

RESEARCH

Housing Market Update

July 2025

Market Overview

The UK economy has yet again shown a mix of positive and negative trends over the last four weeks. While Q1 2025 saw stronger-than-expected GDP growth of 0.7%, April data revealed a surprising 0.3% contraction, the largest monthly drop since October 2023. This downturn was primarily driven by a fall in the services sector, likely due to recent business tax changes (national insurance contributions) and global trade disruption.

Similarly, the housing market data also shows some conflicting trends. The RICS survey suggests a softening sales market with negative measures in buyer demand and agreed sales, however both Rightmove and Zoopla report rising buyer demand and increasing available supply – although these measures are compared with data one year ago. House prices meanwhile are still in growth territory with Nationwide showing 3.5% annual growth and Halifax indicating a 2.5% rise

Sales and Lettings Prices

- The annual rate of house price growth accelerated slightly in May to 3.5%, from 3.4% the month before, according to Nationwide. The seasonally adjusted monthly growth figure rose to 0.5% leading to an average house price of £273,427.
- Again, this month there was a slight contrast with Halifax data as they recorded a monthly price decline of -0.4% in May. This also led to a decline in the annual pace of house price growth from 3.2% in April to 2.5% in the latest monthly data. This is the slowest annual rate of growth since July 2024.
- New seller asking prices also recorded a small monthly decline in the latest four weeks of data (to early June), of -0.3% according to Rightmove's latest report. This led to a 0.8% annual house price rise, down from 1.2% the month before. The average asking price of a new home to the market is now £378,240.
- In the private rental market ONS data again shows a slowing trend in the rate of rental growth this month. UK private rents rose by an annual average of 7.0% across the UK, down from 7.4% last month and a full two

percentage points below the peak growth of 9.0% just five months ago.



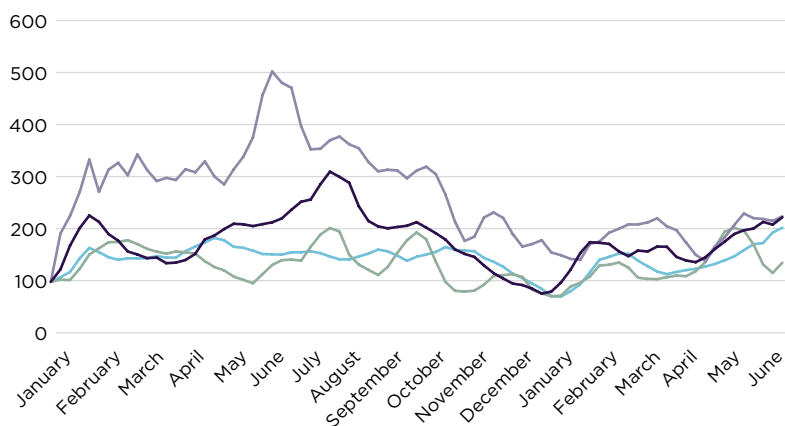
The average UK house price is now £273,427

(Source: Nationwide)

Figure 1 Carter Jonas Enquiry level trend index, since January 2024

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

London Central North South



Activity

- The total number of mortgage approvals declined again in April, to 60,463 according to the Bank of England's latest data. This is down 5% over the March figure and marks the lowest monthly approvals figure since February 2024. If interest rates continue to come down this summer / autumn, as they are forecast to, we can expect a slight rise in mortgage approvals through the end of the year.
- As was expected, total residential sales volumes dropped significantly in April, to 64,680, down by nearly two-thirds from the 177,000 transacted in March. This drop is in line with previous historic patterns in the month following increases to the stamp duty rate.
- There were some encouraging signs from the housing sales market from Rightmove as their latest House Price Index report found that buyer demand is up 3% over the same period last year with the number of homes for sale up 11%. This has resulted




27%

rise in enquiries
to our southern
offices

- in May seeing the highest number of sales agreed in any month since March 2022.
- In the past four weeks, most Carter Jonas offices have experienced a steady flow of enquiries, with nearly all locations seeing an uptick compared to the previous month. This follows a slowdown in demand immediately after the rise in stamp duty charges on April 1st. Southern offices saw the highest increase this month at 27%, followed by London offices at 16%, and central offices at 12%.





Official House Price data

HM Land Registry
April 2025

Source: HM Land Registry

Carter Jonas location	Average Price	Monthly Change (%)	Annual Change (%)
Cambridge	£521,024	2.9%	9.8%
Leeds	£246,563	0.4%	9.5%
Vale of White Horse	£407,459	-0.9%	7.0%
Wiltshire	£334,340	0.1%	6.9%
West Berkshire	£398,047	-0.2%	6.2%
Somerset	£283,271	0.5%	6.0%
South Oxfordshire	£467,190	-0.5%	5.7%
Cambridgeshire	£341,611	-0.3%	5.6%
North Yorkshire	£273,352	0.3%	5.5%
Winchester	£502,728	3.7%	5.1%
Outer London	£509,874	0.1%	4.6%
West Oxfordshire	£415,484	-2.3%	4.4%
United Kingdom	£265,497	-2.7%	3.5%
London	£566,614	2.6%	3.3%
Suffolk	£288,564	-0.7%	3.2%
England	£286,327	-3.7%	3.0%
York	£308,327	1.2%	0.3%
South Cambridgeshire	£422,503	-3.4%	0.0%
Bath and North East Somerset	£403,570	1.1%	-0.9%
Inner London	£644,730	0.6%	-1.8%
Oxford	£469,610	-2.6%	-2.6%
South West London	£746,626	0.5%	-3.8%
Prime Central London	£1,146,368	6.5%	-8.2%



Official Price Index of Private Rents

ONS May 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	£1,742	0.4%	12.2%
Oxford	£1,837	0.3%	10.4%
South West London	£2,489	0.5%	10.0%
South Oxfordshire	£1,385	0.0%	9.5%
Winchester	£1,449	0.3%	8.3%
Prime Central London	£3,451	-0.4%	8.0%
Vale of White Horse	£1,322	0.2%	7.9%
London	£2,235	0.1%	7.7%
South Cambridgeshire	£1,354	0.5%	7.2%
Cambridge	£1,769	0.2%	7.1%
England	£1,394	0.3%	7.1%
Wiltshire	£994	0.4%	6.7%
North Yorkshire	£821	0.4%	6.1%
West Berkshire	£1,255	0.8%	4.4%
West Oxfordshire	£1,289	0.0%	4.3%
York	£1,123	0.1%	1.8%

***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

14%

LONDON

15%

SOUTH

-4%

CENTRAL

56%

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.

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

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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.

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