Benham & Reeves

Market Index Review
Q1, 2025

London's Lettings & Sales Agent

The Benham and Reeves Market Index Review - Q1, 2025

The Benham and Reeves Property Market Index Review is a quarterly accumulation of house price data from the top four existing indices, providing the most comprehensive view of UK and London house price performance.

It looks at where the average house price sits overall when taking into account mortgage approved house prices from Halifax and Nationwide, seller expectations via the Rightmove House Price Index, and sold prices from the UK House Price Index.

Average UK House Price:	Quarterly Change:	Annual Change:
£303,429	0.6%	3.1%

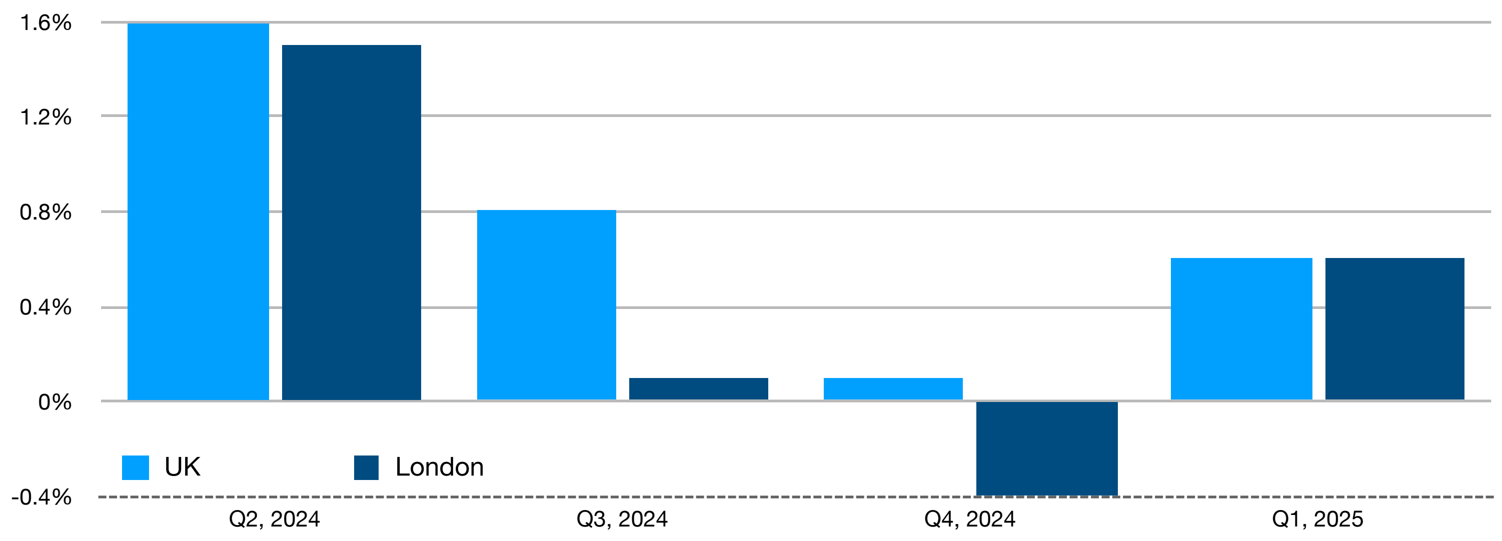
Average London House Price:	Quarterly Change:	Annual Change:
£588,188	0.6%	1.8%

Based on a geometric mean of all four existing data sets, the index from Benham and Reeves shows the average UK house price sat at £303,429 in Q1 of this year.

This marked a 0.6% quarterly increase, building on the four quarters of positivity seen in 2024. On an annual basis, the average UK house price also sat 3.1% higher when compared to Q1 2024.

In London, the average house price in Q1 2025 sat at £588,188. This also marked a 0.6% increase on the previous quarter and, on an annual basis, London house prices also rose by 1.8%.

Quarterly House Price Growth %



Mortgage Approval Price vs Asking Price

In Q1 2025, the market gap between the average mortgage approved price of a buyer (£283,655) and the asking price expectation of a seller (£368,677)) sat at 30%.

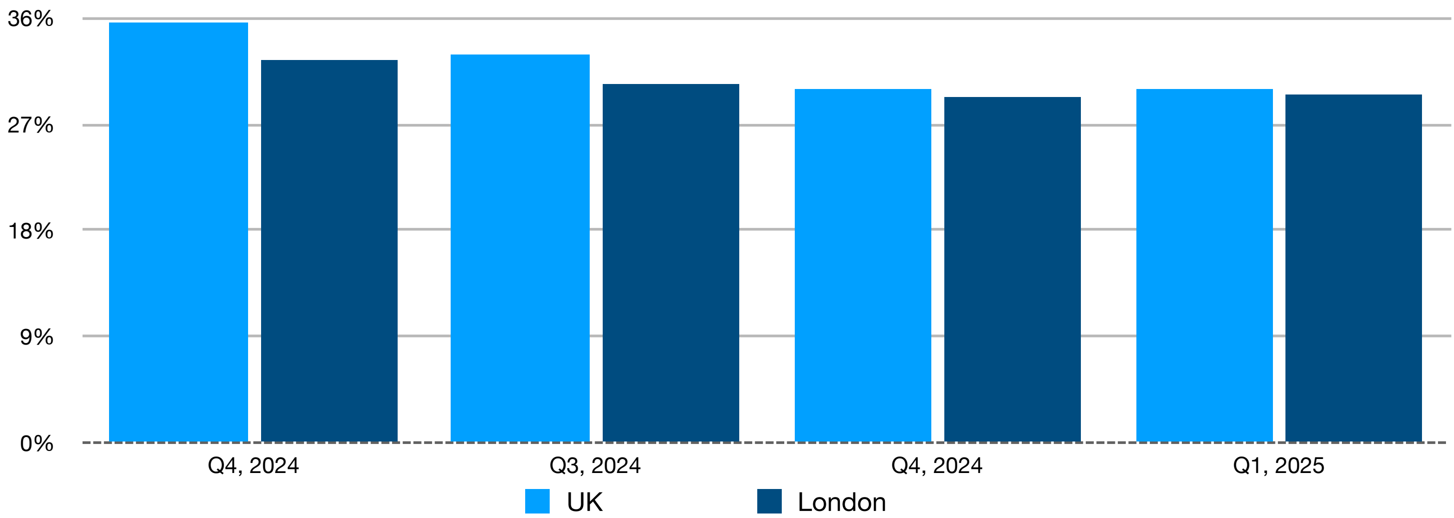
This remained the same as Q4 2024, highlighting the gap between the price buyers are entering the market at and the expectation of the nation's home sellers.

In London, the gap between mortgage approved house prices (£529,369) and seller asking prices (£686,020) was 29.6%, extending marginally from Q4 of last year, but remaining narrower than previously seen.

UK Mortgage Approval Price:	**£283,655**	**Market Gap**
UK Asking Price:	**£368,677**	**30.0%**

London Mortgage Approval Price:	**£529,369**	**Market Gap**
London Asking Price:	**£686,020**	**29.6%**

Market Gap Between Buyer (Mortgage Approved) & Seller (Asking Price)



"Buyer activity has remained consistently robust as we head into a new year, with mortgage approvals sitting well above the 60,000 monthly threshold for some time now, although of course, the higher cost of borrowing continues to dampen the price threshold at which prospective buyers can enter the market."

Director of Benham and Reeves, Marc von Grundherr.

Asking Price vs Sold Price

The latest index by Benham and Reeves shows that the difference between the average UK asking price and the average sold price increased in Q1, suggesting that whilst sellers may remain stubborn in their approach to pricing, those who are securing a buyer are having to reduce by a greater margin that previously seen, in order to do so.

Across the UK, the average sold price in Q1, 2025 stood at £267,138 -27.5% below the average asking price of £368,677. This is the largest gap seen since Q3 2024, again reinforcing that whilst buyer activity has been robust, sellers remain over-optimistic when it comes to pricing to sell in the current market.

UK Asking Price: £368,677

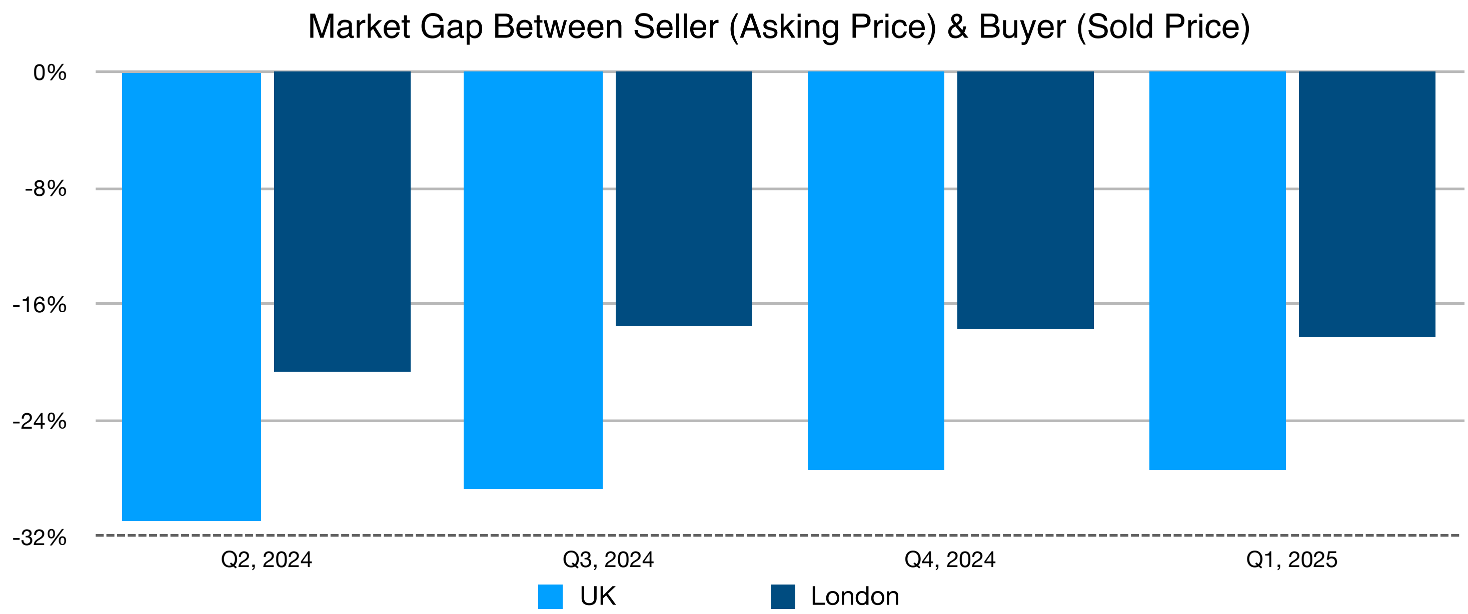
UK Sold Price: £267,138

Market Gap -27.5%

London Asking Price: £686,020

London Sold Price: £560,342

Market Gap -18.3%



"We're yet to see the market strike a finer balance in this respect, with the nation's home sellers remaining steadfast in their approach to pricing, but as the gap between asking price and sold price shows, it's those who are willing to adjust their expectations who are most likely to secure a buyer."

Director of Benham and Reeves, Marc von Grundherr.

London

Canary Wharf
City of London
Colindale
Dartmouth Park
Ealing
Fulham
Hammersmith
Hampstead
Highgate
Hyde Park
Kensington
Kew
Knightsbridge
Nine Elms
Shoreditch
Southall
Surrey Quays
Wapping
Wembley
White City
Woolwich

International

China
Hong Kong
India
Indonesia
Israel
Malaysia
Middle East
Pakistan
Qatar
Singapore
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Thailand
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Latest data may differ when compared to previous index versions. This is the result of revisions and changes to historic prices. For example, data has been revised accordingly to reflect revisions to the UK HPI which arise as the given index is re-calculated to incorporate additional transactions over time.