

RESEARCH

Housing Market Update

May 2025

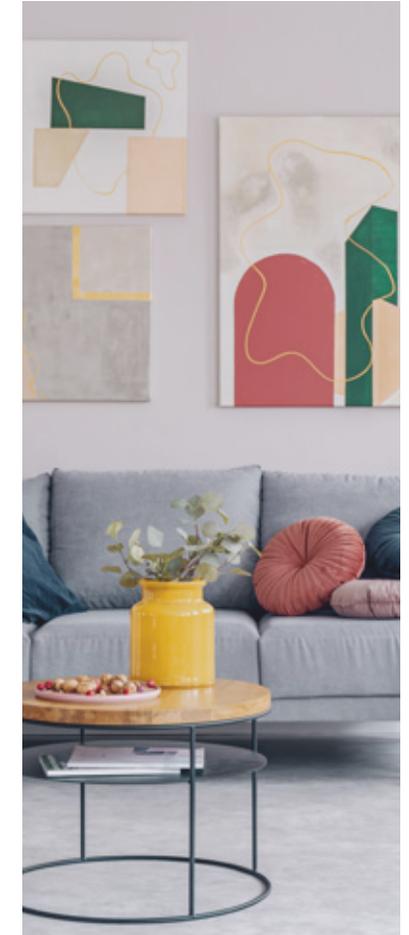
Market Overview

There were some positive economic indicators for the UK in the latest data round. Monthly GDP reached a robust 0.5% in February and the pace of inflation declined again, to 2.6% in the 12 months to March. Nevertheless, the global uncertainty caused by rapidly changing US tariff policy is lowering business and consumer confidence, delaying decision making and causing volatility in financial markets. So although the latest GDP and inflation figures may currently paint a flattering economic picture, this is unlikely to persist. Economic

growth is projected to be subdued, and inflation is likely to increase throughout the remainder of the year.

In the residential sales market recent data indicates a stalling in UK house price growth, with both Nationwide and Halifax reporting monthly declines and unchanged annual growth. There is also softening in the market evidenced by declines in new buyer enquiries, agreed sales and new listings from respondents in the RICS Residential Survey. Wider economic and

geopolitical conditions may be partly responsible for some unease in the market, but data may also be reflecting the effects of the stamp duty changes from 1 April.



Sales and Lettings prices



The average UK house price is now **£296,699**

(Source: Nationwide)

- House price growth stalled in March according to Nationwide's latest index report. On a seasonally adjusted basis there was no recorded monthly house price growth, while annually prices were found to have increased by 3.9%, unchanged from February's annual figure.
- Halifax too recorded a subdued trend as monthly house prices declined by a UK average of -0.5% in March. This follows a

-0.2% decline in February and leads to an annual price rise of 2.8%, unchanged from the previous month. The average UK property price is now £296,699, according to the lender.

- Asking prices on the other hand rose by a 'larger-than-usual' April figure of 1.4% (monthly), according to Rightmove. This added an additional £5,312 to the average asking price of a property which is now £377,182. On an

annual basis this equates to a 1.3% increase, up from last month's 1.0% annual rise.

- In the lettings sector, the deceleration of rental growth continued into March, according to the latest ONS Price Index of Private Rents (PIPR) data. On an annual basis rents were found to have grown by 7.7% on average (UK), down from 8.1% the month before and the slowest pace of growth since June 2023.

Activity

- February's mortgage approvals data indicates a negligible dip to just over 65,000, down -1% over January's figure, according to the Bank of England. Total transaction figures however did show a strong jump in February, reaching 108,250. This was 13% more than occurred in January and 7% more than the long-term pre-pandemic monthly average. We expect a similar, or higher, figure in March as buyers rush to get their purchase over the line before the stamp duty changes take effect.
- Rightmove's latest house price report indicated that the supply of available properties coming to the market remains resilient, with a 'decade-high' number of homes for sale for the time of year. They go on to say that new buyer demand is up 5% over the same time last year, with the number of new sellers up 4% compared with this period in 2024.
- Within the private rented sector data from the latest Housing Insight Report from Propertymark (February) notes that tenant demand remains elevated with the average

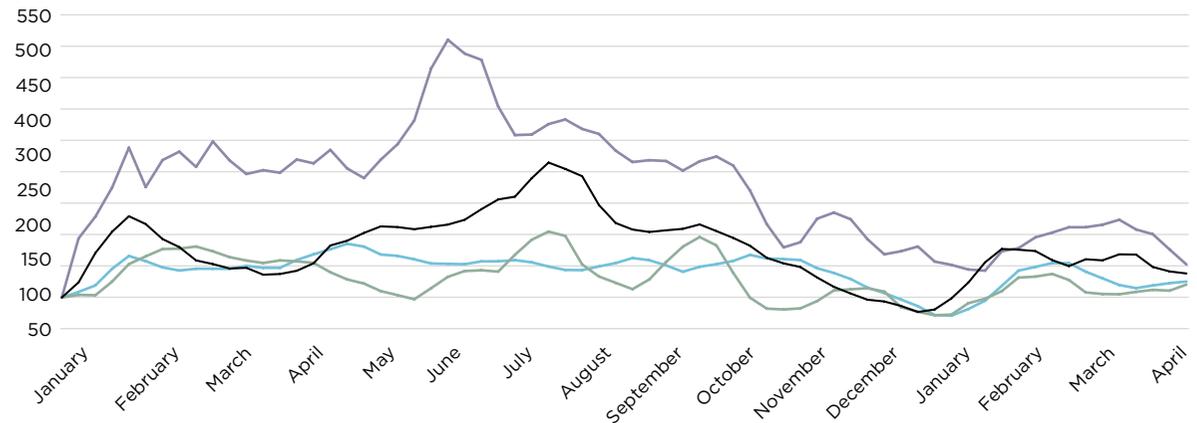
number of tenants registered per branch at 100, down slightly from January's figure of 115. On the other hand, supply dropped sharply, to one of the lowest supply figures over the last 12 months.

- Enquiry levels across our Carter Jonas offices remained subdued over the last four weeks, probably as a result of a combination of factors including the recent stamp duty changes, the wider economic climate and potential buyers awaiting the anticipated interest rate declines later this year. On average, enquiries are down 9% compared with the previous four weeks, with our central and southern offices seeing a slightly steeper drop while our offices in Harrogate and York saw a combined 1% rise in recent enquiries.

Figure 1 Carter Jonas Enquiry level trends, since January 2024

Source: Carter Jonas. Enquiry levels are four-week rolling average

London / Central / North / South



Official House Price data

HM Land Registry
February 2025

Source: HM Land Registry



Carter Jonas location	Average Price	Monthly Change (%)	Annual Change (%)
Vale of White Horse	£417,116	1.9%	10.2%
South Oxfordshire	£483,793	-0.6%	9.3%
West Berkshire	£399,710	0.5%	7.5%
Leeds	£243,193	0.5%	6.4%
Cambridge	£509,906	0.4%	6.3%
West Oxfordshire	£415,911	-1.8%	6.1%
United Kingdom	£268,319	0.0%	5.4%
England	£291,640	0.3%	5.3%
Wiltshire	£330,507	0.6%	4.9%
Cambridgeshire	£341,758	0.0%	4.7%
Somerset	£283,260	1.5%	4.6%
Oxford	£484,848	-0.1%	4.3%
South Cambridgeshire	£437,844	-0.8%	4.3%
Outer London	£509,345	0.1%	4.0%
North Yorkshire	£270,433	-1.1%	3.5%
Winchester	£482,223	-1.8%	3.1%
Suffolk	£288,865	0.7%	2.3%
Bath and North East Somerset	£404,284	-1.3%	2.0%
London	£555,625	-1.1%	1.7%
South West London	£744,384	-1.5%	-1.5%
York	£299,489	-1.4%	-1.6%
Inner London	£641,357	-0.6%	-2.3%
Prime Central London	£1,051,909	-2.3%	-17.5%

Official Price Index of Private Rents

ONS March 2025

Source: ONS

Note: Rents are for all property types and bedroom numbers, £ per calendar month

Carter Jonas location	Average Rent (pcm)	Monthly Change (%)	Annual Change (%)
Bath and North East Somerset	£1,734	0.7%	12.5%
Prime Central London	£3,458	-0.3%	10.8%
South West London	£2,463	0.4%	10.8%
South Oxfordshire	£1,373	0.3%	9.9%
Oxford	£1,825	0.5%	9.8%
Winchester	£1,436	0.8%	9.7%
London	£2,235	0.3%	9.1%
England	£1,386	0.4%	7.8%
South Cambridgeshire	£1,342	0.4%	7.7%
Cambridge	£1,763	0.2%	7.6%
Vale of White Horse	£1,309	0.7%	7.3%
Wiltshire	£989	0.1%	6.8%
North Yorkshire	£818	0.4%	6.7%
West Oxfordshire	£1,285	0.2%	6.2%
West Berkshire	£1,241	0.0%	3.6%
York	£1,117	0.6%	2.6%

***A note on rental growth rate differences between the official PIPR and other private sector measures such as Zoopla and Rightmove: PIPR measures all stock of rents and compares achieved rents in the current month with the same month one year prior. Private sector measures only count asking rents for new let properties. The PIPR measure covers a much greater number of properties and will always lag by around 6 months or more as the new let rental prices take time to filter into the whole rental market stock.*



Monthly change in enquiry levels

-6%

LONDON

-12%

SOUTH

-14%

CENTRAL

1%

NORTH

We're closely analysing what happens next

We're monitoring the market so we can get you the best possible price for your property. If you're keen to sell your property as soon as possible or simply curious to know what it's worth during these changing times [CLICK HERE](#) to book a complimentary market appraisal.

Lisa Simon Partner,
Head of Residential
lisa.simon@carterjonas.co.uk

Leslie Schroeder
Head of Residential Research
leslie.schroeder@carterjonas.co.uk

020 7518 3200

One Chapel Place
London
W1G 0BG

chapelplace@carterjonas.co.uk

Sources: Carter Jonas Research, Halifax, Nationwide, ONS, Rightmove, Zoopla

About Carter Jonas

Carter Jonas LLP is a leading UK property consultancy supported by a national network of 34 offices and 1,000 property professionals. Our team is renowned for their quality of service, expertise and the **simply better property advice** they offer their clients.

© Carter Jonas 2025. The information given in this publication is believed to be correct at the time of going to press. We do not however accept any liability for any decisions taken following this report. We always recommend that professional advice is taken.

Exclusive UK affiliate of

CHRISTIE'S
INTERNATIONAL REAL ESTATE