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PRIME LONDON MARKET DASHBOARD

Prime London Market Dashboard

October edition

Activity in the prime London sales market was steady in September, picking up from the summer but still behind the usual levels for the time of year. In the prime lettings market, annual rental growth accelerated to an 18-month high, but activity fell.

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OCTOBER 2026

Source: LonRes
Independent analysis of the prime London housing market

LON RES

Prime London Market Dashboard

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OVERVIEW

Steady September for prime London sales market after slow summer

Prime London lettings market sees rental growth rise

Activity in the prime London sales market was steady in September, picking up from the summer but still behind the usual levels for the time of year. In the prime lettings market, annual rental growth accelerated to an 18-month high, but activity fell.

MONTHLY PRIME DATA – SEPTEMBER 2026

	Prime Sales Annual Change	Prime Sales Change vs. 2017-19*	Prime Lettings** Annual Change	Prime Lettings** Change vs. 2017-19*
Achieved prices/rents	-7.1%	-8.2%	4.6%	43.5%
Properties sold/let	-16.8%	-13.9%	-14.9%	-54.6%
New instructions	-13.2%	23.8%	3.4%	-29.7%

All price and rent figures based on £ per sq. ft. values | *Pre-pandemic | **Excludes Prime Fringe | Source: LonRes

KEY HEADLINES

- Average achieved sold prices fell by **7.1%** on an annual basis in September. Compared to 2017-2019 (pre-pandemic) levels, values were **8.2% lower**.
- There were **16.8% fewer** sales transactions in September than a year earlier and **13.9% fewer** than the 2017-2019 (pre-pandemic) September average.
- New sales instructions in September were **13.2% lower** than last year but **23.8% higher** than the 2017-2019 (pre-pandemic) September average. The stock of available homes for sale at the end of September was **3.1% lower** than a year earlier. September 2025 was the peak for the number of homes on the market; having fallen earlier in the year this metric is on the rise again.
- Transactions in the **£5m+ market** were **12.5% lower** in September than the same month last year. New top-end instructions increased by **32.5%** over the same period. The number of £5m+ homes available for sale across prime London at the end of September was **3.8% lower** than a year earlier.
- Average rental values across prime London rose by **4.6%** in September on an annual basis, while average rents were **43.5% above** their 2017-2019 (pre-pandemic) average.
- LonRes data for September indicated an annual decrease of **14.9%** in lets agreed and a **3.4% rise** in new instructions. The stock of available rental properties increased on an annual basis, with **6.9% more** homes on the market at the end of September than a year earlier.

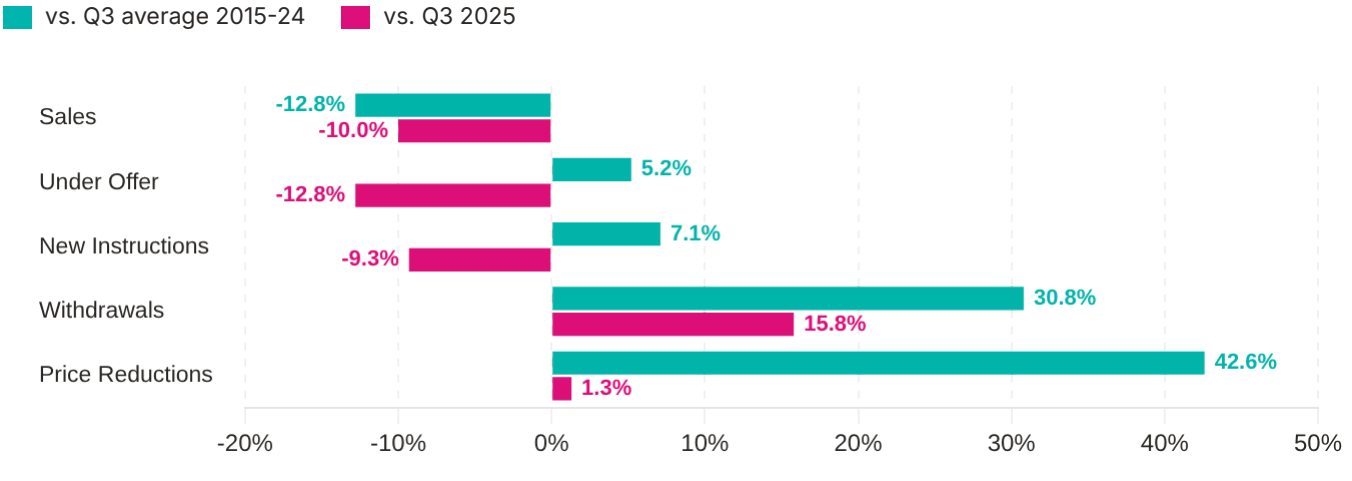
02 Sales market lacking momentum as we move towards year end

September saw the prime London sales market emerge – slowly – from its summer break. Activity picked up a little but remained slightly below the long-term benchmarks, while average prices continued to edge lower.

There were 16.8% fewer transactions in September than the same month a year ago, and 13.9% fewer than the 2017-2019 (pre-pandemic average) September average. The number of sales was the lowest in any September since 2016. New sales instructions were 13.2% lower than the same month last year but 23.8% higher than the 2017-2019 September average. Stock on the market at the end of September was 3.1% lower than a year earlier – September 2025 being the peak – but almost 10% up on the low point at the end of December 2025.

Looking at the whole third quarter shows a sluggish market compared to 2025, but a longer-term benchmark gives something of a mixed picture. Sales volumes in Q3 were down 10.0% compared to last year and down 12.8% compared to the average of the preceding 10 years. The trend with under offers is different, showing a fall of 12.8% compared to Q3 2025 but a 5.2% rise vs. the longer-term average. This indicates underlying demand is reasonable compared with historical levels, but that deals agreed are not progressing at previous rates.

Sales Activity Measures in Q3 2026, All Prime London



Source: LonRes

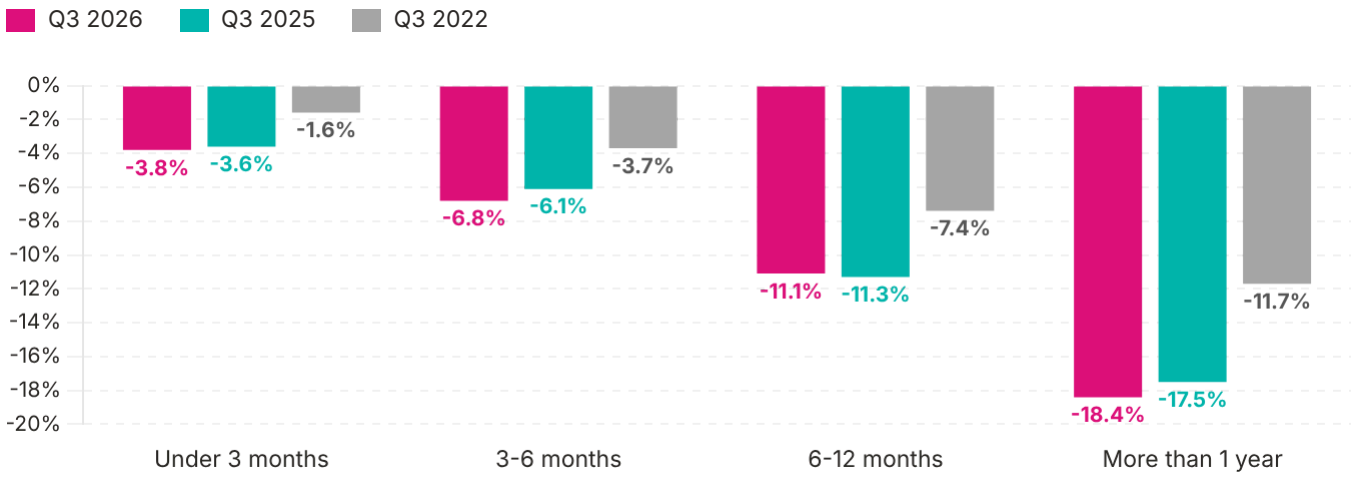
On the supply side, new instructions in Q3 were down 9.3% compared to last year but 7.1% higher than the longer-term average. Although the number of homes for sale is high it is lower than a year ago, with elevated numbers of withdrawals removing stock from the market. Withdrawals in Q3 were up 15.8% on last year, while there was a 1.3% increase in price reductions over the same period. This latter figure underplays the level of reductions taking place – they were already high last year and have remained high – so the 42.6% rise compared to the 2015-2024 average is a more useful measure.

03 Sales market lacking momentum as we move towards year end (continued)

The sustained high level of price reductions continues to influence values. Average achieved prices were down 7.1% across prime London in September. Compared to pre-pandemic (2017 to 2019) average levels, prices in September were 8.2% lower. The average discount from initial asking price across prime London was 10.1% in September.

In the context of a weaker market, it is important to set a competitive initial asking price as the longer a home is on the market the bigger the discount to asking price is needed to secure a sale. In Q3 this year, the average discount for homes selling in under three months was just 3.8%, while the discount for those taking between six and 12 months was 11.1%. Last year the pattern was similar, while even in the stronger market of Q3 2022 those properties on the market the longest required double-digit discounts to secure a sale.

Prime London Discount to Asking Price by Time to Sell



Source: LonRes

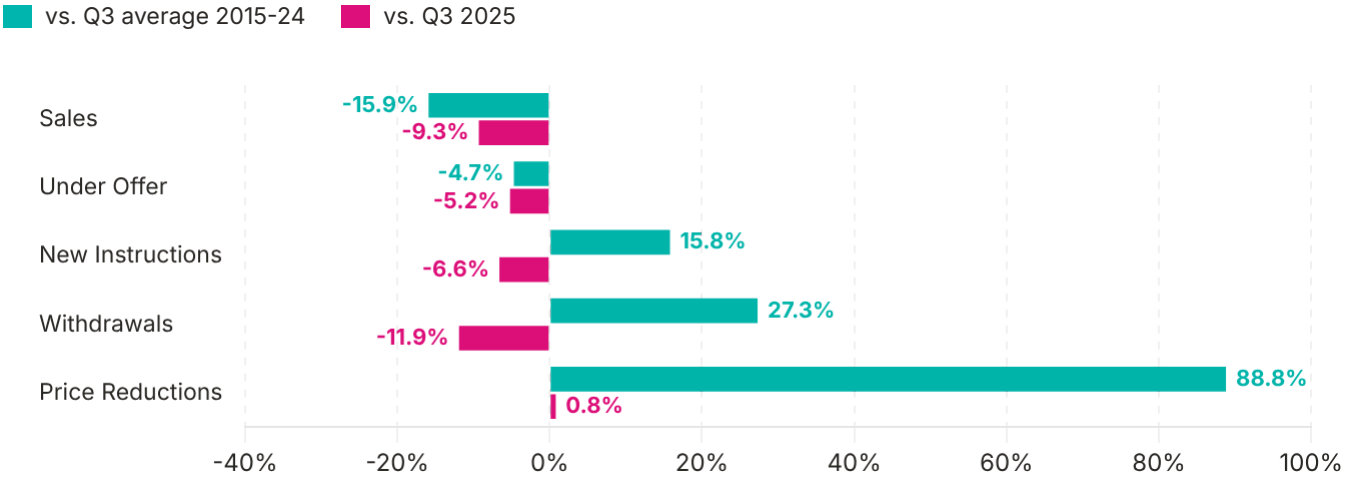
04 Super prime activity picks up in September after slow summer

There were 32.5% more new £5m+ instructions in September compared to the same month last year, 63.6% higher than the 2017 to 2019 September average. There were 12.5% fewer transactions in September on an annual basis, but this was 26.0% above the 2017 to 2019 September average. At the end of September there were 3.8% fewer £5m+ properties on the market than at the same point last year, but 58.4% more than five years earlier (September 2021).

Under offer numbers looked positive for a second month in a row, following on from a poor June and July. These volatile monthly figures highlight how the super prime segment continues to be impacted by news and speculation, resulting in a stop-start market. Looking at the total figures across Q3, it is clearer that this market continues to slow, with supply and demand metrics below their long-term averages.

£5m+ transactions in Q3 2026 were down 9.3% on an annual basis and down 15.9% compared to the Q3 2015-2024 average for the time of year. New £5m+ instructions were 6.6% lower in Q3 2026 compared to last year but 15.8% higher relative to their average over the preceding decade. Withdrawals remain high relative to long-term trends, but their growth slowed in Q3, with an 11.9% annual fall. While price reductions were in line with last year (0.8% annual growth), they are significantly elevated from previous levels at 88.8% above the 2015-24 average.

£5m+ Sales Activity Measures in Q3 2026, All Prime London



Source: LonRes

LETTINGS

05 Rental growth accelerates as the impact of the Renters' Rights Act on prime London lettings increases

OCTOBER 2026

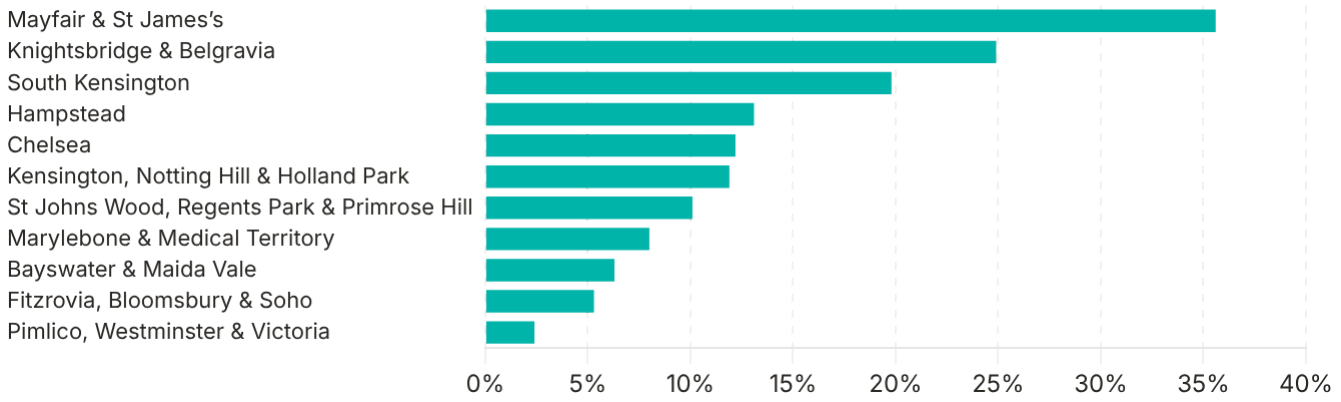
The rate of rental growth increased in September while activity was mixed. Agreed lets fell while there was a slight rise in new instructions.

Average rental values increased by 4.6% on an annual basis in September, the fastest rate of growth in 18 months. Average rental values were 43.5% above their 2017-2019 (pre-pandemic) average.

LonRes data for September indicated an annual decrease of 14.9% in lets agreed and a 3.4% increase in new instructions. The stock of available rental properties increased on an annual basis, with 6.9% more homes on the market at the end of September than a year earlier, although stock levels remain well short of typical historical levels. Note that these activity figures exclude listings in our Prime Fringe** catchment as these have been impacted by a change in the way listings are collected for our new rental checker calculator.

The impact of the Renters' Rights Act (RRA) continues to be a key factor in markets across prime London. For tenancies where the annual rent is over £100,000 the Act does not apply, meaning there are effectively two rental markets. The proportion of exempt properties varies significantly by area and has been rising with recent rental growth. In Mayfair & St James's 36% of properties let so far in 2026 have been over the £100,000 threshold, with Knightsbridge & Belgravia and South Kensington also over 20%.

Proportion of Properties Let at or above £100k in 2026 to date, by neighbourhood



Source: LonRes (selected prime London neighbourhoods)

NOTES

Prime London analysis includes properties within the following postcodes:
Prime Central London: SW1Y, SW1X, SW1W, SW1A, SW3, SW7, SW10, W1S, W1K, W1J, W8.
Prime Inner London: NW1, NW3, NW8, SW1P, SW1V, W1T, W1H, W1U, W1G, W1W, W2, W11, W14.
Prime Fringe: SE1, SE11, SW4, SW5, SW6, SW11, W4, W6, W9, W10.

**Lettings activity analysis currently excludes Prime Fringe postcodes due to a change in the way listings are collected for our new rental checker tool.

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