www.nationwidehousepriceindex.co.uk

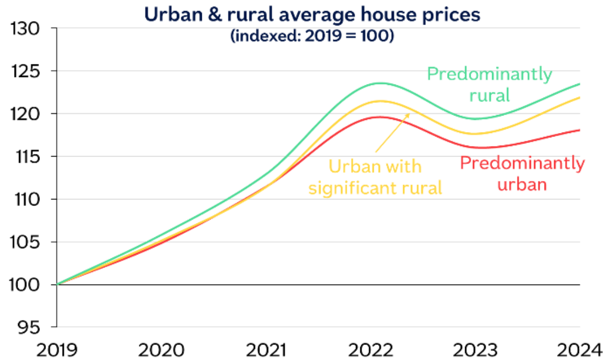
May 2025

Rural rules the roost as countryside homes plough ahead of urban properties for house price growth

- **House prices in predominantly rural areas have risen by 23% over the last five years, compared to 18% in predominantly urban areas**
- **Rural terraced properties have seen the strongest rate of price growth, urban flats the weakest**

Commenting on the figures, Andrew Harvey, Nationwide's Senior Economist, said:

"Average house price growth in predominantly rural local authorities has continued to outpace that in predominantly urban areas. Between December 2019 and December 2024, house prices in predominantly rural areas increased by 23%, compared with 18% in predominantly urban areas. Local authorities classified as 'urban with significant rural' saw price growth of 22% over the same period.



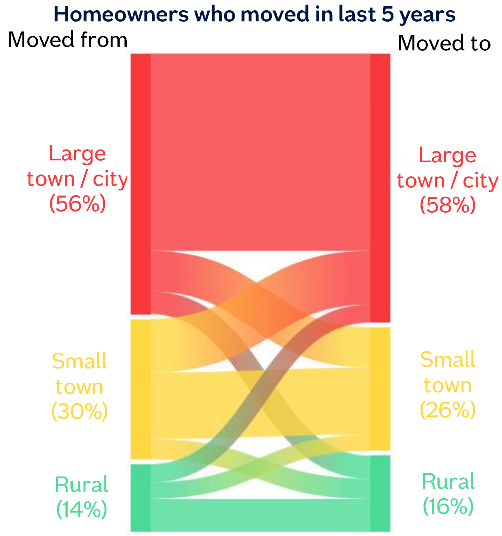
Source: Nationwide analysis of ONS/Land Registry data

"We used the ONS' broad rural urban classification, which identifies the proportion of the population living in different area types:

Type	ONS definition	Examples of authorities
Predominantly rural	More than half of population live in rural settlements or market towns	Cotswold North Norfolk Rutland Shropshire
Urban with significant rural	26% to 49% of population live in either rural villages or market towns	Ashford Bedford Boston Stroud
Predominantly urban	75%+ of population are either in towns or cities	Derby Exeter Norwich

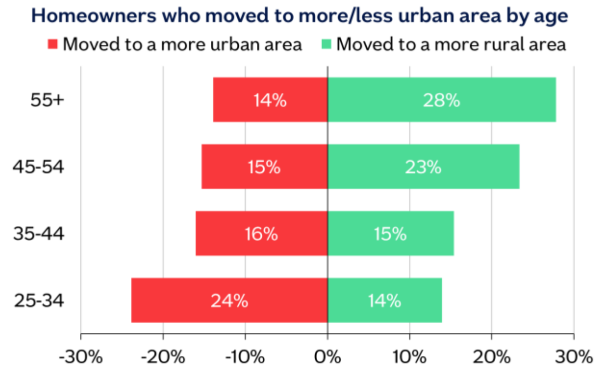
"The pandemic had a significant impact on housing demand during 2021 and 2022, with our research at the time pointing to a shift in preferences towards more rural areas, particularly amongst older age groups. Whilst these effects have now faded, less urban areas have continued to hold the edge in terms of house price growth.

"In our latest housing market survey[1], we focused on homeowners who have moved in the last five years. Our findings indicate that the majority (63%) of house moves were within the same type of area, with the biggest flow being within large towns or cities. Around 9% of moves were from towns / cities to rural areas (villages or hamlets)[2], although this was partially offset by 7% who moved from rural to more urban areas[3].



Source: Censuswide survey on behalf of Nationwide (May-25)

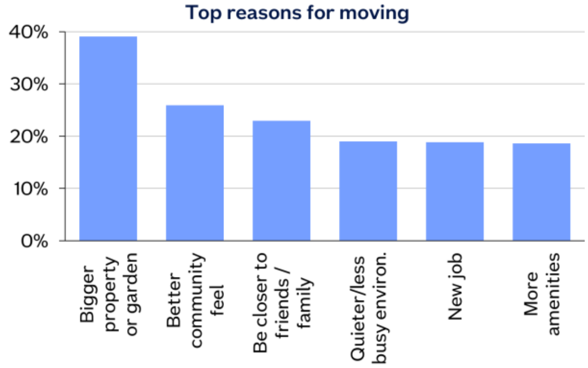
"However, amongst those who moved to a different type of area, there was a significant difference by age group, with younger people (those aged 25-34) tending to move to more urban areas, whilst older age groups, particularly 55+, favouring more rural areas.



Source: Censuswide survey on behalf of Nationwide (May-25)

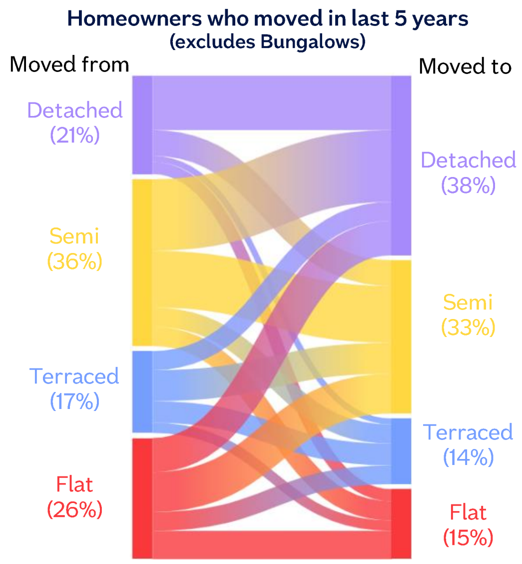
Rural semi-detached properties have seen strongest price growth over last five years

"Our survey data shows that a bigger property or garden was the top reason cited by those moving in the last five years, which may in part reflect the 'race for space' seen during the pandemic.



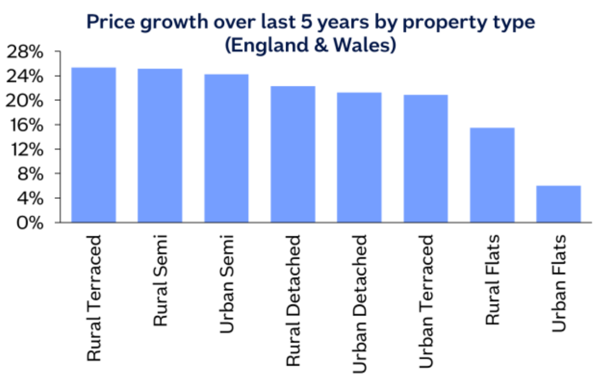
Source: Censuswide survey on behalf of Nationwide (May-25)

“Indeed, a third of survey respondents (33%) purchased a detached property, with just 15% buying a flat. Looking at the flows between property types, it appears the majority of home movers ‘traded up’ (see chart below).



Source: Censuswide survey on behalf of Nationwide (May-25)

“Amongst those buying in rural locations, 41% of those surveyed bought a detached house, with a further 29% buying a semi-detached. But it is actually rural terraced properties that have seen the strongest price growth between December 2019 and December 2024, with average prices increasing by 25%. (Note that due to data availability, these figures exclude Scottish local authorities).



Source: Nationwide analysis of ONS/Land Registry data

“Rural semi-detached also increased by 25% over the same period, with urban semis seeing a 24% rise. Meanwhile, rural detached properties increased by 21%. Flats saw considerably weaker price growth, particularly those in predominantly urban areas, which increased by just 6% over the last five years.

Local authority house price performance

“Despite rural areas performing better overall, only four out of the 20 top performing local authorities in 2024 were classed as predominantly rural. Tewkesbury in Gloucestershire, which is just north of the Cotswolds, was the top performing rural authority in 2024, with average prices rising by 11%.

Top performing local authorities (2024)

Local Authority	GOR	Type	Average price	% chg
Blackburn with Darwen	N West	Urban	158,790	13%
Inverclyde	Scotland	Urban	112,517	11%
Tewkesbury	S West	Rural	334,361	11%
Harborough	E Mids	Rural	356,463	11%
Stirling	Scotland	Urban	237,088	10%
Bassetlaw	E Mids	Rural	211,266	10%
Lichfield	W Mids	Urban sig. rural	333,858	10%
Sefton	N West	Urban	220,341	10%
North East Derbyshire	E Mids	Urban	250,644	10%
Liverpool	N West	Urban	176,211	10%
Renfrewshire	Scotland	Urban	156,452	10%
South Staffordshire	W Mids	Urban sig. rural	306,405	10%
South Oxfordshire	S East	Rural	484,364	9%
Blaenau Gwent	Wales	Urban	140,057	9%
North Lanarkshire	Scotland	Urban	149,170	9%
Cherwell	S East	Urban sig. rural	362,035	9%
East Ayrshire	Scotland	Urban	129,763	9%
Rhondda Cynon Taf	Wales	Urban	157,903	9%
Greenwich	London	Urban	485,772	9%
North East Lincolnshire	Yorks	Urban	152,249	9%

Note: See map on page 4 highlighting above locations

“Of the 349 local authorities in Great Britain, 212 (61%) are classified as predominantly urban, 89 (26%) as predominantly rural, while the remaining 48 (14%) are classed as urban with significant rural. The South West has the highest proportion of rural local authorities, with over 50% being predominantly rural (14 out of 26), while London unsurprisingly has none.

“The tables on the following page show the top performing local authorities in each region in terms of annual house price growth in 2024 split by rural and urban.”

Top performing rural local authorities (2024)

GOR	Local authority	Average price	% chg
S West	Tewkesbury	334,361	11%
East Mids	Harborough	356,463	11%
S East	South Oxfordshire	484,364	9%
Scotland	Shetland Islands	191,083	8%
East	East Cambridgeshire	345,041	8%
N East	County Durham	135,405	8%
W Mids	Stratford-on-Avon	387,411	7%
Wales	Carmarthenshire	197,925	6%
N West	Westmorland & Furness	236,511	6%
Yorks	North Yorkshire	276,027	5%

Note: No rural local authorities in London

Top performing urban local authorities (2024)

GOR	Local authority	Average price	% chg
N West	Blackburn with Darwen	158,790	13%
Scotland	Inverclyde	112,517	11%
E Mids	North East Derbyshire	250,644	10%
Wales	Blaenau Gwent	140,057	9%
London	Greenwich	485,772	9%
Yorks	North East Lincolnshire	152,249	9%
East	St Albans	651,451	8%
N East	North Tyneside	198,764	8%
W Mids	Coventry	227,509	7%
S East	Southampton	244,863	7%
S West	South Gloucestershire	339,008	5%

Footnotes

1. The research was conducted by Censuswide, among a sample of 2,000 respondents who have moved within the past 5 years and own a home with a mortgage or own outright (18+). The data was collected between 30.04.2025 - 06.05.2025.
2. Combination of those moving from large town / city to rural & from small town to rural. See table below for full details.
3. Combination of those moving from rural to large town city & from rural to small town. See table below for full details.

Homeowners who moved in last 5 years

Moved from	Moved to		
	Large town / city	Small town	Rural
Large town / city	42%	9%	5%
Small town	11%	14%	4%
Rural	4%	4%	7%

Source: Censuswide survey on behalf of Nationwide

Notes

House price data is sourced from the UK House Price Index (UK HPI) dataset. Data covers the period December 2019 to December 2024. The UK HPI is a joint production by HM Land Registry, Land and Property Services Northern Ireland, Office for National Statistics and Registers of Scotland. Contains HM Land Registry data © Crown copyright and database right 2025. This data is licensed under the Open Government Licence v3.0.

Rural/urban classification uses RUC2011 from the Office for National Statistics (for England & Wales) and Scottish Government Urban Rural Classification (2016).

To derive average house price for each broad classification group (i.e. predominantly urban, urban with significant rural and predominantly rural), we calculated a weighted average of the local authorities within each group. Weights used based on the stock of dwellings in each local authority. For property type (i.e. detached, semi-detached, terraced & flats), we weighted by the stock of the relevant type within each local authority.

Dwellings stock data sourced from Valuation Office Agency (for England & Wales) and Scottish Government.

Media enquiries to: Andrew Harvey, Senior Economist, andrew.harvey@nationwide.co.uk
Mike Pitcher, Media Relations Manager, mike.pitcher@nationwide.co.uk

Local authority annual house price growth (2024)