

Under embargo for 00:01 hours: Monday, 17th February 2014

New seller asking prices in London rebound, up by 5.2%

GREATER LONDON	
Avg. price Feb 14	£541,313
Avg. price Jan 14	£514,704
Monthly change	5.2%
Avg. price Feb 13	£486,890
Annual change	11.2%

- New sellers ramp up average asking prices by 5.2% (+£26,609) in London this month
- Average property coming to market now priced at £541,313, only £3,000 below October 2013's all-time high as prices rebound after festive season lull
- Demand in London remains strong with email enquiries up nearly 30% year-on-year
- Supply of new properties coming to market shows a welcome rise, up 15% on last year
- 11.2% year-on-year increase in the capital, fuelled by some areas of east London experiencing almost a buying frenzy, and offering good value versus central London

The average price of property coming to market in London rebounded this month, up by 5.2% (+£26,609), following a modest monthly rise of just 0.2% last month. With estate agents continuing to report strong buyer demand below the £2 million stamp duty threshold, and email enquiries to agents and developers in London up by nearly 30% on the same period last year, the rise has been fuelled by agents' desire to get the highest possible sale price for their clients and rebuild their stock for sale.

Miles Shipside, Rightmove director and housing market analyst, comments: *"This month's large rise is exacerbated by being a rebound from the festive season lull, and estate agents are also hungry for fresh stock to replace some pretty run-down inventories of properties for sale. The spring moving season is traditionally the busiest time of the year, so that means agents are likely to advise new sellers to aim high, with the best-selling months ahead of them and strong buyer demand in many areas."*

A key characteristic of the London market in recent years has been the failure of the supply of properties coming to market to keep pace with buyer demand. Interest from buyers shows little sign of abating with email enquiries to agents up nearly 30% on the same period last year, but at least there are now tentative signs of an increase in the number of new sellers. Rightmove recorded a 15% increase in new listings in the last four weeks compared to the same period a year ago. If increased listing levels are maintained and they start to outstrip buyer demand, upwards price pressure will ease. It will take more than one month of improvements in new listing numbers to bring the market back into balance however, and indeed some local market hotspots have not seen any uplift at all.

Shipside adds: *"With email enquiries from buyers up nearly 30%, demand for housing in the capital shows no signs of slowing down in most price brackets. With upwards price pressure likely to remain, affordability ratios will approach a ceiling beyond which few buyers can reach. Time will tell where that limit is. It is encouraging that more sellers are coming to market, but most estate agents will not be able to rebuild their inventories because of the quick rate at which properties are selling due to the continued high demand."*

Properties are now coming to market at an average asking price 11.2% (+£54,423) higher than a year ago. However, this is an average for London as a whole, and different areas and individual properties within areas have appreciated by wildly varying degrees. One of the factors behind some of the largest increases over the last 12 months is a relatively sudden

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, Oct 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.

surge in popularity, often as a result of an area becoming good value compared to neighbouring locations or improved transport links. A particular style or type of property being in short supply compared to demand can also push prices far beyond the average increase. East London is one example, with the boroughs of Tower Hamlets, Newham, Hackney, and Waltham Forest all recording large and above average increases in the prices of property coming to market either year-on-year, month-on-month, or in some cases both. Tower Hamlets is up nearly 30% compared to a year ago, while monthly increases are above the London average in Newham (7.8%), Hackney (7.1%), and Waltham Forest (6.5%).

Shipside comments: "Shortages of certain types of properties in areas that are on a serious up-and-coming trajectory can create some really big gains in just a few months. Reports include extreme shortages of property for sale in Leyton and Walthamstow, both in the Borough of Waltham Forest, creating almost a buying frenzy. The stand out borough is Tower Hamlets, and if you look on Rightmove there are examples of flats in the E1 postcode that were sold about six months ago at £300,000 with similar examples now at £400,000. While these are extremes, they illustrate the pressure cooker that is the London market and are examples of the gains available from buying the right property at the right time. Areas that are just out of Zone 1 started to look comparatively very good value for money when central London prices rocketed, and are now showing some disproportionate increases."

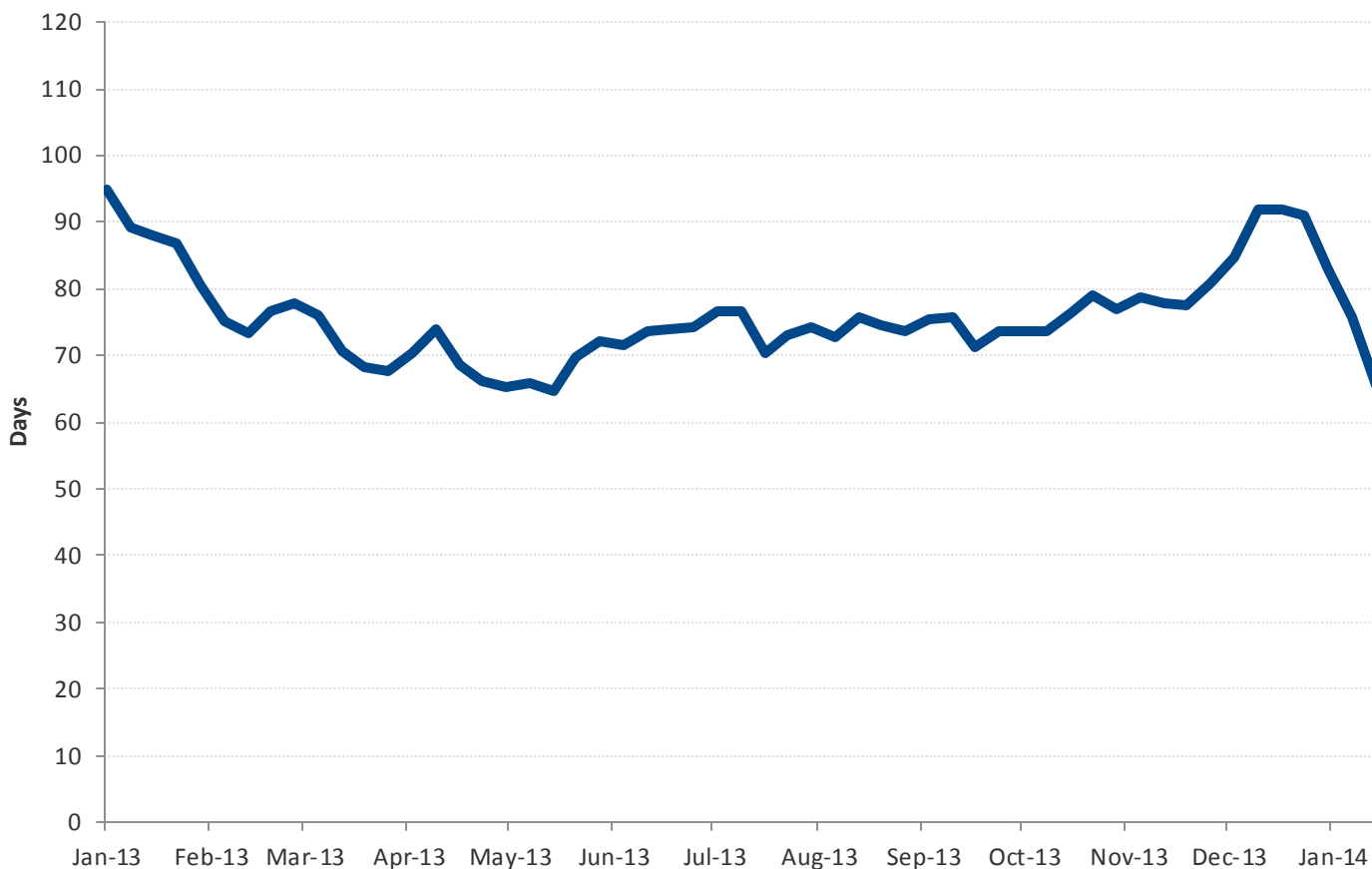
London's best performers: February 2014

London's top 5	Avg. price Feb 14	Avg. price Jan 14	Monthly change
Greenwich	£324,213	£299,653	8.2%
Bromley	£391,521	£362,280	8.1%
Westminster	£1,501,958	£1,392,055	7.9%
Newham	£283,686	£263,235	7.8%
Lewisham	£425,358	£394,899	7.7%

London's worst performers: February 2014

London's bottom 5	Avg. price Feb 14	Avg. price Jan 14	Monthly change
Merton	£535,231	£526,104	1.7%
Sutton	£384,348	£377,722	1.8%
Tower Hamlets	£545,773	£531,917	2.6%
Ealing	£542,438	£525,273	3.3%
Enfield	£368,316	£356,223	3.4%

Time on market indicator - London



London boroughs

Borough	Avg. price Feb 14	Avg. Price Jan 14	Monthly change	Avg. price Jan 13	Annual change
Kensington and Chelsea	£2,170,691	£2,053,440	5.7%	£2,180,412	-0.4%
City of Westminster	£1,501,958	£1,392,055	7.9%	£1,494,426	0.5%
Hammersmith and Fulham	£1,064,891	£1,026,372	3.8%	£992,248	7.3%
Camden	£1,030,450	£972,221	6.0%	£923,551	11.6%
Wandsworth	£807,339	£771,430	4.7%	£686,735	17.6%
Richmond-upon-Thames	£805,271	£751,237	7.2%	£676,086	19.1%
Brent	£761,583	£711,397	7.1%	£677,034	12.5%
Kingston-upon-Thames	£741,305	£693,942	6.8%	£662,413	11.9%
Islington	£724,527	£678,392	6.8%	£651,540	11.2%
Hackney	£640,733	£598,370	7.1%	£559,023	14.6%
Barnet	£618,186	£577,501	7.0%	£588,327	5.1%
Hounslow	£581,986	£551,794	5.5%	£521,560	11.6%
Lambeth	£573,813	£539,668	6.3%	£473,793	21.1%
Tower Hamlets	£545,773	£531,917	2.6%	£420,727	29.7%
Haringey	£545,638	£517,634	5.4%	£592,203	-7.9%
Ealing	£542,438	£525,273	3.3%	£464,199	16.9%
Merton	£535,231	£526,104	1.7%	£477,462	12.1%
Southwark	£517,734	£486,659	6.4%	£452,635	14.4%
Lewisham	£425,358	£394,899	7.7%	£374,597	13.6%
Hillingdon	£396,343	£377,214	5.1%	£364,001	8.9%
Bromley	£391,521	£362,280	8.1%	£353,232	10.8%
Harrow	£389,665	£372,634	4.6%	£352,104	10.7%
Sutton	£384,348	£377,722	1.8%	£345,702	11.2%
Enfield	£368,316	£356,223	3.4%	£345,720	6.5%
Waltham Forest	£350,506	£329,068	6.5%	£301,948	16.1%
Croydon	£344,715	£332,921	3.5%	£294,058	17.2%
Greenwich	£324,213	£299,653	8.2%	£298,106	8.8%
Redbridge	£321,640	£304,215	5.7%	£302,375	6.4%
Newham	£283,686	£263,235	7.8%	£243,449	16.5%
Havering	£277,727	£261,631	6.2%	£263,360	5.5%
Bexley	£250,993	£233,448	7.5%	£226,610	10.8%
Barking and Dagenham	£243,788	£229,566	6.2%	£219,284	11.2%

Index comparison

	House price	Monthly change
FEBRUARY 2014		
Rightmove	£251,964	+3.3%
Halifax	N/A*	N/A*
Nationwide	N/A*	N/A*
JANUARY 2014		
Rightmove	£243,861	+1.0%
Halifax	£175,546	+1.1%
Nationwide	£176,491	+0.7%
DECEMBER 2013		
Rightmove	£241,455	-1.9%
Halifax	£173,467	-0.6%
Nationwide	£175,826	+1.4%

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

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 14,445 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).

For further information on methodology please contact the Press Office on **T** | 020 7087 0605 **M** | 07894 255295 or **E** | amy.funston@rightmove.co.uk.

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.