

home. 

# High Stock and Weak Demand Make Poor Start to 2026

Home Asking Price Index

Published February 2026

**+20%**

TIME ON MARKET YOY

**-1.2%**

LONDON ANNUAL  
DECLINE

**470K**

TOTAL UNSOLD STOCK

## Key Headlines

**Time on Market Reaches Decade High:** Typical Time on Market for unsold properties in England and Wales moved even higher during last month and is currently six days more than in February 2025. Not since 2015 have properties spent so long on the market, including during the COVID lockdown years. The worst increases in marketing times continue to be found in London and the South West.

**Subdued Pricing Continues:** Pricing remains very subdued for the time of year. In a vigorous market, prices normally take off and yet we observe a slide of 0.1% during January. Home prices in England and Wales are now just 0.5% higher than in February 2025.

**New Listings Down 13% Year-on-Year:** The total number of new instructions in January came in at 13% less than in January 2025. However, the total of 101,079 is much higher than observed in Jan. 2022 and Jan. 2023, indicating that supply remains far from tight. The most significant year-on-year reductions of new sales listings were in London, the North West and Wales.

**Stock Levels Return to 2013 Highs:** As expected, the total unsold stock on the market has begun its rapid seasonal ascent. The current level is essentially the same as February 2025's total, although we would need to look back to 2013 to see a higher unsold property count for the month of February.

**Scotland Leads, London Lags:** The mix-adjusted average slipped in several English regions, with London and the South East losing the most ground. Yorkshire and Scotland indicated the largest rises of 0.7% and 1.4% respectively. Scotland is now the top regional property market growth leader with a year-on-year gain of 2.9%, followed by the North West with an annualised rise of 2.7%. Meanwhile, London remains the weakest regional performer with a worsening annualised decline of 1.2%.

**Rental Decline Eases Marginally:** The annualised national growth in asking rents reads slightly better than last month at -3.7%, which is a marginal improvement on the January figure (-4.1%). All English regions, Scotland and

Wales continue to indicate year-on-year declines in the mix-adjusted average asking rent. The worst performers are the East Midlands and Yorkshire with annualised declines of 10.2% and 10.9% respectively.

## Market Overview

The UK property market is lacking in vitality. Our February figures indicate soft pricing and a slightly slowing market, neither of which is expected at this time of year.

One seasonal expectation still bears out, however, and that is the ramping up of stock levels. Together, these factors signal a rather difficult start to the year.

Meanwhile, mortgage lenders are seemingly falling over each other to cut rates in order to retain market share during a time of reduced demand. Many of the new deals are in high loan-to-value (LTV) products which are commonly sought by first-time buyers. Of course, as is the norm nowadays, the fees will still be substantial.

Stock levels remain at their highest for many years and persistent oversupply continues, which means that the supply-demand imbalance is not going to improve in the near term. The large number of landlords wanting to offload their portfolios in response to the Renters' Rights Act is exacerbating the situation. Minor cuts to the Bank of England base rate won't fix this ongoing structural change.

### CRITICAL INSIGHT

Stock levels are the elephant in the room. Various house price indices are trying to paint an overly rosy picture of the spring market this year. In our view, this is just mere "hopium". The reality is a market suffering capital flight.

#### ENGLAND & WALES AVERAGE PRICE

**£357,740**

1-month: -0.1% | 12-month: +0.5%

#### TIME ON MARKET (TYPICAL)

**118 days**

+6 days vs Feb 2025 | Highest since 2015

#### NEW INSTRUCTIONS (JANUARY)

**101,079**

#### TOTAL UNSOLD STOCK

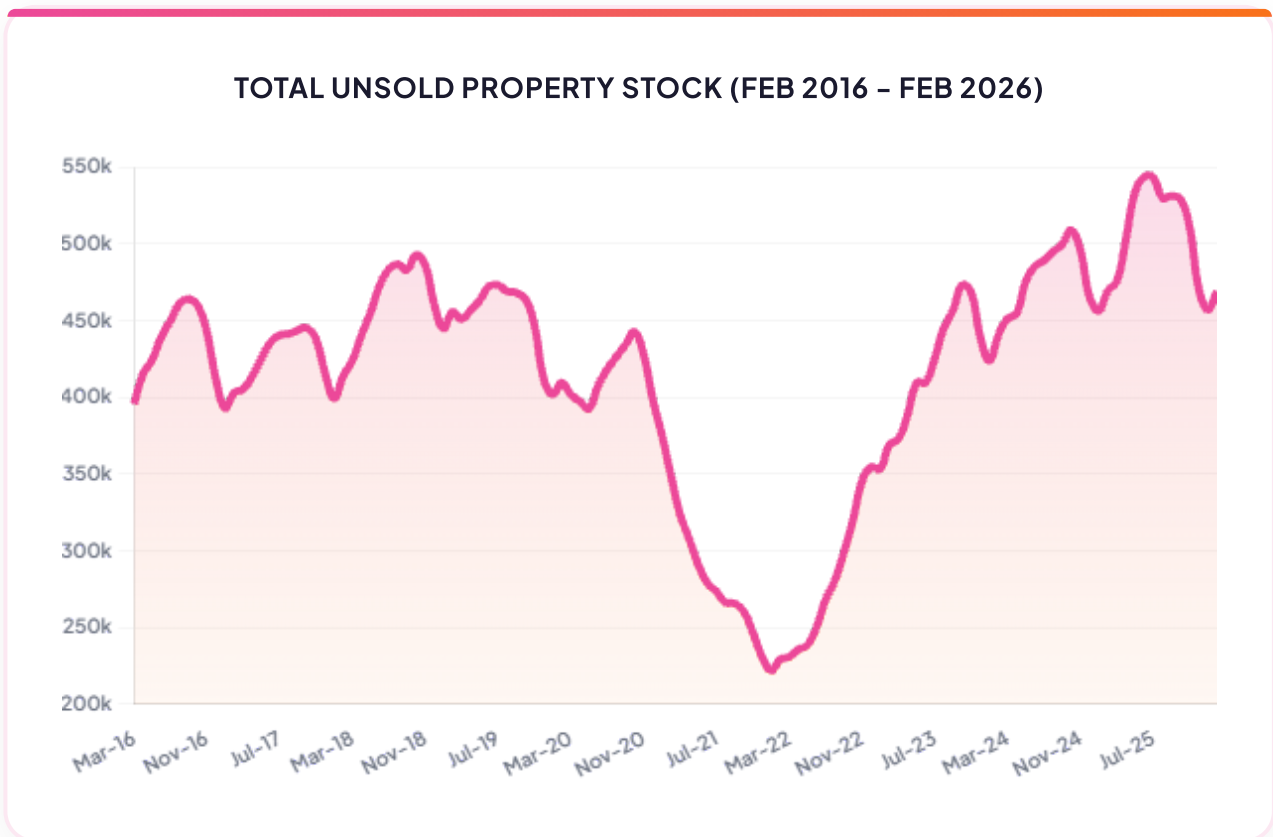
**~470K**

-13% year-on-year decline

Highest February count since 2013

# Stock Levels Analysis

Stock levels have begun their expected seasonal rise from an already high count for the time of year. The unsold property total is comparable to last February and was last seen at this magnitude in February 2013 as the aftermath of the financial crisis unwound. **Expectations are for new listings to continue to ramp up rapidly over the coming months, perhaps surpassing last year's maximum.**



**2013**  
LAST TIME THIS HIGH

**470K**  
CURRENT STOCK

**+0%**  
VS FEB 2025

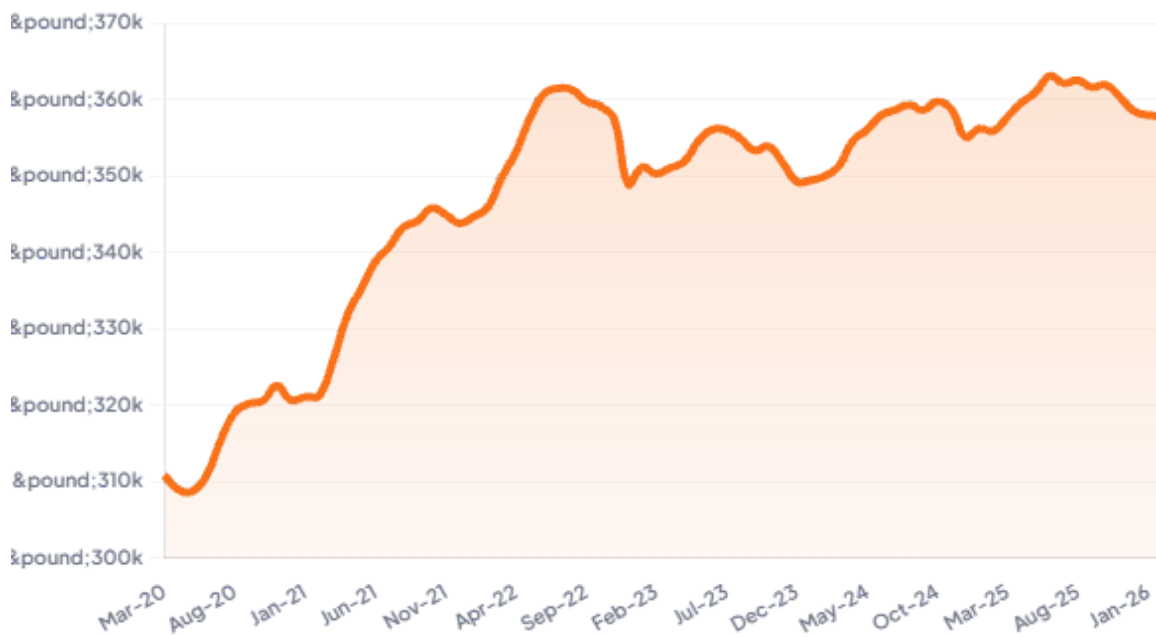
**High**  
SUPPLY LEVEL

Source: Home.co.uk Property Search Index

## Asking Price Trend

Home prices have yet to show strength since June last year. An uptick is to be anticipated over the coming months but, given the already high stock level, this is likely to be minor. Prices now rest a mere 0.5% higher overall than in February 2025. **This is a major problem for institutional investors since the erosion of real capital value by inflation vastly reduces potential returns.** The latest reading of RPI is for December last year when it was standing at 4.2%.

HOME.CO.UK ASKING PRICE INDEX (FEB 2020 - FEB 2026)



Price growth this year appears unlikely to exceed monetary inflation due to excess supply and reduced demand.

**£357,740**

CURRENT AVERAGE PRICE

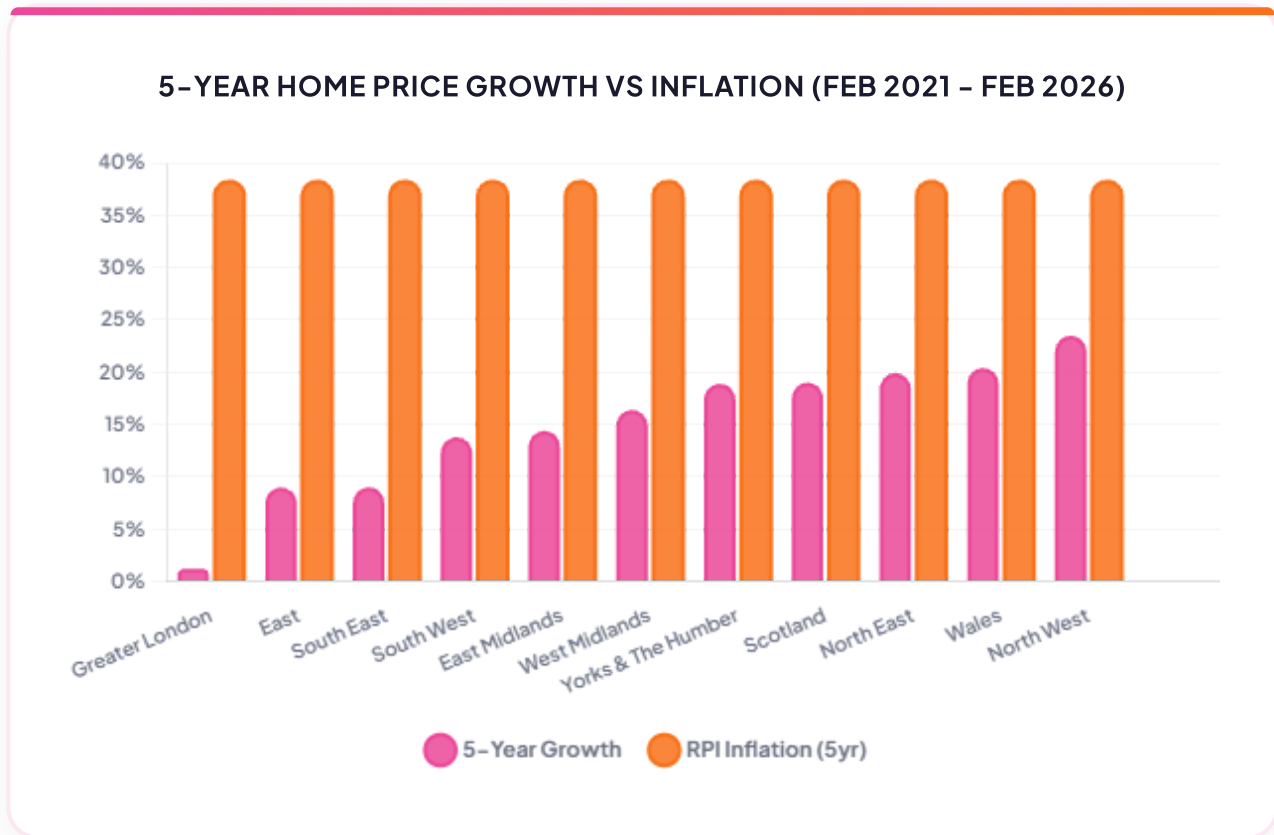
**-0.1%**

JANUARY CHANGE



# Regional Variation

Our regional chart this month shows the relative growth over the last five years against cumulative inflation over the same period. **What is immediately apparent is that no region achieved sufficient home price growth to keep up with or surpass the rate of inflation.** Over the same time period, the gold price has increased by 184%.



**KEY FINDING**

London property has clearly been a total disaster in terms of capital growth relative to the other regions, especially the north. The northern regions benefitted from investors' search for better yields but, with buy-to-let much less popular than it was for a whole host of reasons (sliding rents, negative real capital gains, anti-landlord legislation, spiralling running costs and additional tax on rental income), this advantage is likely to fade away.

RPI INFLATION (5-YEAR)

GOLD PRICE INCREASE (5-YEAR)

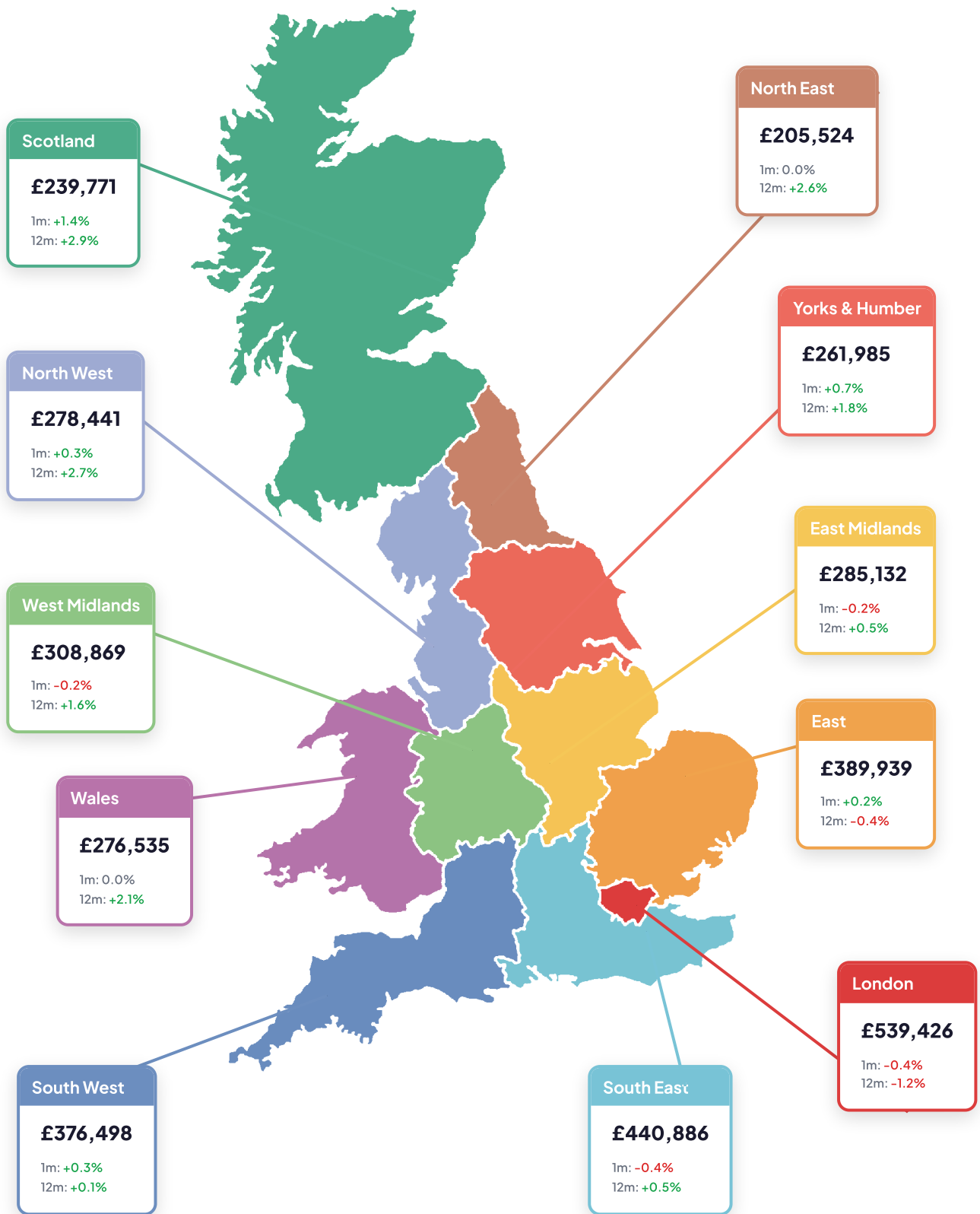
**38.4%**

**+184%**

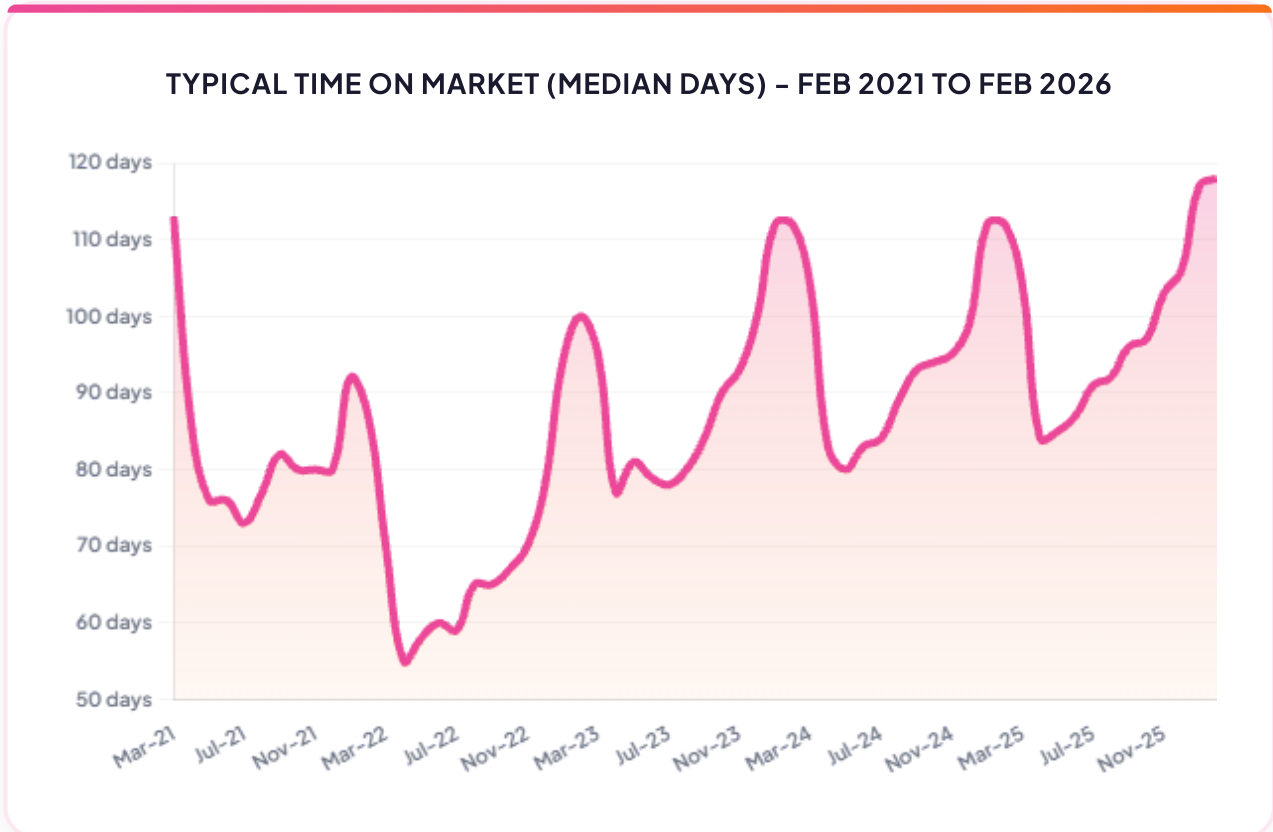
Source: Home.co.uk and Office for National Statistics

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# UK Asking Prices by region



# Time on Market Analysis



## Regional Time on Market – February 2026

<p><b>EAST ANGLIA</b></p> <p>AVERAGE    TYPICAL</p> <p><b>167    109</b></p> <p>Annual supply change: 18%</p>	<p><b>EAST MIDLANDS</b></p> <p>AVERAGE    TYPICAL</p> <p><b>169    113</b></p> <p>Annual supply change: 25%</p>	<p><b>GREATER LONDON</b></p> <p>AVERAGE    TYPICAL</p> <p><b>194    117</b></p> <p>Annual supply change: 17%</p>	<p><b>NORTH EAST</b></p> <p>AVERAGE    TYPICAL</p> <p><b>172    103</b></p> <p>Annual supply change: 27%</p>
<p><b>NORTH WEST</b></p> <p>AVERAGE    TYPICAL</p> <p><b>176    109</b></p> <p>Annual supply change: 23%</p>	<p><b>SOUTH EAST</b></p> <p>AVERAGE    TYPICAL</p> <p><b>173    111</b></p> <p>Annual supply change: 19%</p>	<p><b>SOUTH WEST</b></p> <p>AVERAGE    TYPICAL</p> <p><b>190    126</b></p> <p>Annual supply change: 19%</p>	<p><b>WALES</b></p> <p>AVERAGE    TYPICAL</p> <p><b>206    138</b></p> <p>Annual supply change: 19%</p>

WEST MIDLANDS

AVERAGE TYPICAL

**175** **115**

Annual supply  
change: 19%

YORKS & HUMBER

AVERAGE TYPICAL

**173** **117**

Annual supply  
change: 18%

Source: Home.co.uk | Note: Average = Mean, Typical = Median days on market of unsold property

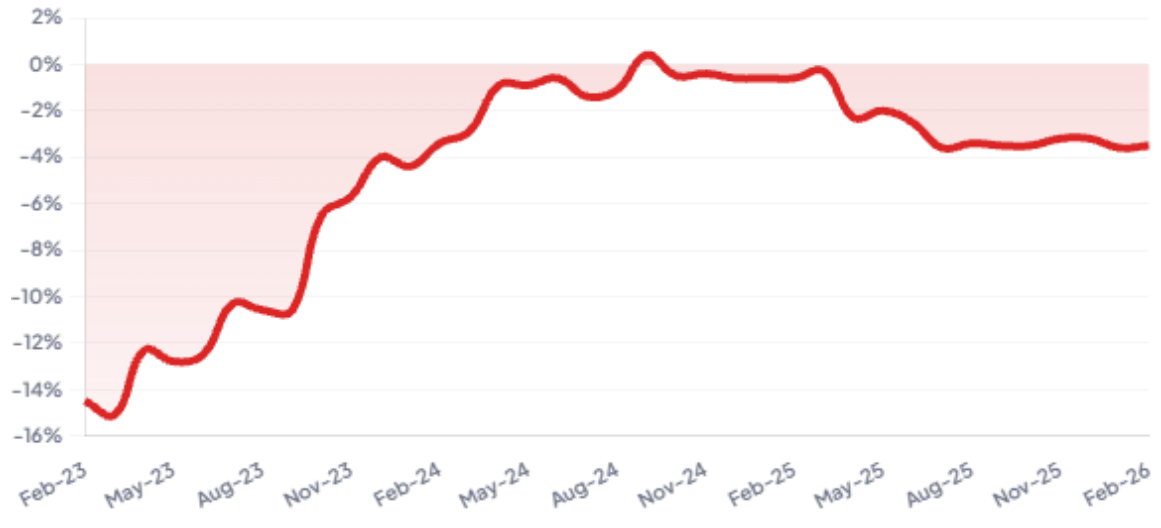
# Market Turnover & Real Price Growth

MARKET TURNOVER (PROPERTIES PER DAY) - FEB 2016 TO FEB 2026



REAL ASKING PRICE GROWTH (INFLATION-ADJUSTED) - FEB 2023 TO FEB 2026





## Expert Commentary

Perhaps the single largest factor affecting the UK property sales market is the landlord exodus. As reported by Sam Barker in Mortgage Strategy in December 2025, some 31% of landlords are looking to reduce their portfolios (according to a recent English Private Landlord Survey). There are still around 2.9 million landlords, according to HMRC declarations. Should they all attempt to sell one property this year, that would mean around 900,000 additional properties entering the sales market. **This would be a veritable tsunami of inventory which would dwarf the current total of stock for sale (around 470,000).**

### The Landlord Exodus: A Potential Market Tsunami

TOTAL UK LANDLORDS

**2.9M**

HMRC declarations

LOOKING TO REDUCE PORTFOLIOS

**31%**

English Private Landlord Survey

POTENTIAL ADDITIONAL STOCK

**~900K**

If all sell one property

CURRENT STOCK FOR SALE

**~470K**

February 2026

Some will procrastinate, of course, but even if only half sit on their hands, the consequences for home prices in the ensuing fire sale would be simply catastrophic. This in itself would trigger a significant opportunity for the bold and well-informed buyer. **Substantial discounts can be had during periods when vendors are on the back foot.**

### CONCLUSION

To sum up, the sales market in the near term is not as rosy as many commentators might suggest. Only when we see reduced stock levels and falling inflation will we see the return of real home price growth.

# About the Home Asking Price Index

The Home.co.uk Asking Price Index was originally devised in association with Calnea Analytics: the statistical consultancy responsible for the production of the official Land Registry House Price Index.

The Home.co.uk Asking Price Index (HAPI) is calculated using a weighting system based on the DCLG (formerly ODPM) Survey of English Housing Stock (published March 2006). This allows for enhanced regional delineation and conforms to the current geographical orthodoxy as set out by the Office of National Statistics.

## The UK's Only Independent Forward Market Indicator

The HAPI is the UK's only independent forward market indicator. The published figures reflect current and historic confidence of buyers and sellers of UK property on the open market. The HAPI is calculated every month using around **500,000 UK property house prices** found in the Home.co.uk Property Search Index. This figure represents the majority of the property for sale on the open market in the UK at any given time.

### 5-MONTH LEAD TIME

The HAPI is based on asking price data which means the index can provide insights into price movements around 5 months ahead of mortgage completion and actual sales data. Thus making it the most forward looking of all house price indices.

**Methodology Note:** Properties above £1m and below £20k are excluded from the calculations.

## Contact Details and Further Information

**For media enquiries please contact:**

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**Online Resources:**

Home.co.uk website

## Future Release Dates

Monday 16th March 2026

Wednesday 15th April 2026

Friday 15th May 2026