

## RESEARCH

# Housing Market Update

October 2025

## Sales and Lettings Prices

- According to Nationwide, house price growth slowed in August to 2.1% annually, down from 2.4% the previous month. On a monthly basis, prices declined by an average of 0.1% (seasonally adjusted). The average UK house price is now £271,079, which is still 1% lower than the last peak in August 2022.
- Similarly, Halifax also reported a slowing pace of house price growth in August. They recorded an annual increase of 2.2%, down from 2.5% in July.

However, on a monthly basis, there was a slight discrepancy with Nationwide, as Halifax recorded a 0.3% increase, marking the third consecutive month of rising prices.

- Average asking prices for a new property to the market declined by -0.1% over the last 12 months according to Rightmove's latest housing market report. The web giant goes on to report that this fall is mostly being driven by declines across London and the South where the housing market continues to 'underperform'.

- In the lettings market, annual rental growth outside of London is reported as 3.9% according to Rightmove's latest rental report. This is the lowest annual figure since 2020 and means the average monthly rent is now £1,365. In Greater London the annual change is reported as 1.9% with an average per calendar month rent of £2,712.

## Market Overview

Although the UK economy appears to be experiencing slow but steady growth, with GDP rising by 0.3% in the second quarter of 2025, inflation remains a concern, with the annual rate holding at 3.8%, nearly double the Bank of England's target. The Bank of England has kept its benchmark interest rate steady at 4%, though further cuts are anticipated if inflation shows signs of easing. Anecdotally, there are some indications of a challenging outlook with risks from persistent price pressures and some

consumers and businesses feeling very uneasy about the Budget, which is still two months away, scheduled for 26th November.

In the residential market the picture is one of subdued activity and growth. Although both mortgage approvals and transactions have grown for the last three months this is more likely a reflection of the exceptionally low activity following the stamp duty changes from 1st April. Turning to more forward-looking indicators, such as the RICS market survey, the data suggests a

continued slowdown. For instance, new buyer inquiries and new instructions have both declined, with new instructions now at their lowest level in over a year. In the lettings market, tenant demand remains stable, while rental growth continues to decelerate.



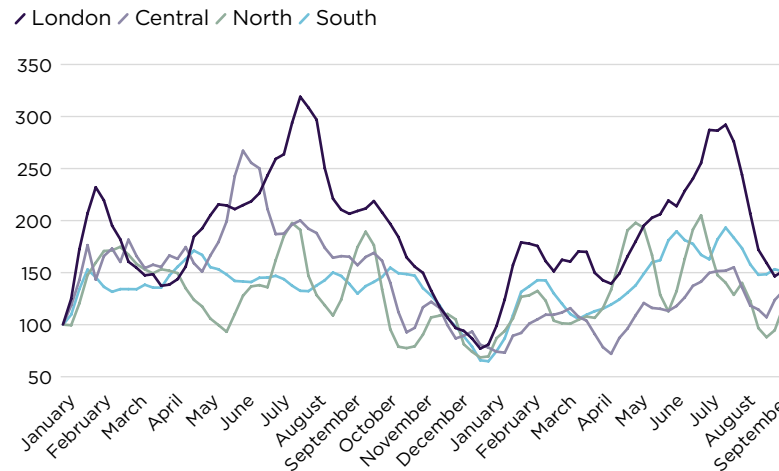


**Both demand and supply have increased compared to the same period last year”**

Source: Rightmove

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

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



## Activity

- Total monthly mortgage approvals have now risen for the third month in a row, according to the latest Bank of England data. July saw 65,352 approvals, up 1% over June and 4% higher than the same month one year ago.
- Similarly, transaction volumes also rose for the third straight month, rebounding substantially following the post-stamp duty lag effect seen in April. HMRC figures for July put total activity at 95,580, a monthly increase of 1% and nearly 50% higher than April's trough of just 65,000.
- In their latest House Price Index report, Rightmove note that the number of agreed sales is up 4% over the same time last year. In the south of England it is up 3% compared with a 5% increase in the rest of Great Britain.
- Zoopla's latest house price index report (August) indicates that both demand and supply have increased compared to the same period last year. The report finds that buyer demand is up by 4% and the stock of homes available for sale has risen by 10%. Overall, this has resulted in a 5% increase in the number of agreed sales.
- In a normal seasonal pattern, the surge in enquiries we experienced over the summer holidays has naturally levelled off during the last four weeks in September. As students returned to school and the typical autumn slowdown began, we saw a drop in activity across all locations. However, we expect that enquiries will begin to pick up again in the weeks and months leading up to Christmas.



# Official House Price data

HM Land Registry  
July 2025

Source: HM Land Registry



Carter Jonas location	Average Price	Monthly Change (%)	Annual Change (%)
Vale of White Horse	£393,611	0.1%	4.2%
West Oxfordshire	£422,839	1.2%	4.2%
Leeds	£239,762	1.0%	3.8%
Oxford	£496,578	3.2%	2.8%
<b>United Kingdom</b>	<b>£269,735</b>	<b>0.3%</b>	<b>2.8%</b>
<b>England</b>	<b>£291,852</b>	<b>0.3%</b>	<b>2.7%</b>
Outer London	£509,970	0.1%	2.7%
West Berkshire	£392,935	0.5%	2.1%
Suffolk	£285,812	0.8%	2.0%
Wiltshire	£323,065	-0.1%	1.9%
Cambridgeshire	£332,336	0.5%	1.9%
North Yorkshire	£268,001	0.4%	1.8%
Somerset	£275,284	0.6%	1.7%
Cambridge	£492,883	-0.9%	1.4%
York	£313,030	0.8%	0.9%
London	£561,587	0.0%	0.7%
South Oxfordshire	£461,075	2.5%	0.3%
South Cambridgeshire	£423,687	3.4%	0.1%
Bath and North East Somerset	£406,978	0.9%	-0.9%
Inner London	£650,504	-0.9%	-2.0%
Winchester	£456,386	-1.9%	-2.4%
South West London	£757,983	-1.6%	-3.1%
Prime Central London	£1,169,081	-5.0%	-3.6%

# Official Price Index of Private Rents

ONS August 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 (%)
Oxford	£1,897	1.2%	11.7%
Bath and North East Somerset	£1,755	0.2%	9.5%
South West London	£2,499	0.0%	7.9%
Wiltshire	£1,021	0.9%	6.5%
Vale of White Horse	£1,314	-0.5%	6.0%
England	£1,403	0.4%	5.8%
London	£2,235	0.1%	5.7%
South Cambridgeshire	£1,362	0.2%	5.7%
Cambridge	£1,773	0.0%	5.2%
North Yorkshire	£829	0.3%	5.0%
Winchester	£1,448	-0.1%	4.8%
Prime Central London	£3,415	-0.3%	4.6%
West Berkshire	£1,274	0.1%	4.5%
South Oxfordshire	£1,355	-0.7%	4.3%
West Oxfordshire	£1,281	-0.8%	2.4%
York	£1,126	0.4%	1.1%

*\*\*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.*



### 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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