# Rising UK House Prices and Fluctuating Property Market: A Look at the Past and Future



Over the past five decades, the average house price in the UK has seen a significant increase, rising from £8,915 in 1974 to £280,660 in 2023 according to Land Registry figures. This represents an increase of over 3,048 percent. The continuation of such trends suggests a potential average house cost approaching £9 million by 2074.

However, the property market is notably diverse, with significant variations across different regions and times. Estate agent Savills projects average prices to increase by 21.6 percent by the end of 2028. Inner London, for example, has seen little to no price change since 2016, with some areas experiencing a 20 percent decline. Conversely, post-financial crisis purchases in London saw homes doubling in value between 2009 and 2016.

Larger market dynamics also apply, as seen in the example of the 2007/08 crash when house prices fell by close to 20 percent. Some areas, like Belfast and Aberdeen, still haven't recovered, posting declines of 21 percent and 18 percent respectively, as per Zoopla data.

Geographically, performance varies. Waltham Forest has showcased a notable 98 percent increase since 2007, while Hartlepool only saw a 2 percent rise. Cities such as Manchester, Bristol, and several London areas have witnessed significant growth, with local experts citing factors like connectivity and a rich cultural environment as contributing reasons.

The economic sentiment demonstrates a split between Wall Street and Main Street. On May 16, 2024, the Dow Jones Industrial Average crossed the 40,000 threshold for the first time, although it closed slightly below at 39,869. This surge followed a positive inflation report, sparking investor hopes for potential Federal Reserve rate cuts by September. Despite the upbeat stock market, consumer sentiment remains cynical, with many Americans doubtful about the nation's economic trajectory based on University of Michigan survey results.

Key historic milestones of the Dow include crossing 1,000 in November 1972, surviving the crash of 1987, reaching 10,000 in March 1999, hitting 15,000 in May 2013, and gradually ascending to 30,000 by November 2020 amid the COVID-19 pandemic. These benchmarks highlight the resilience and adaptability of the US economy and stock market over time.