

UK HOUSE PRICES

House Prices in 2021

House prices are rising at record-breaking levels in 2021.

The North West

North West house prices continue to lead the way for property price growth while London house prices lag.

Experts expect further average UK house price growth of 21.5% by 2025.



RWinvest

EST. 2004

rw-invest.com



TABLE OF CONTENTS

04		The Latest UK House Price News & Data
10		Past UK House Price Trends
15		UK House Prices by Area
20		UK House Price Forecast Predictions



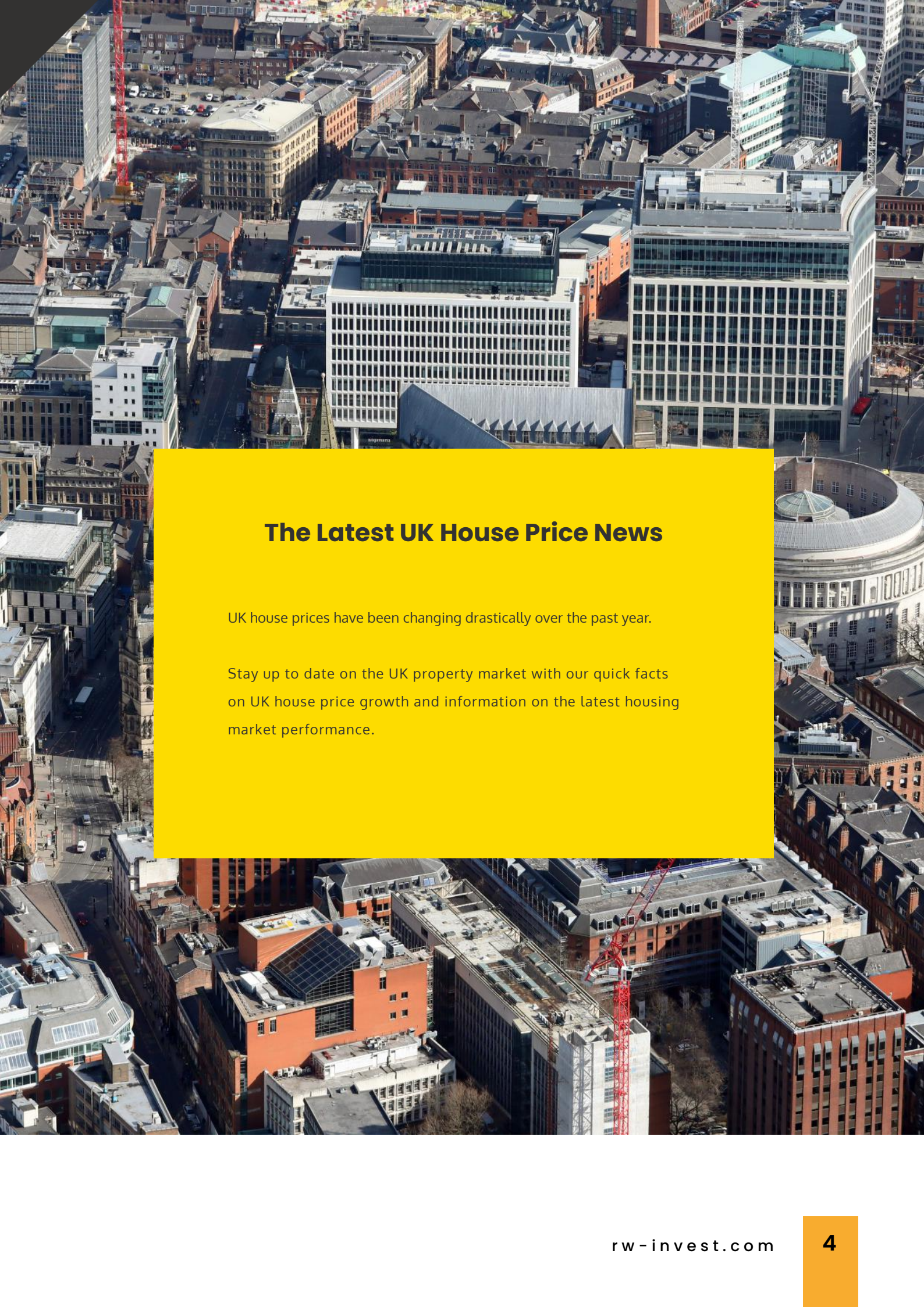


EMBANKMENT EXCHANGE

Invest From
£179,950

FIND OUT MORE





The Latest UK House Price News

UK house prices have been changing drastically over the past year.

Stay up to date on the UK property market with our quick facts on UK house price growth and information on the latest housing market performance.

UK House Price Figures From September – November 2021

In September 2021, Halifax unveiled the latest statistics on the UK housing market. Their figures revealed that the new average UK house price stood at £262,954 as of August 2021 - the highest ever on record. This record-breaking figure was £23,600 higher than the average UK property price back in June 2020. The new average house price is also 1.2% higher than it was in the previous month.



Updated statistics from the UK house price index revealed that UK house prices decreased by £10,000 on average between June and July.

This recent Halifax data, however, shows that prices are on a sharp rise. Those who want to invest in property before prices increase further are urged to act fast to secure the best deals now.

In November 2021, the latest UK house price figures revealed that the current average property price in the UK (as of August) stands at £264,244, which is up 2.9% since July.

This new figure is higher than Halifax's predicted £262,954, which shows that property prices are increasing further.

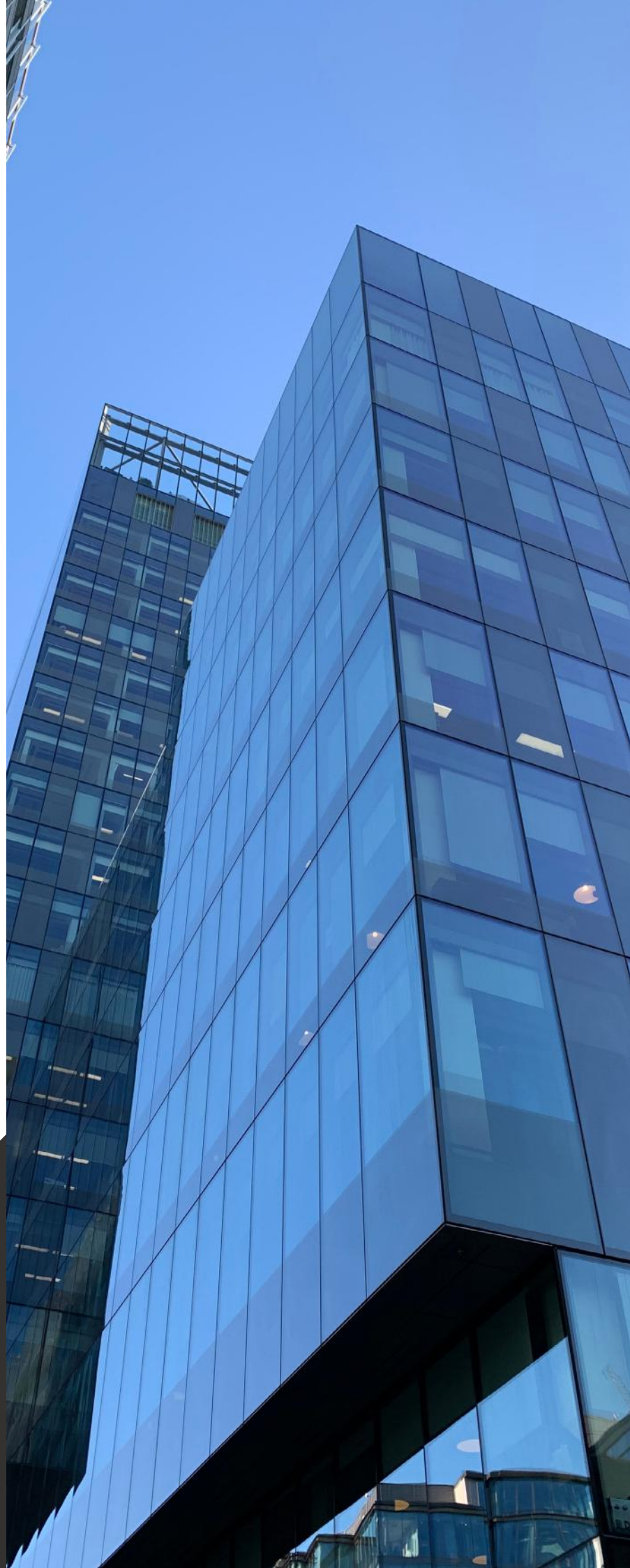
UK House Prices in Summer 2021 – How Did the Market Perform?

In the summer of 2021, house prices in the UK experienced some record-breaking highs.

In June, reports from the UK Nationwide house price index showed a 13% rise in national house prices compared to June 2020.

This was the biggest jump in property prices since November 2004, highlighting the strength of the 2021 housing market.

In July, UK house prices were again higher than in the previous year, with a 7.9% rise.





What Happened to UK House Prices in Spring 2021

In the Spring of 2021, it was revealed that average UK house prices in March had risen to their highest level since before the financial crash in 2007, with an annual increase of 10.2% (now 9.2% according to updated house price index figures).

By April 2021, the average UK property price was 9.2% higher than in the previous year, and by May, prices were 0.9% higher month-on-month.

Throughout Spring, urgency clouded the property market due to the upcoming end to the full stamp duty holiday tax break at the end of June.

This led many buyers to rush to purchase second properties while they could still take advantage of tax savings.



House Prices in the UK in Winter 2020/21

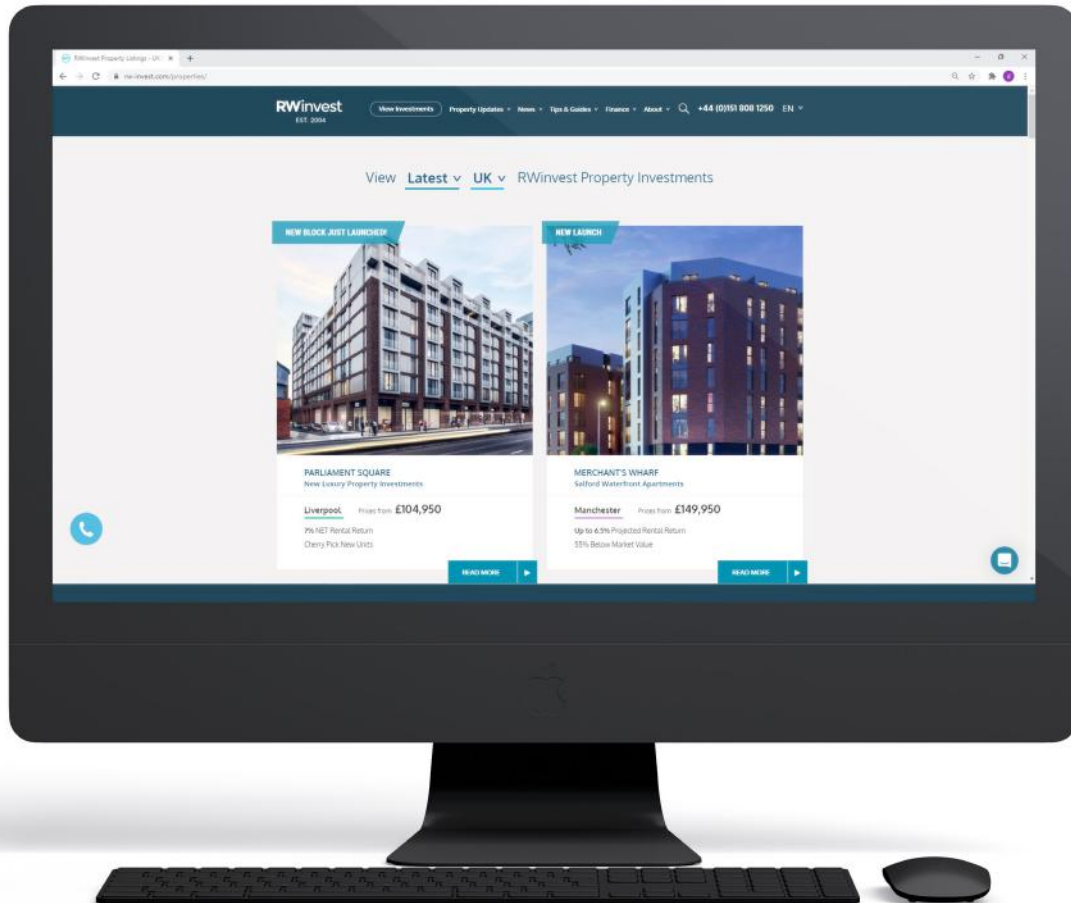
In Winter 2020/21, housing market statistics from the UK house price index revealed a 0.8% rise in average property prices between November 2020 and December 2020.

By January 2021, prices had grown by 0.9% month-on-month, with a 7.3% annual increase compared to January 2020. Pre-pandemic average house prices in the UK stood at around

£231,940, and by January 2021, they stood at £249,009.

By February, prices had increased by 8.6%. Compared to last year, it became evident that the accelerated growth seen in 2020 was not slowing down any time soon, and the UK housing market was in for a record-breaking year.

Start your search today.



RWinvest

EST. 2004

Click the button below to view our latest investments.
Start your investment journey today.

[Find Out More](#)





Past UK House Price Trends

UK house price growth may have been prevalent throughout 2021, but what about past UK house price trends?

Let's look at how the UK property market has performed and how average house prices have changed over the last several years.

How Much Have UK House Prices Increased Since the Beginning of the Pandemic in March 2020?

In March 2020, house prices in the UK were performing at a typical level. In March 2020, the average property price stood at £232,684. In the month following the announcement of a worldwide pandemic and the first UK lockdown, property prices experienced a -1% drop, with a new average house price of £230,318.

Many were fearful that this price drop meant that the housing market was set to crash over the coming months. This was an anxious time for many who were left questioning - is now a good time to invest?

However, for property investors who trusted that the market would pick back up again, this period presented a great opportunity to invest in UK property while prices were more affordable.

And pick back up again the market did. By June 2020, property prices were already 0.8% higher than they were in March.



Then, following the announcement of a stamp duty holiday which allowed homebuyers and investors to save on taxes for their property purchase, property prices rose to record levels.

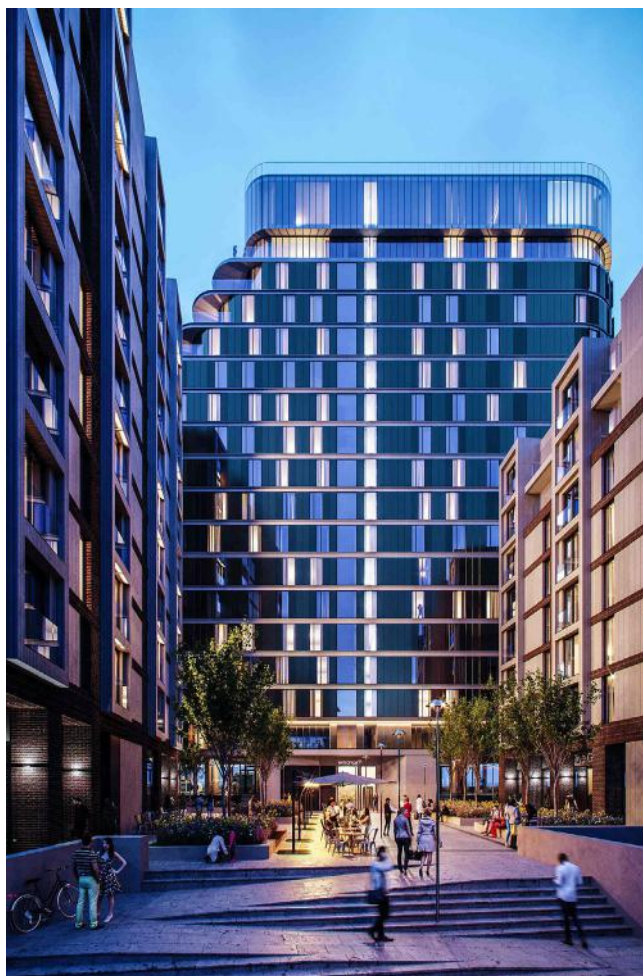
By September 2021, the average house price hit £241,684. This revealed a 3.4% annual house price growth and showed that the property market in the UK was resilient despite the pandemic.

As a whole, from March 2020 to September 2021, house prices have increased by 13%.

How Much Have UK House Prices Changed Over the Last 5-10 Years?

In the UK, house prices over the last five years and 10 years have seen significant growth. When analysing data from the Land Registry UK House Price Index, it's clear that the average UK house price has seen massive growth over the last 10 years.

In January 2011, property prices in the UK stood at £167,300 on average, compared to average property prices in the UK of £249,009 by January 2021.



This means that over 10 years, UK house prices have increased by 48.84% on average, which is a considerable rate of growth.

When you look at house prices over the last five years using the same data, UK house price growth experienced an increase of 21.19% between January 2016 and January 2021.



How Did the Brexit Vote in 2016 Affect UK House Prices?

Over the last five years, Brexit has had one of the biggest influences on the UK property market and UK house prices. In the lead-up to the 2016 EU referendum, many people, particularly investors, feared Brexit's effect on property prices in the UK. While property prices did fall due to this uncertainty, the market wasn't affected as dramatically as many expected.

According to Halifax, UK house prices fell by 1% in July 2016 – a month after the EU referendum vote. By October

of that same year, however, property prices in the UK had increased by £2,623. Between October 2016 to October 2017, there was a reported UK house price growth of 4.5%.

Now, the UK has officially left the EU, and house prices have remained relatively consistent. House price growth throughout 2021 has been on the rise, and UK house price forecast predictions suggest nothing but further growth over the upcoming years.



EMBANKMENT EXCHANGE



1, 2 & 3-Bed Luxury Apartments

[FIND OUT MORE](#)

An aerial, high-angle photograph of a city, likely London, showing a dense urban landscape with a river (the River Thames) winding through it. The image is in black and white, with a prominent yellow rectangular box overlaid in the center. The box contains the title and introductory text for the document. The background shows a mix of residential and commercial buildings, roads, and green spaces, with a large stadium (Wembley) visible in the lower right quadrant.

UK House Prices by Area

Record highs have been seen in the UK lately, but how does the overall UK average compare to house price growth within different regions, cities, and towns?



Where Are UK Property Prices Rising Fastest?

Property market data reveals that the North West region is the fastest-growing in 2021 when it comes to house prices. Looking at house prices across the different UK regions between June 2020 and June 2021, let's compare the average house price growth in the North West to other areas.

Data from the UK house price index shows that between June 2020 and June 2021, average house prices in the North West increased by 18.8%. As the graph shows, North West house prices grew faster than any other region between the same period.

Of all the UK areas, London's annual growth was the least impressive with a rise of just 5.1%.

Wales followed closely behind North West house prices with an average property price growth of 17%, next to Yorkshire and the Humber and the North East, which boasted growth of over 15%.

Average UK House Prices by Country

How do average house prices vary between the different countries in the United Kingdom? Here are average house prices for England, Wales, Scotland, and Northern Ireland as recorded in the latest UK house price index update for July 2021.



England

According to UK house price index data, the average house price in England as of July 2021 was £270,973. This is the highest of any country in the UK by a strong distance. England's average property price is the only one to exceed £200,000.

This is mainly down to London and the South of England's high property prices. In London, an average house price of £494,673 was recorded in July. If you're looking for the best place to invest in the UK and you want to buy property in a thriving UK area without spending above the odds, Liverpool is a great city to focus on.

Here, the average price as of July stands at £162,259, according to Land Registry data.

Wales

In Wales, average property prices are more affordable than those in England despite sharp house price growth over the past year. The UK House Price Index records Wales' average house price as £187,960 as of July 2021.

This means that in Wales, buying a property as a first-time buyer is more achievable as there's a broader choice of affordable houses and flats to purchase. In the Welsh capital of Cardiff, properties are more pricey, with a £240,320 average.

Those seeking properties below £200k in Wales may want to look at areas like Swansea, which boasts a modest £170,774 average price.



Northern Ireland

In Northern Ireland, an average house price of £153,449 was recorded for July this year. This is the lowest in the UK compared to England, Scotland, and Wales and puts Northern Ireland on the map as a good area for affordability when buying property.

Even in Belfast, where prices would expect to be higher overall, property prices average out at £145,337. However, annual growth for Northern Ireland in the year to June 2021 was 8.9%, which is lower than that of the other three contenders.



Scotland

The Scottish property market is performing above the housing market in many UK regions, with annual growth of 11.7%. The average property price in Scotland, according to recent data, was £177,166 in July.

This makes the Scottish average house price higher than Wales but lower than the average in England. Predictably, the Scottish capital of Edinburgh's average house price as of July was higher than the country's average, standing at £309,227.

This puts Edinburgh's housing market almost on par with London in terms of affordability.

RWinvest

EST. 2004

Over 140 Projects Launched

View our **£1bn portfolio** today with projects launched in 16 major cities.

City Terraces, Liverpool



View Our Track Record

When we founded RWinvest in 2004, our mission was to help investors like you succeed, matching you with carefully vetted opportunities that offer excellent growth prospects. Our focus has always been on transparency, reliability and quality, bringing investors together with the best developers and management companies in the UK.

rw-invest.com

Find Out More





UK House Price Forecast Predictions – What Will Happen to House Prices UK

So, will house prices rise over the coming years, or should we expect some record lows after a year of enormous growth?

Thankfully for many, house prices in the UK are set to rise over the coming years, despite cautious attitudes towards the property market following the end of the stamp duty holiday. According to the latest Savills predictions, the UK will see average property price growth of 21.5% by 2025. While this is an attractive figure, house price increases by area suggest that certain regions will outperform the national average when it comes to regional house prices.

The North West, in particular, has seen some of the strongest property price growth when analysing UK house price trends. The latest property price news for the UK and North West housing news suggests this growth is set to continue. By 2025, Savills predicts that the North West region will see house price growth of 28%.

Yorkshire and the Humber also expect house price growth of 28%, while the next best growth prediction is for Wales with a 26.8% expected increase.

With the UK house price forecast in mind, looking for opportunities up North is essential to maximise capital growth potential over the coming years.



When Will House Prices Drop in the UK?

For those feeling cautious about the market's future, the question still remains - will house prices drop in 2021 UK? When are we expected to see a more affordable version of the current house prices in the UK?

Savills predictions state that in 2021, UK property prices should rise by an average of 9%. As of September 2021, it seems that UK house prices are on track to meet this growth level.

With average house prices of £249,009 in January according to the UK House Price Index and an average property price of £262,954 as of August according to Halifax data, it appears UK property prices have grown by 5.6% in the last eight months alone.

While house prices in the UK may have dropped between June and July due to the end of the stamp duty tax break, the new average price of £262,954 (up from July's £255,535) shows that this drop was only temporary.

If you're considering buying UK property before prices rise even further, the time to do so is now.



How Will Brexit Affect House Prices in the UK?

Judging by how the market recovered following the 2016 EU Referendum vote, experts are confident that the UK property market will remain resilient as Brexit unfolds.

UK house prices have seen steady growth throughout the last five years, with an 11% property price rise since the beginning of 2016.

For a more thorough investigation into Brexit's effect on house prices in the UK, read our guide to property prices after Brexit.



How Important are Capital Growth Predictions for UK Investors?

Understanding and researching UK house prices and property market predictions as a buy to let property investor is integral to any investment journey. This is because you get no indication of possible capital growth returns without knowing about the past, current, and future state of the area you're looking to invest in.

Capital growth is one of the most lucrative elements of a buy to let investment. If your property grows in value over time, you will have built up two types of returns – rental

returns and capital gain. By the time you come to sell your property, its value could have increased in line with local property market trends. This means you will benefit from a large lump sum of money on top of the money you've earned through rental income.

By identifying the best house price increases by area, you can narrow down the locations with the best investment opportunities before making your purchase. You can then avoid any cities or regions with slow expected growth.



Enquire With RWinvest Today

If you're a UK investor and you've enjoyed reading our guide to UK house prices, why not contact us today to chat with a member of our team?

We can make you aware of our current property investment deals, with below-market value rates on properties in top UK cities like Liverpool, Manchester, and more.

Get in touch today to find out more.



RWinvest
EST. 2004

The data used in this guide was taken from the following sources:

Halifax House Price Index.
Land Registry House Price Index.
Zoopla.
Property Data.

This content was last updated in November 2021. We aim to update this guide as often as possible, but some statistics may be outdated depending on when you read.