House Price Index

England and Wales

June 2025

0.0%
monthly change

-1.3%
annual change

-0.9%
annual %
(excluding London and the South East)

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Market to strengthen through second half of year

- **Stamp duty effects start to unwind in England**
- **Stabilising London prices help underpin wider England & Wales picture**
- **Market set to improve with easing of affordability rules and lower interest rates**

House Price	Index*	Monthly Change %	Annual Change %	Annual % (excluding London and the SE)
£357,966	365.9	0.0	-1.3	-0.9

Rob Owens, Head of Research, comments:

"The housing market showed signs of stabilising in June, with average prices in England and Wales holding steady at just under £358,000. This suggests the recent period of modest price decline may be ending.

HMRC data indicates a partial recovery in transactions following the end of the stamp duty holiday. London, which had been a major drag on national figures, made only a minimal negative contribution in May - its best showing in 18 months.

Looking ahead, easing mortgage affordability rules and expectations of interest rate cuts could support demand, especially in London and the South. The Spending Review focused on the social rented sector, with further details on home ownership support expected later this year. If combined with rising mortgage approvals and improving sentiment, the market could finish 2025 on a stronger note."

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The housing market in June

The distortions to the usual monthly pattern of property transactions caused by changes in stamp duty have begun to unwind in England, with the latest HMRC figures showing a partial revival in activity from May as buyers returned to the market after the tax changes.

Table 1. Average House Prices in England and Wales for the year to June 2025

Month	Year	Property Price	Index	Monthly % change	Annual % change
Jun	2024	£362,692	370.7	-0.1	-0.9
Jul	2024	£361,241	369.2	-0.4	-1.1
Aug	2024	£363,106	371.1	0.5	-0.6
Sep	2024	£366,329	374.4	0.9	-0.2
Oct	2024	£367,762	375.9	0.4	0.1
Nov	2024	£367,138	375.3	-0.2	0.5
Dec	2024	£366,438	374.6	-0.2	0.1
Jan	2025	£364,477	372.6	-0.5	-0.4
Feb	2025	£363,187	371.2	-0.4	-1.1
Mar	2025	£359,555	367.5	-1.0	-1.3
Apr	2025	£358,710	366.7	-0.2	-1.5
May	2025	£357,962	365.9	-0.2	-1.4
Jun	2025	£357,966	365.9	0.0	-1.3

The average sale price of a home in England and Wales was broadly unchanged in June at a little below £358,000. The modest price erosion seen over recent months appears to have now run its course. Annual price comparisons have not varied a great deal over recent months, with average prices currently 1.3% lower than a year ago, according to Acadata figures.

Figure 1. England and Wales remains in neutral

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In terms of announcements about the private housing market the Spending Review and associated policy releases came and went. The expected housing policy statement was deferred, with the government instead using the Spending Review to highlight planned funding increases for the social rented sector. That funding will cover affordable home ownership but the split between expenditure on renting and ownership has yet to be announced.

As noted last month, mortgage lenders have begun to adjust their affordability rules in the light of recent FCA statements. This means home buyers will be allowed to borrow more and with the Bank of England Monetary Policy committee now split on whether to reduce interest rates market expectations for further cuts have risen.

Such metrics do bolster views that the current weakness in the market in terms of prices will fall away as the year progresses.

We note unemployment is stable in so far as the somewhat unreliable data allows us to judge while consumer confidence has been somewhat variable, but both may improve and give further support to the housing market.

Mortgage approvals have been rising and if the housing policy announcements in the third or fourth quarter include more support for first time buyers then we could see the 2025 market end on a strongly positive note.

The English Regions and Wales

Table 2. Average Prices in the English regions and Wales, May 2025

Geography	May 2024	Apr 2025	May 2025	Monthly % chg	Annual % chg
East Midlands	£271,966	£273,016	£268,578	-1.6%	-1.2%
East of England	£395,534	£389,332	£386,182	-0.8%	-2.4%
London	£687,699	£668,783	£686,525	2.7%	-0.2%
North East	£195,751	£205,711	£198,941	-3.3%	1.6%
North West	£253,969	£257,760	£251,701	-2.4%	-0.9%
South East	£453,692	£441,490	£440,953	-0.1%	-2.8%
South West	£363,905	£352,341	£351,053	-0.4%	-3.5%
West Midlands	£284,749	£285,218	£281,342	-1.4%	-1.2%

Yorkshire and The Humber	£242,343	£249,385	£247,366	-0.8%	2.1%
England	£369,601	£364,986	£364,248	-0.2%	-1.4%
Wales	£239,450	£241,766	£240,817	-0.4%	0.6%
E&W	**£362,973**	**£358,710**	**£357,962**	**-0.2%**	**-1.4%**

Note: Lines shaded in darker blue reflect cases where regional prices reached record highs in latest month.

While the headline figures for England and Wales continue to be subdued, the regional picture has begun to evolve in recent months.

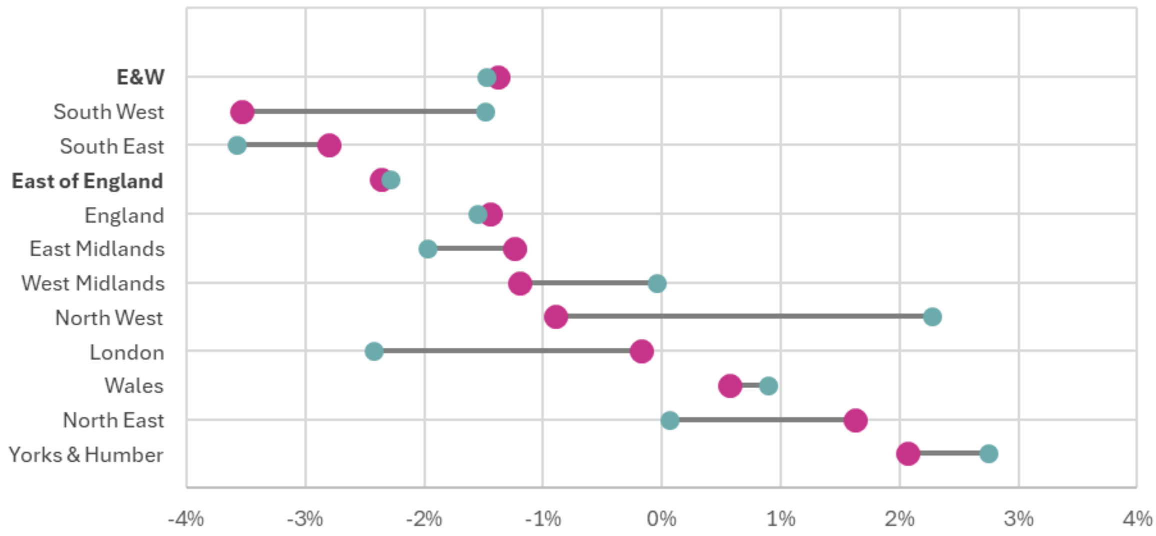
Since reaching fresh market highs earlier this year, the markets of northern England have cooled somewhat more recently. This is particularly evident in the North West, where prices are now actually a bit softer than a year ago (see Figure 2). Softer markets in the north and in the Midlands are contributing to a less stark regional divide.

Another key factor is the noticeable change of tone across the capital.

We have previously noted that conditions in the London market showed signs of improving but in May, for the first time in 18 months, London made only a negligible contribution to wider price weakness in England and Wales. This contrasts strongly with the situation since late 2024 when London has acted as a significant drag on the overall national price metrics.

The rest of southern England continues to drag down the overall annual growth metrics for England and Wales.

Figure 2. How annual prices compare between **May 2024** *and* **May 2025**
London torpor ends



The intense affordability pressures in London and much of southern England are expected to subside over the coming months, as lenders ease mortgage affordability rules in line with a policy shift from regulators and alongside expectations of further interest rate reductions. This in turn should contribute to a brighter second half for the housing market in these regions and more generally (and despite the much weaker non-dom demand for more expensive homes).

About the e.surv Acadata House Price Index

1. The e.surv Acadata House Price Index is produced by Acadata, a consultancy specialising in house price data.

2. The index is based on the **actual** prices at which residential properties in England and Wales are transacted, including prices for properties bought with cash. Based upon HM Land Registry reporting, such data typically represents the vast majority of all relevant transactions. As such, our figures stand out from those based on mortgage-based sales only, asking prices or prices based upon smaller samples.

3. The initial e.surv Acadata House Price Index for each month, employs an academic "index of indices" model, custom-built at Cambridge, to address smaller but still material sampling levels.

4. Our property prices and indices are calculated on a seasonal- and mix-adjusted basis. All e.surv Acadata House Price Index results are subject to change, for example when HM Land Registry publishes updated figures.

5. In June 2024 we made extensive one-off revisions to our entire dataset of Index figures so that they are now fully consistent with our published house price data. The cumulative nature of these revisions means that for April 2024 our revised Index figure is 6% higher than previously reported. Our methodology for estimating house prices has not changed.

6. Our indices reflect our best endeavours and are issued in good faith without any claim as to precision, accuracy or fitness for any purpose. They may not be used for commercial purposes without written permission from Acadata.

7. For longer time series of the data highlighted in this report and an interactive table comparing national and regional price metrics over time, please contact Acadata via its website.

About e.surv Chartered Surveyors

e.surv is the UK's largest valuation provider, directly employing over 600 residential surveyors across the UK, supported by a network of consultant valuers.

The business is appointed as Panel Manager for more than 20 mortgage lenders and other entities with interests in residential property, and also provides a number of private survey products direct to the home-buying public.

e.surv is part of LSL Property Services plc which includes household names Your Move, Reeds Rains and PRIMIS.

For further information, please visit our website: www.esurv.co.uk

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