

Housing market overview

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

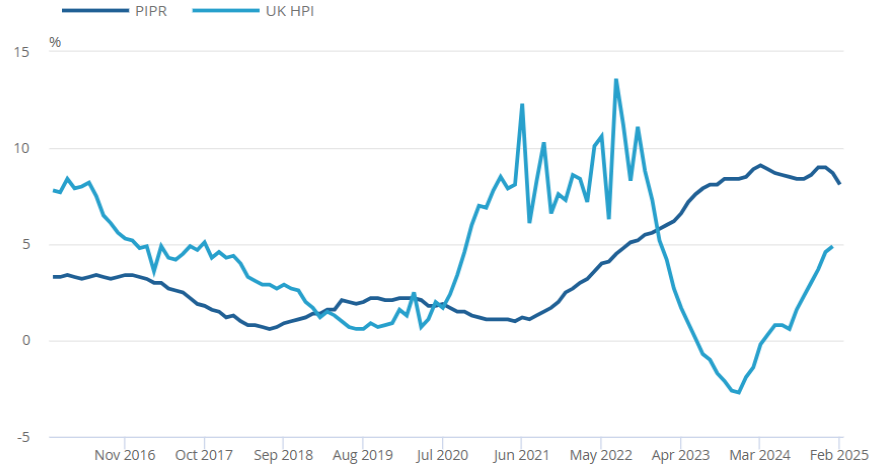
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- > Like last month, we see a mixed bunch when it comes to house prices with three of our reported sources (gov.co.uk, Halifax and home.co.uk) reporting month-on-month house price decreases (in the range of 0.2 to 0.5%). LSL and Rightmove both report increases. More positively, all but one of our sources continued to report annual house price increases (in the range of 1.0% to 4.9%). LSL is the only source to record an annual decrease (of 2.5%).
- > Halifax states that the annual growth rate remains at 2.8% despite a 0.5% decline in UK house prices in March. They say demand is beginning to slow following the end of the Stamp Duty Relief, and that buyers will face additional challenges in the upcoming months due to higher borrowing costs and an uncertain economic outlook. They do say however, mortgage affordability is expected to improve throughout the year.
- > Hometrack explains that whilst house price inflation is beginning to slow, prices are rising faster than the previous year. They say more options for buyers have become available, with the number of homes for sale increasing by 11% compared to last year. Additionally, the growth in earnings has risen 6% over the past year. They do say however, buyers will have to account for the rise in stamp duty costs, now factored into the property purchase prices.
- > Rightmove reports the average price of properties entering the market is at a 1.1% increase. They say despite the stamp duty deadline looming throughout March, buyers benefitted from the largest selection of properties available during this time of year since 2015. They report agreed property sales increased by 9% in comparison to last year, alongside an increase of new sellers 8% ahead of last year.
- > Nationwide predicts activity is likely to pick up steadily as the summer progresses, despite wider economic uncertainties in the global economy, since underlying conditions for potential home buyers in the UK remain supportive. They report that the unemployment rate is low, earnings are rising at a healthy pace in real terms (i.e. after accounting for inflation), household balance sheets are strong and borrowing costs are likely to moderate a little if Bank Rates are lowered further in the coming quarters as they and most other analysts expect.
- > The GfK consumer confidence Overall Index Score remains subdued with a headline score of -19 for March. Views on personal finances for the past year are slightly down from -7 to -9, while perceptions of the wider economy over the last 12 months and looking ahead a year are each up two points at -42 and -29 respectively. But this is only a marginal improvement.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	January'24	▼ 0.2	▲ 4.9	£269,000	26.03.2025
LSL Property Services	February'25	▲ 0.7	▼ 2.5	£357,313	13.03.2025
Halifax	March'25	▼ 0.5	▲ 2.8	£296,699	07.04.2025
home.co.uk	March'25	▲ 0.5	▲ 1.8	£357,736	19.03.2025
Hometrack	March'25	N/A	▲ 1.8	£267,500	27.03.2025
Nationwide	March'25	> 0.0	▲ 3.9	£271,316	03.2025
Rightmove	March '25	▲ 1.1	▲ 1.0	£371,870	17.03.2025

Private rent and house price annual inflation

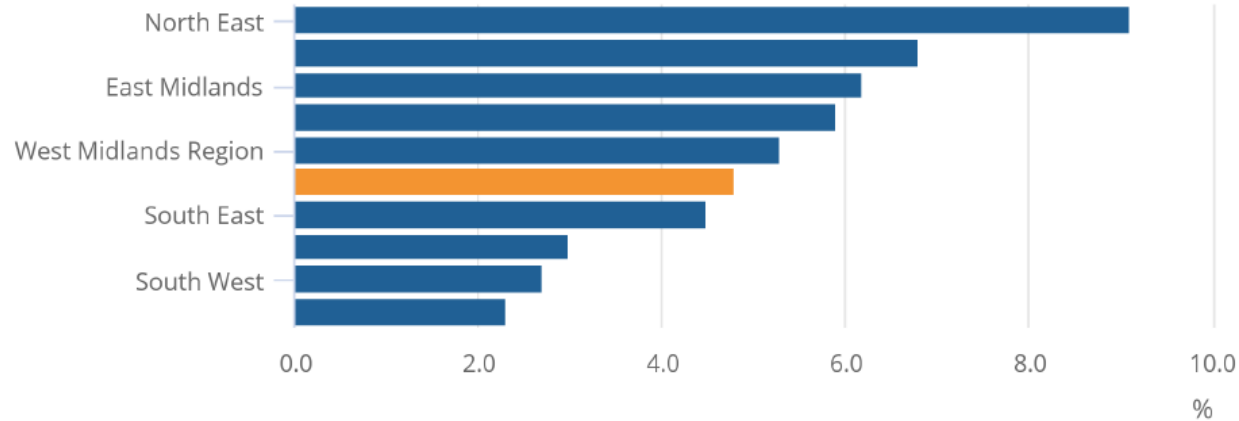


Source: [gov.co.uk price index](https://www.gov.co.uk/price-index)

House price inflation is starting to slow after a sustained recovery over the last 12 months. The annual rate of UK house price inflation edged lower in February to 1.8% down from 1.9% in January. Prices are still rising faster than a year ago (-0.2%) but we expect the rate of UK house price inflation to moderate in coming months.

Source: [Hometrack price index](https://www.hometrack.com/price-index)

Private rent annual inflation – 12-month % change



“ Average UK monthly private rents increased by 8.1%, to £1326, in the 12 months to February 2025; this annual growth rate is down from 8.7% in the 12 months to January 2025. In England, private rents annual inflation was highest in London (9.9%) and lowest in Yorkshire and The Humber (4.8%), in the 12 months to February 2025. ”

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 January 2025	Monthly change	Annual change
First time buyer	£227,026	0.1%	5.3%
Former owner occupier	£330,717	0.4%	4.4%

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

“ First time buyer (FTB) demand is higher across the rest of England, where the majority of FTBs (6 in 10) will continue to pay no stamp duty on purchases below £300,000 from April. FTB demand is noticeably higher than a year ago in the South East and the Midlands as FTB demand is displaced from London into markets with better value for money. ”

Source: [Hometrack price index](#)

UK house-price rates of change: types of dwelling

New build and existing resold property

Property status	Average price November 2024	Monthly change	Annual change
New build	£399,858	9.0%	22.1%
Existing resold property	£261,645	-0.6%	2.6%

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

“ The market is likely to remain a little soft in the coming months since activity will have been brought forward to avoid the additional tax obligations – a pattern typically observed in the wake of the end of stamp duty holidays. Nevertheless, activity is likely to pick up steadily as the summer progresses, despite wider economic uncertainties in the global economy, since underlying conditions for potential home buyers in the UK remain supportive. ”

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

Number of housing transactions per month

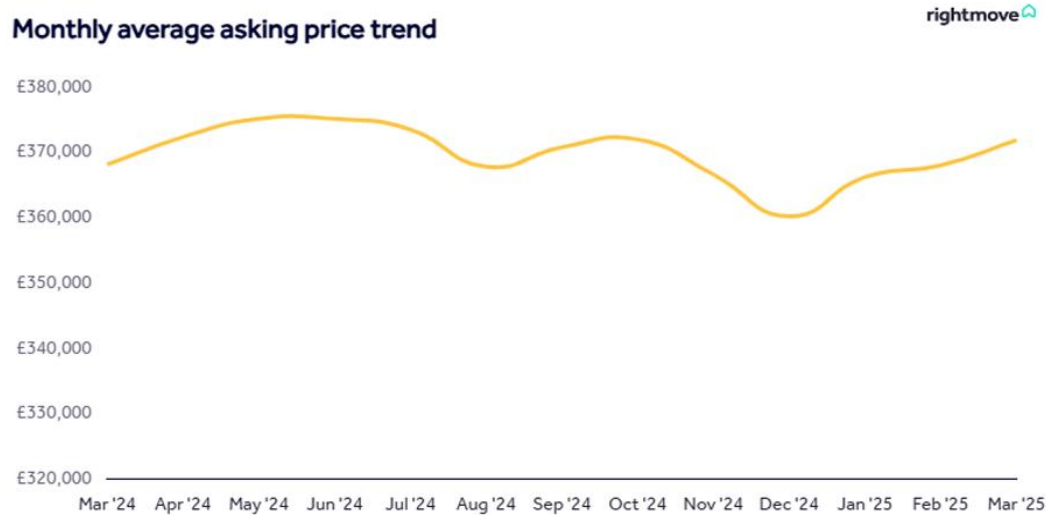
Country	November 2024	November 2023
England	42,289	54,315
Northern Ireland	2,116	1,914
Scotland	9,404	7,999
Wales	2,368	2,945

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

“ So far this year the property market has remained stable and resilient despite the global turbulence and uncertainty. The data suggests that this is set to continue in the short term at least, as there are positive statistics for home-moving activity as the market heads into Spring. The number of sales being agreed is 9% higher than at this time in 2024, and the number of new sellers is now 8% ahead of this time last year. Both are positive signs for continued market activity after stamp duty increases at the start of April. ”

Source: [Rightmove price index](#)

Monthly asking-price trend

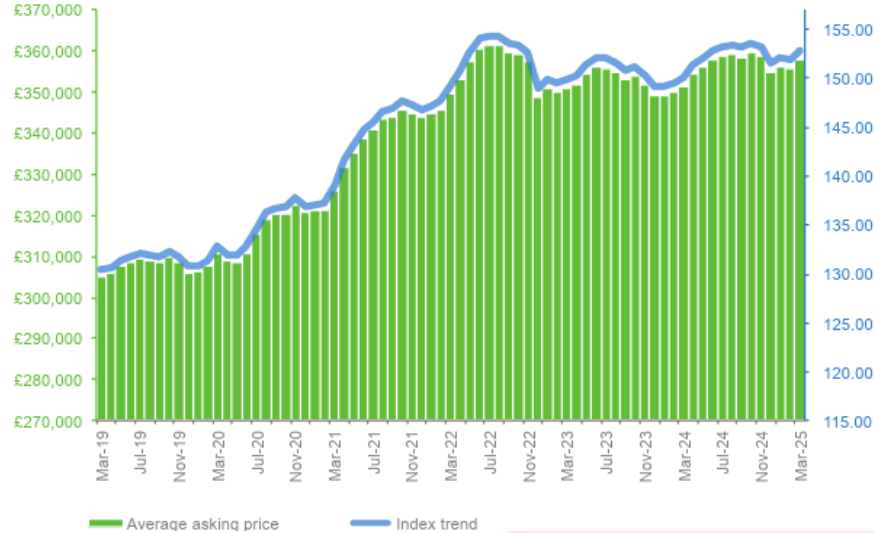


Source: [Rightmove price index](#)

“ House prices rose in January as buyers rushed to beat the March stamp duty deadline. However, with those deals now completing, demand is returning to normal and new applications slowing. Our customers completed more house sales in March than January and February combined, including the busiest single day in record. Following this burst of activity, house prices, which remain in near record highs, unsurprisingly fell back last month. ”

Source: [Halifax price index](#)

Home asking-price trend for England & Wales

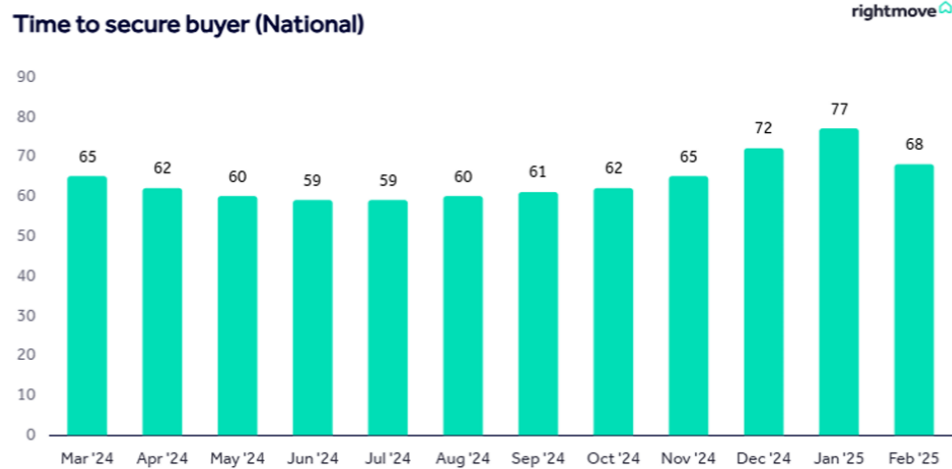


Source: [home.co.uk price index](https://www.home.co.uk/price-index)

Realistic pricing is key when it comes to the current market, and particularly in countryside locations, price sensitivity is still prevalent. The most testing part of the market is the upper end, where realistic pricing is particularly important. This is where sellers need to be mindful of not overpricing if they are looking for a successful sale.

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

Average-time-on-market indicator – National

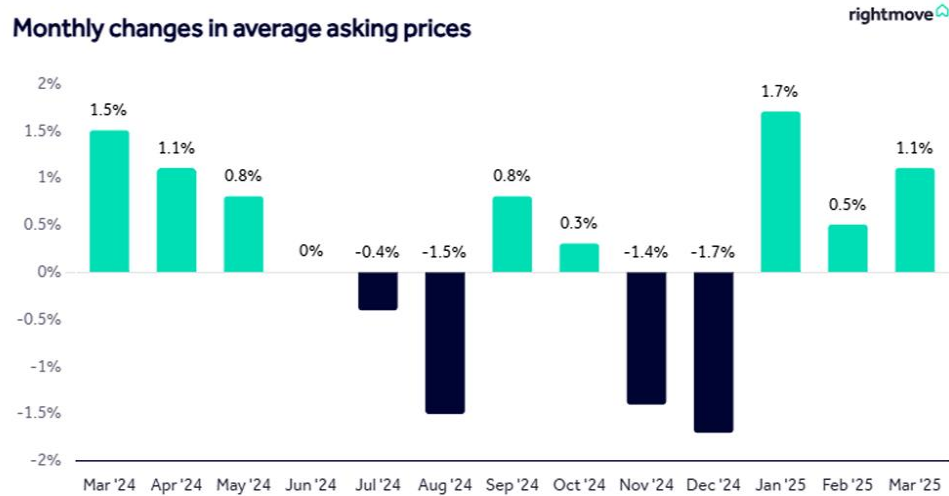


Source: [Rightmove price index](#)

“ Demand is more or less keeping up with supply for now. However, market participants should be aware that stock levels haven't been this high since March 2013 and a significant downturn in demand could create a glut of unsold stock. ”

Source: [home.co.uk price index](#)

Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ Average UK house prices increased by 4.9% to £269,000, in the 12 months to January 2025. This annual growth was up from 4.6% in the 12 months to December 2024. Annual inflation has been generally increasing since its recent low point of negative 2.7% in the 12 months to December 2023. ”

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

UK sales volumes by funding status

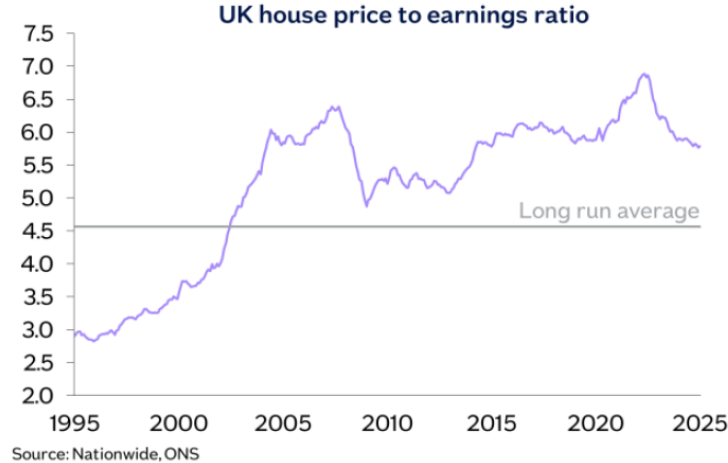
Funding status	Average price January 2025	Monthly change	Annual change
Cash	£255,804	0.3%	4.1%
Mortgage	£278,036	0.2%	5.2%

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

Looking ahead, potential buyers still face challenges from the new normal of higher borrowing costs, a limited supply of available properties to choose from, and an uncertain economic outlook. However, with further base rate cuts anticipated alongside positive wage growth, mortgage affordability should continue to improve gradually, and therefore we still expect a modest rise in house prices this year.

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

UK house-price-to-earnings ratio

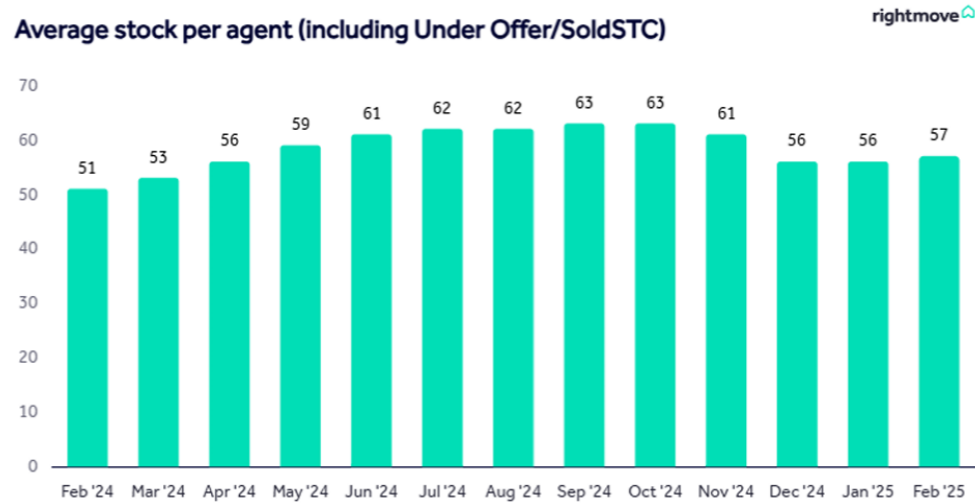


Source: [Nationwide price index](#)

“ Robust growth in average earnings, up 6% in the last year, is the biggest support for household buying power at present. However, many more buyers are facing higher stamp duty costs from the 1st April, which they will want reflected in the price they pay for a home. ”

Source: [Hometrack price index](#)

Average properties for sale per estate agent



February and March are the best months to come to market for sellers. This is based on the highest proportion of homes listed in these months going on to find a buyer. However, new Spring sellers may find it more challenging this year, as they are competing against a decade-high number of other sellers.

Source: [Rightmove price index](#)

UK consumer confidence

Measure	↑↔↓	March 2025	February 2025	January 2025	March 2024
Overall Index Score	↑ 1	-19	-20	-22	-21
Personal Financial Situation over last 12 months	↓ 2	-9	-7	-10	-13
Personal Financial Situation over next 12 months	↓ 1	1	2	-2	2
General Economic Situation over last 12 months	↑ 2	-42	-44	-46	-45
General Economic Situation over next 12 months	↑ 2	-29	-31	-34	-23
Major Purchase Index	↔	-17	-17	-20	-27
Savings Index <small>(commented on but not used in Overall Index Score)</small>	↓ 5	25	30	30	25



Source: GfK Consumer Confidence Barometer powered by NIM (March 2025)

“ Since September last year, the headline has been in a range of -17 to -22. This is more positive than mid-2022 into early 2023 at the height of the cost-of-living crisis, which delivered the worst headline scores ever including nine months at -40 or worse. But we are still below the long-term average of -10. ”

Source: [GfK consumer confidence index](#)

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