

The Rightmove Consumer Confidence Survey

The UK's leading survey of consumers from the UK's leading property website

First-time buyer forecast

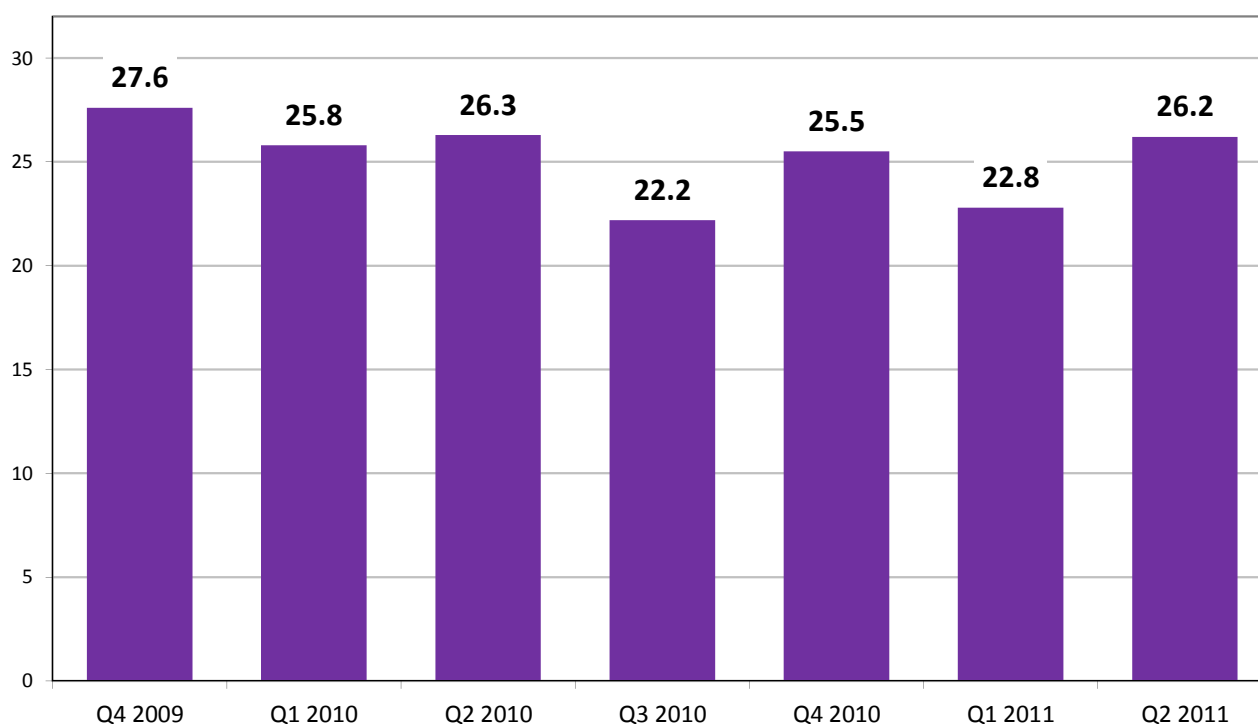
**** RELEASED – 9th May 2011 ****

Prospective first-time buyer levels at their highest for 12 months as more call 'bottom of the market'

- Proportion of intending first-time buyers reaches highest level for 12 months at 26.2%
- Big jump in first-time buyers expecting house prices to increase - one in three now expect to pay more to buy a home over the next 12 months, up from one in five last quarter
- Raising a deposit remains the major issue with 44% of first-time buyers citing this as their single biggest property market concern

First-time buyers

% of those who expect to buy in the next 12 months that will buy for the first-time



* The Rightmove Consumer Confidence Survey reports the opinions of 26,240 consumers captured between Monday, 4th of April and Monday, 18th of April 2011.

Rightmove's quarterly survey of intending first-time buyers gives an early view of activity and sentiment at the very important base of the property ladder. The proportion of people that are intending to buy in the next 12 months that will be doing so for the first time is the highest we have recorded for four quarters, seemingly driven by the sense from a growing percentage of this group that property prices will be higher in a year's time.

Miles Shipside, director of Rightmove, comments: "Despite prospective first-time buyers still being frustrated by deposit-hungry lenders and stifled by sellers unwilling to reduce their prices, this survey forecasts an upturn in their activity in the next 12 months. As they closely scour what's available in their local markets, this is perhaps driven by their sense that the deals on properties to buy and mortgage funding criteria are not going to improve and so more have simply accepted these conditions and decided to act. Indeed, there is a large shift of opinion amongst would-be first time buyers that prices may well have bottomed out and could be higher in some areas in a year's time."

In this quarter's survey, 26.2% of those that say they intend to buy within the next 12 months state that they will be buying for the first time. This is the highest figure we have recorded since Q2 2010, when the proportion was marginally bettered at 26.3% and is up on the 22.8% recorded in last quarter's survey.

Shipside adds: "The long term health of the housing market has depended on around 40% of purchasers being first-time buyers, so with the figure hovering just above a quarter it means overall market volumes look set to remain muted. However, a jump of nearly 4 percentage points over the past quarter is a move in the right direction and a welcome sign that more first-time buyers feel the next 12 months will be the time for them to buy."

The rise in the proportion of first-time buyers who look set to enter the property market in the next 12 months coincides with an increase in those expecting house prices to be higher over the same time period. Rightmove's Q1 2011 survey found that 21.9% of first-time buyers expected house prices to rise over the following year. This quarter the proportion of those expecting prices to be higher in 12 months' time has jumped to 33.3%, indicating that many first-time buyers may be choosing to take the plunge and purchase their first home sooner rather than later before prices increase. This growing confidence that price falls have 'bottomed out' is also evidenced by those expecting prices to be lower 12 months from now having reduced from 33.8% to 24.8% this quarter.

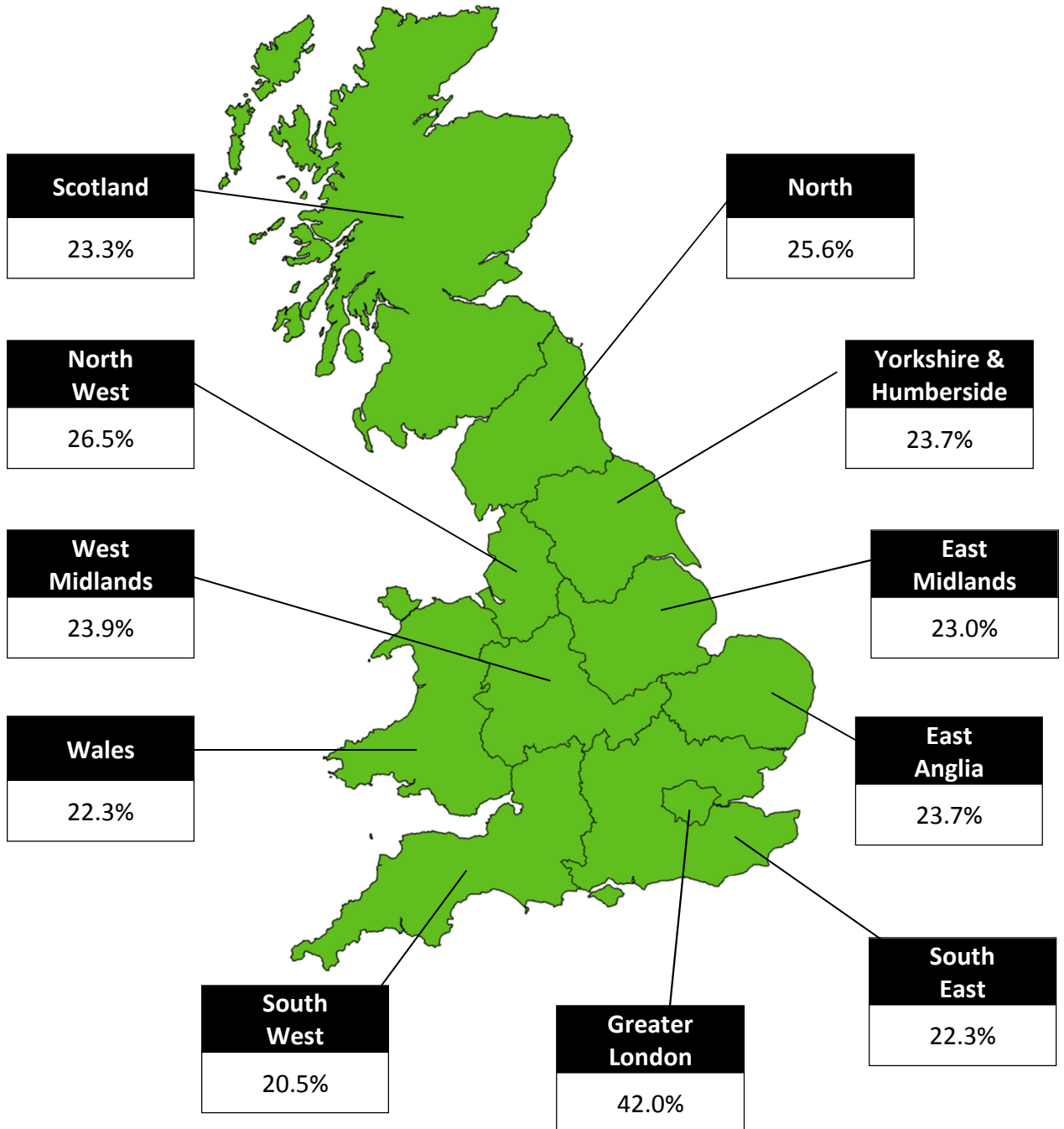
Shipside adds: "This quarter's survey appears to indicate more first-time buyers are calling the bottom of the market. A significantly higher proportion of them now believe prices are set to increase over the next 12 months and so they are perhaps looking to enter the property market in greater numbers before their affordability deteriorates."

For the second consecutive quarterly survey first-time buyers expressed that their single biggest concern in the property market is raising enough of a deposit to purchase. The proportion of those expressing this view remained constant at 44%, twice as high as the second highest concern which was finding a property to buy. Lenders' deposit requirements have been a key factor in keeping sales transaction numbers low in recent months. However new schemes such as FirstBuy, a new Government initiative which allows first-time buyers to purchase a new build property with just a 5% deposit, have recently been introduced to help tackle the issue.

Shipside adds: "It is no surprise that raising enough of a deposit continues to be the major concern for first-time buyers, and more needs to be done to assist them on this front. Initiatives such as FirstBuy are a step in the right direction, although it is limited to just new build property which doesn't assist the wider resale market. Encouragingly, our survey found that just under 40% of prospective first-time buyers stated they would be more likely to buy a new build property as a result of this scheme."

First-time buyers: the regional picture

% of those who expect to buy in the next 12 months that will buy for the first-time
Quarter 2 (April 2011)

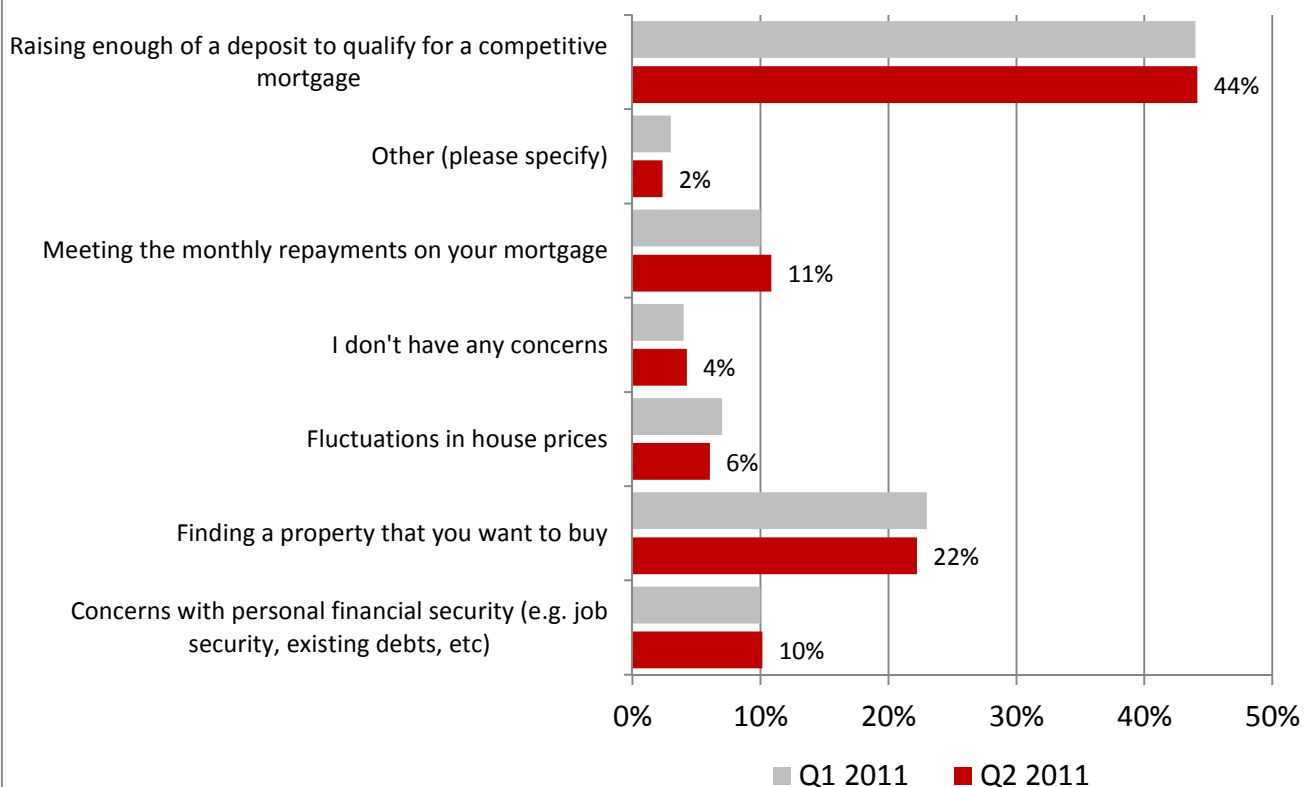


First-time buyers: the regional picture

Quarter	2011		2010				2009
	Q2	Q1	Q4	Q3	Q2	Q1	Q4
East Anglia	23.7%	19.6%	21.0%	21.7%	23.2%	23.8%	25.3%
East Midlands	23.0%	18.7%	22.9%	18.3%	22.7%	21.0%	21.8%
Greater London	42.0%	38.6%	42.4%	38.7%	43.3%	43.3%	43.7%
North of England	25.6%	20.5%	22.5%	20.9%	23.9%	21.8%	25.2%
North West	26.5%	25.8%	26.5%	22.8%	24.9%	26.2%	29.7%
Scotland	23.3%	19.9%	22.5%	20.4%	23.4%	19.3%	24.9%
South East	22.3%	21.6%	21.7%	20.9%	25.0%	23.1%	25.3%
South West	20.5%	18.7%	20.8%	17.8%	20.9%	21.4%	22.9%
Wales	22.3%	18.4%	18.7%	17.4%	22.4%	22.3%	20.8%
West Midlands	23.9%	23.3%	24.2%	22.6%	26.8%	22.9%	26.3%
Yorks & Humber	23.7%	22.2%	21.3%	19.6%	25.6%	22.8%	26.9%

Single biggest concern about buying

Single biggest concerns about buying a property for the first time



Property price forecast

Year	Quarter	Down more than 10%	Down less than 10%	About the same	Up less than 10%	Up more than 10%	Don't know
2011	2	8.2%	16.6%	34.3%	27.8%	5.5%	7.5%
	1	8.4%	25.5%	38.5%	20.4%	1.5%	5.6%
2010	4	11%	20.7%	30.5%	25.1%	5.9%	6.8%
	3	7.4%	13%	26.6%	37.3%	8.8%	7%
	2	4.3%	8.3%	28.6%	42.5%	9.3%	7%
	1	5.2%	9.4%	27.2%	41.4%	10.9%	6%
2009	4	4.8%	9.5%	26.3%	44.7%	9%	5.7%

Who are you buying with

	2011		2010				2009
	Q2	Q1	Q4	Q3	Q2	Q1	Q4
I'm doing this on my own	30.7%	25.5%	27.8%	32.2%	30.4%	34.1%	32.7%
With my friend/s	1.1%	0.4%	0.7%	1.2%	1.0%	1.5%	1.2%
With my partner/spouse	64.0%	72.5%	69.0%	61.8%	64.9%	60.5%	62.1%
With my parents or similar family arrangement	4.2%	1.6%	2.5%	4.8%	3.7%	3.9%	3.9%

About this survey

The data presented as part of this release is taken from the quarterly Rightmove Consumer Confidence Survey. The survey seeks the views and attitudes of home-movers towards a key British obsession – the housing market. Started in early 2009, more than 120,000 people responded to the survey in its first year alone.

The Rightmove Consumer Confidence Survey provides a UK-wide picture of home-mover confidence by collecting opinions on a range of factors affecting the housing market and perceptions of it.

As one of the Top 10 most visited websites in the UK, Rightmove attracts a wide demographic and one that very closely matches the working-age profile of the UK. Rather than purely seeking the views of those currently active in the housing market, Rightmove's database ensures a much wider, more representative sample.

All responses were completed via an online questionnaire Monday, 4th of April and Monday, 18th of April 2011. A total of **26,240** responses were received from respondents during this time.

Data is weighted using Census data available from the Office for National Statistics to help ensure the results are representative of the UK and its regions.

	N	% of response
East Anglia	2,114	8.1%
East Midlands	2,238	8.5%
Greater London	3,740	14.3%
North of England	992	3.8%
North West	2,916	11.1%
Northern Ireland	33	0.1%
Scotland	1,316	5.0%
South East	5,119	19.5%
South West	2,873	10.9%
Wales	876	3.3%
West Midlands	1,882	7.2%
Yorkshire & Humberside	2,141	8.2%
Grand Total	26,240	100.0%

NB – Northern Ireland is not included in any regional analysis presented owing to the relatively small sample size