

House Price Index

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

+2.8%

Largest price increase for the month of January on record

+0.5%

Average asking prices are now just ahead of where they were at this time last year

4.29%

Lowest average two-year mortgage rate since mini-Budget in 2022

Largest ever January price jump, as market sentiment rebounds after the Budget

- The average price of homes coming to the market for sale rises in January to £368,031, a 2.8% increase from December (+£9,893). This is the largest ever price increase seen in the month of January, and the largest of any month since June 2015:
 - National average property prices are now 0.5% ahead of this time last year as prices rebound after the Budget
 - However, the number of available homes for sale is the highest it's been at this time of year since 2014, and with a third of existing homes for sale seeing a price reduction, new sellers should be wary of being too optimistic on price
- This record January price increase comes as home-movers return to the market, with the traditional Rightmove Boxing Day bounce combining with a recovery in market sentiment after the uncertainty of the Budget
 - An early snapshot of activity shows that in the two weeks post-Christmas, buyer demand rose by 57% compared to the two weeks before Christmas, while the number of newly-listed homes for sale jumped by 81%
 - Rightmove recorded its busiest Boxing Day ever for visits to the platform, as movers began their 2026 search
 - Over the last week, buyer demand is lower than the stamp-duty-fuelled start to 2025, but in line with 2024. Buyers can plan a new year move with less financial uncertainty alongside improved affordability for many
- Rightmove's daily mortgage tracker shows that the average two-year fixed mortgage rate is at its lowest since before September 2022's mini-Budget, as many major lenders cut rates to capitalise on new year activity

National average asking price

| Month | Avg. asking price | Monthly change | Annual change | Index |
|---------------|-------------------|----------------|---------------|-------|
| January 2026 | £368,031 | +2.8% | +0.5% | 284.5 |
| December 2025 | £358,138 | -1.8% | -0.6% | 276.9 |

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

| Sector | January 2026 | December 2025 | Monthly change | Annual change |
|-------------------|--------------|---------------|----------------|---------------|
| First time buyers | £225,544 | £221,950 | +1.6% | -0.7% |
| Second-steppers | £341,131 | £334,297 | +2.0% | +0.5% |
| Top of the ladder | £658,658 | £642,131 | +2.6% | +0.5% |

Rightmove measured 70,384 asking prices this month nationally. The properties were put on sale by estate agents from 7th December 2025 to 10th January 2026 and advertised on Rightmove.co.uk.

What's happening with property prices?

The average price of homes newly listed on the market for sale rises this month by 2.8% (+£9,893) to £368,031. This is the largest increase in the month of January in Rightmove's 25 years of House Price Index reporting. It is also the largest month-on-month price increase of any month since June 2015. After underperforming against historical averages in eight out of twelve months during 2025 particularly at the end of the year, national average property prices are now 0.5% higher than at this time last year. January's recovery brings average asking prices close to where they were in August 2025, as market sentiment rebounds from the rumours and uncertainty around the November Budget. However, price trends in regions and local markets across Great Britain are more volatile, and while most regions rise in price this January, the East Midlands and Scotland buck the trend with price falls. A recovery in property prices is a good sign for the health of the market at the start of the year, though sellers mustn't get carried away with new year enthusiasm. The number of available homes on the market, and therefore the number of other sellers to compete with, is still at its highest level for this time of year since 2014. Additionally, a third of homes already on the market are having their asking price reduced. Therefore, sellers need to strike a balance between price ambition and market realism when setting their asking price to give themselves the best chance of finding a buyer and getting their home sold.

It's an encouraging start to the year to see sellers confident enough to list their homes at higher prices after several months of muted price growth last year, coinciding with more potential buyers returning to market. Some buyers, particularly first-time buyers, won't want to see prices rising too quickly. However, asking prices are only back to where they were in the summer of 2025 before the Budget rumours began surfacing, which unsettled the market and dented confidence. This new year seller confidence is a good sign, but sellers would do well to listen to the guidance of their agent when setting their asking price and avoid being over-optimistic. There's a twelve-year high number of homes for sale for this time of year, so buyers have lots of choice, and a third of properties that were already on the market for sale have had a price reduction. This means that sellers need to be realistic and balance the price they want to achieve with the likelihood of being able to find a buyer in their local market at that price.

Colleen Babcock, property expert at Rightmove

What's happening with market activity?

Rightmove's eagerly anticipated first look at market activity at the beginning of 2026 shows the scale of the activity rebound from the traditionally quieter December into the busier January. In the two weeks after Christmas Day, buyer demand, as measured by the number of people contacting agents to enquire about homes for sale, rose by 57%, and the number of homes newly listed for sale rose by 81% compared with the two weeks before Christmas Day. This illustrates how Rightmove's Boxing Day bounce kick-started the return of home-movers to market. Rightmove recorded its busiest ever Boxing Day for visits to its platform. Over the last week, buyer demand is lower than last year, when buyer activity was boosted by some buyers trying to find a property and complete their purchase before stamp duty rose in England in April 2025. However, buyer demand is in line with 2024. It's an encouraging early snapshot, and as the start of the year progresses it will become clearer if this momentum is maintained into the peak Spring selling season.

What's happening with mortgage rates?

While mortgage rates didn't fall as far or fast as some anticipated at the start of 2025, we saw slow and steady interest rate drops and a much more consistent and stable mortgage market last year. Some headline-grabbing rate cuts from many major lenders at the end of 2025 and the beginning of 2026 mean that the average two-year fixed mortgage rate is at its lowest since before the disruptive mini-Budget in September 2022. The average two-year fixed mortgage rate is now 4.29%, compared with 5.03% at this time last year. Meanwhile, the cheapest available two-year mortgage rate for those with a larger deposit is 3.47%. This drop in the average mortgage rate means that someone purchasing a home at the national average asking price and with a 20% deposit would save over £100 a month on their mortgage compared to last year.

It's early days but there are encouraging signs that more home-movers are now planning a 2026 move as we head towards the important Spring buying and selling season. A record number of visits to Rightmove on Boxing Day and a big bounce in activity following a quieter festive period have set the tone for a positive start to the year. Many buyers have seen their affordability improve with average wage rises outstripping average property prices. Mortgage rate cuts at the end of 2025 and beginning of 2026 will also support those who are looking to move and come as some very good news at the start of the year, with a typical home-mover seeing their affordability improved by around £100 a month.

Colleen Babcock, property expert at Rightmove

Experts' views



Matt Smith, Rightmove's mortgage expert says: We've seen some further rate cuts from lenders at the start of the year as they look to secure the business of those making an early 2026 move. Mortgage rates have slowly but surely been coming down, to the extent that the average rate a typical home-buyer is likely to see is now the lowest since before the disruptive 2022 mini-Budget. However, the financial markets are currently expecting no more rate cuts until the second quarter of the year, with the Bank of England Base Rate likely to be held during the next rate decision in February. Mortgage rates are therefore likely to be steady for the next few months, with only minor changes up or down. Those who have been waiting for cheaper mortgage rates before acting might currently be seeing some of the best deals that will be around for a while.

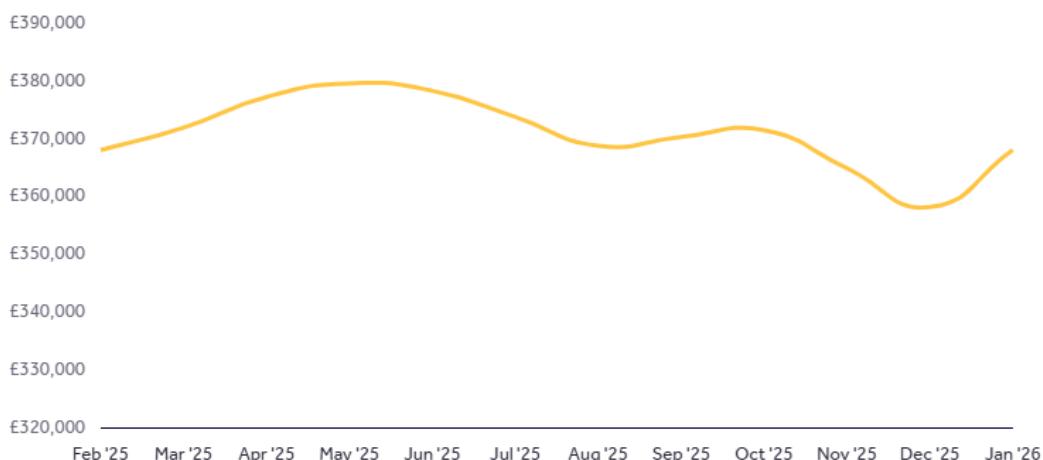


Myles Moloney, Director at Chase Buchanan Estate Agents in London says: The market has been very busy, and the types of homes we're seeing become available for sale are perfectly positioned to take advantage of what buyers are looking for right now. Strong schooling is a huge driver in our area and growing families want a large open plan kitchen and living space. We had a listing which fit these exact criteria and was one of the most viewed on Rightmove on Boxing Day. It was the kind of home that naturally stands out when activity spikes.

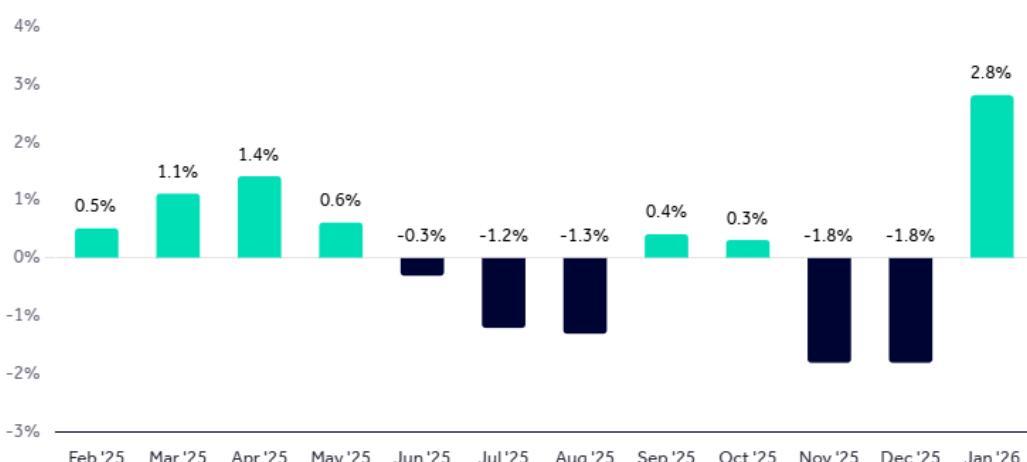
We have also seen a big uplift at the start of this year in family home buyers who are moving for the second or third time. Many are keen to push on early in 2026 and secure their next step rather than wait for the spring market. Improving affordability through mortgage rate cuts are helping. Homes that are well presented, priced sensibly, and set up for modern family living are the ones cutting through and attracting the highest levels of attention.

Price & activity trends

Monthly average asking price trend



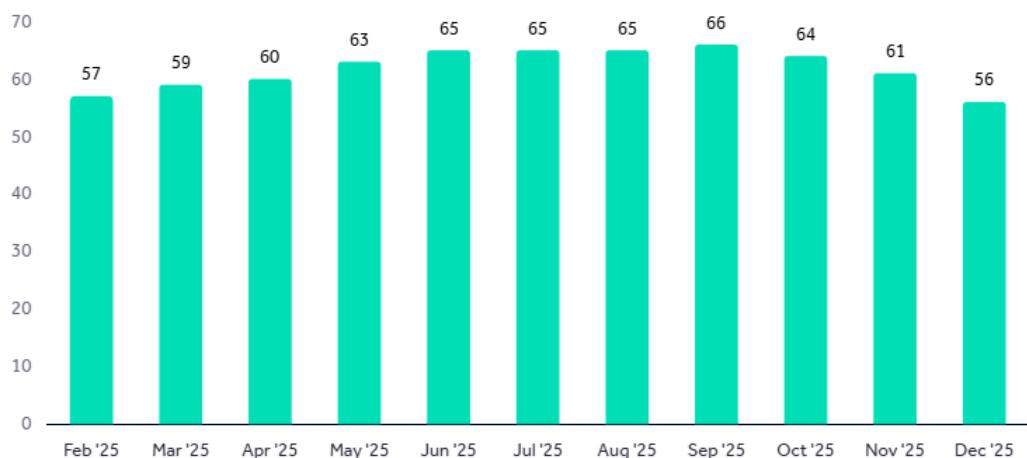
Monthly changes in average asking prices



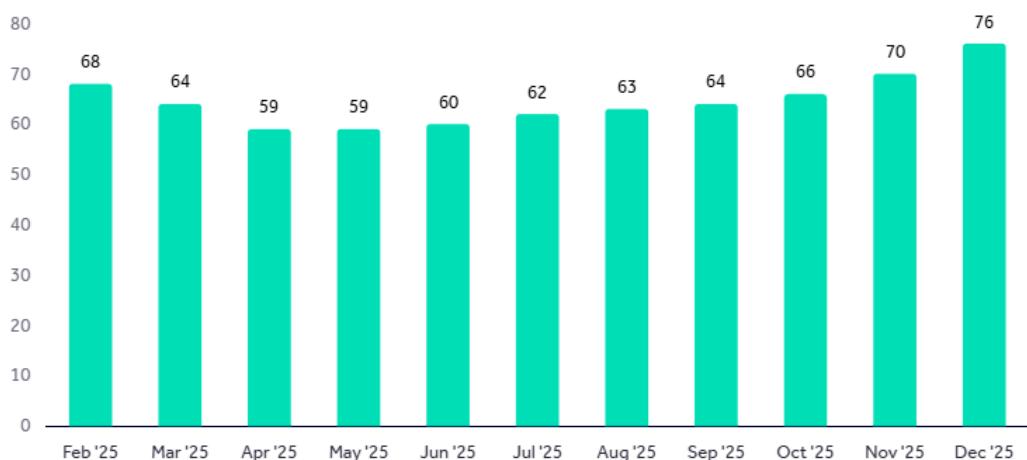
5 year asking price trend



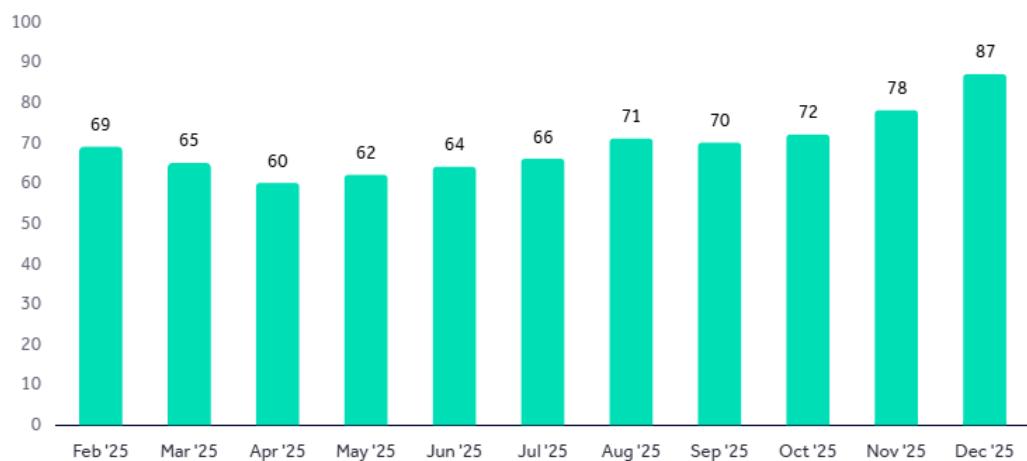
Average stock per agent (including Under Offer/SoldSTC)



Time to secure buyer (National)

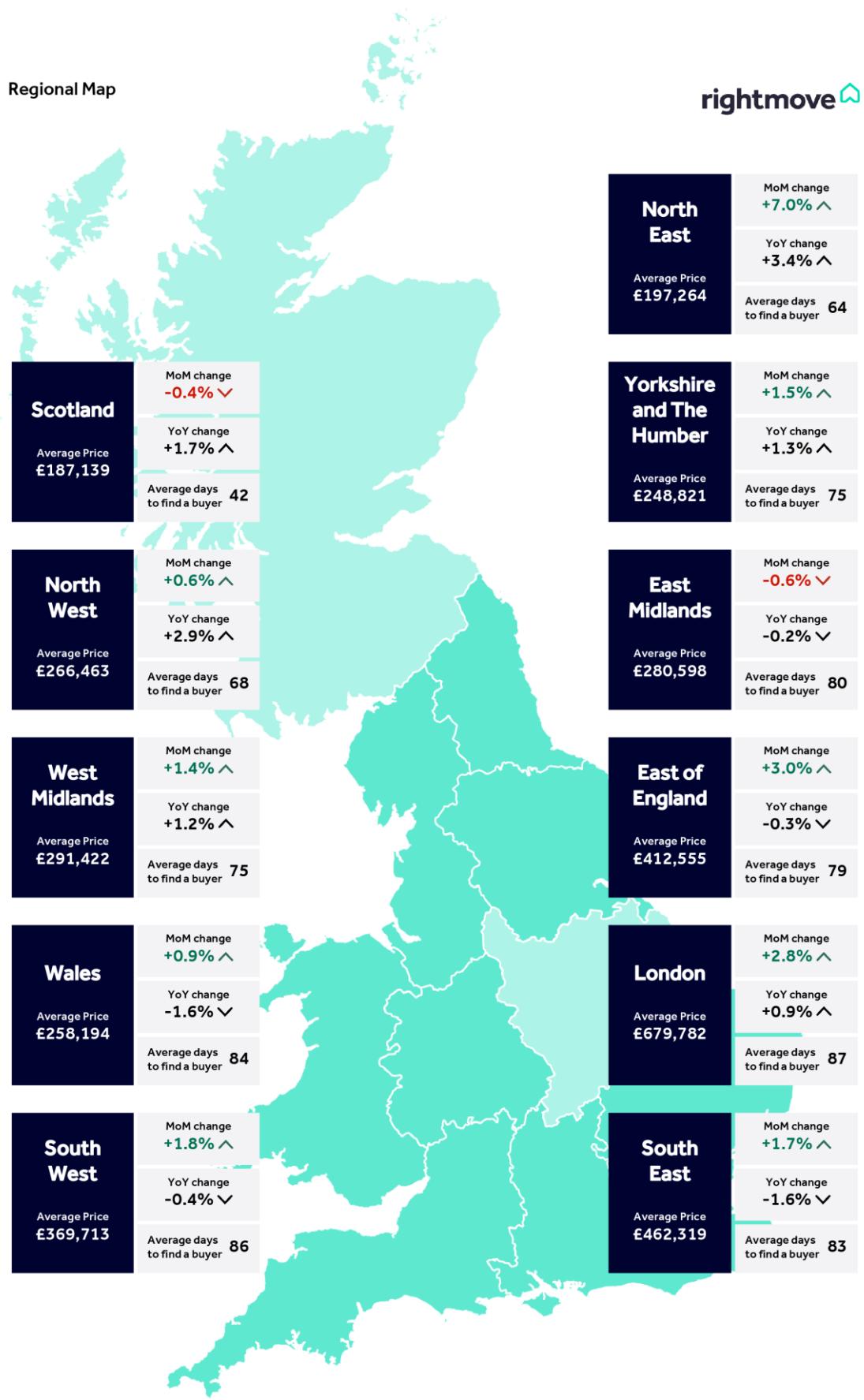


Time to secure buyer in London



Regional trends

Regional Map



Affordability trends

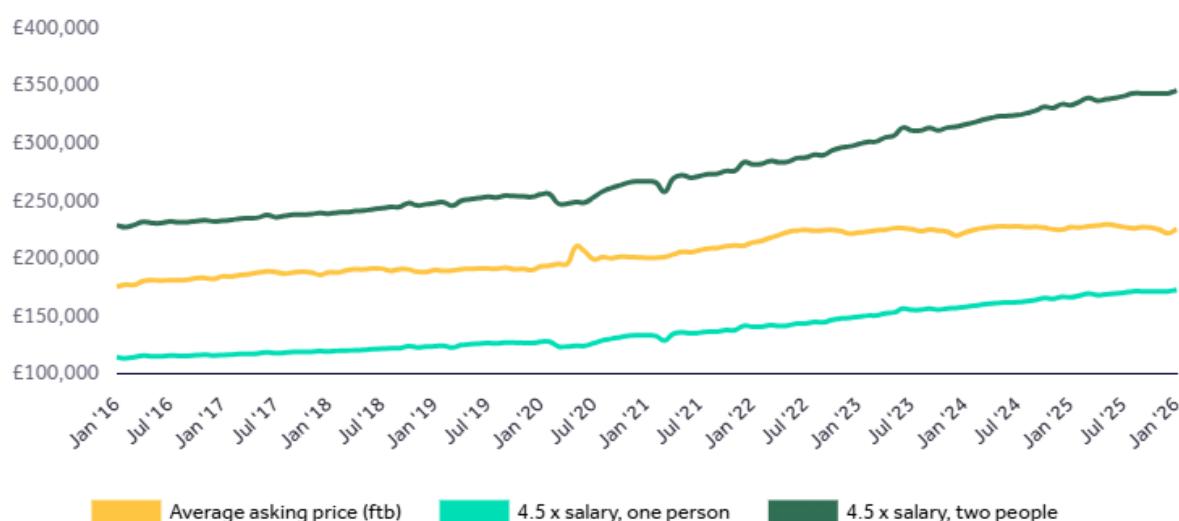
The first-time buyer monthly mortgage payment is based on Bank of England data of the averages for 90% LTV two-year fixed mortgages from lenders, and the average asking price of a typical first-time buyer home (two bedrooms or fewer) using the Rightmove House Price Index. The equivalent monthly rent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



Ability to afford a first-time buyer home



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 Jan. 26 | Monthly change | Annual change |
|------------------------|--------------------|----------------|---------------|
| Havering | £497,894 | 0.0% | 4.3% |
| Tower Hamlets | £619,072 | -1.2% | 4.2% |
| Southwark | £674,507 | 0.0% | 3.2% |
| Richmond upon Thames | £920,821 | -3.1% | 2.7% |
| Waltham Forest | £575,011 | -1.0% | 2.3% |
| Merton | £725,673 | -0.7% | 1.3% |
| Hounslow | £599,293 | -0.7% | 1.2% |
| Hammersmith and Fulham | £1,006,708 | 0.2% | 1.1% |
| Greenwich | £499,771 | -1.4% | 0.5% |
| Redbridge | £514,554 | -1.2% | 0.5% |
| Barking and Dagenham | £379,261 | 0.5% | 0.1% |
| Hackney | £694,890 | -2.9% | 0.1% |
| Westminster | £1,399,314 | 3.4% | 0.1% |
| Enfield | £499,703 | -0.2% | 0.0% |
| Lewisham | £515,792 | -1.2% | -0.1% |
| Harrow | £609,147 | -0.9% | -0.1% |
| Kensington and Chelsea | £1,560,983 | -3.0% | -0.5% |
| Brent | £604,276 | -1.7% | -0.5% |
| Bromley | £621,111 | 0.3% | -0.5% |
| Haringey | £657,241 | -1.7% | -0.7% |
| Hillingdon | £565,644 | 2.4% | -0.9% |
| Wandsworth | £836,282 | 0.3% | -1.2% |
| Newham | £462,932 | 0.8% | -1.5% |
| Bexley | £468,635 | -2.3% | -1.6% |
| Croydon | £477,807 | 0.6% | -1.7% |
| Lambeth | £659,781 | -0.3% | -1.7% |
| Sutton | £539,378 | 0.3% | -1.8% |
| Islington | £789,746 | -3.1% | -1.9% |
| Kingston upon Thames | £670,629 | -0.5% | -2.8% |
| Ealing | £592,006 | -0.7% | -3.3% |
| Barnet | £691,463 | -1.3% | -3.4% |
| Camden | £980,697 | -4.0% | -4.9% |

About the Index

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.