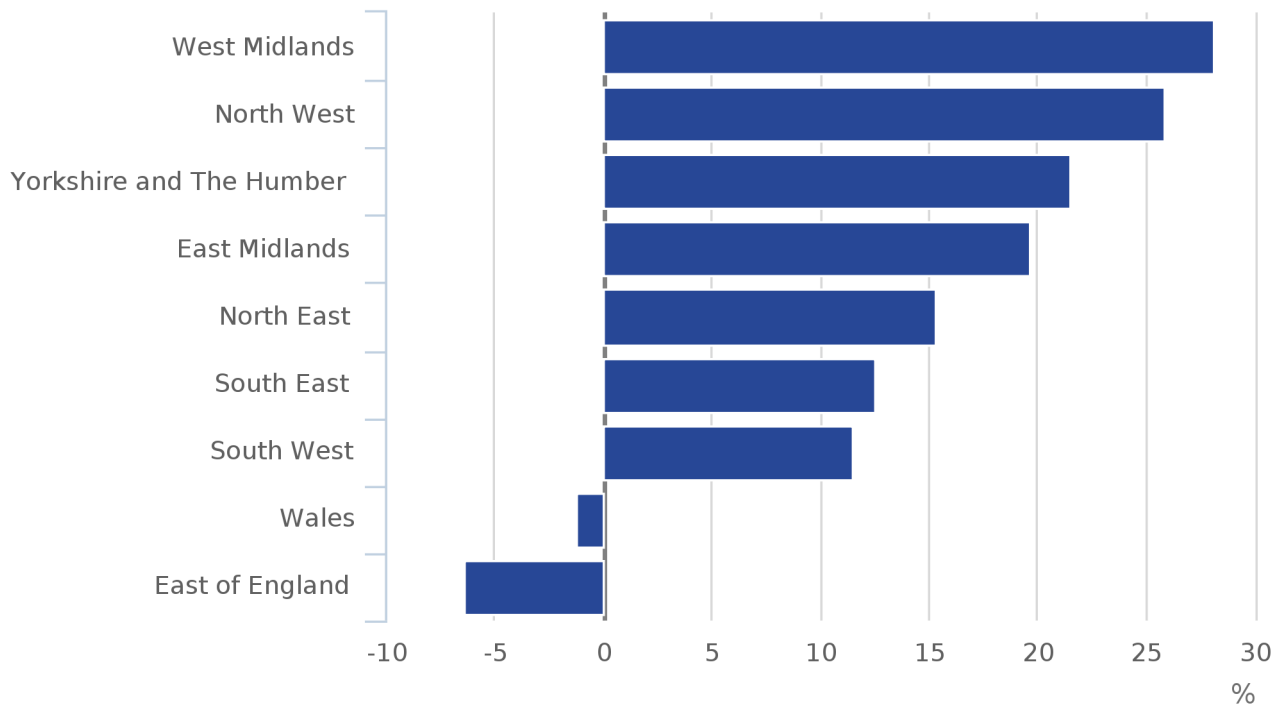
**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 9b: Percentage difference between the median price paid for each region/Wales and its rural category median price, semi-detached dwellings, England and Wales**

**Rural villages**



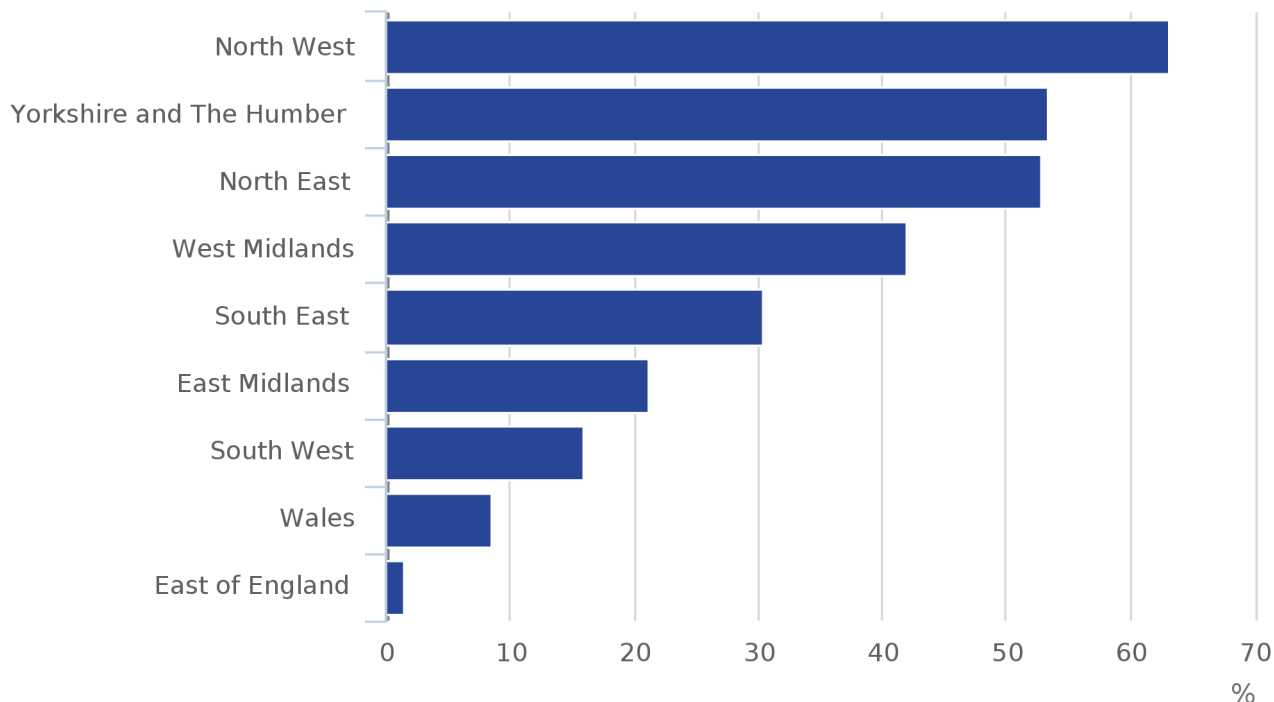
**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 9c: Percentage difference between the median price paid for each region/Wales and its rural category median price, semi-detached dwellings, England and Wales**

**Rural hamlets and isolated dwellings**



**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015,
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download

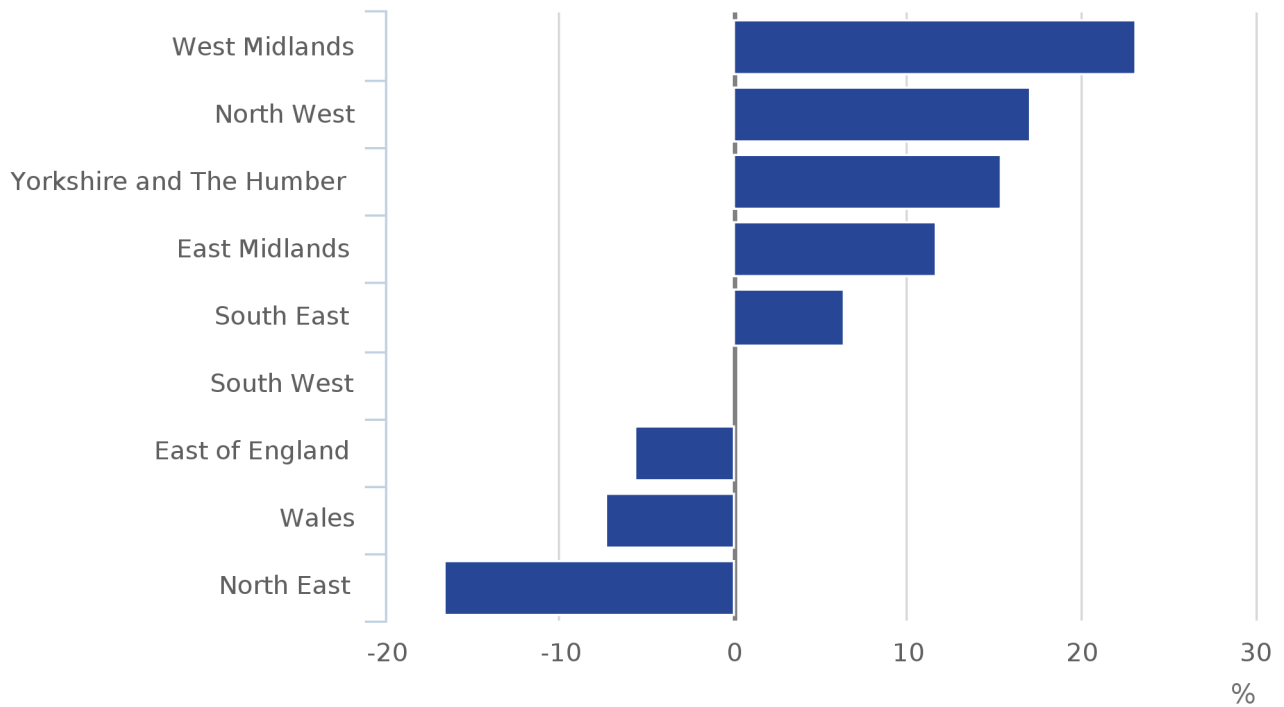
Figure 9 shows that, on average, the price of semi-detached properties in Town and Fringe parts of the West Midlands was 13% higher than the price of all semi-detached properties in the region. This was the largest difference for Town and Fringe areas out of all the English regions and Wales. It was also the case for Villages, where the price of semi-detached properties in the West Midlands' Villages was 28% higher than the price of all semi-detached properties in the region.

Regionally, the average price of semi-detached properties in Hamlets and Isolated Dwellings had the largest differences from the average price of all semi-detached properties. The North West had the largest difference, where the average price of semi-detached properties in Hamlets and Isolated Dwellings was 63% higher than the average price of all semi-detached dwellings in the North West.

Figure 10 shows that the difference between the average price of terraced property in Town and Fringe areas and the regional average for terraced property was largest in the West Midlands (23% more expensive in Town and Fringe areas than the region as a whole). For Rural Villages and for Hamlets and Isolated Dwellings, the North West was top, 54% and 71% more expensive respectively.

**Figure 10a: Percentage difference between the median price paid for each region/Wales and its rural category median price, terraced dwellings, England and Wales**

**Rural town and fringe**



**Source: Office for National Statistics and Land Registry**

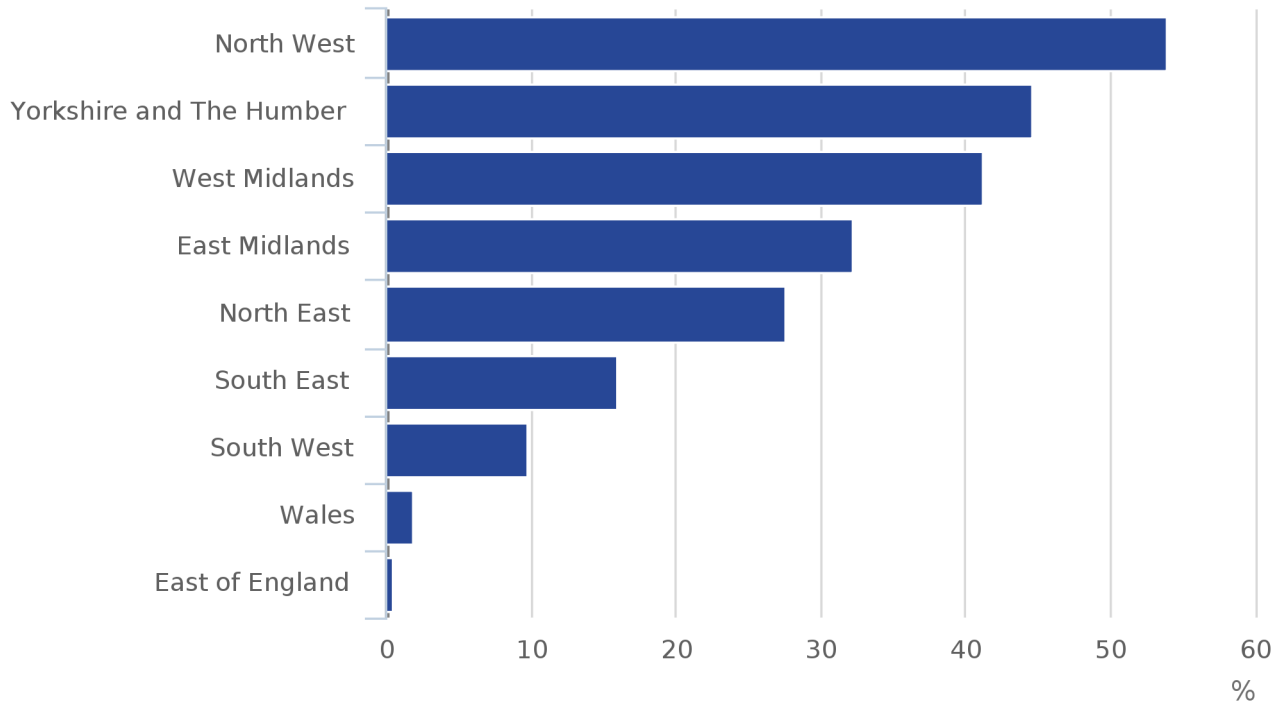
**Notes:**

1. Year ending September 2015,
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download



**Figure 10b: Percentage difference between the median price paid for each region/Wales and its rural category median price, terraced dwellings, England and Wales**

**Rural villages**



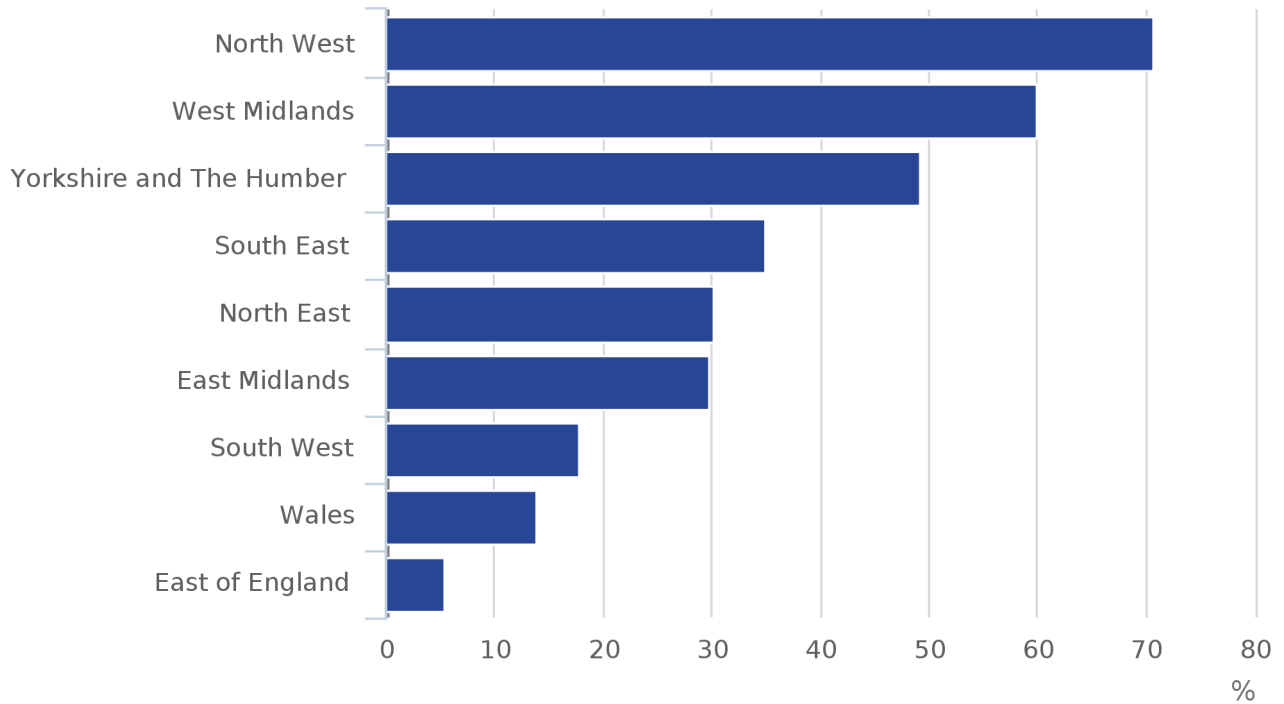
**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015,
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 10c: Percentage difference between the median price paid for each region/Wales and its rural category median price, terraced dwellings, England and Wales**

**Rural hamlets and isolated dwellings**



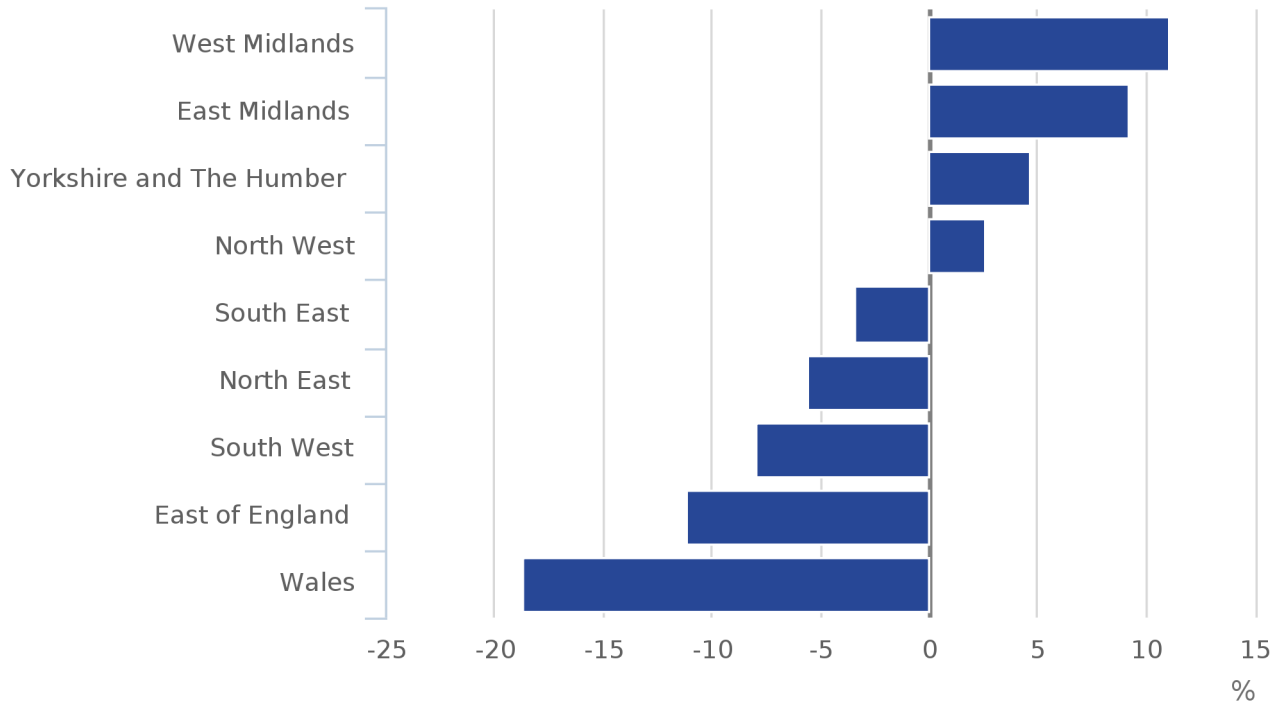
**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 11a: Percentage difference between the median price paid for each region/Wales and its rural category median price, flats/maisonettes, England and Wales**

**Rural town and fringe**



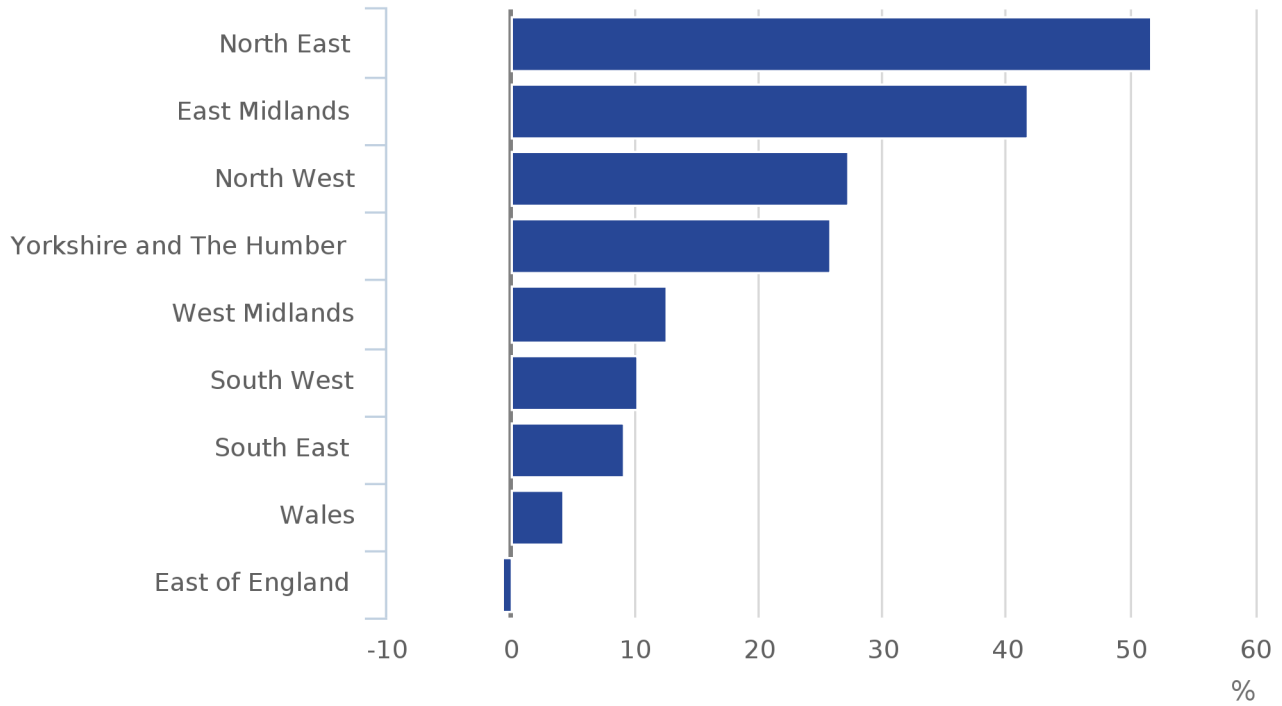
**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015,
2. Excludes London
3. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 11b: Percentage difference between the median price paid for each region/Wales and its rural category median price, flats/maisonettes, England and Wales**

**Rural village**



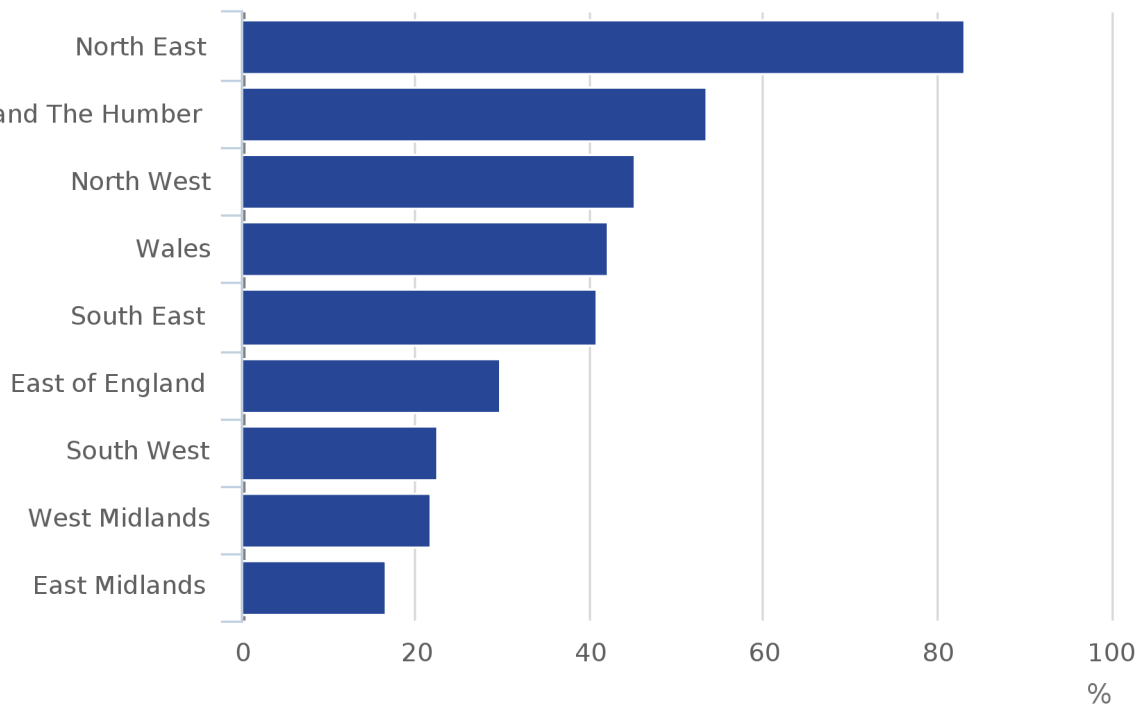
**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015
2. Excludes London 3. Data for the number of property sales on which these proportions are based are available in the data download

**Figure 11c: Percentage difference between the median price paid for each region/Wales and its rural category median price, flats/maisonettes, England and Wales**

**Rural hamlets and isolated dwellings**



**Source: Office for National Statistics and Land Registry**

**Notes:**

1. Year ending September 2015 2. Excludes London 3. Data for the number of property sales on which these proportions are based are available in the data download

For flats/maisonettes, Figure 11 shows that once again, the average price was higher in Town and Fringe areas of the West Midlands (11% higher than the average price of all flats/maisonettes in the West Midlands). As was the case for detached properties, the difference between the average price of flats in the North East's Villages and all flats in the region was the largest of all English regions and Wales (52% higher in Villages than the region as a whole).

The largest difference between average house prices in a rural category and the regional average was for flats /maisonettes in the North East's Hamlets and Isolated Dwellings. Here, the average price of flats in Hamlets and Isolated Dwellings was 83% higher than the average price of flats across the whole region. This was the largest difference out of all house types and all rural categories.

Generally, average house prices were more expensive in more rural areas when accounting for regional and property type variations in price. Average house prices in rural areas in the north of England and in the Midlands were particularly high relative to their overall regional levels.

## 7. Newly built dwellings at the lower end of the housing market

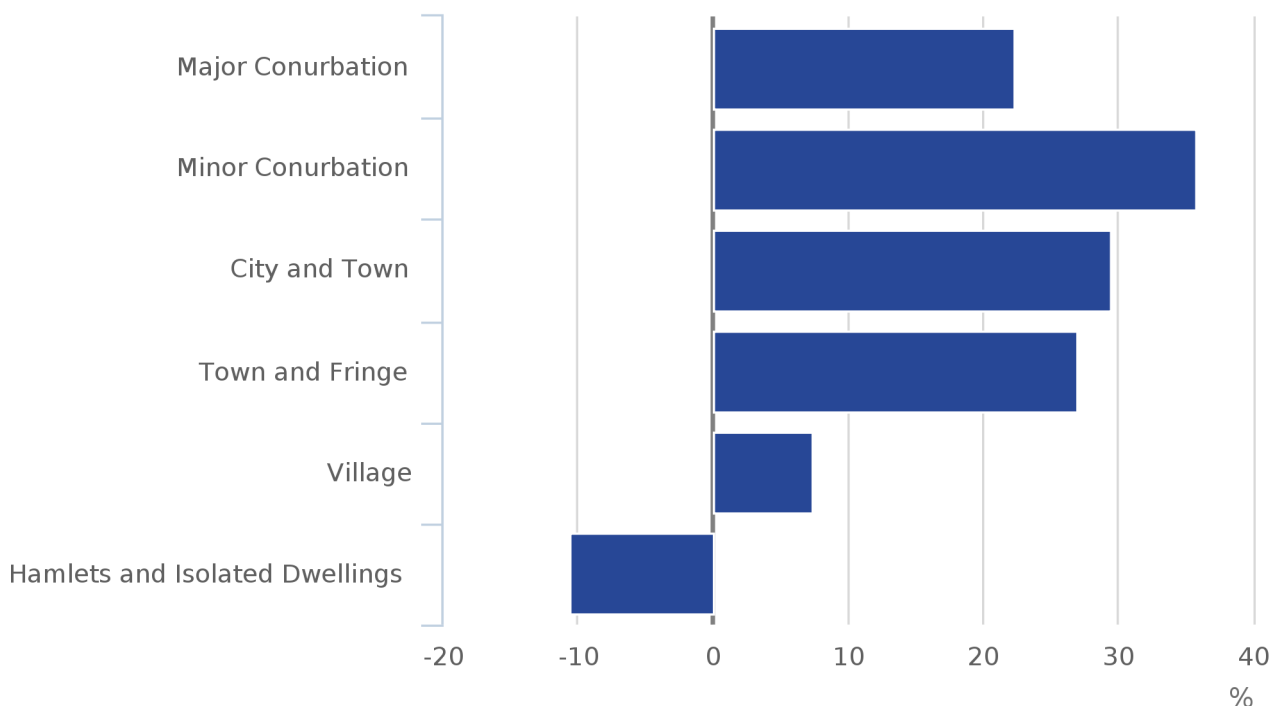
The Government's [Starter Homes initiative](#) aims to increase the number of first-time buyers by offering financial incentives to buy newly built dwellings in England. First time buyers are likely to purchase a home towards the lower end of the property market in terms of price. One way of assessing the affordability of new housing for first-time buyers is to compare the cost of new housing to the cost of existing housing at the lower quartile level <sup>1</sup>. This provides a broad indication of prices at the lower end of the market for both types of housing.

Figure 12 shows that in year ending September 2015, the lower quartile price of new properties was lower than existing properties in only one rural-urban category, which was Hamlets and Isolated Dwellings. In these areas the lower quartile price for new properties was 11% lower than for existing properties. The lower quartile price of new properties in Town and Fringe areas was 27% higher than existing properties. This was the largest difference out of all the rural categories and it was also larger than the difference in Major Conurbations, where new properties at the lower end of the market sold for 22% more than existing properties.

The Minor Conurbations of Sheffield and Nottingham had the largest difference between the lower quartile price of new and existing properties out of all rural-urban categories in England and Wales, where new properties sold for 36% more than existing properties in the year ending September 2015.

**Figure 12: Percentage difference between lower quartile price paid for new properties relative to existing property, England and Wales, all property types**

Year ending September 2015



Source: Office for National Statistics and Land Registry

Notes:

1. Excludes rural-urban categories in a sparse setting
2. Data for the number of property sales on which these proportions are based are available in the data download

## Notes for Newly built dwellings at the lower end of the housing market

1. The lower quartile is the value determined by putting all the house sales for a given year, area and type in order of price and then selecting the price of the house sale which falls three quarters of the way down the list, such that 75% of transactions lie above and 25% lie below that value.

## 8. Background note

Details of the policy governing the release of new data are available by visiting <https://www.statisticsauthority.gov.uk/monitoring-and-assessment/code-of-practice/> or from the Media Relations Office email: [media.relations@ons.gsi.gov.uk](mailto:media.relations@ons.gsi.gov.uk)