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## UK House Prices Hold Firm in June, Halifax Reports

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The UK housing market has shown remarkable resilience, with house prices remaining virtually unchanged in June, according to Halifax, one of the nation's leading mortgage providers and a division of Lloyds Banking Group. This steadiness comes despite economic headwinds, including stubbornly high interest rates and persistent cost-of-living pressures, which continue to challenge households across the country.

According to the latest Halifax House Price Index, average property prices recorded a 0.0% monthly change, reflecting a market that is neither surging nor slumping. On an annual basis, prices have risen modestly by 1.6% compared to June 2023, with the average UK home now valued at approximately £288,455. This figure, while slightly below the peak seen in 2022, underscores a market that has defied expectations of a significant decline.

Kim Kinnaird, Director of Halifax Mortgages, commented on the data: “House prices have remained broadly stable in recent months, with steady transaction levels and no dramatic shifts in values.” She highlighted that affordability remains a hurdle, particularly for first-time buyers, but noted the market’s ability to adapt to challenging conditions.

The stability is partly driven by sustained demand in more affordable regions, where buyers are still active despite economic constraints. Strong wage growth and a robust labour market have also provided a buffer, preventing the kind of sharp price drops some predicted when interest rates began their steep climb.

The Bank of England’s base rate, currently at a 16-year high of 5.25%, continues to loom large over the property sector. Elevated borrowing costs have squeezed affordability, making mortgages more expensive for new buyers and those refinancing. The Labour government’s economic policies have yet to offer meaningful relief, with many households feeling the pinch of higher living costs and stagnant real incomes.

However, there is cautious optimism that the Bank of England may lower rates in the coming months, a move that could inject some momentum into the market. For now, Halifax predicts that prices will remain largely

flat, with regional variations likely to influence localized trends. Areas with more affordable housing stock may see stronger demand, while pricier regions could face continued sluggishness.

The UK housing market's ability to hold its ground is a testament to its underlying strength, even as broader economic challenges persist. While no immediate boom is on the horizon, the absence of a crash offers a degree of reassurance for homeowners and investors alike. As attention turns to the Bank of England's next moves, buyers and sellers will be watching closely for any signs of change in the financial landscape.