

# Housing market overview

Produced 08 September 2025

This document provides the latest information available from various sources, with dates varying from June–August 2025

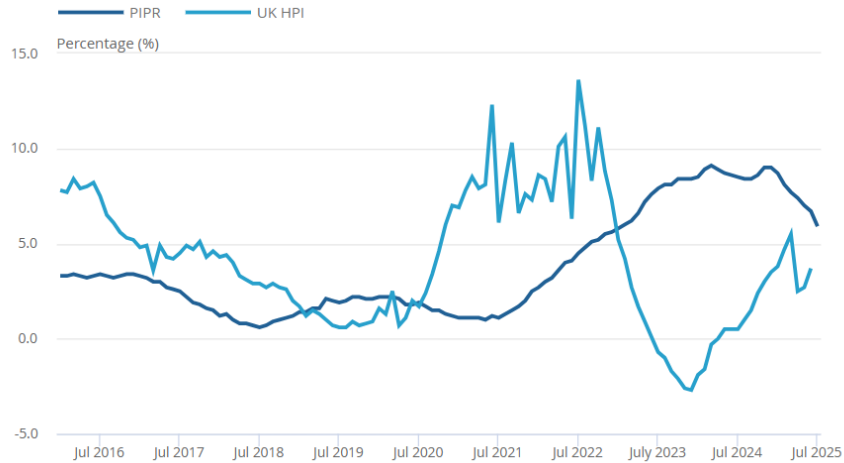
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- > Similar to last month when it comes to house prices, most of our sources, with the exception of LSL, reported an annual increase ranging from 0.3% to 3.7%. However, monthly house price changes were mixed: three of our sources (Nationwide, LSL and Rightmove) recorded a decline between 0.1% to 1.3%. The remaining sources reported increases in the range of 0.3% to 1.4%.
- > Halifax states property prices are reaching a record high of £299,331. However, there are signs of improving affordability, with fixed mortgage rates falling below 4%. They say despite ongoing challenges still faced with affordability, first time buyers are beginning to see progress, with the average price paid by buyers having a small decrease.
- > Hometrack reports that house prices have begun to stabilise, with annual growth at 1.3%. Northern England are seeing properties sell within an average of 27 days whereas homes in Southern England are taking longer at 39 days. It is also noted that if a property price is reduced, it will take up to 2.4 times longer to sell, reiterating the importance of having a strategy in place ahead of the Autumn selling period.
- > Rightmove highlights the importance of pricing correctly. Currently, 32% of sellers are reducing property prices after pricing too high initially, resulting in an increase in the average time to find a buyer (99 days in comparison to 32 days for correctly priced homes). They say from the most recent rate cut from the Bank of England, the market is showing optimism. However, there is some uncertainty to the expected fourth bank cut towards the end of the year.
- > Nationwide attributes the dip in house price growth (to 2.4%) largely to seasonal factors over the summer period. Their report highlights ongoing concerns surrounding the cost of living and difficulty in deposit savings. They do say however, there is optimism that there will be improvements to income levels, enhancing affordability and supporting buyer demand in the upcoming months.
- > The GFK Consumer Confidence Overall Index increased by two points to -17 in August. Four measures were up and one was down in comparison to last month's announcement. The outlook on personal finances was more positive, rising by three points to -4; this is three points better than August 2024. The major purchase index also increased by two points, reaching -13.

# Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	June'25	▲ 1.4	▲ 3.7	£269,000	20.08.2025
LSL Property Services	July'25	▼ 0.6	▼ 2.2	£353,279	14.08.2025
Halifax	August'25	▲ 0.3	▲ 2.2	£299,331	05.09.2025
home.co.uk	N/A	N/A	N/A	N/A	N/A
Hometrack	August'25	N/A	▲ 1.3	£270,600	28.08.2025
Nationwide	August'25	▼ 0.1	▲ 2.1	£271,079	08.2025
Rightmove	August'25	▼ 1.3	▲ 0.3	£368,740	21.08.2025

# Private rent and house price annual inflation

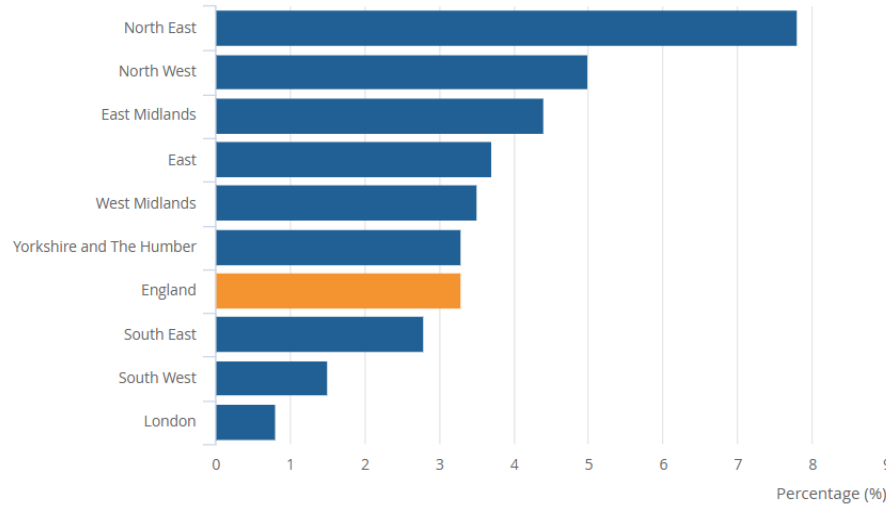


Source: [gov.co.uk price index](https://gov.co.uk/price-index)

“ UK house prices rose again in August, up by +0.3% (£932), marking the third consecutive monthly increase. The average property price now stands at £299,331 – a new record high – although annual growth has eased slightly to +2.2%. ”

Source: [Halifax price index](https://halifax.co.uk/price-index)

## Private rent annual inflation – 12-month % change



“ Average rent for England was £1,398 in July 2025, up 6.0% (£79) from a year earlier. This annual rise was lower than in the 12 months to June 2025 (6.7%) and represents the eighth consecutive month of slowing annual inflation. ”

Source: [gov.co.uk price index](https://www.gov.co.uk/price-index)

## UK house-price rates of change: types of buyer

Type of buyer	Average price June 2025	Monthly change	Annual change
First time buyer	£227,495	1.4%	3.4%
Former owner occupier	£331,139	1.4%	3.8%

Source: [gov.uk price index](#)

“ This week’s base rate cut to 4.0% may offer some relief to borrowers, particularly first-time buyers, but we don’t expect a significant change in mortgage rates in the short term. Lender caution and broader market conditions continue to weigh on affordability, especially in higher-priced regions like the South East and London. ”

Source: [LSL price index](#)

## UK house-price rates of change: types of dwelling

Property status	Average price April 2025	Monthly change	Annual change
New build	£368,354	2.0%	14.2%
Existing resold property	£257,426	-2.7%	1.6%

Source: [gov.uk price index](#)

“ Combined with the fact that mortgage costs are more than three times the levels prevailing in the wake of the pandemic, this means that the cost of servicing a mortgage is also a barrier for many. Indeed, an average earner buying the typical first-time buyer property with a 20% deposit faces a monthly mortgage payment equivalent to around 35% of their take-home pay, well above the long run average of 30%. ”

Source: [Nationwide price index](#)



## Number of housing transactions per month

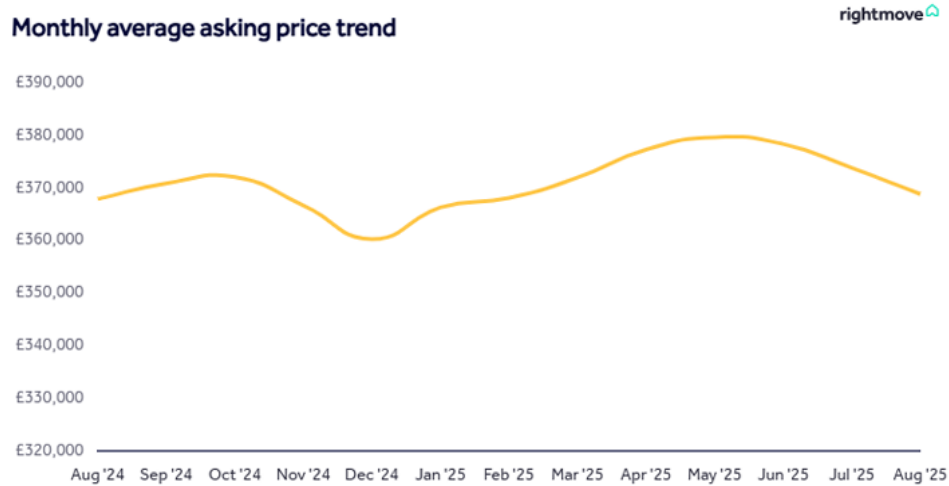
Country	April 2025	April 2024
England	18,719	48,641
Northern Ireland	1,498	1,838
Scotland	7,598	7,770
Wales	1,981	2,617

Source: [gov.uk price index](https://gov.uk/price-index)

“ The distortions to the usual monthly pattern of property transactions caused by changes in stamp duty across England continue to unwind, with HMRC figures for June (the latest) showing a further pick-up in activity. There are signs that underlying sales activity has begun to improve, although the large number of vendors entering the market has led to prices softening in recent months. ”

Source: [LSL price index](https://lsl.co.uk/price-index)

# Monthly asking-price trend



“ However, the high number of price reductions we’re seeing is an indicator that some sellers are still coming to market with too high a price and then reducing it to become competitive. Our data shows that for a successful sale it’s better to get the price right in the first place, but if a seller does need to reduce the price it’s better to act fast rather than waiting too long. ”

Source: [Rightmove price index](#)

# Home asking-price trend for England & Wales

Figure 2. England and Wales lacklustre

E&W prices, last 5 years

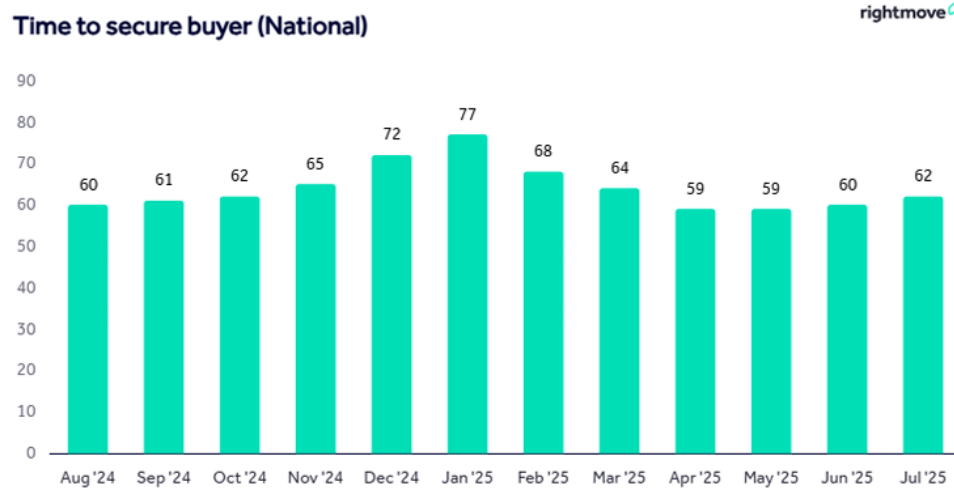


Source: [LSL Property Services price index](#)

“ In July, 1 in 10 homes for sale registered a cut to the asking price, well above a 6% average over the last 5 years. This highlights the need to accurately price homes for sale and speak to an agent with expertise in the local market. It also explains why house price inflation has slowed recently ”

Source: [Hometrack price index](#)

# Average-time-on-market indicator – National

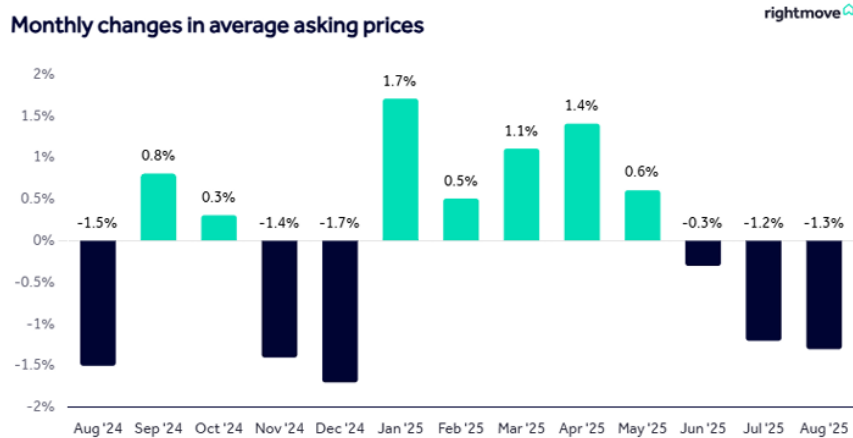


Source: [Rightmove price index](#)

“Setting the wrong price can mean it will take more than twice as long to find a buyer and sell your home. Homes that need a price reduction take 2.4x longer to find a buyer than homes that are correctly priced. This is an important consideration given the growth in homes for sale.”

Source: [Hometrack price index](#)

# Asking-price fluctuation percentage



Savvy summer sellers have read the room and are coming to market with even more competitive pricing than usual to really stand out and attract serious and active buyers. Astute buyers are now benefitting from new seller asking prices which are on average an enticing £10,000 cheaper than three months ago.

Source: [Rightmove price index](#)

## UK sales volumes by funding status

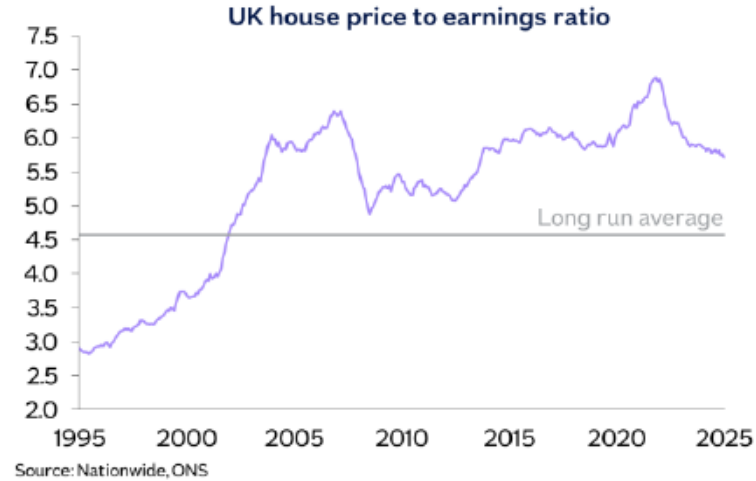
Funding status	Average price June 2025	Monthly change	Annual change
Cash	£256,306	1.5%	3.0%
Mortgage	£278,487	1.4%	3.9%

Source: [gov.uk price index](#)

“Mortgage colleagues have seen a marked increase in buyer enquiries in the past couple of weeks, and we are seeing exactly the same in our estate agency. With that combination of lower borrowing costs and motivated sellers who are pricing sensibly, the autumn market is shaping up to be busy and competitive.”

Source: [Rightmove price index](#)

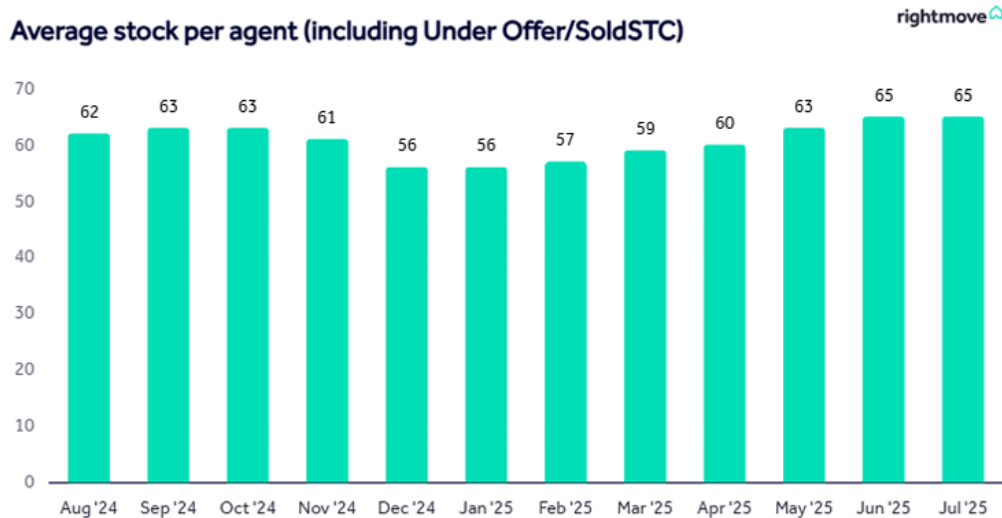
# UK house-price-to-earnings ratio



“ The relatively subdued pace of house price growth is perhaps understandable, given that affordability remains stretched relative to long-term norms. House prices are still high compared to household incomes, making raising a deposit challenging for prospective buyers, especially given the intense cost of living pressures in recent years ”

Source: [Nationwide price index](#)

## Average properties for sale per estate agent



“ The overall average time to find a buyer is now 62 days, with the high number of homes for sale allowing buyers the time to make their choice and negotiate. However, if a home is priced right from the outset and doesn't require an asking price reduction, the average time to find a buyer is 32 days, whereas if a home does need a reduction in asking price, this more than triples to 99 days. ”

Source: [Rightmove price index](#)



## UK consumer confidence

UK Measures	↑↔↓	August 2025	July 2025	June 2025	August 2024
Overall Index Score	↑ 2	-17	-19	-18	-13
Personal Financial Situation over last 12 months	↑ 3	-4	-7	-7	-7
Personal Financial Situation over next 12 months	↑ 3	5	2	2	6
General Economic Situation over last 12 months	↑ 2	-42	-44	-43	-35
General Economic Situation over next 12 months	↓ 1	-30	-29	-28	-15
Major Purchase Index	↑ 2	-13	-15	-16	-13
Savings Index <small>(commented on but not used in Overall Index Score)</small>	↓ 4	30	34	27	33

The biggest changes in August are in confidence in personal finances, with the scores looking back and ahead a year each up by three points. This is likely due to the Bank of England's August 7<sup>th</sup> cut in interest rates, delivering the lowest cost of borrowing for more than two years.

Source: [GfK consumer confidence index](#)

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