

RESEARCH

Housing Market Update

February 2025

Market Overview

UK GDP rose by 0.1% in November, to the relief of many as this had followed two consecutive monthly -0.1% falls. Looking ahead, economic growth will probably remain subdued over the coming months, with UK bond yields rising through December and the first half of January adding to uncertainty. Having said that, the positive November GDP posting and a small fall in the pace of inflation were both good news and bond yields have dropped back somewhat from their recent peak.

The housing sales market continues to show signs of moderate growth. November's transactions figures were up 13% compared with the same month one year ago, while mortgage approvals were up by a sharp 30% over November 2023. Average sale prices are also rising, with Nationwide reporting annual growth of 4.7%, the highest rate they have recorded since October 2022.

Sales and Lettings prices

- UK house prices ended the year 4.7% above 2023's year-end level, leading to an average UK house price of £269,426, according to Nationwide. On a monthly basis prices rose by 0.7%, down slightly from 1.2% in November. Prices are still below their all-time peak in the summer of 2022, but we expect this to be surpassed within the coming months.
- In contrast Halifax recorded a monthly house price fall of -0.2% in December, after five consecutive months of growth. This translated to annual price growth of 3.3% for 2024, down from 4.7% the month before. The typical property price in the UK is now £297,166.
- Asking prices were found to have risen by 1.8% in the 12 months to January, according to Rightmove. On a monthly basis, prices grew by 1.7% which the web portal notes is the largest monthly jump at the start of the year since 2020. The average asking price is now £366,189, still £9,000 below May 2024's record.
- In our 19 Carter Jonas tracked locations Leeds topped the annual price growth table at 6.3%. Interestingly, the two locations where average prices surpass the £500,000 mark saw some of the highest rates of growth with South Oxfordshire posting 5.9% and Cambridge showing 4.8%.
- UK rental growth remained elevated in December's latest ONS Price Index of Private Rents (PIPR) at 9.0% over the last 12 months, down only slightly from 9.1% recorded in November. Of the regions and countries tracked, London rents again saw the highest rise at 11.5%, unchanged from the previous month's figure, followed by the North West (9.6%) and the North East (9.2%).



The average UK house price is now £269,426

(Source: Nationwide)



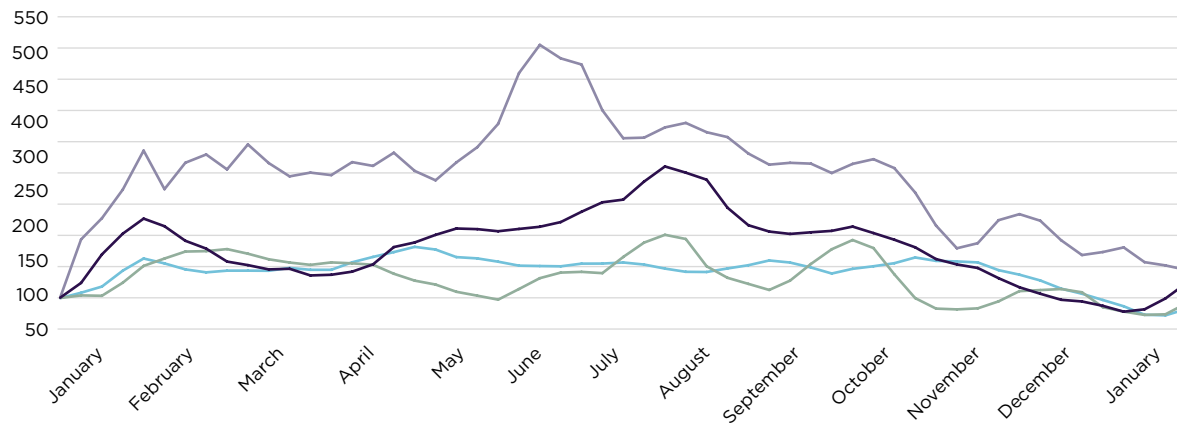
Activity


- Mortgage approvals for house purchases fell slightly to 65,700 in November, down from 68,100 in October and also below market expectations. The October Budget may have spooked a few would-be buyers. Nevertheless, this is still well above the 12-month average of 60,300 and over 30% above the same month in 2023.
- Rightmove reported a strong start to the year in both buyer demand and available supply. The number of new properties on the market is 11% higher than the same time last year, while the number of buyers enquiring with agents since Boxing Day is 9% above last year. Finally, agreed sales was found to be up by an average of 11%.
- Tenant demand remained relatively flat according to the latest (December) RICS residential market survey. This also now marks the second month in a row where this metric has fallen below zero (-3% now, -2% in November), the first time since 2020 where this has happened. Landlord instructions however declined again, with this measure falling significantly from -13% last month to -27% in this iteration.
- Looking at enquiry levels across our Carter Jonas offices and it is clear that December saw a slowdown just about everywhere, which is a normal seasonal impact. From January however we have started to see a sharp rise again in many offices. Both the London locations and those in the North saw an average rise in enquiries of 25% over the last two weeks, while the southern offices saw an average increase of 15% over this period.

Figure 1 Carter Jonas Enquiry level trends, since January 2024

Source: Carter Jonas. Enquiry levels are four-week rolling average

London / Central / North / South





Official House Price data

HM Land Registry
November 2024

Source: HM Land Registry

Carter Jonas location	Average Price	Monthly Change (%)	Annual Change (%)
Leeds	£248,968	0.3%	6.3%
South Oxfordshire	£500,314	-0.5%	5.9%
Cambridge	£502,827	-0.3%	4.8%
Vale of White Horse	£409,210	-0.6%	4.7%
Oxford	£474,987	-3.5%	4.4%
Winchester	£478,748	-2.1%	4.2%
North Yorkshire	£276,837	0.1%	3.9%
South Cambridgeshire	£439,280	-1.8%	3.6%
Wiltshire	£333,548	-0.9%	3.4%
United Kingdom	£289,707	-0.4%	3.3%
Outer London	£488,074	-0.5%	3.2%
Cambridgeshire	£348,416	0.0%	3.2%
England	£306,494	-0.4%	3.0%
West Oxfordshire	£386,721	0.7%	2.3%
York	£317,137	-0.9%	2.3%
Somerset	£290,887	-0.3%	1.4%
West Berkshire	£402,611	0.1%	1.3%
Suffolk	£286,666	-1.5%	0.3%
Bath and North East Somerset	£431,155	-2.1%	0.2%
London	£511,279	-1.0%	-0.1%
Inner London	£578,231	-2.7%	-5.2%
South West London	£685,100	-2.1%	-7.1%
Prime Central London	£968,071	-8.7%	-16.9%

Official Price Index of Private Rents

ONS December 2024

Source: ONS

Note: Rents are for all property types and bedroom numbers, £ per calendar month



Carter Jonas location	Average Rent (pcm)	Monthly Change (%)	Annual Change (%)
Prime Central London	£3,416	1.9%	12.7%
South West London	£2,420	1.1%	11.6%
London	£2,220	0.6%	11.5%
South Oxfordshire	£1,359	0.8%	11.5%
England	£1,369	0.5%	9.2%
Bath and North East Somerset	£1,658	1.5%	9.2%
Cambridge	£1,747	0.7%	9.0%
Winchester	£1,411	0.4%	8.8%
Oxford	£1,789	0.6%	8.6%
South Cambridgeshire	£1,327	0.6%	8.2%
York	£1,104	0.2%	7.5%
Wiltshire	£979	0.6%	6.8%
North Yorkshire	£806	0.5%	6.8%
West Berkshire	£1,236	0.1%	6.3%
Vale of White Horse	£1,279	0.5%	6.1%
West Oxfordshire	£1,274	0.5%	5.9%





We're closely analysing what happens next

We're monitoring the market so we can get you the best possible price for your property. If you're keen to sell your property as soon as possible or simply curious to know what it's worth during these changing times [CLICK HERE](#) to book a complimentary market appraisal.

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Sources: Carter Jonas Research, Halifax, Nationwide, ONS, Rightmove, Zoopla

About Carter Jonas

Carter Jonas LLP is a leading UK property consultancy supported by a national network of 34 offices and 1,000 property professionals. Our team is renowned for their quality of service, expertise and the **simply better property advice** they offer their clients.

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