House Price Index

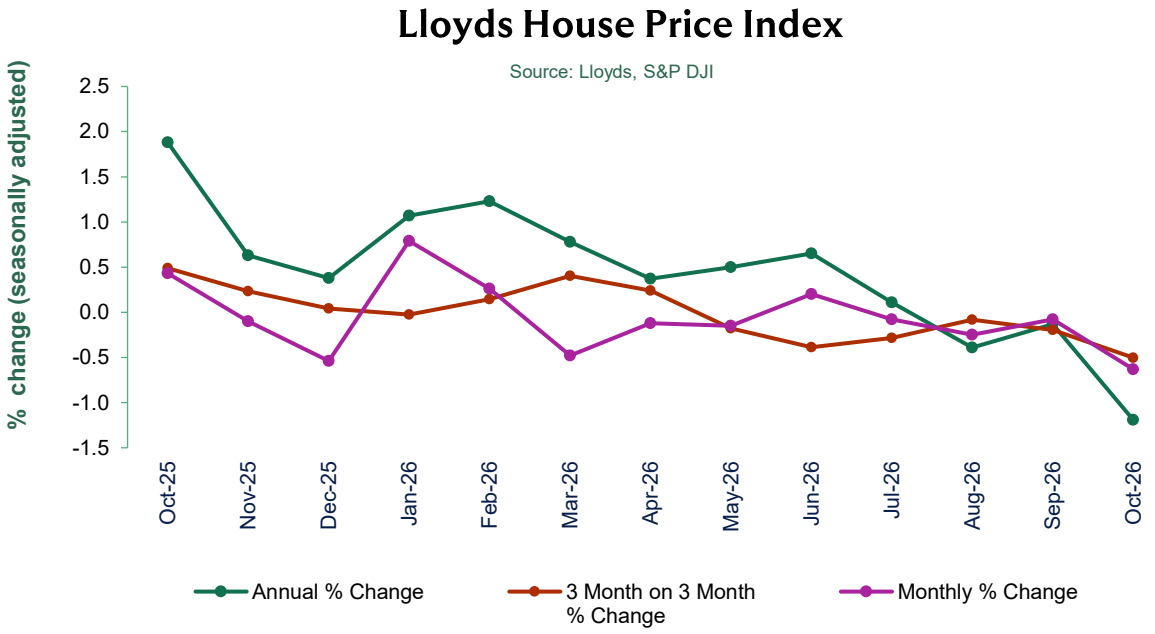
October 2026

LLOYDS

£296,285	-0.6%	-0.5%	-1.2%
Average house price	Monthly change	Quarterly change	Annual change

House prices fall in October as market remains subdued

- **House prices fell by -0.6% in October, following a -0.1% decrease in September**
- **The average property price is now £296,285, compared to £298,167 in September**
- **On an annual basis house prices are -1.2% lower, the biggest fall since October 2023**
- **Northern Ireland continues to lead UK annual growth, though pace has slowed**



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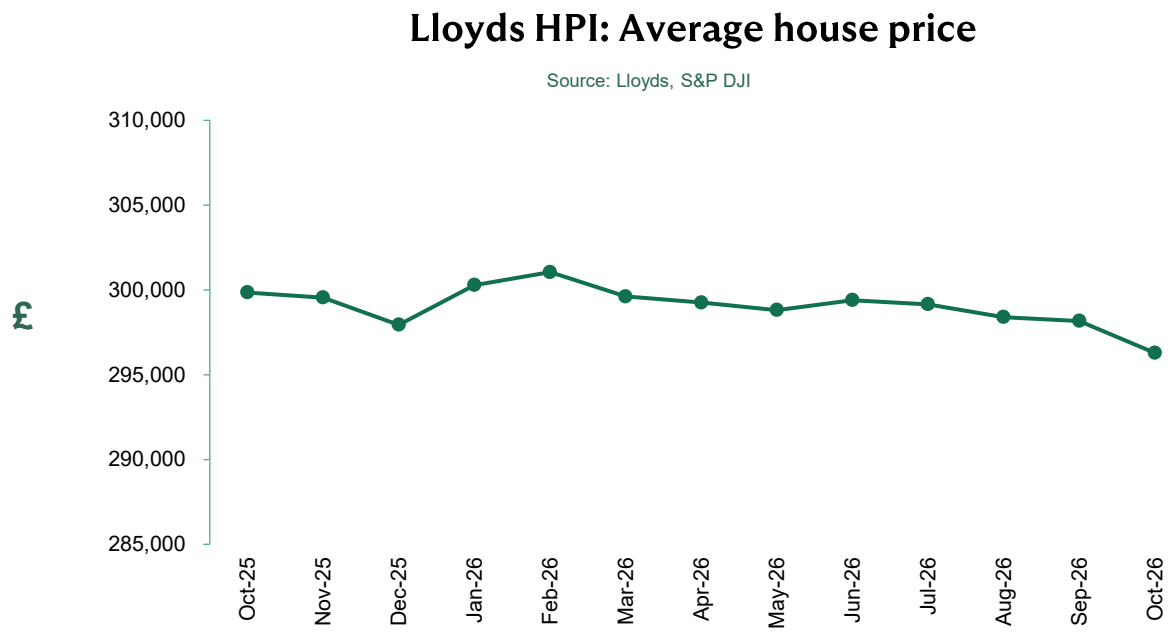
Andrew Asaam, Mortgages Director at Lloyds, said:

“UK house prices fell by -0.6% in October, a larger drop than in recent months, taking the average property price down to £296,285. Prices were also -1.2% lower than a year ago, the biggest annual fall since October 2023.

“Housing demand is currently being tested by a challenging economic backdrop. Renewed inflationary pressures, driven in part by the conflict in the Middle East, are keeping borrowing costs high and adding to the squeeze on household finances, making some buyers understandably more cautious.

“However, it’s important to put October’s fall in context. House prices have changed relatively little over the past couple of years, as the market has gradually adjusted to higher interest rates. The recent rise in energy and other household costs has added to the pressure on buyers, so some adjustment in prices is not surprising.

“Looking ahead, conditions are likely to remain subdued in the near term, but we don’t expect this to lead to a sustained period of falling house prices. With wages continuing to rise faster than property prices, the gap between earnings and house prices should gradually narrow, helping affordability to improve over time.”



Nations and regions house prices

Northern Ireland continues to lead the UK, with annual house price growth at +4.4%, with the rate slowing considerably from +6.9% last month. The average property value is now £228,708.

Scotland continues to post solid growth, with prices up +2.8% over the past year to an average of £222,667. Growth has also strengthened slightly in Wales, rising to +1.6%, with the typical property now valued at £233,116.

In England, three regions recorded annual growth with the North West recording an increase of +2.2%, taking the average property price to £249,916, while the North East saw prices rise +2.0% to £184,318.

The West Midlands was the only other English region to see positive annual growth, at +0.3%, with an average property value of £261,656.

House prices remain under pressure across much of southern England, with Greater London recording the largest annual decline, down -3.1% year-on-year to £524,892, closely followed by the South East and South West, both down -2.4% to £379,258 and £298,057 respectively.

Housing activity

- **UK residential transactions fell by 0.5% to 94,800 in September 2026** on a seasonally adjusted basis (provisional estimates). On a non-seasonally adjusted basis, transactions **rose by 1.1%** over the month. In the three months to September, transactions were **3.3% lower** than in the preceding three months, while seasonally adjusted volumes were **3.6% below** September 2025. (Source: HMRC)
- **Bank of England** data shows **mortgage approvals for house purchases fell to 53,443** in September 2026, **down 2.5%** month-on-month and **19.4% year-on-year**, indicating some further softening in housing market activity. (Source: Bank of England, SA figures)
- The **RICS UK Residential Market Survey September 2026** showed housing market activity remaining subdued in September. **New buyer enquiries** weakened to a net balance of **-22%,** from -18% in August, while **agreed sales** edged down to **-18%,** from -16%. **New instructions** improved to a net balance of **+6%,** the first positive reading since mid-2025. Overall, the survey suggests demand and sales lost some momentum during the month, although conditions remain less subdued than earlier in the year. (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 %
October 2025	517.1	299,845	0.4	0.5	1.9
November	516.5	299,544	-0.1	0.2	0.6
December	513.8	297,938	-0.5	0.0	0.4
January 2026	517.8	300,283	0.8	0.0	1.1
February	519.1	301,051	0.3	0.1	1.2
March	516.6	299,609	-0.5	0.4	0.8
April	516.0	299,251	-0.1	0.2	0.4
May	515.3	298,812	-0.2	-0.2	0.5
June	516.3	299,396	0.2	-0.4	0.7
July	515.9	299,153	-0.1	-0.3	0.1
August	514.6	298,395	-0.3	-0.1	-0.4
September	514.2	298,167	-0.1	-0.2	-0.1
October	510.9	296,285	-0.6	-0.5	-1.2

Regional: All houses, all buyers (seasonally adjusted) – October 2026

Region	[2]Standardised Average Price £	[4]Annual Change %
East Midlands	244,426	-0.3
Eastern England	327,241	-2.3
Greater London	524,892	-3.1
North East	184,318	2.0
North West	249,916	2.2
Northern Ireland	228,708	4.4
Scotland	222,667	2.8
South East	379,258	-2.4
South West	298,057	-2.4
Wales	233,116	1.6
West Midlands	261,656	0.3
Yorkshire and Humber	214,485	-1.0

Editors' notes

About the Lloyds House Price Index

Formerly the Halifax House Price Index, the Lloyds 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 www.lloydsbank.com/media-centre/house-price-index.html

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.

Methodology

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 the S&P DJI website.

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