

# House prices continue to rise – up for the 12th month in a row

Annual house price growth in the UK accelerated to 11% in July, slightly up from the 10.7% seen in June, according to new figures.

House prices increased by 0.1% month-on-month – the 12th consecutive monthly increase – according to Nationwide Building Society.

The average house price in July reached £271,209.

Robert Gardner, Nationwide's chief economist, said the housing market had been surprisingly buoyant so far, given the strains on households' budgets and consumer confidence plunging to a record low.

He added: "We continue to expect the market to slow as pressure on household budgets intensifies in the coming quarters, with inflation set to reach double digits towards the end of the year."

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Marc von Grundherr, director of London estate agent Benham and Reeves, said: "You'd have thought that having gorged themselves on a feast of mortgage affordability and stamp duty reductions during the pandemic, the appetite of the nation's homebuyers would be dwindling.

"This clearly isn't the case and even a string of consecutive interest rate hikes are yet to taint their taste buds as they continue to pile their plates high – pushing house prices to record highs in the process.

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“With the bricks and mortar buffet on offer remaining understocked with regard to the level of homes available, we can expect property prices to remain robust even against an uncertain economic backdrop.”

**‘Market momentum remains unwavered’**

James Forrester, managing director of Barrows and Forrester,

added: "Market momentum remains unwavering, having weathered a prolonged period of Brexit uncertainty, a global pandemic, increasing inflation and the most incompetent prime minister in living memory.

"All things considered, it seems as though nothing short of an apocalypse can bring the property market to its knees."

But managing director of HBB Solutions, Chris Hodgkinson, said: "While house prices remain sky high, home sellers would be well advised to fasten their seatbelts as we're likely to witness a period of heightened turbulence before the year is out.

"Buyer demand levels are already starting to wane and when the well runs dry, home sellers will have to adjust their asking price expectations in order to secure a sale, as a perfect storm of increasing mortgage costs, record inflation levels and the steep cost of living all put pressure on the UK property market."