

RESEARCH

Housing Market Update

July 2026

Market Overview

The UK economy showed encouraging signs of steadiness in the latest data, with several indicators pointing to underlying resilience despite a somewhat mixed picture across sectors. While GDP edged down 0.1% in April, retail sales bounced back strongly in May, posting their best monthly performance since January. Inflation held steady, the Bank of England kept rates unchanged, and consumer confidence, although subdued, remained at least relatively stable. This is a reasonably solid showing overall, particularly given that these figures all predate the recently signed peace deal between the US and Iran.

There are also signs of buoyancy in the residential sales market, even against a backdrop of caution and some softening in prices and growth. Mortgage approvals rose for the third consecutive month in April to nearly 66,000, while transaction volumes, though slightly down on March, remain close to 10% above their ten-year average. Other indicators, however, are sending more pessimistic signals: Nationwide recorded the first monthly price decline of the year, and the latest Rightmove report found that both asking prices and buyer demand were down in May.

Sales and Lettings Prices

- UK annual house price growth slowed to 1.7% in May, according to Nationwide's latest index. This is down from 3.0% in April and marks the first monthly decline this year with prices falling 0.6%, to reach an average of £278,024.
- The Halifax House Price Index showed that UK house prices rose by an average of 0.5% over the 12 months to May. This marks little change from the 0.4% annual growth recorded in April. On a monthly basis prices were found to have fallen by 0.1%, matching the same figure recorded in April and the third month in a row of falling prices.
- Rightmove reported annual house prices (asking prices) declined by an average of 0.5% in June, while on a monthly basis prices fell by 0.6%. Although the property portal says this is the biggest June monthly fall in asking prices in 14 years, they did rise by 1.2% month on month in May, which was a stronger-than-average increase so we should not read too much into this June decline just yet. What's more, the hot weather in May probably distracted many would-be buyers.
- Rental growth in the private rental market slowed to 3.3% in the 12 months to May, down from 3.5% in April, according to the ONS Official Price Index of Private Rents. This marks the slowest rate of rental growth in over four years (March 2022).
- Zoopla reported that average UK rents for new lets rose by 2.1% annually in April (latest, June release), down from 2.6% the same month one year ago.



The average UK house price is £278,024

(Source: Nationwide)

Activity

- For the third month in a row, mortgage approvals rose in April, according to the Bank of England's monthly data. At nearly 66,000 approvals, this is up 3% over March's data and 8% over the same time last year. Approvals are still likely to ease back in the coming months as the true extent and length of the ongoing war in the Middle East becomes apparent.
- Transaction volumes did fall back slightly in April, down 2.7% month on month to just over 101,000 in April. This is still nearly 10% above the ten-year average for this time of year and is still indicative of an underlying resilience in the housing market.
- Rightmove's June House Price Index report finds that buyer demand was down 10% however the heatwave coupled with half-term holidays probably amplified a downturn in potential buyers looking for homes. On the supply side, the number of new listings is down 5% year on year, but still ahead of both 2024 and 2023 by 6% and 12%, respectively.
- In the private rental market, Zoopla's latest quarterly rental market report notes an average

of around 5.6 enquiries per rental home, well down from the 2022 peak of 15.5. While demand remains above pre-pandemic levels, the supply of available properties to rent is still below pre-2020 supply.

- Enquiry levels across our Carter Jonas offices continued to rise throughout June, increasing by an overall average of 17% month on month. All offices recorded a rise, with the sharpest increase again seen in our northern offices, where enquiries grew by 38%. This was followed by our central and London offices, with increases of 21% and 6% respectively. While a rise in enquiries at this time of year is not unusual, it should still be taken as a positive sign of buyers' resilience, with many continuing to move forward with their plans despite the geopolitical issues around them.

Figure 1 Carter Jonas Enquiry level trend index, since January 2025

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

London / Central / North / South



Enquiry levels across our offices continued to rise in June



Official House Price data

HM Land Registry
April 2026

Source: HM Land Registry



Carter Jonas location	Average Price	Monthly Change (%)	Annual Change (%)
Vale of White Horse	£416,575	0.0%	6.9%
England	£291,445	0.6%	3.9%
United Kingdom	£270,080	0.7%	3.8%
Oxford	£475,481	-0.1%	3.3%
Leeds	£246,882	1.1%	3.3%
North Yorkshire	£270,836	-0.3%	3.0%
York	£308,788	-0.2%	2.8%
South Cambridgeshire	£432,985	1.2%	1.9%
Suffolk	£282,721	0.3%	1.9%
South Oxfordshire	£466,091	-1.3%	1.7%
Cambridgeshire	£335,456	-0.4%	1.4%
Somerset	£277,347	-0.6%	1.0%
Wiltshire	£325,267	0.7%	0.7%
West Berkshire	£400,550	-0.9%	0.4%
Outer London	£502,057	0.1%	-0.8%
Bath and North East Somerset	£400,205	-0.2%	-1.1%
Winchester	£462,014	-0.6%	-1.1%
West Oxfordshire	£418,246	-0.3%	-1.2%
London	£552,655	1.9%	-2.1%
Cambridge	£462,145	-1.5%	-4.2%
Inner London	£623,219	0.0%	-5.0%
South West London	£735,533	-0.1%	-5.1%
Prime Central London	£1,043,720	-1.2%	-14.0%

Official Price Index of Private Rents

ONS May 2026

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	£1,881	0.2%	7.9%
Wiltshire	£1,064	0.4%	7.0%
Oxford	£1,958	0.1%	6.6%
York	£1,182	0.4%	5.3%
South Cambridgeshire	£1,407	0.3%	3.9%
Winchester	£1,505	0.2%	3.9%
England	£1,442	0.2%	3.4%
South West London	£2,558	0.2%	2.9%
West Berkshire	£1,290	0.6%	2.8%
London	£2,235	0.2%	2.0%
Cambridge	£1,805	0.3%	2.0%
North Yorkshire	£833	0.2%	1.5%
Vale of White Horse	£1,333	0.1%	0.8%
South Oxfordshire	£1,381	0.1%	-0.3%
West Oxfordshire	£1,277	0.3%	-0.9%
Prime Central London	£3,377	0.1%	-2.2%



Monthly change in enquiry levels

6%

LONDON

4%

SOUTH

21%

CENTRAL

38%

NORTH

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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 33 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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