

# The Rightmove House Price Index

The largest monthly sample of residential property prices

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

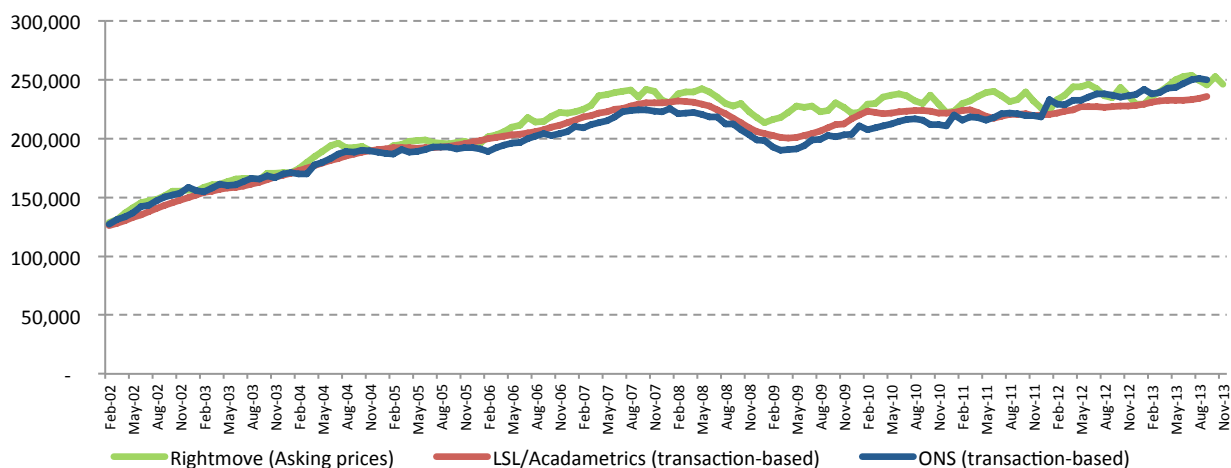
## Early days of Help to Buy fail to halt usual pre-Christmas fall in new seller asking prices

	November	October
Average Property Asking Price	£246,237	£252,418
% Change in Month	-2.4%	+2.8%
% Change in Past Year	+4.0%	+3.8%
Monthly Index (Jan 2002=100)	200.3	205.4

- New seller asking prices drop by 2.4% (-£6,181) in line with normal pre-Christmas trend
- Despite the hype, too early for tangible impact from Help to Buy Phase Two:
  - One in four potential home-movers unaware of Phase Two extension, some of whom have not heard of Help to Buy at all
  - Bubble-preventing Mortgage Market Review bares teeth as estate agents report few Help to Buy mortgage applications have so far been approved
  - Flat and terrace listing numbers hold up, a sign of greater choice for first-time buyers?
- Underlying market recovery and building momentum for 2014 highlighted by:
  - 4% annual growth in asking prices is the highest seen in November since 2007
  - Stock per estate agency branch drops to 67 properties from 71 this time last year
  - Rightmove traffic since September's Help to Buy announcement up 30% compared to same period in 2012

### Asking prices - a lead indicator

House Price Index Comparison since 2002 (England & Wales only)



Rightmove measured 95,370 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 13<sup>th</sup> October 2013 to 9<sup>th</sup> November 2013 and advertised on Rightmove.co.uk.

Rightmove.co.uk is the UK's largest property website, advertising around 90% of all homes for sale via estate agents across the UK. The site attracts over 80 million visits from home movers each month who view in excess of one billion pages (Rightmove data, October 2013). 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> November 2013

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0207 087 0605 / 07894 255295 or [amy.funston@rightmove.co.uk](mailto:amy.funston@rightmove.co.uk)

## Overview

The average asking price of property coming to market fell by 2.4% (-£6,181) in November, in line with the usual pre-Christmas slowdown. This compares with an average November fall over the last three years of 3%, so while this year's drop is slightly more muted, it still reflects a reduction in the number of good quality higher-priced properties coming to market as the festive season approaches. However, the underlying recovery of the housing market continues. With traffic on Rightmove up and available property down, there are indications that momentum is building for 2014 as we await any tangible impacts of Help to Buy Phase Two.

Miles Shipside, Rightmove director and housing market analyst comments: *"The excitement about Help to Buy's early launch failed to buck the seasonal trend of a fall in new sellers' average asking prices. At this time of year it's mainly those with a more pressing need to sell that come to market, driving average asking prices down. It takes a lot to throw people off course from marketing after rather than before Christmas, and in spite of the most positive selling environment since the start of the credit-crunch in 2007, it seems potential sellers will not scratch their seven-year home-moving itch early and will be waiting until at least 2014."*

Despite the hype following the Prime Minister's decision in September to bring forward Phase Two of Help to Buy, it is still too early to assess its impact. Estate agents report that it has definitely contributed to the growing mood of optimism, but research by Rightmove amongst over 40,000 potential home-movers indicates that the challenges, limitations and benefits are yet to be fully understood.

### **One in four potential home-movers unaware of Phase Two extension, some of whom have not heard of Help to Buy at all**

Rightmove's latest Consumer Confidence survey reveals confusion over its extension to existing properties and a lack of awareness of the scheme as a whole among some home-movers. Potential first-time buyers and potential first-time sellers, both very important target audiences, have similar misapprehensions.

Shipside notes: *"There is no doubt that Help to Buy has helped raise frustrated movers' spirits. However, our survey shows widespread confusion among those who stand to benefit most from Help to Buy. There is more work to be done by Government and industry if one in four people currently hunting for property risk missing out on a leg-up onto the ladder or a welcome shove up to their second home."*

### **Bubble-preventing Mortgage Market Review bares teeth as estate agents report few Help to Buy mortgage applications have so far been approved**

Mortgage lenders are implementing the recommendations of the Financial Conduct Authority's recent Mortgage Market Review, ensuring that they do not return to the poor practices that became prevalent pre-2007, and that they apply tighter rules when assessing borrowers' ability to repay.

Shipside observes: *"Those fearing a return to a credit-fuelled bubble will be reassured by the teeth of the new rules and how they are clamping down on the aspirations of some of the early applicants into the Help to Buy mortgage arena. Some agents report very few approvals, and one of the active Help to Buy lenders has so far approved only 169 mortgages out of 1,075 applications. While there is a processing time-lag, and we need time for both the Help to Buy scheme and the mortgage market to settle down, the feedback from agents seems to be that you have to be squeaky-clean and the chances of being approved are better with at least a 6% rather than 5% deposit. Ironically, those predicting a bubble may be talking the market up and creating the very price momentum that they fear. With only two lenders currently in the game and agents saying that more applications are being turned down than approved, the current hype looks to be over-done given the tighter rules now in force."*

## Signs of greater choice for first-time buyers as flat and terrace listing numbers hold up?

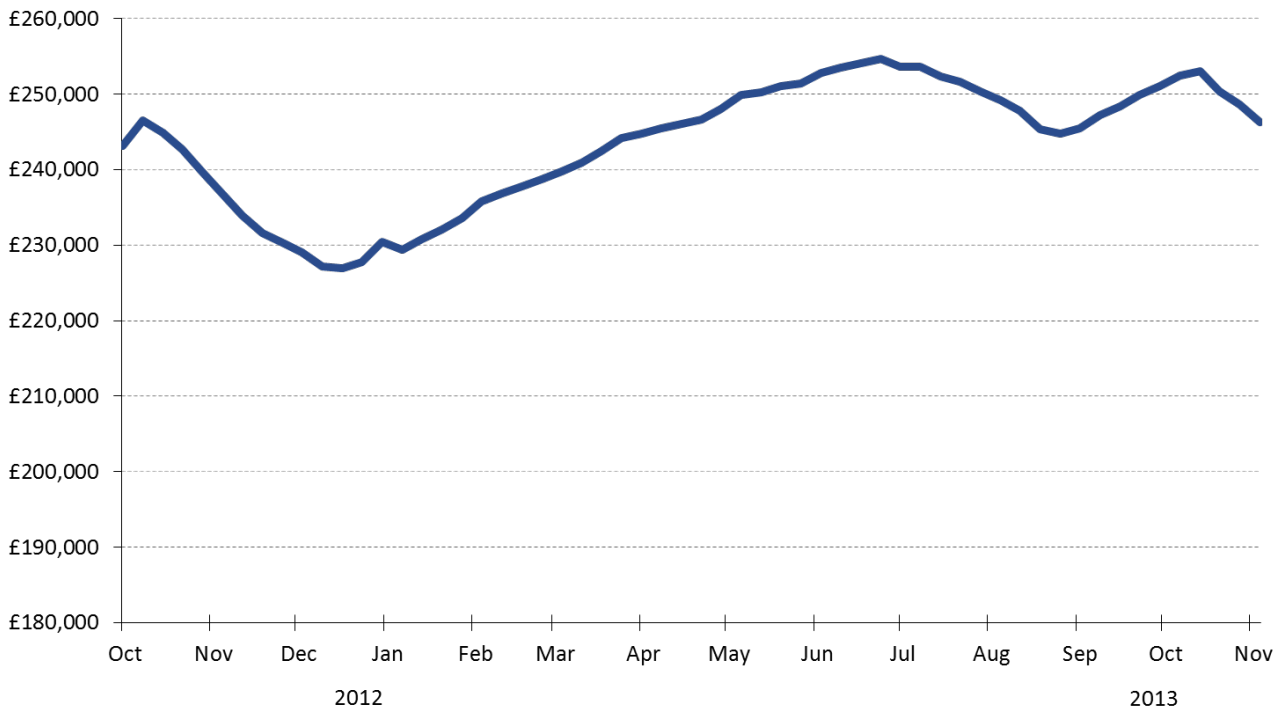
New seller numbers declined this month as we run up to the Christmas break, though flats and terraces, the typical choices of first-time buyers, have fallen more slowly (-2% and -10% respectively) than detached (-12%) and semi-detached (-11%).

Shipside adds: *"It is very early days but, given first-time buyer demand is expected to be the big winner from Help to Buy, it is encouraging that the decline in property coming to the lower end of the market is less marked, especially for flats. More supply of properties means more choice for buyers and less upwards price pressure."*

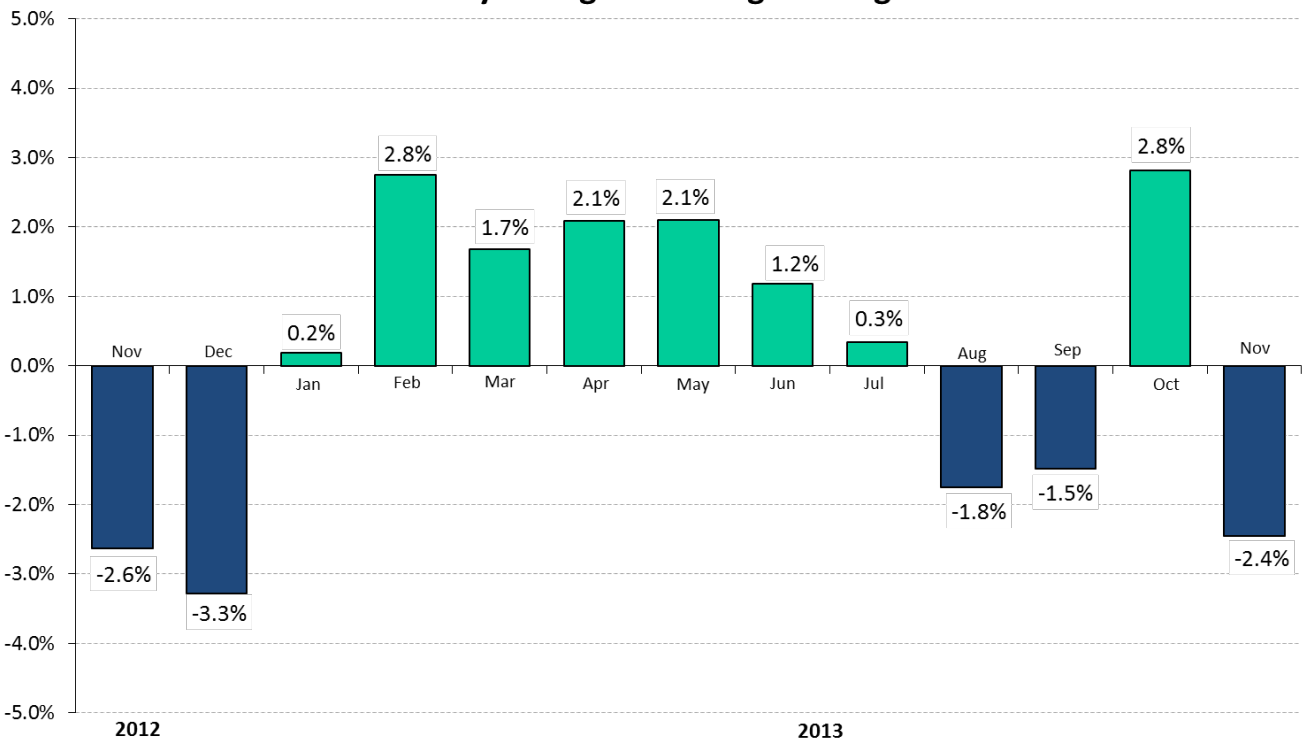
The underlying market recovery continues to build momentum for a more buoyant 2014. The 4% annual growth of new seller asking prices is the highest seen in November since 2007. This is a result of demand eating away at some of the available supply, with stock per estate agency branch dropping from 71 properties a year ago to 67. Rightmove traffic since the Help to Buy September announcement is up by 30% on the same period in 2012, indicating a possible release of pent-up demand to move.

Shipside comments: *"Estate agents expect a more buoyant 2014 as they pick up early signs of an increase in buyer interest and demand, so this side of Christmas could be the time for eager buyers to hunt out keen sellers and do a deal. However, agents' challenges differ wildly depending on local market conditions. While some are really concerned about future sales because of a lack of fresh sellers, others report some sellers getting too brave too early on their asking price aspirations in less active parts of the country, potentially stifling a recovery before it has got going."*

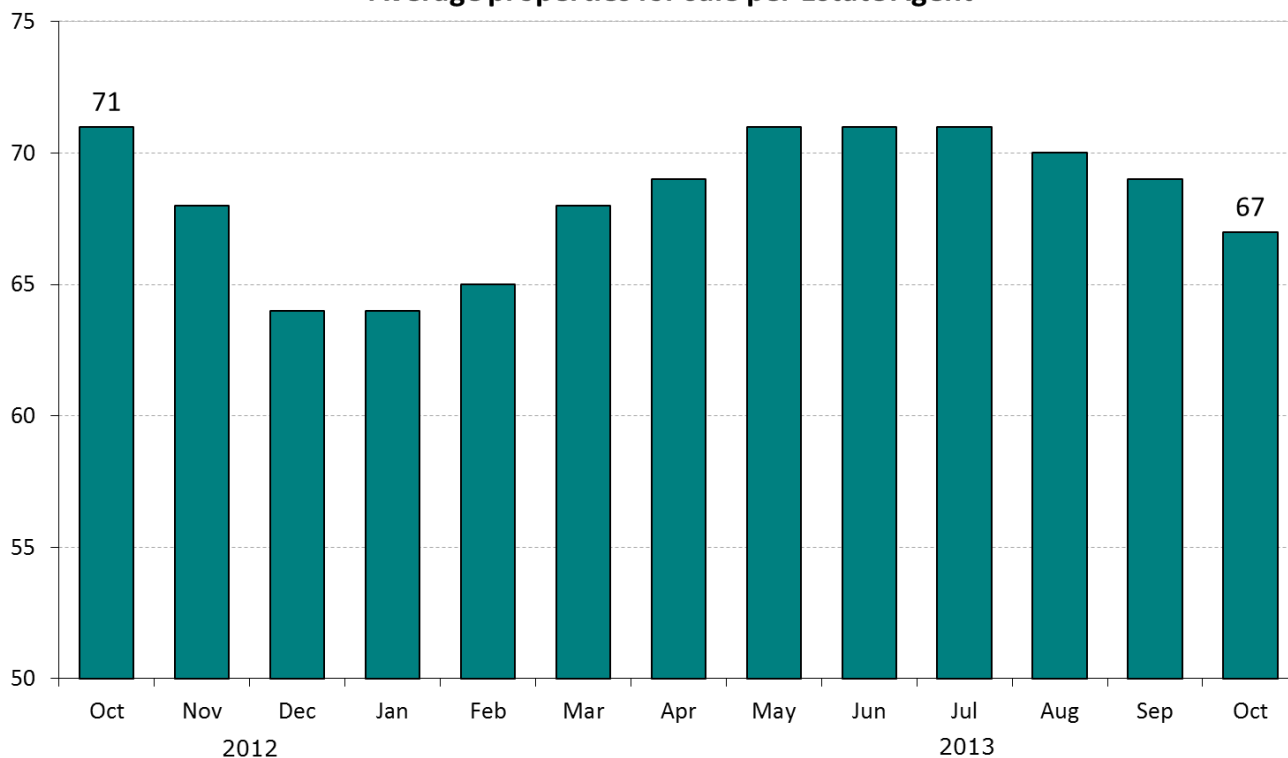
## Rightmove Monthly Asking Price Trend



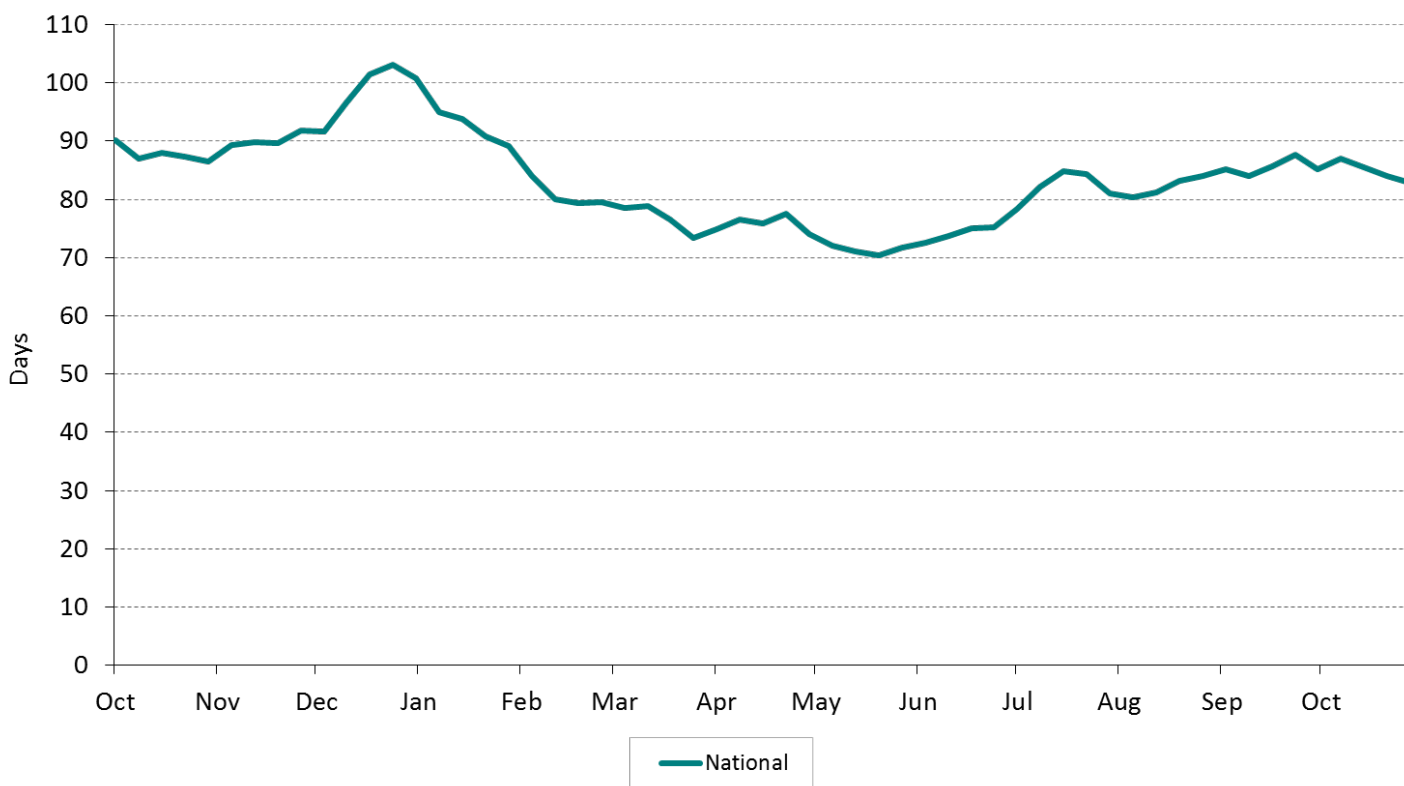
## % Monthly Change in Average Asking Prices



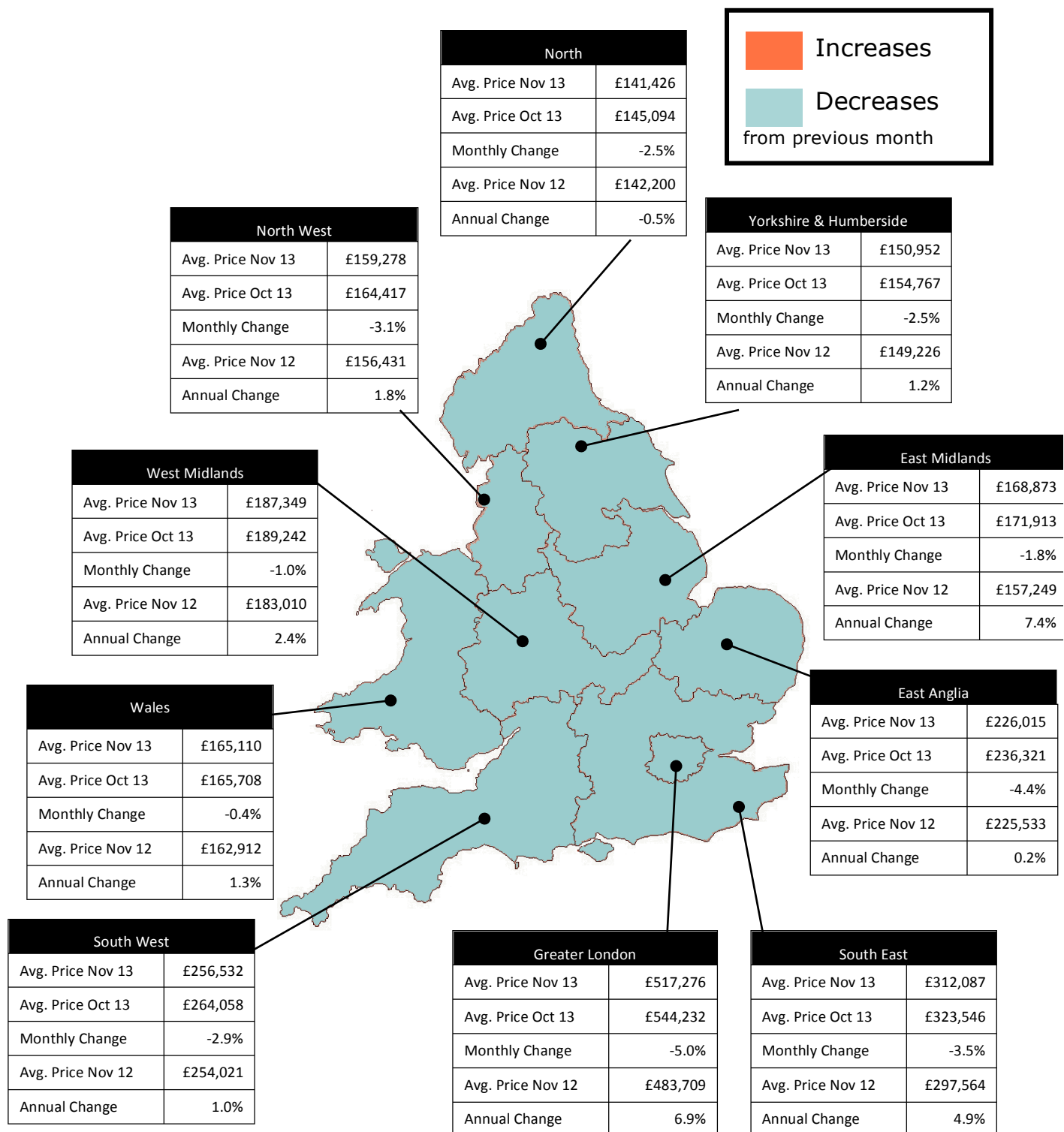
### Average properties for sale per Estate Agent



### Time on Market Indicator (National)



## Regions of England & Wales



If you are a journalist and would like a further breakdown on these regional statistics please contact the Press Office on: 0207 087 0605 / 07894 255295 / amy.funston@rightmove.co.uk.

## National Asking Price Trend

Month	Index (Jan 2002 = 100)	% Change	Avg. Price
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
August 2013	202.8	-1.8%	£249,199
September 2013	199.7	-1.5%	£245,495
October 2013	205.4	+2.8%	£252,418
November 2013	200.3	-2.4%	£246,237
<b>Annual Change</b>	<b>+7.7</b>	<b>+4.0%</b>	<b>±£9,476</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
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
August 2013	£364,254	£204,392	£188,445	£209,652
September 2013	£359,051	£206,639	£188,777	£205,279
October 2013	£372,274	£207,581	£196,492	£220,539
November 2013	£361,465	£205,971	£193,730	£214,011
<b>Annual Change</b>	<b>+4.7%</b>	<b>+4.0%</b>	<b>+6.7%</b>	<b>+6.1%</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: Call 0207 087 0605 / 07894 255295 or email [amy.funston@rightmove.co.uk](mailto:amy.funston@rightmove.co.uk).

## London's Best Performers November 2013

London's Top 5	Avg. Price Nov 13	Avg. Price Oct 13	Monthly Change
Brent	£735,413	£728,401	1.0%
Merton	£503,929	£505,811	-0.4%
Wandsworth	£765,753	£770,266	-0.6%
Tower Hamlets	£510,737	£518,149	-1.4%
Lambeth	£540,805	£552,291	-2.1%

## London's Worst Performers November 2013

London's Bottom 5	Avg. Price Nov 13	Avg. Price Oct 13	Monthly Change
Waltham Forest	£325,518	£349,391	-6.8%
City of Westminster	£1,501,439	£1,602,980	-6.3%
Greenwich	£312,089	£332,780	-6.2%
Haringey	£562,466	£599,079	-6.1%
Havering	£257,647	£272,692	-5.5%

## London Time on Market

Time on Market Indicator (London)



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## London Boroughs

Borough	Avg. Price Nov 13	Avg. Price Oct 13	Monthly Change	Avg. Price Nov 12	Annual Change
Kensington and Chelsea	£2,298,155	£2,410,474	-4.7%	£2,240,199	2.6%
City of Westminster	£1,501,439	£1,602,980	-6.3%	£1,453,711	3.3%
Hammersmith and Fulham	£1,056,731	£1,092,840	-3.3%	£887,395	19.1%
Camden	£965,614	£1,014,457	-4.8%	£998,533	-3.3%
Wandsworth	£765,753	£770,266	-0.6%	£686,212	11.6%
Brent	£735,413	£728,401	1.0%	£729,275	0.8%
Islington	£727,742	£769,122	-5.4%	£663,003	9.8%
Richmond-upon-Thames	£723,944	£753,562	-3.9%	£688,087	5.2%
Kingston-upon-Thames	£695,083	£716,823	-3.0%	£650,004	6.9%
Barnet	£605,320	£636,319	-4.9%	£567,350	6.7%
Hackney	£604,550	£631,977	-4.3%	£547,627	10.4%
Hounslow	£564,045	£591,954	-4.7%	£556,966	1.3%
Haringey	£562,466	£599,079	-6.1%	£537,784	4.6%
Lambeth	£540,805	£552,291	-2.1%	£474,633	13.9%
Ealing	£515,602	£537,991	-4.2%	£482,618	6.8%
Tower Hamlets	£510,737	£518,149	-1.4%	£454,413	12.4%
Southwark	£504,231	£527,491	-4.4%	£438,312	15.0%
Merton	£503,929	£505,811	-0.4%	£464,017	8.6%
Lewisham	£391,003	£413,798	-5.5%	£363,859	7.5%
Sutton	£373,379	£385,329	-3.1%	£346,010	7.9%
Hillingdon	£372,596	£391,186	-4.8%	£370,357	0.6%
Harrow	£365,054	£384,378	-5.0%	£345,887	5.5%
Enfield	£357,918	£369,567	-3.2%	£350,581	2.1%
Bromley	£355,666	£371,143	-4.2%	£351,080	1.3%
Croydon	£335,908	£348,780	-3.7%	£288,105	16.6%
Waltham Forest	£325,518	£349,391	-6.8%	£297,185	9.5%
Greenwich	£312,089	£332,780	-6.2%	£298,233	4.6%
Redbridge	£310,458	£328,197	-5.4%	£293,671	5.7%
Havering	£257,647	£272,692	-5.5%	£257,237	0.2%
Newham	£256,616	£268,407	-4.4%	£236,209	8.6%
Bexley	£228,856	£241,995	-5.4%	£221,278	3.4%
Barking and Dagenham	£219,658	£231,724	-5.2%	£214,054	2.6%

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

## Index Comparison

	Nov 2013		Oct 2013		Sept 2013	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
<b>Rightmove</b>	<b>£246,237</b>	<b>-2.4%</b>	<b>£252,418</b>	<b>+2.8%</b>	<b>£245,495</b>	<b>-1.5%</b>
<b>Halifax</b>	N/A *	N/A *	£171,991	+0.7%	£170,767	+0.4%
<b>Nationwide</b>	N/A *	N/A *	£173,678	+1.0%	£172,127	+0.9%

\* 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

The data from the Rightmove Consumer Confidence survey is taken from responses completed via an online questionnaire between **Monday, 14th of October and Monday, 28<sup>th</sup> of October 2013**. A total of **44,077** responses were received. 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.

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 9,118 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 is consistently ranked number one property website in the UK (source: Experian Hitwise). 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 attracts over 80 million visits from home movers each month who view in excess of one billion pages (Rightmove data, October 2013).

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