

RESEARCH

Housing Market Update

June 2025



Market Overview

GDP growth of 0.7% during the first quarter of the year has been a welcome 'good news boost' for the UK, particularly during an otherwise uncertain period, not helped by the evolving global and US tariff and trade policies. Further encouraging news came as the Official Bank Rate was cut 25 basis points to 4.25%, the lowest since April 2023, while retail sales volumes jumped to 1.2% in April and consumer confidence showed an increase in the latest May reading. On the other hand, inflation rose to its highest level since January last year as it jumped to 3.5% in April, reflecting the impact of increasing household bills.

The residential sales market continues to show some signs of stagnation. Several indicators suggest little to no change in pace of price growth recently, coupled with a lack of significant movement in both supply and demand. We think that the stamp duty tax increase implemented on 1 April has unduly influenced the market, complicating the assessment of underlying demand. How the market evolves over the coming months will provide greater clarity on its true state and the level of buyer confidence.

Sales and Lettings prices

- House prices declined in April, down -0.6% over March as the stamp duty changes took effect, according to Nationwide's latest report. Annually price growth also slowed to 3.4%, down from 3.9% the month before.
- In contrast to Nationwide's trends, Halifax recorded monthly house price growth of 0.3% in April, the first positive increase since January. This led to an annual increase of 3.2%, up from 2.9% (revised) in March and again the strongest annual rise since December 2024. The average UK property is now £297,781 according to Halifax, a rise of over £9,000 compared with the same month last year.
- Asking prices meanwhile were found to have grown by 1.2% in the last 12 months according to Rightmove's latest House Price Index. This is down slightly from 1.3% the month before and reflects a monthly rise of 0.6%. The web portal goes on to say that this is the lowest monthly growth for this time of the year since 2016.
- In the lettings sector, Rightmove's latest Rental Tracker report notes that rental growth outside London reached 4.5% annually (Q1 2025). This is down slightly from 4.7% reported the previous quarter. Within London rents rose by an average of 2.5% over the last year, up from 2.4% in Q4 2024. Regionally, rental growth was strongest in the North East at 7.5% followed by the North West (5.9%) and 5.8% in the West Midlands.



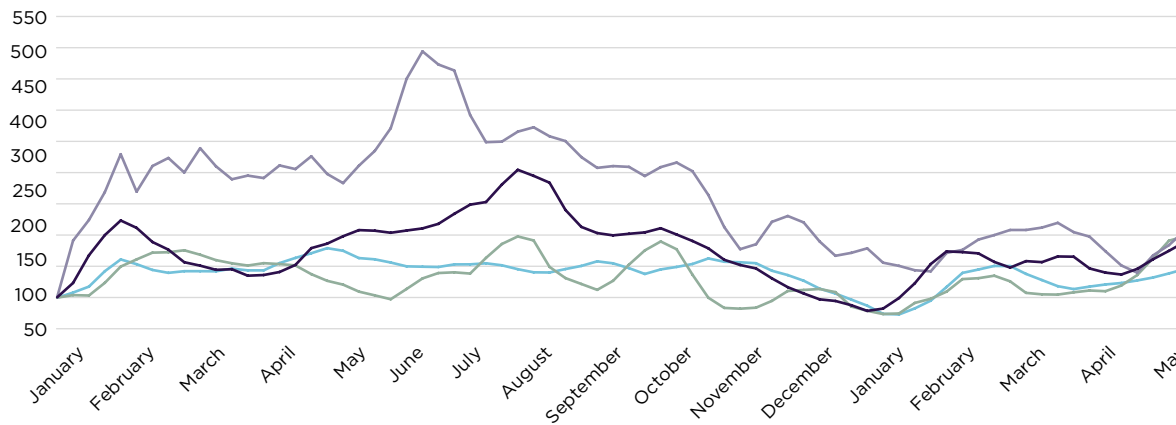
The average UK house price is now £297,781

(Source: Nationwide)

Figure 1 Carter Jonas Enquiry level trends, since January 2024

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

London Central North South



Activity

- Mortgage approvals dipped slightly again in March, down -1% to 64,300 on the month according to the latest data from the Bank of England. This is however up 4% over the same month last year and still within the healthy long-term average of just over 66,000 per month. 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.
- Transaction volumes skyrocketed to 177,300 in March, well above the long-term monthly average of just under 95,000. The latest HMRC figures are unsurprising given the rise in stamp duty from 1st April and the rush to get sales over the line to reduce the tax liability. The next few months are likely therefore to show much lower sales volumes, a pattern that we have seen many times in the past when stamp duty changes have taken place.
- In Zoopla's latest monthly housing report, they note that while buyer demand was above average in the first few months of the year, it slowed in the weeks prior to the report (end

April), although still in line with the same period last year. On the other hand, the supply of homes for sale is 15% more than the same month last year.

- Towards the end of April and during the first few weeks of May our Carter Jonas offices began to see an uptick in enquiry levels, following a slight lull after the stamp duty tax increase took effect. Almost all offices and locations saw an uptick over the recent four weeks, with offices in the North seeing the highest rise of over 50%. In London there was a rise of 14% and the southern locations saw a 15% increase. In total, all Carter Jonas offices saw an average 17% increase.



Together, Carter Jonas offices saw a 17% increase in enquiries

Official House Price data

HM Land Registry
March 2025

Source: HM Land Registry



Carter Jonas location	Average Price	Monthly Change (%)	Annual Change (%)
West Berkshire	£402,097	0.2%	9.6%
Vale of White Horse	£415,141	0.6%	8.1%
Cambridge	£506,724	-0.5%	7.4%
West Oxfordshire	£426,261	2.7%	7.3%
Leeds	£244,612	0.8%	7.2%
England	£295,654	1.3%	6.7%
United Kingdom	£271,415	1.1%	6.4%
Wiltshire	£333,786	1.0%	6.1%
South Oxfordshire	£469,976	-2.3%	5.7%
Cambridgeshire	£343,066	0.6%	5.6%
South Cambridgeshire	£436,612	0.6%	4.5%
Outer London	£509,140	0.2%	4.4%
North Yorkshire	£271,901	0.0%	4.2%
Somerset	£279,802	-0.7%	3.8%
Suffolk	£290,984	1.5%	3.8%
Winchester	£483,347	-0.6%	2.8%
London	£552,073	-0.3%	0.8%
Oxford	£479,166	-0.3%	0.7%
York	£305,184	1.5%	-1.6%
Bath and North East Somerset	£397,827	-1.3%	-1.8%
Inner London	£638,396	-0.8%	-2.9%
South West London	£737,663	-1.5%	-3.7%
Prime Central London	£1,046,365	-2.4%	-17.6%

Official Price Index of Private Rents

ONS April 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	£1,736	0.1%	12.1%
South West London	£2,477	0.6%	10.4%
Oxford	£1,832	0.4%	10.2%
South Oxfordshire	£1,384	0.8%	9.9%
Prime Central London	£3,465	0.2%	9.8%
Winchester	£1,445	0.6%	9.6%
London	£2,235	0.1%	8.4%
Vale of White Horse	£1,319	0.8%	7.9%
England	£1,390	0.3%	7.5%
South Cambridgeshire	£1,347	0.4%	7.4%
Cambridge	£1,766	0.2%	7.2%
Wiltshire	£990	0.1%	6.6%
North Yorkshire	£818	0.0%	6.1%
West Oxfordshire	£1,289	0.3%	5.4%
West Berkshire	£1,245	0.4%	3.9%
York	£1,122	0.4%	2.4%



***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

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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