

The market is gathering momentum

- Prices still negative but market is turning
- Activity will be boosted by Stamp Duty changes in England
- Southern England yet to flourish

House Price	Index*	Monthly Change %	Annual Change %	Annual % (excluding London and the SE)
£357,365	363.9	0.2	-2.0	-1.2

Richard Sexton, Director at e.surv, comments:

“Our data shows house prices in England and Wales closed the year at £357,400, representing a modest month-on-month increase of 0.2%. While values remain approximately 2% lower than a year ago and 6% below their late-2022 peak, the broader picture is one of a market exceeding expectations in terms of activity, mortgage lending, and transaction volumes.

“This year-end performance reflects the stabilising effects of improving consumer confidence and a market that has adjusted to economic challenges. The Chancellor’s announcement on Stamp Duty changes is anticipated to drive a busier start to 2025, as buyers bring forward purchases to avoid the additional SDLT charges from April. However, regional disparities continue to shape the overall picture. Annual price falls for England and Wales stands at -2.0%, but when London and the South East are excluded, the decline narrows to -1.2%, highlighting contrasting regional market dynamics.

“Looking ahead, attention will turn to the government’s forthcoming long-term housing plan, which is expected to address affordability challenges and increase housing supply. While the advent of new stock is still some way off, the very clear direction of travel will give buyers cause for optimism in the longer run.

“The housing market in 2024 demonstrated its resilience, and there is cautious optimism for further stability and growth in the year ahead.”

The housing market in December

The average sale price of a home in England and Wales nudged a little higher in December – moving up by just over £600 or 0.2% to £357,400.

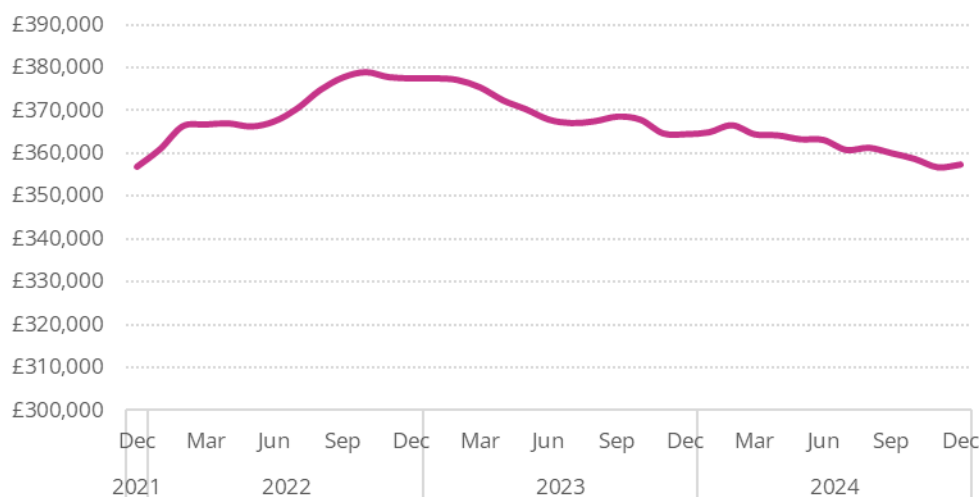
Despite moving within fairly narrow tramlines over the course of 2024, average prices in December are still about 2% lower than a year ago and on a par with end-2021 values. This contrasts with the more positive reporting from other sources, perhaps reflecting the fact that our figures are based on cash as well as mortgage metrics, in other words a much more rounded perspective on the market. Prices are more than £21,000 (nearly 6%) below the previous peak reached in late 2022, according to Acadata figures.

Table 1. Average House Prices in England and Wales for the year to December 2024

Month	Year	Property Price	Index	Monthly % change	Annual % change
Dec	2023	£364,486	371.1	0.0	-3.5
Jan	2024	£364,924	371.6	0.1	-3.3
Feb	2024	£366,575	373.3	0.5	-2.8
Mar	2024	£364,442	371.1	-0.6	-2.9
Apr	2024	£364,209	370.9	-0.1	-2.2
May	2024	£363,295	369.9	-0.3	-1.9
Jun	2024	£363,145	369.8	0.0	-1.3
Jul	2024	£360,796	367.4	-0.6	-1.7
Aug	2024	£361,295	367.9	0.1	-1.7
Sep	2024	£360,009	366.6	-0.4	-2.3
Oct	2024	£358,673	365.2	-0.4	-2.5
Nov	2024	£356,730	363.3	-0.5	-2.2
Dec	2024	£357,365	363.9	0.2	-2.0

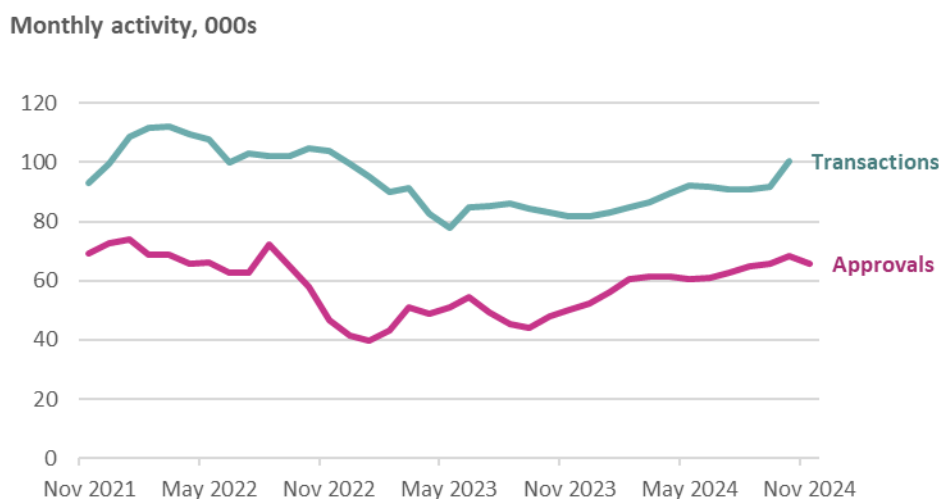
Figure 1. Prices move within narrow parameters

E&W prices, last 3 years



Although not yet underpinning stronger price metrics, housing market activity levels have been on a strengthening trajectory through much of 2024 – see Figure 2. Bank of England figures show mortgage approvals dipping by 2,400 to 65,700 in November. Although only a slight dip (and approvals still being nearly a third higher than a year ago), some market commentators have interpreted this as a reaction to the more sombre economic assessments for the UK following the Autumn Budget.

Figure 2. November's hiccough in an otherwise improving outlook



Consumer confidence, though still negative is slowly edging upwards along with other signs of housing market activity such as enquiries, instructions and viewings. Indeed, what is very evident from all of the year-end commentary is that the housing market in 2024 outperformed expectations by a margin with the year-end outturn being higher than expected in terms of prices, mortgage lending and estimated property transactions.

Looking to 2025, expectations are generally more positive and of course the current market has been boosted by the Chancellor's announcement at the end of October that the temporary increases in thresholds for Stamp Duty (SDLT) put in place in 2022 would be removed at the end of March. This has resulted in many households bringing forward their purchases to avoid the extra SDLT charge. Based on previous evidence of such moves, the market will be more busy in the run up to 1st April after which it will be quieter than usual for a period of months. Wales has a slightly different regime and there, higher rates of land transaction tax announced in December may be made permanent. This will impact on the second homes market and may ease some affordability pressures.

Back in England the long term housing plan is due to be announced probably alongside the spending review in the middle of the year. This will set out the government's intended policy support towards home ownership alongside its continuing focus on boosting social housing provision.

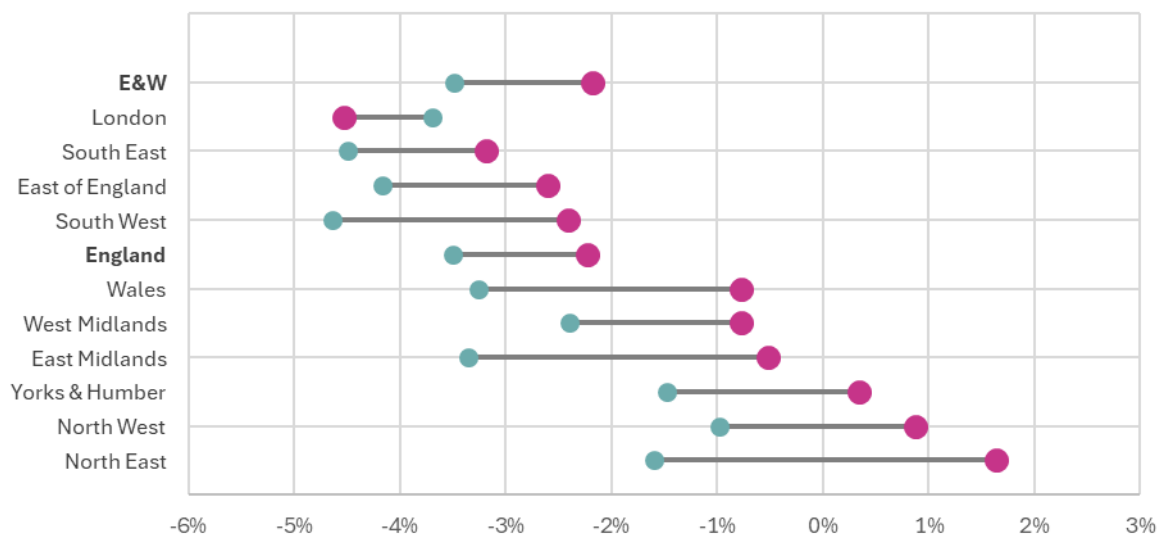
The English Regions and Wales

Table 2. Average Prices in the English regions and Wales, November 2024

Geography	Nov 2023	Oct 2024	Nov 2024	Monthly % chg	Annual % chg
East Midlands	£275,258	£271,894	£273,841	0.7%	-0.5%
East of England	£396,340	£385,935	£386,034	0.0%	-2.6%
London	£698,405	£670,158	£666,731	-0.5%	-4.5%
North East	£195,520	£197,610	£198,733	0.6%	1.6%
North West	£251,691	£252,136	£253,902	0.7%	0.9%
South East	£458,243	£455,464	£443,620	-2.6%	-3.2%
South West	£363,442	£354,226	£354,696	0.1%	-2.4%
West Midlands	£284,327	£283,196	£282,123	-0.4%	-0.8%
Yorkshire and The Humber	£244,176	£245,163	£244,996	-0.1%	0.3%
England	£371,319	£365,158	£363,058	-0.6%	-2.2%
Wales	£241,320	£238,484	£239,445	0.4%	-0.8%
E&W	£364,664	£358,673	£356,730	-0.5%	-2.2%

House prices in England and Wales continue to be rather subdued compared with Scotland and Northern Ireland.

Figure 3. Comparing year-on-year price changes in **November 2023** and **November 2024**
Northern England leads the recovery



Note: Figures are calculated on a rolling three-month basis centred on the middle month, compared with year-earlier periods.

Figure 3 looks at how annual rates of house price inflation in late 2024 compared with a year ago on a regional and country basis.

While market conditions have shown signs of strengthening across most of England and Wales, according to our figures, there are still clear geographic differences. Only northern England was **actually** in positive territory in November 2024. For the same period, middle England and Wales were in limbo, whilst the regions of southern England continued to see annual prices retreating (if more slowly than a year earlier). The more subdued nature of southern markets probably reflects the more intense affordability pressures and the greater reliance on and sensitivity to the costs of mortgage finance.

Whatever the underlying reasons, weaker prices in southern England and not least in London are a key reason for the overall weakness in our headline England and Wales figures.

The headline 2.0% year-on-year decrease in house prices seen across England and Wales in **December** would shrink to 1.2% if we exclude London and the South East. While London has been the most significant drag on the market for some while, the dampening effect from the South East, South West and East of England combined is somewhat larger in aggregate.

About the e.surv Acadata House Price Index

1. The e.surv Acadata House Price Index is produced by Acadata, a consultancy specialising in house price data.
2. The index is based on the **actual** prices at which residential properties in England and Wales are transacted, including prices for properties bought with cash. Based upon HM Land Registry reporting, such data typically represents the vast majority of all relevant transactions. As such, our figures stand out from those based on mortgage-based sales only, asking prices or prices based upon smaller samples.
3. The initial e.surv Acadata House Price Index for each month, employs an academic “index of indices” model, custom-built at Cambridge, to address smaller but still material sampling levels.
4. Our property prices and indices are calculated on a seasonal- and mix-adjusted basis. All e.surv Acadata House Price Index results are subject to change, for example when HM Land Registry publishes updated figures.
5. In June 2024 we made extensive one-off revisions to our entire dataset of Index figures so that they are now fully consistent with our published house price data. The cumulative nature of these revisions means that for April 2024 our revised Index figure is 6% higher than previously reported. Our methodology for estimating house prices has not changed.
6. Our indices reflect our best endeavours and are issued in good faith without any claim as to precision, accuracy or fitness for any purpose. They may not be used for commercial purposes without written permission from Acadata.
7. For longer time series of the data highlighted in this report and an interactive table comparing national and regional price metrics over time, please contact Acadata via its [website](#).

About e.surv Chartered Surveyors

e.surv is the UK’s largest valuation provider, directly employing over 600 residential surveyors across the UK, supported by a network of consultant valuers.

The business is appointed as Panel Manager for more than 20 mortgage lenders and other entities with interests in residential property, and also provides a number of private survey products direct to the home-buying public.

e.surv is part of [LSL Property Services](#) plc which includes household names Your Move, Reeds Rains and PRIMIS.

For further information, please visit our website: www.esurv.co.uk

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