Benham & Reeves

Market Index Review
Q2, 2025

London's Lettings & Sales Agent

The Benham and Reeves Market Index Review - Q2, 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:
£305,680	0.7%	2.3%

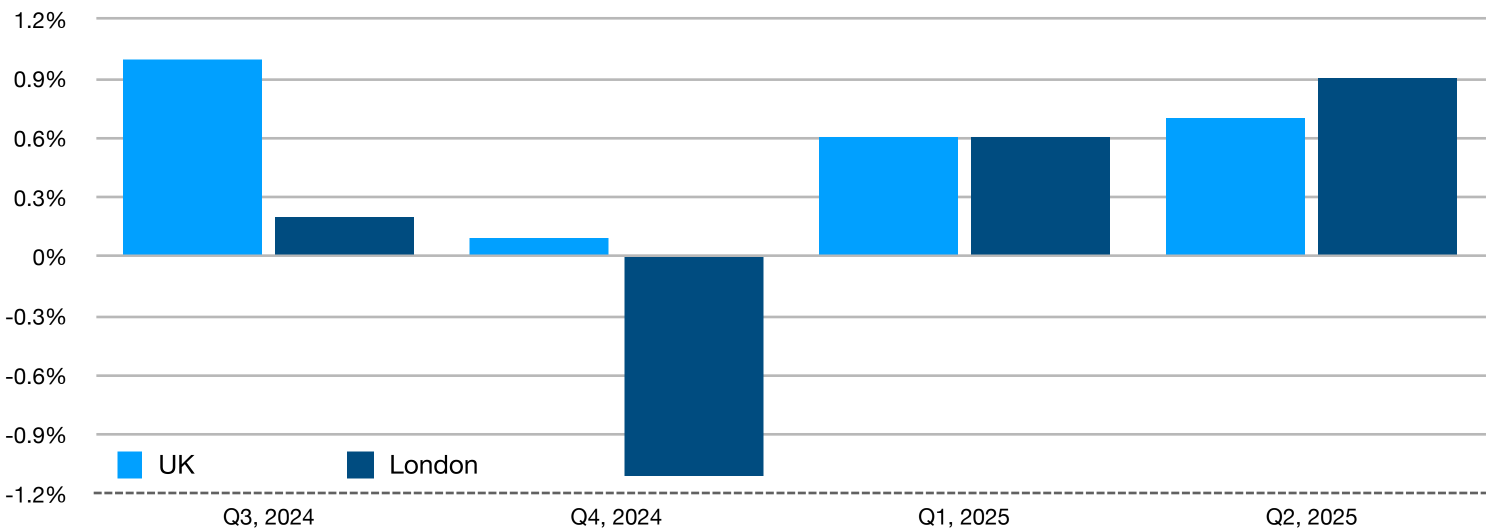
Average London House Price:	Quarterly Change:	Annual Change:
£593,620	0.9%	1.1%

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 £305,680 during the second quarter of 2025.

This marked a 0.7% quarterly increase, following the positive growth already seen in Q1 and throughout 2024. It also marked a 2.3% annual increase, which again, was the second annual increase seen in 2025.

In London, the current average house price in Q2, 2025 was £593,620. This marked a quarterly increase of 0.9%, with London house prices also remaining 1.1% higher than this time last year.

Quarterly House Price Growth %



Mortgage Approval Price vs Asking Price

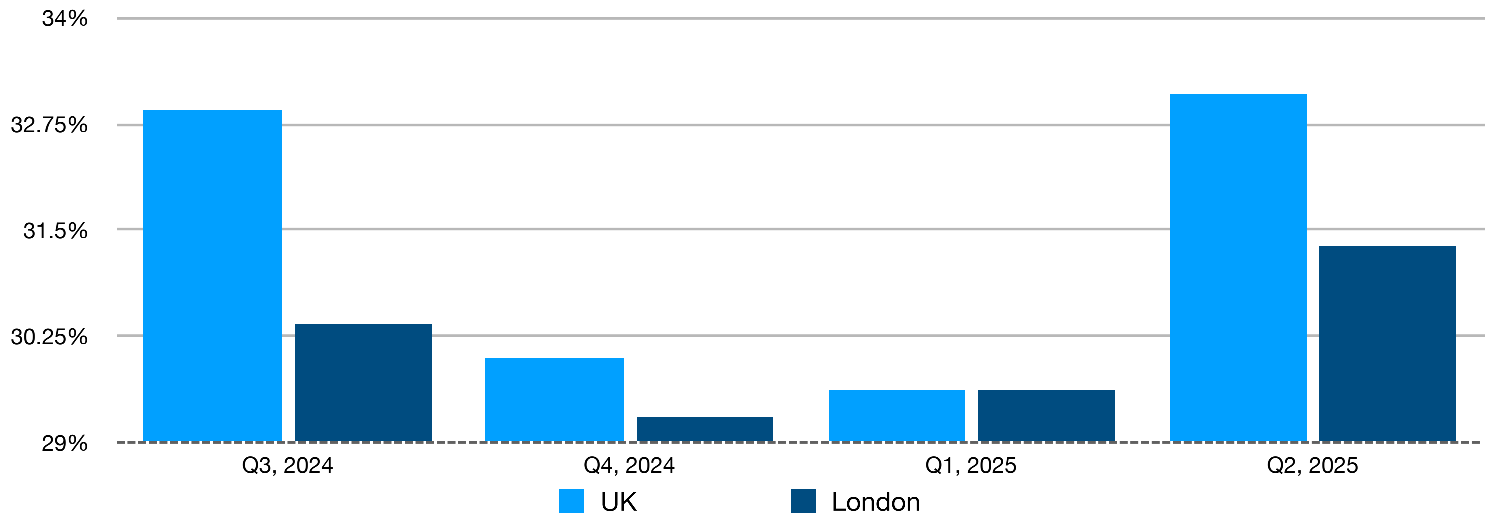
In Q2 2025, the market gap between the average mortgage approved price of a buyer (£284,307) and the asking price expectations of a seller (£378,312) increased to 33.1% across the UK, demonstrating a clear shift between what buyers are willing to borrow and the expectation of the nation's sellers when it comes to asking price.

In London, the gap between buyer (£532,449) and seller (£698,863) sat at 31.3% during the second quarter of 2025 - following the same trend as the wider UK market.

UK Mortgage Approval Price:	**£284,307**	**Market Gap**	**33.1%**
UK Asking Price:	**£378,312**		

London Mortgage Approval Price:	**£532,449**	**Market Gap**	**31.3%**
London Asking Price:	**£698,863**		

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



Buyers have returned to the market in 2025, however, they remain restricted by higher interest rates which are impacting their mortgage affordability and the price they are willing to commit to when purchasing.

In contrast, sellers are sitting stubbornly firm when it comes to their asking price expectations, which is evident from the widening gap between mortgage approved house prices and asking prices.

Director of Benham and Reeves, Marc von Grundherr.

Asking Price vs Sold Price

In Q2 2025, the market gap between the average asking price of a seller (£378,312) and the sold price achieved across the market (£265,560) increased to -29.8% across the UK, further highlighting the disconnect between the asking price expectations of the nation's sellers and the price buyers are willing to pay in order to commit to a purchase.

In London, the gap between seller (£698,863) and seller (£562,156) sat at 19.6% during the second quarter of this year, again following the trend seen across the wider UK market.

UK Asking Price: **£378,312**

UK Sold Price: **£265,560**

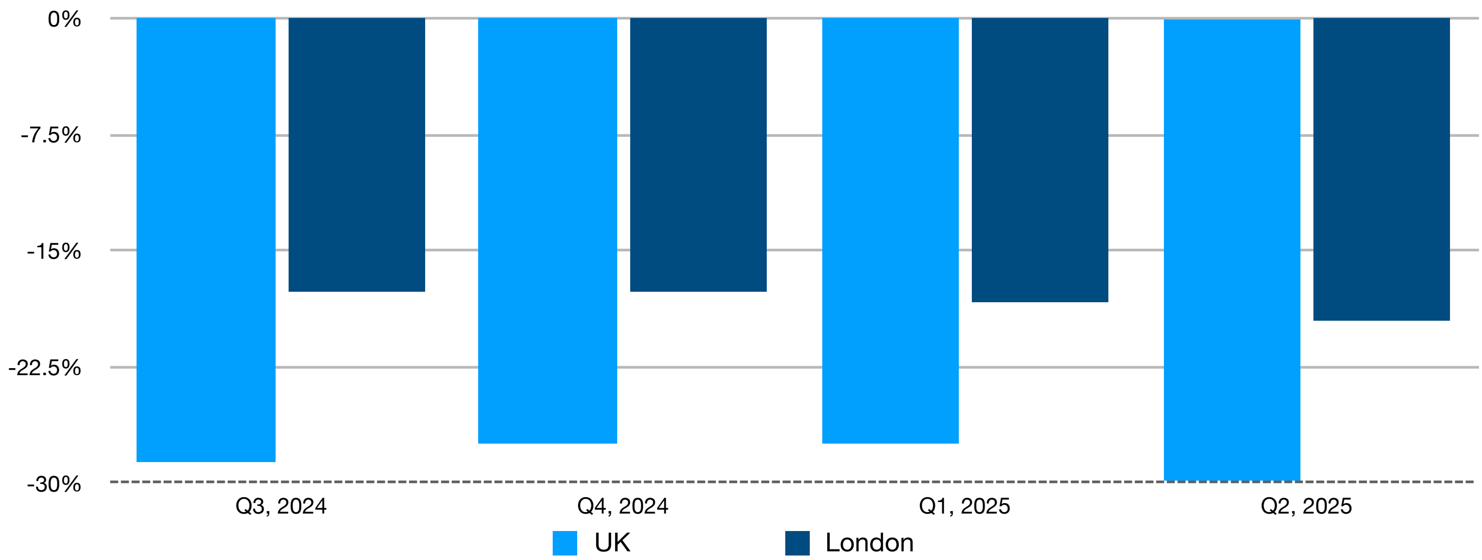
Market Gap **-29.8%**

London Asking Price: **£698,863**

London Sold Price: **£562,156**

Market Gap **-19.6%**

Market Gap Between Seller (Asking Price) & Buyer (Sold Price)



The housing market has demonstrated a great degree of resilience in 2025 and despite the turbulence of the wider economic landscape, we've seen house prices climb at a slow but consistent rate.

Those who are securing a sale are the ones taking a pragmatic approach to current market conditions and adjusting their expectations accordingly. We've seen the level at which they've had to do so increase over the last year, but it does demonstrate that buyer appetites are healthy, as long as the property you are selling is within financial reach."

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

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Hong Kong
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Indonesia
Israel
Malaysia
Middle East
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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.*