

UK House Price Index

+1.3%

UK house price inflation
(February 2026)

-2%

Change in sales agreed
versus a year ago

-13%

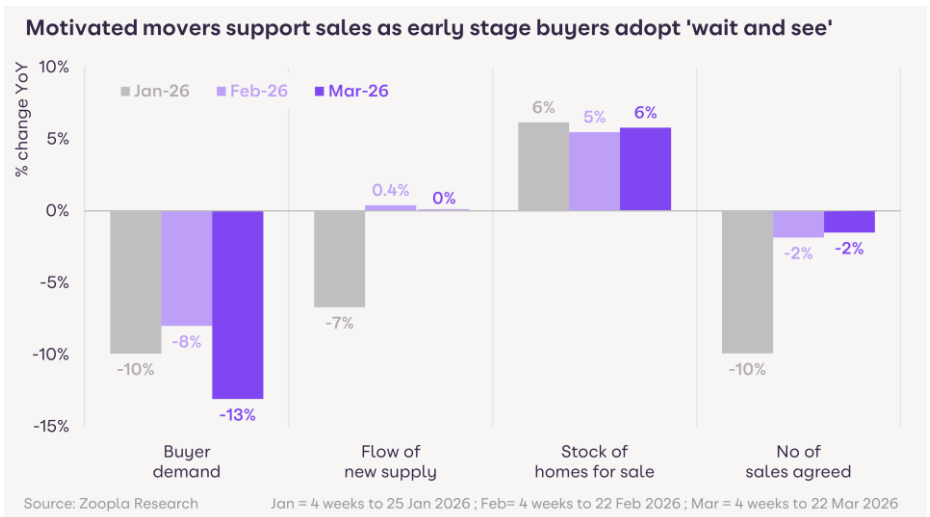
Change in buyer enquiries
versus a year ago

Executive summary

- Sales agreed holding steady in March, supported by committed movers with mortgages agreed and pressing on with sales
- Buyer demand weakens in March, now 13% below last year, as more early-stage movers adopt a 'wait and see' approach
- No differences in buyer behaviour between first-time buyers and existing homeowners - serious buyers continuing with plans
- Average mortgage rates up by c.0.4% over March with sub-4% mortgage deals withdrawn
- UK house price inflation stable at +1.3%
- If mortgage rates were to rise further, weaker demand is likely to feed into lower sales later this year

“There are fewer buyers in the market than a year ago, but those who remain are serious and still getting deals done. Higher mortgage rates are making buyers more cautious, which means pricing correctly is more important than ever for sellers.”

Richard Donnell
Executive Director



+0.4%

Typical increase in average mortgage rates over the last month

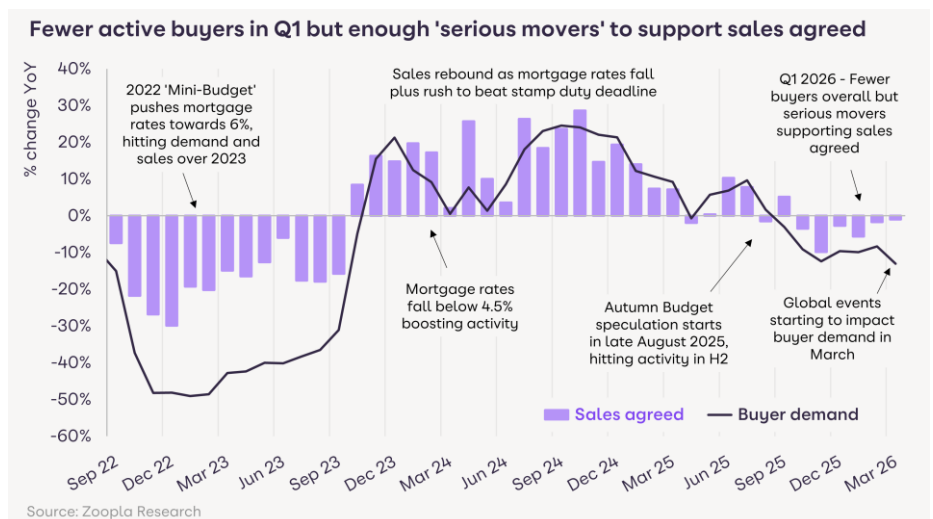
Sales hold steady - higher rates start to impact demand

The UK housing market continues to see steady levels of sales activity, despite weakening demand and increased uncertainty linked to events in the Middle East.

Average mortgage rates have risen by around 0.4 percentage points in recent weeks, with many sub-4% deals withdrawn as financial markets adjust to expectations of higher inflation.

Sales agreed are holding up, supported by a core group of committed movers, while buyer demand has weakened further over March as higher borrowing costs and uncertainty weigh on confidence.

Underlying market conditions are shifting. The key question is whether further changes in mortgage rates and the wider economic outlook feed through into weaker demand and sales in the coming weeks.



Fewer buyers, but enough to support sales

A clear trend emerging over recent weeks is the growing gap between buyer demand and sales agreed. Buyer enquiries have been running below last year’s levels over the last 3 months. Demand has weakened further over March, running 13% below this time last year¹. This reflects growing caution among households looking to move in the face of higher mortgage rates and concerns over the cost of living.

In contrast, sales agreed are proving more resilient, running just 2% below this time last year¹. This divergence highlights a shift in market dynamics. There are fewer buyers overall than last year, but those still active tend to be more committed and better prepared to proceed. Importantly, we don’t see any difference in buyer behaviour between first-time buyers or existing homeowners.

These “serious movers” – who have mortgage finance in place and are driven by a clear desire to move - are continuing to support sales levels as more earlier stage movers adopt a ‘wait and see’ approach.

¹ Four weeks to 20 March 2026 vs same period in 2025

6%

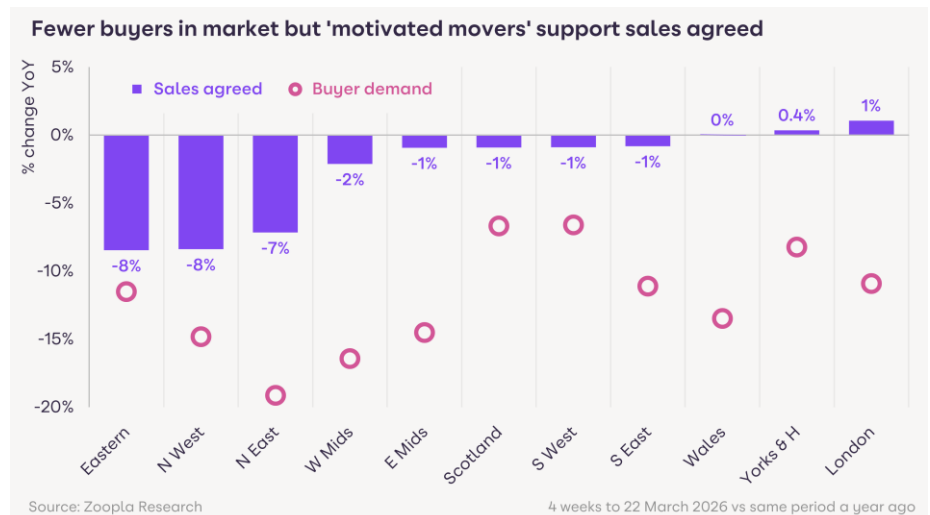
Increase in number of homes for sale versus this time last year

Market activity reflects underlying intent to move

Sales activity is being supported by homeowners with a clear intention to move, even as overall buyer demand weakens. While many more people say they plan to move than ultimately do² so, this underlying intent is helping to sustain current levels of activity.

The number of homes for sale is 6% higher than a year ago, showing that many households are pressing ahead despite a more uncertain backdrop, supporting a steady flow of transactions.

A sizable share of activity is coming from less mortgage-rate sensitive buyers. Around a quarter of sales are cash purchases, while many existing homeowners have built up a sizable equity position in their homes. This is helping to support sales in the short term, but it highlights how the market is becoming more reliant on a smaller pool of committed buyers. Importantly, first-time buyer demand remains aligned with that of existing homeowners.



A consistent pattern across the UK

The divergence between sales and buyer enquiries is evident across all regions and countries of the UK. Buyer enquiries are down across all areas on last year, with the largest decline in active buyers recorded in the North East and West Midlands, coming off a high base.

Meanwhile, sales agreed are holding up more consistently, with declines generally more modest and some regions - such as Yorkshire and the Humber and London - seeing broadly stable or slightly higher levels of activity compared to last year.

This consistency reinforces the view that the current market is being supported by a smaller pool of committed buyers rather than broad-based demand. The number of potential buyers in the market is more volatile than sales highlighting the importance of a focus on the strength of buyer intent rather than headline levels of enquiries.

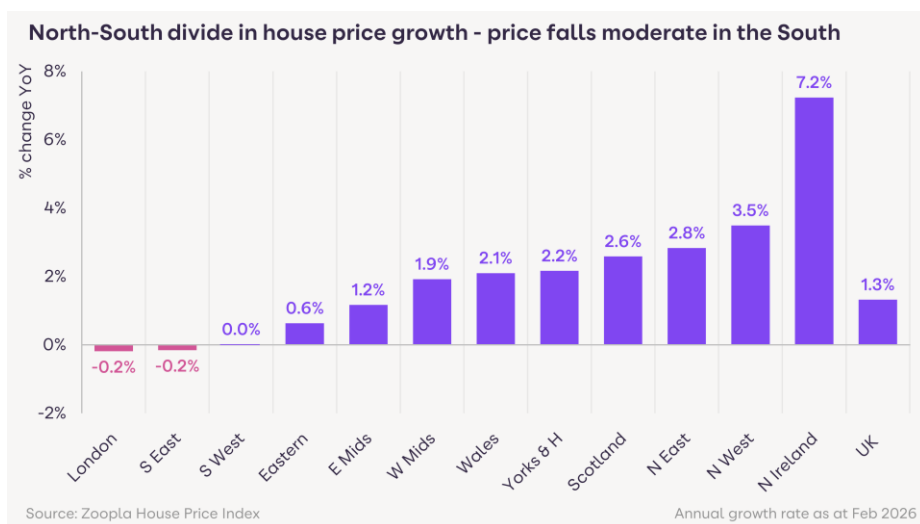
3.5%

Annual house price inflation across the North West of England

House price inflation holding steady

UK house price inflation has stabilised, with prices 1.3% higher over the last year. The pace of price falls across southern England has eased in recent months, while growth is strongest in more affordable markets. House prices in the North West are rising fastest across Britain, up 3.5% year-on-year, with prices rising off a low base in Northern Ireland.

The recent softening in buyer demand has yet to feed through into pricing. For house price growth to slow more noticeably, weaker demand would need to persist and translate into lower levels of sales activity over the coming months. We do not expect a material impact on pricing in the near term.



Outlook

The housing market has shown resilience in the face of rising mortgage rates and growing uncertainty over recent weeks. Early signs of softer buyer demand are emerging from those early in the buying process.

If mortgage rates stabilise, current levels of sales activity are likely to continue. However, further increases in borrowing costs or changing expectations over the cost of living could reduce demand further, with a lagged impact on sales agreed.

For now, the market remains active - but increasingly dependent on a smaller group of committed buyers.

For buyers considering their options there is less competition than last year, creating more negotiating power, reinforced by a larger number of homes for sale. However, affordability is tightening for some as mortgage rates increase, especially those reliant on larger loans.

For sellers looking to move it is positive that well-priced homes are still selling but buyers are more selective. The pool of active buyers is slightly smaller and more price-sensitive. This means pricing is critical as overpriced homes will struggle to attract interest and take much longer to sell.

House Price Index - Country, region and city summary

Note: The Zoopla house price index is a repeat sales-based price index, using sold prices, mortgage valuations and data for agreed sales. The index uses more input data than any other and is designed to accurately track the change in pricing for UK housing.

February 2026 Index
(Published March 2026)

Source: Zoopla House Price Index

Region/City	Annual % change in house price
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City	Annual % change in house price
1 Belfast	6.7%
2 Liverpool	4.3%
3 Glasgow	2.9%
4 Manchester	2.8%
5 Newcastle	2.7%
6 Sheffield	2.6%
7 Leeds	2.3%
8 Birmingham	1.7%
9 Edinburgh	1.5%
10 Bristol	1.2%
11 Leicester	1.1%
12 Cardiff	1.1%
13 Aberdeen	1.0%
14 Nottingham	0.6%
15 Oxford	0.0%
16 Southampton	-0.2%
17 Portsmouth	-0.4%
18 Cambridge	-0.9%
19 Bournemouth	-1.7%

United Kingdom	1.3%
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Zoopla House Price Index, city summary, February 2026 index

Sparklines show last 12 months trend in annual and monthly growth rates - red bars are a negative value - each series has its own axis settings providing a more granular view on price development.

	Average price	%YoY Feb-26	%YoY Feb-25	Monthly trend	Annual trend
UK	£270,500	1.3%	1.8%		
20 City Composite	£310,300	1.1%	1.9%		
Belfast	£200,000	6.7%	7.5%		
Liverpool	£167,700	4.3%	3.4%		
Glasgow	£163,700	2.9%	4.0%		
Manchester	£236,100	2.8%	2.9%		
Newcastle	£162,400	2.7%	3.2%		
Sheffield	£177,500	2.6%	2.4%		
Leeds	£215,700	2.3%	2.1%		
Birmingham	£215,600	1.7%	2.2%		
Edinburgh	£282,100	1.5%	2.0%		
Bristol	£341,300	1.2%	2.1%		
Cardiff	£257,700	1.1%	1.6%		
Leicester	£226,800	1.1%	0.8%		
Aberdeen	£133,300	1.0%	-3.7%		
Nottingham	£203,900	0.6%	1.8%		
Oxford	£450,100	0.0%	1.0%		
London	£527,600	-0.2%	1.2%		
Southampton	£257,600	-0.2%	1.3%		
Portsmouth	£274,600	-0.4%	0.9%		
Cambridge	£461,000	-0.9%	1.2%		
Bournemouth	£317,800	-1.7%	0.2%		

Source: Zoopla House Price Index. Sparklines show last 12 months trend in annual and monthly growth rates – red bars are a negative value – each series has its own axis settings providing a more granular view on price development.

House price index report produced by

Richard Donnell

Executive Director - Research
richard.donnell@zoopla.co.uk

Izabella Lubowiecka

Senior Property Researcher

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