

The Rightmove House Price Index

The largest monthly sample of residential property prices

Under embargo for 00:01 hours: Monday, 15th July 2013

Rightmove doubles 2013 forecast as 'aggregation of marginal gains' fuels 4.8% annual growth

	July	June
Average Property Asking Price	£253,658	£252,798
% Change in Month	+0.3%	+1.2%
% Change in Past Year	+4.8%	+2.7%
Monthly Index (Jan 2002=100)	206.4	205.7

- Seven monthly rises on the trot and two consecutive record months as the price of newly marketed property increases by 0.3% (+£860) in July boosting year-on-year growth to 4.8% (+£11,561)
- Rightmove's 2013 forecast up from 2% to 4% as 'aggregation of marginal gains' fuels recovery:
 - *Signs of a broader-based recovery*: all regions up year-on-year for the first time in nearly three years contributing to the positive national picture
 - *Confidence on the up*: the proportion of people expecting average prices to be higher a year from now doubles compared to this time last year, now at 62% from 31%
 - *More movers and more to come*: transactions already up 5%¹ year-to-date and lead indicators suggest more in the pipeline – Rightmove email enquiries to agents and developers up 18% on 2012², new sellers up 5%³, mortgage approvals up 6%⁴ and surveyors 'struggling to cope'
 - *Positive borrowing window*: markets do not expect a base rate rise for three years, Funding for Lending competition easing rates and availability, plus 'brick-shortage success' of Help to Buy!

Change in Asking Prices since July 2012



Rightmove measured 113,885 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 9th June 2013 to 6th July 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.

¹ HMRC, year-to-date to April 2013; ² Rightmove, year-to-date to June 2013; ³ Rightmove, July 2013 vs. July 2012; ⁴ Bank of England, mortgage approvals year-to-date to May 2013

Overview

Rightmove reports a seventh consecutive monthly rise in the price of property coming to market, up by 0.3% (+£860), and the second successive national record. New sellers are now asking 4.8% (+£11,561) more than a year ago, a big jump from the 2.7% annual rate recorded in June. With all regions showing a year-on-year increase for the first time since September 2010, several factors suggest this is a broader-based recovery fuelled by the 'aggregation of marginal gains'.

Miles Shipside, Rightmove director and housing market analyst comments: *"The market is currently benefitting from the 'aggregation of marginal gains' where incremental improvements across a range of key market drivers compound to slowly but surely build momentum. Rightmove's lead indicators show increases in enquiries, new sellers and marketing prices. An important milestone for a broader-based and sustainable recovery is that all regions of the country now have higher prices than a year ago firmly on the record"*.

Confidence on the up: early findings from Rightmove's latest Consumer Confidence Survey, which has already received more than 25,000 responses from home-movers, show that 62% expect property prices to be higher a year from now, double the 31% recorded a year ago.

Shipside observes: *"The price optimists have doubled compared to just 12 months ago and now outnumber the price pessimists ten to one. Consumer confidence is key to the housing market and on this front there has finally been a year of minimal bad news, with a reasonable amount of good, after four years of pretty consistent doom and gloom. A combination of apparent economic stability internationally – or at least, less widely-reported turmoil and uncertainty – and some positive signs of an economic upturn nationally, mean more home-movers are willing and able to increase their financial commitments. Barring a raft of bad economic news, we expect the positive impact of this on the property market to continue."*

More movers and more to come: evidence of an increase in housing transactions suffer from a considerable time-lag, but HMRC's most recent year-to-date figures are up by 5% on 2012. Whilst also time-lagged, Bank of England figures for mortgage approvals year-to-date are up 6% on last year. With mortgage surveyors reporting they are 'struggling to cope', we anticipate a surge in mortgage offers. In a clear signal of a new business pipeline building, Rightmove's email enquiries to agents and developers are up 18% year-to-date compared with 2012. The front of the housing market pipeline is also showing more activity with new seller numbers up 5% this month compared with July 2012.

Shipside notes: *"Confidence and the ability to take on a long-term mortgage commitment give more buyers the spur to enter the market or trade up. The route from property enquiry to trading onto or up the property ladder has been cleared of some obstacles, resulting in a partial unblocking of pent-up demand."*

Positive borrowing window: markets don't expect a base rate rise until the latter half of 2016⁵ and the Funding for Lending Scheme (FLS) is now fulfilling its promise of creating competition that eases mortgage rates and increases availability. On top of that, Help to Buy is capturing prospective buyers' interest. Since the launch of the Help to Buy equity loan scheme in April this year, the Homes and Communities Agency (HCA) reports that almost 7,000 reservations have been made. The extension of

the scheme to include mortgage indemnity guarantees for use in the wider market is planned for January 2014.

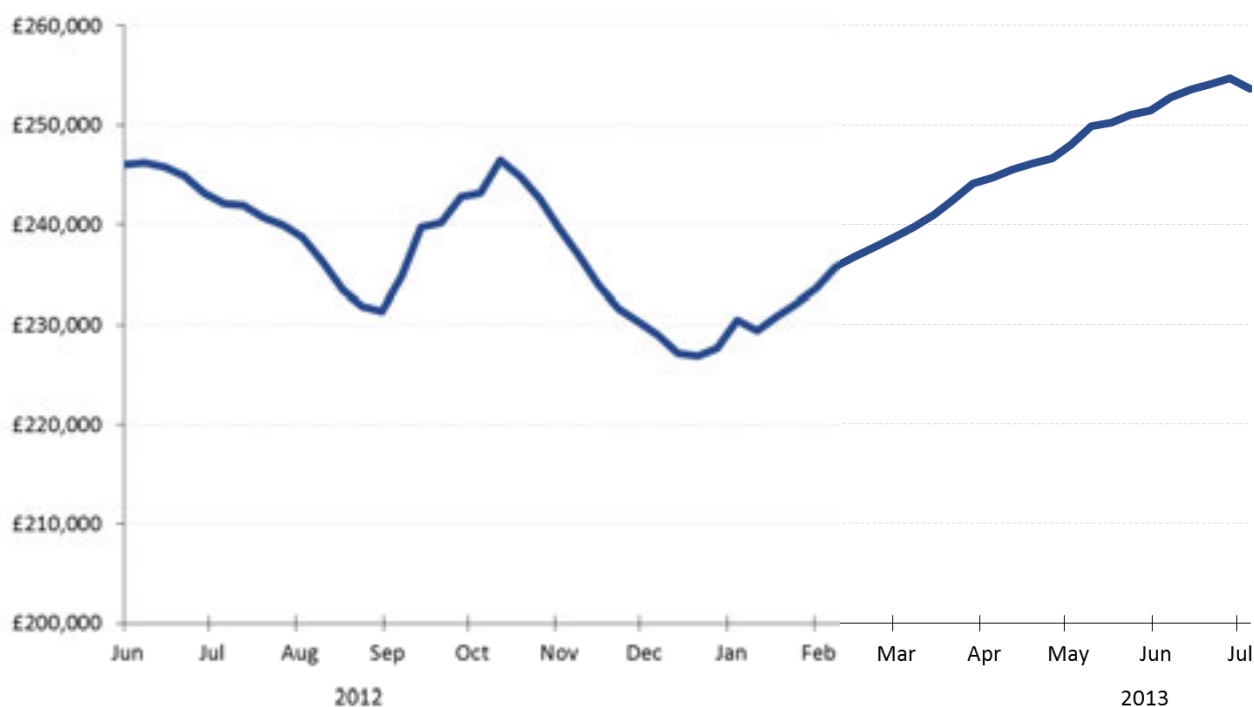
Shipside adds: *“The ability to borrow is increasing as the Funding for Lending Scheme starts to really deliver, though it still favours those with better deposits. Lenders are squeezing their margins and, with the prospect of no base rate rise for three years, consumers are increasingly aware of moving options rather than debt burden. The Help to Buy scheme, the centre-piece of the last Budget, has already created a marked upturn in the new-build market as recently reported in some developers’ trading updates. We even hear that some developers are ‘running out of bricks’. While stocks of some brick styles have no doubt been run down, a similar impact on the bricks and mortar of the resale market is possible from January next year. The outlook for more moves and movers for the second half of 2013 and beyond is increasingly positive”.*

Rightmove doubles 2013 price forecast from 2% to 4%: At the beginning of the year Rightmove suggested a more positive outlook for 2013 and forecast average national asking prices would rise by around 2%. Given what we’ve seen over the first half of this year, we expect the average asking price of property coming to the market in England and Wales to end 2013 around 4% higher. While the current annual rate stands at 4.8%, in recent years the gains of the first-half of the year have been eaten away in the second. Between June and December last year, asking prices fell by 7%. The signs are that prices in 2013 will not dissipate as they have in recent years.

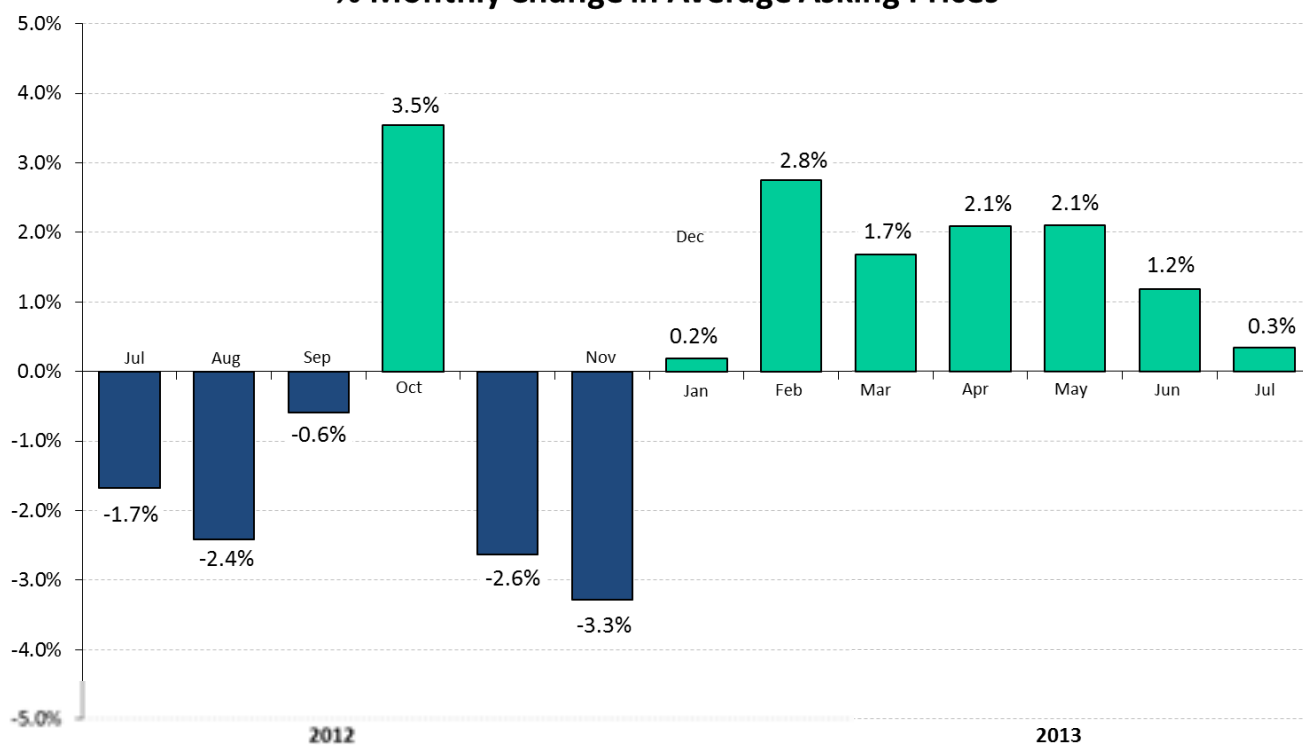
Shipside comments: *“There will be significant underlying regional variations with some areas, primarily in the north, struggling to stay in positive territory for the year. London will continue to outperform the rest of the country and we also expect the South East, the main beneficiary of the ‘over-spill’ from the capital, to maintain its strong momentum, both driven by an on-going shortage of supply of property for sale. Asking prices in the capital are currently 29% higher than they were five years ago compared with 7% in the South East and just 5% nationally”.*

⁵ Bank of England Inflation Report, May 2013

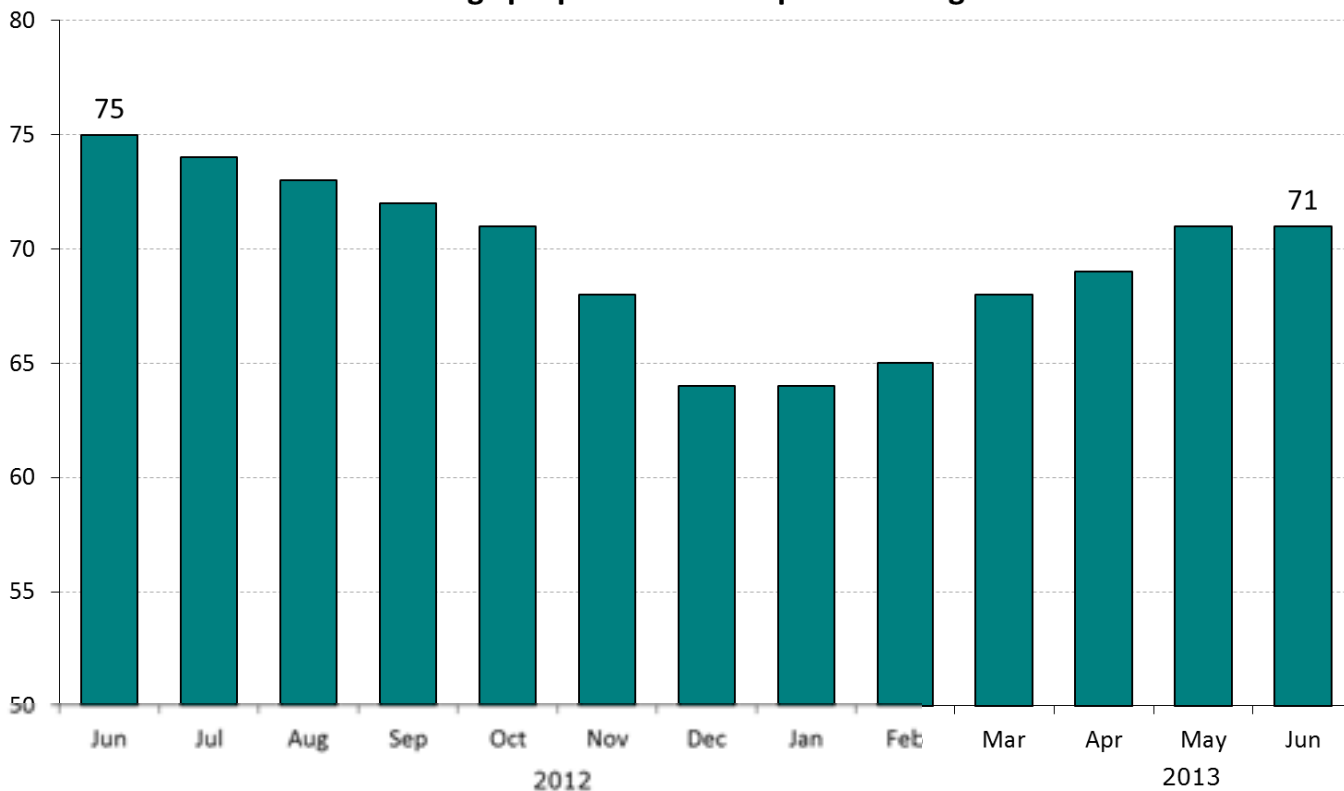
Rightmove Monthly Asking Price Trend



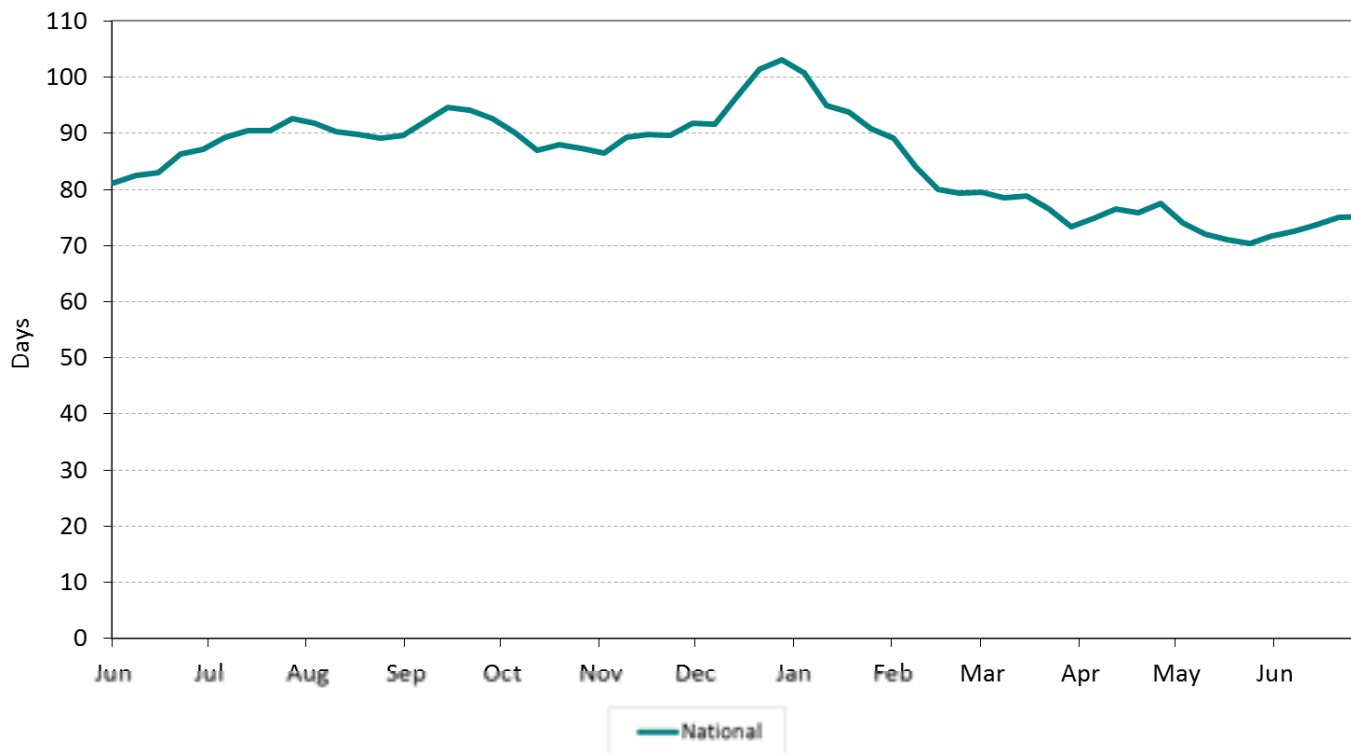
% Monthly Change in Average Asking Prices



Average properties for sale per Estate Agent



Time on Market Indicator (National)



Regions of England & Wales

Increases
Decreases
 from previous month

North	
Avg. Price Jul 13	£151,901
Avg. Price Jun 13	£152,241
Monthly Change	-0.2%
Avg. Price Jul 12	£150,154
Annual Change	1.2%

North West	
Avg. Price Jul 13	£170,452
Avg. Price Jun 13	£168,013
Monthly Change	1.5%
Avg. Price Jul 12	£163,069
Annual Change	4.5%

Yorkshire & Humberside	
Avg. Price Jul 13	£157,756
Avg. Price Jun 13	£157,183
Monthly Change	0.4%
Avg. Price Jul 12	£155,492
Annual Change	1.5%

West Midlands	
Avg. Price Jul 13	£193,059
Avg. Price Jun 13	£193,763
Monthly Change	-0.4%
Avg. Price Jul 12	£191,121
Annual Change	1.0%

East Midlands	
Avg. Price Jul 13	£173,600
Avg. Price Jun 13	£167,643
Monthly Change	3.6%
Avg. Price Jul 12	£166,357
Annual Change	4.4%

Wales	
Avg. Price Jul 13	£171,143
Avg. Price Jun 13	£171,378
Monthly Change	-0.1%
Avg. Price Jul 12	£167,121
Annual Change	2.4%

East Anglia	
Avg. Price Jul 13	£229,156
Avg. Price Jun 13	£231,621
Monthly Change	-1.1%
Avg. Price Jul 12	£224,850
Annual Change	1.9%

South West	
Avg. Price Jul 13	£268,394
Avg. Price Jun 13	£268,185
Monthly Change	0.1%
Avg. Price Jul 12	£262,071
Annual Change	2.4%

Greater London	
Avg. Price Jul 13	£515,379
Avg. Price Jun 13	£515,243
Monthly Change	0.0%
Avg. Price Jul 12	£460,304
Annual Change	12.0%

South East	
Avg. Price Jul 13	£330,612
Avg. Price Jun 13	£329,968
Monthly Change	0.2%
Avg. Price Jul 12	£316,024
Annual Change	4.6%

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 or call 0845 456 8439

National Asking Price Trend

Month	Index (Jan 2002 = 100)	% Change	Avg. Price
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
April 2013	199.1	+2.1%	£244,706
May 2013	203.3	+2.1%	£249,841
June 2013	205.7	+1.2%	£252,798
July 2013	206.4	+0.3%	£253,658
Annual Change	+9.4	+4.8%	+£11,561

(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
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
April 2013	£362,582	£205,691	£188,865	£202,867
May 2013	£369,582	£207,039	£191,161	£207,442
June 2013	£373,926	£206,670	£192,638	£208,792
July 2013	£374,370	£206,612	£192,710	£207,844
Annual Change	+4.8%	+3.5%	+5.6%	+4.6%

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 or call 0845 456 8439.

London's Best Performers July 2013

London's Top 5	Avg. Price Jul 13	Avg. Price Jun 13	Monthly Change
Richmond-upon-Thames	£745,640	£715,781	4.2%
Hammersmith and Fulham	£1,004,009	£970,108	3.5%
Islington	£756,325	£732,327	3.3%
Lambeth	£548,134	£534,760	2.5%
Wandsworth	£728,306	£712,286	2.2%

London's Worst Performers July 2013

London's Bottom 5	Avg. Price Jul 13	Avg. Price Jun 13	Monthly Change
Brent	£724,395	£750,249	-3.4%
City of Westminster	£1,629,761	£1,687,247	-3.4%
Sutton	£359,469	£371,268	-3.2%
Haringey	£574,188	£584,815	-1.8%
Enfield	£358,808	£364,241	-1.5%

London Time on Market

Time on Market Indicator (London)



Released 15th July 2013

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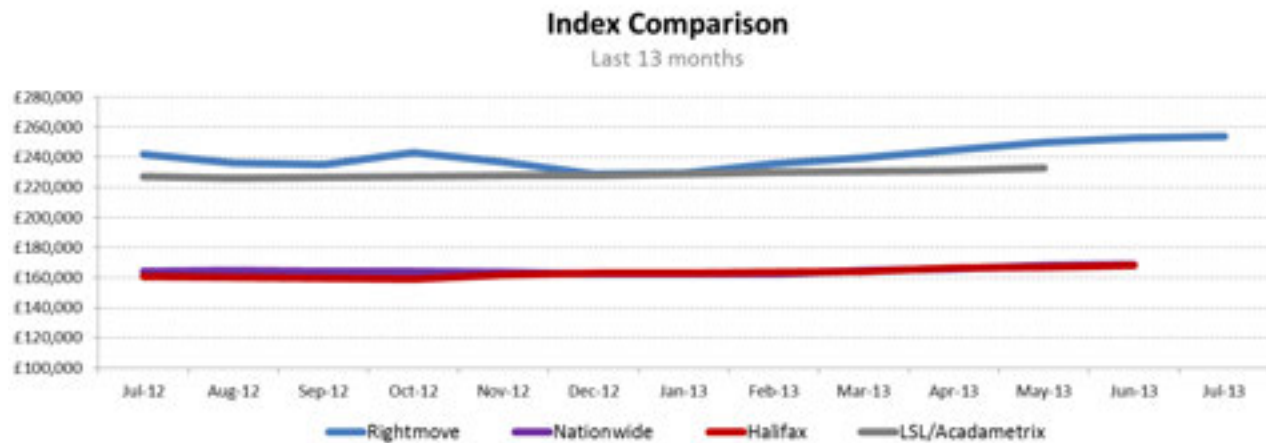
For media enquiries and interviews please contact the Rightmove press office:
020 7087 0605 or press@rightmove.co.uk

London Boroughs

Borough	Avg. Price Jul 13	Avg. Price Jun 13	Monthly Change	Avg. Price Jul 12	Annual Change
Kensington and Chelsea	£2,338,034	£2,321,666	0.7%	£2,030,545	15.1%
City of Westminster	£1,629,761	£1,687,247	-3.4%	£1,330,859	22.5%
Camden	£1,098,439	£1,103,943	-0.5%	£926,428	18.6%
Hammersmith and Fulham	£1,004,009	£970,108	3.5%	£867,579	15.7%
Islington	£756,325	£732,327	3.3%	£645,462	17.2%
Richmond-upon-Thames	£745,640	£715,781	4.2%	£685,405	8.8%
Wandsworth	£728,306	£712,286	2.2%	£654,920	11.2%
Brent	£724,395	£750,249	-3.4%	£621,880	16.5%
Kingston-upon-Thames	£677,999	£665,382	1.9%	£664,850	2.0%
Barnet	£617,105	£611,065	1.0%	£556,271	10.9%
Hackney	£607,227	£605,173	0.3%	£534,973	13.5%
Haringey	£574,188	£584,815	-1.8%	£538,634	6.6%
Hounslow	£562,599	£554,252	1.5%	£524,057	7.4%
Lambeth	£548,134	£534,760	2.5%	£463,520	18.3%
Ealing	£513,070	£508,781	0.8%	£465,104	10.3%
Southwark	£508,885	£501,049	1.6%	£431,317	18.0%
Merton	£475,786	£476,806	-0.2%	£468,576	1.5%
Tower Hamlets	£446,548	£444,291	0.5%	£450,356	-0.8%
Lewisham	£389,306	£386,417	0.7%	£361,508	7.7%
Hillingdon	£374,841	£371,589	0.9%	£355,044	5.6%
Bromley	£367,377	£371,774	-1.2%	£349,293	5.2%
Sutton	£359,469	£371,268	-3.2%	£333,379	7.8%
Enfield	£358,808	£364,241	-1.5%	£346,333	3.6%
Harrow	£358,679	£356,609	0.6%	£341,774	4.9%
Waltham Forest	£324,119	£322,987	0.4%	£291,430	11.2%
Greenwich	£317,869	£318,873	-0.3%	£293,880	8.2%
Redbridge	£312,023	£307,977	1.3%	£289,084	7.9%
Croydon	£311,941	£307,023	1.6%	£287,512	8.5%
Havering	£261,544	£263,892	-0.9%	£258,367	1.2%
Newham	£250,367	£245,179	2.1%	£240,374	4.2%
Bexley	£224,371	£225,794	-0.6%	£219,659	2.1%
Barking and Dagenham	£219,522	£219,942	-0.2%	£216,689	1.3%

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

Index Comparison



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.

LSL/Acadametrics: based sold prices for properties transacted in England and Wales using Land Registry.

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 15,363 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 or call 0845 456 8439.