EMBARGOED TO 00:01 ON MONDAY 27TH JULY 2026

POSTCODE PRICE GAP: Homebuyers can save up to 47% by looking next door to the UK's priciest postcodes

- **New research reveals how much less buyers could pay in postcodes neighbouring the UK's most expensive locations**
- **Homes in these neighbouring areas are 28% cheaper on average, with the biggest gap reaching 47% in the North East**
- **Significant savings also seen in London, Scotland, Wales and Northern Ireland**

Homebuyers could save up to 47% by looking just beyond the boundaries of the UK's most sought-after postcodes, according to new research from Lloyds.

The study compared the priciest postcode in each region with the cheapest neighbouring postcode that shares its border.

Across the country, it found that homes in these neighbouring areas cost 28% less on average. In many regions, the gap is even wider - showing how crossing into the next postcode can make a major difference to what buyers pay.

Which area offers the biggest saving?

North East

The biggest saving is found in the **North East** of England, where the region's most expensive postcode is NE26. This encompasses the seaside town of **Whitley Bay**, where the average price is £304,022.

With its long stretch of golden beach and a vibrant leisure and dining scene, it's no surprise that properties on the seafront here often command a premium.

However, head just next door to NE24 and the savings are significant. At its heart is the industrial port town of **Blyth**. With an expansive coastline and continued regeneration, the area is increasingly attracting buyers looking for both value and long-term growth potential.

With an average price tag of £162,075, homebuyers in NE24 could pay £141,947 less than in neighbouring NE26, a saving of 47%.

How much can be saved in each nation and region?

Here are the biggest savings to be had when buying next door to the nation's most expensive postcodes.

Region	Postcode	Local areas	Average price	£ saving	% saving
Eastern England	AL5	Harpenden, Kinsbourne Green	£587,884	£236,142	40%
	LU1	South Luton and surrounding areas	£351,742		
East Midlands	NN12	Towcester and surrounding areas	£360,453	£60,341	17%
	NN11	Daventry and surrounding areas	£300,112		
Greater London*	NW3	Hampstead, Belsize Park and surrounding areas	£778,767	£232,419	30%
	NW2	Cricklewood, Dollis Hill and surrounding areas	£546,348		
North East	NE26	Whitley Bay, Seaton Sluice	£304,022	£141,947	47%
	NE24	Blyth and surrounding areas	£162,075		
Northern Ireland	BT4	East Belfast (Sydenham, Belmont, Stormont)	£278,143	£31,075	11%
	BT16	Dundonald and surrounding areas	£247,068		
North West	WA14	Altrincham, Bowdon and surrounding areas	£403,621	£123,005	30%
	M31	Carrington, Partington	£280,616		
Scotland	EH3	Central Edinburgh, including the West End	£374,650	£75,335	20%
	EH11	Gorgie, Stenhouse and surrounding areas	£299,315		
South East	KT6	Surbiton, Tolworth	£625,840	£172,399	28%
	KT9	Chessington, Hook	£453,441		
South West	BS8	Clifton, Hotwells and surrounding areas	£510,864	£125,583	25%
	BS20	Portishead, Pill	£385,281		
Wales	CF64	Penarth, Dinas Powys, Sully	£342,753	£82,519	24%
	CF63	Barry (including Cadoxton and Barry Docks)	£260,234		
West Midlands	CV32	Leamington Spa (north) and surrounding areas	£392,988	£49,958	13%
	CV35	Wellesbourne, Kineton and surrounding areas	£343,030		
Yorkshire and The Humber	YO23	York South Bank and surrounding areas	£378,295	£135,294	36%
	YO8	Selby and surrounding areas	£243,001		

Amanda Bryden, Head of Mortgages at Lloyds:

"It's easy to focus on the 'must-have' locations when you're searching for a home, but this research highlights just how much value can sit right next door.

"Of course, neighbouring areas aren't always directly comparable and each will have its own distinctive character, housing stock and local appeal. But in many parts of the country, looking just beyond the most sought-after postcodes can reveal more affordable options while still keeping buyers close to jobs, transport links, amenities and the communities that matter to them.

"For first-time buyers in particular, a small shift in location could make a big difference – not just in getting on the ladder, but in what kind of property is within reach."

How much can be saved in other parts of the UK?

London

In London, amongst the capital's most expensive postcodes* in this analysis is **NW3,** covering **Hampstead and Belsize Park**. It's one of the capital's most desirable areas, offering a village feel, green open spaces and elegant period homes. These help push the average price up to £778,767.

But cross into neighbouring **NW2** and the price picture changes. Taking in areas such as **Cricklewood and Dollis Hill**, it offers a more affordable entry point into north-west London, with a mix of period properties and new developments attracting first-time buyers and families alike.

With an average house price of £546,348, buyers here could pay £232,419 less compared to neighbouring NW3 - a saving of around 30%.

Scotland

In Scotland, the most expensive postcode is **EH3**, which covers **central Edinburgh, including the West End.** Known for its grand Georgian architecture, cultural landmarks and proximity to the heart of the city, homes here come with an average price tag of £374,650.

However, head just beyond its boundary to neighbouring **EH11** and prices become markedly more affordable. Covering areas such as **Gorgie and Stenhouse**, this part of the city has long been popular with buyers looking for value within easy reach of Edinburgh's centre, as well as ongoing regeneration and strong local amenities.

With an average price of £299,315, homebuyers here could pay £75,335 less compared to neighbouring EH3 - a saving of 20%.

Wales

In Wales, **CF64** is the most expensive postcode, which includes **Penarth, Dinas Powys and Sully**. With its coastal views, attractive seafront and close links to Cardiff, it remains one of the most sought-after areas in the country, with average prices reaching £342,753.

Just next door is **CF63**, which covers **Barry, including Cadoxton and Barry Docks**. The area combines seaside living with more affordable housing, and has seen growing interest from buyers looking for value within commuting distance of the Welsh capital.

With an average price tag of £260,234, buyers here could pay £82,519 less compared to neighbouring CF64 - a saving of around 24%.

Northern Ireland

In Northern Ireland, **BT4** is the most expensive postcode. This covers **East Belfast, including Sydenham, Belmont and Stormont**. The area is known for its leafy residential streets, strong transport links and proximity to both the city centre and the coast, helping drive an average house price of £278,143.

However, head just next door to **BT16** and the savings are clear. At its heart is **Dundonald**, where buyers can still benefit from easy access to Belfast, alongside a range of local amenities and green space, but at a more accessible price point.

With an average property price of £247,068, homebuyers here could pay £31,075 less compared to neighbouring BT4 - a saving of 11%.

Amanda's top tips for first-time buyers

Lloyds mortgage expert Amanda Bryden has built a career in the industry that spans almost 30 years. She started as a mortgage broker and has since filled a variety of senior roles across several of the country's biggest lenders.

Here's what she suggests:

Do your research – Get familiar with the homebuying process. From getting an Agreement in Principle through to mortgage approval and completion, the Lloyds First-Time Buyer Hub includes free guides, and access to expert-led online sessions, to help explain the jargon and make things clearer.

Get advice – Speak to a mortgage professional early on, don't wait until you think you've saved enough or found your dream home. They can help explain what you can afford, typical costs and what to expect along the way. You can often get video appointments at times that suit you.

Explore your options – It's important to know what support is available. A mortgage expert will show you options you might not have considered and guide you on ways to build up the funds quicker. For example, low-deposit mortgages can make buying more affordable than you might think.

ENDS

Notes to editors

Methodology

The research has been carried out by Lloyds Banking Group in partnership with S&P Global.

The analysis in this release is based on the same mortgage approval data used to calculate the Lloyds House Price Index (HPI), the UK's longest running monthly house price series with data covering the whole of the UK going back to January 1983. This mortgage approval data is from Lloyds Banking Group – the UK's biggest mortgage lender – including customers of both Lloyds Bank and Halifax.

A standardised house price was calculated for each UK postcode prefix using a simplified version of the model that underpins the Lloyds House Price Index. The model adjusts for property characteristics including property type, size, number of bedrooms, and whether a home is new-build or existing. Standardised prices were then compared with regional averages across England, along with Scotland, Wales and Northern Ireland, to identify and rank relative premiums and discounts.

Due to the slightly different definition of the standardised house price used in this research, figures quoted should not be compared directly to those published in the main monthly Lloyds House Price Index. Note that where appropriate some postcode prefixes were excluded from the analysis due to insufficient sample sizes.

*For Greater London, prime central locations and their four-digit postcode prefixes have been excluded from the research due to being small, highly localised areas which tend to generate insufficient sample sizes. Excluding these areas also helps ensure the analysis better reflects housing markets that are more representative of broader homebuyer activity.

Unless otherwise stated, all house price figures quoted relate to transactions completed during the 2025 calendar year.

Postcode boundaries assessed using:

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- Information licensed under the Creative Commons Attribution-Share Alike 3.0 Unported license via https://en.wikipedia.org/wiki/Postcodes_in_the_United_Kingdom

Support for first-time buyers

Lloyds is Britain's number 1 direct lender for first-time buyers.* Here are some of the ways it can help.

- **£5k Deposit mortgage**
  If you have £5,000 saved up, you can use this as your mortgage deposit and borrow more than the typical 95% of your home's value (on homes worth up to £300,000). This could help you get on the property ladder sooner.
- **First Time Buyer Boost**
  You could borrow up to 5.5x your yearly household income with a 10% deposit or more. It's designed to help eligible first-time buyers access a larger loan than a standard mortgage.
- **5% deposit mortgage**
  With this mortgage, you could borrow up to 95% of your home's value. This means you'll just need to pay a 5% deposit, reducing the time needed to save.
- **Government schemes**
  Lloyds supports a range of government-backed schemes that could help you to buy a home. These include First Homes, Help to Buy, Right to Buy and more.
- **Lend a Hand mortgage**
  With a Lend a Hand mortgage, instead of a deposit, your family's savings act as security, earning them interest for three years.

- **First Home Deposit Gift**
  Your family member can borrow more on their Lloyds mortgage and gift it towards your deposit. It can cover all or part of your deposit and they could receive £500 cashback.

** Based on monthly completion values from July to December 2025. Source: CACI Ltd's mortgage database.*

Events for first-time buyers

From working out your budget to getting the keys to your first home, we're here to help. We're running free online events for first-time buyers, available to everyone – you don't even need to be an existing Lloyds customer.

Our mortgage experts will help you find out about:

- **Starting Out:** Saving for a deposit and government schemes available
- **House Hunting:** Finding the right property for you
- **Other costs:** Protecting you and your home, other costs to consider
- **Journey to Completion:** Valuations, surveys and the final stages to getting your keys.

Find a free event here: https://branches.lloydsbank.com/events

The information in this release is not intended to constitute financial advice. Mortgage customers or applicants should refer to the Lloyds website for full details, including terms and conditions, eligibility criteria, and how to obtain regulated advice. You could lose your home if you don't keep up your mortgage repayments.

For full details visit: https://www.lloydsbank.com/mortgages.html

Information correct as at 23rd July 2026 and subject to change thereafter.