

home. 

Spring Optimism Lifts Prices

Home Asking Price Index

Published March 2026

+5.8%

TIME ON MARKET YOY

-1.0%

LONDON ANNUAL
DECLINE

468K

TOTAL UNSOLD STOCK

Key Headlines

Pricing Ticks Up on Seasonal Optimism: The mix-adjusted average home price for England and Wales jumped 0.6% during February. Annualised growth, however, remains poor at a mere 0.6% higher than in March 2025.

Market Picks Up the Pace: Typical Time on Market (TToM) for unsold properties in England and Wales reduced last month but remains six days higher than in March 2025. Marketing times for unsold property are at a 5-year high. The worst increases year-on-year continue to be found in London and the South West.

Unexpected Drop in Stock Levels: An unexpected drop in stock levels occurred during February. Counter to seasonal expectations, the total unsold stock on the market nudged down by 0.3%. The current sum of agents' portfolios now sits 1.7% lower than in March 2025. This positive development partly justifies some of the upward price action.

Supply Remains in Line with Expectations: The total number of new instructions in February came in at 1% less than in February 2025. The most significant year-on-year reductions of new sales listings were in the North West and Wales (5% and 6% respectively).

Wales Leads, London Lags: The mix-adjusted average home price rose in Scotland, Wales and all English regions last month, with the exception of the North East where the average slipped by 0.2%. The largest regional rise was in the South East (0.9%) which looks overly optimistic given the increase in marketing times since last year. Wales is now the top regional property market growth leader with a year-on-year gain of 2.8%, followed by the North West with an annualised rise of 2.5%. Meanwhile, London remains the weakest regional performer with a worsening annualised decline of 1.0%.

Market Overview

Spring optimism is clearly evident given the positive price signals and, pivotally, the reduction of on-market stock levels. As expected for the time of year, marketing times are falling as the market picks up pace.

Of course, these market dynamics were shaped by expectations of further rate cuts by the Bank of England later in the year. However, the misadventure taking place in the Persian Gulf and the subsequent catastrophic global economic consequences cast a long shadow. A period of stagflation is guaranteed with the only question being: For how long?

With energy prices already soaring, inflation will once again be at the front and centre of the Monetary Policy Committee's concerns, thereby cancelling the previous course of incremental base rate cuts. Moreover, the sudden spike in the 2-year swap rate, a proxy for mortgage rates, indicates that rate hikes are now to be expected. The rapidly increasing likelihood of higher mortgage rates comes as a severe blow to market sentiment, the consequences of which we will see play out over the coming months.

CRITICAL INSIGHT

The geo-economic reverberations of war in West Asia are having a devastating effect on financial markets around the world. A period of stagflation is guaranteed.

ENGLAND & WALES AVERAGE PRICE

£359,782

1-month: +0.57% | 12-month: +0.58%

TIME ON MARKET (TYPICAL)

110 days

+6 days vs Mar 2025 | 5-year high

NEW INSTRUCTIONS (FEBRUARY)

-1% YoY

NW and Wales down 5-6%

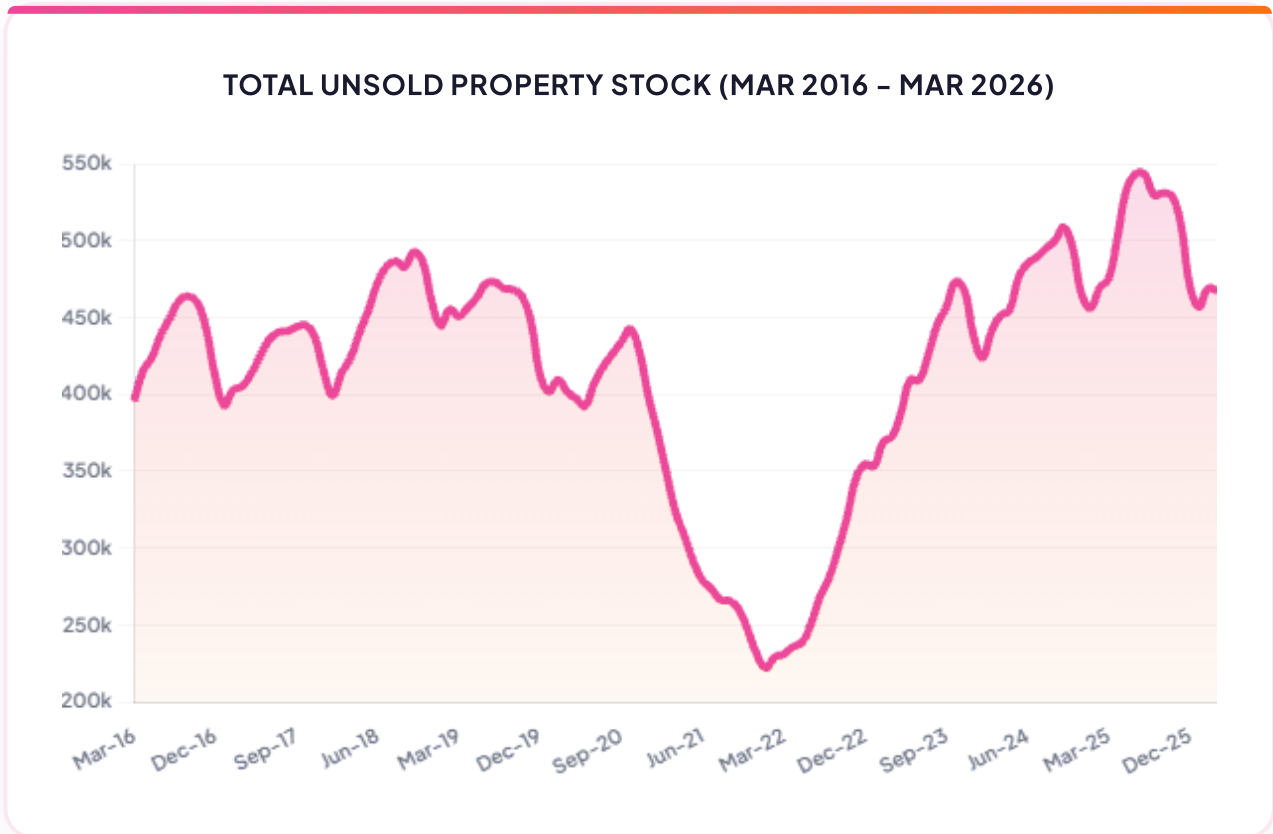
TOTAL UNSOLD STOCK

467,514

Down 0.3% month-on-month, -1.7% YoY

Stock Levels Analysis

Stock levels have been worryingly high for over two years. Our data shows an unexpected drop in the total of unsold property on the market. The total still remains relatively high but the counter seasonal reduction in estate agents' portfolios is positive for home prices. Moreover, stock reduction suggests increased demand, although it can also indicate that vendors have given up (perhaps turning to the rental market).



2013
LAST TIME THIS HIGH

468K
CURRENT STOCK

-1.7%
VS MAR 2025

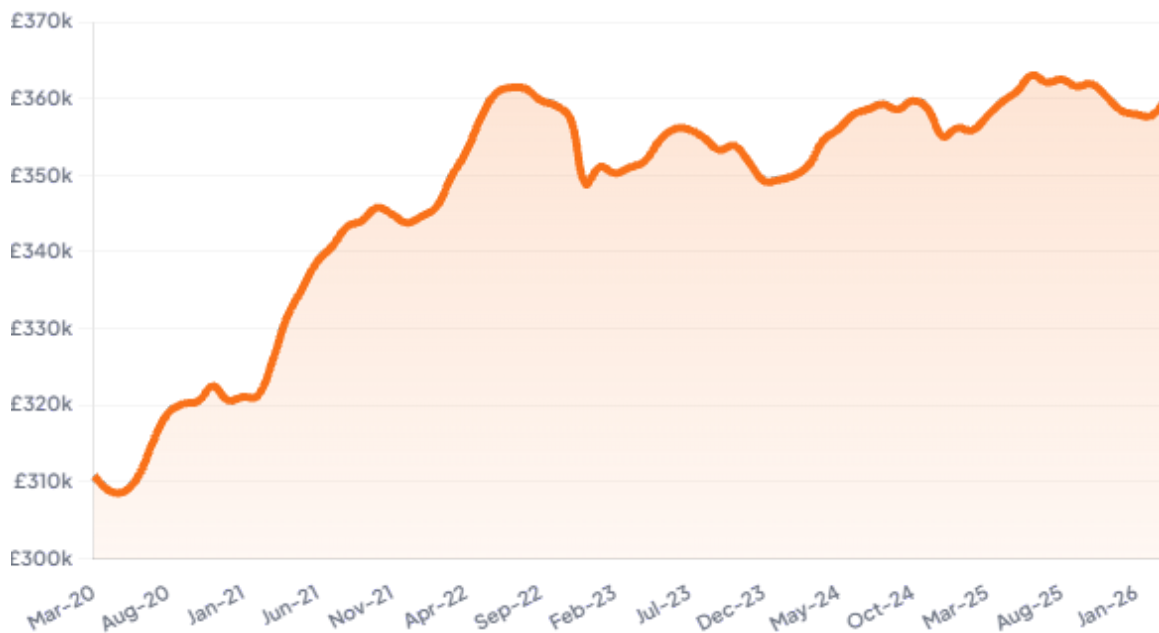
Declining
STOCK TREND

Source: Home.co.uk Property Search Index

Asking Price Trend

Home prices have shown their first strong uptick since June last year. The mix-adjusted average added 0.6% during February. However, annualised growth is exceedingly weak, also at 0.6%. These figures indicate how precarious home price growth remains overall. Relative to inflation, it is clear that residential property is not a safe store of capital now, and nor has it been since October 2021 (save for a single month: Sept 2024), relative to RPI ex. housing. We note that UK property is an asset class that continues to slowly deflate by stealth. The bubble created by ultra-low interest rates is undergoing a soft crash in real terms, in that lenders' balance sheets are not affected but investors' capital is slowly eroded.

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



Price growth this year appears unlikely to exceed monetary inflation due to geopolitical instability and rising energy costs.

£359,782

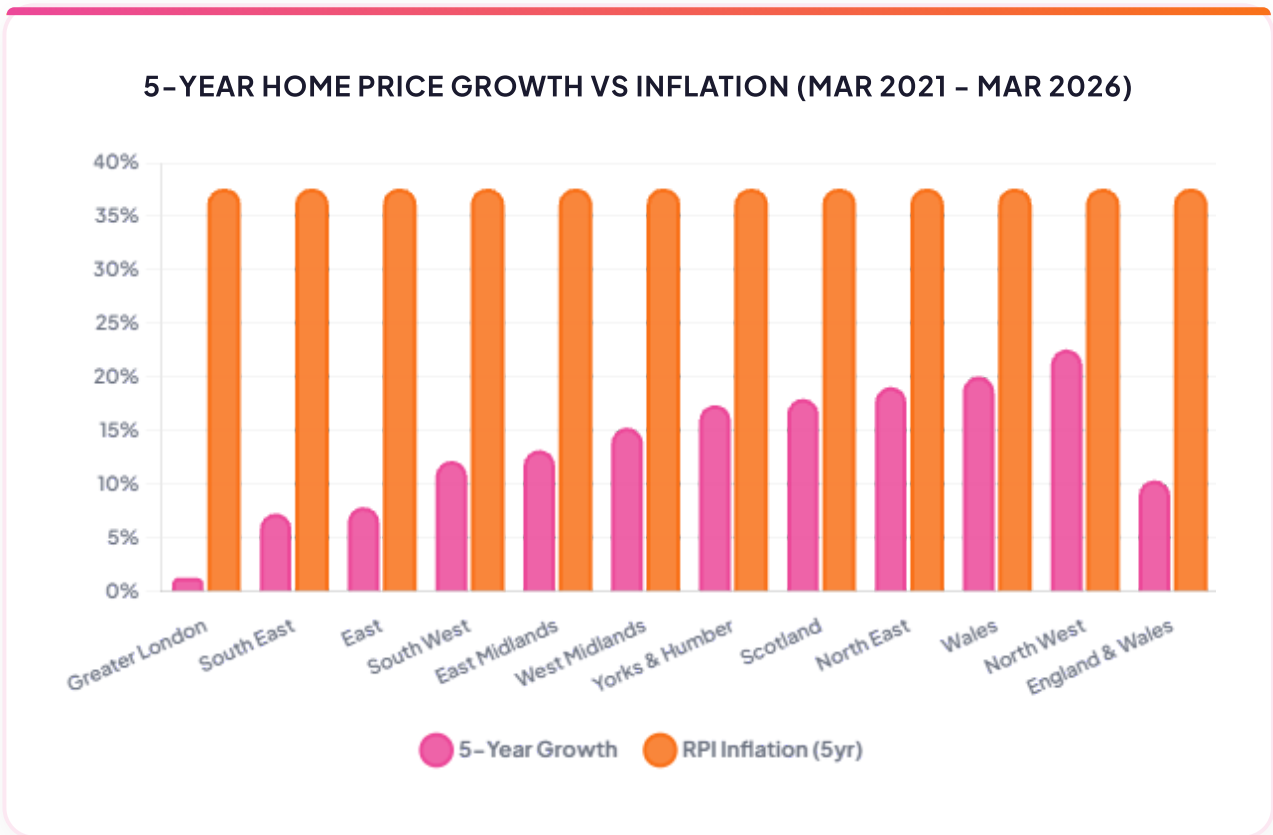
CURRENT AVERAGE PRICE

+0.6%

FEBRUARY CHANGE

Regional Variation

There is significant variation in price growth at the regional level. The annualised growth data is indicated in the maps later in this report but here we show the longer, 5-year growth figures. What is immediately clear is that there is not one English region, nor Scotland or Wales, where growth has managed to outpace inflation.



KEY FINDING

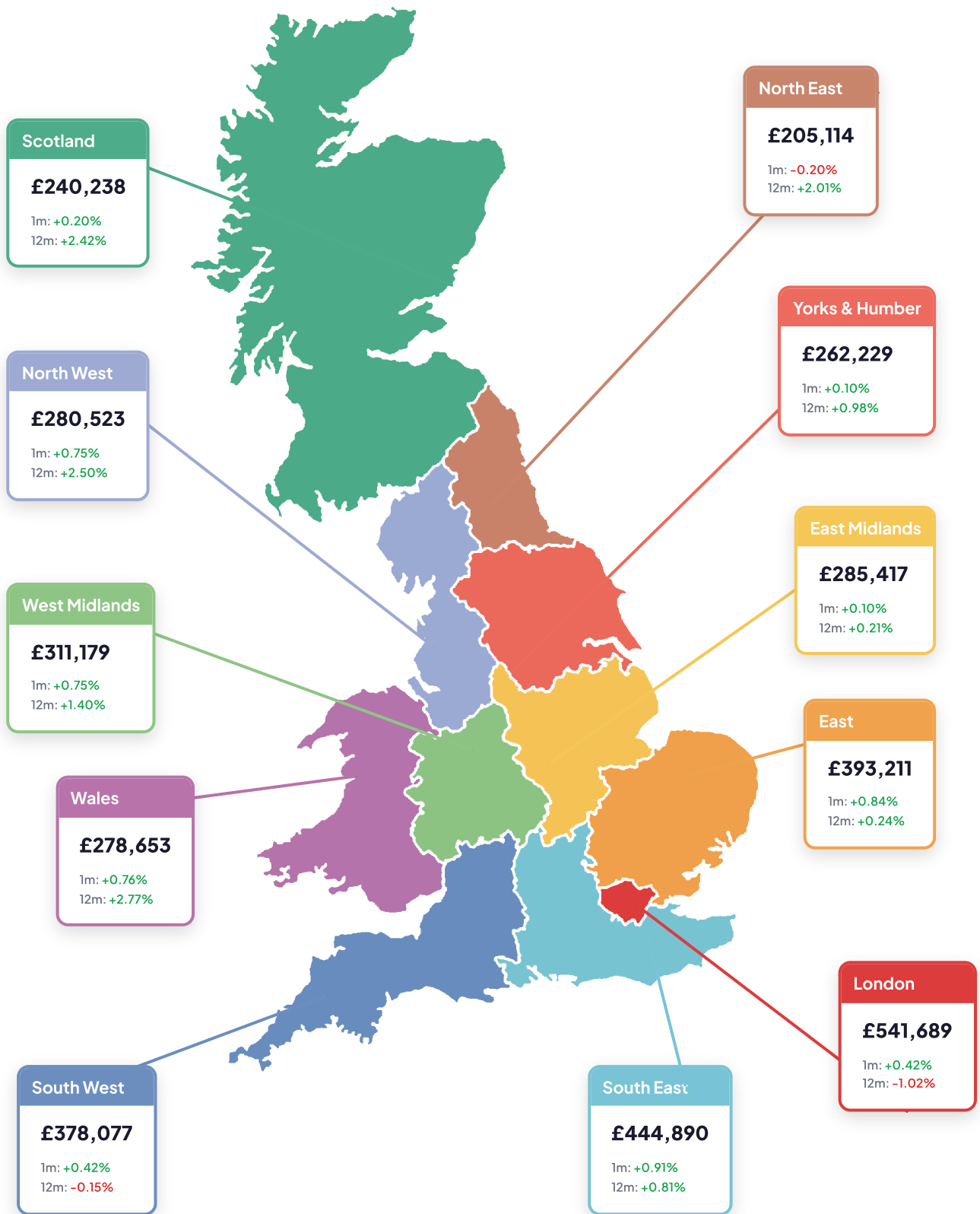
What is also clear is that the northern English regions, Scotland and Wales have fared by far the best over the last five years. However, these property markets have cooled significantly of late and price growth has plummeted to sub-inflation levels. The key driver for the formerly stellar growth was buy-to-let investing, attracted by better rental yields. While to some extent this situation still exists, yields are declining along with rents. Moreover, the Renters' Rights legislation, which comes into effect on 1st May, and higher mortgage interest rates are deterring further investment.

37.6%

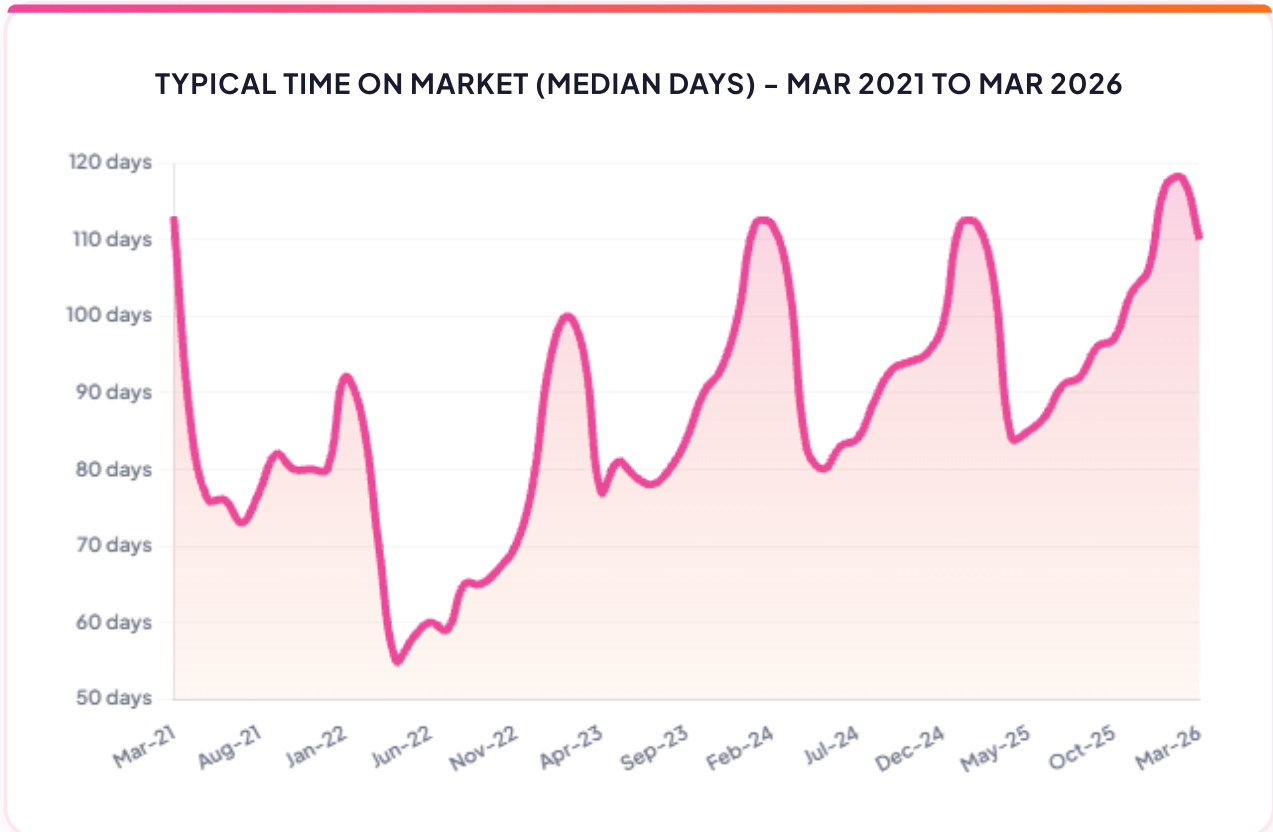
+204%

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

UK Asking Prices by region



Time on Market Analysis



Regional Time on Market – March 2026

<p>EAST</p> <p>AVERAGE TYPICAL</p> <p>162 93</p> <p>Annual supply change: +2.5%</p>	<p>EAST MIDLANDS</p> <p>AVERAGE TYPICAL</p> <p>162 91</p> <p>Annual supply change: -0.3%</p>	<p>GREATER LONDON</p> <p>AVERAGE TYPICAL</p> <p>187 108</p> <p>Annual supply change: -1.4%</p>	<p>NORTH EAST</p> <p>AVERAGE TYPICAL</p> <p>166 103</p> <p>Annual supply change: -1.9%</p>
<p>NORTH WEST</p> <p>AVERAGE TYPICAL</p> <p>171 93</p> <p>Annual supply change: -4.9%</p>	<p>SOUTH EAST</p> <p>AVERAGE TYPICAL</p> <p>170 102</p> <p>Annual supply change: +1.2%</p>	<p>SOUTH WEST</p> <p>AVERAGE TYPICAL</p> <p>184 119</p> <p>Annual supply change: -2.7%</p>	<p>WALES</p> <p>AVERAGE TYPICAL</p> <p>201 132</p> <p>Annual supply change: -6.5%</p>

WEST MIDLANDS

AVERAGE TYPICAL

168 104

Annual supply
change: -3.8%

YORKS & HUMBER

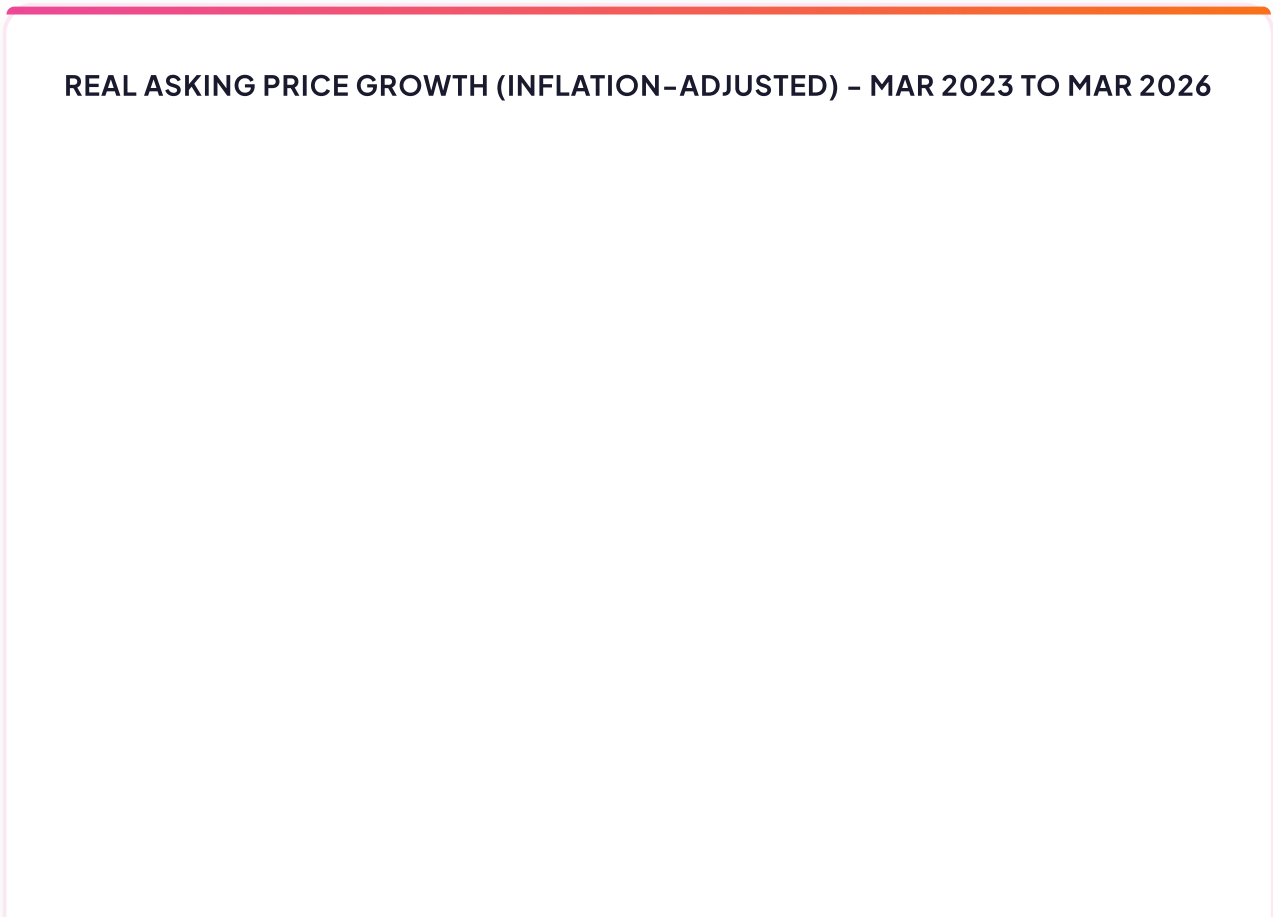
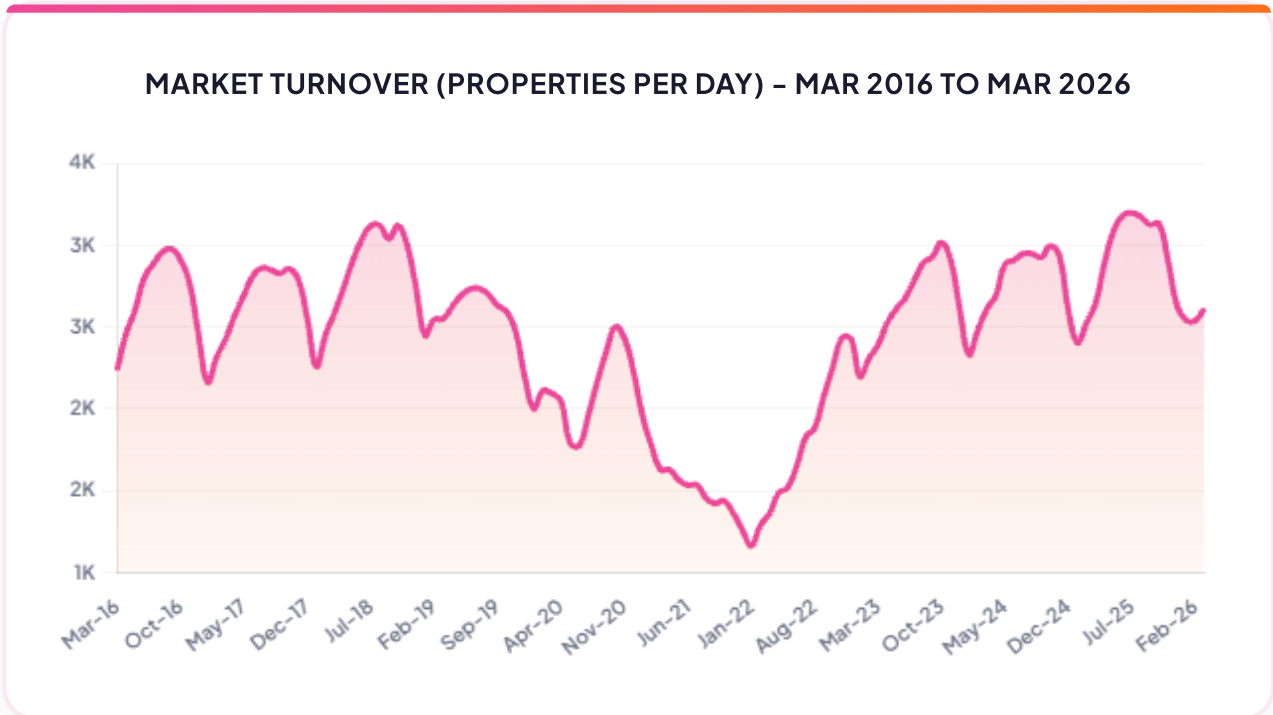
AVERAGE TYPICAL

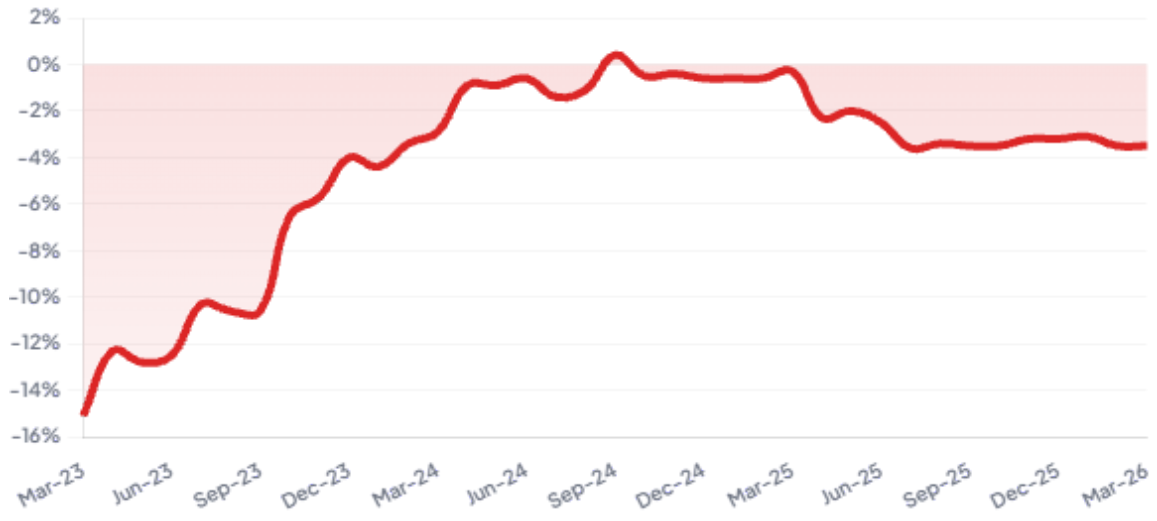
165 108

Annual supply
change: -1.4%

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

Market Turnover & Real Price Growth





Expert Commentary

The geo-economic reverberations of war in West Asia are having a devastating effect on financial markets around the world. The effective closure of the Strait of Hormuz means vital energy and fertilizer supplies have ceased. European energy markets for gas and fuel have entered an inflationary spiral that will rapidly feed into both the cost of living and the cost of borrowing.

The 2-year swap rate has climbed steeply since the start of the conflict, indicating that higher financing costs lie ahead. Added to that, as we enter a deeply inflationary environment, the Bank of England is highly unlikely to cut interest rates going forward, dashing the hopes of many in the UK property sector. Indeed, the Monetary Policy Committee may opt to raise the base rate to try to bring inflation under control.

The looming spectre of rising borrowing costs turns the market on its head. Having just begun the recovery from the last bout of inflation that raged from 2021 through to 2023, we are now faced with a tsunami of rising commodity prices, and there's no end in sight. Confidence in the UK property market will take a serious hit and recalibration will follow.

CONCLUSION

The geo-economic reverberations of war in West Asia are having a devastating effect on financial markets around the world. A period of stagflation is guaranteed with the only question being: For how long?

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:

press@home.co.uk

0845 373 3580

Online Resources:

[Home.co.uk website](https://www.home.co.uk)

Future Release Dates

Wednesday 15th April 2026

Friday 15th May 2026

Monday 15th June 2026