

Housing market overview

Produced 10 June 2026

This document provides the latest information available from various sources, with dates varying from March – May 2026.

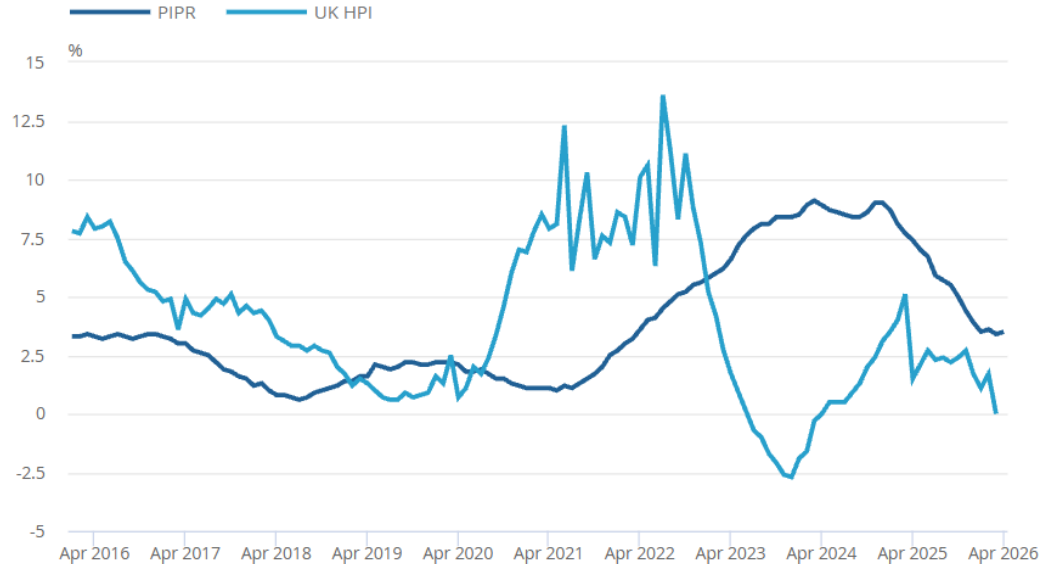
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- > Our sources this month present a mixed picture. Two (LSL & Rightmove) report monthly house price increases of between 0.2% and 1.2%, whereas Halifax, Nationwide and Gov.co.uk report a decrease of -0.1% and -0.6% respectively. All sources apart from Rightmove (-0.3%) report annual house price growth of between 0.5% and 1.7%. Gov.co.uk remains unchanged.
- > Halifax reports a -0.1% monthly fall in house prices in May, saying that property price trends continue to reflect the uncertainty linked to developments in the Middle East. They say despite recent cuts to mortgage rates, higher inflation expectations have kept borrowing costs above the level seen at the start of the year, continuing to stretch affordability for many buyers and temper demand. Despite this, overall activity has held up well, reflecting the underlying resilience of the UK housing market.
- > Hometrack tells us first-time buyers are spending more and not compromising on what they want to buy. Sales are holding up despite fewer buyers in the market. For sellers, pricing correctly remains essential to achieving a sale in 2026.
- > Rightmove reports that the housing market remains confident despite the ongoing global uncertainty. Although monthly average asking prices have risen by 1.2% this month, 32% of properties currently on the market have reduced their asking price, reiterating the importance of realistic and competitive pricing. In the first-time buyer sector, prices have softened slightly improving affordability for those entering the market.
- > Nationwide reports UK annual house price growth slowed to 1.7% in May, from 3.0% in April. Prices fell by -0.6% month on month, after taking account of seasonal effects – the first monthly decline so far this year. They say given the uncertainty caused by developments in the Middle East and the subsequent rise in energy prices and market interest rates, some loss of momentum was to be expected. Indeed, consumer confidence has weakened noticeably since the start of the conflict, with GfK's headline index falling to its lowest level since late-2023 in April, with only a marginal increase in May.
- > The GfK Consumer Confidence Overall Index increased by two points to -23 in May. Four measures were up and one was down, compared to last month's announcement. The Major Purchase Index has dropped two points to -20, which is four points lower than May last year. Meanwhile, the Savings Index has decreased 10 points to 22; this is six points lower than this time last year.

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 '26 | ▼ 0.4 | > 0.0 | £268,000 | 20.05.2026 |
| LSL Property Services | April '26 | ▲ 0.2 | ▲ 1.7 | £327,800 | 20.05.2026 |
| Halifax | May '26 | ▼ 0.1 | ▲ 0.5 | £298,806 | 05.06.2026 |
| home.co.uk | May '26 | N/A | N/A | N/A | N/A |
| Hometrack | May '26 | N/A | ▲ 1.5 | £271,900 | 28.05.2026 |
| Nationwide | May '26 | ▼ 0.6 | ▲ 1.7 | £278,024 | 05.2026 |
| Rightmove | May '26 | ▲ 1.2 | ▼ 0.3 | £378,304 | 18.05.2026 |

Private rent and house price annual inflation

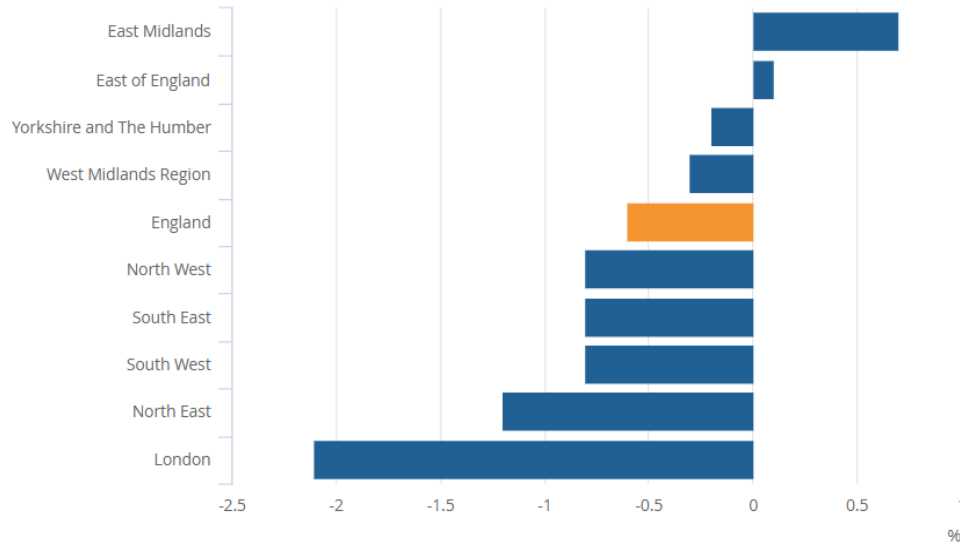


Source: [Gov.co.uk price index](https://www.gov.uk/price-index)

More sellers entering the market suggests households are pressing ahead despite the uncertain backdrop, which will support sales. House price inflation is set to hold steady at around 1.5%. Market conditions in the North will continue to be better than those in the South. However, sales and prices could be affected if mortgage rates rise or economic uncertainty weighs further on consumer confidence.

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

Private rent annual inflation – 12-month % change



“ Average UK monthly private rents increased by 3.5%, in the 12 months to April 2026 (provisional estimate). This was up from 3.4% in the 12 months to March 2026. ”

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 March 2026 | Monthly change | Annual change |
|-----------------------|--------------------------|----------------|---------------|
| First time buyer | £226,247 | -0.3% | -0.7% |
| Former owner occupier | £329,454 | -0.5% | 0.6% |

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



What's encouraging is how resilient activity has remained, even among first-time buyers, despite the ongoing pressures of higher living costs and mortgage rates. The number of sales agreed in the first-time buyer sector is performing better than expected and is broadly tracking the wider market. Prices in the typical first-time-buyer sector are lower than a year ago, helping to support affordability.



Source: [Rightmove price index](#)

UK house-price rates of change: types of dwelling

| Property status | Average price January 2026 | Monthly change | Annual change |
|---------------------------------|----------------------------|----------------|---------------|
| New build | £343,580 | -0.5% | 0.1% |
| Existing resold property | £264,175 | -0.2% | 1.2% |

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



Small rate falls can make a meaningful difference to monthly budgets, and when combined with greater flexibility in lending following last year's review of affordability rules, many buyers are still able to make the numbers work. This helps to explain why activity has continued to hold up, particularly among first-time buyers. Price sensitivity is clearly feeding through into more restrained pricing at the entry level, but importantly this reflects affordability shaping the market rather than a drop-off in appetite. Where homes are priced realistically and budgets stack up, many buyers are still pressing ahead with their plans.



Source: [Rightmove price index](#)

Number of housing transactions per month

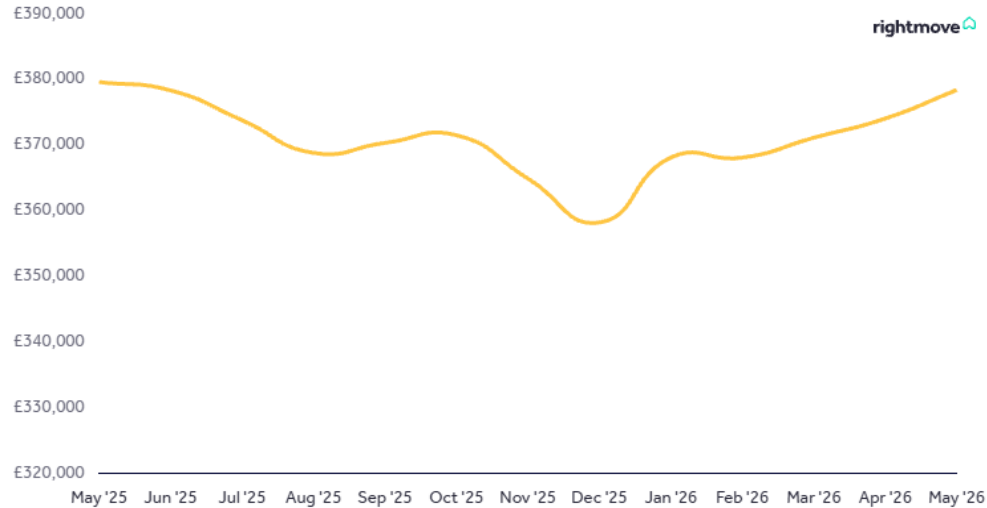
| Country | January 2026 | January 2025 |
|------------------|--------------|--------------|
| England | 35,188 | 55,008 |
| Northern Ireland | 1,670 | 2,199 |
| Scotland | 6,945 | 6,911 |
| Wales | 1,866 | 2,777 |

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

“ Sales agreed are running 1% higher than last year despite buyer demand being 10% lower. While browsers and those sensitive to higher borrowing costs have stepped back, buyers with a clear need to move have continued to make offers on homes, pushing sales higher. ”

Source: [Hometrack price index](#)

Monthly asking-price trend

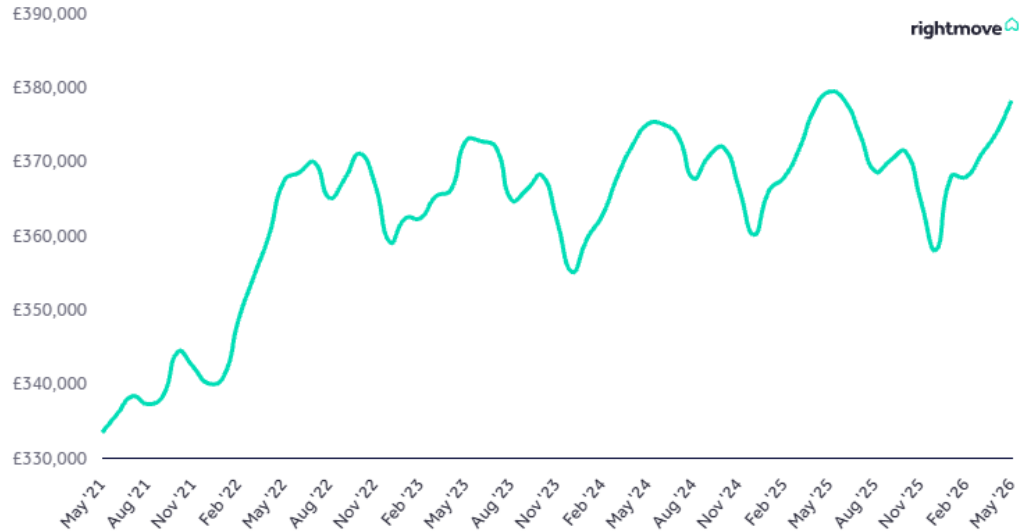


Source: [Rightmove price index](#)

“ The annual UK house prices rate slowed because average monthly prices fell by 0.4% between February and March 2026, compared with a large monthly rise of 1.2% between February and March 2025. This slowing of the annual rate because of a large monthly rise is called a base effect. ”

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

Home asking-price trend for England & Wales

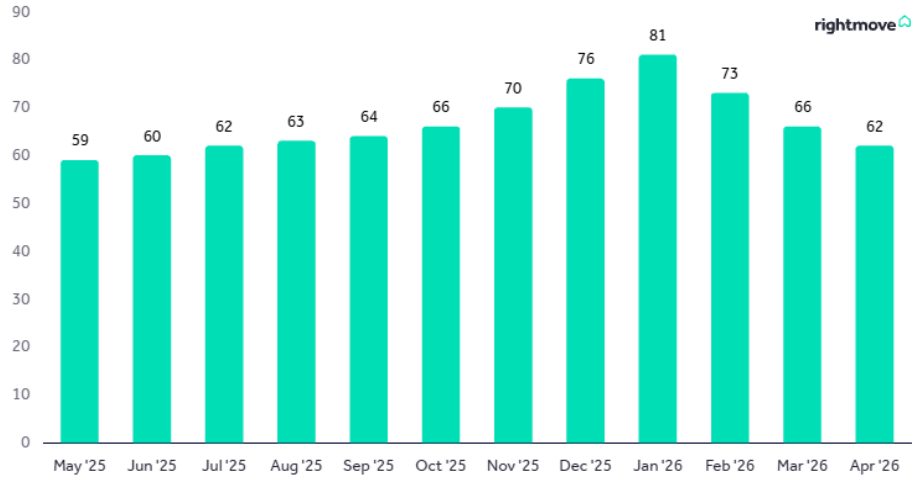


Source: [Rightmove price index](#)

Property price trends continue to reflect the uncertainty linked to developments in the Middle East. Despite recent cuts to mortgage rates, higher inflation expectations have kept borrowing costs above the level seen at the start of the year, continuing to stretch affordability for many buyers and temper demand.

Source: [Halifax price index](#)

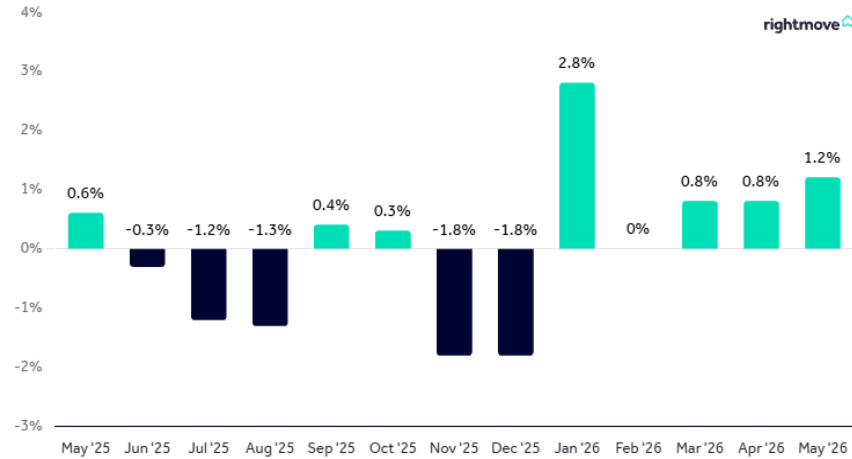
Average-time-on-market indicator – National



“ Homes priced realistically from the outset tend to sell far more quickly, with properties that required a price reduction spending an average of 127 days on the market, compared with just 36 days for those that did not need a price reduction – a gap of around three months. ”

Source: [Rightmove price index](#)

Asking-price fluctuation percentage



“ It’s normal to see asking prices pick up as we move through the spring selling season. What’s notable this month is that activity in the market is staying fairly steady, even with ongoing cost-of-living pressures and wider global uncertainty. The number of sales agreed is holding up well, consistent with trends we’ve seen in 2026 so far ”

Source: [Rightmove price index](#)

UK sales volumes by funding status

| Funding status | Average price March 2026 | Monthly change | Annual change |
|----------------|--------------------------|----------------|---------------|
| Cash | £254,246 | -0.6% | -0.7% |
| Mortgage | £277,194 | -0.3% | 0.1% |

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



We're continuing to see our sales agreed figures rise month on month, which is really encouraging and reflects improving confidence from buyers across our local market. We've also seen a noticeable increase in viewing numbers recently, with plenty of buyers still actively looking and engaging with new properties coming to market.



Source: [Rightmove price index](#)

UK house-price-to-earnings ratio

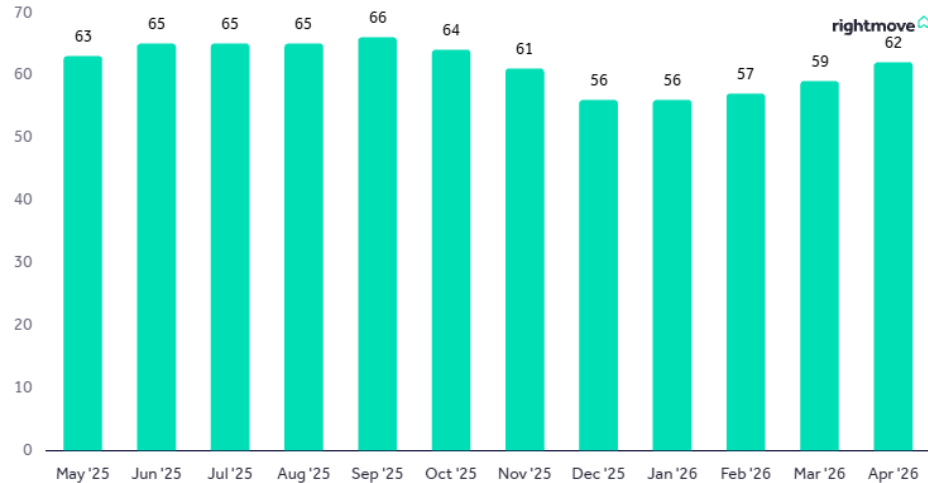


Household finances are solid, with total household debt at its lowest level relative to income for around two decades, and sizeable savings buffers have been built up, though these are not evenly distributed across households. Moreover, housing affordability had been improving steadily in recent years due to a combination of income growth outpacing house price growth by a wide margin and a modest decline in borrowing costs.



Source: [Nationwide price index](#)

Average properties for sale per estate agent



“ Since the beginning of 2026, we’ve seen the number of properties coming to market across Derby steadily increase month-on-month, suggesting that many buyers and sellers remain committed to moving despite the wider economic uncertainty and ongoing cost of living pressures. Whilst this has naturally created greater buyer choice and a more competitive marketplace for sellers, demand levels remain strong across many parts of the city. We’re continuing to see numerous examples of properties achieving sales at or above asking price where homes are priced realistically from the outset. ”

Source: [Rightmove price index](#)

UK consumer confidence

| UK Measures | ↑↔↓ | May 2026 | April 2026 | March 2026 | May 2025 |
|--|------|----------|------------|------------|----------|
| Overall Index Score | ↑ 2 | -23 | -25 | -21 | -20 |
| Personal Financial Situation over last 12 months | ↑ 4 | -7 | -11 | -7 | -7 |
| Personal Financial Situation over next 12 months | ↑ 2 | -2 | -4 | 1 | 2 |
| General Economic Situation over last 12 months | ↑ 4 | -47 | -51 | -43 | -46 |
| General Economic Situation over next 12 months | ↑ 5 | -38 | -43 | -37 | -33 |
| Major Purchase Index | ↓ 2 | -20 | -18 | -18 | -16 |
| Savings Index <small>(commented on but not used in Overall Index Score)</small> | ↓ 10 | 22 | 32 | 27 | 28 |



Source: GfK Consumer Confidence Barometer powered by NIM (May 2026)

“ Consumers appear to be in a more generous mood in May, with a two-point increase in the headline score and improving perceptions of both personal finances and the wider economy. In contrast, there is a drop in major purchase intentions, with this measure down two points to -20 in May, its lowest level since January 2025. ”

Source: [GfK consumer confidence index](#)

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