

Housing market overview

Produced 12 August 2025

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

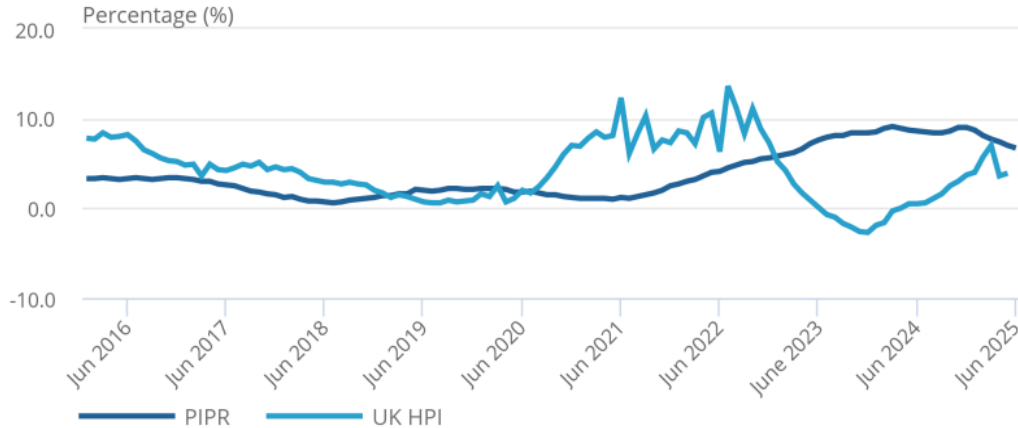
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- > We see a mixed bunch when it comes to house prices with two of our reported sources (Nationwide and Rightmove) reporting month-on-month house price decreases (in the range of 0.8% to 1.2%). Gov.uk and Halifax both report increases. More positively, all but one of our sources continued to report annual house price increases (in the range of 0.1% to 3.9%). LSL was the only source to record an annual decrease (of 1.3%).
- > Halifax states the highest increase in house prices since the beginning of 2025, with a 0.4% increase. They say while challenges remain for buyers, the decline in mortgage rates and lenders offering more lenient affordability assessments offers hope and resilience in the property market.
- > Hometrack reports a strong sales market for July, with 8% more sales agreed in comparison to the same period last year. Market activity remains high throughout the UK, supported by mortgage adjustment. This appears to be helping buyer demand, now 11% higher than 2024. They say while sales are expected to rise by 5% for the remainder of the year, house price growth is to remain limited.
- > Rightmove announced that the increase in available homes has increased the importance and need for sellers to price realistically. They say despite this, 6% more buyers are contacting estate agents in comparison to 2024 showing strong buyer activity. Overall affordability continues to improve, especially due to the expectations of two additional Bank of England bank rates cuts later in the year.
- > Nationwide state an expected month-on-month decrease in UK house price growth due to seasonality factors. They do say however, it could also be impacted from the end of Stamp Duty relief. Nevertheless, they report the underlying market conditions remain supportive to buyers, especially with the continuation of rising earnings.
- > The GfK Consumer Confidence Overall Index declined by one point in July to -19. Among the key five indicators, two declined, one improved and two remained unchanged from the previous month. They report the key measures on personal finances, the economy and purchase intentions are flat in July, and many will conclude that consumers are in a cautious wait-and-see mood. But the data suggests that some people may be sensing stormy conditions ahead.

Summary of published price indices

Source website	Period covered	Monthly change (%)	Annual change (%)	Average house price	Official releases
gov.uk UK house price index	May'25	▲ 1.1	▲ 3.9	£269,000	16.07.2025
LSL Property Services	June'25	> 0.0	▼ 1.3	£357,966	14.07.2025
Halifax	July'25	▲ 0.4	▲ 2.4	£298,237	07.08.2025
home.co.uk	N/A	N/A	N/A	N/A	N/A
Hometrack	July'25	N/A	▲ 1.3	£268,400	29.07.2025
Nationwide	July'25	▼ 0.8	▲ 2.1	£271,619	07.2025
Rightmove	July'25	▼ 1.2	▲ 0.1	£373,709	21.07.2025

Private rent and house price annual inflation

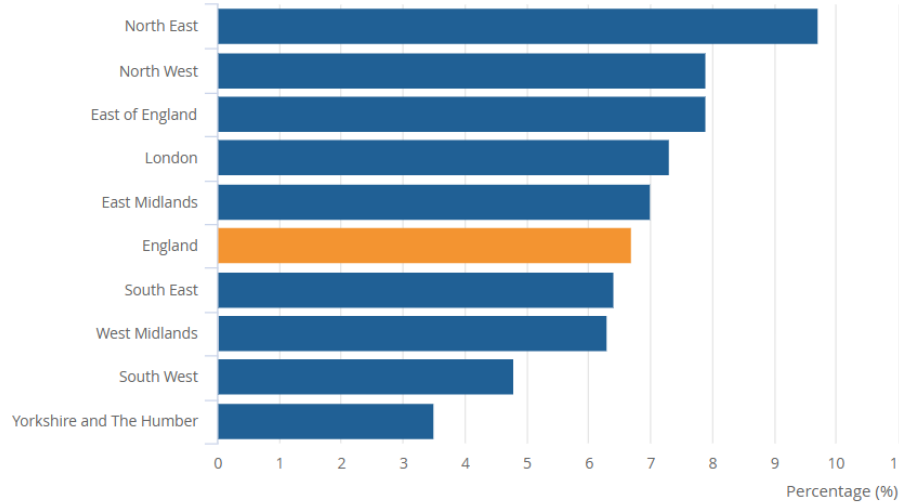


Source: [gov.co.uk price index](https://www.gov.uk/price-index)

While levels of market activity are higher, this is not translating into faster house price growth. Our latest UK house price index to June 2025 shows a continued slowdown in the annual rate of price inflation, which is currently running at 1.3%. At £268,400, the average house price is £3,350 higher than a year ago.

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

Private rent annual inflation – 12-month % change



“ Average UK monthly private rents increased by 6.7% in the 12 months to June 2025 (provisional estimate). This was down from 7.0% in the 12 months to May 2025 and represents the sixth consecutive month of slowing annual inflation. ”

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

UK house-price rates of change: types of buyer

Type of buyer	Average price May 2025	Monthly change	Annual change
First time buyer	£226,673	1.3%	3.6%
Former owner occupier	£331,397	0.9%	4.1%

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

“ Challenges remain for those looking to move up or onto the property ladder. But with mortgage rates continuing to ease and wages still rising, the picture on affordability is gradually improving. Combined with the more flexible affordability assessments now in place, the result is a housing market that continues to show resilience, with activity levels holding up well. ”

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

UK house-price rates of change: types of dwelling

Property status	Average price March 2025	Monthly change	Annual change
New build	£419,862	2.7%	29.9%
Existing resold property	£265,336	1.3%	5.4%

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

“ Our most recent data by property type shows that terraced houses have seen the biggest percentage rise in prices over the last 12 months, with average prices up 3.6% year on year. Flats saw a further slowing in annual price growth to 0.3%, from 2.3% last quarter. Semi-detached properties recorded a 3.3% annual increase, while detached properties saw a 3.2% year-on-year rise. ”

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

Number of housing transactions per month

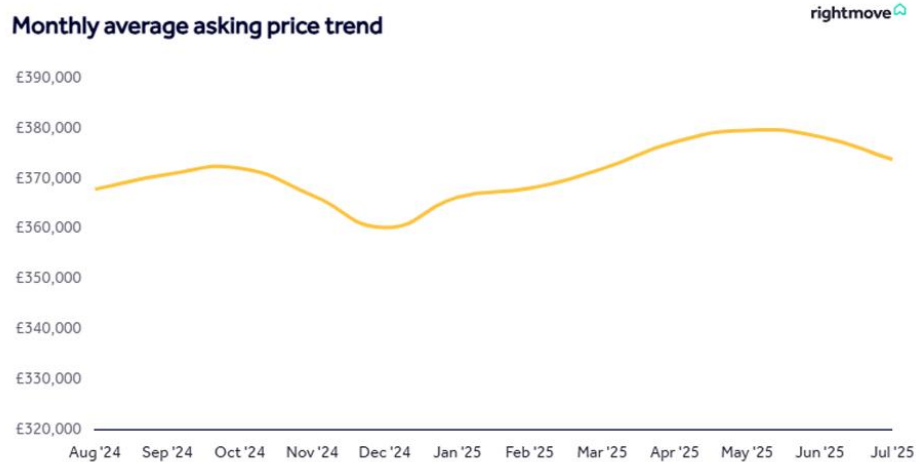
Country	March 2025	March 2024
England	72,105	54,167
Northern Ireland (Quarter 1 - 2025)	1,822	1,616
Scotland	7,495	7,797
Wales	2,231	2,867

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

“ HMRC data indicates a partial recovery in transactions following the end of the stamp duty holiday. London, which had been a major drag on national figures, made only a minimal negative contribution in May - its best showing in 18 months. ”

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

Monthly asking-price trend

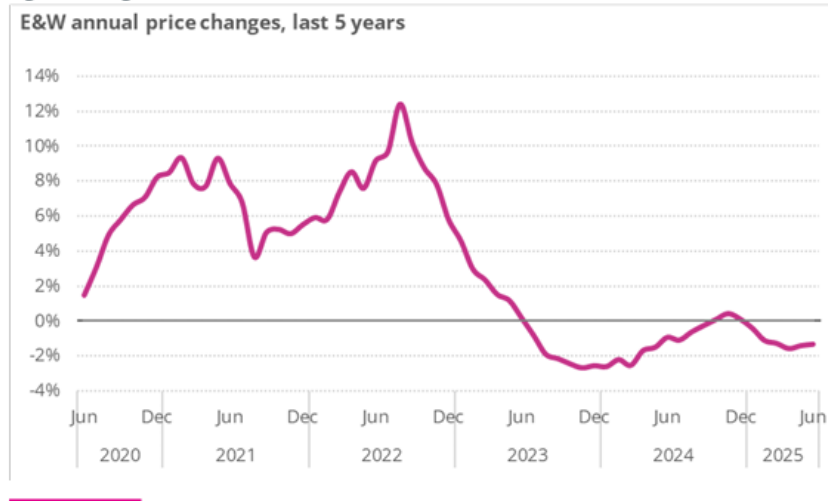


However, tempting pricing from new sellers is helping to improve buyer affordability, enticing new buyers into enquiring, and helping year-on-year growth in the numbers of sales being agreed. Pricing is key, and sellers who are over-optimistic on their initial asking price are increasingly at risk of getting lost among the competition.

Source: [Rightmove price index](#)

Home asking-price trend for England & Wales

Figure 1. England and Wales remains in neutral



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

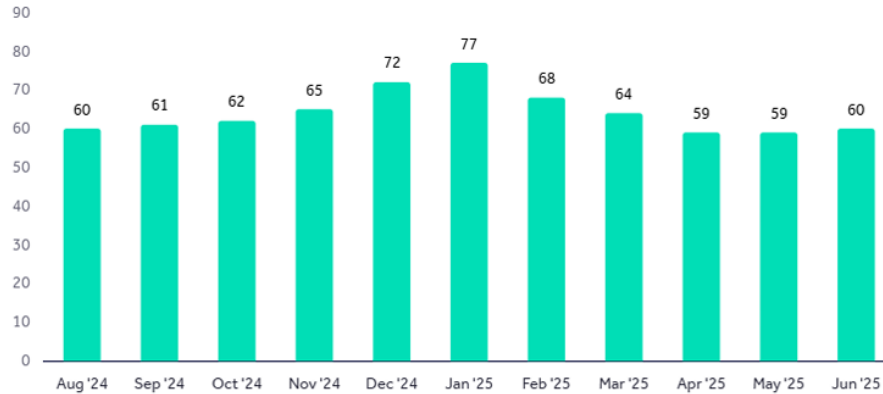
“ Sellers in southern regions of England must be very mindful of how they price their homes. The number of homes for sale is much higher in these areas compared to a year ago, reinforcing a buyers' market and keeping price inflation in check. ”

Source: [Hometrack price index](#)

Average-time-on-market indicator – National

Time to secure buyer (National)

rightmove

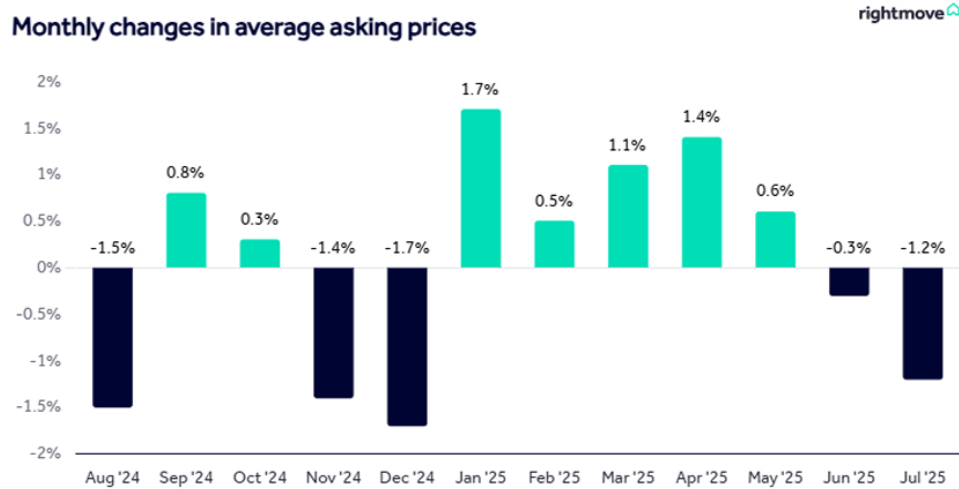


Source: [Rightmove price index](#)

“We’re unlikely to see a significant impact on house prices, but it may influence market dynamics if prospective home movers choose to delay plans as a result of tighter budgets.”

Source: [Halifax price index](#)

Asking-price fluctuation percentage



Source: [Rightmove price index](#)

“ The average house price is now £298,237, +2.4% higher than a year ago. While the national average remains close to a record high, it's worth remembering that prices vary widely across the country depending on a number of factors, not least location and property type. ”

Source: [Halifax price index](#)

UK sales volumes by funding status

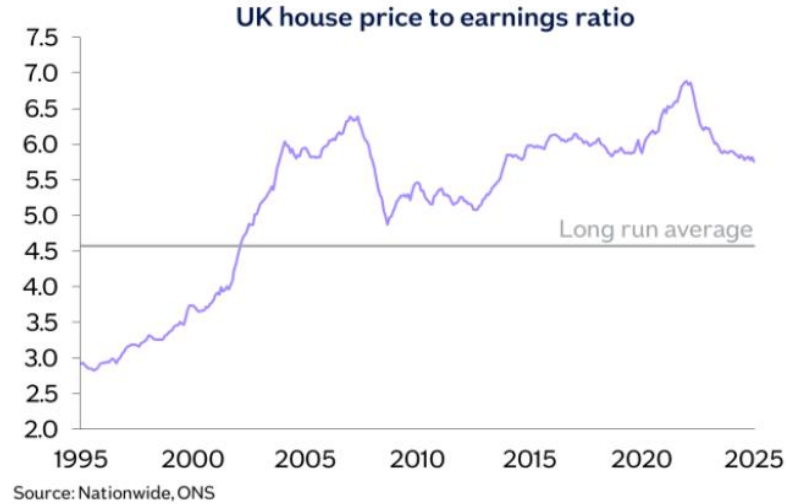
Funding status	Average price May 2025	Monthly change	Annual change
Cash	£255,125	1.2%	3.0%
Mortgage	£278,384	1.1%	4.3%

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

“ Home buyers using a mortgage can borrow up to 20% more than they could just three months ago - for the same household income and mortgage rate. This will encourage more buyers to try and secure a home purchase before the summer. ”

Source: [Hometrack price index](#)

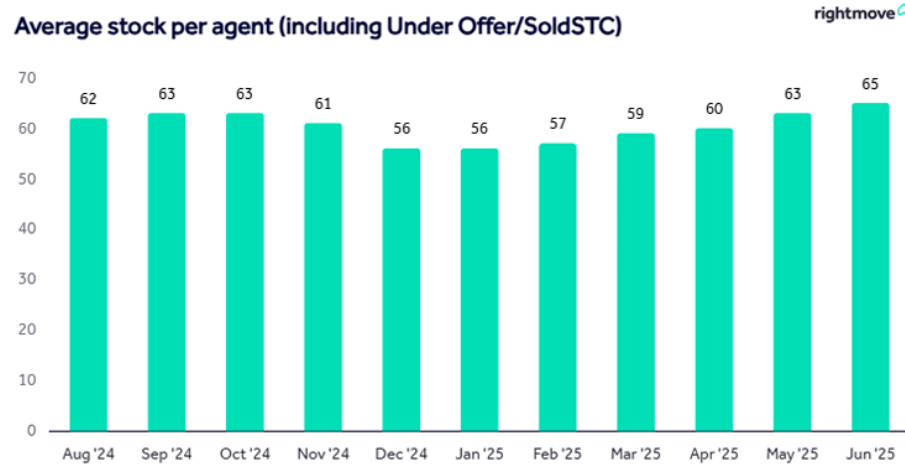
UK house-price-to-earnings ratio



“ The unemployment rate remains 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 Rate is lowered further in the coming quarters as we and most other analysts expect. ”

Source: [Nationwide price index](#)

Average properties for sale per estate agent



“We’re seeing significantly higher stock levels than a year ago but mitigated in part by a good increase in buyer registrations and viewing levels compared with last year. Buyers are taking their time and viewing more before deciding, and the serious and motivated sellers are pricing sensibly and getting success.”

Source: [Rightmove price index](#)

UK consumer confidence

UK Measures	↑↔↓	July 2025	June 2025	May 2025	July 2024
Overall Index Score	↓ 1	-19	-18	-20	-13
Personal Financial Situation over last 12 months	↔	-7	-7	-7	-8
Personal Financial Situation over next 12 months	↔	2	2	2	3
General Economic Situation over last 12 months	↓ 1	-44	-43	-46	-32
General Economic Situation over next 12 months	↓ 1	-29	-28	-33	-11
Major Purchase Index	↑ 1	-15	-16	-16	-16
Savings Index <small>(commented on but not used in Overall Index Score)</small>	↑ 7	34	27	28	27

Our Savings Index is significant this month because it does indeed suggest people are anxious. It has jumped seven points to +34 to reach the highest level since November 2007. This sub-measure is not part of our Overall Index Score, but it does reveal that those people who can put money aside are building contingency funds.

Source: [GfK consumer confidence index](#)

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