

Strong end to the year for UK house prices

- UK house prices up 4.7% year on year in December
- Northern regions see higher price growth than southern regions
- Northern Ireland best performing area for second year running, with prices up 7.1% over 2024
- East Anglia weakest performing region, with prices up 0.5% over the year

Headlines	Dec-24	Nov-24
Monthly Index*	540.8	536.8
Monthly Change*	0.7%	1.2%
Annual Change	4.7%	3.7%
Average Price (not seasonally adjusted)	£269,426	£268,144

* 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 2024 on a strong footing, up 4.7% compared with December 2023, though prices were still just below the all-time high recorded in summer 2022. House prices increased by 0.7% month on month, after taking account of seasonal effects, following a 1.2% rise in November.

Looking back on 2024

“Mortgage market activity and house prices proved surprisingly resilient in 2024 given the ongoing affordability challenges facing potential buyers. At the start of the year, house prices remained high relative to average earnings, which meant that the deposit hurdle remained high for prospective first-time buyers. This is a challenge that had been made worse by record rates of rental growth in recent years, which has hampered the ability of many in the private rented sector to save.

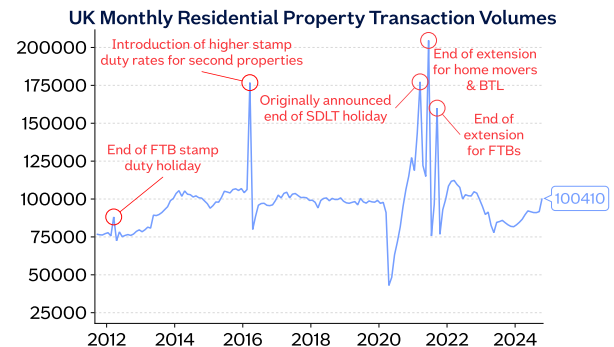
“Moreover, for many of those with sufficient savings for a deposit, meeting monthly payments was a stretch because borrowing costs remained well above those prevailing in the aftermath of the pandemic. For example, a typical mortgage rate for someone with a 25 per cent deposit hovered around 4.5% for much of the year, three times the 1.5% prevailing in late 2021, before the Bank of England started to raise the Bank Rate.

“As a result, it was encouraging that activity levels in the housing market increased over the course of 2024 with the number of mortgages approved for house purchase each month rising above pre-pandemic levels towards the end of the year.

Where next in 2025?

“Upcoming changes to stamp duty are likely to generate volatility, as buyers bring forward their

purchases to avoid the additional tax. This will lead to a jump in transactions in the first three months of 2025 (especially in March) and a corresponding period of weakness in the following three to six months, as occurred in the wake of previous stamp duty changes. This will make it more difficult to discern the underlying strength of the market.

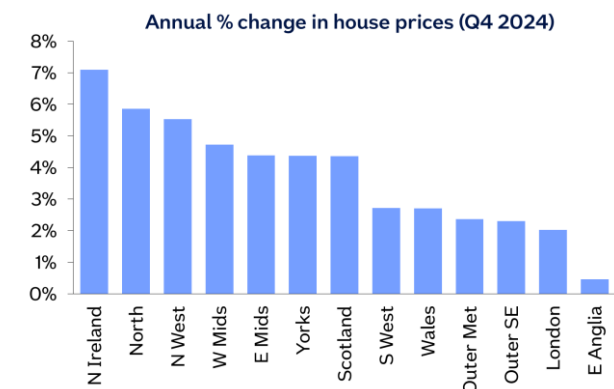


Source: GfK UK, Bank of England, UK, HM Revenue & Customs (HMRC)

“But, providing the economy continues to recover steadily, as we expect, the underlying pace of housing market activity is likely to continue to strengthen gradually as affordability constraints ease through a combination of modestly lower interest rates and earnings outpacing house price growth. The latter is likely to return to the 2-4% range in 2025 once stamp duty related volatility subsides.

All regions saw house price growth in 2024

“Our regional house price indices are produced quarterly, with data for Q4 (the three months to December) indicating that all regions saw price rises over 2024 (see full table on page 4).

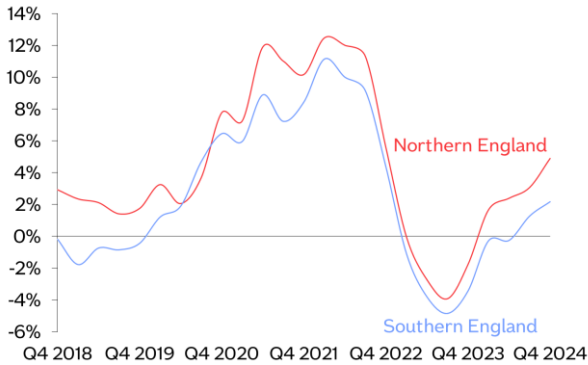


“Northern Ireland was the best performing area for the second year running, with prices up 7.1% over the year. Scotland recorded a 4.4% increase in 2024, whilst Wales saw a 2.7% year-on-year rise.

“Across England overall, prices were up 3.1%, compared with Q4 2024. There was a clear north-south divide in

house price performance in 2024 as Northern England (comprising North, North West, Yorkshire & The Humber, East Midlands and West Midlands) continued to outperform southern England, with prices up 4.9% year on year. The North was the best performing English region, with prices up 5.9% year on year.

Annual house price growth in Southern & Northern England

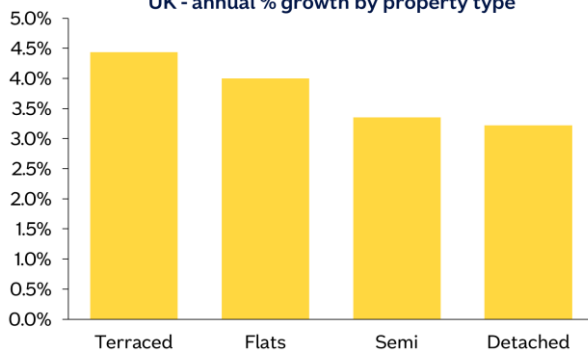


“Southern England (South West, Outer South East, Outer Metropolitan, London and East Anglia) saw a 2.2% year-on-year rise. The South West was the best performing southern region with annual price growth of 2.7%. East Anglia was the weakest performing UK region in 2024, with a modest 0.5% annual increase.

Property type review

“Our most recent data by property type reveals that terraced houses have seen the biggest percentage rise in prices over the last year, with average prices up 4.4% in 2024.

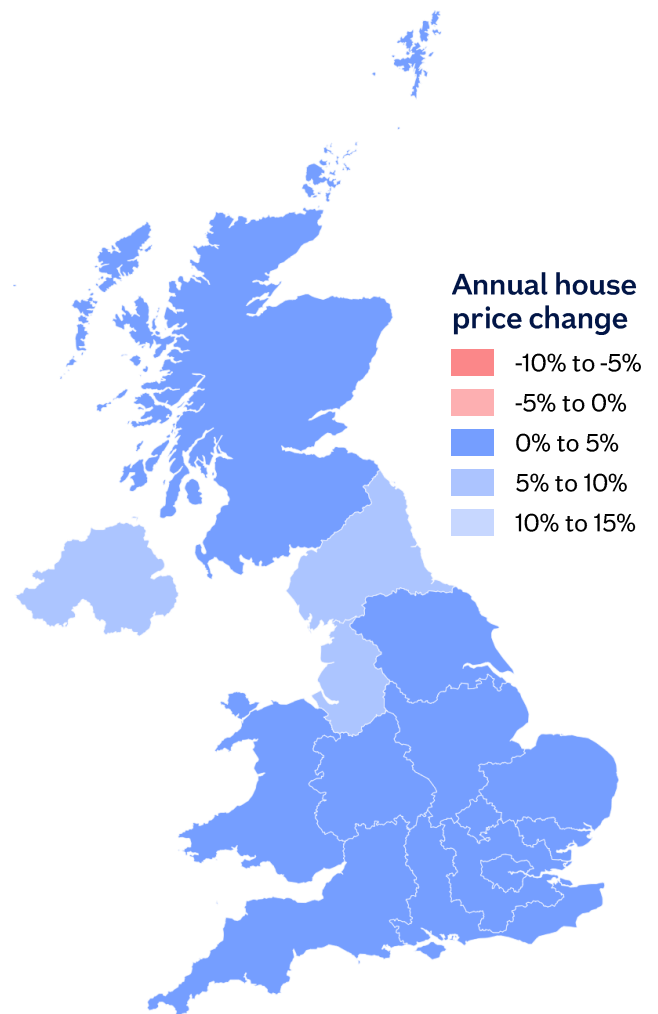
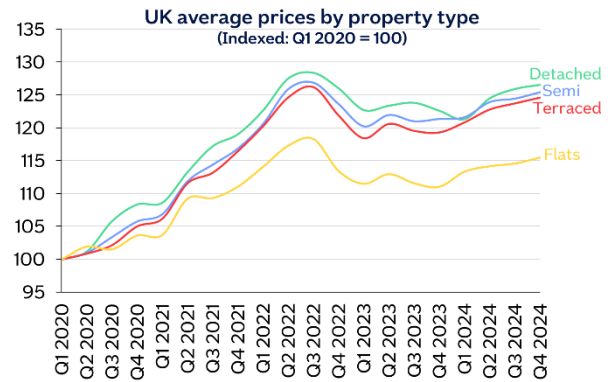
UK - annual % growth by property type



Source: Nationwide

“Flats saw a recovery in price growth, recording their best year since 2021, with a 4.0% rise. Semi-detached properties recorded a 3.4% annual increase, while detached properties saw a 3.2% year-on-year rise.

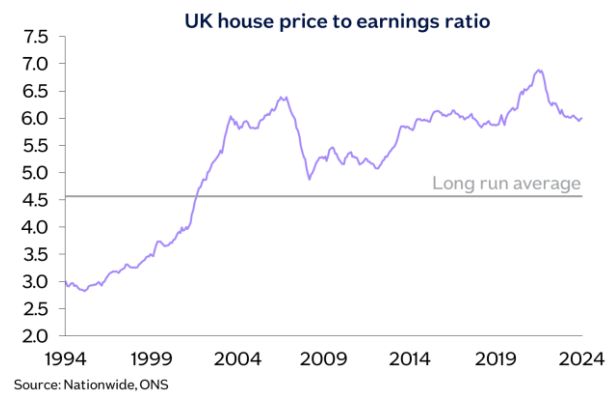
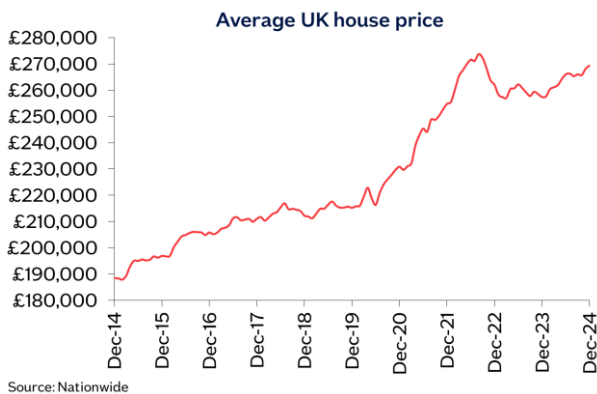
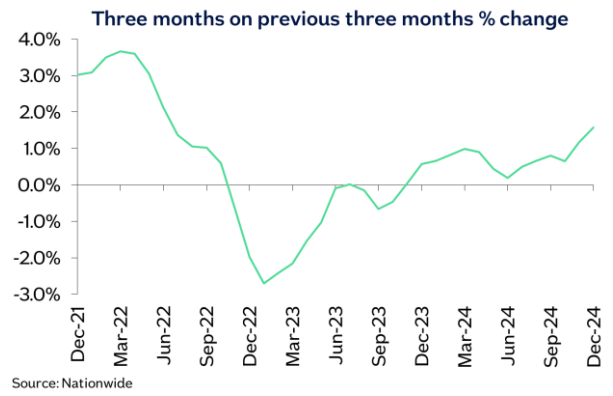
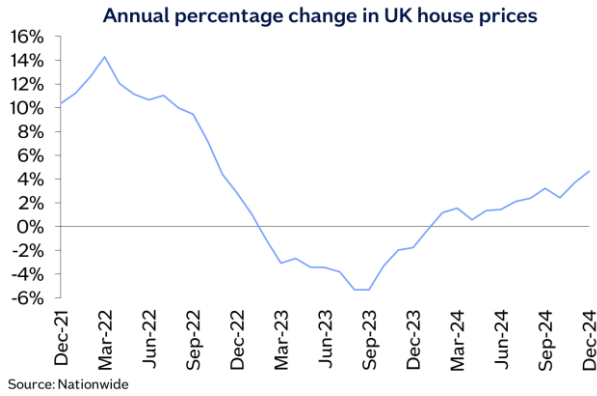
“However, if we look over the longer term, detached homes have continued to have a slight edge over other property types, most likely due to the ‘race for space’ seen during the pandemic. Indeed, since Q1 2020, the price of an average detached property increased by nearly 27%, while flats have only risen by c15% over the same period.”



Monthly UK House Price Statistics

	Monthly % Change Seasonally Adjusted	3 month on 3 month % Change	Annual % Change	Average Price
Dec-22	-0.4	-2.0	2.8	262,068
Jan-23	-0.8	-2.7	1.1	258,297
Feb-23	-0.6	-2.4	-1.1	257,406
Mar-23	-0.8	-2.2	-3.1	257,122
Apr-23	0.7	-1.5	-2.7	260,441
May-23	-0.2	-1.0	-3.4	260,736
Jun-23	0.1	-0.1	-3.5	262,239
Jul-23	-0.2	0.0	-3.8	260,828
Aug-23	-0.6	-0.1	-5.3	259,153
Sep-23	-0.1	-0.7	-5.3	257,808
Oct-23	0.9	-0.5	-3.3	259,423
Nov-23	-0.0	0.0	-2.0	258,557
Dec-23	-0.2	0.6	-1.8	257,443
Jan-24	0.7	0.7	-0.2	257,656
Feb-24	0.8	0.8	1.2	260,420
Mar-24	-0.3	1.0	1.6	261,142
Apr-24	-0.3	0.9	0.6	261,962
May-24	0.5	0.4	1.3	264,249
Jun-24	0.2	0.2	1.5	266,064
Jul-24	0.4	0.5	2.1	266,334
Aug-24	-0.1	0.7	2.4	265,375
Sep-24	0.7	0.8	3.2	266,094
Oct-24	0.1	0.7	2.4	265,738
Nov-24	1.2	1.2	3.7	268,144
Dec-24	0.7	1.6	4.7	269,426

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



Quarterly Regional House Price Statistics

Q4 2024

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

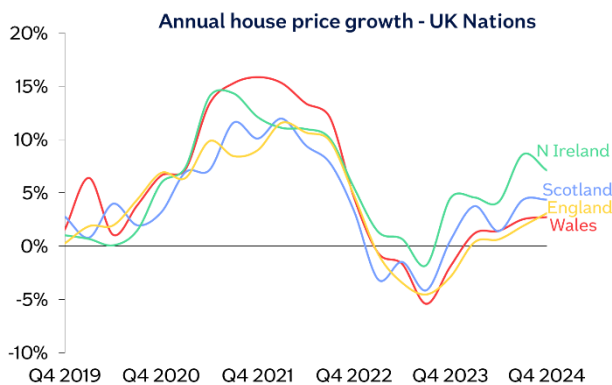
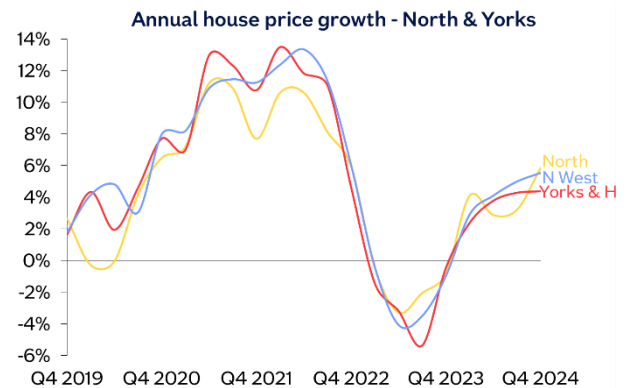
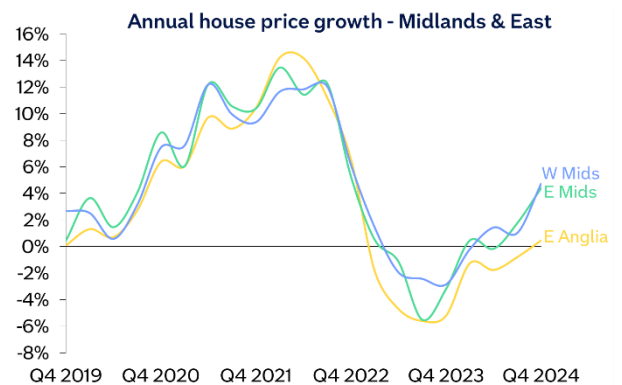
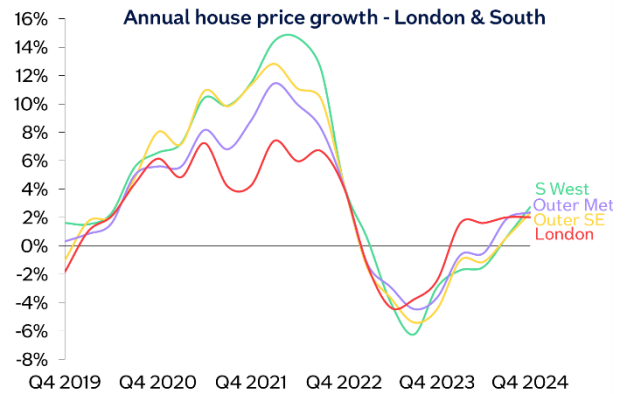
Region	Average price (Q4 2024)	Annual % chg this quarter	Annual % chg last quarter
N Ireland	£197,696	7.1%	8.6%
North	£164,696	5.9%	3.2%
North West	£218,012	5.5%	5.0%
West Midlands	£245,173	4.7%	1.0%
East Midlands	£235,877	4.4%	1.8%
Yorks & The H	£207,373	4.4%	4.3%
Scotland	£187,016	4.4%	4.3%
South West	£306,730	2.7%	0.6%
Wales	£207,187	2.7%	2.5%
Outer Met	£422,372	2.4%	1.9%
Outer S East	£336,224	2.3%	0.6%
London	£525,535	2.0%	2.0%
East Anglia	£272,152	0.5%	-0.8%
UK	£268,518	3.6%	2.5%

See page 5 for definitions of English regions

UK Fact File (Q4 2024)	
Quarterly average UK house price	£268,518
Annual percentage change	3.6%
Quarterly change (seasonally adj.)	1.6%
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 2024)	Annual % chg this quarter	Quarterly % chg
N Ireland	£197,696	7.1%	2.1%
Scotland	£187,016	4.4%	1.9%
England	£305,399	3.1%	1.3%
Wales	£207,187	2.7%	0.9%



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, Hertsmere, 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

Legal Information

The Nationwide House Price Indices are prepared from information that we believe is collated with care, but no representation is made as to their accuracy or completeness. We reserve the right to vary our methodology and to edit or discontinue the indices at any time, for regulatory or other reasons.

Persons seeking to place reliance on the Indices for any purpose whatsoever do so at their own risk and should be aware that various factors, including external factors beyond Nationwide Building Society's control might necessitate material changes to the Indices.

The Nationwide House Price Indices may not be used for commercial purposes including as a reference for: 1) determining the interest payable, or other sums due, under loan agreements or other contracts relating to investments 2) determining the price at which investments may be bought or sold or the value of investments or 3) measuring the performance of investments.

Nationwide Building Society is the owner of the trade mark "Nationwide" and all copyright and other rights in the Nationwide House Price Indices.

The application of the IOSCO Principles on financial benchmarks to the NHPI is more fully set out in our **statement regarding IOSCO Principles**. Nationwide considers that its arrangements for administration of the NHPI comply with the IOSCO Principles in a proportionate manner having regard to the nature of the index.

Commentary and other materials posted on our website are not intended to amount to advice on which reliance should be placed or an offer to sell or solicit the purchase by you of any products or services that we provide. We therefore do not accept any liability or responsibility arising from any reliance placed on such materials by any visitor to our website, or by anyone who may be informed of any of its contents.