

Housing market overview

Produced 10 June 2025

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

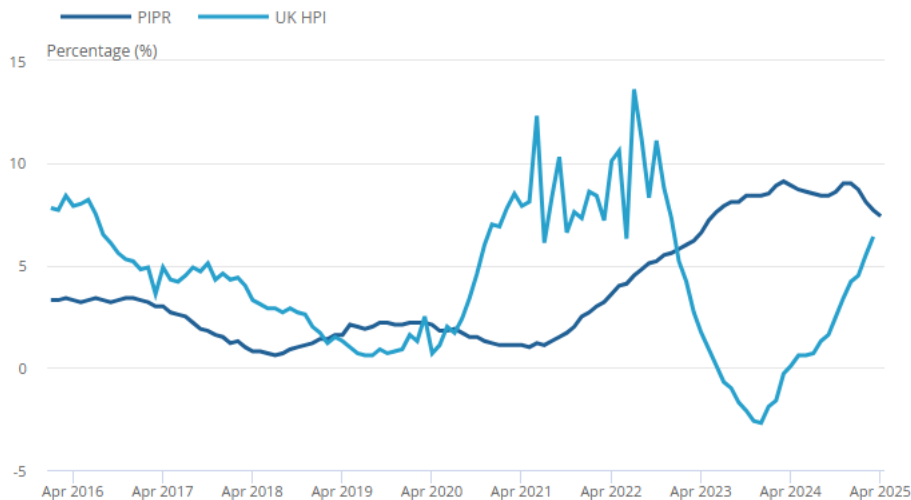
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- > Most sources (gov.co.uk, home.co.uk, Nationwide & Rightmove) showed a month-on-month house price increase (in the range of 0.4 to 1.1%). Halifax was the only source to report a decrease of -0.4% and LSL reported no change from the previous month. For annual house prices, all sources reported house price increases (in the range of 1.2% to 6.4%) with the exception of LSL who reported a decrease of -1.4%.
- > Halifax explains that overall house prices have remained stable so far this year, despite a 0.4% drop in May and a 0.2% decline since the start of the year. They say the brief increase in activity during spring has now settled, but the market continues to show resilience.
- > Hometrack reports a stabilization in house price inflation at 1.6%. They say the number of homes has visibly increased, with 13% more listings compared to the same time last year. And that buyer demand remains strong and is supported by falling mortgage rates despite the ongoing price inflation. They report that overall, the market is on track for a 2% rise in house prices in 2025.
- > Rightmove reveals that buyer demand has slowed since March. Yet there is an expected increase in May. They say despite the recent decline, buyer demand remains 3% higher than this time last year. New property listings are up 14% year-on-year, with new seller activity surpassing buyer demand. They do say however, there has been no visible reduction in sales as April saw a 5% increase in transactions compared to last year, indicating that buyers remain positive for the right property, at the right price.
- > Nationwide tells us that mortgage approvals data suggests that market activity appears to be holding up well following the end of the stamp duty holiday. They say despite wider economic uncertainties in the global economy, underlying conditions for potential home buyers in the UK remain supportive.
- > The GFK Consumer Confidence Overall Index Score showed an improvement across all five key indicators in May, with the overall score increasing to -20. There was more positivity surrounding personal finances for the next 12 months, up 5 points to +2 with the major purchase index up 3 points to -16, suggesting more confidence in buying bigger purchases and supporting buyer interest.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	March'25	▲ 1.1	▲ 6.4	£271,000	21.05.2025
LSL Property Services	April'25	> 0.0	▼ 1.4	£359,213	08.05.2025
Halifax	May'25	▼ 0.4	▲ 2.5	£296,648	06.06.2025
home.co.uk	May'25	▲ 0.4	▲ 1.4	£360,952	14.05.2025
Hometrack	May'25	N/A	▲ 1.6	£268,200	28.05.2025
Nationwide	May'25	▲ 0.5	▲ 3.5	£273,427	05.2025
Rightmove	May'25	▲ 0.6	▲ 1.2	£379,517	19.05.2025

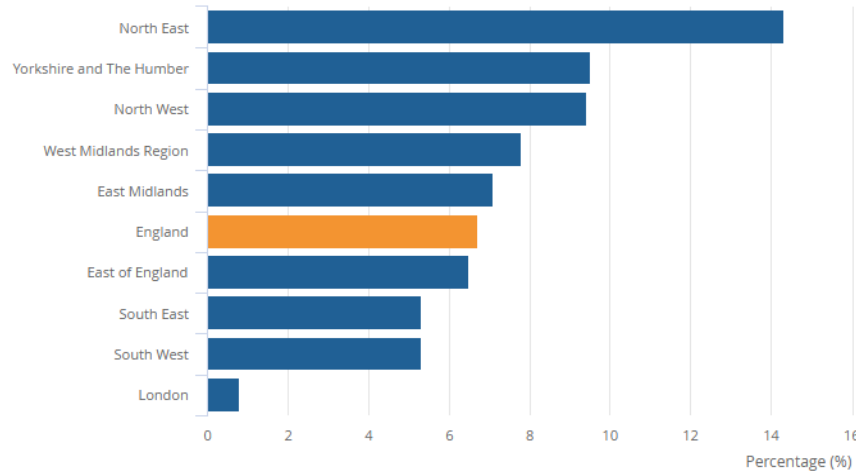
Private rent and house price annual inflation



“ Average UK monthly private rents increased by 7.4% in the 12 months to April 2025 (provisional estimate). This was down from 7.7% in the 12 months to March 2025 and was below the record-high annual rise of 9.1% in March 2024. Average UK house prices increased by 6.4% (provisional estimate), to £271,000, in the 12 months to March 2025. This annual growth was up from 5.5% in the 12 months to February 2025. Annual inflation has been generally increasing since its recent low point of negative 2.7% in the 12 months to December 2023. ”

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

Private rent annual inflation – 12-month % change



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

“ The annualised national growth in asking rents slides further into the negative (now -1.8%), driven down by increased supply (7% year-on-year). The national growth figure is in the red due mainly to the negative performance of London although negative contributions also now come from the West Midlands, the South East and Yorkshire. Meanwhile, the East Midlands continues to show exceptional performance with rental growth of 9.0%. ”

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

UK house-price rates of change: types of buyer

Type of buyer	Average price March 2025	Monthly change	Annual change
First time buyer	£230,857	1.7%	7.1%
Former owner occupier	£331,844	0.4%	5.4%

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

“ The Bank of Mum and Dad continues to underpin around half of the first-time buyer market but with slowing prices, a degree of disruption for pension fund investments and the increased cost of living it has been suggested by some that this hugely important dynamic might contribute less to the market in the future. ”

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

UK house-price rates of change: types of dwelling

Property status	Average price January 2025	Monthly change	Annual change
New build	£381,055	-0.7%	17.1%
Existing resold property	£261,959	0.2%	3.7%

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

“ Supply of new sales properties entering the market during April 2025 remains moderate in most areas except for minor surges in the North East and the South West. Hence, the rapid build-up of stock indicates a fall in demand since the hike in stamp duty. ”

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

Number of housing transactions per month

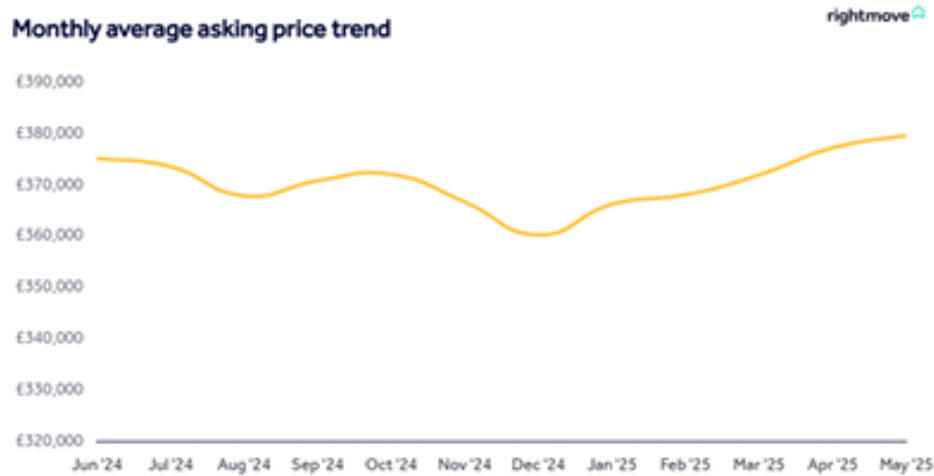
Country	January 2025	January 2024
England	36,265	41,790
Northern Ireland	1,822	1,616
Scotland	6,813	6,139
Wales	1,874	2,082

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

“ The growth in sales rebounded over 2024 as mortgage rates fell, which also boosted demand for mortgages. However, the growth in sales and mortgage approvals has slowed in recent months to more sustainable levels. Sales have started to increase once again as confidence improves and those using a mortgage are able to borrow up to 20% more due to changes in affordability testing. ”

Source: [Hometrack price index](#)

Monthly asking-price trend



Source: [Rightmove price index](#)

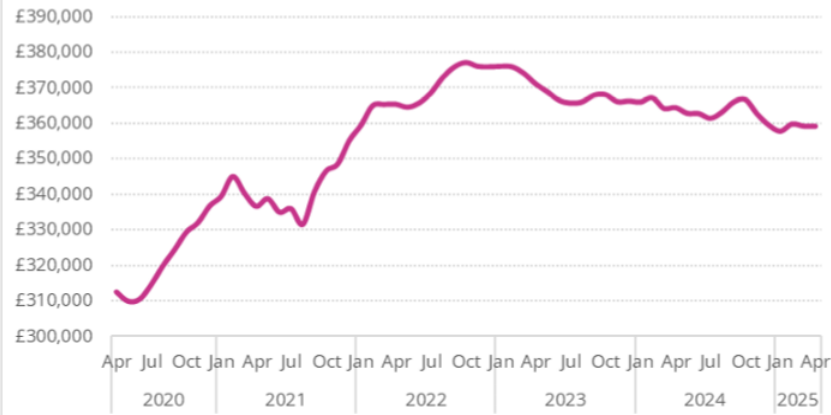
“ It's important that sellers are realistic with their expectations on price. Our data shows the average home sale is currently being agreed at 3% (or £16,000) below the average asking price, a level that has been stable over recent months. ”

Source: [Hometrack price index](#)

Home asking-price trend for England & Wales

Figure 1. England and Wales yet to see a sustained recovery

E&W prices, last 5 years

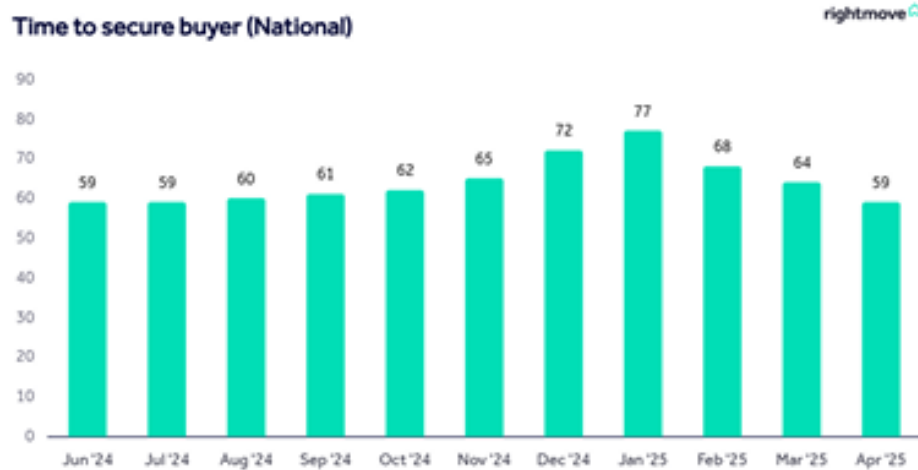


Source: [LSL Property Services price index](#)

“The much anticipated second Bank Rate cut of the year has also now finally arrived, which could spur on further rate reductions from lenders. The number of new properties coming to the market for sale is 14% ahead of this time last year, keeping buyer choice at its highest level for a decade which is giving buyers an edge in price negotiations.”

Source: [Rightmove price index](#)

Average-time-on-market indicator – National

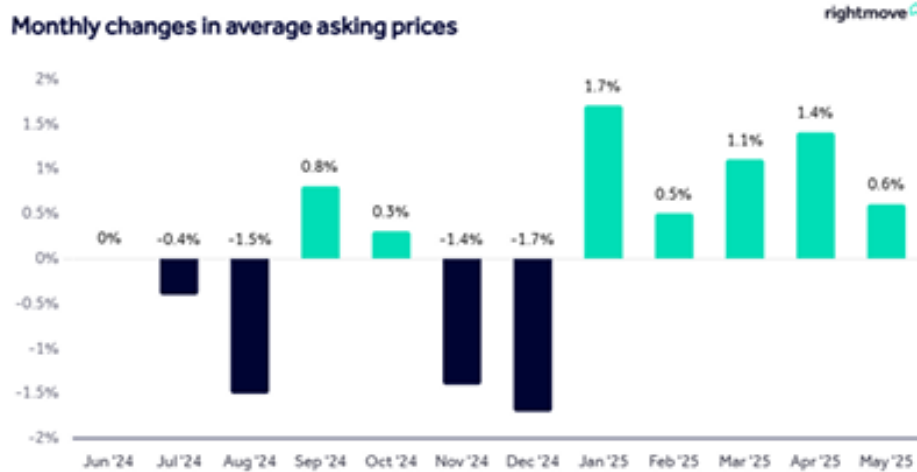


Source: [Rightmove price index](#)

“ Sales market momentum shows a further increase over and above that of May 2024. High activity has upped the property turnover rate to be above any of the previous ten years of May readings. However, even this heightened throughput is not enough to prevent a serious build-up of unsold stock. Typical Time on Market is now five days higher than in May last year and rising. ”

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

Asking-price fluctuation percentage



In the current market, buyers may well have several similar homes to choose from in their area, and a home which appears over-priced compared to the competition may not get a second look. This month's price increase being the lowest in May for nine years is a sign of a market that favours buyers and is more subdued than usual.

Source: [Rightmove price index](#)

UK sales volumes by funding status

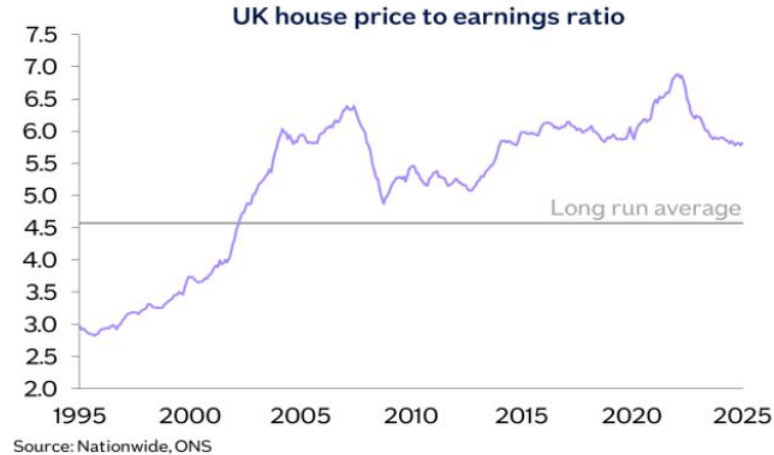
Funding status	Average price March 2025	Monthly change	Annual change
Cash	£258,369	1.1%	5.5%
Mortgage	£281,080	1.1%	6.7%

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

“ Rising real wages, falling mortgage rates and stronger expectations that the base rate will decline further this year have encouraged many households to make the move. With rents rising faster than prices there have been added incentives for some. ”

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

UK house-price-to-earnings ratio



Source: [Nationwide price index](#)

“ Average earnings have been going up and are now over 5% ahead of this time last year, outpacing annual house price growth which is now at only +1.2%. Mortgage lenders have been reviewing affordability criteria and slowly reducing interest rates, helping buyers to borrow more. ”

Source: [Rightmove price index](#)

Average properties for sale per estate agent



Source: [Rightmove price index](#)

Our latest data shows the number of sales agreed per estate agent at this time of year is running at the fastest rate for 4 years, since the pandemic boom of 2021. This is due to a high number of homes for sale and improvements in mortgage rates and availability. There are 13% more homes for sale than a year ago. The average estate agent office has 35 unsold homes. Most of these home sellers are also buyers, which means plenty of interest for well-priced homes.

Source: [Hometrack price index](#)

UK consumer confidence

Measure	↑↔↓	May 2025	April 2025	March 2025	May 2024
Overall Index Score	↑ 3	-20	-23	-19	-17
Personal Financial Situation over last 12 months	↑ 3	-7	-10	-9	-10
Personal Financial Situation over next 12 months	↑ 5	2	-3	1	7
General Economic Situation over last 12 months	↑ 1	-46	-47	-42	-39
General Economic Situation over next 12 months	↑ 4	-33	-37	-29	-17
Major Purchase Index	↑ 3	-16	-19	-17	-26
Savings Index <small>(commented on but not used in Overall Index Score)</small>	↓ 2	28	30	25	27



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

“ Have consumers taken comfort from the Bank of England’s May 8th quarter-point base-rate cut? And have they breathed a tiny sigh of relief since April when the sudden turbulence of the Trump Tariffs was prompting dire warnings of economic damage and a return to inflation? Those dangers – especially the issue of inflation – have not disappeared but the consumer mood in the UK does appear to have improved a little. ”

Source: [GfK consumer confidence index](#)

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