

# The Rightmove House Price Index

The largest monthly sample of residential property prices

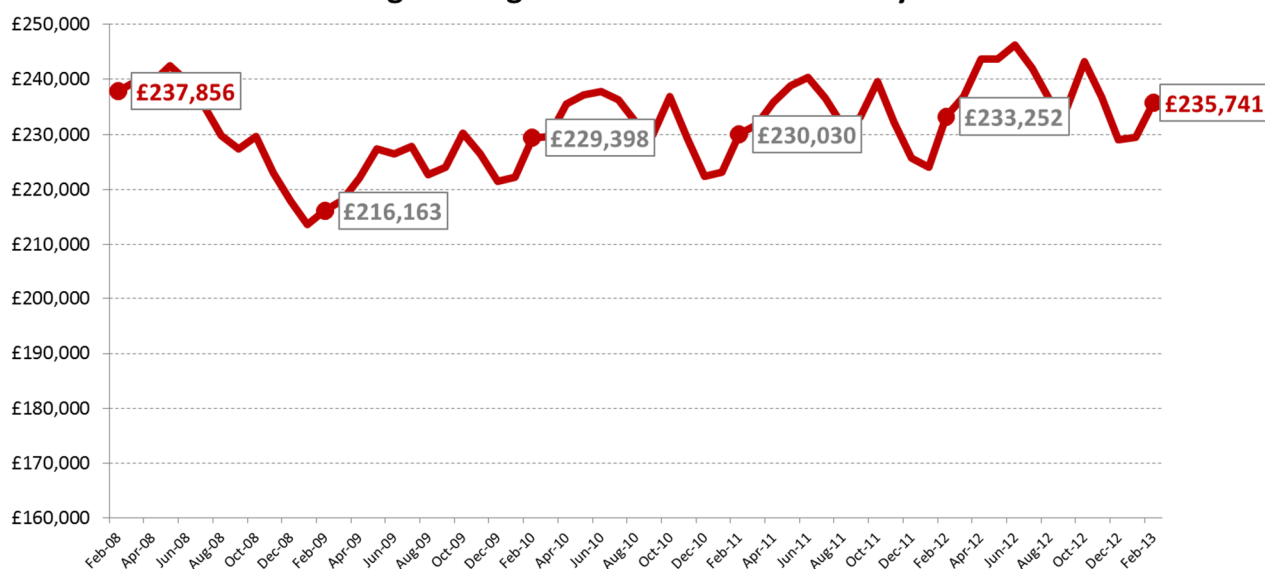
*Under embargo for 00:01 hours: Monday 18<sup>th</sup> February 2013*

## Sprightly start to 2013 but 'old hands' support the market

	February	January
Average Property Asking Price	£235,741	£229,429
% Change in Month	+2.8%	+0.2%
% Change in Past Year	+1.1%	+2.4%
Monthly Index (Jan 2002=100)	191.8	186.7

- Sprightly start to 2013 with new seller average asking price at £235,741, the highest in February since 2008
- Encouraging signs of market activity as Rightmove sets new records for website activity and volume of enquiries in January, suggesting high levels of engagement
- Further Rightmove research finds that age and equity will be the main market drivers in 2013 meaning 'old hands' are the most willing and able to move:
  - Seven in ten (71%) who intend to sell in 2013 are over 45
  - Half of those planning to buy in 2013 (49%) will do so for at least the third time
  - 'Downsizing' the number one reason for selling in nine out of ten regions in the UK

### Average Asking Price Trend since February 2008



Rightmove measured 94,429 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 13<sup>th</sup> January 2013 to 9<sup>th</sup> February 2013 and advertised on Rightmove.co.uk.

Rightmove.co.uk is the UK's largest property web site, advertising around 90% of all homes for sale via estate agents across the UK. The site attracts over 40 million visits from home movers each month who view in excess of 400 million pages. Each month Rightmove uses asking price data of up to 200,000 properties coming onto the market to produce this House Price Index - the largest, most accurate and up-to-date monthly index.

Released 18<sup>th</sup> February 2013

Page 1 of 10

Copyright © 2013, Rightmove plc

For media enquiries and interviews please contact the Rightmove press office:

0845 456 8439 or [press@rightmove.co.uk](mailto:press@rightmove.co.uk)

## Overview

There are signs of continued improvement in the health of the property market. At £235,741 the average price of newly marketed property is the second highest ever seen in the month of February, just £2,115 shy of the February record set in 2008 prior to the collapse of Lehman Brothers. There are also encouraging signs of life among home-movers too as the Rightmove website recorded its busiest ever month in January. However, Rightmove research indicates that those most likely to buy and sell in 2013 are the 'old hands' with greater access to equity and finance, who have the confidence and the will to move.

Miles Shippside, director and housing market analyst at Rightmove comments: "There has been a sprightly start to 2013 and, while market activity remains patchy across locations and property type, some agents are reporting their busiest new year since the onset of the credit-crunch. While encouraging, it's far too early to pop the champagne corks as certain sectors will remain on ice until the return of wider-spread mortgage availability. However, our research suggests that with age comes experience and, more importantly, equity, and it these old hands that seem most confident to plan a move this year."

New sellers increased their asking prices by 2.8% (+£6,312) this month, pushing the national average up to £235,741. Whilst it is usual to see asking prices increase between January and February, this is the highest average price recorded at this time of year since 2008. This illustrates the slow but steady recovery in prices, which has taken five years, though it must be noted that the national average can mask the divide in the market between those with access to equity and finance and those without. Whilst all regions have recorded a rise this month, some of the more dramatic increases reported in the northern regions are effectively 'rebounds' from substantial falls measured on the low levels of new listings in November and December.

The start of a new year, combined with more new stock coming to market after the Christmas lull, traditionally boosts activity, though in recent years this has been tempered by the economic backdrop. However, this year Rightmove has recorded its busiest ever month in January with those planning a move searching in record numbers and contacting agents with more follow-up enquiries than ever before.

Shippside observes: "Interest in property has hit such a peak that Rightmove is now the sixth busiest website in the UK<sup>1</sup>. Pages viewed on the Rightmove website reached a new record high in January, up by over 20% year-on-year and, importantly, resulted in more enquiries to agents and developers than ever before. While the journey between expressing interest and closing the deal has many more twists and turns than before the credit-crunch, it is a sign of increased confidence and helps build a momentum that has been sadly lacking in many local markets over the last five years."

### **'Movers and shakers' in 2013**

Further Rightmove research indicates that those with access to equity and finance will be the main 'movers and shakers' in 2013:

#### **Seven out of ten (71%) who intend to sell are aged over 45**

The two most active age ranges are the 45 to 54 bracket, making up 25% of those planning to put their properties on the market in 2013, and the 55 to 64 year olds who add another 30%. Those aged over 65 contribute a further 16%, leaving just 29% of intending sellers aged under 45.

Shippside notes: "They say life begins at forty, but in today's housing timetable you do not reach your upwardly-mobile prime for at least another five years. It's another stress to add to your mid-life crisis list that bettering your property lot is being pushed back into middle age, postponing your mortgage-free status and putting you at risk of being an OAP mortgagee, and possibly even delaying retirement."

### **Half of those who intend to buy (49%) will be doing so for at least the third time**

With the proportion of those intending to buy for the first-time making up just 22% of all prospective buyers in 2013, the main activity is concentrated on those who have bought before. 29% state they are buying for the second time, while for 49% this will be at least their third purchase.

Shipside observes: "The experienced 'old hands' who have built up equity through previous properties are at an advantage as they can raise the substantial deposits required by lenders. Interestingly, they are often the ones who benefit most from the very low interest rates facilitated by the Funding for Lending Scheme (FLS). While the scheme was intended to make loans more readily available to those struggling to raise finance in the business and housing sectors, it would appear that many risk-averse lenders are subsidising the better-off who could fund a move anyway. With those trying to buy for the first time stuck at around a quarter of all purchases, nearly half pre-credit-crunch levels, in many instances the FLS is not yet supporting the mass market where the improvement on transaction levels could be much more dramatic. It appears this cheap money frenzy is mostly prompting more transactions among the equity blessed, some of whom will be purchasing buy-to-let investments."

### **'Downsizing' number one reason for selling in nine out of ten regions in the UK**

In every region bar London the most common reason given by prospective sellers for moving was their desire to 'downsize'. A move for 'lifestyle reasons' was the second main driver overall, with the need for 'more space' taking third place nationally but first place in London. This underlines the affluence of the London market, where sellers who can afford to trade up outnumber those seeking to trade down, a marked contrast to the rest of the UK.

Shipside comments: "Those who bought thirty to forty years ago reaped the rewards of several price booms and many are now of an age where they wish to downsize, release equity and reduce their outgoings. These make up the largest group of intending sellers and, in many instances, they have the advantage of being cash buyers. With increased life expectancy they face the challenge of supporting themselves financially for longer than previous generations, but have the head start of multiple-level return on their original investment in property."

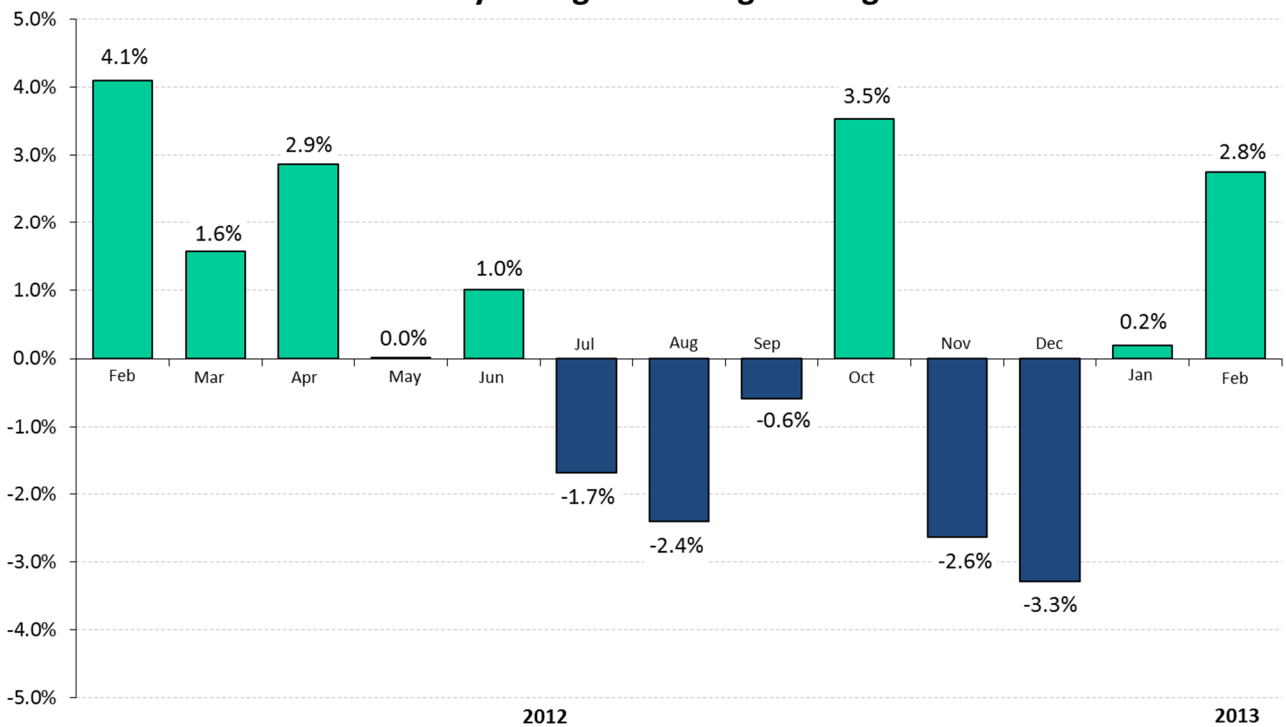
---

1 - Source: Experian Hitwise, Market share of pages viewed, All categories, January 2013

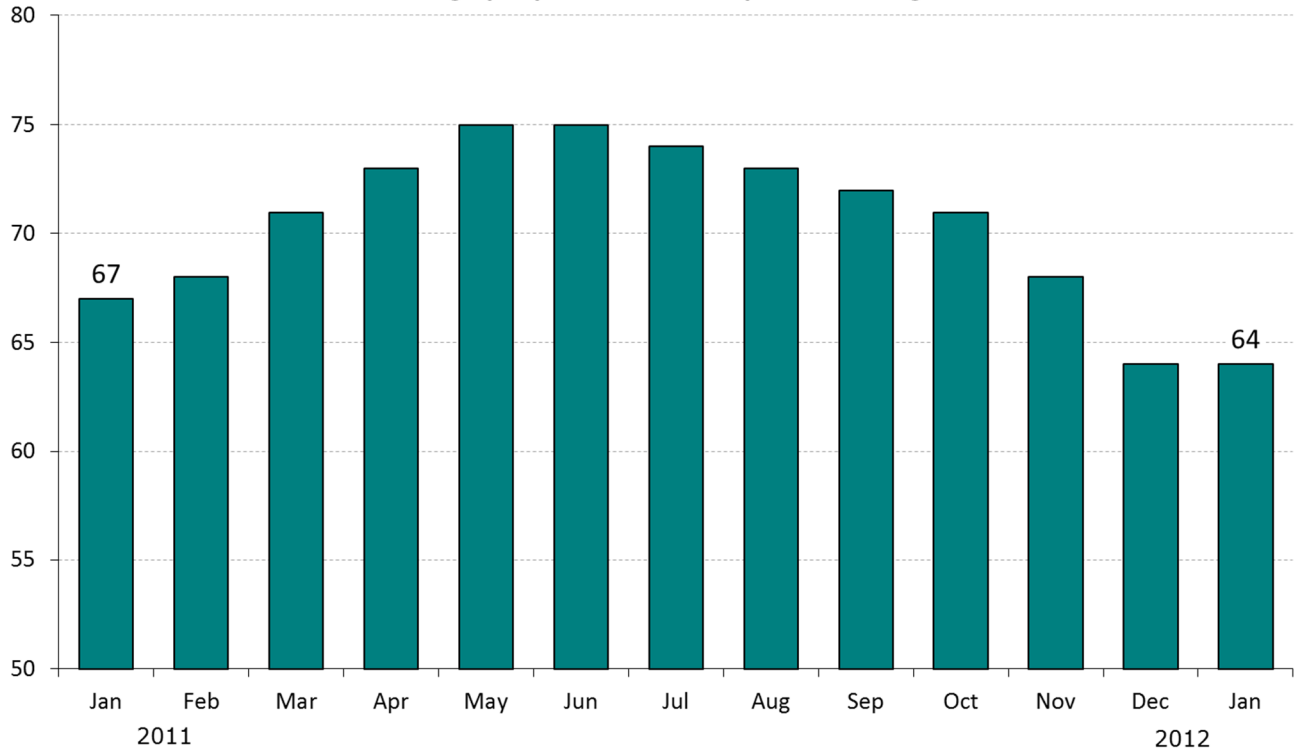
## Rightmove Monthly Asking Price Trend



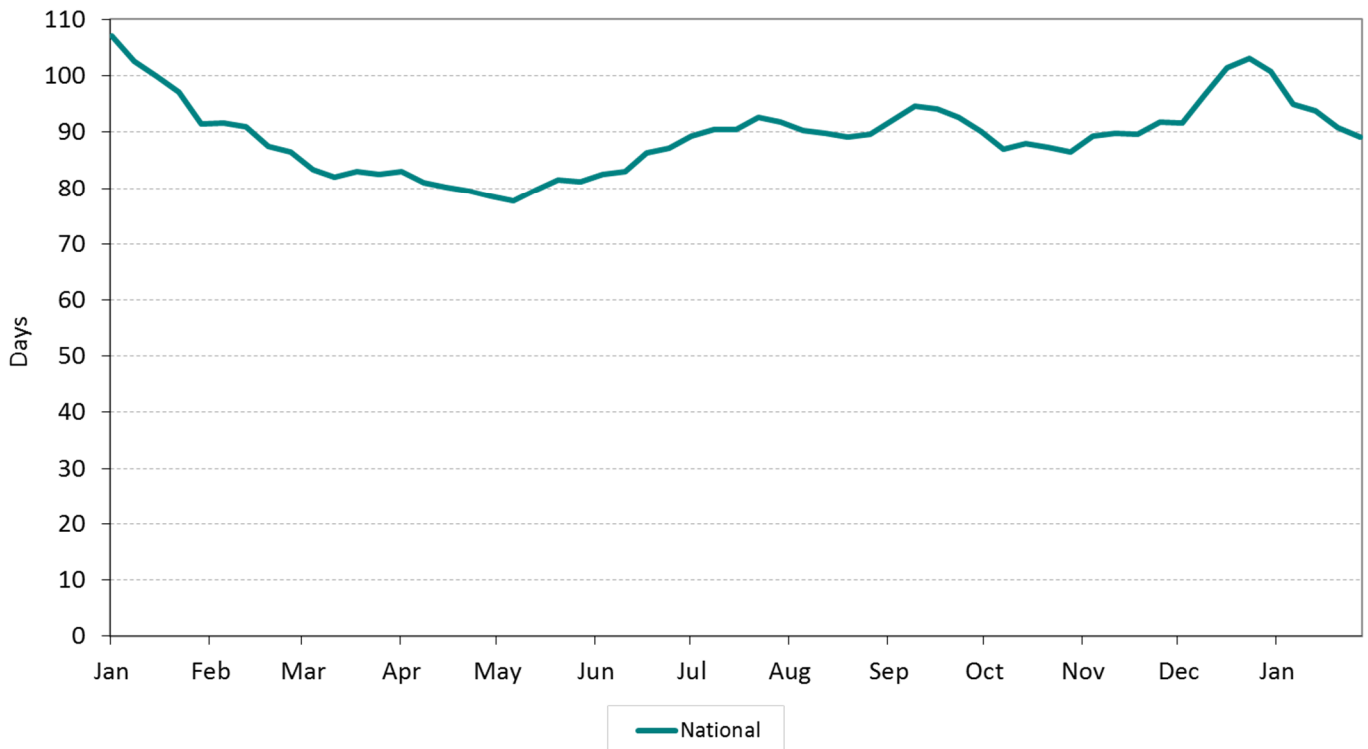
## % Monthly Change in Average Asking Prices



### Average properties for sale per Estate Agent



### Time on Market Indicator (National)



## Regions of England & Wales

 Increases  
 Decreases  
 from previous month

North	
Avg. Price Feb 13	£142,168
Avg. Price Jan 13	£136,969
Monthly Change	3.8%
Avg. Price Feb 12	£145,702
Annual Change	-2.4%

North West	
Avg. Price Feb 13	£156,801
Avg. Price Jan 13	£149,032
Monthly Change	5.2%
Avg. Price Feb 12	£159,630
Annual Change	-1.8%

Yorkshire & Humberside	
Avg. Price Feb 13	£149,455
Avg. Price Jan 13	£145,542
Monthly Change	2.7%
Avg. Price Feb 12	£149,184
Annual Change	0.2%

West Midlands	
Avg. Price Feb 13	£186,094
Avg. Price Jan 13	£177,888
Monthly Change	4.6%
Avg. Price Feb 12	£181,477
Annual Change	2.5%

East Midlands	
Avg. Price Feb 13	£161,023
Avg. Price Jan 13	£158,342
Monthly Change	1.7%
Avg. Price Feb 12	£155,781
Annual Change	3.4%

Wales	
Avg. Price Feb 13	£161,365
Avg. Price Jan 13	£153,649
Monthly Change	5.0%
Avg. Price Feb 12	£159,941
Annual Change	0.9%

East Anglia	
Avg. Price Feb 13	£215,037
Avg. Price Jan 13	£213,094
Monthly Change	0.9%
Avg. Price Feb 12	£215,195
Annual Change	-0.1%

South West	
Avg. Price Feb 13	£249,303
Avg. Price Jan 13	£246,584
Monthly Change	1.1%
Avg. Price Feb 12	£249,503
Annual Change	-0.1%

Greater London	
Avg. Price Feb 13	£486,890
Avg. Price Jan 13	£480,890
Monthly Change	1.2%
Avg. Price Feb 12	£449,252
Annual Change	8.4%

South East	
Avg. Price Feb 13	£297,036
Avg. Price Jan 13	£295,958
Monthly Change	0.4%
Avg. Price Feb 12	£303,263
Annual Change	-2.1%

If you are a journalist and would like a further breakdown on these regional statistics please contact the Press Office on: [press@rightmove.co.uk](mailto:press@rightmove.co.uk) or call 0845 456 8439

## National Asking Price Trend

Month	Index (Jan 2002 = 100)	% Change	Avg. Price
February 2012	189.8	+4.1%	£233,252
March 2012	192.8	+1.6%	£236,939
April 2012	198.3	+2.9%	£243,737
May 2012	198.3	+0.0%	£243,759
June 2012	200.3	+1.0%	£246,235
July 2012	197.0	-1.7%	£242,097
August 2012	192.2	-2.4%	£236,260
September 2012	191.1	-0.6%	£234,858
October 2012	197.8	+3.5%	£243,168
November 2012	192.6	-2.6%	£236,761
December 2012	186.3	-3.3%	£228,989
January 2013	186.7	+0.2%	£229,429
February 2013	191.8	+2.8%	£235,741
<b>Annual Change</b>	<b>+2.0</b>	<b>+1.1%</b>	<b>+£2,489</b>

(National asking price includes other property types that are not classified below)

## National Asking Price Trend by Property Type

Month	Detached	Semi-Detached	Terraced	Flats/Apartments
February 2012	£340,711	£195,718	£177,842	£195,308
March 2012	£349,042	£198,350	£182,464	£196,209
April 2012	£359,798	£202,138	£184,920	£195,160
May 2012	£359,441	£202,415	£184,346	£199,564
June 2012	£360,247	£202,219	£185,370	£201,994
July 2012	£357,128	£199,599	£182,407	£198,658
August 2012	£349,561	£196,995	£180,496	£198,012
September 2012	£347,664	£197,600	£178,989	£193,154
October 2012	£349,561	£196,995	£180,496	£198,012
November 2012	£345,138	£197,954	£181,633	£201,735
December 2012	£338,638	£193,365	£175,489	£196,819
January 2013	£333,054	£196,896	£180,824	£200,063
February 2013	£343,849	£199,232	£182,093	£200,813
<b>Annual Change</b>	<b>+0.9%</b>	<b>+1.8%</b>	<b>+2.4%</b>	<b>+2.8%</b>

Press enquiries regarding the methodology employed and access to further analysis of the data held by rightmove.co.uk should be directed to the Press Office on [press@rightmove.co.uk](mailto:press@rightmove.co.uk) or call 0845 456 8439.

## London's Best Performers February 2013

London's Top 5	Avg. Price Feb 13	Avg. Price Jan 13	Monthly Change
Islington	£651,540	£622,826	4.6%
Hammersmith and Fulham	£992,248	£949,619	4.5%
Merton	£477,462	£457,211	4.4%
Hackney	£559,023	£538,971	3.7%
Croydon	£294,058	£283,531	3.7%

## London's Worst Performers February 2013

London's Bottom 5	Avg. Price Feb 13	Avg. Price Jan 13	Monthly Change
Brent	£677,034	£719,967	-6.0%
Hounslow	£521,560	£543,594	-4.1%
Hillingdon	£364,001	£377,254	-3.5%
Richmond-upon-Thames	£676,086	£698,091	-3.2%
Ealing	£464,199	£475,555	-2.4%

## London Time on Market

### Time on Market Indicator (London)



Released 18<sup>th</sup> February 2013

Page 8 of 10

Copyright © 2013, Rightmove plc

For media enquiries and interviews please contact the Rightmove press office:

0845 456 8439 or [press@rightmove.co.uk](mailto:press@rightmove.co.uk)



## London Boroughs

Borough	Avg. Price Feb 13	Avg. Price Jan 13	Monthly Change	Avg. Price Feb 12	Annual Change
Kensington and Chelsea	£2,180,412	£2,143,118	1.7%	£1,887,870	15.5%
City of Westminster	£1,494,426	£1,443,526	3.5%	£1,412,415	5.8%
Hammersmith and Fulham	£992,248	£949,619	4.5%	£853,208	16.3%
Camden	£923,551	£942,478	-2.0%	£868,876	6.3%
Wandsworth	£686,735	£690,973	-0.6%	£656,781	4.6%
Brent	£677,034	£719,967	-6.0%	£642,333	5.4%
Richmond-upon-Thames	£676,086	£698,091	-3.2%	£698,224	-3.2%
Kingston-upon-Thames	£662,413	£642,772	3.1%	£666,922	-0.7%
Islington	£651,540	£622,826	4.6%	£620,645	5.0%
Haringey	£592,203	£573,904	3.2%	£519,816	13.9%
Barnet	£588,327	£575,855	2.2%	£571,374	3.0%
Hackney	£559,023	£538,971	3.7%	£530,483	5.4%
Hounslow	£521,560	£543,594	-4.1%	£520,634	0.2%
Merton	£477,462	£457,211	4.4%	£446,425	7.0%
Lambeth	£473,793	£465,479	1.8%	£431,453	9.8%
Ealing	£464,199	£475,555	-2.4%	£425,320	9.1%
Southwark	£452,635	£446,418	1.4%	£414,627	9.2%
Tower Hamlets	£420,727	£426,719	-1.4%	£435,706	-3.4%
Lewisham	£374,597	£369,515	1.4%	£352,238	6.3%
Hillingdon	£364,001	£377,254	-3.5%	£356,602	2.1%
Bromley	£353,232	£347,708	1.6%	£347,903	1.5%
Harrow	£352,104	£353,182	-0.3%	£345,496	1.9%
Enfield	£345,720	£343,418	0.7%	£333,065	3.8%
Sutton	£345,702	£344,629	0.3%	£328,315	5.3%
Redbridge	£302,375	£293,797	2.9%	£290,669	4.0%
Waltham Forest	£301,948	£295,848	2.1%	£310,782	-2.8%
Greenwich	£298,106	£291,111	2.4%	£287,518	3.7%
Croydon	£294,058	£283,531	3.7%	£273,429	7.5%
Havering	£263,360	£257,949	2.1%	£255,884	2.9%
Newham	£243,449	£237,166	2.6%	£251,745	-3.3%
Bexley	£226,610	£225,618	0.4%	£221,913	2.1%
Barking and Dagenham	£219,284	£215,500	1.8%	£218,385	0.4%

(City of London excluded due to small number of residential properties.)

## Index Comparison

	Feb 2013		Jan 2013		Dec 2012	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
Rightmove	£235,741	+2.8%	£229,429	+0.2%	£228,989	-3.3%
Halifax	N/A *	N/A *	£162,932	-0.2%	£163,845	+1.3%
Nationwide	N/A *	N/A *	£162,245	+0.5%	£162,262	-0.1%

\* Published at the beginning of next month for Halifax and at the end of this month for Nationwide

**Rightmove:** compiled from asking prices of properties as they come on the market via Rightmove's member estate agents over the previous month, covering over 90% the market. Not seasonally adjusted. (Seasonally adjusted figure used for the Halifax from Nov 2003, as no unadjusted figure has been published.)

**Halifax:** based on mortgage approvals of loans agreed by Halifax Bank of Scotland over the previous month, seasonally adjusted.

**Nationwide:** based on mortgage approvals of loans agreed by Nationwide Building Society over the previous month. Figure quoted for monthly change is seasonally adjusted.

Rightmove measures asking prices and does not seasonally adjust its figures, while Nationwide and Halifax both report data based on mortgage offers, seasonally adjusted. The index offered by the CLG (Department of Communities and Local Government) measure prices at completion stage, not seasonally adjusted.

### Editors' notes

Advertising property for over 90% of all UK estate agents, Rightmove is in a unique position to identify any immediate changes in the market. Using a larger sample than any other house price reports, Rightmove's **House Price Index** is compiled from the asking prices of properties coming onto the market via the c.10,000 estate agency branches listing on Rightmove.co.uk. Rather than being a survey of opinions as with some other indices, it is produced from factual data of actual prices of properties currently on the market. The sample includes up to 200,000 homes each month – representing circa 90% of the market, the largest and most up-to-date monthly sample of any house price indicator in the UK. 95% of properties are sold via an agent, while only 75% are purchased with a mortgage. The index differs from other house price indicators in that it reflects asking prices when properties first come onto the market, rather than those recorded by lenders during the mortgage application process or final sales prices reported to the Land Registry. In essence, Rightmove's index measures prices at the very beginning of the home buying and selling process while other indices measure prices at points later in the process. Having a large sample size and being very up-to-date, the Rightmove Index has established itself as a reliable indicator of current and future trends of the housing market.

This month 11,949 properties have been excluded due to being anomalies.

### **About Rightmove.co.uk:**

Rightmove.co.uk is the UK's leading property website, displaying details of homes for sale or rent to the largest online audience. It has around 90% of all properties for sale and at any time displays a stock of over one million properties to buy or rent, worth around £270 billion. All eight corporate estate agents (those with 100 or more branches) list their properties on the site. The Rightmove.co.uk site receives over 30 million visits every month and is consistently ranked number one property website in the UK (source: Experian Hitwise).

For further information on methodology please contact the Press Office on [press@rightmove.co.uk](mailto:press@rightmove.co.uk) or call 0845 456 8439.