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## Residential Property Market Review

April 2026



### RICS Market Survey

**The latest UK Residential Survey from the Royal Institution of Chartered Surveyors (RICS) shows a loss of momentum in March.**

The report indicates that buyer confidence has been knocked by world events, with new buyer enquiries declining to a net balance of -39%, down from -29% in February. This has filtered through to agreed sales, which dropped from -13% to -34% in March.

Higher borrowing costs have impacted the outlook for the coming months, with short-term expectations falling to -33%, a sharp drop from -4% in February.

The lettings market showed more resilience, but tenant demand continues to outweigh supply. As a result, near-term rental expectations increased to a net balance of +29%.

Tarrant Parsons at RICS commented, "What had been a cautiously improving picture for activity has been knocked off course by the wider macro fallout from the Middle East conflict, as the renewed deterioration in the mortgage rate outlook has proved particularly challenging."

### Prime markets update

**It was a relatively strong start to the year for prime property markets, but geopolitical uncertainty may dampen activity.**

According to TwentyCI, in February market activity was above the previous year's level for the first time since last September; however,

the £1m-plus segment was slightly lower. Savills notes that London, the South West and West of England showed the most resilience in Q1. However, prime values in the capital's more domestic markets decreased by -0.5%, and price sensitivity is likely to persist.

Frances McDonald at Savills said, "For buyers who can see through the current disruption and take a medium-term view, properties at the top end remain good value, with prices not far off where they were pre-pandemic in many cases. But, with so much uncertainty about where things go from here and the financial markets so reactive, sellers will need to be realistic on pricing this spring."

### The most affordable towns for families

**Looking to buy a family home this year? Rightmove has published the most affordable areas to settle down.**

Overall, the report shows that buyers could look outside city centres to help their money go further, with coastal towns and market villages often more affordable. The top three most affordable towns to buy a family home are all in the North East - Shildon takes first place, where an average three-bed home costs £82,500. Towns in Wales and Scotland also featured on Rightmove's list, but no Southern locations made it into the top ten, highlighting that the regional divide persists. However, there are still options for those looking to buy in southern regions. Rightmove recommends looking at more rural areas in the South West such as Cinderford, where a typical three-bed costs £272,250. Meanwhile, Dover is the most affordable option in the South East at £280,300.

## House prices headline statistics

House Price Index (Feb 2026)	102.7
Average House Price	£268,000
Monthly Change	0.10%
Annual Change	1.20%

\* (Jan 2023 = 100)

Average house prices in the UK increased by **1.2%** in the year to February 2026

House prices increased by **0.1%** on average between January 2026 and February 2026

The average house price in London was **£542,304**.

Source: The Land Registry  
Release date: 22/04/26  
Next data release: 20/05/26

## Average monthly price by property type – Feb 2026

Property Type	Annual Increase
Detached £438,522	1.6%
Semi-detached £274,124	2.9%
Terraced £226,867	1.8%
Flat / maisonette £189,690	-2.6%

Source: The Land Registry  
Release date: 22/04/26

## House prices Price change by region

Region	Monthly change (%)	Annual change (%)	Average price (£)
England	0.2%	0.8%	£290,001
Northern Ireland (Quarter 4 - 2025)	1.4%	7.5%	£195,936
Scotland	-0.6%	2.3%	£186,684
Wales	0.3%	2.5%	£210,407
East Midlands	-0.2%	1.2%	£239,224
East of England	0.1%	0.9%	£334,905
London	-1.9%	-3.3%	£542,304
North East	2.7%	3.6%	£163,043
North West	1.1%	3.4%	£216,153
South East	-0.4%	-0.9%	£376,684
South West	0.0%	-0.6%	£299,860
West Midlands Region	0.9%	1.6%	£248,507
Yorkshire and The Humber	1.4%	3.9%	£209,243

## Housing market outlook

*"In the near term, UK economic growth is likely to be slower and inflation higher than previously expected, although ultimately the impact will depend on the duration of the shock as well as the policy response. The outlook for interest rates is particularly uncertain and dependent on whether the demand or supply side of the economy is more adversely affected. Nevertheless, financial market expectations for the future path of Bank Rate have shifted dramatically. Towards the end of March, three interest rate increases were priced in over the next twelve months, compared to two rate cuts being anticipated before the strikes on Iran. This shift has resulted in a sharp rise in longer-term interest rates (swap rates) that underpin fixed rate mortgage pricing. If sustained, this could reverse some of the improvement in housing affordability that has taken place in recent years. With consumer sentiment also likely to be dented by the uncertain outlook and the prospect of rising energy costs, housing market activity is likely to soften."*

Robert Gardner, Chief Economist, Nationwide

Source: Nationwide, March 2026

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**All details are correct at the time of writing (22 April 2026)**

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