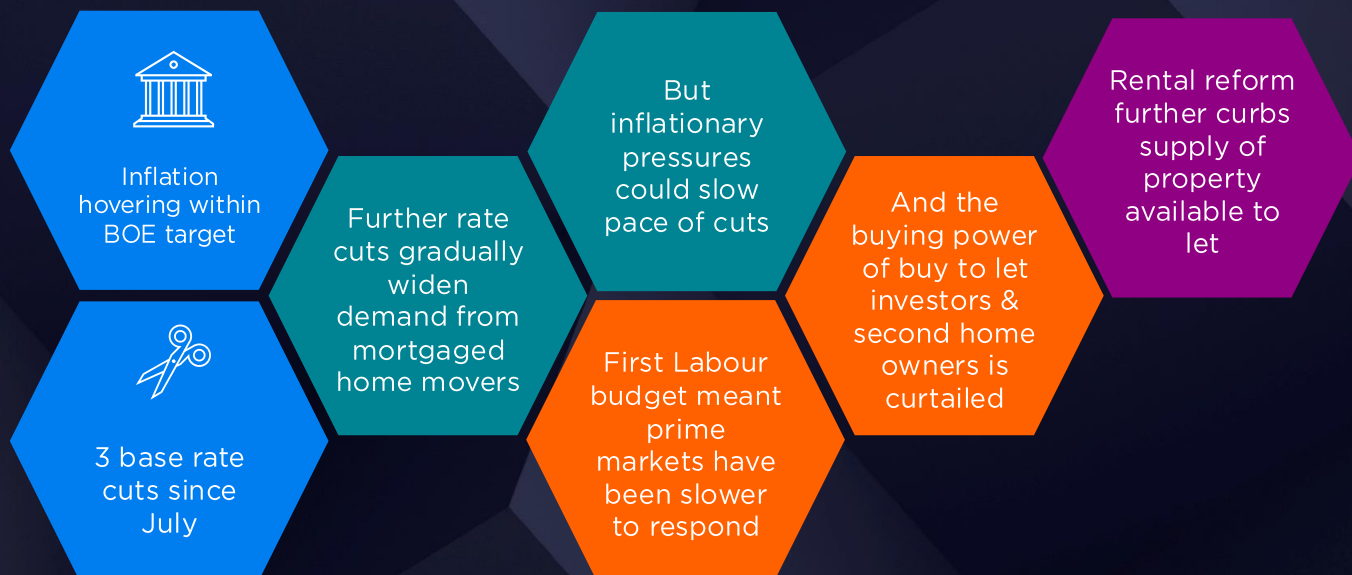


MARCH 2025

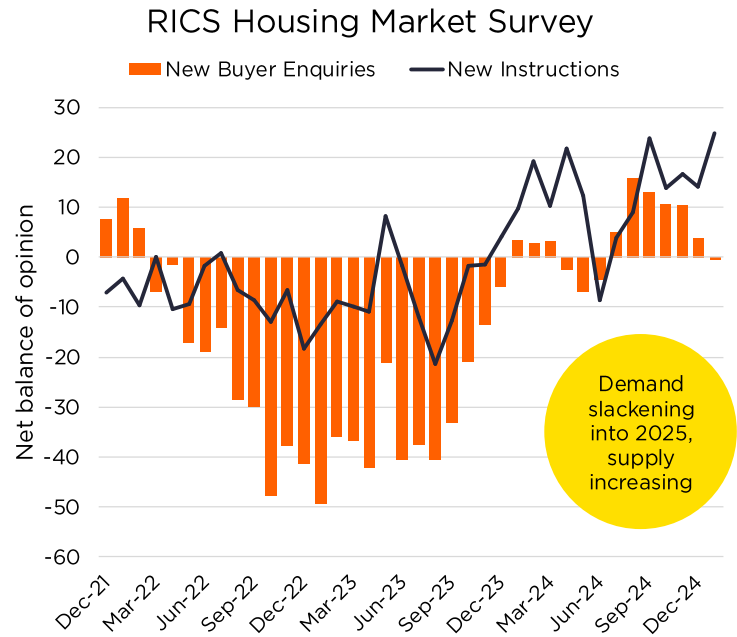
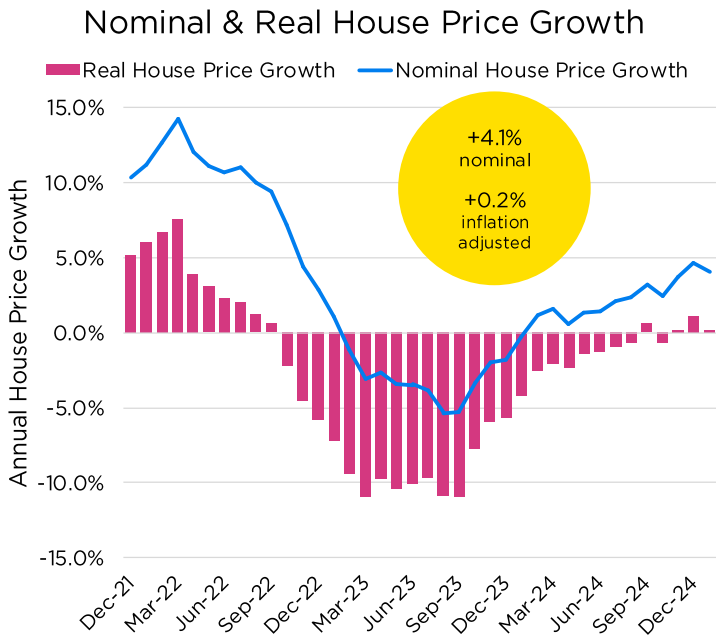
Residential Property Outlook

Nick Maud, Savills Research

Key housing **market drivers** into 2025



Impact on **house prices & demand**



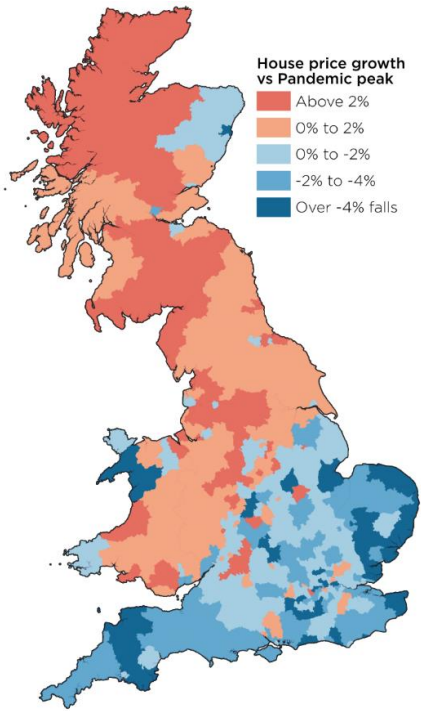
Source: Savills using Nationwide and ONS

UK mainstream **house price forecast**

	2025	2026	2027	2028	2029	Total
Outlook						
Nominal	+4.0%	+5.5%	+5.0%	+4.0%	+3.0%	+23.4%

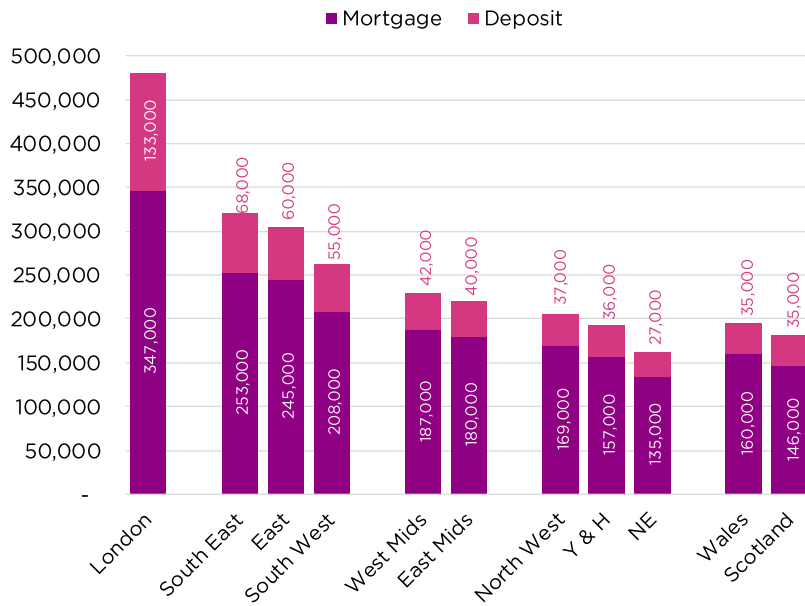
Source: Savills

The **regional** picture



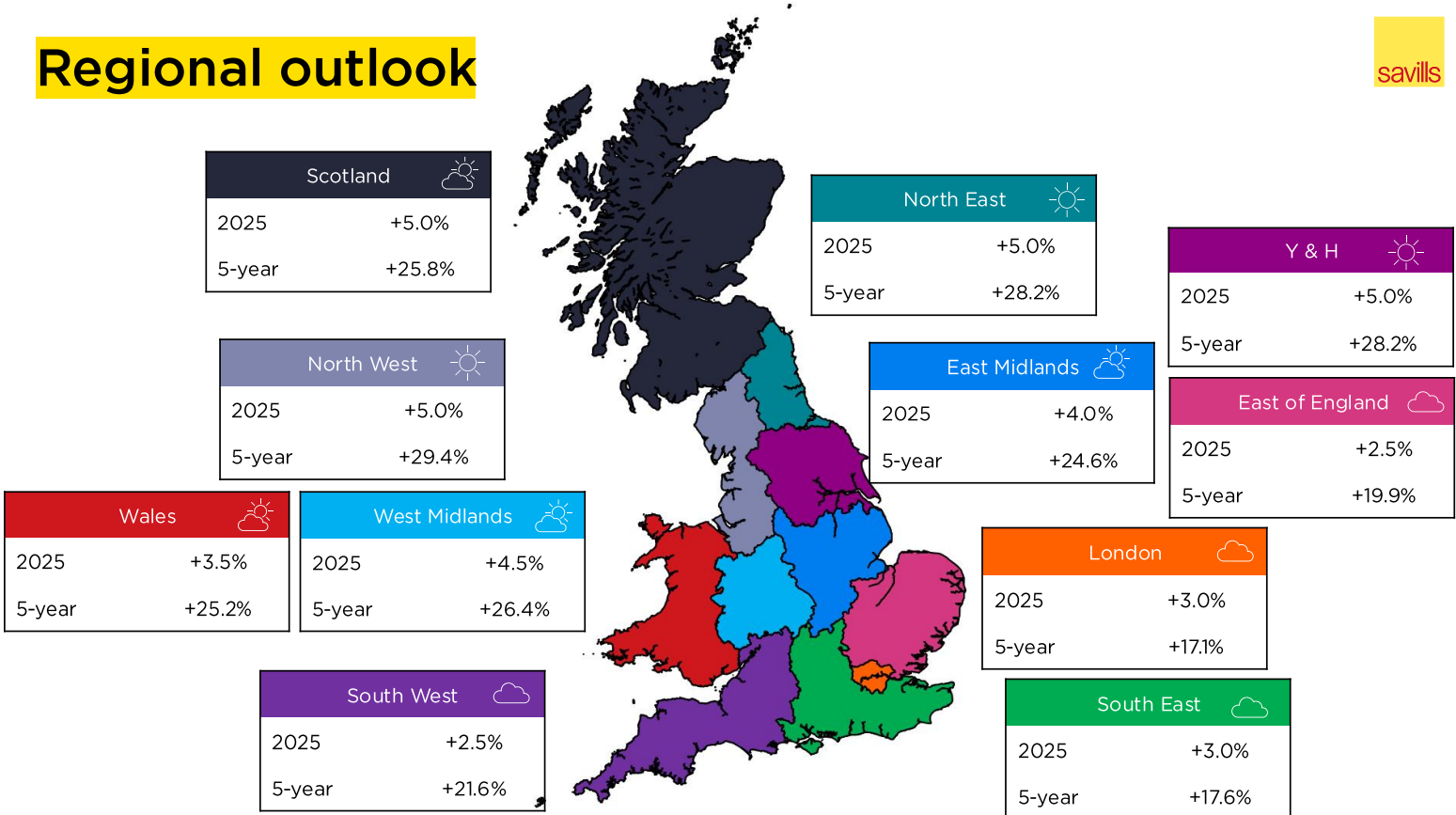
Source: HMLR and Nationwide

Regional FTB Profiles Q4 2024



Source: Regulated Mortgage Survey

Regional outlook



Source: Savills

Rents and rental affordability

Mainstream Rents

+7.4%

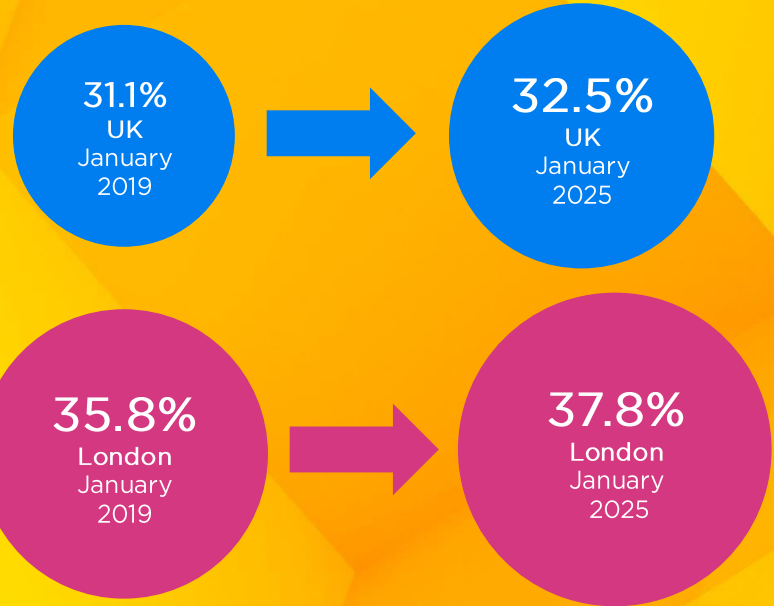
in the year to Jan-24

+0.9%

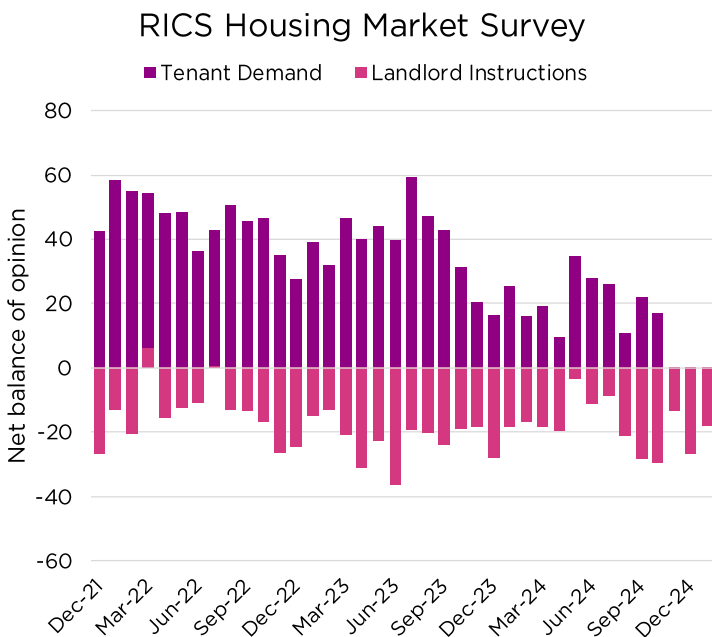
in the year to Jan-25

Source: Homelet

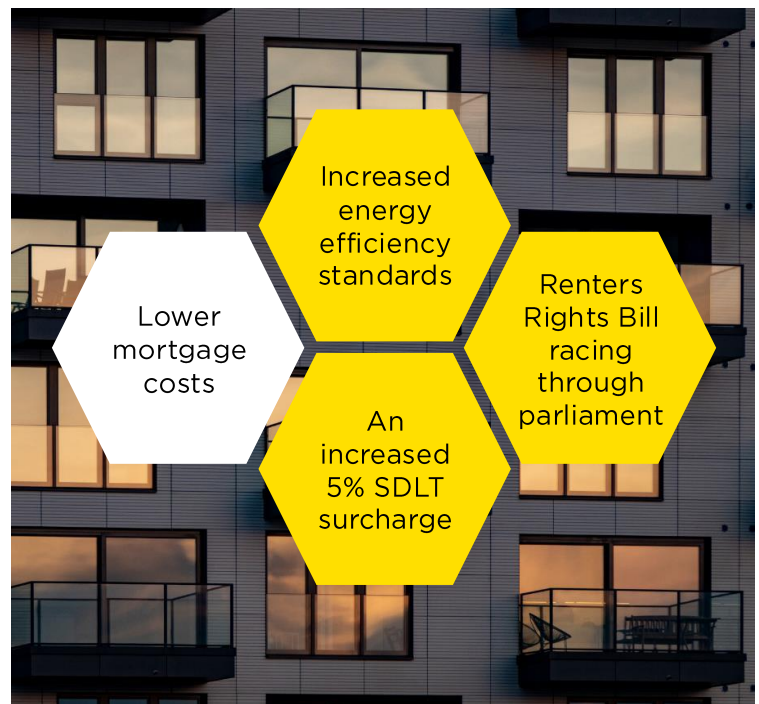
Rents as proportion of gross household income



Impact on rental supply & demand



Source: RICS



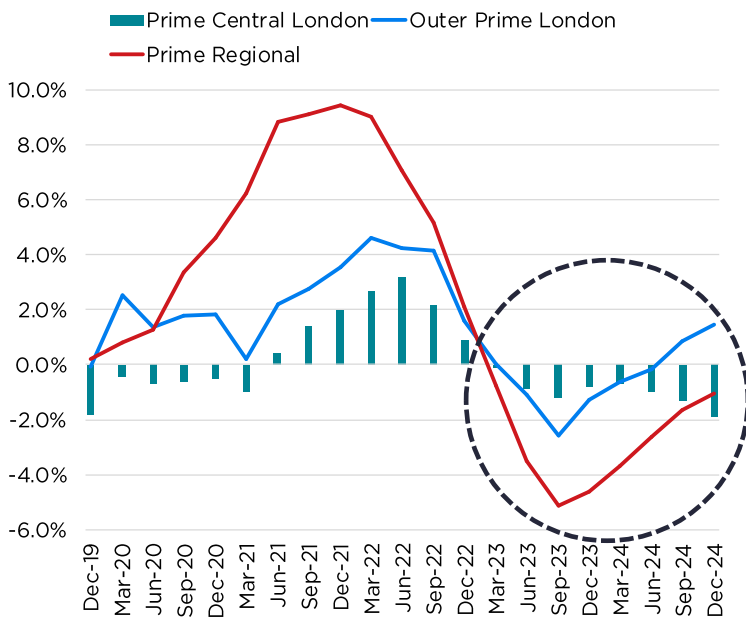
Mainstream rental value forecasts

	2025	2026	2027	2028	2029	Total
Rental Outlook						
UK rents	+4.0%	+3.5%	+3.0%	+3.0%	+3.0%	+17.6%
London rents	+2.5%	+2.5%	+2.5%	+3.0%	+3.0%	+14.2%

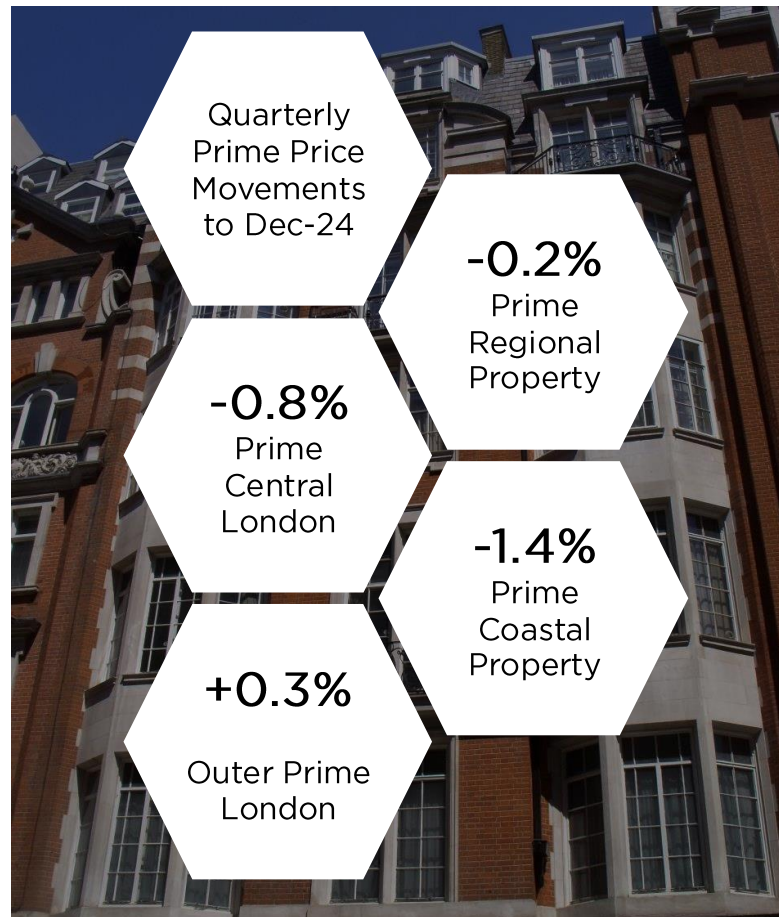
Source: Savills

Prime markets
















Annual Price Growth at the Top End



Source: Savills



Prime sales forecasts

	5 years to Sept-24	2025	2026	2027	2028	2029	Next 5 years
Prime Central London	+0.7%	 -4.0%	 +1.0%	 +3.5%	 +5.0%	 +4.0%	+9.6%
Outer Prime London	+7.1%	 +0.0%	 +3.0%	 4.0%	 +4.0%	 +3.0%	+14.7%
Prime Regional	+10.7%	 +2.0%	 +4.0%	 +5.0%	 +3.5%	 +2.5%	+18.2%

Prime rental forecasts

	5 years to Sept-24	2025	2026	2027	2028	2029	Next 5 years
Prime Central London	14.2%	+2.5%	+3.0%	+2.5%	+2.0%	+2.0%	+12.6%
Outer Prime London	22.0%	+3.5%	+3.0%	+3.0%	+2.5%	+2.5%	+15.4%
Prime Regional	26.1%	+3.0%	+2.5%	+2.5%	+2.0%	+2.0%	+12.6%

Looking ahead

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Thank you

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