

London house price average hits £689,000

Asking prices in London have hit an average of £689,230 due to a rise of 7.6% on the same period last year, according to [property](#) website [Rightmove](#).

However, the UK's white hot post pandemic housing market is likely to cool later in the year with the [twin spectres of inflation and interest rate rises set to hit the sector in the coming months](#).

According to Rightmove, there are signs that “the frenetic market is starting to ease” as the number of buyers contacting estate agents has dropped 14% now buyers can no longer benefit from the stamp duty cut, but is still up by 31% on the more comparable market of 2019.

The average price of UK property coming to the market hit a fourth consecutive record [last month at £367,501 on the back of a £7,400 a month rise](#).

However, this could be a result of a contraction of available properties, down 55% on the levels seen in 2019, meaning that supply and demand look likely to remain out of kilter for the near future.

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Tim Bannister, Rightmove's director of property science, said: "We anticipate that the [effects of the increased cost of living and rising interest rates will filter through to the market later in the year.](#)

"Though demand is softening from the heady levels we saw this time last year, the number of buyers enquiring is still significantly higher than during the last 'normal' market of 2019."

Average asking prices have also risen more than £55,000 in the past two years, compared to a £6,000 rise in the [two years before the coronavirus pandemic, according to the property website.](#)

Guy Gittins, CEO of London estate agents Chestertons, said: "Before the pandemic, the market had three years of people being concerned about the impact that Brexit would have on the economy in addition to the potential change of government on the cards.

"This led to many house hunters putting their property search on hold. Since the pandemic, however, market activity has completely shifted the opposite direction as buyers have become far more concerned about living in the right property."