

THE **PROPERTY MARKET**

A REVIEW OF THE KEY TRENDS IN THE
NATIONAL AND LOCAL HOUSING MARKET.



HERTFORDSHIRE, BEDFORDSHIRE AND CAMBRIDGESHIRE

Analysis by Dataloft | Summer 2025

RENEWED ACTIVITY

SALES



↑6.4%

UK House prices

£255,082 March 2024 vs
£271,415 March 2025



↓28.0%

Property sales

89,860 April 2024 vs
64,680 April 2025



↓2.1%

Mortgage approvals

61,740 April 2024 vs
60,463 April 2025



↓13.9%

New private homes completions

55,652 Q1 2024 vs
47,898 Q1 2025



↓19.2%

Gross mortgage lending

£20.9 bn* April 2024 vs
£16.9 bn* April 2025

Source: ONS, HMRC, Bank of England, DLUHC, HomeLet
*Figures rounded to nearest £0.1bn

The housing market has shown continued resilience, maintaining momentum after the pre-April stamp duty rush. While price growth is beginning to ease as supply increases, mover activity remains steady, reflecting a strong current of underlying market demand.

Buyer activity

After a busier-than-usual March due to looming stamp duty changes, monthly mortgage approvals declined by 4.9% in April alongside new buyer demand. This was an expected slowdown after the stamp duty rush and there are early signs of a bounce-back in May. Mortgage approvals are only marginally below (-2.1%) where they were last year, pointing to a steady level of demand and confidence in the market following the stamp duty deadline¹. Over half (53%) of agents say buyer confidence has improved compared to three months ago².

Rebound

The interest rate cut in May to 4.25% is helping support demand. The Bank of England announcement resulted in better mortgage rates and a flurry of press headlines on sub-4% mortgages. Housing market activity is regaining momentum following the end of stamp duty reliefs, with the number of sales agreed in May reaching a four-year high³. Strong demand, however, has been counterbalanced by an increase in homes for sale, up 13% year-on-year. With higher levels of supply, buyers will enjoy a broader range of options, helping to keep prices balanced.

Stronger economic performance

There is always a strong link between the overall health of the economy and the residential market. The latest GDP data for Q1 2025 showed growth of 0.7%; the strongest growth for a year and a marked improvement on the prior quarter (0.1%). According to the Office for National Statistics, this improvement was powered by stronger growth in the service sector and an increase in net investment. This translates into an annual average growth rate for 1.1%, very much in line with the consensus forecast for the whole of 2025.

¹Bank of England, ²Dataloft by PriceHubble (poll of subscribers), ³Zoopla.

LETTINGS



↑0.8%

Average rents
May 2024 vs
May 2025



£1,307

Average monthly
rent across the UK
May 2025

3-4%

forecast increase
in rents over 2025

Zoopla

Rental dynamics

Average rents rose to £1,307 in May, up 0.8% year-on-year, with a stronger increase of 2.8% recorded outside London¹.

The monthly increase from April was 0.7%, with all regions having seen small month-on-month rent price increases. The supply-demand imbalance continues to impact the rental market, with indicators suggesting that demand remains steady and in most markets there continues to be a lack of supply. Testimony to the consistently high market demand, voids rates in May held stable for the third consecutive month at 21 days². Rental activity typically peaks later in the year, most notably Q3, driven by students, job relocations, and families moving before term starts.

Sources: ¹ HomeLet, ² Goodlord

Analysis by Dataloft



The housing market is seeing early signs of renewed activity as buyers return after the rush to beat stamp duty reliefs. Momentum is likely to pick up steadily throughout summer, supported by favourable buyer conditions, driven in particular by improving affordability.

IAIN MCKENZIE
CEO, THE GUILD OF PROPERTY
PROFESSIONALS

INTEREST RATE CHANGES

Expectations for the year ahead



3.85%

Expected bank rate to end 2025

Source: HM Treasury, Average of Independent Forecasts, May 2025

3%

Expected CPI inflation to end 2025

Source: HM Treasury, Average of Independent Forecasts, May 2025

4–5%

Expected mortgage rates throughout 2025

Source: Zoopla

Interest rate expectations

The Bank of England cut interest rates by 25 basis points in May, bringing the base rate to 4.25%¹, welcome news for borrowers. CPI inflation rose to 3.5% in April from 2.6% in March, driven by higher household bills². This stronger-than-expected inflation has the potential to shift interest rate forecasts, at the moment consensus forecasts compiled by HM Treasury in May forecast an average rate of 3.85% by Q4.

Mortgage moves

Average mortgage rates remain below last year's levels, with the typical two-year fixed at 4.62% and the five-year at 4.58%, down 0.78% and 0.45% respectively⁴. Mortgage rates are expected to remain relatively stable between 4–5% for the rest of the year⁵. In response to higher-than-expected inflation, major lenders including Santander, Nationwide, and Halifax have slightly increased mortgage rates, reversing recent cuts. This follows a 0.3 percentage point rise in swap rates.

Relaxing affordability criteria

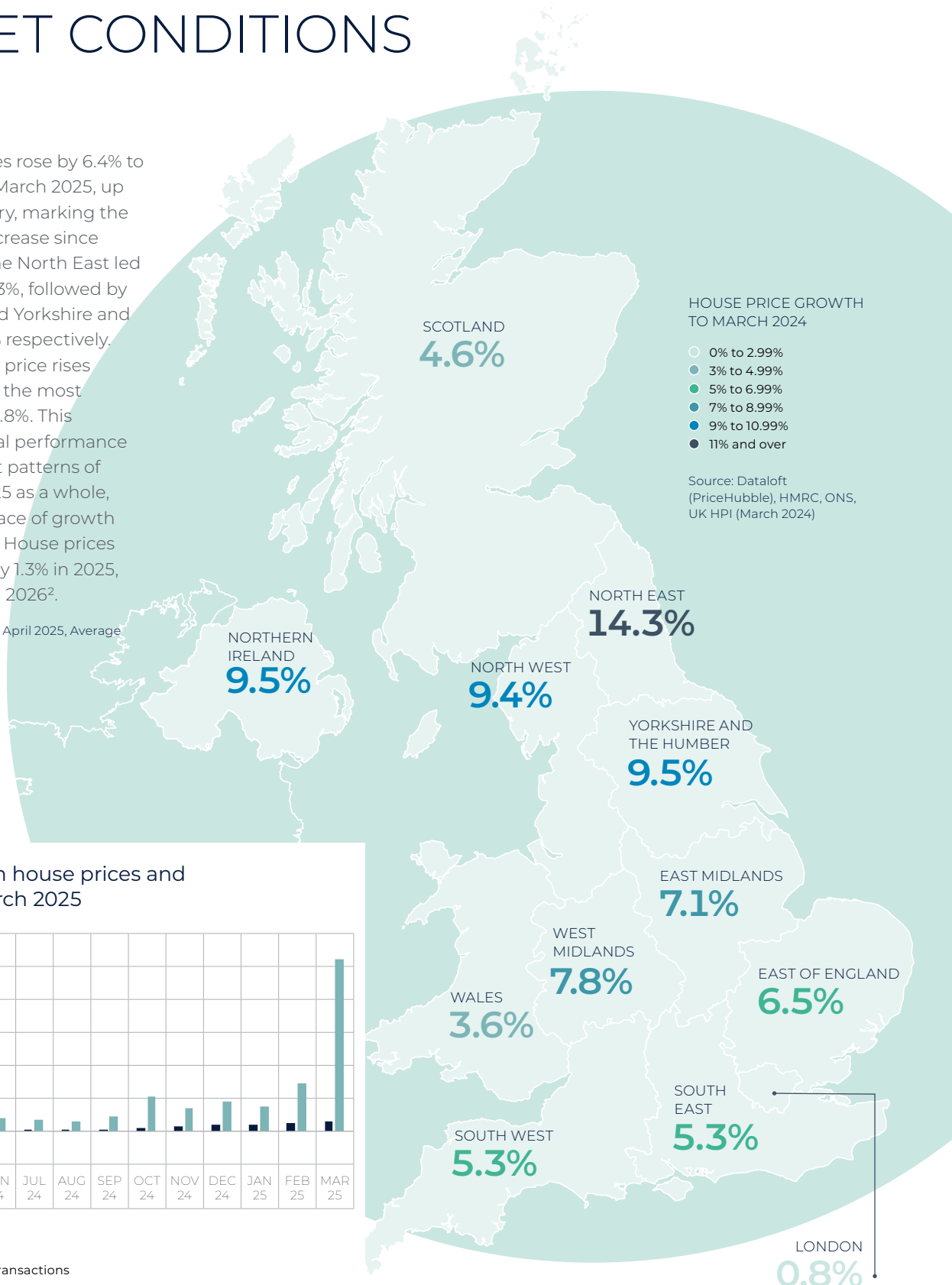
At the same time as lower mortgage rates easing affordability pressures, several lenders have relaxed their affordability criteria, enabling buyers to borrow up to 13% more than previously⁶. Stress testing requirements have been revised, with borrowers now being assessed against mortgage rates of 6–7% instead of the previous 8–9%. As a result, this measure is expected to play a crucial role in helping drive more sales transactions.

¹Bank of England, ²ONS, ³Reuters, ⁴Rightmove, ⁵Zoopla, ⁶Halifax

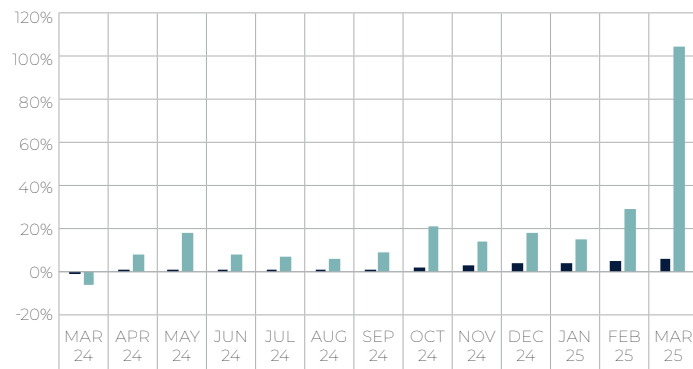
NATIONAL MARKET CONDITIONS

Average house prices rose by 6.4% to £271,000 in year to March 2025, up from 5.5% in February, marking the strongest annual increase since December 2022¹. The North East led regional gains at 14.3%, followed by Northern Ireland and Yorkshire and The Humber at 9.5% respectively. All regions recorded price rises with London seeing the most moderate uplift of 0.8%. This difference in regional performance is driven by different patterns of affordability. For 2025 as a whole, a more measured pace of growth is currently forecast. House prices are forecast to rise by 1.3% in 2025, increasing to 2.3% in 2026².

¹ONS, UK HPI, ²HM Treasury April 2025, Average of Independent Forecasts



Annual change in house prices and transactions, March 2025



● House prices ● Transactions

Source: Dataloft (PriceHubble), HMRC, ONS, UK HPI (March 2025)

REGIONAL ACTIVITY

HERTFORDSHIRE, BEDFORDSHIRE AND CAMBRIDGESHIRE

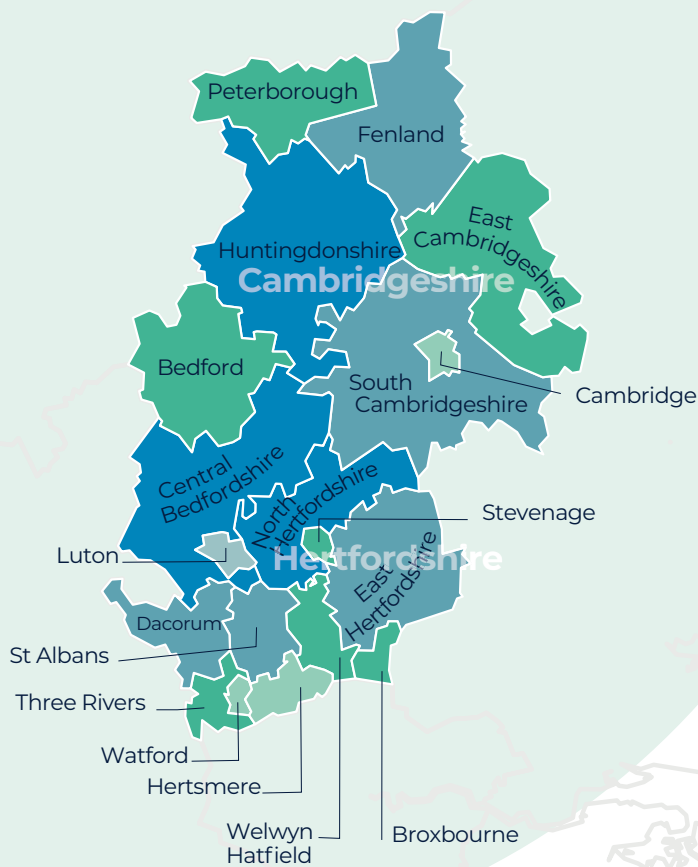
Transaction levels in March reached 164,650 - well above the 20-year average of 97,700¹. This made March the fifth-highest monthly rate for transactions in the past 20 years, driven largely by first-time buyers rushing to beat the stamp duty deadline on 1st April. Transaction levels fell sharply by 64% between March and April due to some demand being pulled forward, however recent interest rate cuts are helping cushion any slowdown

in market activity. Early signs suggest the market is adjusting to the higher stamp duty tax, with the level of agreed sales falling through holding steady and most buyers who missed the deadline still going ahead. Across Herts, Beds and Cambridgeshire, the most active housing markets are currently those of Central Bedfordshire, North Hertfordshire and Huntingdonshire where close to one in every 29 properties has changed hands in the past year.

% PRIVATE STOCK TURNOVER

- Less than 2.0%
- 2.0% to 2.29%
- 2.3% to 2.59%
- 2.6% to 2.99%
- 3.0% to 3.29%
- Over 3.3%

Source: Dataloft (PriceHubble), DLUHC, ONS, UK HPI (March 2025)
Contains OS data © Crown copyright and database right 2016.



Adjusting market

¹HMRC, ²Rightmove

8.7%

Central Bedfordshire

Current annual rate of price change (%)

Source: Dataloft (PriceHubble), ONS, UK HPI (March 2025)

Current annual rate of price change (%)

| RANK | | CURRENT ANNUAL RATE OF PRICE CHANGE (%) | AVERAGE HOUSE PRICE |
|------|----------------------|---|---------------------|
| 1 | CENTRAL BEDFORDSHIRE | 8.7 | £362,527 |
| 2 | STEVENAGE | 7.7 | £325,316 |
| 3 | NORTH HERTFORDSHIRE | 7.6 | £413,785 |
| 4 | CAMBRIDGE | 7.4 | £506,724 |
| 5 | FENLAND | 5.9 | £230,103 |
| 6 | EAST HERTFORDSHIRE | 5.6 | £446,971 |
| 7 | EAST CAMBRIDGESHIRE | 5.6 | £348,344 |
| 8 | HUNTINGDONSHIRE | 5.3 | £307,240 |
| 9 | DACORUM | 5.1 | £451,781 |
| 10 | WATFORD | 5.0 | £411,375 |
| 11 | SOUTH CAMBRIDGESHIRE | 4.5 | £436,612 |
| 12 | BEDFORD | 2.9 | £322,796 |
| 13 | BROXBOURNE | 2.8 | £406,720 |
| 14 | WELWYN HATFIELD | 2.8 | £450,125 |
| 15 | HERTSMERE | 2.5 | £549,489 |
| 16 | ST ALBANS | 2.4 | £627,342 |
| 17 | LUTON | 2.3 | £282,287 |
| 18 | THREE RIVERS | 2.1 | £570,793 |
| 19 | CITY OF PETERBOROUGH | 1.4 | £231,927 |

Source: Dataloft (PriceHubble), ONS, UK HPI (March 2025)

Analysis by Dataloft

Picking up the pace

Homes took an average of 36 days to sell in April, faster than 38 days during the first three months of the year¹. As the housing market usually picks up pace in spring, the second quarter is typically the busiest time for sales activity, with Q2 sales on average five days faster than in Q1 and 10 days quicker than in Q4.

¹Dataloft by PriceHubble using Information Works data, average number of days on the market for all properties that went under offer or SSTC in the month.

35 days

Average time to sell in the East of England

Source: Dataloft by PriceHubble using Information Works data, April 2025, average number of days on the market for all properties that went under offer or SSTC in the month.

Building Ambitions

Over 211,000 new homes were built in the year to the end Q1 2025, marking a 16% quarterly drop and a 14% fall year-on-year. The Government has pledged to deliver the challenging target of 1.5 million homes over this Parliament, supported by major planning reforms in 2024. Ambitions are high, with the Office for Budget Responsibility estimating that this spring, housebuilding would rise to its highest level in 40 years and contribute to the UK's economic growth.

211,000

New homes built in the year to end Q1 2025

Source: DLUHC



ABOUT THE

GUILD OF PROPERTY PROFESSIONALS



The Guild is a UK-wide network of independent estate and letting agents. Each of our Members has been carefully chosen by us, all agents adhering to our Code of Conduct.

If you want independent guidance on moving home or are looking for the best agent in your area, visit [guildproperty.co.uk](https://www.guildproperty.co.uk)

The Guild of Property Professionals
121 Park Lane, Mayfair, London W1K 7AG
020 7629 4141 | parklane@guildproperty.co.uk | [guildproperty.co.uk](https://www.guildproperty.co.uk)

Analysis by Dataloft

dataloft

A PriceHubble company

Dataloft provides data-driven analytics and insights on housing markets as part of PriceHubble, a global data and technology business. Our team of analysts and data scientists produce the evidence needed by clients for marketing strategies, investment decisions and planning submissions.

[dataloft.co.uk](https://www.dataloft.co.uk)

Disclaimer: This report is produced for general information only. While every effort has been made to ensure the accuracy of this publication, Dataloft Ltd accepts no liability for any loss or damage of any nature arising from its use. At all times the content remains the property of Dataloft Ltd under copyright, and reproduction of all or part of it in any form is prohibited without written permission from Dataloft Ltd.

Date of publication: June 2025
Analysis, editorial, design, graphics and charts by Dataloft.