

Summary of the latest property market headlines

Prices continue to be fairly flat nationally, but most indices bar e.surv, are reporting slight rises year on year – so the property market is in a lot better place this year than last. It’s easy to forget how amazing the market has performed, even with the falls/downturn in sales in 2023, to recover so quickly this year when rates have moved from such a low base – to a high one, although a long term average one – the market has proved to be hugely robust compared to previous years.

	High 2007/08	Low 2009	How much did prices fall?	Latest price vs 2007/08 high	Apr-24	May-24	Jun-24	Annual Change	Annual Average (05 - 24)		
Rightmove	£241,474	£213,570	13.1%	55.3%	£372,324	£375,131	£375,110	0.6%	3.7%	Asking prices	E & W
Home.co.uk	£258,531	£239,607	7.9%	38.4%	£354,588	£356,006	£357,903	0.5%	n/a	Asking prices	E & W
Nationwide	£184,131	£147,746	24.6%	44.5%	£261,962	£264,249	£266,064	1.5%	3.0%	Mortgaged only	UK
Halifax	£199,766	£157,767	26.6%	44.4%	£288,949	£288,688	£288,455	1.6%	3.0%	Mortgaged only , seasonally adjusted	UK
e.surv	£231,829	£197,145	17.6%	55.4%	£359,154	£356,014	£360,175	-1.6%	3.5%	Actual prices, includes cash sales	E & W
Zoopla	£178,128	£153,449	16.1%	48.7%	£264,300	£264,900	n/a	0.0%	n/a	Sold prices, mortgage valuations and agreed sales	UK
UK HPI	£190,032	£154,452	23.0%	47.9%	£281,000	n/a	n/a	1.1%	3.3%	Sold prices, includes cash sales and new builds	UK

NEW ‘high to low’ analysis of property price falls 22-23

	Height Aug - Oct-22	Low Mar - Nov-23	How much did prices fall by?		
Rightmove *	£372,894	£359,137	3.8%	Asking prices	E & W
Home.co.uk	£361,421	£348,880	3.6%	Asking prices	E & W
Nationwide	£273,751	£257,122	6.5%	Mortgaged only	UK
Halifax	£294,845	£278,601	5.8%	Mortgaged only , seasonally adjusted	UK
e.surv	£380,450	£358,337	6.2%	Actual prices, includes cash sales	E & W
Zoopla	£265,100	£259,700	2.1%	Sold prices, mortgage valuations and agreed sales	UK
UK HPI	£288,901	£277,855	4.0%	Sold prices, includes cash sales and new builds	UK

* Rightmove low recorded December 2022

Up until now we’ve only reported on the falls from the last recession during the credit crunch. However, now we have the falls from last year reported from the high to the low – with average falls ranging from 1.5% according to Zoopla and as high as 6.5% from Nationwide.

This is an interesting comparison as I believe if it wasn’t for the fact that 50%+ homes are owned without a mortgage and without the changes to affordability including moving FTBs onto repayment, we would have seen the double-digit percentage falls last year and spent some years waiting for prices to recover.

Property price and market indices headlines:

Rightmove

Market maintains momentum despite more tentative top-end

“The average price of property coming to the market for sale drops by just £21 this month (0.0%) to £375,110 after reaching a record high in May, as prices in June follow their familiar seasonal pattern of recent years and remain flat.”

Home.co.uk

High borrowing costs risk stalling the market

“Asking prices have risen 0.5% since last month across England and Wales (the fifth consecutive monthly rise) and are up just 0.5% compared to June 2023.”

RICS

Current conditions remain subdued but the market is expected to regain some impetus in the months ahead

“While the recent picture for house prices has remained somewhat negative across much of the UK, it is particularly noteworthy that near term price expectations stabilised during the latest survey round.”

Nationwide

House price growth broadly stable in June

“UK house prices up 1.5% in June compared with a year ago.”

Halifax

UK house prices remained stable in June

“Average house prices largely flat in June, down by just -0.2% on a monthly basis.”

e.surv

Housing market builds positive momentum

“Prices are just 1.6% lower than a year ago.”

Zoopla

Is the housing market entering a seasonal slowdown?

“UK house prices unchanged over the last 12 months.”

Here’s a summary of the insights from this month’s indices:

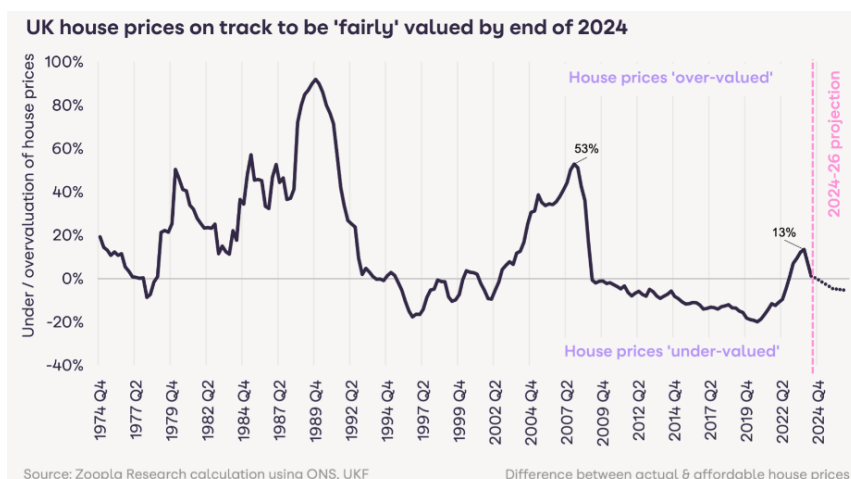
Rightmove

- The majority of buyers and sellers have continued their plans since the election was called, with the only sign of election caution being a slight drop in the number of new sellers especially at the typically more discretionary top-end of the market:
 - Over the last four weeks, the number of sales being agreed has stayed steady at 6% higher than a year ago.
 - Buyer demand is now 5% higher than last year.
 - In the two weeks since the surprise election announcement, the number of top-end sellers coming to market is 3% lower than a year ago, versus being 11% higher in the previous two-week period.
- The average 5-year fixed mortgage rate is now 5.04%, compared with 4.94% in January.

Zoopla

- Demand +6% and sales agreed +8% - both higher than last year.
- 75% of the 1.1m sales projected for this year are either complete or in the sales pipeline.
- UK house prices on track to be 1.5% higher over 2024.
- We calculate UK house prices are currently 8% ‘over-valued’ and by end of 2024 prices will be ‘fairly valued’.

Great chart from Zoopla showing their opinion on whether the market is over or undervalued – glad I have mostly bought during the ‘under-valued’ periods!



Nationwide

- *UK house prices edged up by 0.2% in June, after taking account of seasonal effects. This resulted in the annual rate of growth rising from 1.3% in May to 1.5% in June, leaving prices around 3% below the all-time high recorded in the summer of 2022.*
- *Housing market activity has been broadly flat over the last year, with the total number of transactions down by around 15% compared with 2019 levels.*

Home.co.uk

- *The total number of new instructions entering the market during May 2024 was 14% more than during May 2023.*
- *Typical Time on Market (median) for unsold property in England and Wales being seven days less than in June 2019. However, the current median is four days more than in June last year.*

e.surv

- *Prices are now within 5% of the previous peak reached in October 2022. June's 1.6% decrease was a full percentage point improvement on May and the strongest performance since July 2023.*

Country and regional market performance for May/June

Scotland and Northern Ireland continue to see property prices improve better than Wales and England at the moment – likely to be the drag of higher, premium property prices and the South that are keeping national property price averages down in comparison.

Pretty much all of the countries though are seeing property prices keeping up with inflation over the long term (since 2005) showing that if you hold onto property long enough, it can either hold its value or deliver slightly more than inflation over time – only on average though.

Property prices by country

Property Prices - Countries	Land Registry latest data Apr 24/ Q1 24	Land Registry year on year change in price Apr 24/Q1 24	Land Registry annual average increase since 2005	Nationwide latest data Q2 24	Nationwide year on year change in price Q2 24
England	£298,229	0.6%	3.4%	£302,102	0.6%
Wales	£208,184	0.4%	2.8%	£207,650	1.4%
Scotland	£190,345	4.5%	3.8%	£181,186	1.4%
Northern Ireland (Q1)	£178,499	4.0%	2.5%	£190,300	4.1%

For Scotland, Wales, and Northern Ireland we monitor:

- *Nationwide*
- *Halifax*
- *e.surv*

Local expertise for each country though is essential when looking at how the property market is performing. This is especially the case in the likes of Scotland and Wales where areas are as diverse as the English Regions.

e.surv offers the most detailed market information on Scotland this month:-

Summary from the indices of the Scottish housing market

Halifax

“House prices in Scotland also increased, with a typical property now costing £204,663, +1.6% more than the year before.”

e.surv

Scotland hits fresh high

“House prices in most of Scotland have risen sharply in recent months, rising by more than £2,000 in March and again in April. The average house price in Scotland is currently just under £225,000, which is both a record high and a significant increase from the peak it reached in September 2023. This stands in contrast to Wales's and England's markets.

“Nineteen local authorities reported growing prices during the month, easily outnumbering those reporting decreases (twelve). No less than eight local authorities saw prices hit new market highs, despite the net positive balance being slightly lower than in March.

“All housing markets are driven by sentiment and Scotland appears to have turned the corner in terms of both prices and transactions, according to our data. This upswing in confidence is a result of growing salaries, falling inflation, and the anticipation that interest rates will start to come down later this year.”

Summary from the indices of the Welsh housing market

Halifax

"In Wales, house prices grew annually by +2.7% to reach £220,197."

Summary from the indices of the Northern Ireland housing market

Nationwide

"Northern Ireland remained the best performing area, with prices up 4.1% compared with Q2 2023."

Halifax

"Northern Ireland recorded the strongest property price growth of any nation or region in the UK, rising by +4.0% on an annual basis in June, up from +3.3% the previous month. The average price of a property in the country is now £192,457."

Regional property prices tracking

Although the national and country averages show prices are trending upwards, on a regional basis in England, prices are still not improving everywhere. The East and the South are the areas struggling to see much of a recovery according to most of the indices. Home.co.uk reports the North East as the best performer in the last month, up 3.7% while the Land Registry (which does lag behind the others data wise) shows London is the worst performer, with prices down by 3.9%.

Overall though, price rises/falls regionally are a few percent up or down – so overall, a nice stable market for most buyers and sellers.

And hopefully with up and coming forecasts of two rate falls this year, this will help boost prices and activity back to seeing small rises each year, which is an ideal market for everyone in the property market.

Indices	No of regions up	No of regions down	No of regions no change
Rightmove	6	2	1
Home.co.uk	4	5	0
Nationwide	5	4	0
Zoopla	4	5	0
UK HPI	7	2	0

Property Prices - Regions	Rightmove Latest data Jun-24	Rightmove Year on year change in price Jun-24	Home.co.uk Latest data Jun-24	Home.co.uk Year on year change in price Jun-24	Nationwide Latest data Q2 24	Nationwide Year on year change in price Q2 24	Zoopla Year on year change in price Jun-24	Land Registry Latest data Apr-24	Land Registry Year on year change in price Apr-24
North East	£191,996	1.9%	£197,216	3.7%	£158,467	2.9%	1.4%	£158,133	1.0%
North West	£262,114	1.8%	£271,144	2.9%	£213,580	4.1%	1.5%	£216,714	3.8%
Yorkshire & The Humber	£254,020	2.8%	£255,163	2.9%	£206,653	3.8%	0.7%	£203,110	0.2%
East Midlands	£290,270	1.3%	£284,748	-0.3%	£231,745	-0.2%	-0.4%	£242,132	1.1%
West Midlands	£295,478	1.2%	£306,802	1.6%	£242,873	1.4%	0.5%	£246,292	2.0%
South West	£394,837	-0.3%	£382,175	-0.9%	£301,139	-1.5%	-0.9%	£317,911	1.8%
East	£420,192	-1.4%	£394,911	-1.5%	£270,597	-1.8%	-1.4%	£335,448	0.4%
South East	£495,505	0.0%	£448,316	-0.4%	£331,995	-1.1%	-1.0%	£375,067	-0.4%
London	£695,079	1.4%	£543,866	-0.1%	£525,248	1.6%	-0.4%	£501,880	-3.9%

Commentary on the regional performance by indices is below:

[Home.co.uk](#)

“The North West remains the regional property market growth leader with a year-on-year gain of 3.8%, while the East of England is now the worst performing region with a loss of -1.5% over the same period.”

[Zoopla](#)

“House prices continue to register annual price falls across southern England at a slowing rate. Prices continue to increase across the rest of the UK by up to 3.3% in Northern Ireland.”

[Nationwide](#)

Mixed picture amongst the regions in Q2 2024

“Our regional house price indices are produced quarterly, with data for Q2 (the three months to June) showing a mixed picture, with some regions seeing a modest pick up in growth, but others still recording annual price declines.

“Northern Ireland remained the best performing area, with prices up 4.1% compared with Q2 2023. Across England overall, prices were up 0.6% compared with Q2 2023, while Wales and Scotland both saw a 1.4% year-on-year rise. Northern England (comprising North, North West, Yorkshire & The Humber, East Midlands and West Midlands), continued to outperform southern England, with prices up 2.4% year-on-year.

“Meanwhile, southern England (South West, Outer South East, Outer Metropolitan, London and East Anglia) saw a 0.3% year-on-year fall (the same as last quarter). London remained the best performing southern region with annual price growth maintained at 1.6%. East Anglia was the weakest performing region, with prices down 1.8% year-on-year.”

[Halifax](#)

“In England, the steepest rate of house price inflation is found in the North West, up by +3.8% over the last year, now standing at £231,351.

“Eastern England was the only region or nation across the UK to register a decline in house prices over the last year, where they now average £328,747, down -0.9% in June on an annual basis.

“London continues to have the most expensive property prices in the UK, now averaging £536,306, up (+0.9%) compared to last year.”

City tracker – what’s happening in the last month according to the indices?

At city level, we have two main sources of data: Hometrack which is around six weeks into the home buying and selling process and the Land Registry data which is anything from a few months to six months or more out of date.

As much as the media talk about national and country averages, this data misses the most important information: what’s happening at city level and below.

For country and regional property price averages, we are seeing a few small percentage falls or rises. However at city level the ranges are a lot more stark, with Glasgow topping the charts in price growth of 7.7% while in Brighton and Hove they have fallen by 4.1% (although this data is several months behind the likes of Hometrack).

Topping the price growth charts according to Land Registry and Hometrack:-

Land Registry's top 5 performers:	YoY	Hometrack's top 5 performers:	YoY
Glasgow	7.7%	Belfast (Q1)	3.4%
Edinburgh	6.7%	Bradford	1.7%
Cambridge	5.2%	Manchester	1.6%
Gloucester	4.9%	Glasgow	1.3%
Belfast (Q1)	3.5%	Sheffield	1.3%

Lowest performers are:

Land Registry's lowest 5 performers:	YoY	Hometrack's lowest 5 performers:	YoY
Brighton and Hove	-4.1%	Norwich	-2.1%
London	-3.9%	Brighton and Hove	-1.6%
Lincoln	-3.1%	Bournemouth, Christchurch & Poole	-1.5%
Aberdeen	-2.8%	Milton Keynes	-1.4%
Norwich	-2.8%	Aberdeen	-1.3%

Out of the 30 cities we track via the Land Registry, since 2005, property prices have only risen above the average annual 3.8% inflation rate in five cities/towns. These include:

- Manchester
- Cambridge
- Bristol
- London
- Brighton and Hove

With the exception of Edinburgh, where prices have risen at the same rate as inflation over time, the remaining towns and cities we track actually show that property prices, in many areas, have risen at less than inflation.

The following towns and cities price growth ‘on average’ are performing below inflation:

- Newcastle upon Tyne
- Aberdeen
- Belfast
- Southampton
- Liverpool

Property Prices Towns/Cities <i>England, Wales, Scotland & NI</i>	Highest average house price pre-credit crunch 2007/08	Market low +/- versus market height	Land Registry latest data Apr 24/Q1 24	Land Registry Year on year change in price Apr 24/Q1 24	Annual average increase since 2005	Hometrack latest data May-24	Hometrack Year on year change in price May-24
Belfast (Q1)	£213,626	-58.9%	£164,101	3.5%	2.4%	£173,900	3.4%
Glasgow	£130,473	-26.3%	£173,774	7.7%	3.2%	£148,200	1.3%
Edinburgh	£225,750	-18.9%	£328,499	6.7%	3.8%	£272,400	0.2%
Aberdeen	£171,220	-14.4%	£125,671	-2.8%	2.0%	£137,400	-1.3%
Cardiff	£170,496	-18.1%	£259,370	-1.6%	3.0%	£254,900	1.2%
Newcastle upon Tyne	£164,935	-19.3%	£192,664	3.3%	1.8%	£154,100	1.2%
Bradford	£139,640	-20.4%	£172,995	2.8%	3.0%	£157,700	1.7%
Liverpool	£130,249	-20.4%	£174,690	0.5%	2.7%	£159,000	1.2%
Leeds	£161,439	-19.4%	£233,737	1.7%	3.0%	£208,500	0.9%
Sheffield	£144,875	-17.0%	£213,543	2.3%	3.3%	£172,200	1.3%
Manchester	£140,431	-20.5%	£234,320	1.3%	5.0%	£224,500	1.6%
Lincoln	£128,707	-17.6%	£181,856	-3.1%	2.9%	n/a	n/a
Nottingham	£119,010	-21.3%	£193,614	-1.4%	3.0%	£201,600	-0.2%
Norwich	£166,498	-25.7%	£238,073	-2.8%	3.3%	£260,900	-2.1%
Peterborough	£156,264	-20.8%	£242,609	1.1%	3.2%	£217,200	-1.1%
Birmingham	£148,578	-17.4%	£228,083	-1.5%	2.9%	£209,300	1.1%
Leicester	£135,317	-18.7%	£229,483	-0.2%	3.6%	£224,900	-0.5%
Milton Keynes	£194,666	-24.1%	£309,541	0.9%	3.6%	£308,000	-1.4%
Gloucester	£169,008	-23.6%	£264,054	4.9%	3.3%	£229,800	-0.3%
Oxford	£289,855	-23.0%	£446,424	-2.0%	3.5%	£448,500	-0.9%
Cambridge	£283,241	-20.7%	£494,294	5.2%	4.4%	£467,200	-0.9%
Bournemouth, Christchurch & Poole	£206,227	-20.5%	£333,102	1.1%	3.3%	£331,700	-1.5%
Southampton	£168,795	-20.2%	£239,806	-1.0%	2.6%	£257,600	-0.3%
Portsmouth	£169,633	-22.9%	£249,707	-1.7%	3.0%	£279,100	-1.2%
Brighton and Hove	£257,108	-21.4%	£421,946	-4.1%	4.0%	£398,900	-1.6%
Reading	£216,724	-18.8%	£325,332	-2.5%	3.3%	£405,100	-0.2%
Croydon	£248,005	-19.6%	£398,216	-0.7%	3.5%	n/a	n/a
Tunbridge Wells	£279,413	-22.2%	£454,002	2.6%	3.6%	n/a	n/a
Bristol	£195,196	-21.3%	£347,174	1.5%	4.4%	£337,200	-0.2%
London	£298,596	-17.8%	£501,880	-3.9%	4.1%	£535,700	-0.4%

Appendix: City/town property indices price tracking

For city/town tracking, we use Land Registry (government data) and Zoopla/Hometrack. The Land Registry data is useful because we can analyse how property prices have changed over time and this helps us to put today's price information into context.

The Zoopla/Hometrack data is useful as they take into account the change in mix of property transactions during the pandemic to houses away from flats. This has meant the likes of the Land Registry and other indices have over exaggerated price changes year on year.

What's happening to supply and demand?

The news on supply and demand is good – for both. As is the news that sales agreed is better than last year and even heading towards pre-Covid levels.

Some great data from TwentyCi shows how incredibly hard the job of any services involved in buying and selling is. The charts below show how much sales fell in the first quarter of 2023 compared to the 'recovery' in the same quarter in 2024.

	Quarter 1				Quarter 1		
	2022	2023	Change		2023	2024	Change
Channel Islands	212	210	-1%	Channel Islands	210	227	8%
East Midlands	25099	19276	-23%	East Midlands	19276	22337	16%
East of England	36100	26949	-25%	East of England	26949	31544	17%
Inner London	20014	15464	-23%	Inner London	15464	18721	21%
Isle of Man	231	389	68%	Isle of Man	389	491	26%
North East	12968	10771	-17%	North East	10771	12155	13%
North West	36293	29842	-18%	North West	29842	34501	16%
Northern Ireland	6674	5744	-14%	Northern Ireland	5744	6288	9%
Outer London	14464	10913	-25%	Outer London	10913	12822	17%
Scotland	20433	20417	0%	Scotland	20417	22466	10%
South East	52951	40533	-23%	South East	40533	47574	17%
South West	33486	26628	-20%	South West	26628	30293	14%
Wales	146001	1913	-18%	Wales	1913	13284	12%
West Midlands	26088	21403	-18%	West Midlands	21403	24849	16%
Yorkshire and The Humber	25159	20686	-18%	Yorkshire and The Humber	20686	23745	15%
TOTAL	324772	261138	-20%	TOTAL	261138	301298	15%

Source: [TwentyCi](#)

This data shows how super difficult it is to run a business around buying/selling homes, especially when it typically takes several years, if not more, to train the experts needed to help people move. It also shows how differently regions can perform – making it tough for some agents or other services in some areas to achieve targets if 'averages' are applied.

It's one of the issues in the property market that I don't think we always talk about as much as we should. Working out how we can work together to find ways of running a successful business, despite the fact that transactions and indeed value is pretty much out of our control.

Here's a summary of the latest supply and demand data from each of the indices:

[Rightmove](#)

"Over the last four weeks, the number of sales being agreed between buyers and sellers has remained stable at 6% above the same period last year, emphasising that those in the market are generally continuing with their plans despite the surprise General Election. Buyer demand, as measured by the number of people contacting estate agents about homes for sale, has also remained steady and is currently 5% higher than last year.

“However, one area of activity that does appear to have seen some impact from the election being called is the number of new sellers coming to market, mainly due to some hesitancy at the top end. In the last two weeks, the overall number of new sellers coming to market is just 1% higher than the same period a year ago. By contrast, during the two weeks prior, the number of new sellers deciding to come to market was a more robust 6% above 2023’s level, highlighting a slight drop off in new seller activity as news of the surprise election announcement caused some hesitancy.

This dip is most prominent in the top-end sector, covering the largest five-bedroom-plus properties and four-bedroom detached houses. The number of new sellers choosing to come to market in the last two weeks in this sector is 3% lower than the same period a year ago, compared with being 11% higher than 2023 in the previous two weeks.”

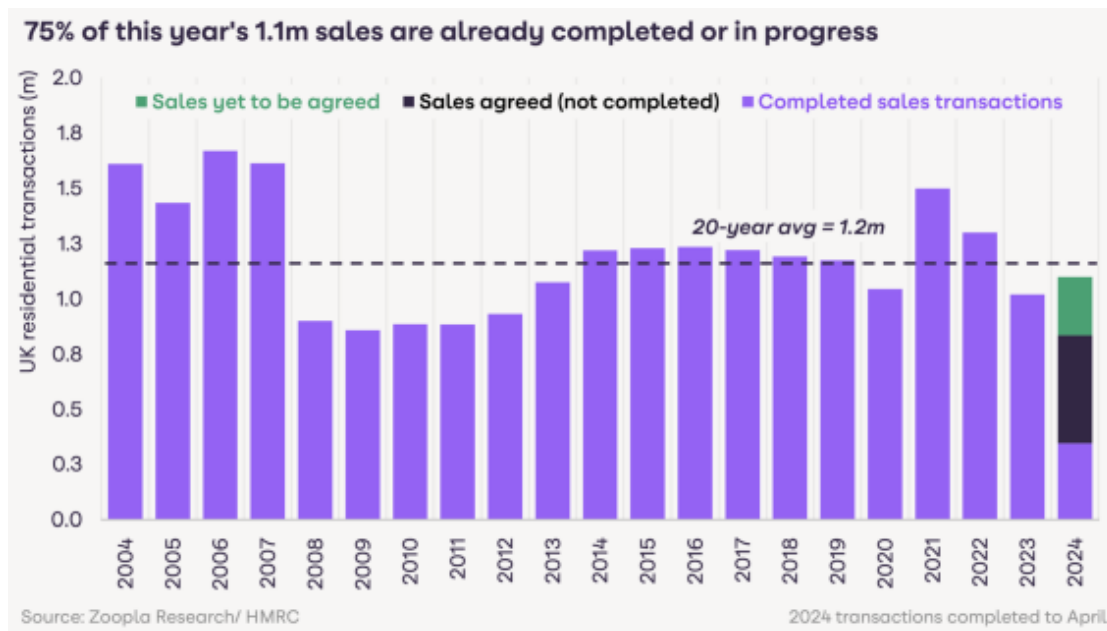
Zoopla

75% of this years’ sales are completed or in progress

“The 4-5 months between a sale being agreed and then completed means we have a good view into the sales pipeline for 2024. Our data shows the market is still on track for 1.1m sales this year.

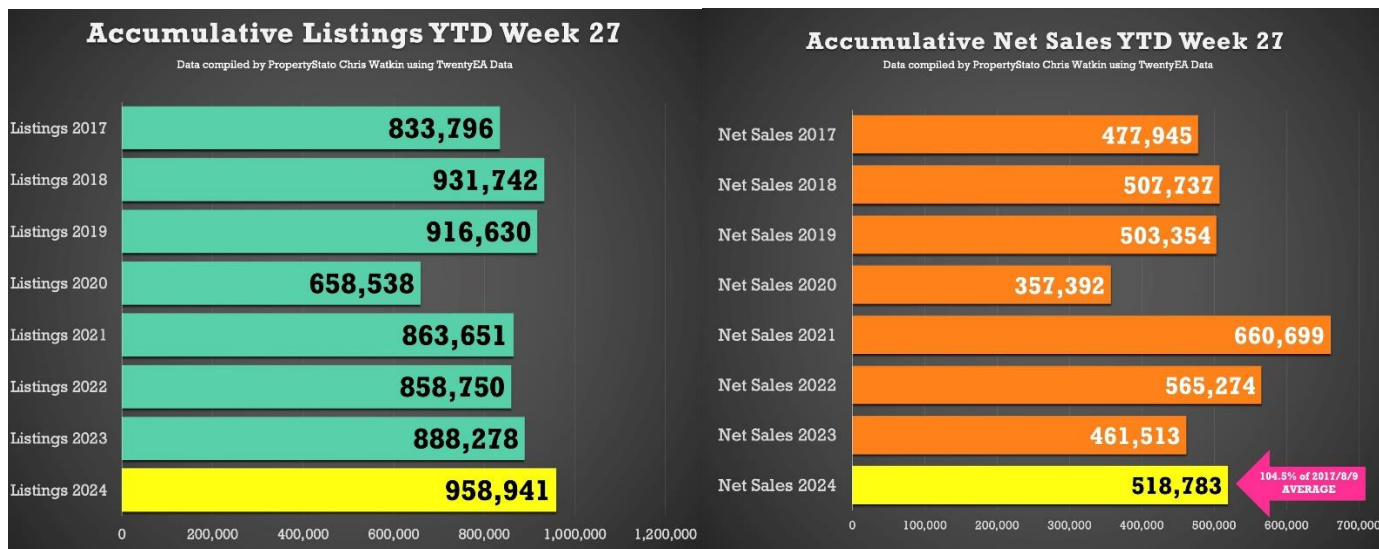
“Three quarters of these 1.1m expected sales have either been completed, or they have been agreed and are working their way toward a completion when the buyer gets the keys and can move in. There are still over a quarter of a million sales yet to be agreed that we expect to complete by the end of 2024.

“The 1.1m sales is 10% higher than 2023 but still below the 20-year average. It is positive that sales are rising despite higher borrowing costs and shows more realism on the part of sellers and renewed, cautious confidence amongst buyers.”



Latest transaction data from Chris Watkin and TwentyEA

The beauty of this data is that it is much more up to date than other indices, so reflects the current market more accurately. Having said that, the conclusion is pretty much the same as other indices: both listings and agreed sales area up and looking good versus pre-pandemic averages.



What are the current hottest and coldest postcodes?

At a more local level, The Advisory shows, by postcode which postcodes are hot and cold.

For example, in M18 (Manchester), 75% of the properties on the market are under offer, in contrast, WC2 and N1C (London) being the worst performers according to this index, with only 10% of properties on the market under offer.

Manchester, Bristol, Stockport and Sheffield are reported as having some of the busiest markets, while London, Liverpool, Birmingham and Padstow have some of the slower ones.

Top 10 hot markets - buyer demand Top 10 cold markets - buyer demand

Postcode	%	Jul 24	Postcode	%	Jul 24
M18	75	Manchester	WC2	10	London
BS5	73	Bristol	N1C	10	London
SK3	72	Stockport	L2	11	Liverpool
S6	72	Sheffield	W1	11	London
BS3	71	Bristol	EC2	13	London
RG22	70	Basingstoke	B3	14	Birmingham
KT9	70	Chessington	L1	15	Liverpool
GU18	70	Lightwater	PL28	15	Padstow
GU17	70	Camberley	SW1	16	London
BH17	70	Poole	W8	16	London

Source: [TheAdvisory](#)

To find out what the Propcast market is reporting about your local postcode visit: [House Selling Weather Forecast here.](#)

Where is the market going?

Hopefully with a new government in place, inflation appearing to be under control, utility prices starting to fall to more manageable levels, interest rates rumoured to be falling in August/September, the worst that world-wide events and economic curve balls can throw at the property market is hopefully over and we can start getting back to pre-pandemic norms.

What we are looking for is annual sales of around 1.2 million and property prices to rise at least in line with inflation. Predictions wise we still may have to wait until 2025/26 to achieve these norms, but we are at least, for now, heading in the right direction.

Here's a summary of the latest predictions from the indices and other forecasters:

Property Prices

Property price forecasts	Savills 2024 (May 24)	Knight Frank 2024 (May 24)	JLL 2024 (May 24)	Zoopla 2024 (Jun 24)
UK	2.5%	3.0%	2.0%	1.5%

Regional forecast variations range from 1% to 4% ([Savills](#) and [JLL](#)).

Transactions

Property transaction forecasts	Savills 2024 (May 24)	JLL 2024 (May 24)	Zoopla 2024 (Jun 24)
UK (Millions)	1.05	1.0	1.1

[Halifax's view](#)

"While in the short-term the housing market is delicately balanced and sensitive to the pace of change to Base Rate, based on our current expectations property prices are likely to rise modestly through the rest of this year and into 2025."

[e.surv](#)

"Going forward, in light of the Labour win, we should see further improvements in buyer sentiment as the government sets out to deliver on its manifesto pledges. These are ambitious and will take time but include creating a number of New Towns, rethinking the green belt, mandatory targets for Local Authorities, a Freedom to Buy Scheme, and a pledge to lower the stamp duty threshold for first-time buyers in April 2025."

"Also, we may now see action from the Bank of England on interest rates, given the improving inflation picture, which will improve affordability for buyers."

[Zoopla](#)

Interest rates hold the key

"Looking ahead, the near-term outlook for the sales market really depends on the outlook for mortgage rates which are a function of the outlook for interest rates. Any reductions in the base rate over the summer and into the autumn will deliver a boost to market sentiment and sales activity, even though the impact on fixed rate mortgages will likely be more muted."

“Based on city forecasts for base rates, we expect mortgage rates to remain in the 4-4.5% range going into 2025. This is sufficient to support sales volumes and low, single digit levels of house price inflation. House prices in the south of England are expected to continue to under-perform the UK average as they realign with incomes. Real income growth is the key to supporting sales and demand into 2025.”