

House Price Index

January 2026



Average house price

£300,077



Monthly change

+0.7%



Quarterly change

+0.1%

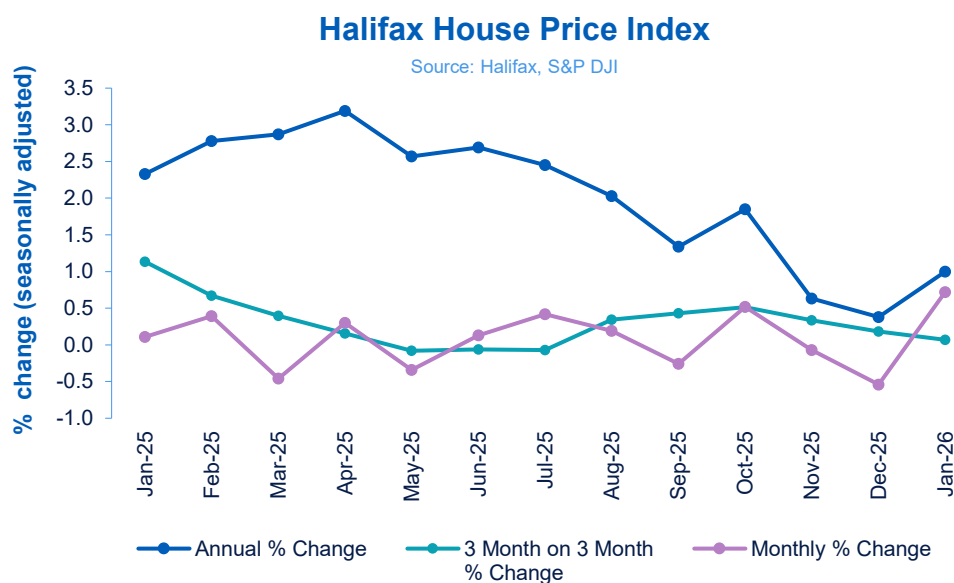


Annual change

+1.0%

Average UK house price rises at the start of 2026

- House prices increased by +0.7% in January, following a -0.5% fall in December
- Average property price is now £300,077, rising above £300k for the first time
- Annual growth at +1.0%, up from +0.4% in December
- Regional differences in house price performance have become more pronounced



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Amanda Bryden, Head of Mortgages, Halifax, said:

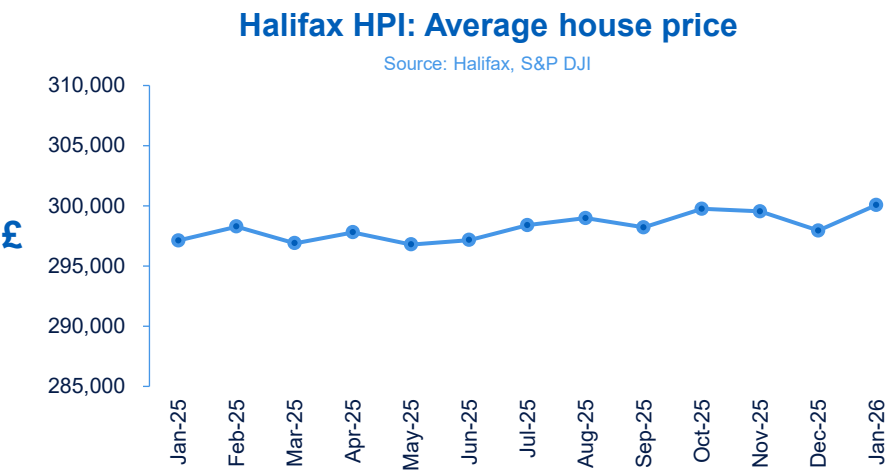
"The housing market entered 2026 on a steady footing, with average prices rising by +0.7% in January, more than reversing the -0.5% fall seen in December. Annual growth also edged higher to +1.0%, pushing the cost of the typical UK home above £300,000 for the first time.

"While that's undoubtedly a milestone figure, and activity levels show a resilient market, affordability remains a challenge for many would-be buyers.

“Broader economic conditions continue to provide some support. Wage growth has been outpacing property price inflation since late 2022, steadily improving underlying affordability. That’s a positive trend for buyers, and the long-term health of the market.

“And we’re now seeing more mortgage deals below 4%. If inflation continues to ease, there should be further gradual reductions as the year goes on.

“All in all, we still think house prices are likely to edge up between 1% and 3% this year.”



How did we reach a £300k average property price?

Although the UK’s average property price is now above £300,000, growth in recent years has been relatively modest, following the sharp increases seen during the pandemic.

Over the past three years, property prices have risen by +5.7%, or around £16,000, as higher interest rates and stretched affordability have kept growth muted.

By contrast, the three years from 2020 to 2023 saw prices climb nearly +19% (over £44,000), driven by ultra-low borrowing costs and the ‘race for space’.

Period	House price	3-year % growth	3-year £ change
January 2020	£239,253	9.4%	£20,561
January 2023	£283,976	18.7%	£44,723
January 2026	£300,077	5.7%	£16,101

Amanda continues:

“For first-time buyers the headline numbers can seem daunting, but it’s important to remember that most are looking at smaller properties in areas that reflect their budget. Many locations offer far more accessible price points, especially in northern regions where homes can often be found for under £200,000.

“Affordability is still a challenge, but stronger wage growth and falling mortgage rates have helped relieve some of the pressure in recent years. We expect that improvement to continue in 2026, meaning that with the right support and advice, home ownership should become a realistic prospect for more would-be buyers.”

Nations and regions house prices

Regional differences in house price performance have become more pronounced, with a clear divide between the northern and southern parts of the UK.

In the north, positive momentum has carried over from last year, with demand and inflation remaining robust.

Northern Ireland continues to lead the UK, with average prices rising +5.9% annually to £217,206. Scotland follows closely, recording annual growth of +5.4%, taking the average property price to £221,711.

Elsewhere, Wales saw a modest rise of +0.5% over the year, with the average home now costing £228,415.

Within England, the strongest growth remains concentrated in the north. The North West saw prices increase +2.1% to £244,329, while the North East recorded +1.2% annual growth, bringing the typical price to £181,198.

In contrast, southern regions have seen prices soften. The South East, South West, London and Eastern England all saw annual declines of more than 1%.

As the four most expensive areas of the country, these markets tend to be more sensitive to higher borrowing costs and taxes, which can weigh on affordability and confidence.

Housing activity

- **HMRC monthly property transaction data** – UK home sales decreased in December 2025. UK seasonally adjusted (SA) residential transactions in December 2025 totalled 100,440 – down by -0.1% from November's figure of 100,500 (up +1.4% on a non-SA basis). Quarterly SA transactions (October 2025 – December 2025) were approximately +3.7% higher than the preceding three months (July 2025 - September 2025). Year-on-year SA transactions were +4.7% higher than December 2024 (+7.5% higher on a non-SA basis). (Source: HMRC)
- Latest **Bank of England figures** show the number of mortgages approved to finance house purchases decreased in December 2025 by -4.8% to 61,013. Year-on-year the figure was -8.4% below December 2024. (Source: Bank of England, seasonally-adjusted figures)
- The **RICS Residential Market Survey** results for December 2025 show market activity remains subdued. New buyer enquiries posted a negative net balance of -24% (previously -30), with agreed sales at -19% (from -22%). New instructions registered a net balance of 0% in December, up from -17%. (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 %
January 2025	512.4	297,118	0.1	1.1	2.3
February	514.3	298,274	0.4	0.7	2.8
March	512.0	296,899	-0.5	0.4	2.9
April	513.5	297,798	0.3	0.2	3.2
May	511.8	296,782	-0.3	-0.1	2.6
June	512.4	297,157	0.1	-0.1	2.7
July	514.6	298,400	0.4	-0.1	2.5
August	515.6	298,978	0.2	0.3	2.0
September	514.2	298,215	-0.3	0.4	1.3
October	516.9	299,754	0.5	0.5	1.9
November	516.5	299,544	-0.1	0.3	0.6
December	513.8	297,938	-0.5	0.2	0.4
January 2026	517.5	300,077	0.7	0.1	1.0

Regional: All Houses, All Buyers (Seasonally Adjusted) – January 2026

Region	² Standardised Average Price £	⁴ Annual Change %
East Midlands	246,433	0.6
Eastern England	332,366	-1.2
Greater London	538,600	-1.3
North East	181,198	1.2
North West	244,329	2.1
Northern Ireland	217,206	5.9
Scotland	221,711	5.4
South East	385,086	-1.6
South West	303,625	-1.6
Wales	228,415	0.5
West Midlands	261,817	0.4
Yorkshire and Humber	217,516	0.9

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](#).



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For historical data or for technical queries please contact economics@spglobal.com

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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