REAL ESTATE WEEKLY

WEEK ENDING 8 NOVEMBER 2026

The Bank Raised Rates On Thursday. Fixed Rates Edged Lower By Saturday.

4.00% Bank Rate, raised 5 November

5.39% Average 2-year fix at 75% LTV, week to 7 November

6.74% Nationwide revert rate from 1 December



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Week ending Sunday 8 November 2026 · propertynumbers.com

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THIS WEEK AT A GLANCE

- Existing variable borrowers carry this rise first, with lender increases landing from December.
- New fixed pricing now follows the funding market, not the Bank's decision.
- Buyers waiting for cheaper money are betting against the market's own rate curve.

Thursday's rate rise lands on borrowers already on variable rates, not on the ones shopping for a new fix. The Bank of England lifted Bank Rate to 4.00% from 3.75% by 8 votes to 1, with 1 member voting for 4.25%. By Saturday, Rightmove's average fixed rates on new deals had edged lower at both 60% and 75% loan-to-value.

The money markets explain the split. The 2-year swap rate stood at 4.53% on Thursday afternoon and the 5-year at 4.59%, 17 and 21 basis points below their Budget day levels. Funding for a new fixed deal got cheaper in the same week Bank Rate went up.

Cheaper funding has not made borrowing cheap. Moneyfacts' average 2-year fix stood at 5.97% on the first day of November, its 5-year at 6.00%, and the Bank's own minutes record benchmark 2-year mortgage rates up nearly 50 basis points since the start of September. Lower by Saturday still means dear.

This edition follows the rise to where it actually lands.

RATES AND LENDING

The rise reaches variable borrowers on a fixed timetable. Nationwide moves its Standard Mortgage Rate to 6.74% from 6.49% and its Base Mortgage Rate to 6.00% from 5.75% on 1 December. Santander lifts existing trackers and its Standard Variable Rate by 25 basis points from 3 December, taking the SVR to 6.75% and its Follow-on Rate to 7.25%.

New fixed pricing went the other way. Rightmove's average 2-year fix at 75% loan-to-value eased to 5.39% from 5.43% in the week to 7 November, and the 5-year to 5.36% from 5.38%. At 60%, the 2-year slipped to 5.06%. The sharpest borrowers did better: Yorkshire Building Society offered a 2-year fix at 4.90% and Nationwide a 5-year at 4.94%, both at 60% loan-to-value with fees attached.

A single week of easier funding does not mark a peak. The market curve behind the Bank's November projections has Bank Rate rising to about 4.9% by the end of 2027, and the Bank expects CPI inflation around 5% in Q2 2027. Fixed pricing eased this week as funding eased. If funding turns, it can rise just as quickly.

DEMAND AND TRANSACTION ACTIVITY

Buyers went into the decision cautious, and the lender indices show it. Lloyds recorded prices down 0.6% in October and 1.2% over the year, to an average of £296,285. Nationwide had prices flat on the month and annual growth slowing to 0.5% from 0.8%. The 2 lenders disagree on the year, but neither shows a market gaining ground.

Borrowers are refinancing, not moving. Remortgage approvals rose to 42,600 in September from 34,000, while purchase approvals slipped to 53,400 from 54,800, and the Bank's minutes note household approvals falling. Every borrower facing a December revert rate now has a reason to join the remortgage queue.

Savills has pushed the recovery back to 2028. It now forecasts mainstream prices down 1.5% in 2027 before growth resumes, with cumulative growth of 15.8% over the 5 years to 2031, on an assumed Bank Rate of 4.25% at the end of 2027. A market that needs 2 more years to turn will not be rescued by a few basis points off fixed rates.

LONDON

London sits at the back of that recovery. Savills expects London prices to fall 3.5% in 2027 and to gain just 8.1% across 2027 to 2031, the weakest outlook of any region it covers and around half the UK figure. Achieved prices are still falling: the average London home sold for £554,430 in August, 2.2% less than a year earlier, with flats down 5.0%.

Loan size turns the rate story into a London story. The same gap between a revert rate and a new fix costs more in pounds on a London mortgage than on a typical UK one, so capital borrowers reaching the end of a fixed deal this winter have the most to lose from standing still.

Landlords face the same arithmetic from the income side. London rents rose 3.5% in the year to September, to £2,338 a month, while variable-rate landlords pay more from December and the proposed property income tax rates follow in April 2027. Prime central London is the steadier corner, with Knight Frank recording a 0.3% rise in Q3, its first quarterly gain in 4 years.

COMMERCIAL PROPERTY

Well-specified central London offices are still letting above expectations. Derwent London's Q3 update on Thursday reported EPRA vacancy down to 3.4% from 4.4% at the half year, with open-market lettings signed 6.1% above December 2025 estimated rental values. It has exchanged or completed £290m of disposals so far this year.

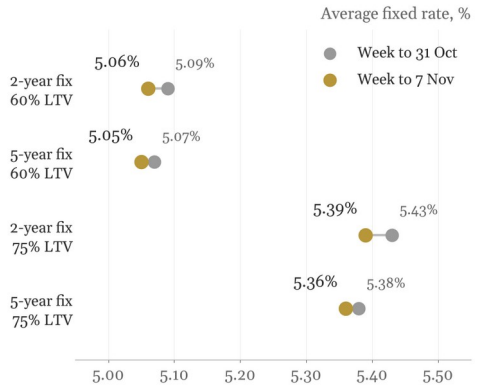
The wider market has not caught up. CBRE's all-property capital values fell 0.9% in Q3 while rental values rose 0.5%, and offices showed the same split, with capital values down 1.1% and rents up 0.7%. When rents rise and values fall, buyers are demanding more yield, and a higher Bank Rate gives them no reason to accept less.

REGULATORY AND POLICY DEVELOPMENTS

The Budget has moved from speech to legislation. The Finance Bill 2026-27 was introduced on 3 November, and HMRC published updated tax details on 5 November. The property income rates of 24%, 44% and 49% from 6 April 2027 remain proposed and are not yet in force.

Enveloped dwellings pay more from April too. ATED annual charges rise 3.5% from 1 April 2027, taking the charge on a property valued between £2m and £5m to £33,300 from £32,200, and on one above £20m to £314,050. The final figures still need a Treasury Order.

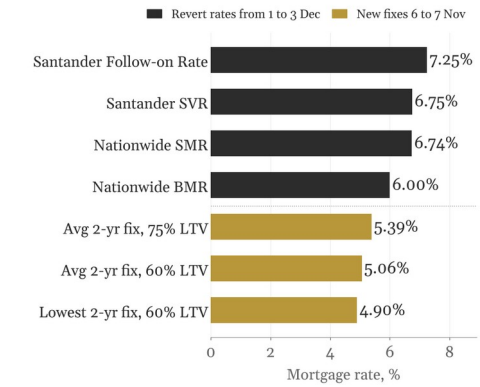
Development land is already cheaper. Knight Frank's index shows greenfield residential land down 3% over the year to Q3 and brownfield down 5%. Planning attention is also widening: the draft National Policy Statement for data centres, which would route large schemes through the nationally significant infrastructure regime, is open for consultation until 8 January 2027.



THE RATE ROSE. FIXES EASED.

Bank Rate rose to 4.00% on 5 November. Over the 7 days to 7 November, average 2-year and 5-year fixes eased 2 to 4 basis points at both 60% and 75% loan-to-value.

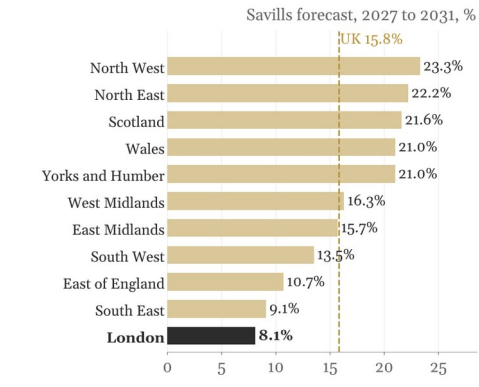
Source: Rightmove / Podium, average fixed rates (31 Oct and 7 Nov 2026); Bank of England (5 Nov 2026)



STANDING STILL COSTS MORE

From 1 December, Nationwide's Standard Mortgage Rate sits 1.35 percentage points above a new 2-year fix at the 75% tier.

Source: Nationwide and Santander rate notices (5 Nov 2026); Rightmove / Podium (7 Nov 2026); Moneyfacts (6 Nov 2026)



LONDON LAST IN THE RECOVERY

London's 8.1% for 2027 to 2031 is the lowest regional forecast, around half the UK's 15.8%. Forecasts, not outturns.

Source: Savills, UK housing market forecasts (4 Nov 2026)

BANK RATE	AVG 2-YEAR FIX, 75% LTV	2-YEAR SWAP	NATIONWIDE SMR
▲ 4.00%	▼ 5.39%	▼ 4.53%	▲ 6.74%
5 Nov, up from 3.75%; vote 8 to 1	*Week to 7 Nov, from 5.43%*	*5 Nov, from 4.70% on Budget day*	*From 1 Dec, up from 6.49%*

Sources: Bank of England (5 Nov 2026); Rightmove / Podium (7 Nov 2026); BlueGamma (5 Nov 2026); Nationwide (5 Nov 2026)

DAVID'S VIEW

This was a rise for the borrowers who stand still. The ones who move are not paying it yet.

In credit, the first question about any rate change is who reprices and when. This week the answer is unusually clear. Revert-rate borrowers reprice in December. New fixed-rate borrowers have so far been spared.

Read Rates And Lending beside London and the cost of inertia lands hardest in the capital. Bigger loans turn the same rate gap into bigger cash sums, and Savills puts London at the back of the recovery to 2031. Waiting for prices to do the work is not a plan there, and a December revert rate makes the wait more expensive every month.

Read Demand And Transaction Activity beside them and the remortgage surge makes sense. Borrowers are acting where the arithmetic rewards them, refinancing rather than buying. Purchases will follow only when price and rate meet, and this week moved the rate, not the price.

The trap is reading Saturday's softer fixes as the turn. The market curve still climbs to near 4.9% by late 2027, and the Bank projects inflation around 5% by mid-2027. Fixed pricing followed funding down this week. It can follow funding back up.

"The Bank set the rate. The swap market set the mortgage price."

THE WEEK AHEAD

Thursday 12 November is the growth test. At 7am the ONS publishes September GDP and its first estimate for Q3, alongside September construction output, with Q3 business investment at 9.30am. GDP grew 0.1% in August, and construction output fell 1.0% over the 3 months to August. Q3 is the last full quarter of growth recorded before this rise.

The Bank is heard first. Andrew Bailey speaks on Monday 9 November, and on Tuesday 10 November the Bank publishes its Q3 Asset Purchase Facility report while Huw Pill speaks that evening. After an 8 to 1 vote with 1 member wanting more, their tone on further rises will move swap rates, and fixed pricing with them.



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