Sun Mortgage and Protection Ltd

The Future Works
2 Brunel Way
Slough
Berkshire
SL1 1FQ

0203 927 1111
info@sunmap.co.uk
www.sunmap.co.uk

Residential Property Review November 2025

Five-year forecast from Savills

Savills has released its latest mainstream residential forecast, outlining what to expect from the housing market over the next five years.

According to the report, house price growth is expected to be relatively slow over the next year, with projected increases of 1.0% in 2025 and 2.0% in 2026. This subdued pace is due to ongoing market challenges, including high levels of supply and muted buyer demand. However, Savills anticipates that conditions will improve in subsequent years if interest rates go down as expected and the UK economy stabilises. Transaction volumes are also expected to recover, returning close to pre-pandemic levels as affordability gradually improves.

Annual growth is forecast to accelerate sharply after 2026, peaking in 2028 and 2029 at rates of 5.0% and 5.5% respectively. Over the full five-year period, prices are expected to grow by a total of 22.2%, which is equivalent to an average increase of almost £80,000.

Positivity in the UK housing market

Recent reports suggest that the UK housing market could be on the slow road to recovery.

The latest data from Nationwide shows that there was modest house price growth in October, with an annual rise of 2.4%. This is slightly up from September, when prices rose by 2.2% annually.

Recent figures from the Bank of England support this optimism. In September, net borrowing increased by £1.2bn to £5.5bn, the highest monthly rise since March this year. Net mortgage lending increased by 3.2% year-on-year, the fastest rate of annual growth since January 2023. Also, net mortgage approvals rose to 65,900, a promising sign for future borrowing.

Robert Gardner at Nationwide commented, *"Looking forward, housing affordability is likely to improve modestly if income growth continues to outpace house price growth as we expect. Borrowing costs are also likely to moderate a little further if Bank Rate is lowered again in the coming quarters."*

Property transactions on the rise

Latest figures for UK property transactions in September, released by HMRC, show an improvement in the number of UK residential property transactions.

The seasonally adjusted figure for September 2025 stands at 95,980 sales, representing a 4% annual increase and a 1% monthly rise. On a non-seasonally adjusted basis, there were 102,420 transactions recorded, which is 8% higher than September 2024 and 2% lower than August 2025. These figures indicate that activity in the housing market is steadily recovering after the slowdown seen in April, following the Stamp Duty reforms.

President of OnTheMarket, Jason Tebb, commented on the findings, *"The uptick in seasonally adjusted transaction numbers indicates that the market continues to move in the right direction. The market remains remarkably resilient despite wider economic and political concerns."* He added, *"Pre-Budget speculation over tax changes is creating some uncertainty, although many are proceeding with transactions regardless."*

House prices headline statistics

House Price Index (Sept 2025)	104.1
Average House Price	£272,000
Monthly Change	-0.6%
Annual Change	2.6%

*(Jan 2023 = 100)

- Average house prices in the UK increased by **2.6%** in the year to September 2025
- House prices decreased by **0.6%** on average between August and September 2025
- The average house price in London was **£556,454**.

Source: The Land Registry
Release date: 19/11/25
Next data release: 17/12/25

House prices Price change by region

Region	Monthly change (%)	Annual change (%)	Average price (£)
England	-0.8%	2.0%	£293,292
Northern Ireland (Quarter 3 – 2025)	4.3%	7.1%	£193,247
Scotland	0.4%	5.3%	£194,273
Wales	-0.8%	2.7%	£209,253
East Midlands	-0.6%	3.7%	£243,459
East of England	-0.6%	2.3%	£341,389
London	-1.1%	-1.8%	£556,454
North East	-1.2%	3.5%	£161,770
North West	-0.9%	3.4%	£215,030
South East	-1.2%	0.9%	£383,812
South West	-0.9%	0.9%	£307,078
West Midlands Region	-0.5%	2.6%	£248,928
Yorkshire and The Humber	0.3%	4.5%	£207,877

Average monthly price by property type – Sept 2025

Property Type	Annual Increase
Detached £445,097	2.9%
Semi-detached £275,108	3.7%
Terraced £228,454	3.0%
Flat / maisonette £196,316	0.0%

Source: The Land Registry
Release date: 19/11/25

HM Land Registry commits to improving services

HM Land Registry has announced plans to deliver a better service and improve the homebuying process.

For over 160 years, HM Land Registry has been keeping a public record of who owns property in England and Wales. As part of Strategy 2025+, it has set out ambitious plans to *'deliver better services and unlock a faster, less stressful property market'*. A key part of this will be modernising and digitising services to help improve efficiency and better meet the needs of customers.

Each day, HM Land Registry receives more than 17,000 requests to change details on the register. By 2035, nearly all straightforward changes will be automated, allowing requests to be processed instantly. For more complex cases, there will be experts providing quality customer support. Also, HM Land Registry has pledged to simplify the way that customers pay for its services, ensuring they understand what they are paying for.

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All details are correct at the time of writing (19 November 2025)

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