



House Price Index

England and Wales

August 2025



0.0%

monthly change



-2.8%

annual change



-2.7%

annual %
(excluding London
and the South East)

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Housing market is finely balanced for time being

- Prices in most areas of England and Wales have softened a little recently.
- Activity and prices potentially vulnerable to any bad news.
- Uncertainty over the future path of interest rates and prospective fiscal measures in the November Budget cast their shadow.

House Price	Index*	Monthly Change %	Annual Change %	Annual % (excluding London and the SE)
£352,930	360.7	0.0	-2.8	-2.7

Rob Owens, Head of Research, comments:

"August saw no change in average house prices compared to July, suggesting the recent period of decline may be easing. However, prices remain 2.8% below their level a year ago and are now at their lowest since late 2021. A surge in new listings has contributed to this softening, even as underlying sales activity shows signs of improvement.

Property transactions in July returned to typical levels, with over 94,000 completions recorded—broadly in line with the 12-month average. This marks a recovery from earlier distortions in the market caused by changes to stamp duty, indicating that transactional momentum is gradually rebuilding.

Lower mortgage rates have supported demand, but uncertainty around future rate cuts and potential property tax reforms—particularly affecting higher-value homes—continues to weigh on sentiment. Wales may outperform England in the near term, but overall, the market remains delicately balanced heading into the autumn.."

The housing market in August

The distortion to the usual monthly pattern of property transactions, caused by earlier changes in stamp duty for England, appears to have mostly unwound. The latest HMRC figures show a further pick-up in activity levels, with sales across England and Wales totalling more than 94,000 in July - on a par with the 12-month average.

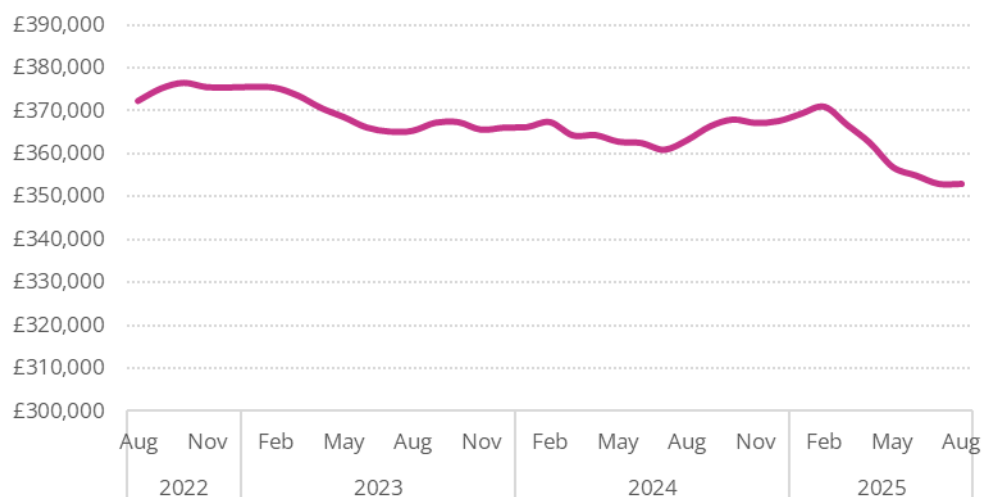
While underlying sales activity has improved, large numbers of vendors coming to market have caused prices to soften in recent months.

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

Month	Year	Property Price	Index	Monthly % change	Annual % change
Aug	2024	£363,131	371.2	0.6	-0.6
Sep	2024	£366,359	374.5	0.9	-0.2
Oct	2024	£367,951	376.1	0.4	0.2
Nov	2024	£367,142	375.3	-0.2	0.4
Dec	2024	£367,603	375.7	0.1	0.4
Jan	2025	£369,329	377.5	0.5	0.9
Feb	2025	£370,934	379.2	0.4	1.0
Mar	2025	£366,668	374.8	-1.2	0.7
Apr	2025	£362,463	370.5	-1.1	-0.5
May	2025	£356,830	364.7	-1.6	-1.6
Jun	2025	£354,911	362.8	-0.5	-2.1
Jul	2025	£352,942	360.8	-0.6	-2.2
Aug	2025	£352,930	360.7	0.0	-2.8

Figure 1. England and Wales Housing Market Eases

E&W prices, last 3 years

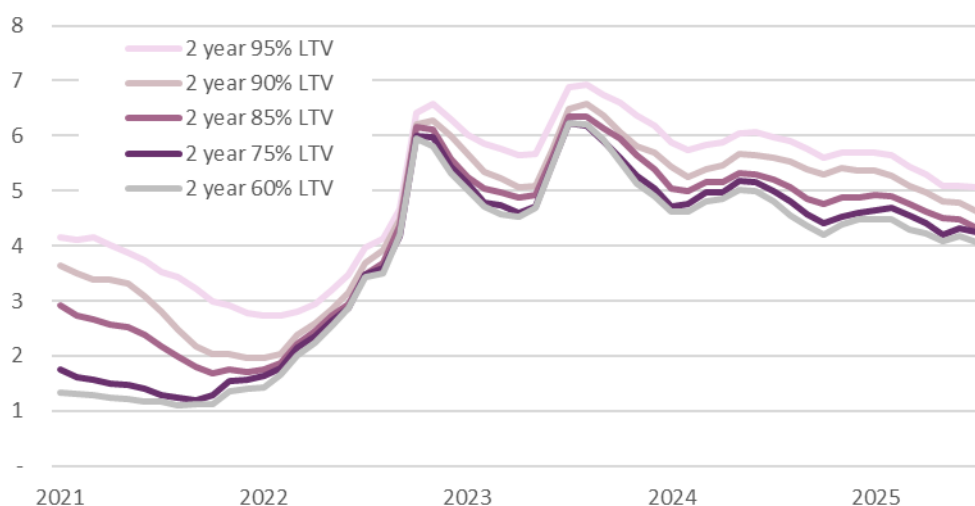


Following several months of falling prices, August saw no change in the average sale price of a home in England and Wales, raising hopes that the period of price weakness is over. That said, average prices at just below £353,000 are 2.8% lower than a year ago and their lowest since late 2021, according to Acadata figures.

In broad terms, the housing market is quite delicately poised, albeit there are some quite strong regional variations. The market in Southern England has been faltering as a consequence of a softening in demand – and price expectations have declined. The latest RICS survey suggests that, from July onwards, England is likely to experience only minimal growth in property sales over the next three months.

Figure 2. Lower mortgage rates have supported demand so far this year

Quoted mortgage rates



Supply and demand currently appear to be in broad balance. Affordability has been helped by lower mortgage rates this year, with 2-year fixes 40-70 bps lower (see Figure 2) and somewhat less for 5-year deals. However, there is now greater uncertainty about whether the Bank of England will implement any further rate cuts this year, and consequently, there is little to encourage greater positivity. Indeed, the focus is on the downside as the debate on property tax reforms gathers momentum as we approach the Autumn Budget, scheduled for late November.

The most likely losers in any reform will be owners of more expensive homes in Southern England, and given their significance in terms of the overall health of the housing market, this is likely to weigh heavily until greater clarity about any policy changes and timings emerges.

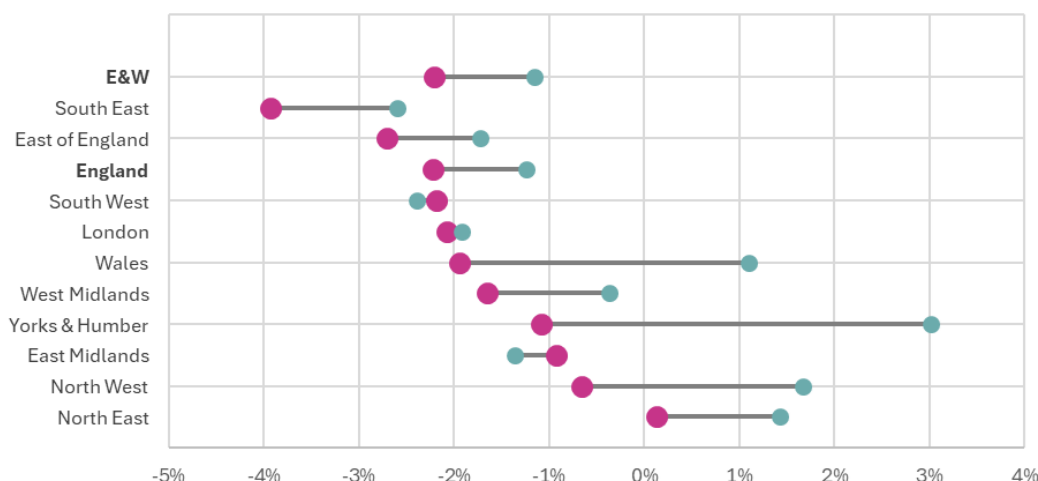
In addition, there is unease about rising unemployment, job security and persistent price inflation. Consumer confidence is weak. It is no surprise, therefore, that a number of analysts have revised down their house price forecasts for 2025 even after allowing for the boost given by an easing of mortgage regulations.

This does not imply an impending downturn in the housing market, but rather a slowdown compared to earlier expectations. Within this context, Wales may perform slightly better than England.

The English Regions and Wales

The regional picture currently echoes the subdued national picture, with annual price movements in July weaker than a year ago in all areas except for the South West and East Midlands.

Figure 3. How annual price inflation compares, July 2024 and July 2025



The northern markets continue to fare better, but even here, prices are flat or weakening slightly. The North East was the only English region where prices are still a little stronger than a year ago, but the early indications are that this will not persist. Southern markets, and especially the South East, continue to account for much of the overall market weakness. This reflects the affordability pressures that exist in the higher-priced markets. That said, the position for London has begun to shift. Although prices continue to be subdued, price movements in London have outperformed the rest of England and Wales in recent months, one reason why the annual change in prices for England and Wales excluding London and the South East now closely matches the headline index.

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

Geography	Jul 2024	Jun 2025	Jul 2025	Monthly % chg	Annual % chg
East Midlands	£273,321	£271,461	£270,794	-0.2%	-0.9%
East of England	£393,738	£384,048	£383,094	-0.2%	-2.7%
London	£684,854	£675,767	£670,646	-0.8%	-2.1%
North East	£197,716	£197,087	£197,981	0.5%	0.1%
North West	£251,492	£250,165	£249,819	-0.1%	-0.7%
South East	£449,410	£435,959	£431,712	-1.0%	-3.9%
South West	£355,557	£347,946	£347,775	0.0%	-2.2%
West Midlands	£283,923	£280,063	£279,232	-0.3%	-1.7%
Yorkshire and The Humber	£244,163	£245,626	£241,505	-1.7%	-1.1%
England	£367,301	£361,184	£359,155	-0.6%	-2.2%
Wales	£241,850	£237,997	£237,149	-0.4%	-1.9%
E&W	£360,913	£354,911	£352,942	-0.6%	-2.2%

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.

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

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