

# House Price Index

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

**-1.3%**

Third monthly price fall in a row, in line with usual August drop

**+0.3%**

Average asking prices are now 0.3% higher than at this time last year

**+8%**

Busiest July for agreed sales since 2020 as lower prices drive more activity

## Savvy summer sellers drive best July for sales agreed since 2020

- The average price of property coming to the market for sale drops by a seasonal 1.3% (-£4,969) this month to £368,740. August's price drop is in line with the ten-year average following the bigger than usual falls in June & July
- Savvy summer sellers are pricing realistically to attract holiday-distracted buyers. Lower asking prices and good buyer choice are continuing to boost sales activity, resulting in the best July for sales agreed since 2020's active post-lockdown market:
  - The number of sales being agreed is now 8% ahead of this time last year as serious buyers and sellers lock in deals
  - The number of homes for sale is now 10% up on this time last year muting the annual price increase to just 0.3%
- It's a two-speed market. While many sellers are pricing competitively and agreeing sales, others are still pricing too high:
  - 34% of properties for sale are reduced in price, and since 2012, it's only been higher at this time of year in 2023
  - The overall average time to find a buyer is now 62 days, however, it takes an average of 32 days to find a buyer if a property doesn't need a price reduction, versus 99 days if it does
- The Bank of England's third rate cut of the year helps buyer optimism and affordability further, with Rightmove's daily mortgage tracker showing that the average two-year fixed mortgage rate is now 4.49% compared with 5.17% at this time last year:
  - However, the closer than expected Bank vote has cast some uncertainty over a fourth cut before the end of the year

### National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
August 2025	£368,740	-1.3%	+0.3%	285.1
July 2025	£373,709	-1.2%	+0.1%	288.9

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

Sector	August 2025	July 2025	Monthly change	Annual change
First time buyers	£226,297	£227,466	-0.5%	-0.4%
Second-steppers	£344,046	£346,222	-0.6%	+1.0%
Top of the ladder	£672,668	£687,422	-2.1%	+1.1%

Rightmove measured 104,253 asking prices this month nationally. The properties were put on sale by estate agents from 13<sup>th</sup> July to 9<sup>th</sup> August 2025 and advertised on Rightmove.co.uk.

# Overview

Average new seller asking prices drop by a seasonal 1.3% (-£4,969) this month to £368,740. August's price drop is in line with the previous ten-year average, returning to seasonal trends after bigger than usual asking price drops in June and July. Summer holiday distractions traditionally result in an August price drop. The average new seller asking price for a home has now fallen by just over £10,000 (-£10,777) this summer, as savvy summer sellers price competitively to stand out and attract a buyer. This has contributed to the highest number of sales agreed in the full month of July since 2020. While the right property at the right price is still finding a buyer, evidenced by the high number of agreed sales, it appears that some sellers are still coming to market with a too-high initial price, shown by more than one in three homes seeing a price reduction during marketing.



Savvy summer sellers have read the room and are coming to market with even more competitive pricing than usual to really stand out and attract serious and active buyers. Astute buyers are now benefitting from new seller asking prices which are on average an enticing £10,000 cheaper than three months ago. Buyers have the upper hand in this high-supply market, so a tempting price is vital to agree a sale. The strategy is working, with the number of sales agreed in the full month of July being the best at this time of year since 2020. At that time, the market had recently re-opened after the first pandemic lockdown, and generous stamp duty reductions had just been announced. However, the high number of price reductions we're seeing is an indicator that some sellers are still coming to market with too high a price and then reducing it to become competitive. Our data shows that for a successful sale it's better to get the price right in the first place, but if a seller does need to reduce the price it's better to act fast rather than waiting too long.

**Colleen Babcock**, property expert at Rightmove



The number of sales being agreed is now 8% higher than at this time last year, with lower asking prices and good buyer choice combining to drive higher than usual sales activity for this time of year. The number of available homes for sale is 10% higher than at this time last year, keeping the volume of homes for sale at a decade high. However, the number of new properties coming onto the market for sale is now only 4% ahead of this time last year, potentially an early sign of overall supply levels starting to slowly reduce, particularly with strong sales activity. We expect this good buyer activity will help to support prices in the next few months.

Sellers should note that 34% of homes are now seeing a reduction in price during marketing. In data that goes back to 2012, this figure has only been higher at this time of year in 2023, and a two-speed market is becoming more evident. The overall average time to find a buyer is now 62 days, with the high number of homes for sale allowing buyers the time to make their choice and negotiate. However, if a home is priced right from the outset and doesn't require an asking price reduction, the average time to find a buyer is 32 days, whereas if a home does need a reduction in asking price, this more than triples to 99 days.

The Bank of England's welcome third interest rate cut of 2025 is likely to be another boost of confidence for the market over the remaining months of the year. Rightmove's daily mortgage tracker shows that buyer affordability has been improving, with the average two-year fixed mortgage rate now 4.49%, compared with 5.17% at this time last year. This equates to a saving of £117 per month for someone taking out a two-year fixed mortgage on the average home, based on having a 20% deposit and spreading the mortgage over 30 years. Rightmove expects some further small mortgage rate reductions over the next few weeks but no major drops. While this year's third interest rate cut is positive news for home-movers, the vote was closer than many expected, which has created some uncertainty over a previously anticipated fourth Bank Rate cut later in the year.



Strong summer property sales as well as a stable level of new buyer demand bode well for the next couple of months. We usually see a busier autumn compared to the summer as the new school year starts and more focus returns to moving home. Autumn sellers may also be hoping to be in a new home by Christmas, but they would need to beat the average time to find a buyer and complete a home sale. An active autumn will certainly be helped by the recent third interest rate cut of 2025 by the Bank of England. While we don't expect the cut itself to spark major mortgage rate drops, it's good for market sentiment and buyer optimism. Mortgage rates have been slowly trending downwards this year, and someone looking at the average home could expect to save over £100 a month on a new mortgage compared with last year.

**Colleen Babcock**, property expert at Rightmove



# Experts' views



It was positive to see last week's third Base Rate cut of the year, but the supporting commentary from the Bank of England suggests the opportunity for further cuts has narrowed. The markets are currently forecasting one more cut before the end of the year. Lenders have moved their rates downwards to remain competitive, but there doesn't look like much room for too many further reductions if current market forecasts play out. We could potentially see some lenders squeeze their margin to gain a competitive advantage, but I don't think this would play out across the market and would likely target specific segments of movers. Overall, with further data to be released and external events to play out, I think it's likely rates will remain pretty much flat from here, with only small movements up or down.

## Matt Smith, Rightmove's mortgages expert

August has started with some real momentum. We have already seen a surge of sales agreed in just the first week which is a very positive sign. Getting the price right from the outset in the current market is crucial, to minimise the risk of needing to cut the price later.

Locally in Yorkshire & The Humber, we have seen particular strength in the mid to high-end market, with healthy levels of activity also coming from buy-to-let investors. Stamp duty thresholds are not having a major effect at the moment. We saw the expected spike before and immediately after the most recent change, but things have now settled.

Looking ahead, I expect September to be very strong. The recent drop in the Bank of England base rate is already stimulating activity. Mortgage colleagues have seen a marked increase in buyer enquiries in the past couple of weeks, and we are seeing exactly the same in our estate agency. With that combination of lower borrowing costs and motivated sellers who are pricing sensibly, the autumn market is shaping up to be busy and competitive.

## Steve Beercok, Executive Director at Beercoks in Yorkshire & The Humber

July and August have both been busier than expected in Richmond, with strong agreed sales and very few fall-throughs. Realistic pricing from the outset is driving momentum, and well-presented homes – especially family houses in good school catchments – are attracting committed buyers. At the top end, stamp duty is a constant talking point. While the high cost is slowing some decisions, the desire for more space is still pushing people to commit.

What's surprised me most is the first-time buyer flat market in our area. It slowed after the stamp duty holiday ended but has now rebounded strongly. That said, there are still some well-priced homes sitting unsold, often because buyers are holding back. Some buyers may be waiting to see if the price drops, but we'll soon be out of the traditionally quieter summer holiday period and heading into the busier autumn. Those who hold back may see the property they like snapped up by someone else, so it's always worth an enquiry to gauge the seller's position.

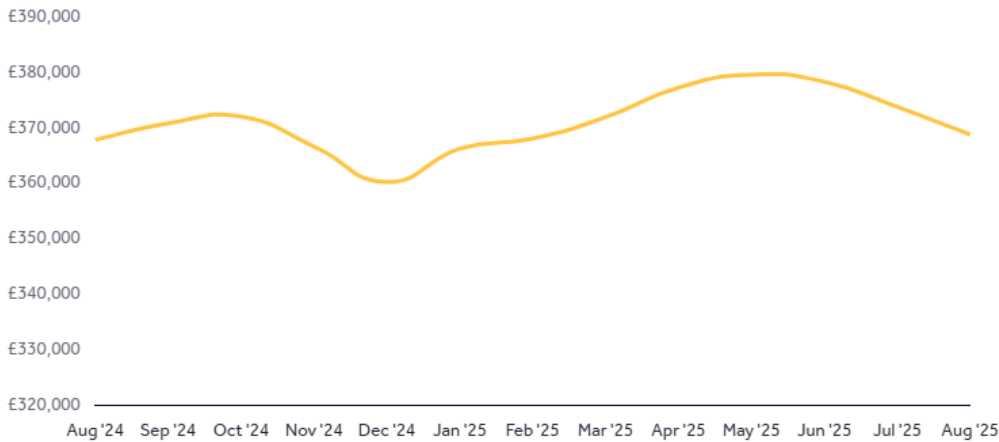
## Amy Reynolds, Head of Sales at Antony Roberts in Richmond, London



# Price & activity trends

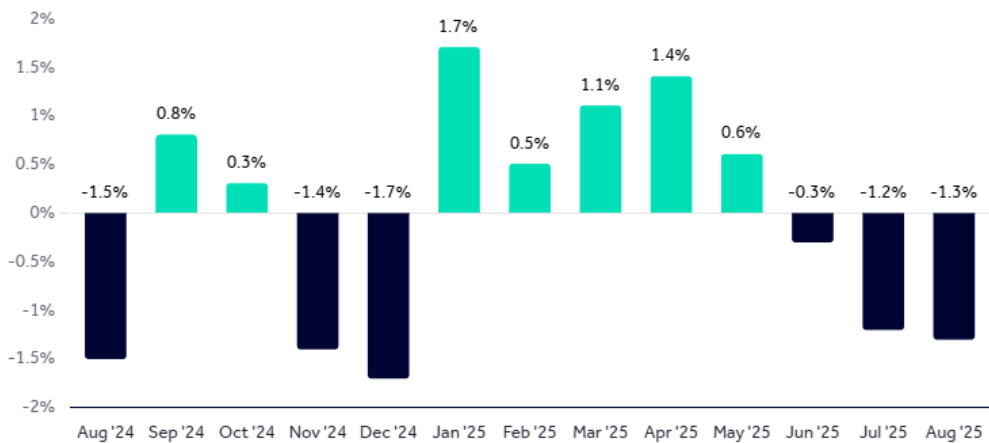
Monthly average asking price trend

rightmove



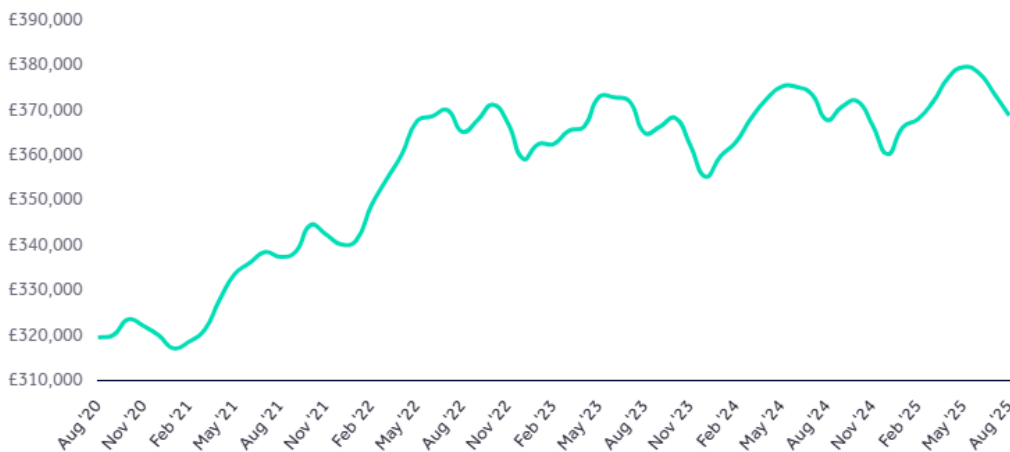
Monthly changes in average asking prices

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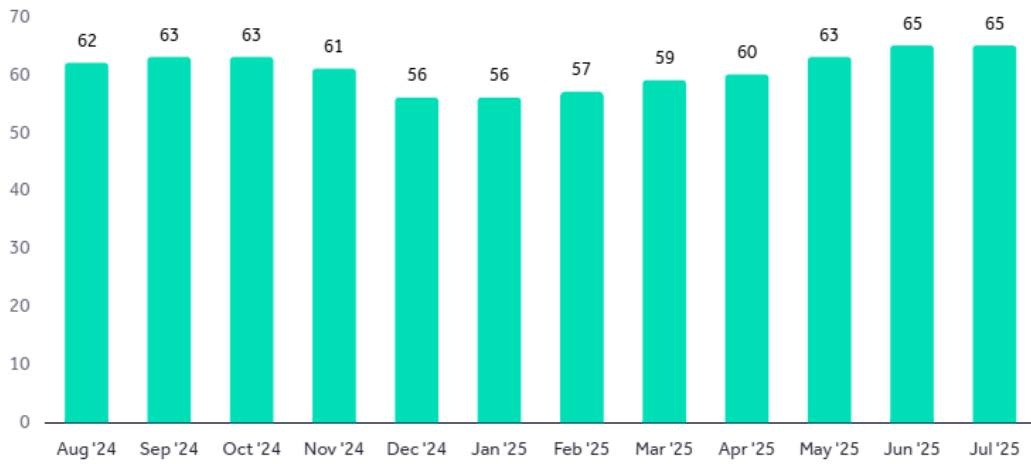


5 year asking price trend

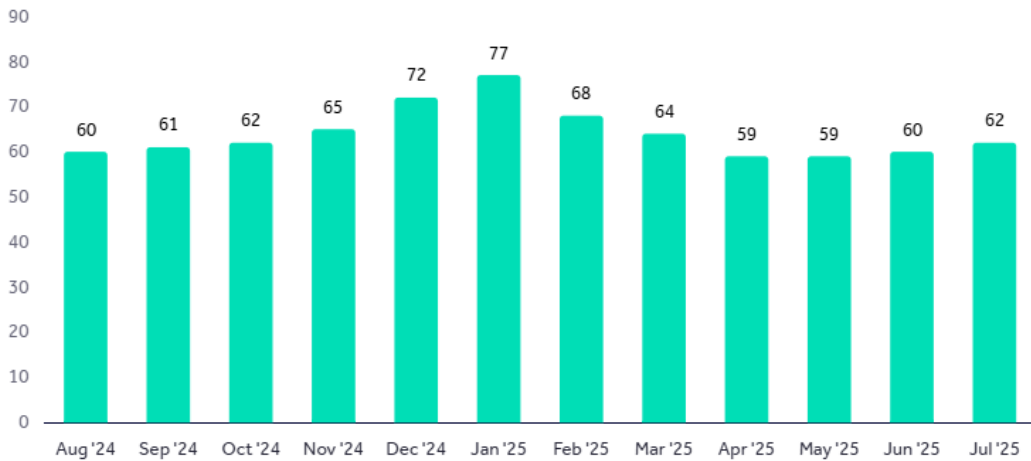
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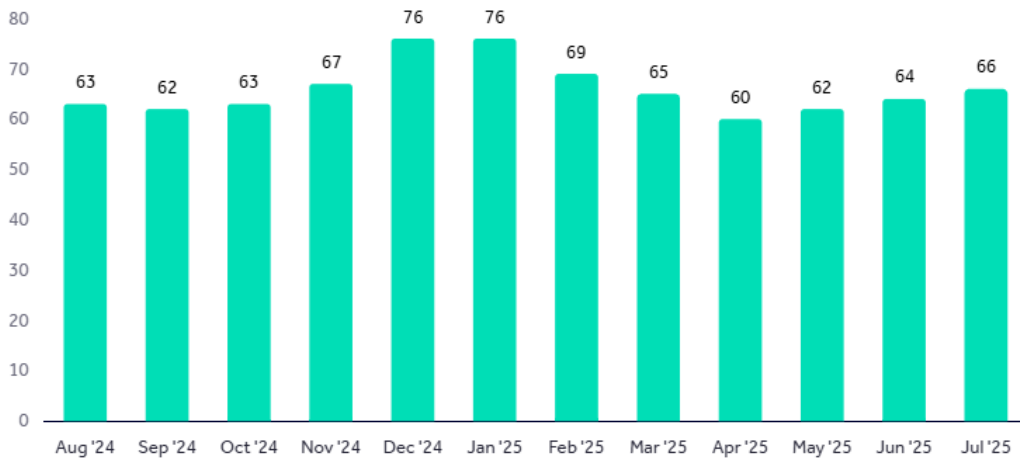
### Average stock per agent (including Under Offer/SoldSTC)

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### Time to secure buyer (National)

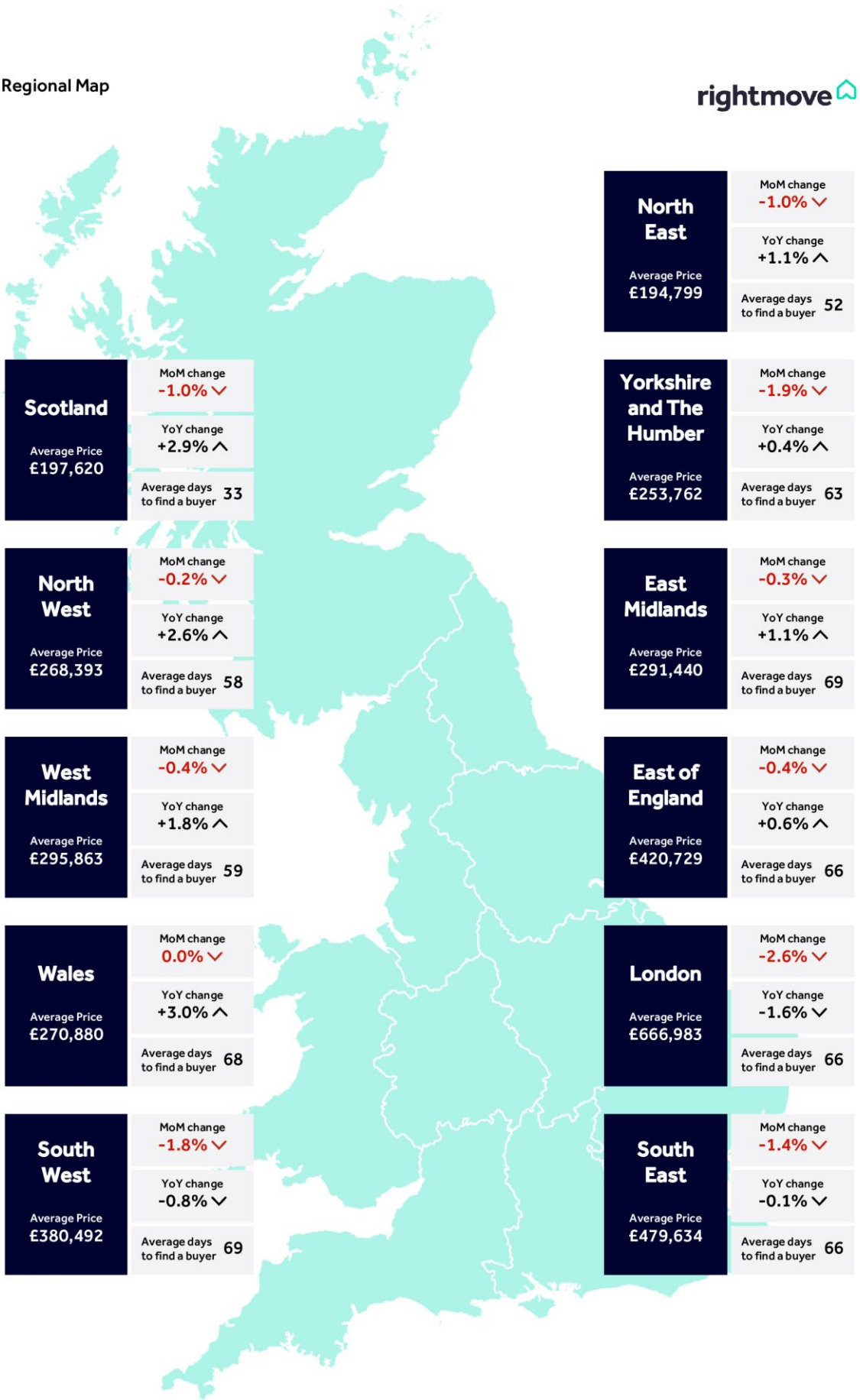
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### Time to secure buyer in London

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# Regional trends

Regional Map

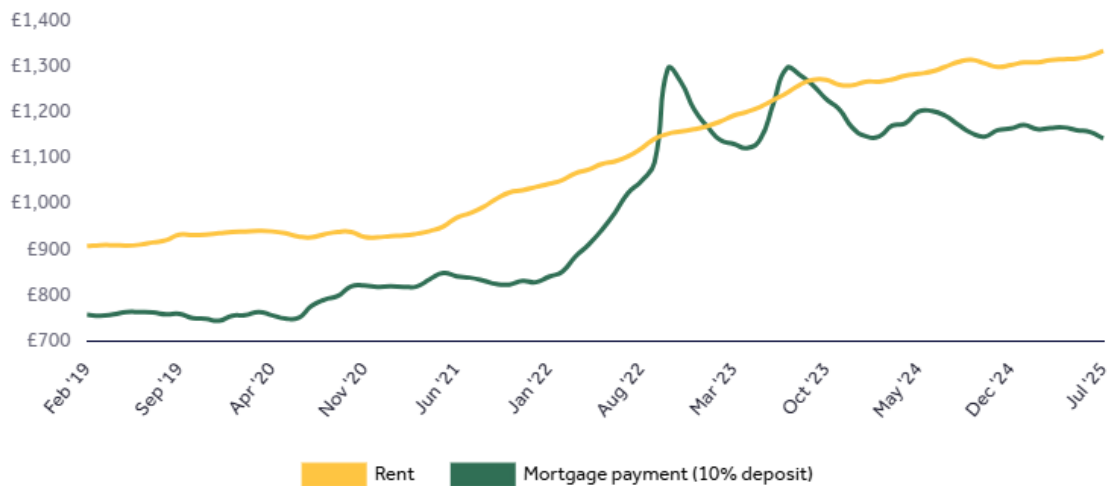


# Affordability trends

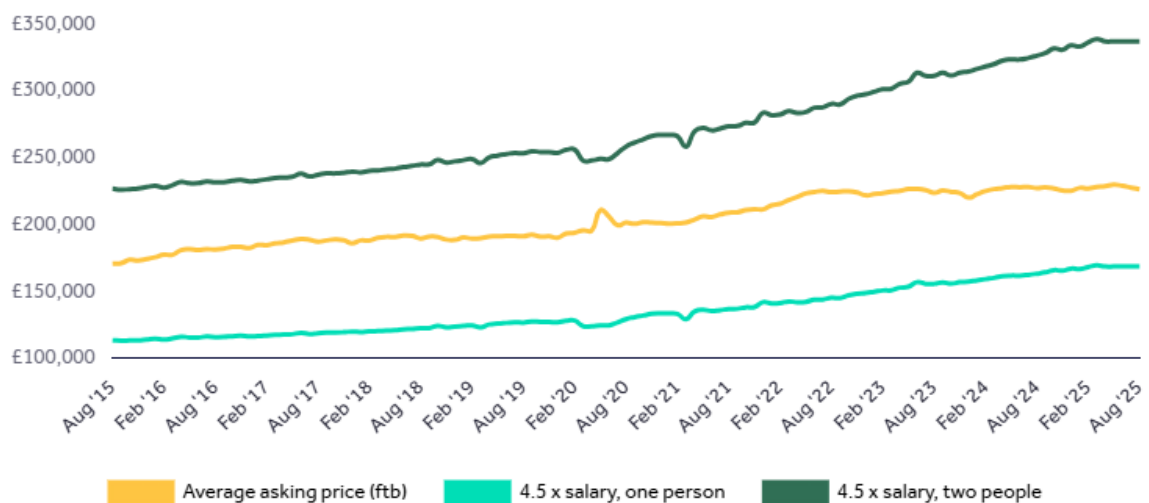
The first-time buyer monthly mortgage payment is based on Bank of England data of the averages for 90% LTV two-year fixed mortgages from lenders, and the average asking price of a typical first-time buyer home (two bedrooms or fewer) using the Rightmove House Price Index. The equivalent monthly rent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

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

rightmove 

### Ability to afford a first-time buyer home

rightmove 

# 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 August. 25	Monthly change	Annual change
Richmond upon Thames	£965,679	-4.7%	4.8%
Kingston upon Thames	£706,808	-2.3%	2.4%
Greenwich	£508,197	-1.0%	2.1%
Lambeth	£684,042	-1.0%	2.0%
Islington	£824,457	-1.1%	1.8%
Brent	£627,454	-0.3%	1.8%
Hounslow	£606,748	-0.8%	1.2%
Waltham Forest	£578,947	-1.0%	1.2%
Bexley	£494,329	-0.3%	1.1%
Sutton	£552,176	0.2%	0.9%
Barnet	£733,897	-1.0%	0.7%
Havering	£490,374	-0.5%	0.6%
Croydon	£486,341	-0.2%	0.6%
Hillingdon	£564,923	-0.4%	0.4%
Harrow	£624,701	-1.1%	0.3%
Hackney	£719,734	-0.6%	0.2%
Ealing	£613,301	-0.5%	-0.2%
Redbridge	£512,699	0.1%	-0.2%
Newham	£471,416	-0.3%	-0.2%
Hammersmith and Fulham	£996,150	-1.3%	-0.3%
Bromley	£624,049	-0.3%	-0.3%
Barking and Dagenham	£373,883	-0.1%	-0.3%
Enfield	£500,964	-1.1%	-0.5%
Lewisham	£529,045	-1.6%	-0.6%
Haringey	£685,693	-1.5%	-0.9%
Wandsworth	£866,995	-2.2%	-1.0%
Southwark	£651,051	-2.0%	-2.0%
Merton	£724,305	-2.0%	-2.2%
Tower Hamlets	£592,006	-1.6%	-2.5%
Camden	£1,032,214	-2.3%	-3.5%
Kensington and Chelsea	£1,613,772	-3.6%	-3.6%
Westminster	£1,415,889	-2.2%	-7.9%



# 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.

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 16,000 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, making it 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.