

Average UK house price hits two-year high amid 'positive summer' for market



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The average UK house price hit a two-year high in August, up 0.3 per cent on the previous month, according to new data from [Halifax](#).

A typical property now costs £292,505, according to the building society's model, which uses data from across the UK.

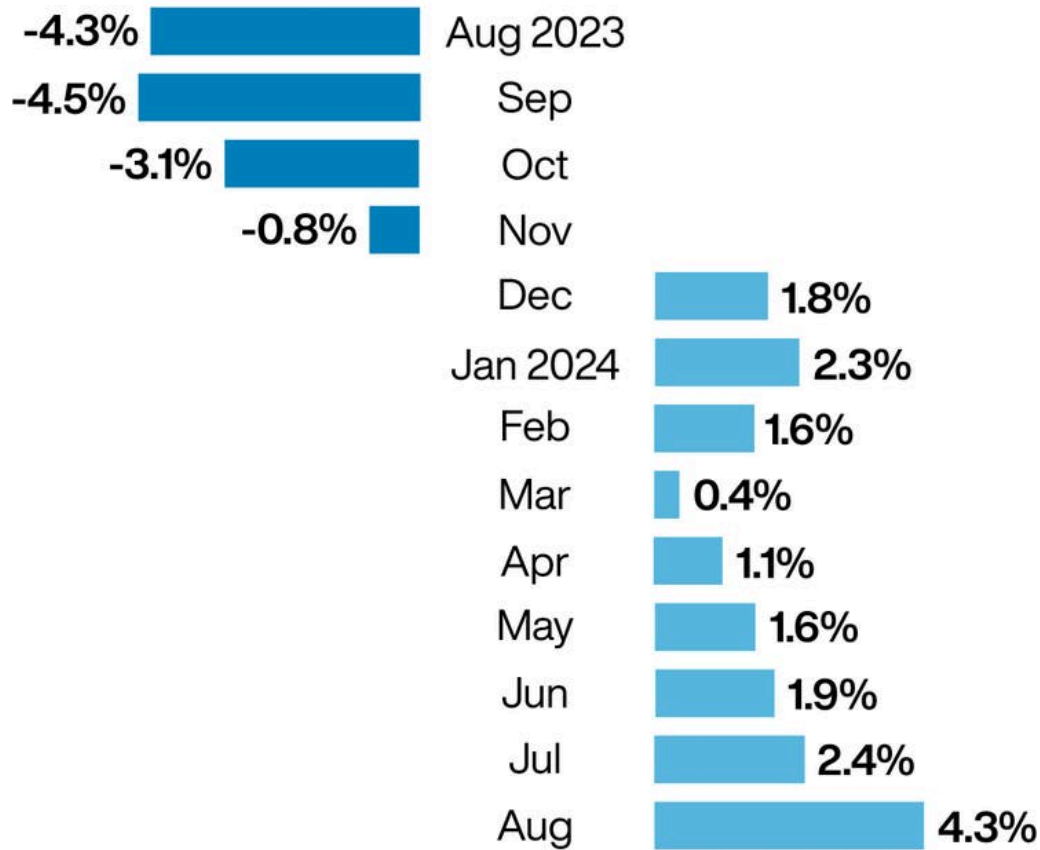
The most expensive average properties were still found in London, now averaging £536,056, up 1.5 per cent on a year ago.

August's small monthly rise comes after a faster 0.9 per cent increase in July, but year-on-year prices are up 4.3 per cent, Halifax added, the strongest rate since November 2022.

"Recent price rises build on a largely positive summer for the UK housing market," said Amanda Bryden, head of mortgages at

Halifax.

Halifax house price index: year-on-year change in average UK house price



PA graphic. Source: Halifax. Figures are seasonally adjusted

“Prospective homebuyers are feeling more confident thanks to easing interest rates,” she added. “That optimism is reflected in the latest mortgage approval figures, now at their highest level in almost two years.”

The average property is just £1,000 short of the record price set in Halifax’s house price index of £293,507 in June 2022.

Ms Bryden continued: “While this is welcome news for existing homeowners, affordability remains a significant challenge for many potential buyers still adjusting to higher mortgage costs.

“However with market activity picking up and the possibility of further interest rate reductions to come, we expect house

prices to continue their modest growth through the remainder of this year.”

Unlike a few months ago, the difference now is that mortgage rates are falling rather than rising, which is good news for affordability

Mark Harris, SPF Private Clients

It comes after the Bank of England voted to cut the base interest rate by a quarter point at the start of August to 5%, which some experts said has given buyers more confidence.

The strongest growth came in [Northern Ireland](#), which saw house prices rise 9.8% annually. [Wales](#) also came in at 5.5%.

Jeremy Leaf, north London estate agent and industry veteran, called the figures “solid, not spectacular”.

Mark Harris, chief executive of mortgage broker SPF Private Clients, added that the mortgage market “remains volatile”.

He added: “However, unlike a few months ago, the difference now is that mortgage rates are falling rather than rising, which is good news for affordability.”