

House Price Index

August 2025



Average house price

£299,331



Monthly change

+0.3%



Quarterly change

+0.4%

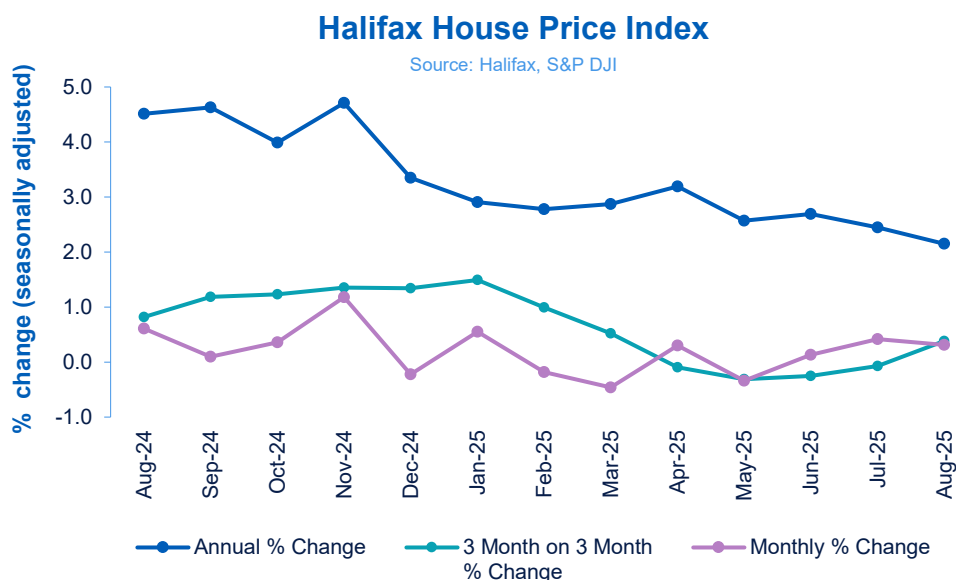


Annual change

+2.2%

House prices continue to rise at a steady pace

- House prices increased by +0.3% in August, marking a third consecutive monthly rise
- Average property price now £299,331, edging up to a new record high
- Annual rate of growth eases slightly to +2.2% (down from +2.5% in July)
- Average price paid by first-time buyers falls slightly as affordability improves
- Northern Ireland continues to record the UK's strongest annual house price growth
- England shows a North/South divide, with North East recording the fastest pace of growth



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Amanda Bryden, Head of Mortgages, Halifax, said:

“UK house prices rose again in August, up by +0.3% (£932), marking the third consecutive monthly increase. The average property price now stands at £299,331 – a new record high – although annual growth has eased slightly to +2.2%.

“The story of the housing market in 2025 has been one of stability. Since January, prices have risen by less than £600, underlining how steady the market has been despite wider economic pressures.

“Affordability remains a challenge, but there are signs of improvement. Interest rates have been on a gradual downward path for nearly two years, and many of the most competitive fixed-rate mortgage deals now offer rates below 4%.

“Combined with strong wage growth – which has outpaced house price inflation for nearly three years – this is giving more prospective buyers the confidence to take the next step. Summer is typically a quieter period for the market, so the recent rise in mortgage approvals to a six-month high is an encouraging sign of underlying demand.

“While the wider economic picture remains uncertain, the housing market has shown over recent years that it can take these challenges in its stride. Supported by improving affordability and resilient demand, we expect to see a slow but steady climb in property prices through the rest of this year.”

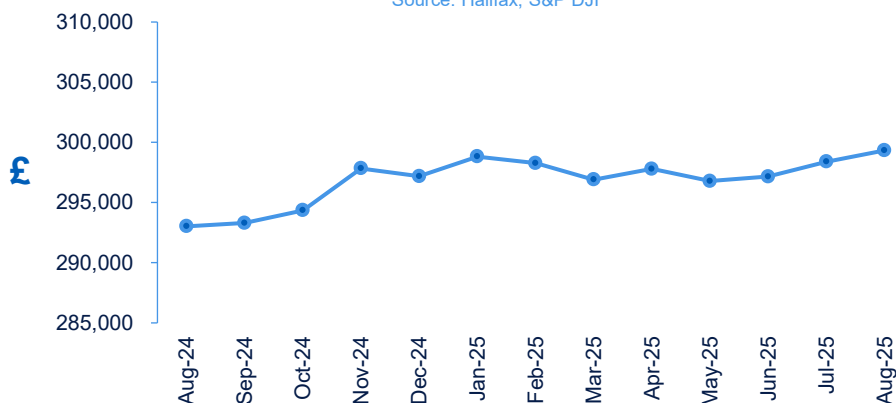
First-time buyer affordability improves

“Though overall prices have edged higher, average property values for first-time buyers moved in the opposite direction over the summer, a trend that will be welcomed by those looking to get on the ladder.

“For those able to overcome the hurdle of saving a deposit, the numbers increasingly stack up. The typical first-time buyer property now costs £237,577, down -0.6% since May. On a 95% LTV mortgage over 30 years, that could mean monthly repayments of around £1,179 compared to the average UK private rent of £1,343.”

Halifax HPI: Average house price

Source: Halifax, S&P DJI



Nations and regions house prices

Northern Ireland continues to lead the UK for annual house price growth, with average property values up +8.1% over the past year. However, this marks a slight slowdown from +9.3% last month. The typical home now costs £217,082.

Scotland saw the next strongest annual increase with prices rising +4.9% in August to an average of £215,594.

In **Wales**, property values rose +1.6% year-on-year, though the pace of growth has eased in recent months. The average home now costs £227,786.

Across England, there remains a clear North/South divide. The **North East**, **North West**, and **Yorkshire & the Humber** all recorded annual growth above +4%, making them the fastest-rising regions.

By contrast, the **South West** saw prices fall -0.8% over the past year, the first UK nation or region to record an annual decline since Eastern England in July 2024 (-0.2%).

London continues to see modest growth, with prices up +0.8% year-on-year. It remains the most expensive part of the UK, with an average property value of £541,615.

Housing activity

- **HMRC monthly property transaction data** show UK home sales increased in July 2025. UK seasonally adjusted (SA) residential transactions in July 2025 totalled 95,580 – up by +1.1% from June’s figure of 94,540 (up +4.6% on a non-SA basis). Quarterly SA transactions (May 2025 – July 2025) were approximately -22.6% lower than the preceding three months (February 2025 - April 2025). Year-on-year SA transactions were +4.3% higher than July 2024 (+3.9% higher on a non-SA basis). (Source: HMRC)
- Latest **Bank of England figures** show the number of mortgages approved to finance house purchases increased in July 2025 by +1.2% to 65,352. Year-on-year the figure was +4.6% above July 2024. (Source: Bank of England, seasonally-adjusted figures)
- The **RICS Residential Market Survey** results for July 2025 show buyer demand and agreed sales falling back into negative territory. New buyer enquiries recorded a net balance of -6% (down from +4%) and agreed sales -16% (down from -4%). New instructions recorded a net balance of +9% (+3% previously). (Source: Royal Institution of Chartered Surveyors (RICS) monthly report)

UK house prices Historical data

National: All Houses, All Buyers (Seasonally Adjusted)

Period	¹ Index Jan 1992=100	² Standardised Average Price £	Monthly Change %	Quarterly Change %	³ Annual Change %
August 2024	505.3	293,020	0.6	0.8	4.5
September	505.8	293,305	0.1	1.2	4.6
October	507.6	294,353	0.4	1.2	4.0
November	513.6	297,829	1.2	1.4	4.7
December	512.5	297,179	-0.2	1.3	3.4
January 2025	515.3	298,815	0.6	1.5	2.9
February	514.3	298,274	-0.2	1.0	2.8
March	512.0	296,899	-0.5	0.5	2.9
April	513.5	297,798	0.3	-0.1	3.2
May	511.8	296,782	-0.3	-0.3	2.6
June	512.4	297,157	0.1	-0.3	2.7
July	514.6	298,400	0.4	-0.1	2.5
August	516.2	299,331	0.3	0.4	2.2

Region	² Standardised Average Price £	⁴ Annual Change %
East Midlands	245,299	1.6
Eastern England	334,860	1.1
Greater London	541,615	0.8
North East	179,799	4.7
North West	243,776	4.5
Northern Ireland	217,082	8.1
Scotland	215,594	4.9
South East	387,509	0.3
South West	301,134	-0.8
Wales	227,786	1.6
West Midlands	259,575	1.8
Yorkshire and Humber	217,674	4.1

Editors' notes

House price data on a quarterly basis provides the clearest indication of overall market trends, smoothing out the monthly volatility caused by the reduced number of monthly transactions used to calculate all house price indices.

1. Index

The standardised index is seasonally adjusted using the U.S. Bureau of the Census X-11 moving-average method based on a rolling 84-month series. Each month, the seasonally adjusted figure for the same month a year ago and last month's figure are subject to revision.

2. Standardised average price

The standardised average price is calculated using the HPI's mix adjusted methodology.

3. National annual change figure

National annual change figures are the seasonally adjusted year-on-year figures.

4. Regional annual change figure

The regional annual change figures are based on the most recent three months of approved mortgage transaction data.

For further information on the methodology follow this link to [S&P DJI website](#).

**The first-time buyer mortgage scenario referenced above is an illustrative example of the monthly repayment amount only. It does not include additional costs such as product fees or legal fees, nor other ongoing costs associated with homeownership. The calculation is based on a UK average first-time buyer property price of £237,577 and a two-year fixed-rate mortgage at 4.76% with a 5% deposit and a 30-year repayment term. This product was available via the Halifax website on 1st September 2025 and is subject to change. Actual borrowing amounts, interest rates, and monthly repayments will depend on individual circumstances, including credit history, income, and affordability assessments.*

***The average UK private rent figure is taken from ONS data published on 20th August: [Private rent and house prices, UK - Office for National Statistics](#). This reflects the UK average across all property types and tenures. The comparison to mortgage costs for first-time buyers is illustrative only and not intended to be like-for-like.*

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About the Halifax house price index

The Halifax House Price Index is the UK's longest running monthly house price series with data covering the whole country going back to January 1983. From this data, a "standardised" house price is calculated and property price movements on a like-for-like basis (including seasonal adjustments) are analysed over time. The annual change figure is calculated by comparing the current month seasonally adjusted figure with the same month a year earlier.

For more information on our housing market research, visit <http://www.halifax.co.uk/house-price-index>

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