Research and Insight

July 2026

UK House Price Index

+1.3%

UK house price inflation (July 2026)

-9%

Change in sales agreed versus a year ago

30%

Homes listed for sale in Q2 still unsold and no price reduction

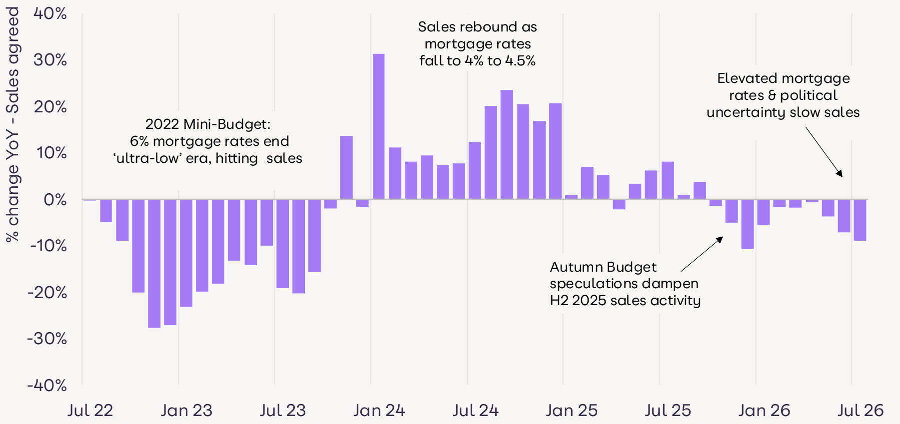
Executive summary

- Higher mortgage rates and political uncertainty have driven a sharper-than-usual summer slowdown - sales agreed are 9% lower in July
- House price inflation has slowed to 1.3%, from 1.7% a year ago
- The average UK home has gained £3,400 this year - from +£7,100 in the North West to -£3,270 in London
- The North East is the only region with more sales agreed (+4%)
- Sales agreed lower across 75% of country and higher in a quarter
- More homes for sale adds to negotiating power for buyers
- Zoopla expects a pick-up in activity from September, provided mortgage rates hold steady

“The gap between housing hotspots and cold spots is as wide as we've seen all year. Agents and developers who price to local conditions - not the national average - are best placed to convert the September pick-up into sales.”

Richard Donnell
Executive Director

Elevated mortgage rates and political uncertainty slow housing market activity



Source: Zoopla Research

Monthly averages - data to 19 July 2026

£7.1k

Average price gain for homes in the North West over last 12 months

Sales down 9% as mortgage rates tick back up

Elevated mortgage rates and political uncertainty have driven a sharper-than-usual summer slowdown this year. Sales agreed[1] are down 9% on last year and the weakest reading of 2026 so far as more buyers adopt a wait-and-see approach to buying a home.

Average mortgage rates eased from April's peak of close to 5% to around 4.65% in June[2], before ticking back up to around 4.75% in July as tensions in the Middle East pushed up wholesale funding costs.

Since January, rate rises have added roughly £125 a month[3] - £1,500 a year - to a typical mortgage, with July adding further to that cost. The impact is felt most in areas with higher home values, where the same rise adds a larger cash cost.

UK house price growth has slowed to 1.3% in June, down from 1.7% a year ago, but this masks a widening regional split. In cash terms, a typical home in the North West has gained £7,100, while a typical London home has lost £3,270 and the South East is down £1,480.

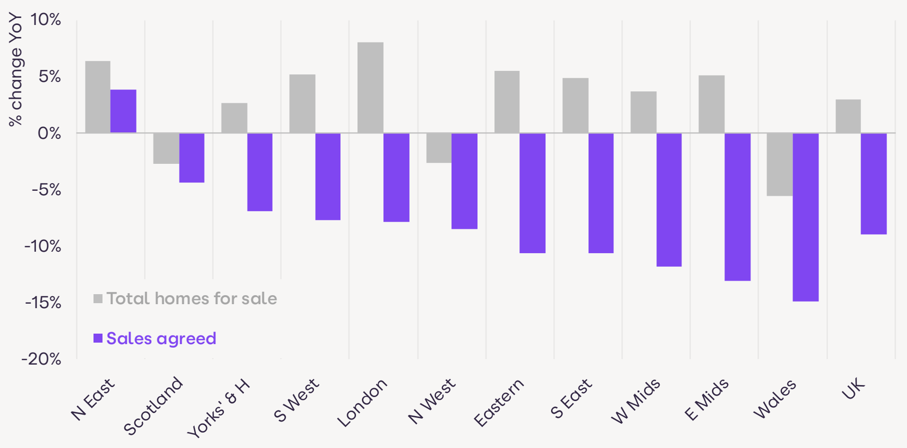
In percentage terms, the North West, North East and Scotland have all recorded an increase in price growth over the past year, while London and the South East have moved from modest growth into price falls.

Greater choice for buyers increases room to negotiate

The regional picture of sales activity and homes for sale is uneven. The North East is the only region with sales agreed ahead of last year, up around 4%, cushioned by lower average prices. Wales (-15%) and the East Midlands (-13%) have seen the steepest declines in sales versus last year, followed by the West Midlands and South East.

In contrast, the stock of homes for sale is rising in eight of 11 regions, giving buyers more room to negotiate on price - a direct contributor to the slowdown in house price growth to 1.3%, alongside fewer sales.

Sales agreed decline but buyers have greater choice



Source: Zoopla Research

4 weeks to 19 July 2026 vs same period a year ago

1 Four weeks to 19 July 2026 vs same period in 2025

2 Average mortgage rate for a new 75% LTV, 5-year fixed rate loan - Bank of England Bankstats

3 Mortgage repayments estimate assumes a 75% LTV purchase for a 30-year term using average mortgage rates for a 5-year fixed rate loan applied to the average house price

76%

Proportion of postal areas with decline in sales agreed

Local markets split sharply behind the national picture

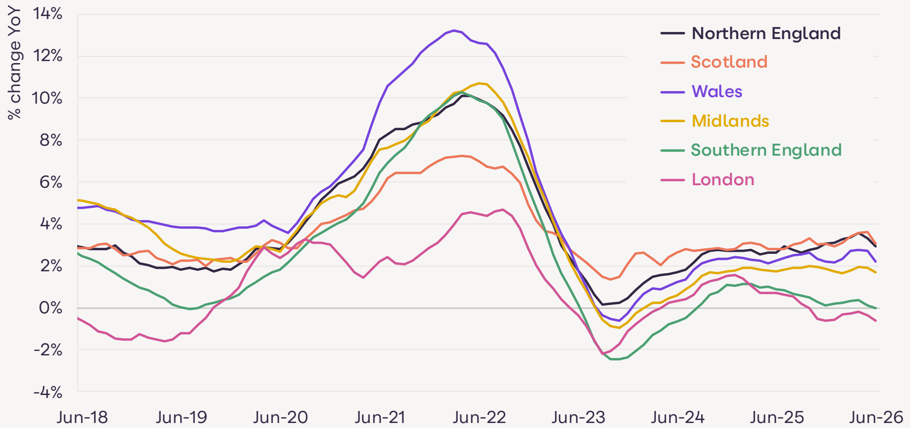
Almost three-quarters of local markets (76%) have seen sales agreed decline over the past three months. A quarter of areas have sales agreed levels that are stable and positive or increasing[4].

The Warrington (WA), Hull (HU) and Dundee (DD) postal areas stand out as consistent hotspots, combining a sustained increase in sales agreed with faster price growth than a year ago, helped by tighter supply and smaller mortgage cost increases relative to home values.

Bath (BA), Oxford (OX) and Harrow (HA) postal areas show the opposite trend: sales agreed have fallen consistently, and price growth has slipped from positive twelve months ago to flat or negative now. Harrow was flagged as a market under pressure back in April, when homes there were taking 65% longer to sell than a year before. That weakness has since fed through into price growth too.

This data shows how market conditions can differ sharply between neighbouring towns, and even by property type on the same street - buyers, sellers, agents and builders need to consider local dynamics, not just national or regional figures, to make better decisions.

Decline in sales starting to weigh on house price inflation



Source: Zoopla House Price Index

Aggregated regions - average house price inflation

An autumn bounce, but only for sellers who price for it

September is the month when buyers return to the market and we expect the same this year, more so after the longer summer slowdown. The share of home sellers cutting price by 5% or more consistently peaks that month. Sales agreed typically register a further jump in the second half of the year as sellers adjust pricing to match demand.

Homeowners with their property for sale and still unsold should speak to their agent. Almost a third of homes listed since Q2 remain unsold with no price cut. The scale of the pick-up also depends on mortgage rates holding steady rather than rising further; a fresh increase would likely delay any recovery in buyer confidence rather than support it.

4 Proportion of postal areas registering fewer sales than a year ago over the past three months

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.

June 2026 Index
(Published July 2026)

Source: Zoopla House Price Index

	City	Annual % change in house price
1	Liverpool	4.2%
2	Belfast	3.9%
3	Newcastle	3.2%
4	Glasgow	3.1%
5	Manchester	2.7%
6	Sheffield	2.2%
7	Edinburgh	1.9%
8	Leeds	1.8%
9	Birmingham	1.8%
10	Cardiff	1.2%
11	Nottingham	1.0%
12	Leicester	0.6%
13	Aberdeen	0.5%
14	Southampton	0.5%
15	Bristol	0.4%
16	Oxford	0.4%
17	Portsmouth	0.1%
18	Cambridge	-1.2%
19	Bournemouth	-2.1%

United Kingdom	1.3%

Zoopla House Price Index, city summary, June 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 Jun-26	%YoY Jun-25	Monthly trend	Annual trend
UK	**£272,800**	**1.3%**	**1.7%**		
20 City Composite	**£312,000**	**1.0%**	**1.6%**		
Liverpool	£171,000	4.2%	3.7%		
Belfast	£201,500	3.9%	8.7%		
Newcastle	£164,700	3.2%	2.8%		
Glasgow	£164,600	3.1%	3.5%		
Manchester	£239,900	2.7%	2.9%		
Sheffield	£180,200	2.2%	2.8%		
Edinburgh	£284,700	1.9%	2.1%		
Birmingham	£217,100	1.8%	2.1%		
Leeds	£216,900	1.8%	2.3%		
Cardiff	£260,200	1.2%	1.8%		
Nottingham	£204,700	1.0%	1.4%		
Leicester	£229,900	0.6%	1.7%		
Aberdeen	£130,900	0.5%	-1.7%		
Southampton	£256,500	0.5%	0.4%		
Bristol	£341,100	0.4%	1.9%		
Oxford	£448,700	0.4%	1.8%		
Portsmouth	£275,100	0.1%	0.3%		
London	£527,100	-0.6%	0.7%		
Cambridge	£463,700	-1.2%	1.1%		
Bournemouth	£315,600	-2.1%	-0.5%		

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.

Contacts

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