Housing market overview

Produced 10 August 2026

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

Contents

Market overview

- The sources present a mixed picture this month. gov.co.uk, LSL and Nationwide all report monthly house price increases of between 0.1% and 0.3%, while Lloyds and home.co.uk remain unchanged. Rightmove was our only source to record a monthly decrease of 1.0%. Annually, all but one of our sources report house price growth, ranging from 0.1% to 2.7%. Again, Rightmove was the only source to report a decline of 0.4%.

- Lloyds reports that average house prices in July were 0.1% higher than a year ago, the slowest annual growth since November 2023. They say despite ongoing economic uncertainty, house prices have remained relatively stable for almost two years. Activity picked up in June, with mortgage approvals and completed transactions increasing following a dip in May. However, demand remains sensitive to changes in mortgage rates.

- Hometrack reveals higher mortgage rates and ongoing political uncertainty has contributed to an earlier than usual summer slowdown. They say sales agreed have fallen by 9% across the country, while increased housing supply has given buyers greater negotiating power. Activity is expected to pick back up again in September, provided mortgage rates remain stable.

- Rightmove reports that house prices have seen their largest July decline in a decade, decreasing by 1.0%. They say the number of available homes for sale is 1% below this time last year, but still very close to a 12-year high for the time of year. They believe the World Cup and an unusually hot summer have added to the traditional summer holiday season to distract home-movers. Political change is also adding further uncertainty to the market and adding to summer buyer distractions.

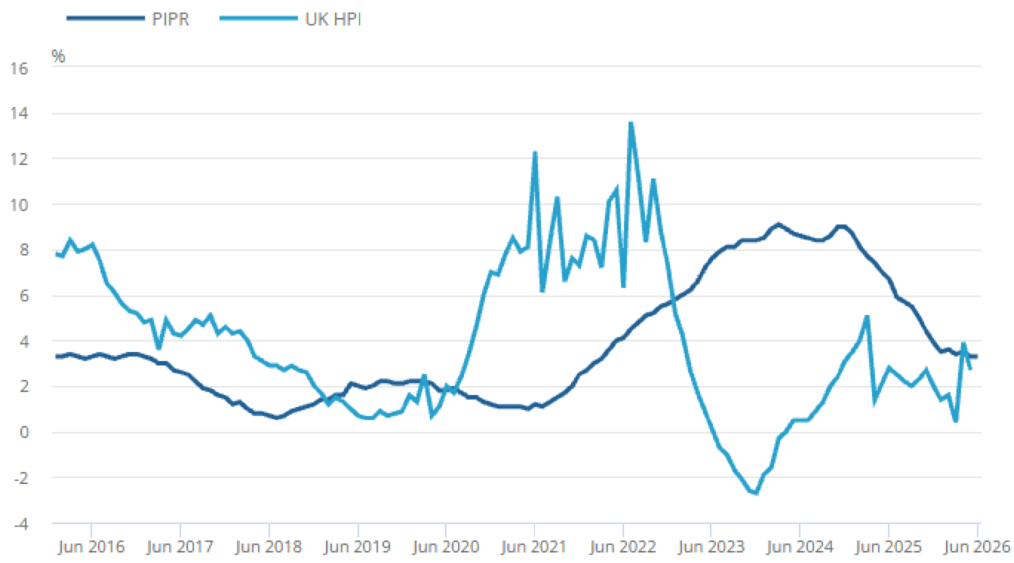
- Nationwide announced that house prices remained broadly flat in month-on-month terms, with annual house price growth decreasing to 1.8% in July, from 2.2% the previous month. They attribute this to ongoing economic uncertainty, global conflict and rising energy costs. They say there are signs that wage growth has continued to ease, giving policymakers more time to assess inflation.

- The GfK Consumer Confidence Overall Index increased by six points to -17 in July. All five measures improved compared to last month's announcement. The Major Purchase Index increased by eight points to -12, three points higher than July last year. The Savings Index improved by seven points to +27; however, this is seven 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	May ’26	^ 0.3	^ 2.7	£271,000	22.07.2026
LSL Property Services	June ’26	^ 0.1	^ 1.8	£328,800	14.07.2026
Lloyds	July ’26	> 0.0	^ 0.1	£299,253	07.08.2026
home.co.uk	July ’26	> 0.0	> 0.0	£397,044	31.07.2026
Hometrack	July ’26	N/A	^ 1.3	£272,800	30.07.2026
Nationwide	July ’26	^ 0.1	^ 1.8	£277,542	07.2026
Rightmove	July ’26	v 1.0	v 0.4	£372,359	20.07.2026

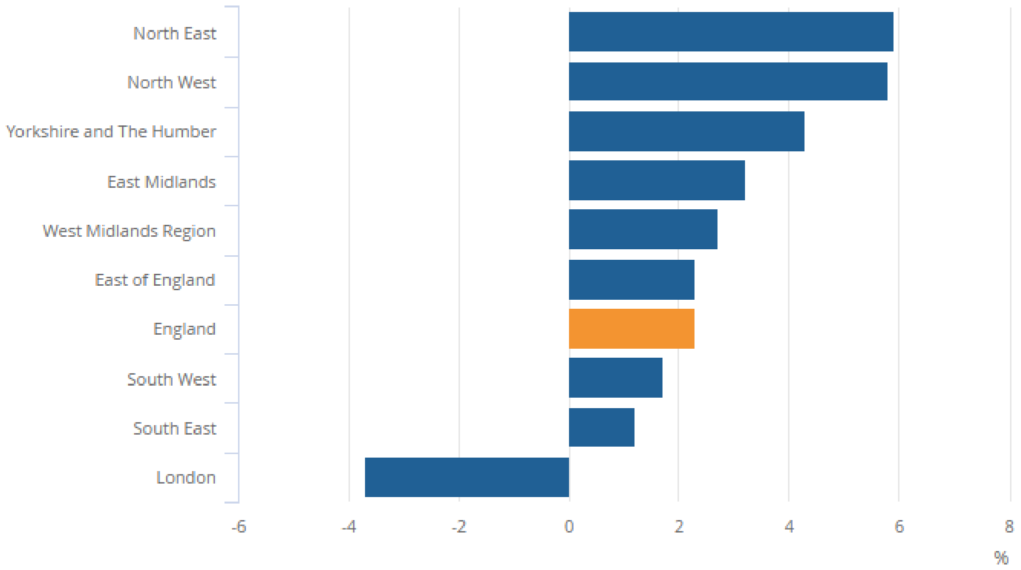
Private rent and house price annual inflation



"Average UK monthly private rents increased by 3.3%, in the 12 months to June 2026 (provisional estimate). This was unchanged from the 12 months to May 2026. UK rents annual inflation has generally been slowing since December 2024. Average UK house prices were £271,000 in May 2026 and increased by 2.7% (provisional estimate) in the 12 months to May 2026. This annual growth was down from 3.9% (revised estimate) in the 12 months to April 2026."

Source: [Gov.co.uk price index]

Private rent annual inflation – 12-month % change



"The North East was the English region with the highest house price inflation, at 5.9%, in the 12 months to May 2026. This was down from 9.7% in the 12 months to April 2026. Annual house price inflation was lowest in London. Prices fell by 3.7% in the 12 months to May 2026, down from an annual fall of 2.3% in the 12 months to April 2026. This is the ninth consecutive month where there has been an annual fall in house prices in London."

Source: gov.co.uk price index

UK house-price rates of change: types of buyer

Type of buyer	Average price May 2026	Monthly change	Annual change
First time buyer	£228,140	0.1%	2.5%
Former owner occupier	£334,690	0.4%	2.7%

Source: gov.uk price index

"There has been a small increase in the average residence in the private rented sector over the last decade, while those owning with a mortgage have seen a small decline. The latter may be partly due to homeowners with a mortgage moving more frequently, although compositional changes may also be playing a role (for example, as the population ages and more people transition into owning outright). Around a quarter of those owning a home with a mortgage had been in their current home for two years or less, suggesting higher first-time buyer activity in recent years may also be a factor."

Source: Nationwide price index

UK house-price rates of change: types of dwelling

Property status	Average price March 2026	Monthly change	Annual change
New build	£361,730	2.5%	5.5%
Existing resold property	£264,529	-0.2%	0.0%

Source: gov.uk price index

"A new Prime Minister presents an opportunity to reset priorities, and Rightmove is urging that housing should be high on the agenda. Urgent areas of focus should include reforming stamp duty to improve market mobility and affordability, and supporting the housebuilding industry in getting closer to its 1.5 million homes target. Rightmove's data shows that the number of new developments coming to market is at its lowest level since January 2017."

Source: Rightmove price index

Number of housing transactions per month

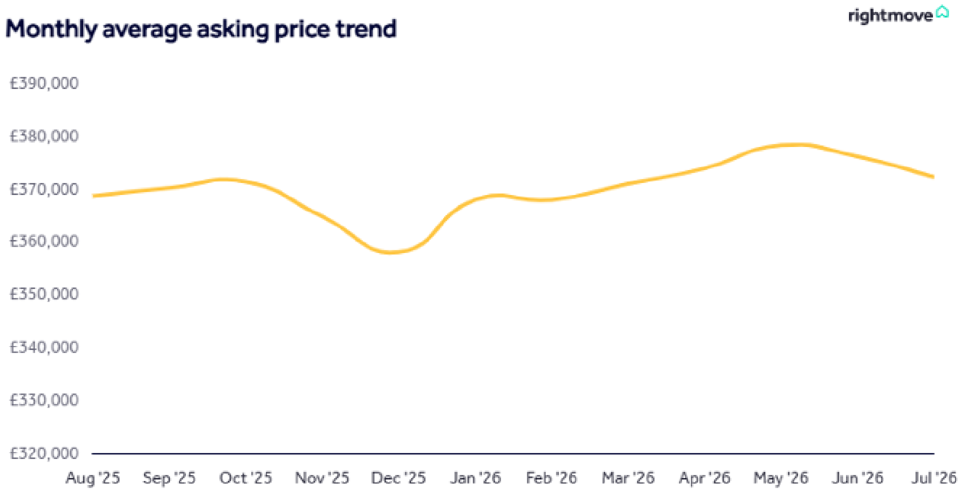
Country	March 2026	March 2025
England	41,354	120,728
Northern Ireland	1,670	2,199
Scotland	7,655	7,636
Wales	2,252	3,777

Source: gov.uk price index

“Elevated mortgage rates and political uncertainty have driven a sharper-than-usual summer slowdown this year. Sales agreed are down 9% on last year and the weakest reading of 2026 so far as more buyers adopt a wait-and-see approach to buying a home.”

Source: Hometrack price index

Monthly asking-price trend

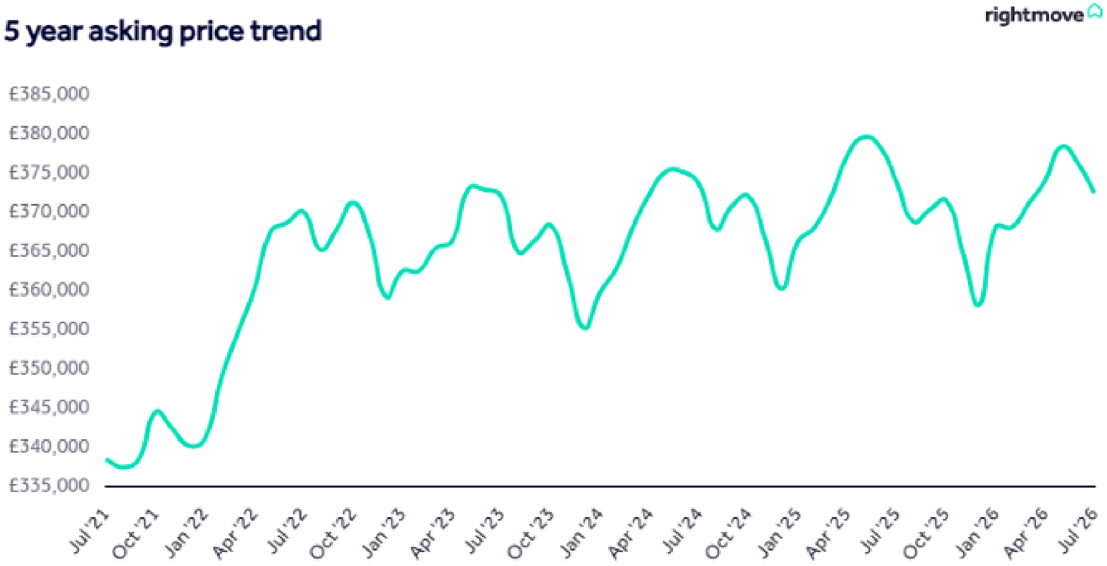


Source: [Rightmove price index]

“House prices are rising at 3.5% across the North East and North West and at 3.0% in Scotland, where supply remains tight. London has recorded negative annual price growth for nine consecutive months at -0.2% and the South East is at -0.3%. For sellers in London and the South, getting the asking price right is essential and the difference between moving and not moving this year.”

Source: [Hometrack price index]

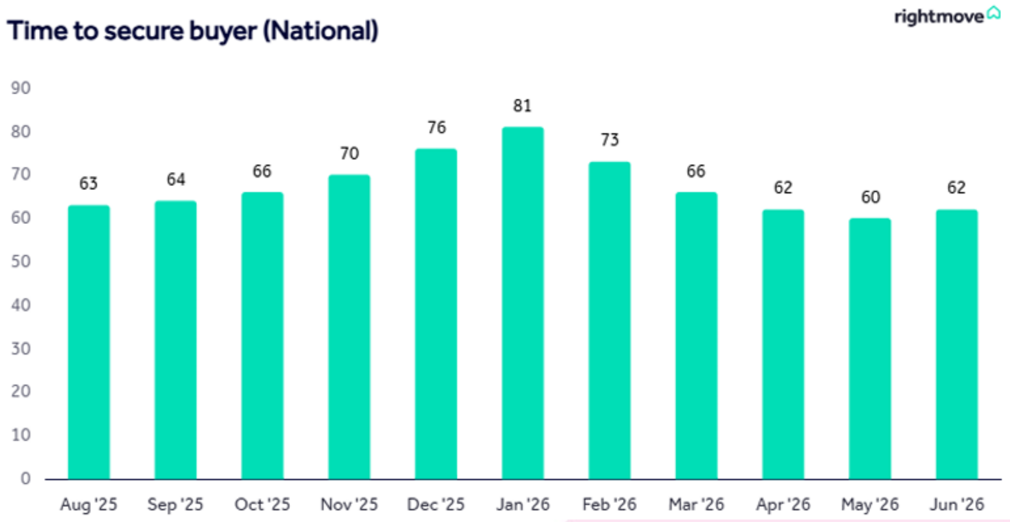
Home asking-price trend for England & Wales



"This month's larger-than-normal price fall reflects the reality of a market where buyers have plenty of choice and sellers are having to work harder to stand out and attract them. They're also competing with an unusual number of distractions which have been keeping the minds of some potential buyers occupied, namely the World Cup and the hot weather."

Source: Rightmove price index

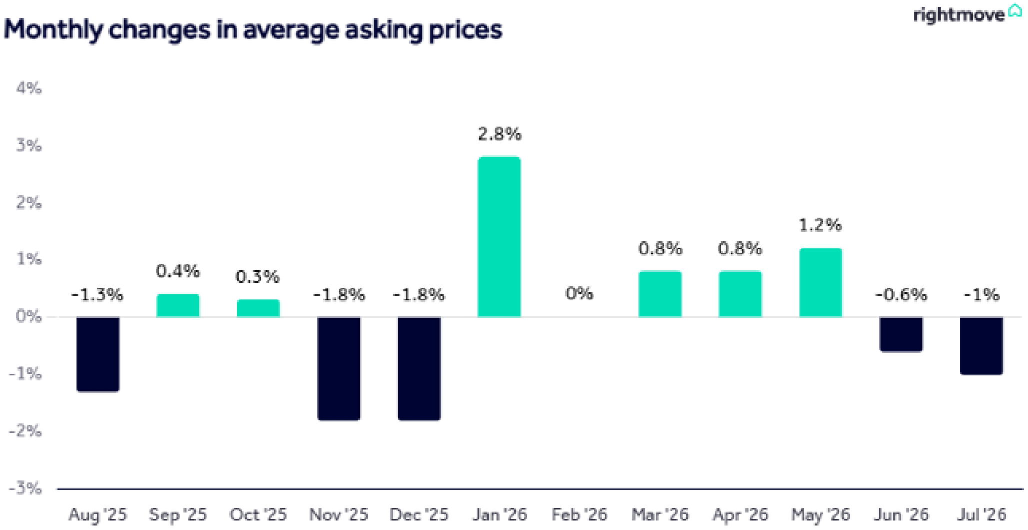
Average-time-on-market indicator – National



"Homes that do require an asking price reduction spend an average of 127 days on the market, compared with just 36 days for those that sell without a reduction. These findings underline how the most successful sellers are standing out against the competition by coming to market at a compelling price from day one, ratherthan risking the need to reduce the asking price later by testing at an over-optimistic price."

Source: Rightmove price index

Asking-price fluctuation percentage



"Highlighting how price-sensitive buyers are in the current market, new Rightmove analysis shows the importance of getting the asking price right from the outset. Nearly three-quarters (74%) of homes that have successfully sold and completed this year did so without an asking price reduction."

Source: [Rightmove price index]

UK sales volumes by funding status

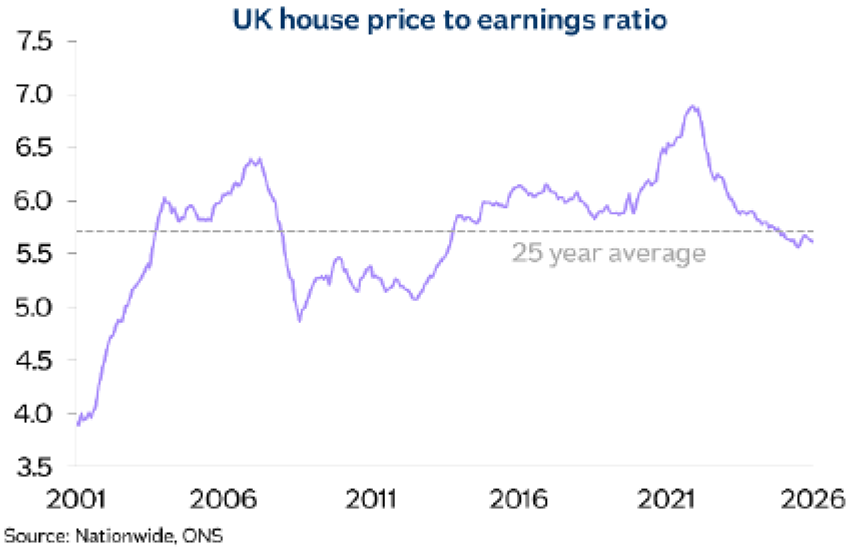
Funding status	Average price May 2026	Monthly change	Annual change
Cash	£257,722	0.4%	2.4%
Mortgage	£280,377	0.3%	2.7%

Source: gov.uk price index

"Buying costs have risen much faster than house prices. House prices are around 24% above their June 2019 level, while the indicative monthly cost of buying the average home is around 78% higher. Mortgage approvals have recovered despite this higher cost base. On a three-month average, approvals were around 6% below their June 2019 level in May 2026, after falling much further during the 2022 and 2023 rate shock."

Source: LSL price index

UK house-price-to-earnings ratio

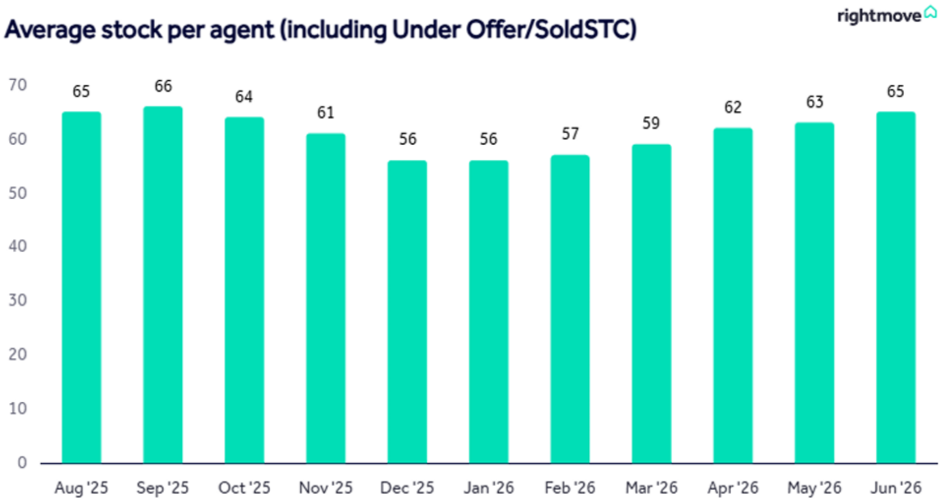


Source: [Nationwide price index]()

> "Lenders are competing strongly to lend, wages continue to rise faster than house prices which is helping buyer affordability, and unemployment remains low. These factors leave room for optimism in the second half of the year, particularly if mortgage rates see any falls, and average wage growth continues to outpace house prices."

Source: [Rightmove price index]()

Average properties for sale per estate agent



Source: Rightmove price index

"In contrast, the stock of homes for sale is rising in eight of 11 regions, giving buyers more room to negotiate on price - a direct contributor to the slowdown in house price growth to 1.3%, alongside fewer sales."

Source: Hometrack price index

UK consumer confidence

UK Measures	↑↔↓	July 2026	June 2026	May 2026	July 2025
Overall Index Score	↑ 6	-17	-23	-23	-19
Personal Financial Situation over last 12 months	↑ 2	-8	-10	-7	-7
Personal Financial Situation over next 12 months	↑ 3	1	-2	-2	2
General Economic Situation over last 12 months	↑ 10	-39	-49	-47	-44
General Economic Situation over next 12 months	↑ 8	-28	-36	-38	-29
Major Purchase Index	↑ 8	-12	-20	-20	-15
Savings Index (commented on but not used in Overall Index Score)	↑ 7	27	20	22	34

NIM Nuremberg Institute for Market Decisions | GfK An NIQ Company

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

"Hot on the heels of the summer heatwaves, July has delivered a wave of optimism. This month's six-point jump to -17 marks the largest increase in consumer confidence since November 2023. The lion's share of the improvement is in the economy, with a ten-point advance in how consumers view the past year and an eight-point gain for the next 12 months. Motivations to make major purchases are also up eight points. The sense of a fresh start following the appointment of a new prime minister surely accounts for some of this bounce."

Source: [GFK consumer confidence index]

Did you find this useful?

You can receive this report directly into your inbox each month by signing up at mms-marketing.co.uk/contact.

Got feedback?

If there's anything you think we can be doing better with this report we'd love to hear from you. You can email us at hello@mms-marketing.co.uk with any feedback.