

UK House Price Index

+1.5%

UK house price inflation
(May 2026)

+1%

Increase in sales agreed
versus a year ago

£10k

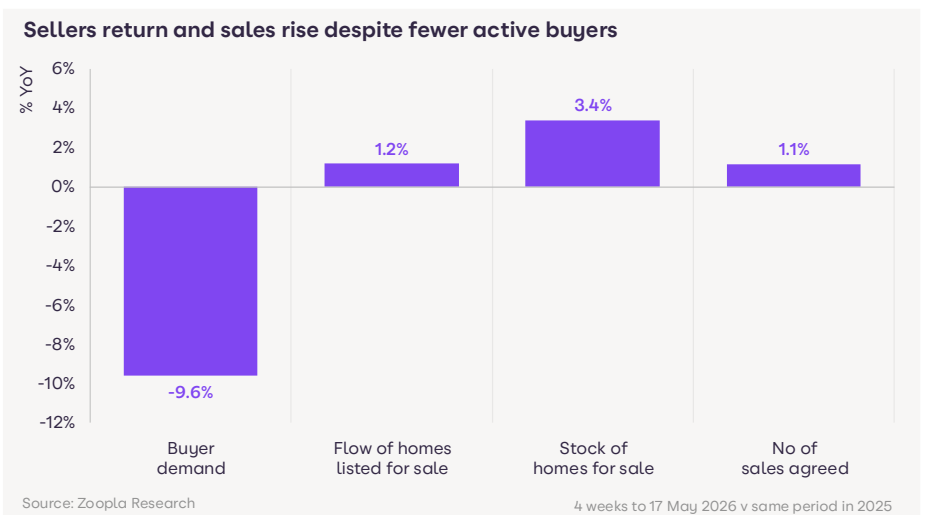
Increase in average price
of a first-time buyer home

Executive summary

- Sales agreed 1% ahead of last year despite buyer demand being down 10%, as committed home movers support sales
- There are 6% fewer first-time buyer enquiries - those active are targeting homes worth £10,000 more than last year (+4.3%)
- UK house price inflation edges higher to 1.5%
- House prices are flat to negative in London and southern regions and increasing by more than 3%+ across northern regions
- Housing market activity is holding up in the face of uncertainty, but with fewer buyers the outlook remains finely balanced
- Sellers should seek advice from an estate agent to help inform their home moving decisions as accurate pricing is essential

“First-time buyers are spending more and not compromising on what they want to buy. Sales are holding up despite fewer buyers in the market. For sellers, pricing correctly remains essential to achieving a sale in 2026.”

Richard Donnell
Executive Director



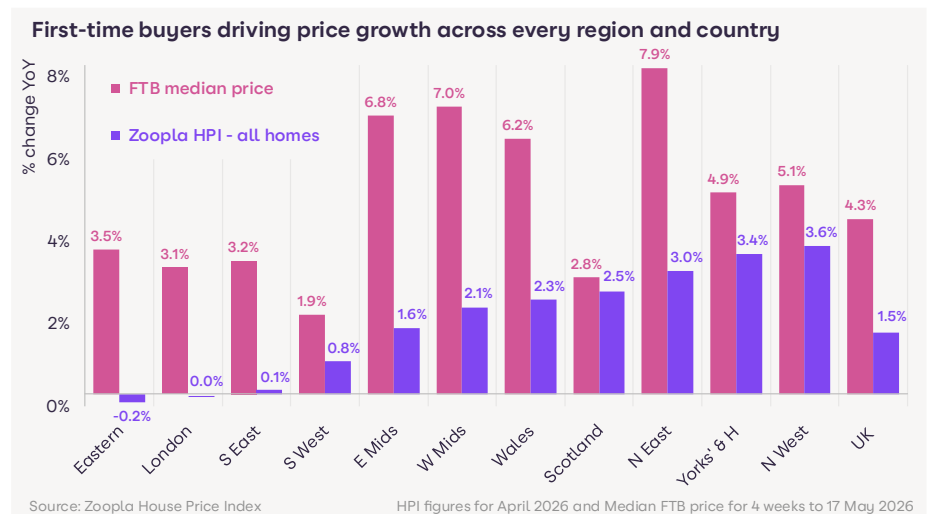
+4.3%

Change in average price of first-time buyer homes

First-time buyers: spending more, not settling for less

First-time buyers (FTBs) are targeting homes worth £10,000 more than a year ago, and they are not compromising on what they are buying. That is the key finding from our latest data. It explains why UK house price inflation has edged higher this month, despite a market where overall buyer demand is running 10% below last year¹. Sales agreed are 1% up on last year¹ as committed movers support sales.

Across the UK, FTBs are looking to buy homes priced at an average of £254,750². This is 4.3% higher than a year ago and nearly three times the headline rate of UK house price growth. Those in Scotland are seeking homes priced 8% higher than last year, and 7% higher in the West Midlands. In London, the average price of a FTB home is above £500,000 for the first time - with FTBs looking to pay £15,000 more than last year in a city where overall prices have not moved.



Fewer first-time buyers, same expectations

Our data shows FTBs are not compromising on what they buy. Outside London, over half (53%) are looking to buy a three-bed house, identical to last year. In London, the mix is also unchanged, with over half of FTB enquiries to agents and builders (53%) focused on flats.

Matching the national picture, higher borrowing costs have led some FTBs to delay moving decisions and FTB demand is 6% lower than last year. Those who remain active are not adjusting their expectations - they are holding out for the home they want and paying more to get it.

Despite the current uncertainty stemming from events in the Middle East, changes to mortgage affordability testing last year have made more homes accessible to FTBs. This is pushing up entry-level prices, and this is feeding through into higher house price inflation across the market. We expect that trend to continue in the months ahead. For anyone looking to buy their first home, the data suggests that waiting is unlikely to deliver lower prices or a better choice of homes.

¹ Four weeks to 17 May 2026 vs same period in 2025

² The first-time buyer data on average prices and price change is based on enquiries to estate agent and home builders in the 4 weeks to 17 May 2026 versus same period last year

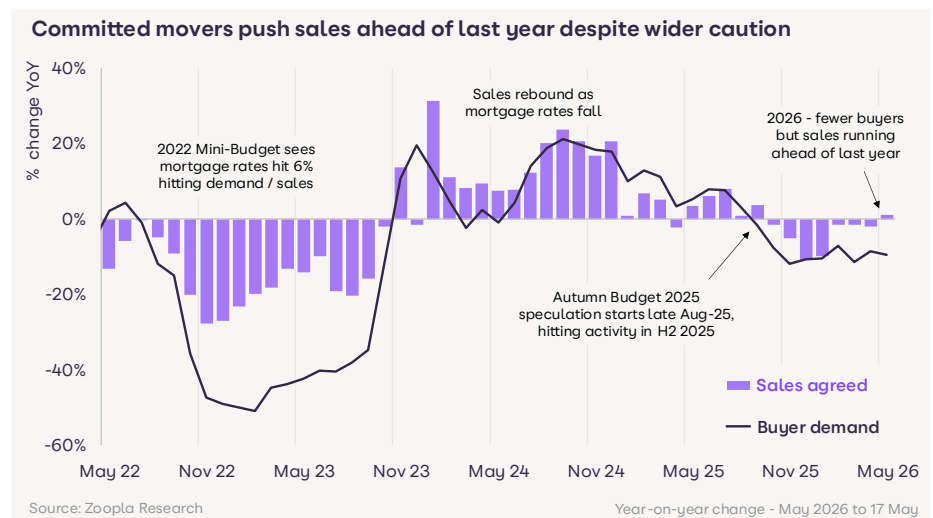
+8%

Sales agreed in London versus last year

One market, two very different stories

Sales agreed are running 1% higher than last year despite buyer demand being 10% lower. While browsers and those sensitive to higher borrowing costs have stepped back, buyers with a clear need to move have continued to make offers on homes, pushing sales higher.

This is not the first time buyer demand has declined while sales have held firm. It happened after the 2022 mini-budget and again in the run up to the Autumn Budget in 2025. On both occasions sales proved more resilient than changes in buyer demand. More homes coming to the market is giving buyers greater choice and suggests more households are pressing ahead despite increased uncertainty.



Prices rising - but not everywhere at the same pace

UK house prices are 1.5% higher than a year ago but this headline hides a market moving at very different speeds across the UK.

Across the North of England, Scotland and Wales prices are rising at 2% to 3.6%. These are more affordable markets where improved mortgage affordability has had the greatest impact on house prices.

In the North East, home sales are up 6% on last year despite buyer demand being 20% lower, the sharpest drop of any region. However there has been no increase in homes for sale, which means supply is being absorbed quickly - it explains above average price gains.

In London, sales agreed are up 8% on last year, the strongest of any region. This explains why house price inflation has stabilised after 6 consecutive months of modest price falls. However, with 13% more homes for sale than a year ago buyers still have plenty of choice and house price inflation is set to remain subdued.

For sellers in southern England pricing correctly is the difference between moving and not moving this year.

+3.4%

Change in UK homes listed for sale versus last year

Outlook for the second half of 2026

The housing market is holding up in the face of uncertainty and higher borrowing costs, though with fewer buyers than a year ago the outlook remains finely balanced.

The longer-term economic consequences of events in the Middle East on UK inflation, cost of living and mortgage rates are not clear and uncertainty remains looking into 2027. Average mortgage rates³ jumped from 4% at the start of the year to 5% in April. They have been drifting lower but look set to remain higher than the start of the year.

More sellers entering the market suggests households are pressing ahead despite the uncertain backdrop, which will support sales. House price inflation is set to hold steady at around 1.5%. Market conditions in the North will continue to be better than those in the South.

However, sales and prices could be affected if mortgage rates rise or economic uncertainty weighs further on consumer confidence.

The most important point is that uncertainty cuts both ways. National trends can only tell you so much when deciding on when to sell your home and how to price it. Local market conditions vary widely across the country and by property type - it's important to understand the value of your home and seek advice before deciding to act or wait.

What should you do - and what comes next

The decision to act or wait looks different depending on your position in the market.

First-time buyers: market conditions are better than they were 18 months ago. There is more choice of homes for sale, mortgage rates have fallen back in recent weeks and motivated sellers are negotiating. However, some FTBs are holding back with fewer active in the market. Speaking to a mortgage broker and understanding affordability is essential for FTBs as they plan their next move.

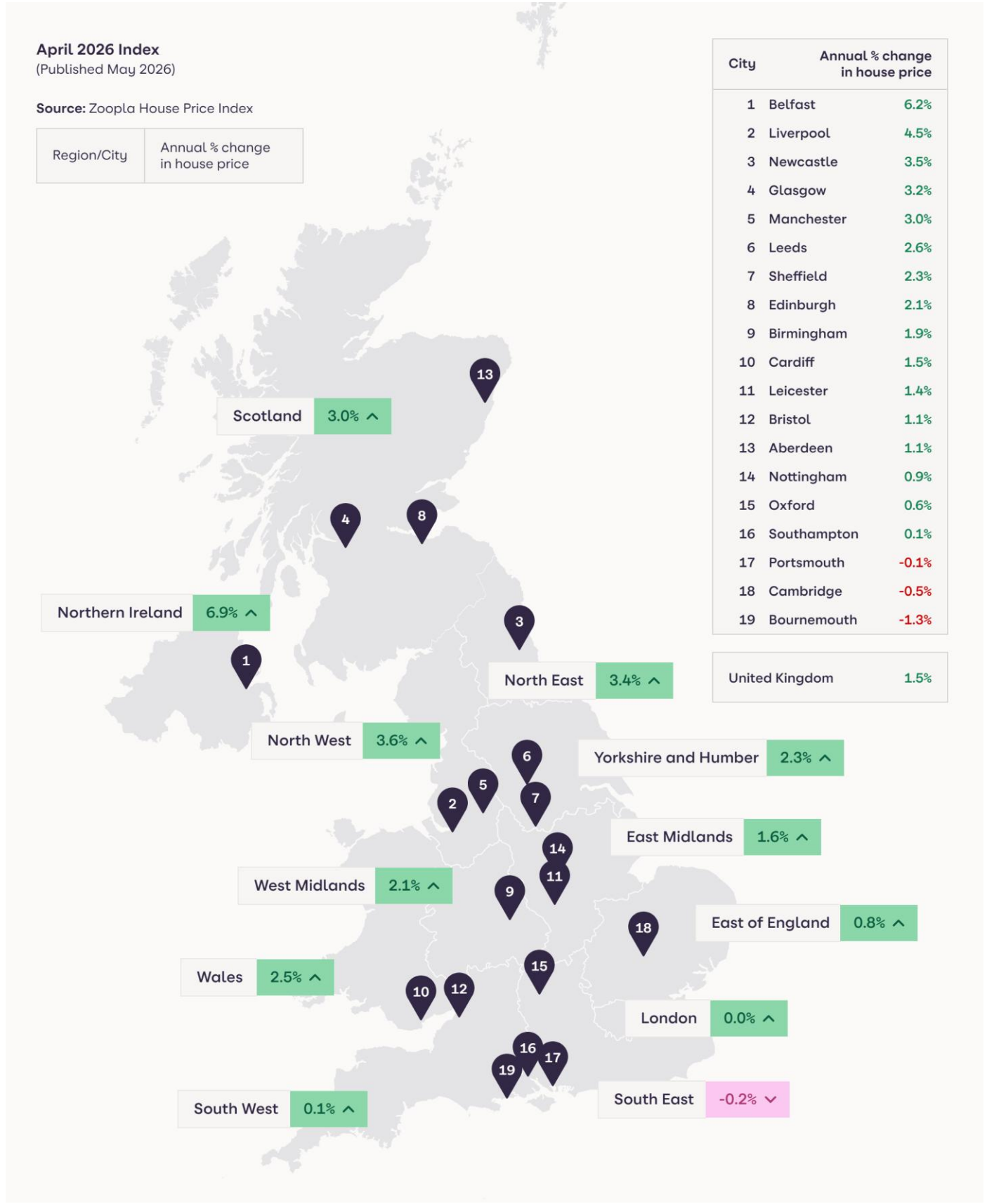
Home movers: well-priced homes are selling at the same speed as last year across most of the country but buyers continue to have a good choice of homes for sale across most markets. It is essential to speak to an agent to get accurate pricing advice before you make an offer on a new property or list your home.

Sellers in London and the South: buyers have more choice of homes for sale than a year ago and are taking longer to commit. Serious buyers are out there but they are more selective. Pricing realistically is the key to attracting demand as overpriced homes sit on the market significantly longer and a price reduction later is more damaging than pricing correctly at the start.

³ Average mortgage rate for a 75% loan to value 5-year fixed rate loan - Bank of England, Bankstats

House Price Index - Country, region and city summary

Note: The Zoopla house price index is a repeat sales-based price index, using sold prices, mortgage valuations and data for agreed sales. The index uses more input data than any other and is designed to accurately track the change in pricing for UK housing.



Zoopla House Price Index, city summary, April 2026 index

Sparklines show last 12 months trend in annual and monthly growth rates - red bars are a negative value - each series has its own axis settings providing a more granular view on price development.

	Average price	%YoY Apr-26	%YoY Apr-25	Monthly trend	Annual trend
UK	£271,900	1.5%	1.6%		
20 City Composite	£311,800	1.1%	1.6%		
Belfast	£198,500	6.2%	8.3%		
Liverpool	£169,700	4.5%	3.3%		
Newcastle	£163,900	3.5%	2.6%		
Glasgow	£165,000	3.2%	4.2%		
Manchester	£238,500	3.0%	2.7%		
Leeds	£216,700	2.6%	2.0%		
Sheffield	£178,100	2.3%	2.6%		
Edinburgh	£281,700	2.1%	1.7%		
Birmingham	£216,900	1.9%	2.1%		
Cardiff	£257,700	1.5%	1.5%		
Leicester	£229,300	1.4%	1.1%		
Aberdeen	£130,000	1.1%	-2.5%		
Bristol	£341,700	1.1%	2.1%		
Nottingham	£205,600	0.9%	1.3%		
Oxford	£450,000	0.6%	0.8%		
Southampton	£257,800	0.1%	0.8%		
London	£529,500	0.0%	0.4%		
Portsmouth	£276,000	-0.1%	0.9%		
Cambridge	£467,900	-0.5%	1.0%		
Bournemouth	£317,200	-1.3%	-0.4%		

Source: Zoopla House Price Index. Sparklines show last 12 months trend in annual and monthly growth rates – red bars are a negative value – each series has its own axis settings providing a more granular view on price development.

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