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December 2025

UK house price growth ends 2025 on a softer note

- UK house price growth slowed to 0.6% in December, from 1.8% in November
- Northern Ireland best performing area for third year running, with prices up 9.7% in 2025
- East Anglia weakest performing region, with prices down 0.8% over the year

Headlines	Dec-25	Nov-25
Monthly Index*	543.0	545.2
Monthly Change*	-0.4%	0.3%
Annual Change	0.6%	1.8%
Average Price (not seasonally adjusted)	£271,068	£272,998

* Seasonally adjusted figure (note that monthly % changes are revised when seasonal adjustment factors are re-estimated)

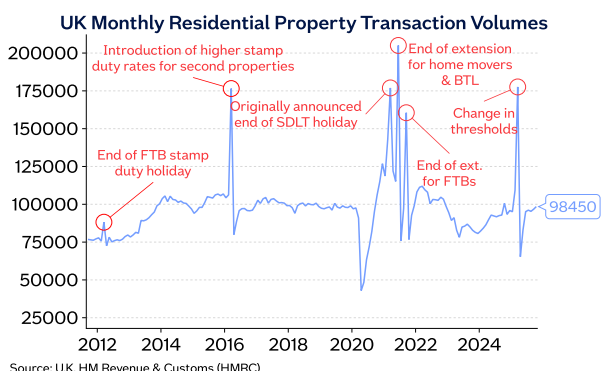
Commenting on the figures, Robert Gardner, Nationwide's Chief Economist, said:

"UK house prices ended 2025 on a softer note, with annual price growth slowing to 0.6%, from 1.8% in November, the slowest pace since April 2024. The high base for comparison can partly explain the slowdown (annual price growth was a solid 4.7% in December 2024), although prices fell by 0.4% month on month, after taking account of seasonal effects.

Looking back on 2025

"Despite the softer end to the year, the word that best describes the housing market in 2025 overall is 'resilient'. Even though consumer sentiment was relatively subdued, with households reluctant to spend and mortgage rates around three times their post pandemic lows, mortgage approvals remained near pre-Covid levels.

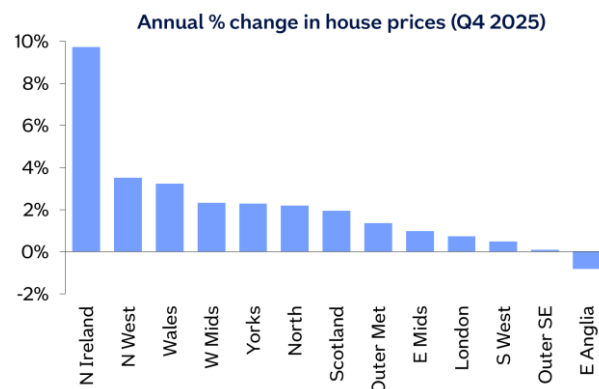
"Stamp duty changes that took effect at the beginning of April created volatility through the spring and summer. Activity spiked in March as purchasers brought forward transactions to avoid paying additional tax and this led to some softness in the following months. However, the underlying picture was little changed as demand held up well throughout.



"With price growth well below the rate of earnings growth and a steady decline in mortgage rates, affordability constraints eased somewhat, helping to underpin buyer demand. Indeed, the first-time buyer share of house purchase activity was above the long run average, supported by easier credit availability, with the share of high loan to value lending (i.e. with a deposit of 15% or less) reaching its highest level for over a decade.

Most regions saw modest house price growth

"Our regional house price indices are produced quarterly, with data for Q4 (the three months to December) indicating that most regions saw modest annual house price growth (see full table on page 4).



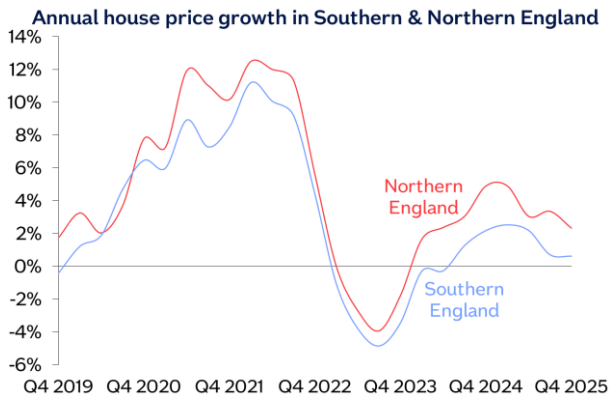
"The only region to see an annual decline was East Anglia, where prices fell by 0.8% (this was the first annual decline in a region since Q2 2024, which coincidentally was also East Anglia and a fall of 0.8%).

"At the other end of the spectrum, Northern Ireland continued to outpace the rest of the UK by a wide margin, with prices increasing by 9.7% over the year. This was more than five times faster than the 1.7% recorded in the UK as a whole (in Q4) and nearly three times higher than the 3.5% recorded in the next strongest region (North West). This strong performance mirrored that in the border regions of Ireland over the same period.

"Despite these significant price gains, house prices in Northern Ireland are still around 5% below the all-time high recorded in 2007, while UK prices are almost 50% higher over the same period. As a result, the price of a typical home in Northern Ireland is currently around 79% of the UK average price, while in 2007 it was around 25% higher.

"Scotland broadly matched the wider UK trend in 2025 with annual house price growth of 1.9%. Meanwhile, Wales saw a slight increase in annual house price growth to 3.2% and was the only other part of the UK, apart from Northern Ireland, to see stronger house price growth in 2025 than in 2024.

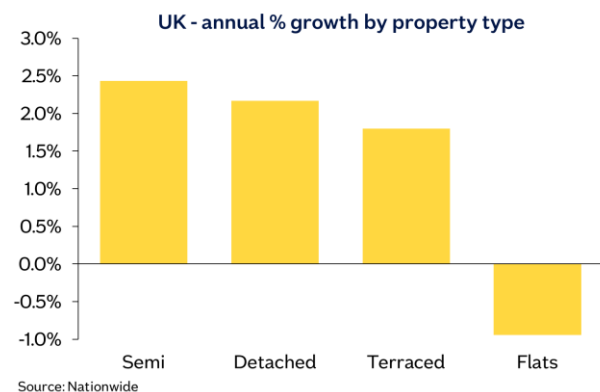
“England saw a further slowing in annual house price growth to 12%, from 1.6% in Q3. Average prices in Northern England (comprising North, North West, Yorkshire & The Humber, East Midlands and West Midlands) were up 2.3% year on year, with the North West (which includes areas such as Cheshire, Lancashire & Greater Manchester) the top performing region in England – with prices up 3.5% year on year.



“Average house price growth in Southern England (South West, Outer South East, Outer Metropolitan, London and East Anglia) was similar to last quarter at 0.6%. Annual price growth in London remained subdued, with prices rising by 0.7% in 2025, compared with a 2.0% rise in 2024. East Anglia was the weakest performing UK region and the only one to see an annual decline, with prices down 0.8%, compared with Q4 2024.

Flats continue to lag

“Our most recent data by property type shows that semi-detached properties saw the biggest percentage rise in prices during 2025, with average prices up 2.4% year on year.



“However, detached properties saw similar growth of 2.2%, with terraced only marginally weaker at 1.8%. However, flats saw a small year-on-year decline of 0.9%.

“Flats have seen noticeably weaker growth than other property types in recent years. For example, over the last ten years, the price of a typical flat has increased by 18%, less than half of the rise in the price of terraced houses, which saw a 41% rise over the same period. This is partly a reflection of regional trends where London, which has a much greater proportion of flats, has underperformed the wider UK over the past decade.

“The underperformance of flats (and London more generally) may in part be a function of the change in demand seen during the pandemic. This resulted in a shift in preferences towards properties that offered more space and which has only partially unwound. In addition, the increased costs of maintenance, ground rents and service charges are also likely to have impacted buyer sentiment towards flats in recent years.

Where next in 2026?

“Looking ahead, we expect housing market activity to strengthen a little further as affordability improves gradually (as it has been in recent quarters) via income growth outpacing house price growth and a further modest decline in interest rates. We expect annual house price growth to be broadly in the 2% to 4% range next year.

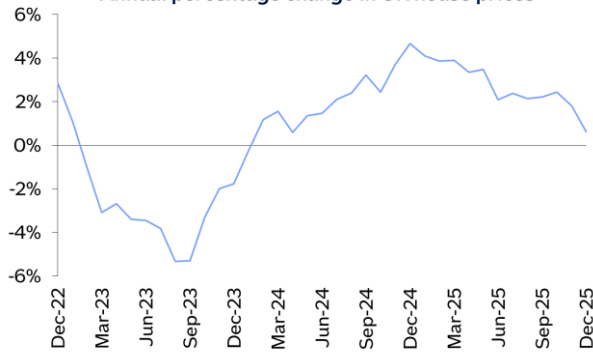
“The changes to property taxes announced in the Budget are unlikely to have a significant impact on the market. The high value council tax surcharge is not being introduced until April 2028 and will apply to less than 1% of properties in England and around 3% in London. The increase in taxes on income from properties may dampen buy-to-let activity further and hold down the supply of new rental properties coming onto the market, which could, in turn, maintain some upward pressure on private rental growth.”

Monthly UK House Price Statistics

	Monthly % Change Seasonally Adjusted	3 month on 3 month % Change	Annual % Change	Average Price
Dec-23	-0.1	0.4	-1.8	257,443
Jan-24	0.7	0.5	-0.2	257,656
Feb-24	0.6	0.7	1.2	260,420
Mar-24	-0.1	0.9	1.6	261,142
Apr-24	-0.1	0.9	0.6	261,962
May-24	0.4	0.5	1.3	264,249
Jun-24	0.4	0.4	1.5	266,064
Jul-24	0.4	0.7	2.1	266,334
Aug-24	0.0	0.9	2.4	265,375
Sep-24	0.5	1.0	3.2	266,094
Oct-24	0.0	0.7	2.4	265,738
Nov-24	1.0	1.0	3.7	268,144
Dec-24	0.8	1.3	4.7	269,426
Jan-25	0.1	1.7	4.1	268,213
Feb-25	0.3	1.6	3.9	270,493
Mar-25	-0.0	1.2	3.9	271,316
Apr-25	-0.6	0.5	3.4	270,752
May-25	0.5	0.0	3.5	273,427
Jun-25	-0.9	-0.4	2.1	271,619
Jul-25	0.6	-0.3	2.4	272,664
Aug-25	-0.1	-0.4	2.1	271,079
Sep-25	0.5	0.3	2.2	271,995
Oct-25	0.2	0.4	2.4	272,226
Nov-25	0.3	0.9	1.8	272,998
Dec-25	-0.4	0.5	0.6	271,068

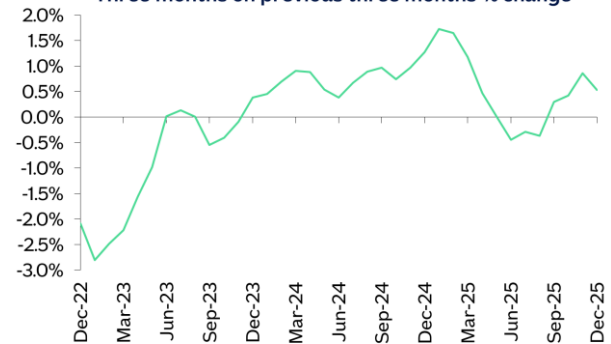
Note that monthly % changes are revised when seasonal adjustment factors are re-estimated.

Annual percentage change in UK house prices



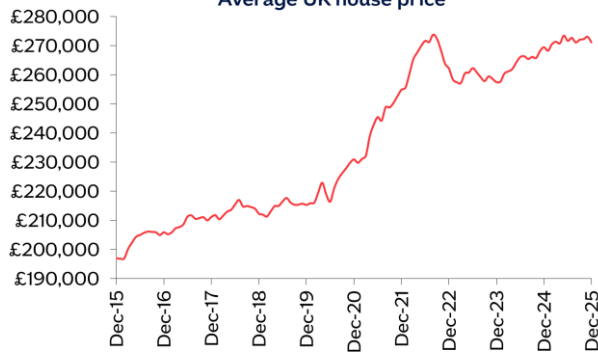
Source: Nationwide

Three months on previous three months % change



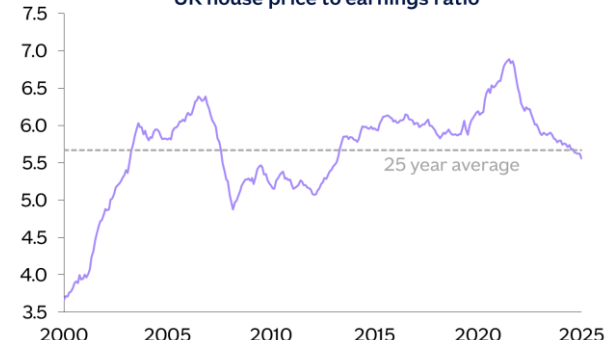
Source: Nationwide

Average UK house price



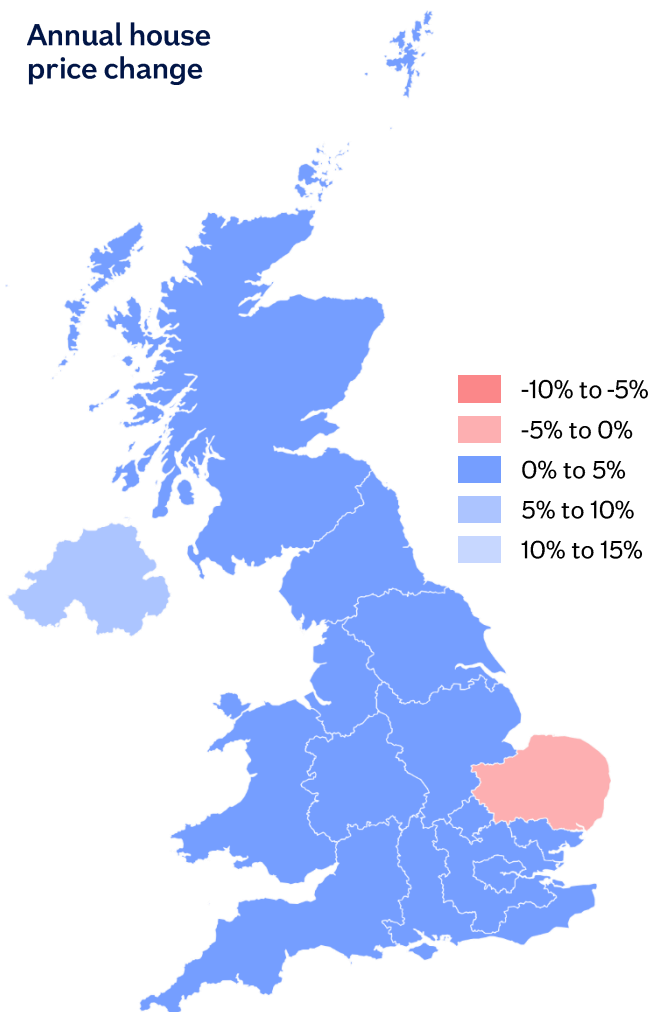
Source: Nationwide

UK house price to earnings ratio



Source: Nationwide, ONS

Annual house price change



Quarterly Regional House Price Statistics

Q4 2025

Please note that these figures are for the three months to December, therefore will show a different UK average price and annual percentage change to our monthly house price statistics.

Regions over the last 12 months

Region	Average price (Q4 2025)	Annual % chg this quarter	Annual % chg last quarter
N Ireland	£216,919	9.7%	9.6%
North West	£225,665	3.5%	3.2%
Wales	£213,894	3.2%	3.0%
West Midlands	£250,865	2.3%	3.0%
Yorks & The H	£212,110	2.3%	3.8%
North	£168,317	2.2%	5.1%
Scotland	£190,649	1.9%	2.9%
Outer Met	£428,139	1.4%	1.0%
East Midlands	£238,183	1.0%	2.7%
London	£529,372	0.7%	0.6%
South West	£308,228	0.5%	0.9%
Outer S East	£336,561	0.1%	0.3%
East Anglia	£269,912	-0.8%	1.1%
UK	£273,077	1.7%	2.3%

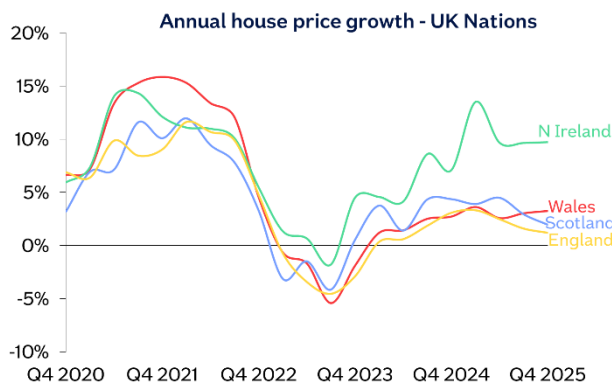
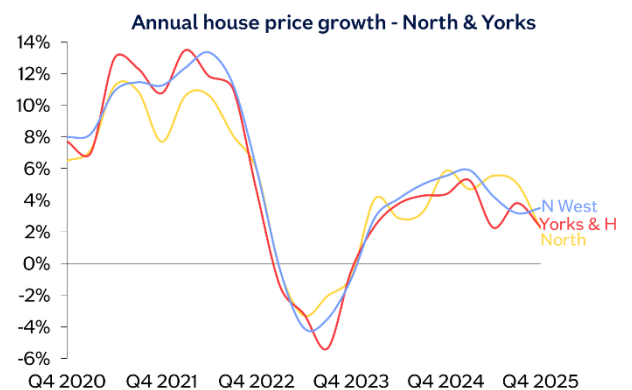
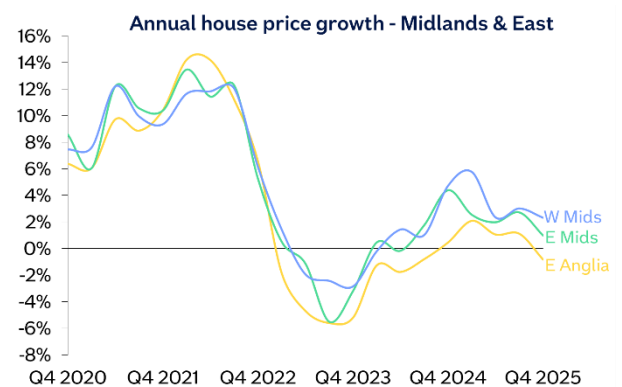
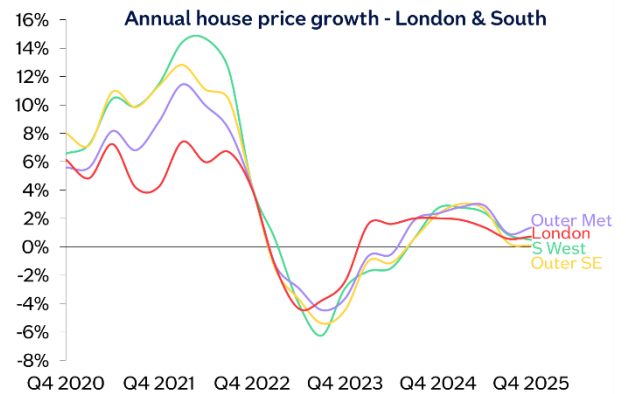
See page 5 for definitions of English regions

UK Fact File (Q4 2025)

Quarterly average UK house price	£273,077
Annual percentage change	1.7%
Quarterly change (seasonally adj.)	0.7%
Most expensive region	London
Least expensive region	North
Strongest annual price change	N Ireland
Weakest annual price change	East Anglia

Nations summary table

Nations	Average price (Q4 2025)	Annual % chg this quarter	Quarterly % chg
N Ireland	£216,919	9.7%	1.9%
Wales	£213,894	3.2%	1.0%
Scotland	£190,649	1.9%	0.5%
England	£310,005	1.2%	0.7%



English Region Definitions

East Anglia

Cambridgeshire (Cambridge, East Cambridgeshire, Fenland, Huntingdonshire, South Cambridgeshire), Norfolk (Breckland, Broadland, Great Yarmouth, King's Lynn & West Norfolk, North Norfolk, Norwich, South Norfolk), Peterborough, Suffolk (Babergh, East Suffolk, Ipswich, Mid Suffolk, West Suffolk)

East Midlands

Derby, Derbyshire (Amber Valley, Bolsover, Chesterfield, Derbyshire Dales, Erewash, High Peak, North East Derbyshire, South Derbyshire), Leicester, Leicestershire (Blaby, Charnwood, Harborough, Hinckley & Bosworth, Melton, North West Leicestershire, Oadby & Wigston), Lincolnshire (Boston, East Lindsey, Lincoln, North Kesteven, South Holland, South Kesteven, West Lindsey), North Northamptonshire, Nottingham, Nottinghamshire (Ashfield, Bassetlaw, Broxtowe, Gedling, Mansfield, Newark & Sherwood, Rushcliffe), Rutland, West Northamptonshire

London

Barking & Dagenham, Barnet, Bexley, Brent, Bromley, Camden, City of London, Croydon, Ealing, Enfield, Greenwich, Hackney, Hammersmith & Fulham, Haringey, Harrow, Havering, Hillingdon, Hounslow, Islington, Kensington & Chelsea, Kingston upon Thames, Lambeth, Lewisham, Merton, Newham, Redbridge, Richmond upon Thames, Southwark, Sutton, Tower Hamlets, Waltham Forest, Wandsworth, Westminster

North

County Durham, Cumberland, Darlington, Gateshead, Hartlepool, Middlesbrough, Newcastle upon Tyne, North Tyneside, Northumberland, Redcar & Cleveland, South Tyneside, Stockton-on-Tees, Sunderland, Westmorland & Furness

North West

Blackburn with Darwen, Blackpool, Bolton, Bury, Cheshire East, Chester West & Chester, Halton, Knowsley, Lancashire (Burnley, Chorley, Fylde, Hyndburn, Lancaster, Pendle, Preston, Ribble Valley, Rossendale, South Ribble, West Lancashire, Wyre), Liverpool, Manchester, Oldham, Rochdale, Salford, Sefton, St. Helens, Stockport, Tameside, Trafford, Warrington, Wigan, Wirral

Outer Metropolitan

Basildon, Bracknell Forest, Brentwood, Buckinghamshire, Castle Point, Chelmsford, Crawley, Dartford, Epping Forest, Gravesham, Harlow, Hart, Hertfordshire (Broxbourne, Dacorum, East Hertfordshire, Hertsmeare, North Hertfordshire, St Albans, Stevenage, Three Rivers, Watford, Welwyn Hatfield), Horsham, Luton, Maidstone, Medway, Mid Sussex, Reading, Rochford, Rushmoor, Sevenoaks, Slough, Southend-on-Sea, Surrey (Elmbridge, Epsom & Ewell, Guildford, Mole Valley, Reigate & Banstead, Runnymede, Spelthorne, Surrey Heath, Tandridge, Waverley, Woking), Thurrock, Tonbridge & Malling, Tunbridge Wells, Windsor & Maidenhead, Wokingham

Outer South East

Adur, Arun, Ashford, Basingstoke & Deane, Bedford, Braintree, Brighton & Hove, Canterbury, Central Bedfordshire, Chichester, Colchester, Dover, East Hampshire, Eastleigh, East Sussex (Eastbourne, Hastings, Lewes, Rother, Wealden), Fareham, Folkestone & Hythe, Gosport, Havant, Isle of Wight, Maldon, Milton Keynes, New Forest, Oxfordshire (Cherwell, Oxford, South Oxfordshire, Vale of White Horse, West Oxfordshire), Portsmouth, Southampton, Swale, Tendring, Test Valley, Thanet, Uttlesford, West Berkshire, West Oxfordshire, Winchester, Worthing

South West

Bath & North East Somerset, Bournemouth, Christchurch & Poole, Bristol, Cornwall, Dorset, Devon (East Devon, Exeter, Mid Devon, North Devon, South Hams, Teignbridge, Torridge, West Devon), Gloucestershire (Cheltenham, Cotswold, Forest of Dean, Gloucester, Stroud, Tewkesbury), Isles of Scilly, North Somerset, Plymouth, Somerset, South Gloucestershire, Swindon, Torbay, Wiltshire

West Midlands

Birmingham, Coventry, Dudley, Herefordshire, Sandwell, Shropshire, Solihull, Staffordshire (Cannock Chase, East Staffordshire, Lichfield, Newcastle-under-Lyme, South Staffordshire, Stafford, Staffordshire Moorlands, Tamworth), Stoke-on-Trent, Telford & Wrekin, Walsall, Warwickshire (North Warwickshire, Nuneaton & Bedworth, Rugby, Stratford-on-Avon, Warwick), Wolverhampton, Worcestershire (Bromsgrove, Malvern Hills, Redditch, Worcester, Wychavon, Wyre Forest)

Yorkshire & The Humber

Barnsley, Bradford, Calderdale, Doncaster, East Riding of Yorkshire, Kingston upon Hull, Kirklees, Leeds, North East Lincolnshire, North Lincolnshire, North Yorkshire, Rotherham, Sheffield, Wakefield, York

Notes

Indices and average prices are produced using Nationwide's updated mix adjusted House Price Methodology, which was introduced with effect from the first quarter of 1995. The data is drawn from Nationwide's house purchase mortgage lending at the post survey approvals stage. Price indices are seasonally adjusted using the US Bureau of the Census X12 method. Currently the calculations are based on a monthly data series starting from January 1991. Figures are recalculated each month which may result in revisions to historical data.

More information on the house price index methodology along with time series data and archives of housing research can be found at www.nationwidehousepriceindex.co.uk

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