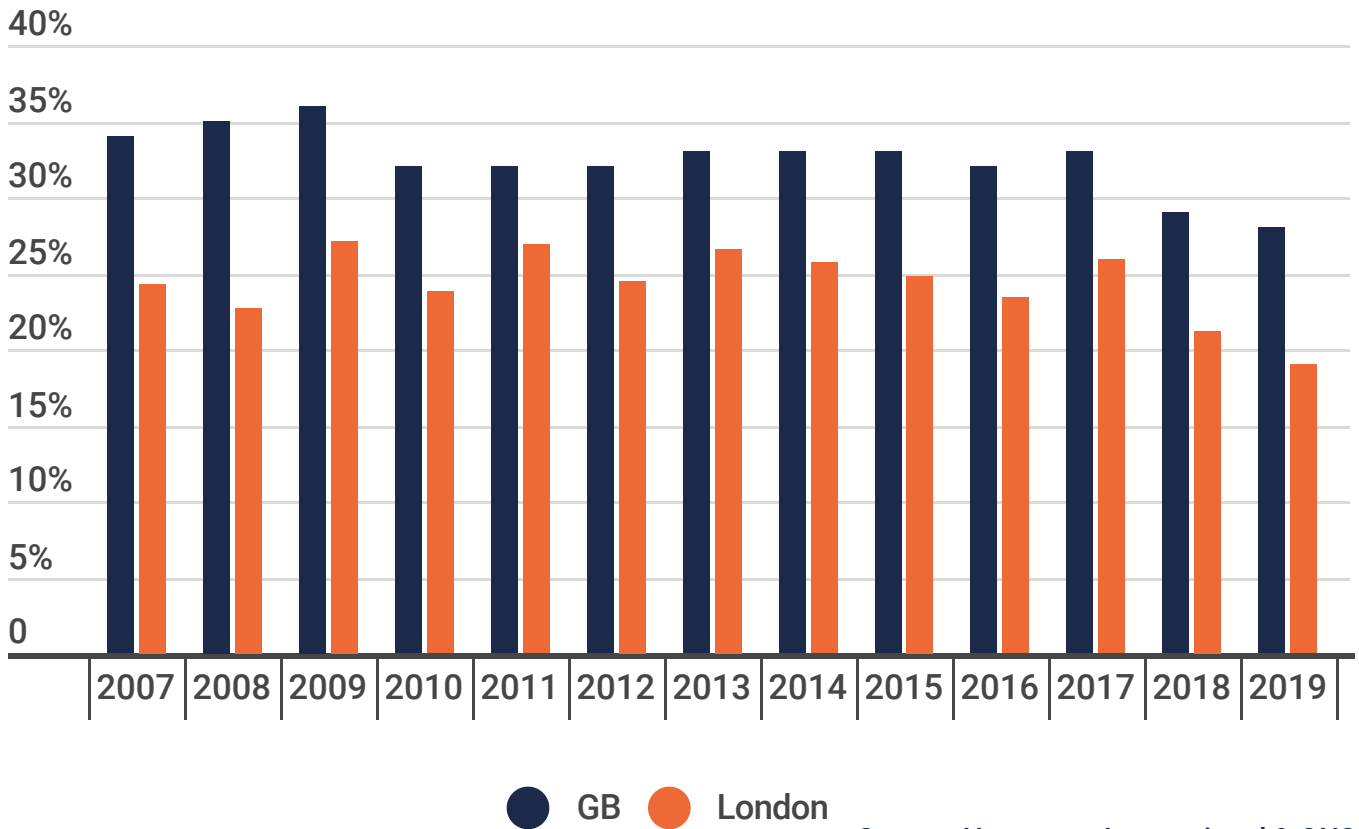


Proportion of homes bought with cash falls to record low



Source: Hamptons International & ONS

As house prices have risen over time, the proportion of homes bought with cash has fallen to a record low.

During H1 2019, 28% of homes in Great Britain were purchased with cash, significantly below the peak of 36% recorded in 2009. Over the last two years alone the proportion of homes purchased with cash has fallen by a further 5% in Great Britain.



36%

Of homes bought with cash in H1 2009



28%

Of homes bought with cash in H1 2019

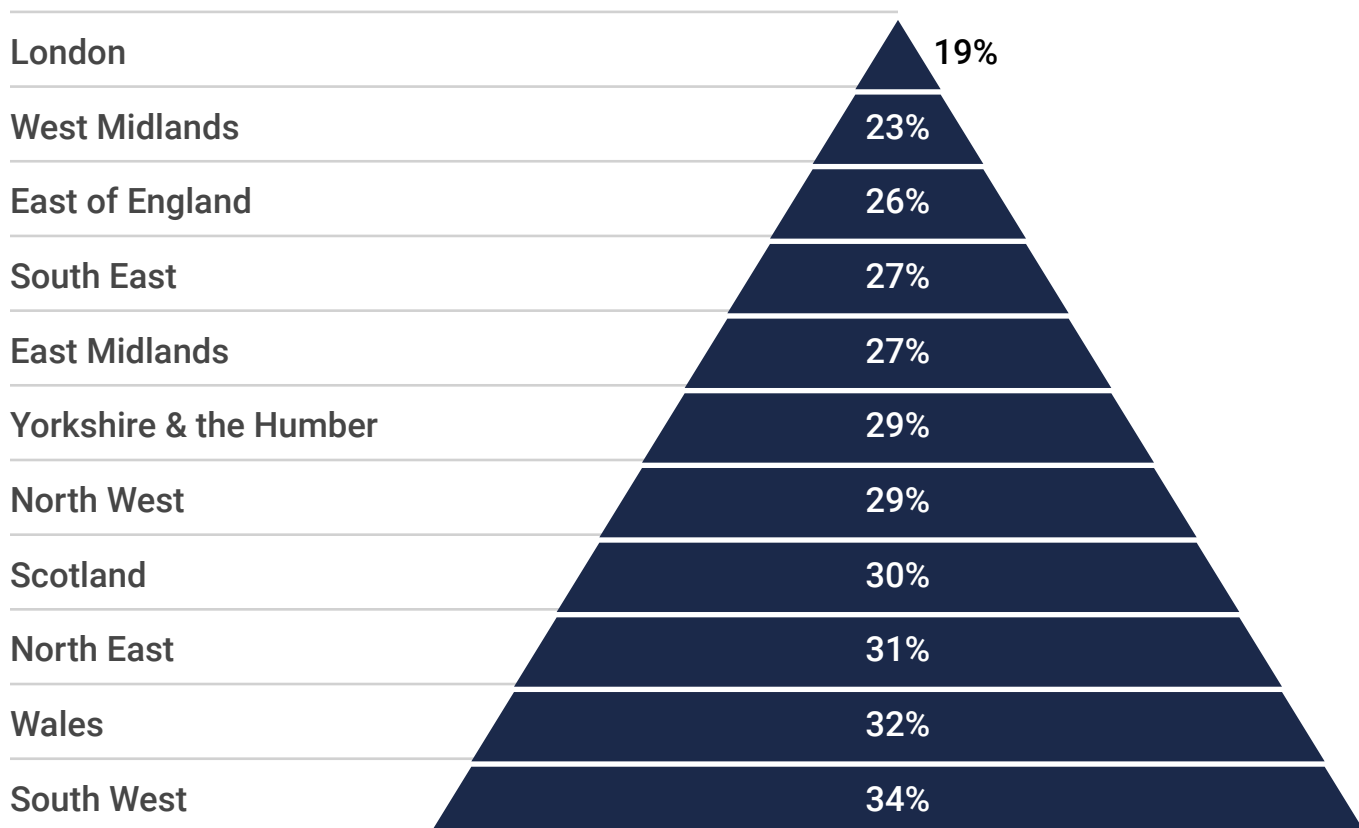
Every region in Great Britain recorded a fall in cash sales over the last two years. The West Midlands recorded the biggest decrease in the proportion of homes bought with cash since H1 2017 (-9%), followed by London (-7%). Scotland recorded the smallest fall, with the proportion of homes bought without a mortgage decreasing 2% since 2017.

The South West remained the region with the highest proportion of cash sales – 34% of homes were purchased with cash in H1 2019.

Meanwhile London had the lowest proportion of cash sales – just 19%, which is 8% lower than 2009 when cash buyers in the capital peaked.

West Somerset had the highest proportion of homes bought with cash. More than half (58%) of homes in the local authority were purchased without a mortgage in H1 2019, however this is 7% less than in H1 2017. Ceredigion, Torridge and West Dorset followed on the top 10 list. Kensington & Chelsea, the only London borough to feature in the top 10, where 53% of homes were purchased with cash in H1 2019 at an average price of £1.26 million.

Proportion of homes bought with cash (H1 2019)



Source: Hamptons International & ONS

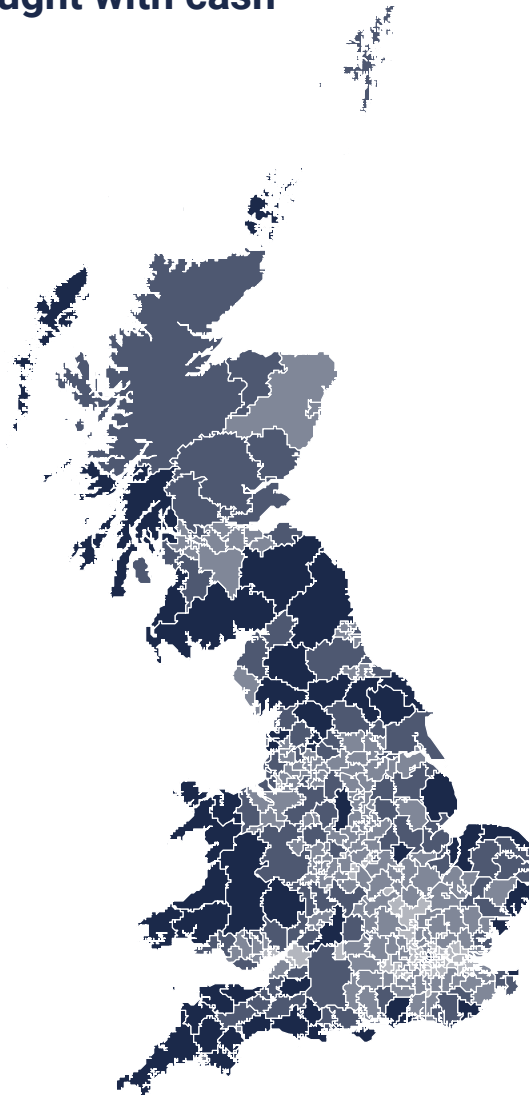
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The fall in cash purchases not only reflects tighter affordability, but also a decrease in activity amongst downsizers, the group of people most likely to have built up enough equity to purchase property with cash.

It also reflects a fall in the number of homes bought by investors, many of whom used cash to purchase their properties.”

Aneisha Beveridge, Head of Research

Proportion of homes bought with cash (H1 2019)



Source: Hamptons International & ONS