

# The Rightmove House Price Index

The largest monthly sample of residential property prices

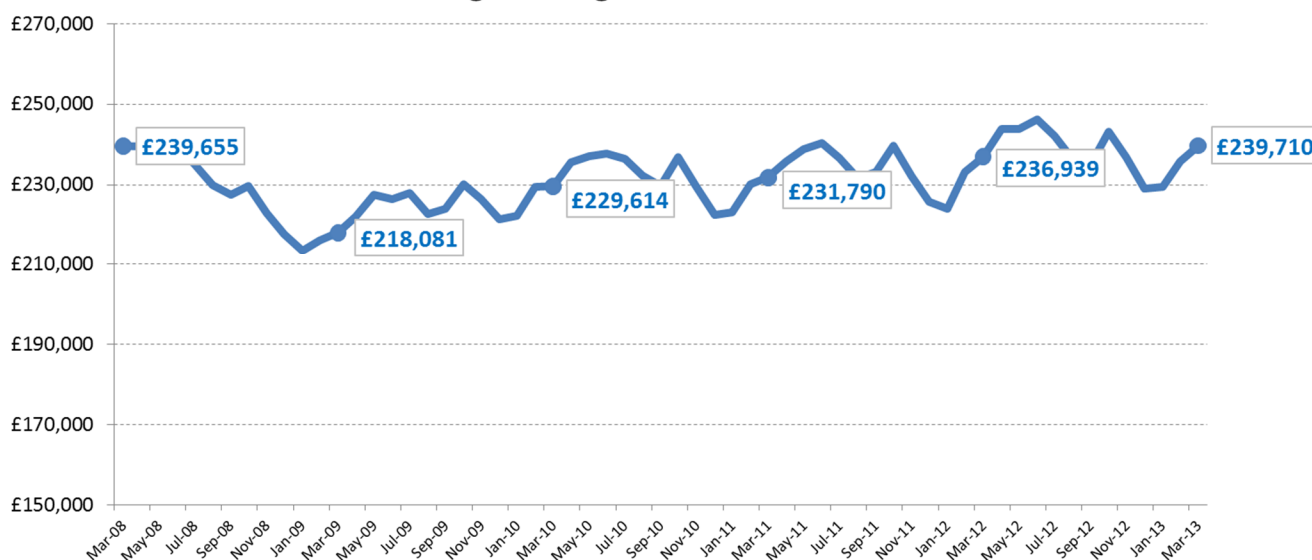
*Under embargo for 00:01 hours: Monday 18<sup>th</sup> March 2013*

## Momentum grows from bedrock of belief in price stability

	March	February
Average Property Asking Price	£239,710	£235,741
% Change in Month	+1.7%	+2.8%
% Change in Past Year	+1.2%	+1.1%
Monthly Index (Jan 2002=100)	195.0	191.8

- Onset of spring market sees highest ever new seller asking prices in the month of March, up 1.7% (+£3,969) on February
- Growing belief in price stability builds momentum and holds potential for transaction volumes to increase in 2013
  - 60% of home-movers believe prices will be 'more or less the same' in a year's time and a further 23% expect prices will be higher
  - 12% increase in new seller numbers yet unsold stock remains little changed indicating increase in sales
  - quicker sales as average time on the market now 80 days compared to 90 days this time last year
  - 'blindingly good' returns boost buy-to-let activity – lowest ever remortgage finance at around 2% and average rental yield of nearly 6%, plus prospect of capital growth
- Opportunity to build momentum further with housing-led, confidence-boosting budget

### Average Asking Price since March 2008



Rightmove measured 105,803 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 10<sup>th</sup> February 2013 to 9<sup>th</sup> March 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> March 2013

Page 1 of 10

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

## Overview

Momentum continues to build in the housing market with several key indicators setting new post-credit-crunch milestones. The net result is that, as we enter the spring market, new sellers' asking prices are the highest ever recorded in the month of March.

Miles Shippside, Rightmove director and housing market analyst comments: "In today's turbulent world where economic crises seem more likely to re-appear than disappear, any market upturn will take longer to build home-mover confidence to the point that it starts to feed through to actual transactions. Even those who truly believe that the market has turned a corner may be unable to do anything about it due to lenders' cautious risk profiling, a significant factor limiting the speed and strength of the recovery. However, with new sellers asking more than ever before as we enter the traditionally busy spring market and an expectation among home-movers of price stability or growth, there is now a bedrock upon which confidence and momentum appear to be building."

The average price of a property coming to market is at a new March high of £239,710. The previous peak achieved at this time of year was set in 2008, just six months before the collapse of Lehman Brothers in September of that year. This new March record comes at a time when several of Rightmove's indicators provide evidence of growing momentum in the market that should deliver an increase in transaction numbers this year.

### **83% of home-movers expect prices to be the same or higher 12 months from now**

Rightmove's latest Consumer Confidence Survey of more than 40,000 respondents shows that 60% expect prices to be 'more or less the same' in a year's time and a further 23% believe prices will be higher. Only around one in nine (11%) expect prices to be lower.

Shippside observes: "Positive sentiment on the future direction of property prices is a vital element in motivating more people to buy including those looking to trade-up. If they feel confident that prices aren't going to drop, some will take the plunge, while those who are predicting price rises often judge it wise to act sooner rather than later if they perceive delaying will mean they pay more. Whilst outlooks on property prices differ and remain patchy according to location and property type, overall there appears to be an upturn in confidence".

### **Transaction volumes set to increase in 2013**

In spite of a 12% month-on-month increase in new seller numbers, unsold stock per estate agency branch has remained little changed, up from 64 properties last month to 65 this. This suggests an increase in the number of properties being sold and removed from active marketing. This bodes well for transaction numbers in 2013. With March's average time on the market also falling from 90 days last year to 80 days this, property appears to be finding buyers more quickly.

Shippside adds: "Whilst it is too early in the year to make estimates about full year transaction volumes, agents are reporting more properties being sold subject to contract. However, these prospective buyers still have to complete the potentially treacherous journey through to successful completion. A sense of urgency has previously been sadly lacking, but there's nothing like a few "Sold" boards appearing on local streets to motivate buyers to make a decision about which they had previously been prevaricating. More limited inventory for sale by agents means less choice for buyers and is usually a forerunner of increased property prices. Some of the price gains made in the first half of the year often fall away in the second half, but this year it is possible that the air of optimism will result in those gains being retained".

### **Transaction volumes on course to be boosted by buy-to-let activity**

Rightmove research shows that rents are delivering average gross yields of 5.9%. With some remortgage finance available at lowest ever levels, from as little as 2% for a two year fixed rate and 2.7% for a five

year fixed rate, there is the possibility of a straight arbitrage of immediate return on money borrowed against your main residence.

Shipside comments: "There are blindingly good returns on the right buy-to-let investment, with the Funding for Lending Scheme giving the possibility of an immediate and enticing profit gap between borrowing costs and available rental returns. With the prospect of capital growth in future years if you buy the right property, you can see why investors are piling in to the rental market – why wouldn't they when it can offer a much better return than money in the bank?"

### **Opportunity for Budget to continue momentum**

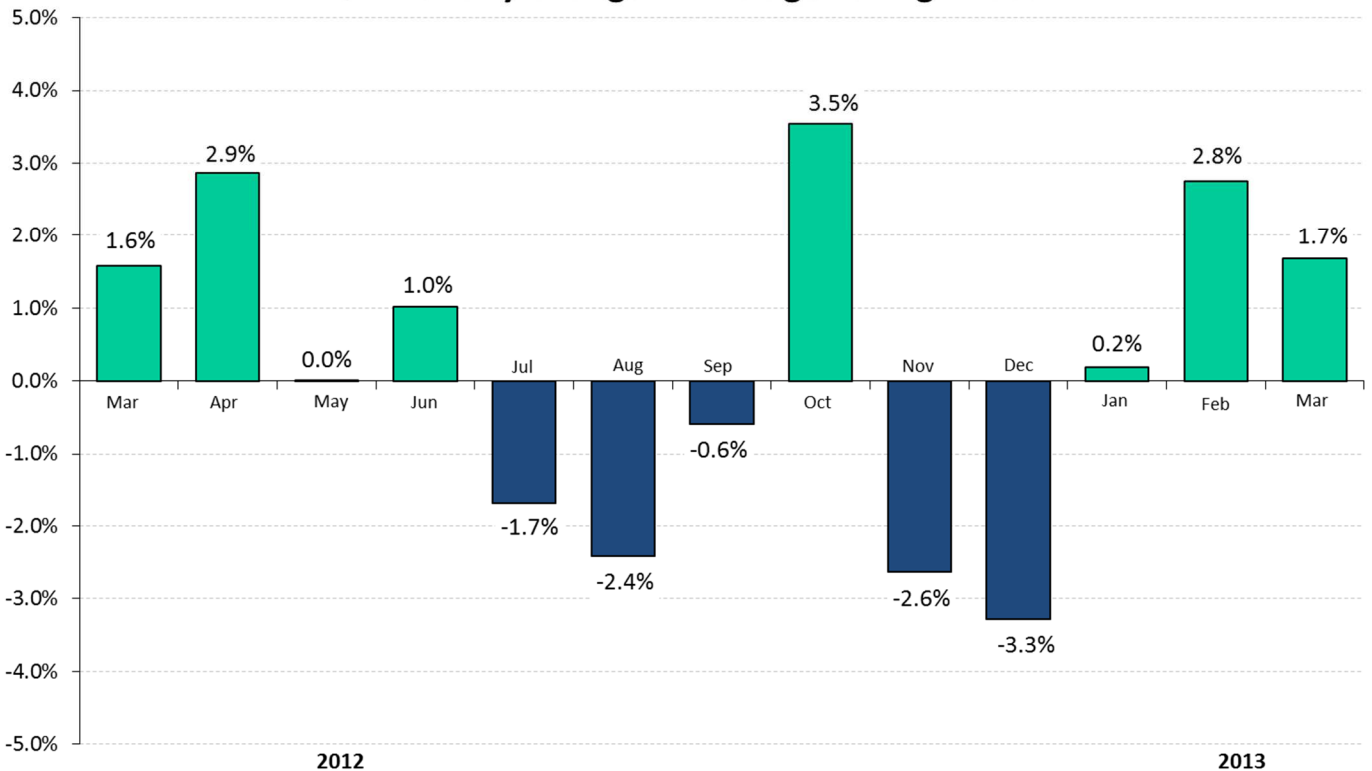
There is an opportunity for the Government to continue and build on this housing market momentum with a housing-led confidence-boosting Budget. Though the Government and new build industry NewBuy scheme has been hailed a success by some, further initiatives to encourage building of additional affordable homes, release public land for development, and attract pension fund investment could all boost the construction sector. Stamp duty breaks and other initiatives to help increase the number of first-time buyers and help first-time sellers with limited equity to trade up would also help boost volumes in the wider resale market.

Shipside comments: "A housing market led confidence boosting Budget could help the economy change up a gear. Increases in consumer spending and the positive effect on GDP have historically been linked with a positive housing market. More houses need to be built to meet growing household numbers, and the activity it creates is a great boost to the economy. If new initiatives spur the resale market as well as new build sector, then the Government could generate a welcome feel-good factor that it may judge to be timely with just over two years to the next election."

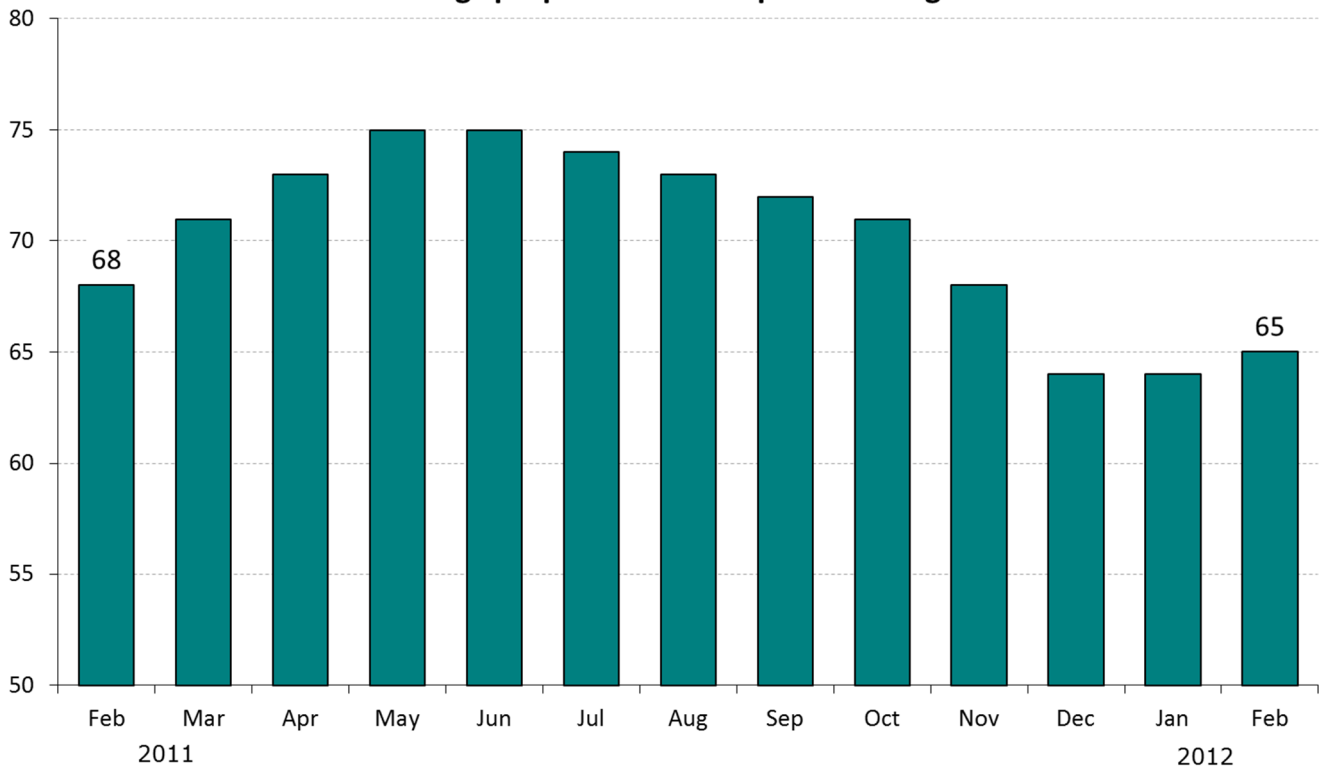
## Rightmove Monthly Asking Price Trend



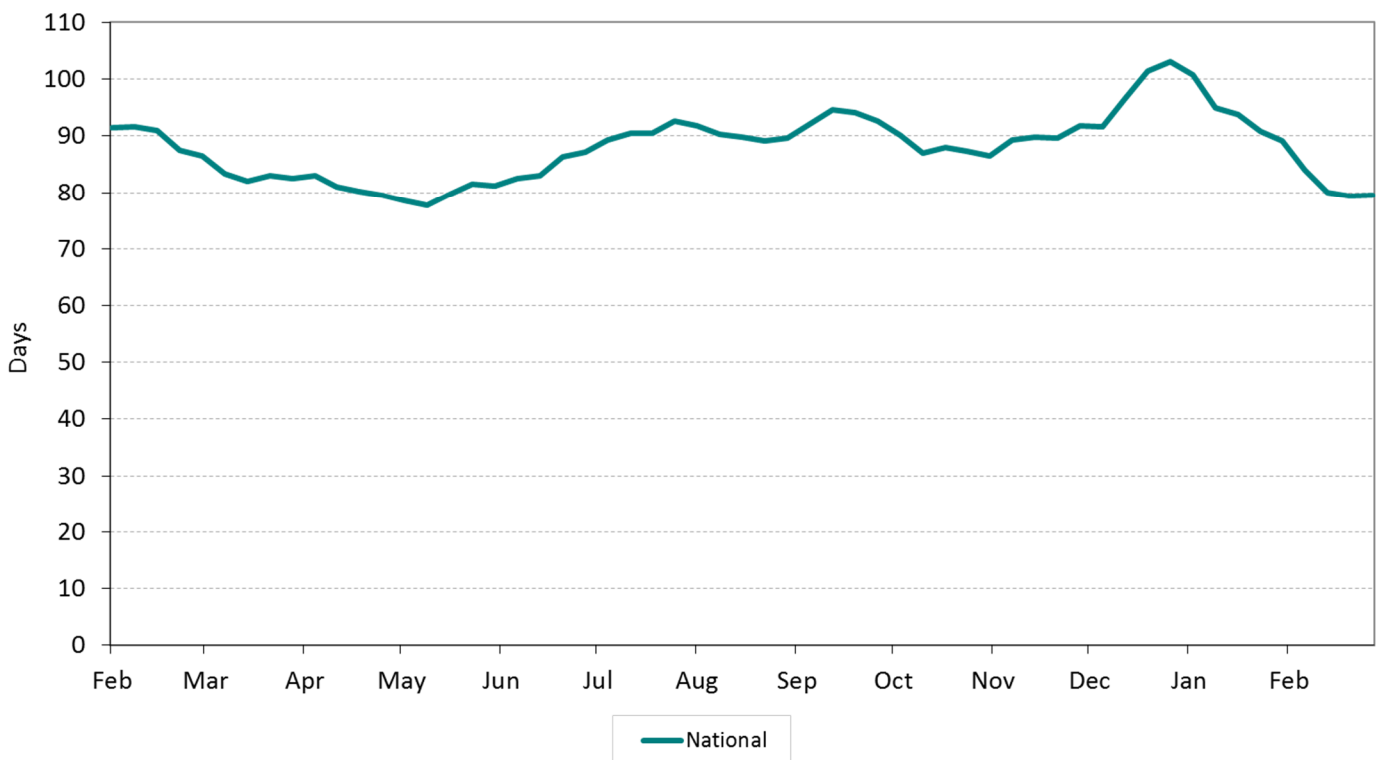
## % Monthly Change in Average Asking Prices





### Average properties for sale per Estate Agent



### Time on Market Indicator (National)



## Regions of England & Wales

 Increases  
 Decreases  
 from previous month

North	
Avg. Price Mar 13	£146,277
Avg. Price Feb 13	£142,168
Monthly Change	2.9%
Avg. Price Mar 12	£147,503
Annual Change	-0.8%

North West	
Avg. Price Mar 13	£160,972
Avg. Price Feb 13	£156,801
Monthly Change	2.7%
Avg. Price Mar 12	£161,499
Annual Change	-0.3%

Yorkshire & Humberside	
Avg. Price Mar 13	£150,644
Avg. Price Feb 13	£149,455
Monthly Change	0.8%
Avg. Price Mar 12	£154,128
Annual Change	-2.3%

West Midlands	
Avg. Price Mar 13	£185,942
Avg. Price Feb 13	£186,094
Monthly Change	-0.5%
Avg. Price Mar 12	£181,925
Annual Change	2.2%

East Midlands	
Avg. Price Mar 13	£163,613
Avg. Price Feb 13	£161,023
Monthly Change	1.6%
Avg. Price Mar 12	£159,100
Annual Change	2.8%

Wales	
Avg. Price Mar 13	£163,772
Avg. Price Feb 13	£161,365
Monthly Change	1.5%
Avg. Price Mar 12	£163,707
Annual Change	0.0%

East Anglia	
Avg. Price Mar 13	£215,120
Avg. Price Feb 13	£215,037
Monthly Change	0.0%
Avg. Price Mar 12	£223,558
Annual Change	-3.8%

South West	
Avg. Price Mar 13	£253,897
Avg. Price Feb 13	£249,303
Monthly Change	1.8%
Avg. Price Mar 12	£255,857
Annual Change	-0.8%

Greater London	
Avg. Price Mar 13	£496,298
Avg. Price Feb 13	£486,890
Monthly Change	1.9%
Avg. Price Mar 12	£455,159
Annual Change	9.0%

South East	
Avg. Price Mar 13	£309,439
Avg. Price Feb 13	£297,036
Monthly Change	4.2%
Avg. Price Mar 12	£307,728
Annual Change	0.6%

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

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Page 6 of 10

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## National Asking Price Trend

Month	Index (Jan 2002 = 100)	% Change	Avg. Price
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
March 2013	195.0	+1.7%	£239,710
<b>Annual Change</b>	<b>+2.2</b>	<b>+1.2%</b>	<b>+£2,771</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
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
March 2013	£354,003	£202,379	£187,489	£204,685
<b>Annual Change</b>	<b>+1.4%</b>	<b>+2.0%</b>	<b>+2.8%</b>	<b>+4.3%</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 March 2013

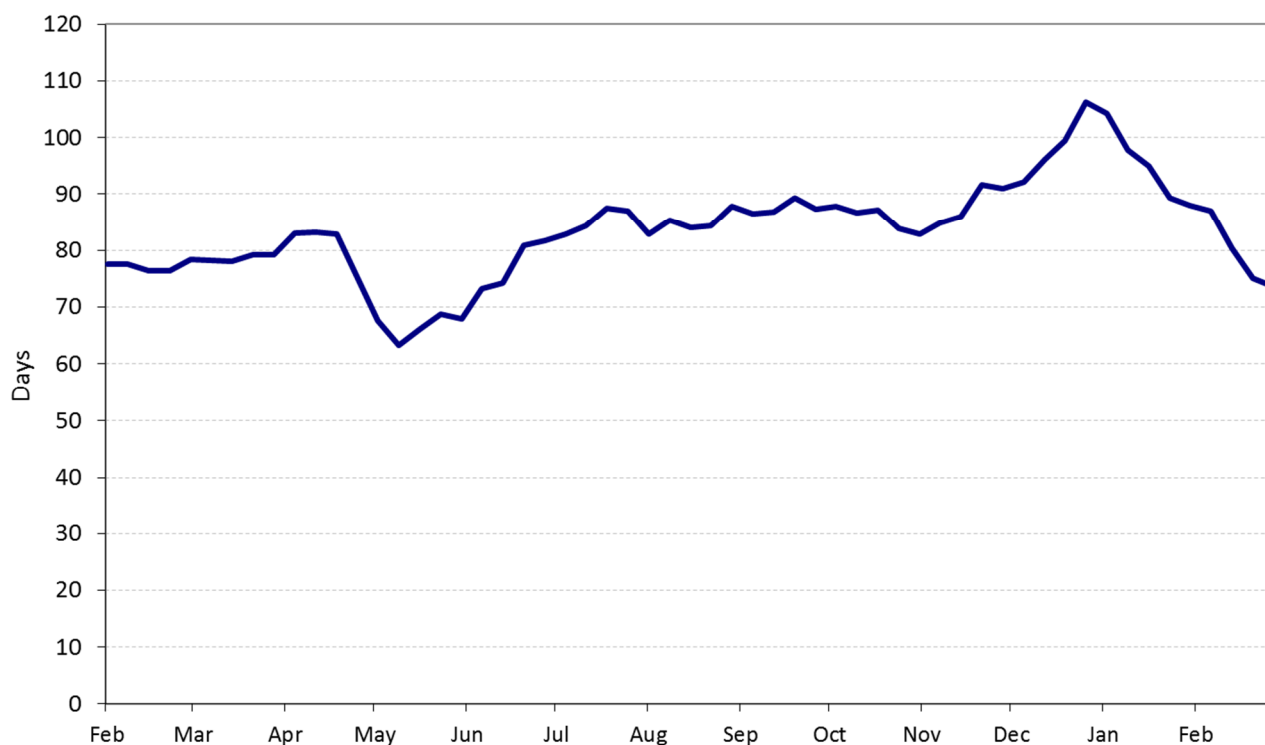
London's Top 5	Avg. Price Mar 13	Avg. Price Feb 13	Monthly Change
Kensington and Chelsea	£2,316,256	£2,180,412	6.2%
Lambeth	£502,200	£473,793	6.0%
City of Westminster	£1,580,380	£1,494,426	5.8%
Hackney	£587,961	£559,023	5.2%
Islington	£681,596	£651,540	4.6%

## London's Worst Performers March 2013

London's Bottom 5	Avg. Price Mar 13	Avg. Price Feb 13	Monthly Change
Bromley	£347,194	£353,232	-1.7%
Haringey	£585,364	£592,203	-1.2%
Bexley	£224,194	£226,610	-1.1%
Enfield	£342,727	£345,720	-0.9%
Sutton	£343,313	£345,702	-0.7%

## London Time on Market

Time on Market Indicator (London)



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Page 8 of 10

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## London Boroughs

Borough	Avg. Price Mar 13	Avg. Price Feb 13	Monthly Change	Avg. Price Mar 12	Annual Change
Kensington and Chelsea	£2,316,256	£2,180,412	6.2%	£2,000,120	15.8%
City of Westminster	£1,580,380	£1,494,426	5.8%	£1,386,884	14.0%
Hammersmith and Fulham	£1,006,016	£992,248	1.4%	£861,555	16.8%
Camden	£939,491	£923,551	1.7%	£880,773	6.7%
Wandsworth	£710,078	£686,735	3.4%	£707,882	0.3%
Richmond-upon-Thames	£690,306	£676,086	2.1%	£725,907	-4.9%
Kingston-upon-Thames	£689,145	£662,413	4.0%	£701,767	-1.8%
Islington	£681,596	£651,540	4.6%	£633,282	7.6%
Brent	£672,808	£677,034	-0.6%	£639,299	5.2%
Barnet	£597,110	£588,327	1.5%	£584,424	2.2%
Hackney	£587,961	£559,023	5.2%	£553,749	6.2%
Haringey	£585,364	£592,203	-1.2%	£511,772	14.4%
Hounslow	£520,234	£521,560	-0.3%	£499,681	4.1%
Lambeth	£502,200	£473,793	6.0%	£464,095	8.2%
Merton	£480,563	£477,462	0.6%	£448,394	7.2%
Ealing	£472,155	£464,199	1.7%	£428,680	10.1%
Southwark	£465,000	£452,635	2.7%	£409,383	13.6%
Tower Hamlets	£420,486	£420,727	-0.1%	£431,989	-2.7%
Lewisham	£375,418	£374,597	0.2%	£354,364	5.9%
Hillingdon	£367,404	£364,001	0.9%	£361,625	1.6%
Harrow	£351,306	£352,104	-0.2%	£361,022	-2.7%
Bromley	£347,194	£353,232	-1.7%	£362,290	-4.2%
Sutton	£343,313	£345,702	-0.7%	£327,993	4.7%
Enfield	£342,727	£345,720	-0.9%	£340,030	0.8%
Greenwich	£308,702	£298,106	3.6%	£287,823	7.3%
Waltham Forest	£306,505	£301,948	1.5%	£316,357	-3.1%
Redbridge	£303,461	£302,375	0.4%	£289,500	4.8%
Croydon	£293,904	£294,058	-0.1%	£271,020	8.4%
Havering	£263,596	£263,360	0.1%	£261,001	1.0%
Newham	£248,251	£243,449	2.0%	£249,307	-0.4%
Bexley	£224,194	£226,610	-1.1%	£223,731	0.2%
Barking and Dagenham	£218,960	£219,284	-0.1%	£224,014	-2.3%

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

## Index Comparison

	Mar 2013		Feb 2013		Jan 2012	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
Rightmove	£239,710	+1.7%	£235,741	+2.8%	£229,429	+0.2%
Halifax	N/A *	N/A *	£163,600	+0.5%	£162,932	-0.2%
Nationwide	N/A *	N/A *	£162,638	+0.2%	£162,245	+0.5%

\* 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 13,674 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.