

Housing market overview

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

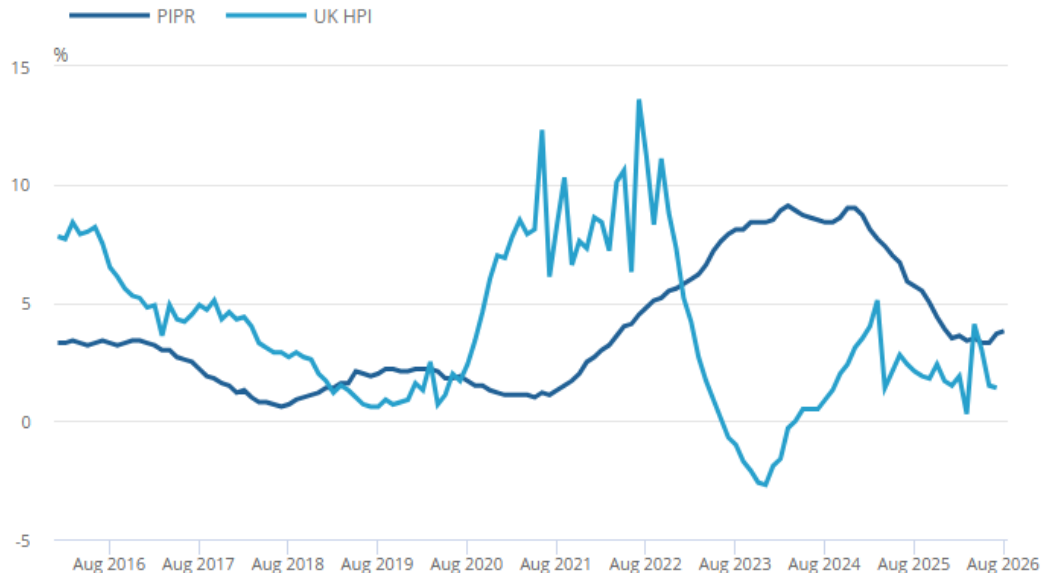
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- > Our monthly sources present a mixed picture with three (gov.uk, LSL and Rightmove) reporting increases in the range of 0.1% to 0.7%. Nationwide and home.co.uk report a decrease of -0.2% to -0.3% while Lloyds remains unchanged from the previous month. All sources apart from Lloyds (unchanged) and home.co.uk (-0.5%) present an annual increase in house prices in the range of 0.8% to 1.8%.
- > Lloyds reports that after a modest -0.3% decline in August, September property prices remain unchanged with the average home costing £298,441. They say while the market has been fairly subdued, property prices have so far proved resilient during a period of higher mortgage rates, which has been driven by changing expectations around the future path of Base Rate. That's mirrored in wider economic data, with household spending holding up better than many expected despite energy and other cost pressures arising from the Middle East conflict.
- > Hometrack reveals average mortgage rates for a typical loan have hit 5.2% at the end of September, their highest level for 3 years, up from 4 per cent at the start of the year. They say the average homebuyer now faces an extra £150 per month (£1,800 a year) in mortgage repayments. These additional buying costs are weighing on demand, with sales agreed lower across every region and country of the UK.
- > Rightmove reports the average asking price of newly-listed properties for sale has risen by 0.7% (+£2,441) this month to £367,440, this is the first increase to property asking prices since May. They also report September's increase to prices is larger than the ten-year September average of 0.5%, which is an early sign of the usual Autumn market bounce after a subdued summer. They do say however, the number of buyers enquiring across the market is still 9% lower than this time last year.
- > Nationwide reports September saw UK annual house price growth halve to 0.8%, the weakest rate of growth since December 2025. Prices were down 0.2% month-on-month, after taking account of seasonal effects. They say despite this slowdown, underlying affordability is improving, as house price growth has been well below earnings growth for some time. This suggests that activity should regain momentum in the quarters ahead providing the energy shock fades and confidence returns - especially if market interest rates fall back to pre-conflict levels.
- > The GfK Consumer Confidence Overall Index was up one point to -13 in September. Four measures rose compared to last month's announcement, and one fell. The Major Purchase Index fell by one point to -8 in September, up eight points from September last year. Meanwhile, the Savings Index is up by five points to +27, five points higher 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	July '26	▲ 0.7	▲ 1.4	£273,000	18.09.2026
LSL Property Services	August '26	▲ 0.1	▲ 1.8	£328,000	17.09.2026
Lloyds	September '26	> 0.0	> 0.0	£298,441	07.10.2026
home.co.uk	September '26	▼ 0.3	▼ 0.5	£394,824	10.09.2026
Hometrack	September '26	N/A	▲ 0.8	£273,000	30.09.2026
Nationwide	September '26	▼ 0.2	▲ 0.8	£274,251	09.2026
Rightmove	September '26	▲ 0.7	▼ 0.8	£367,440	21.09.2026

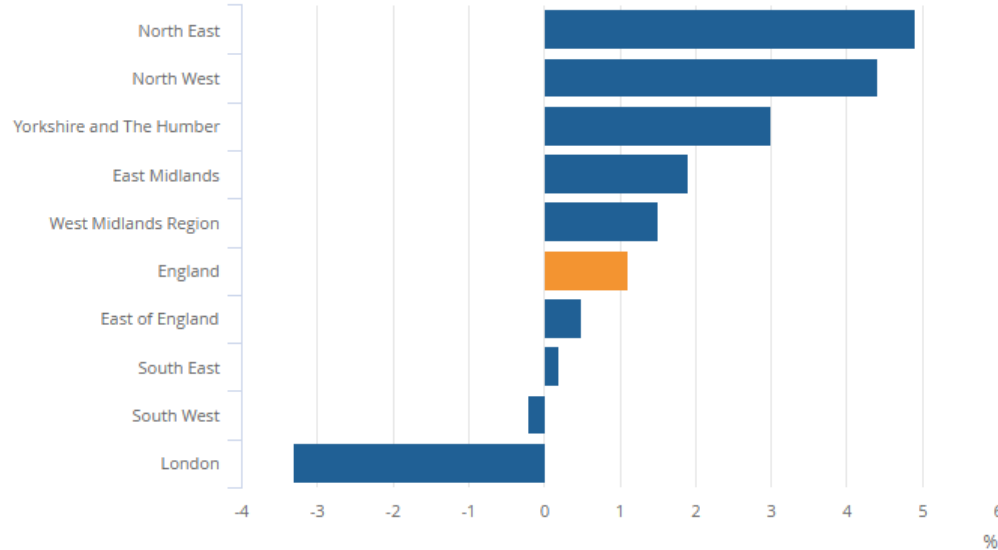
Private rent and house price annual inflation



“ The average house price for England was £293,000 in July 2026, up by 1.1% (£3,000) from a year earlier. This annual inflation rate was lower than in the 12 months to June 2026 (1.2%). House price annual inflation slowed for the third consecutive month in England, mainly because of a sharp slowing in the annual rate for the South West, with London and the West Midlands also contributing to the slowdown. ”

Private rent annual inflation – 12-month % change

Annual house price inflation, English regions, July 2026



“ Average UK monthly private rents increased by 3.8%, in the 12 months to August 2026 (provisional estimate). This was up from 3.7% in the 12 months to July 2026. This is the highest annual inflation rate since December 2025 and was mainly caused by a rise in London's annual inflation rate, to its highest rate since October 2025. ”

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 July 2026	Monthly change	Annual change
First time buyer	£229,302	0.6%	1.2%
Former owner occupier	£336,064	0.8%	1.5%

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

“ The average UK house price was £273,000 in July 2026 (provisional estimate), which is £4,000 higher than 12 months ago. Average house prices in the 12 months to July 2026 increased in England to £293,000 (1.1%), increased in Wales to £215,000 (2.6%) and increased in Scotland to £196,000 (2.3%). The average house price increased in the year to Q2 (Apr to Jun) 2026 to £202,000 in Northern Ireland (9.2%). ”

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

UK house-price rates of change: types of dwelling

Property status	Average price May 2026	Monthly change	Annual change
New build	£369,759	4.4%	8.1%
Existing resold property	£267,183	0.1%	2.7%

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

“ Alongside regional differences, the GB housing market has become increasingly split by property type over the past two years. Both flats, which tend to sit at the lower end of the market, and detached homes, which typically occupy the upper end, have recorded weaker price growth than semi-detached and terraced properties. While the trend is evident across Great Britain, its strength varies by region. ”

Source: [LSL price index](#)

Number of housing transactions per month

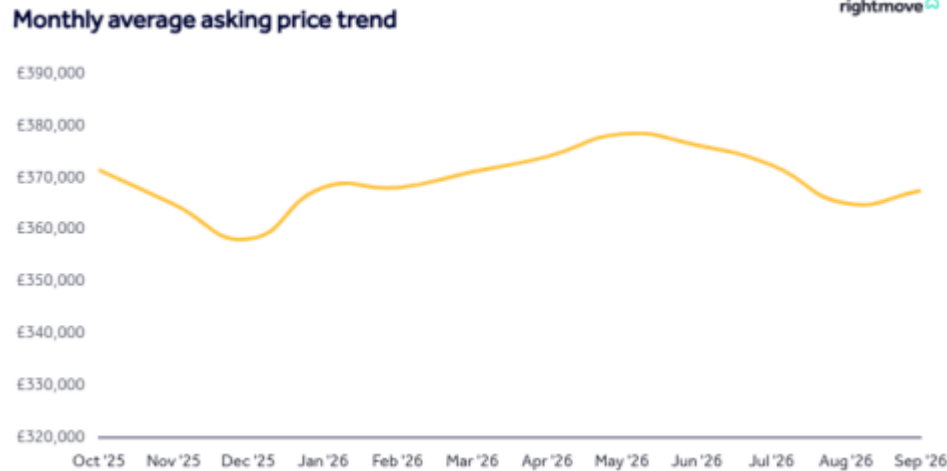
Country	May 2026	May 2025
England	39,674	51,440
Northern Ireland	1,775	1,640
Scotland	8,469	8,999
Wales	2,232	3,288

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

“ Bank of England data shows mortgage approvals for house purchases fell to 56,053 in July 2026, down -3.7% month-on-month and -14.9% lower than a year earlier, suggesting some softening in housing market activity. ”

Source: [Lloyds price index](#)

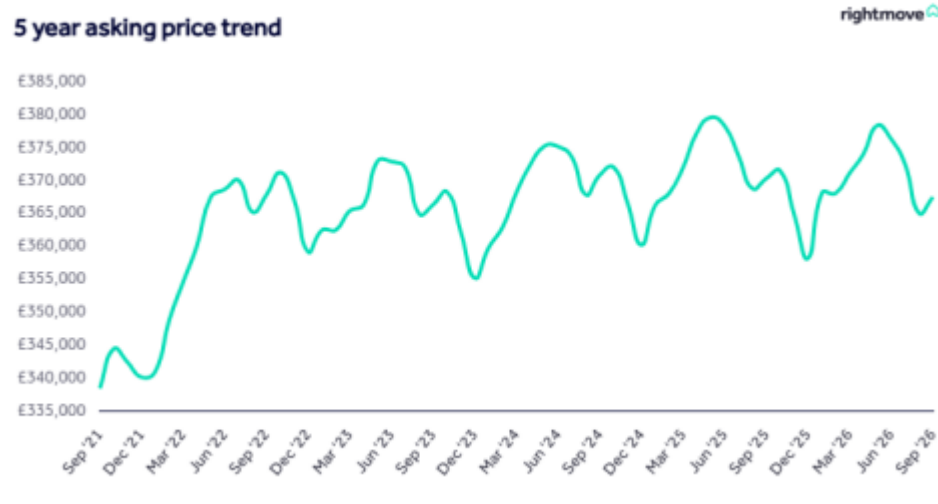
Monthly asking-price trend



“ The average asking price of newly-listed properties for sale rises by 0.7% (+£2,441) this month to £367,440, the first increase to property asking prices since May. September’s increase to prices is also larger than the ten-year September average of 0.5%, which is an early sign of the usual Autumn market bounce after a subdued summer. ”

Source: [Rightmove price index](#)

Home asking-price trend for England & Wales

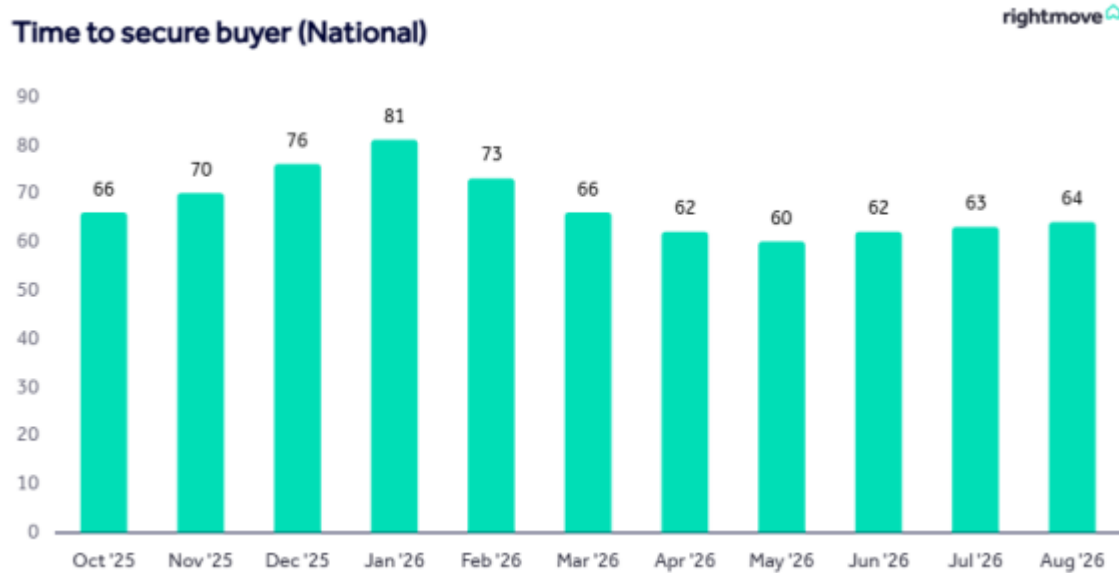


Source: [Rightmove price index](#)

It's also important to keep recent price movements in perspective. Average house prices remain around 25% higher than they were at the end of 2019, despite the substantial increase to interest rates seen over recent years. The market's adjustment to higher borrowing costs has been gradual, with wage growth helping to offset some of the pressure on affordability. The recent modest declines in prices are best viewed in that wider context.

Source: [Lloyds price index](#)

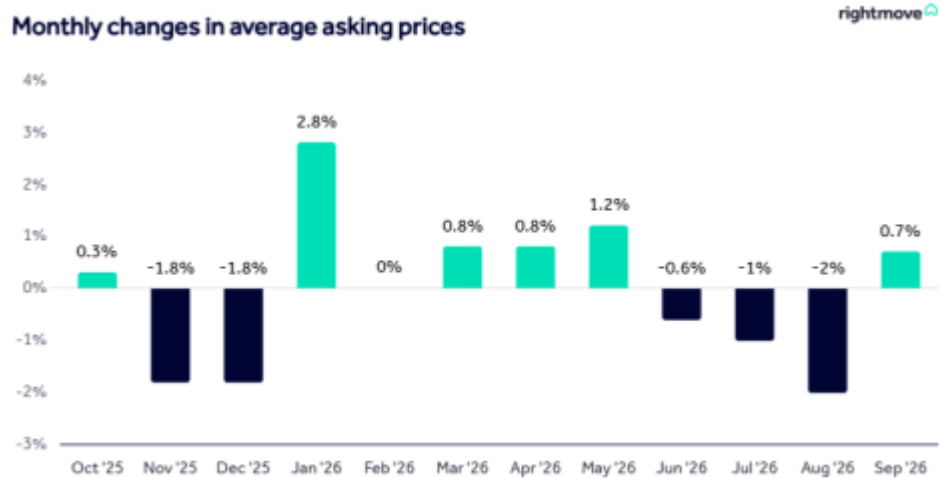
Average-time-on-market indicator – National



“ The combination of fewer newly-listed properties than last year, a 12-year high overall number of available properties, and a 9% reduction in agreed sales annually, is strong evidence of a very price-sensitive market. ”

Source: [Rightmove price index](#)

Asking-price fluctuation percentage



The average asking price of newly-listed properties for sale rises by 0.7% (+£2,441) this month to £367,440, the first increase to property asking prices since May. September's increase to prices is also larger than the ten-year September average of 0.5%, which is an early sign of the usual Autumn market bounce after a subdued summer.

Source: [Rightmove price index](#)

UK sales volumes by funding status

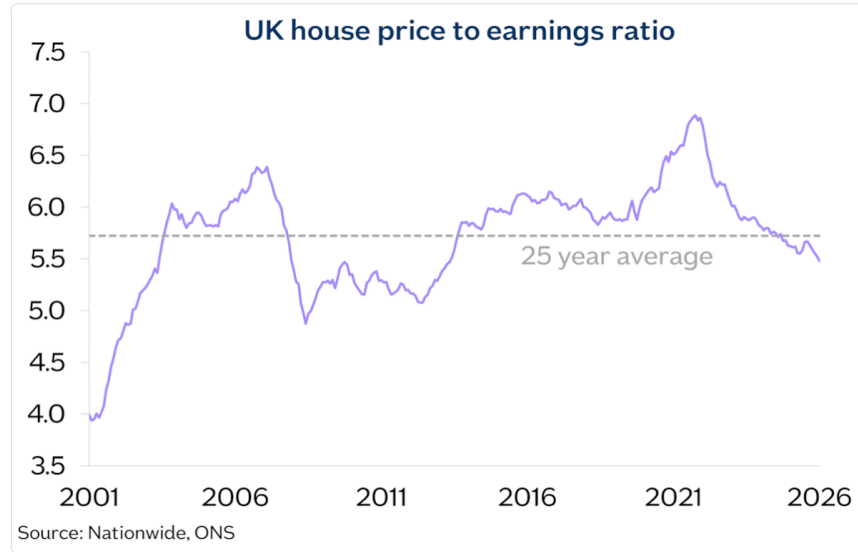
Funding status	Average price July 2026	Monthly change	Annual change
Cash	£258,735	0.7%	1.1%
Mortgage	£281,666	0.7%	1.4%

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

“ Average mortgage rates for a typical loan have hit 5.2% at the end of September, their highest level for 3 years, up from 4 per cent at the start of the year². The average homebuyer now faces an extra £150 per month (£1,800 a year) in mortgage repayments³. These additional buying costs are weighing on demand, with sales agreed lower across every region and country of the UK. ”

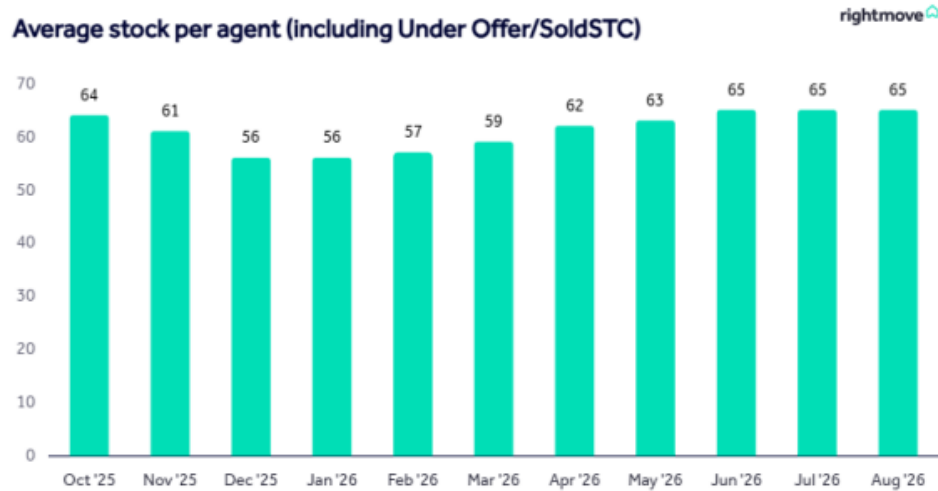
Source: [Hometrack price index](#)

UK house-price-to-earnings ratio



Underlying affordability is improving, as house price growth remains well below earnings growth. although some of these gains have been offset by higher mortgage rates. Nevertheless, this suggests that activity should regain momentum in the quarters ahead providing the energy shock wanes and confidence returns, especially if market interest rates fall back towards pre-conflict levels.

Average properties for sale per estate agent



Source: [Rightmove price index](#)

While sales agreed are failing to keep pace with last year, the number of homes for sale is 5% higher than a year ago, boosting choice for buyers. The growth in the number of homes for sale is a national trend and more pronounced in London and southern England, where the number of homes for sale is 8% higher than last year.

Source: [Hometrack price index](#)

UK consumer confidence

UK Measures	↑↔↓	September 2026	August 2026	July 2026	September 2025
Overall Index Score	↑ 1	-13	-14	-17	-19
Personal Financial Situation over last 12 months	↑ 3	-3	-6	-8	-7
Personal Financial Situation over next 12 months	↑ 1	5	4	1	4
General Economic Situation over last 12 months	↑ 4	-36	-40	-39	-45
General Economic Situation over next 12 months	↑ 1	-22	-23	-28	-32
Major Purchase Index	↓ 1	-8	-7	-12	-16
Savings Index (commented on but not used in Overall Index Score)	↑ 5	27	22	27	22

September continued the gradual recovery seen since April, with consumer confidence rising one point to -13. This marks the first time since summer 2024 that we have seen three consecutive monthly increases in the Overall Index Score. The largest gains this month came from perceptions of the wider economy over the past year (up four points) and personal finances over the same period (up three points).

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