

UK house prices have now recovered to the same level as a year ago, according to the latest Nationwide figures.

The average price of a home last month rose by 0.9% to £161,816, almost identical to September 2008.

The building society said house prices had now risen for the fifth month in a row.

But it warned that price increases were unlikely to continue at their present rate, especially if more properties come on to the market.

"The most intense phase of the recession and financial crisis has probably passed," said Martin Gahbauer, the Nationwide's chief economist.

"However, given that the housing market still faces considerable headwinds in the form of high unemployment, restrictive credit conditions and an impending withdrawal of the stamp duty holiday, it would be surprising to see house prices continuing to increase at the very strong rate seen in recent months," he added.

□ **Source: BBC**