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Residential Property Review June 2026

Revised outlook for 2026

Savills has revised its house price forecasts for 2026 in light of the ongoing conflict in the Middle East. It is now anticipated that house prices will fall by 2% this year, with London and the South East seeing the biggest declines.

The five-year forecast has seen less change, with some capacity for growth in the medium term. Markets have responded quickly to the economic shock caused by the geopolitical events, so prolonged conflict would pose a risk to the housing market.

There are high levels of stock on the market because buyer confidence has taken a hit and landlords are selling up their homes due to recent rental reforms. The North of England, Scotland and Wales are expected to be the most resilient regions in the short term. Looking to 2027, it will likely be a slow start to the year, with house price growth picking up when the economic outlook improves.

The risk of overpricing your home

According to a survey, 44% of UK homes on the market failed to sell in the last three years.

The report found that the most common pitfall is pricing homes too high. Of those who failed to sell their home, 34% said that, in hindsight, they were overconfident with the price, but at the time they thought it was reasonable. Meanwhile, 16.2% knew from the outset that they were overshooting their home's value.

Half (53%) of sellers were only able to find a buyer after lowering the asking price, which highlights the importance of getting a valuation before putting your home on the market.

A third (32%) of respondents said they got as far as putting an offer down on a property before they got their own home valued. Some (21%) admitted to overpricing their home so that they could afford to buy a property they had already found.

Coastal property hotspots

House prices in Britain's seaside towns have continued to climb over the past year, with data from Rightmove revealing the coastal locations experiencing the strongest growth.

Bootle, Merseyside, has emerged as the UK's top seaside property hotspot for summer 2026, with asking prices rising by 11% on average in the past year to £141,680. Nearby Crosby takes second place, recording a 9% increase to £330,900. The town is well known for its beach and Antony Gormley's iconic iron men installation.

Wales dominates the rankings, claiming five of the top ten most sought-after seaside locations. Penarth and Llantwit Major both posted annual price growth of 8%, while Porthcawl saw a 6% rise. Bangor, in Gwynedd, also recorded strong growth, with asking prices increasing by 7%.

Scotland has one ranking in the top ten - Helensburgh in Dunbartonshire - where average asking prices have risen by 6%.

House prices headline statistics

House Price Index (April 2026)	103.5
Average House Price	£270,000
Monthly Change	0.7%
Annual Change	3.8%

* (Jan 2023 = 100)

- Average house prices in the UK increased by **3.8%** in the year to April 2026
- House prices increased by **0.7%** on average between March 2026 and April 2026
- The average house price in London was **£552,655.**

Source: The Land Registry
Release date: 17/06/26
Next data release: 22/07/26

House prices Price change by region

Region	Monthly change (%)	Annual change (%)	Average price (£)
England	0.6%	3.9%	£291,445
Northern Ireland (Quarter 1 - 2026)	1.5%	7.4%	£198,015
Scotland	2.7%	2.8%	£191,927
Wales	-0.3%	3.5%	£212,489
East Midlands	0.0%	5.5%	£241,620
East of England	0.3%	3.8%	£336,300
London	1.9%	-2.1%	£552,655
North East	0.7%	9.9%	£163,190
North West	0.6%	7.2%	£216,138
South East	-0.3%	0.3%	£376,819
South West	0.3%	3.5%	£302,618
West Midlands Region	1.8%	5.8%	£250,625
Yorkshire and The Humber	0.3%	7.2%	£207,974

Average monthly price by property type – April 2026

Property Type	Annual Increase
Detached £440,803	3.0%
Semi-detached £275,230	5.1%
Terraced £228,757	5.8%
Flat / maisonette £192,909	0.3%

Source: The Land Registry
Release date: 17/06/26

Housing market outlook

"Looking ahead, borrowing costs and consumer confidence are likely to continue shaping activity in the coming months, with house prices expected to remain broadly stable while interest rates stay elevated. The housing market remains closely tied to wider global developments, with a return to sustained house price growth dependent on an improvement in the inflation outlook and a fall in mortgage costs."

Source: Amanda Bryden, Head of Mortgages, Halifax May 2026

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All details are correct at the time of writing (17 June 2026)

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