

# House Price Index

The largest monthly sample of residential property prices and housing market activity

**+0.5%**

Monthly average asking price increase, below the long-term average

**+1.4%**

Prices are 1.4% ahead of this time last year

**+15%**

Increase in the number of sales agreed versus this time last year

## Price growth slows as stamp duty deadline looms, but activity remains robust

- The average price of property coming to market for sale rises by 0.5% (+£1,805) this month to £367,994, a muted price rise for this time of year as new sellers lower price expectations, due to the looming stamp duty deadline and high competition:
  - The number of available homes for sale is at a 10-year high, moderating the New Year price surge
- The stamp duty deadline will impact some regions and movers more than others, with a conveyancing log-jam expected:
  - There are more than 550,000 homes sold yet awaiting legal completion, 25% more than at this time last year
  - First-time buyer purchases between £500,001 and £625,000 are most affected, with an extra £11,250 at risk for this group if the deadline is missed, with a log-jam expected as some scramble to complete before March 31<sup>st</sup>
  - Moving activity remains robust after the first full month of 2025 compared to a year ago, with the number of new sellers coming to market now 13% ahead, buyer demand 8% ahead, and sales agreed numbers up by 15%
  - Slower price rises are supporting underlying activity levels, with no major drop-off in activity expected from April
- January was a record month for applications for a Mortgage in Principle on Rightmove, 49% more than January 2024
- Global and economic news continues to affect market sentiment and outlook, with attention turning to upcoming inflation and earnings figures. While mortgage rates remain high, they are now on a downward trend

### National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
February 2025	£367,994	+0.5%	+1.4%	284.5
January 2025	£366,189	+1.7%	+1.8%	283.1

### National average asking price by market sector (excluding inner London)

Sector	February 2025	January 2025	Monthly change	Annual change
First time buyers	£226,887	£227,212	-0.1%	+0.9%
Second-steppers	£341,011	£339,323	+0.5%	+1.5%
Top of the ladder	£659,069	£655,288	+0.6%	+2.1%

Rightmove measured 110,261 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 12<sup>th</sup> January to 8<sup>th</sup> February 2025 and advertised on Rightmove.co.uk.

# Overview

The average price of property coming to the market for sale rises by 0.5% this month (+£1,805) to £367,994. After a fast start to the year which saw average asking prices rise by more than usual, February's price increase is more subdued, below the longer-term average of +0.8%. This month's lower price trend appears to be both a proactive measure, recognising higher costs for some buyers with England's looming stamp duty deadline at the end of March, and a reaction to the record number of sellers who came to market early in 2025. The average number of available homes for sale per estate agency branch continues to run at a 10-year high, reducing sellers' pricing power. Meanwhile, rising stamp duty charges are set to impact some regions and types of movers more than others. Many first-time buyers in lower-priced areas won't be affected at all by the changes, as there is still good availability of homes that will be stamp-duty free. By contrast, those most affected will be first-time buyers purchasing a home between £500,001 and £625,000 where an extra £11,250 in costs is at stake for this group if the deadline is missed and not given a short extension by the government. Rightmove also expects a conveyancing log-jam as some movers scramble to complete their purchase in time.



New sellers are showing some pricing restraint after a fast start to the year, being mindful of both the high level of seller competition, and in England also of the looming stamp duty deadline and extra costs for some buyers. Agents report that some of the steam is coming out of new sellers' price expectations to fit the changing market conditions, which is a sensible reaction to attract buyer interest, and it will also help to support activity levels. The upcoming stamp duty deadline in England remains a key talking point, and while some movers may not be affected at all, others will be more severely impacted. We've previously suggested reforms such as regional variations in stamp duty charges to try and address some of the inequities in the current system. With the predicted conveyancing log-jam likely to cause some buyers to miss the deadline and end up paying more tax through no fault of their own, it would seem justifiable for the government to announce a short extension before the end of March.

**Colleen Babcock**, property expert at Rightmove



Rightmove has reiterated its call for a speedier transaction process and welcomes any initiative by the government to modernise and digitise the system. The extremely lengthy average time to complete a property transaction is still around five months, meaning that the typical mover has been working against the clock for some time to complete before the end of March and beat any stamp duty increase. As the stamp duty deadline looms, the latest snapshot of the transaction pipeline shows that more than 550,000 homes are currently going through the completion process, 25% more than at this time last year. London is likely to see the biggest log-jam of first-time buyers trying to complete before March 31<sup>st</sup>, with affected movers eager to avoid unnecessary extra costs. There are 28% more first-time buyers in the capital currently going through the completion process than at this time last year, more than any other region.

Looking beyond the segments and sectors of the market most affected by stamp duty changes, broader home-moving activity remains robust after the first full month of the year. The number of new sellers coming to market has slowed since the record Boxing Day surge and has now settled at 13% ahead of this time in 2024. In addition, the number of potential buyers contacting agents about homes for sale is 8% ahead of this time last year, and the number of sales being agreed is 15% ahead. Slower price rises are helping to support activity levels, with no major drop-off in activity expected from April, after the stamp duty deadline.

In further evidence of building momentum ahead of the peak Spring selling season, the number of people applying for a Mortgage in Principle on Rightmove hit a record in January 2025, a 49% increase on the same month last year, and a lead indicator of mortgage market activity. However, global and economic news could temper this momentum and affect sentiment and outlook for the market, with attention turning to upcoming inflation and earnings figures. Mortgage rates, while still high, are hopefully now on a sustained downward trajectory following February's Bank Rate cut.



For those in higher-priced areas of England like London, the additional stamp duty charges they face can be significant and difficult to afford when already stretched to the max. The lengthy and frustrating completion process means that the average mover has had to have one eye on the clock since November to ensure that they complete before the stamp duty deadline. Beyond the deadline, agents report that underlying market activity remains positive, and that they don't expect a major drop-off in activity from April, as the financial impact on many movers is smaller than previous deadlines.

**Colleen Babcock**, property expert at Rightmove



# Experts' views



We've now had the first Bank Rate cut of the year, and current forecasts suggest there are still two or potentially three more cuts to come, which could see us closing out the year with a Base Rate of 4% or lower. The response from the market to the decision has been positive, and mortgage rates have trickled downwards since the announcement. We hope this is the beginning of a sustained period of rates slowly heading downwards, and while we're unlikely to see major falls across the board, we've already seen the first sub-4% rates of 2025.

**Matt Smith, mortgage expert at Rightmove**

As of 1<sup>st</sup> April, the average London first-time buyer is set to see the stamp duty owed on their purchase increase by around £6,000-£10,000, so it's a considerable increase in cost and one that is, of course, in the minds of those currently progressing a purchase through to completion.

However, with the deadline coming so swiftly after the Autumn Budget, many buyers are already progressing with their plans to purchase on the basis that they may well have to pay this additional cost, and so we haven't seen much turbulence in the form of buyers pulling out.

There has been some further negotiation with respect to offers submitted to try and alleviate the increase in stamp duty costs incurred but the vast majority of buyers are proceeding as planned.

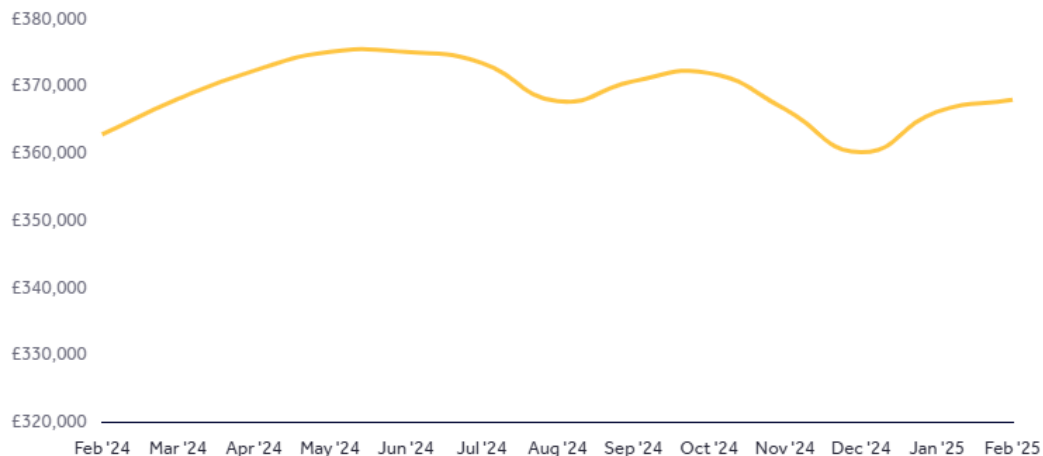
**Marc von Grundherr, Director of Benham and Reeves in London**

Many will have been rushing to get deals over the line before the rise in stamp duty comes into effect this Spring. It won't have been a nationwide phenomenon as the impact of changes depend greatly on location. There remains a stark supply and demand imbalance in housing which will keep prices high, while household earnings continue to outpace inflation which should prop up demand. Mortgage demand is strong, and this should be supported by the fact that base interest rates are on a downward trajectory which could further lower costs for buyers.

**Andrew Tucker, Joint Head of Residential Sales and Partner at Bidwells**



Monthly average asking price trend



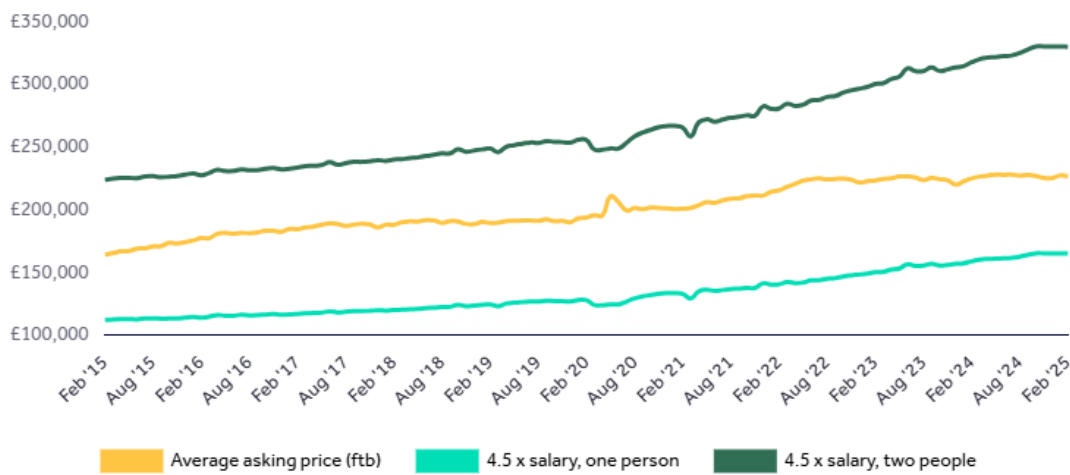
# Affordability trends

The first-time buyer monthly mortgage payment is based on Bank of England data of the averages for 90% LTV two-year fixed mortgages from lenders, and the average asking price of a typical first-time buyer home (two bedrooms or fewer) using the Rightmove House Price Index. The equivalent monthly rent is calculated using the same property types (two bedrooms or fewer).

The affordability to buy a first home is based on the Average Weekly Earnings (AWE) dataset from ONS multiplied by 4.5 to get the typical maximum that a person can borrow from a lender. The average asking price of a typical first-time buyer home is taken from the Rightmove House Price Index.

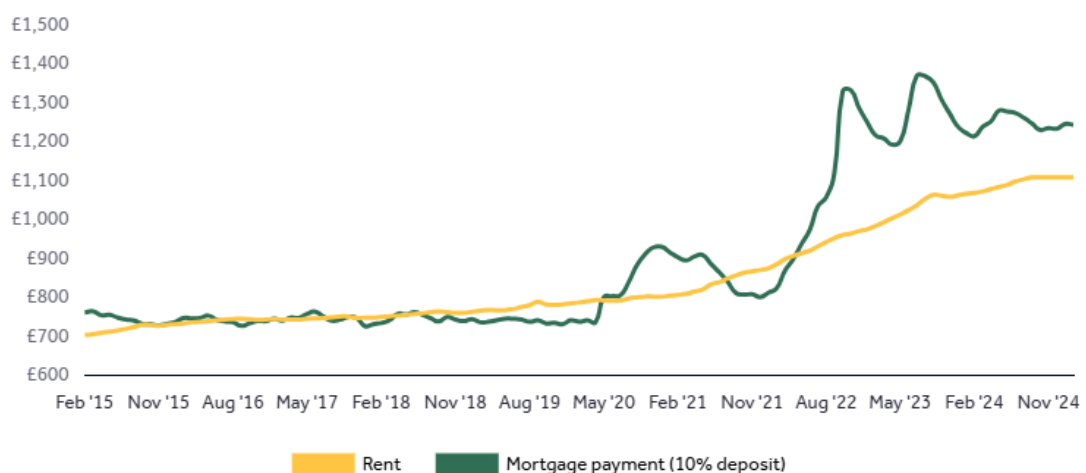
4.5x national average salary for one and two buyers

rightmove 



The average monthly amount spent on a first-time buyer home

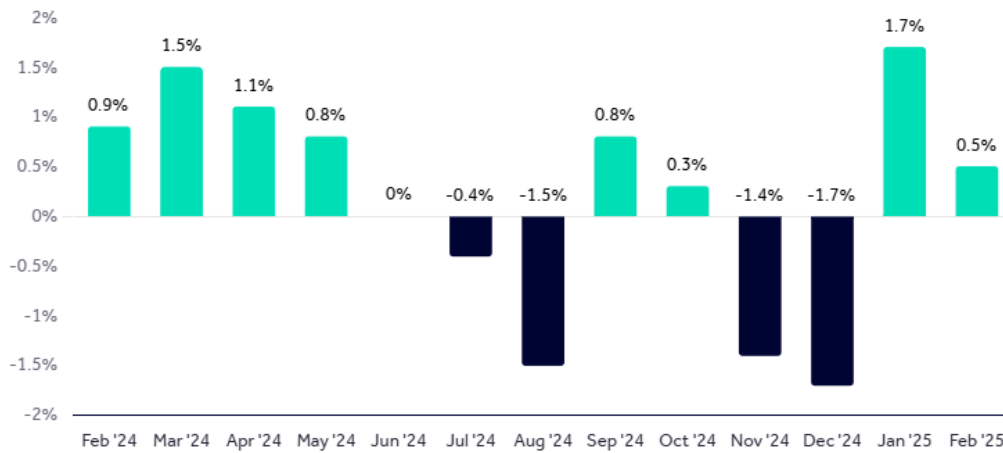
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# Price & activity trends

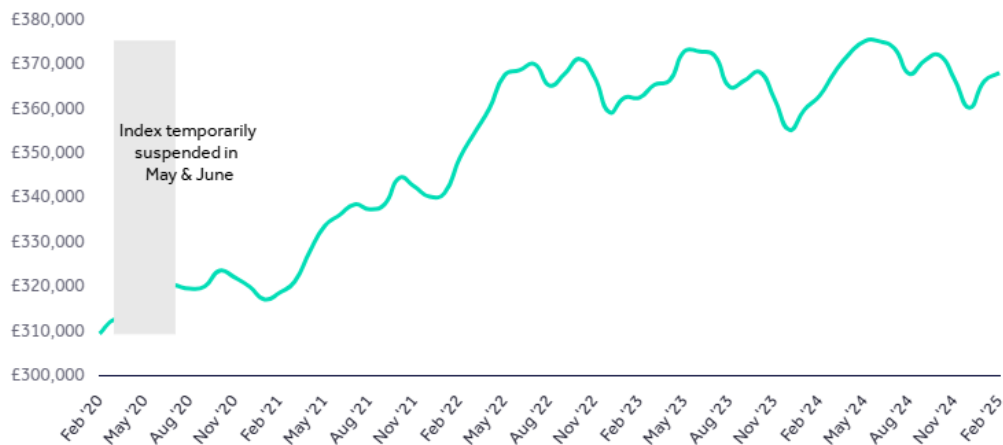
Monthly changes in average asking prices

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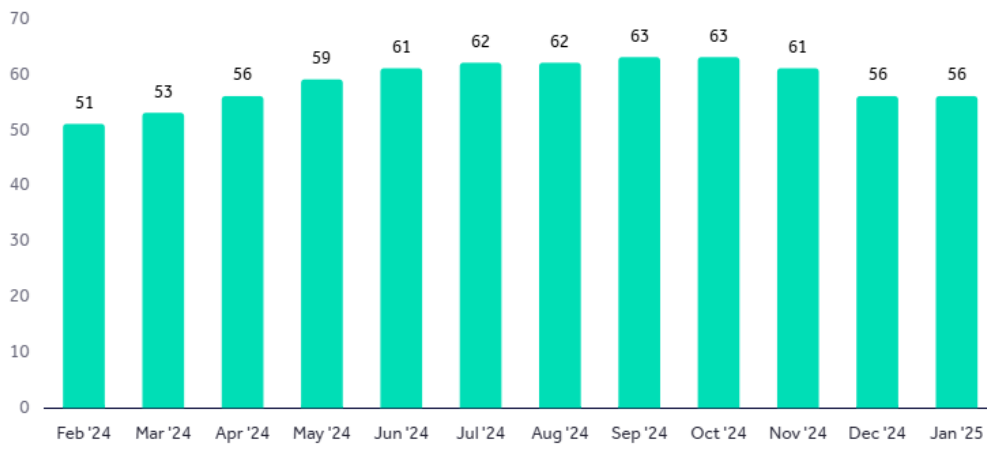


5 year asking price trend

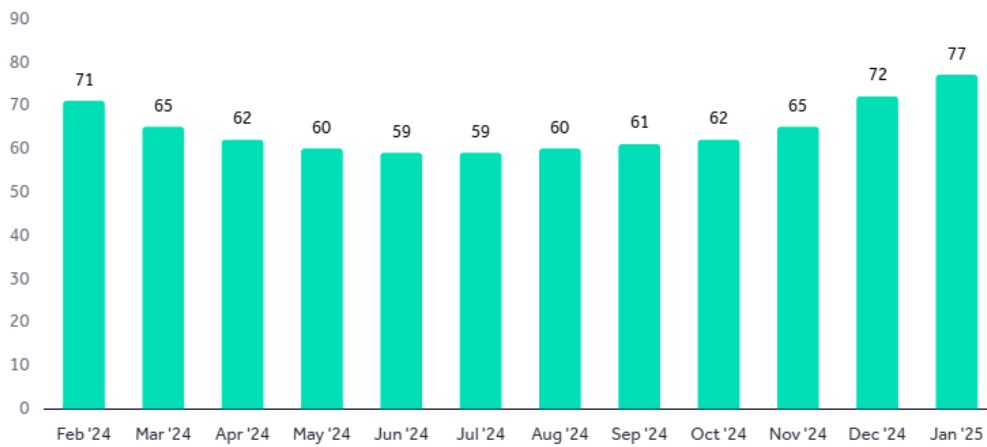
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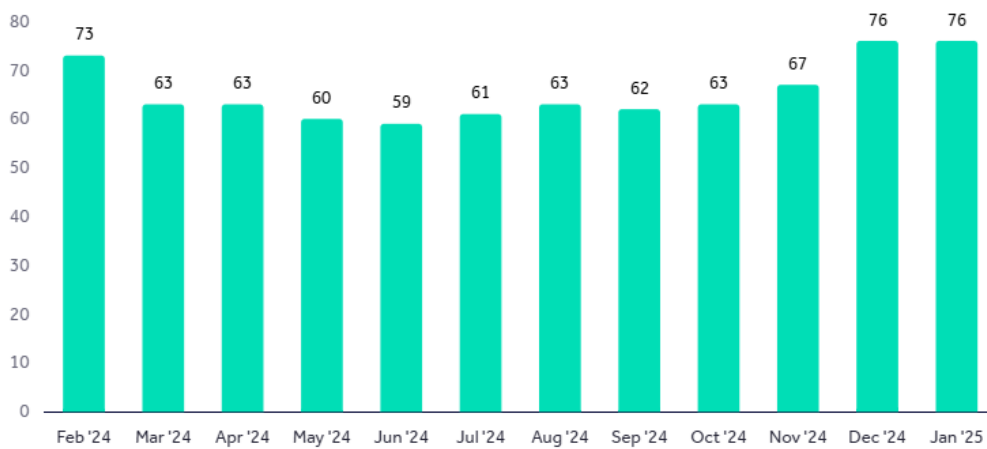
**Average stock per agent (including Under Offer/SoldSTC)**



**Time to secure buyer (National)**

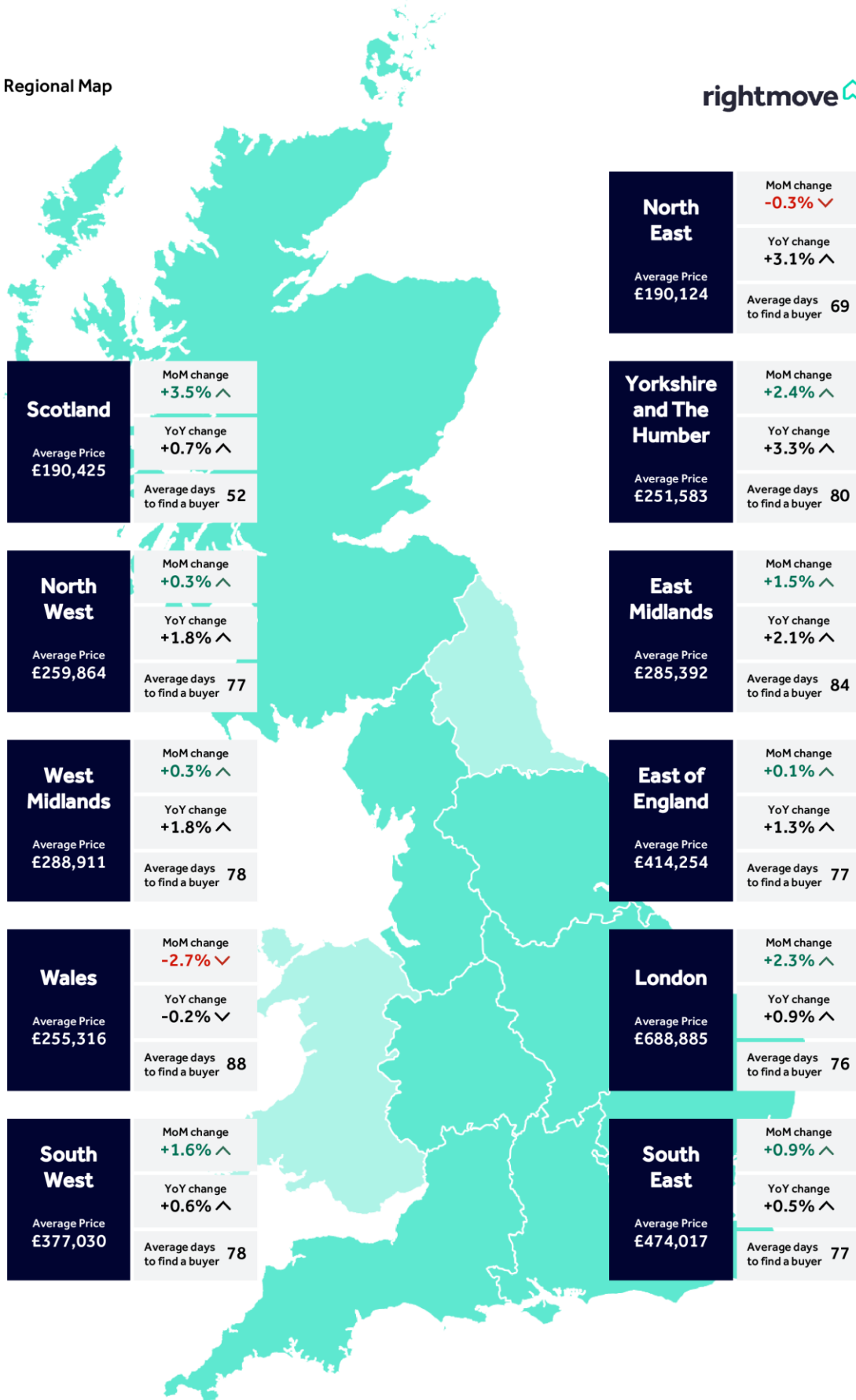


**Time to secure buyer in London**



# Regional trends

Regional Map



# London boroughs

Borough data is based on a three-month rolling average and can be used as an indicator of overall price trends in each borough over time. It is not directly comparable with the overall London monthly figures.

Borough	Avg. price Feb. 25	Monthly change	Annual change
Merton	£726,899	1.5%	9.2%
Barnet	£732,955	2.4%	5.5%
Newham	£474,204	0.9%	5.3%
Barking and Dagenham	£378,157	-0.2%	5.2%
Islington	£814,549	1.1%	5.0%
Hillingdon	£573,701	0.6%	4.1%
Bromley	£638,236	2.2%	4.0%
Hackney	£715,688	3.1%	3.4%
Greenwich	£500,839	0.7%	3.2%
Ealing	£608,703	-0.5%	2.6%
Kingston upon Thames	£700,523	1.6%	2.4%
Enfield	£496,745	-0.6%	2.2%
Lewisham	£523,539	1.4%	2.2%
Redbridge	£509,751	-0.5%	2.2%
Bexley	£478,146	0.4%	2.2%
Harrow	£620,592	1.7%	2.1%
Hounslow	£593,737	0.3%	1.4%
Waltham Forest	£561,208	-0.2%	1.2%
Sutton	£545,589	-0.7%	1.1%
Havering	£486,255	1.9%	1.1%
Croydon	£486,960	0.2%	0.9%
Haringey	£673,692	1.8%	0.8%
Southwark	£639,966	-2.1%	-0.5%
Tower Hamlets	£591,478	-0.5%	-0.9%
Brent	£606,778	-0.1%	-1.6%
Wandsworth	£856,327	1.1%	-2.0%
Lambeth	£666,539	-0.7%	-2.4%
Kensington and Chelsea	£1,606,792	2.5%	-2.7%
Hammersmith and Fulham	£975,810	-2.0%	-3.3%
Richmond upon Thames	£896,747	0.0%	-4.6%
Camden	£1,012,394	-1.8%	-5.4%
Westminster	£1,395,030	-0.2%	-9.2%



# About the Index

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The Index includes asking price breakdowns in the housing market to offer trends at three different sectors of the market: first-time buyer, second-stepper and top of the ladder. Inner London prices have been excluded from this categorisation as the normal housing ladder is not really applicable. The Rightmove House Price Index methodology was last updated and restated in January 2018.

Advertising property for over 90% of all UK estate agents, Rightmove is in a unique position to identify any immediate changes in the market. Rightmove's House Price Index is compiled from the asking prices of properties coming onto the market via over 13,000 estate agency branches listing on Rightmove.co.uk. Rather than being a survey of opinions as with some other indices, it is produced from factual data of actual asking prices of properties currently on the market. The sample includes up to 200,000 homes each month – representing circa 95% of the market, the largest and most up-to-date monthly sample of any house price indicator in the UK. The Index differs from other house price indicators in that it reflects asking prices when properties first come onto the market, rather than those recorded by lenders during the mortgage application process or final sales prices reported to the Land Registry. In essence, Rightmove's Index measures prices at the very beginning of the home buying and selling process while other indices measure prices at points later in the process. Having a large sample size and providing real-time data, the Rightmove Index has established itself as a reliable indicator of current and future trends in the housing market.

**First-time buyer:** This figure represents the typical property a first-time buyer would purchase, covering all two bed properties and smaller that come to market (houses and flats).

**Second-stepper:** This figure represents the typical property of a person moving from their first home, covering all three and four bed properties that come to market (houses and flats) excluding four bed detached houses.

**Top of the ladder:** This figure represents asking prices at the top end of the market, covering all five bed properties and above (houses and flats), as well as four bed detached houses.

Rightmove is the UK's leading property portal, advertising homes and commercial property for Estate Agents, Lettings Agents and New Home Developers from the UK and Overseas. Rightmove's vision is to give everyone the belief that they can make their move by giving people the best place to turn and return to for access to tools and expertise to make it happen, including a Mortgage in Principle, local sold prices, property valuations, market trends, maps and schools.

Average mortgage rates to be credited to Rightmove. The data is provided by specialist mortgage technology provider Podium Solutions. The data covers 95% of mortgage lending, to exclude specialist lenders. If you would like further data on different LTVs or fixed terms, please contact us.