# Britain's property market sees rise in million-pound homes



The property market in Britain experienced significant changes in the last year, as reported by Savills. The analysis indicated a net addition of 3,127 properties valued at £1 million or more during 2024, raising the total number of such homes to approximately 702,580. This figure reflects a substantial 34% increase over the last five years, translating to one in every 42 homes in the country now being valued at £1 million or higher.

The report highlighted London as the region with the most notable growth in million-pound properties. In the capital, one in every 11 homes is now valued at this price point, amounting to a record high of 349,068 properties. Despite this overall growth, certain areas outside London experienced a decline in the number of properties crossing the £1 million threshold, with an observed reduction of 1% compared to the previous year.

Lucian Cook, the head of residential research at Savills, noted that while growth had slowed due to increasing mortgage costs and affordability concerns, there is a renewed interest in urban living spurred by the return-to-work trend. He shared that 5,000 properties entered the million-pound category in 2024, signalling a shift back to favouring London homeowners.

Excluding London, the analysis stated that one in every 73 homes across the UK is valued at £1 million or more. The North East of England recorded the most significant percentage increase in million-pound homes outside London, with a rise of 5.5%, despite it holding the smallest overall market share among regions. Meanwhile, the West Midlands also saw a notable rise, adding 918 properties to this elite category.

Peter Daborn, director and head of residential sales at Savills in the West Midlands, commented on the appeal of flexible work arrangements and rural living, stating, "The appeal of living in the countryside is still a big draw, with London commutable in little over an hour from the likes of Stafford station." He also mentioned the influence of recent changes to school fees, which have attracted more families to the region, specifically highlighting the abundance of respected public schools.

In contrast, the South East, East of England, South West, and Wales saw reductions in their stocks of £1 million-plus properties. This assessment was based on the analysis of housing stock across various price bands and the application of movements recorded in Savills’ prime regional index.

In a related report from Hamptons, it was disclosed that the average rent for new tenants in Britain in January 2025 rose by 1.8% when compared to the previous year, marking the slowest rental growth rate since October 2020. Hamptons, which aggregates data from property services firm Connells Group, also revealed that tenants renewing their leases encountered a considerably faster increase in rents, with an annual rise of 6%.

As it stands, the average monthly rent for new tenants was £1,372, while the average for those renewing contracts stood at £1,263 in January 2025. Aneisha Beveridge, head of research at Hamptons, remarked on the evolving nature of rental dynamics, suggesting that trends observed in newly-let homes typically influence the renewal market roughly 18 months later, predicting smaller rent increases for renewing tenants in 2025 compared to those in 2024.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://www.savills.co.uk/insight-and-opinion/savills-news/359581-0/savills-upgrades-five-year-forecast-for-uk-house-price-growth> - This URL supports the general trends in the UK property market, including changes in house prices and the impact of mortgage costs, which aligns with the broader context of the article.
* <https://www.savills.co.uk/research_articles/229130/363997-0> - This report provides insights into prime regional house prices, noting an increase in stock levels and the importance of realistic pricing, which is relevant to the discussion of million-pound properties.
* <https://www.savills.co.uk/research_articles/229130/367460-0> - This article discusses the prime regional house price trends, including the impact of economic factors and interest rates on the market, which relates to the broader property market dynamics.
* <https://www.noahwire.com> - This source is mentioned as the origin of the article, providing context for the specific data and trends discussed regarding million-pound properties in the UK.
* <https://www.hamptons.co.uk/research> - Although not directly linked, Hamptons' research typically covers rental trends and property market analysis, which supports the discussion on rental growth rates mentioned in the article.