

# House Price Index

February 2014 edition

THE LARGEST MONTHLY SAMPLE OF RESIDENTIAL PROPERTY PRICES

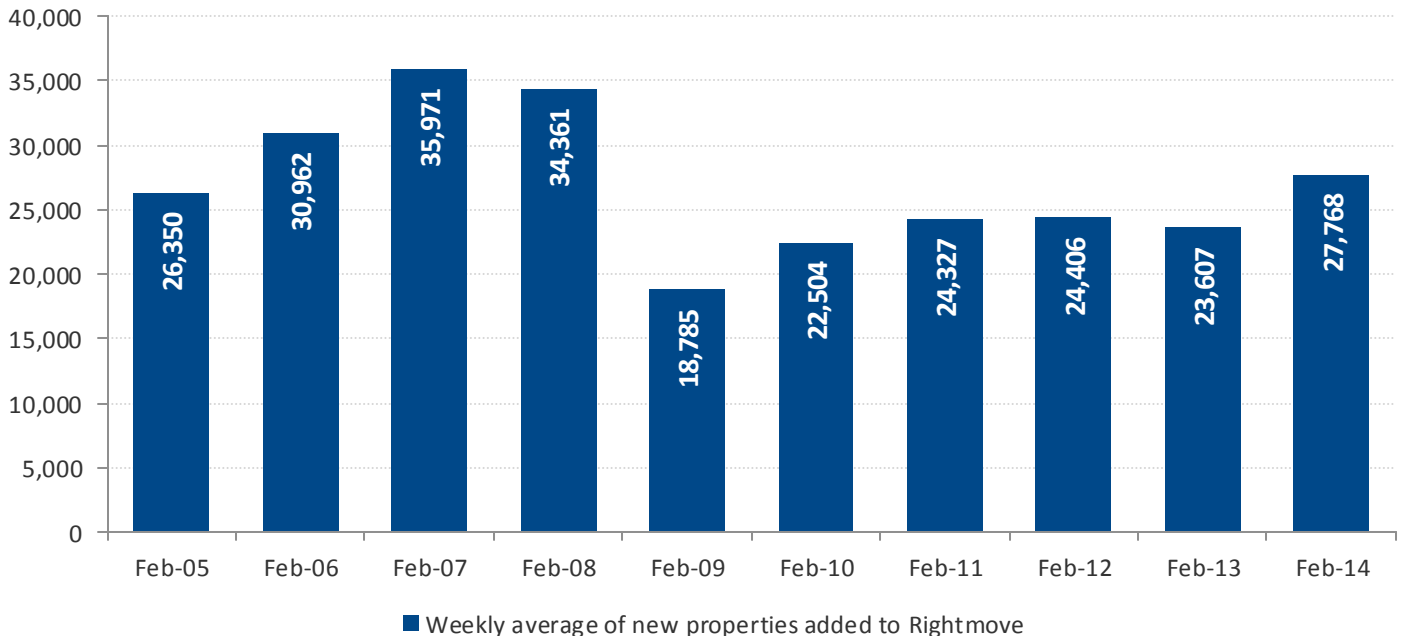
*Under embargo for 00:01 hours: Monday, 17th February 2014*

## Prices up by 3.3% despite 18% jump in new seller numbers

Average property asking price:	
Feb 14	Jan 14
£251,964	£243,861
% change in month:	
Feb 14	Jan 14
+3.3%	+1.0%
% change in past year:	
Feb 14	Jan 14
+6.9%	+6.3%
Monthly index (Jan 2002 = 100)	
Feb 14	Jan 14
205.0	198.4

- New sellers ramp up average asking prices by 3.3% (+£8,103) this month
- Average property coming to market now priced at £251,964, 6.9% (+£16,223) more than a year ago which is the highest annual rate for over six years
- New listing numbers jump by 18% this month compared to a year ago, but the supply shortage continues as they fail to keep pace with numbers coming off the market
- Buyers with a property 'yet-to-sell' are the losers as the market heats up, with agents reporting buyers able to 'proceed-with-speed' winning the property battle
- Market momentum continues to build with all of Rightmove's ten busiest ever days being in January this year, breaking 50 million pages in a day for the first time

Supply: Weekly average of new properties to market in England and Wales



Rightmove measured 111,073 asking prices—circa 90% of the UK market. The properties were put on sale by estate agents from 12<sup>th</sup> January 2014 to 8<sup>th</sup> February 2014 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, 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.

## Overview

In response to strong buyer demand, agents are keen to win additional stock and get the best prices for their sellers, helping push new seller average asking prices up by 3.3% (+£8,103) this month to £251,964. This increase leaves new seller asking prices 6.9% (+£16,223) higher than a year ago, the highest annual rate of growth since November 2007. A substantial jump in the number of properties coming to market means there are also tentative signs that the market recovery and increasing prices are persuading more people to sell.

Miles Shipside, Rightmove director and housing market analyst, comments: *"The market rebound continues. While February is historically a positive month for prices of property coming to market, this is the second highest February rise since our index began in September 2001. New sellers are now asking over £16,000 more than those who came to market a year ago, a rate of increase not seen since before the credit-crunch took hold in 2008. Those contemplating trading up, down or out may well be encouraged to come to market as they see their equity grow as prices rise."*

There was a welcome jump in the number of properties coming to market this month. Weekly new listings averaged 27,768 over the last four weeks compared to 23,607 over the same period a year ago – an increase of 18%. While the sizeable year-on-year uplift is partly explained by a sprinkling of snow around this time last winter, this is the highest weekly run-rate at this time of year since 2008. However, new supply is scarcest in the south where increased demand is greatest. London (15%), the South East (13%) and South West (10%) are all below the national average of 18%. Furthermore, even this significant boost in property coming to market is exceeded by the number of properties coming off the market, suggesting that the extra supply is being soaked up by buyer demand, an early indicator that transaction volumes will be considerably higher in 2014 than 2013. As a result there was a slight fall in the average available stock per estate agency branch, from 58 properties to 57. 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, indeed some local market hotspots have not seen any uplift at all.

Shipside observes: *"The housing market can only help to support a wider economic recovery if there is a sustained boost to property supply and not just buyer demand, and there is some early evidence that this is happening. However, supply and demand imbalances remain and are getting worse in many markets, as a result of years of under-provision of additional housing stock, especially in the areas where the local economy and employment are strong."*

In those markets where demand substantially exceeds supply, especially in the south, agents report that buyers with a property 'yet-to-sell' are losing out to buyers able to 'proceed-with-speed'. A seller faced with a choice of buyers will naturally choose one who is both willing and able to proceed, so those prospective buyers with a property to sell or not yet on the market are at a distinct disadvantage.

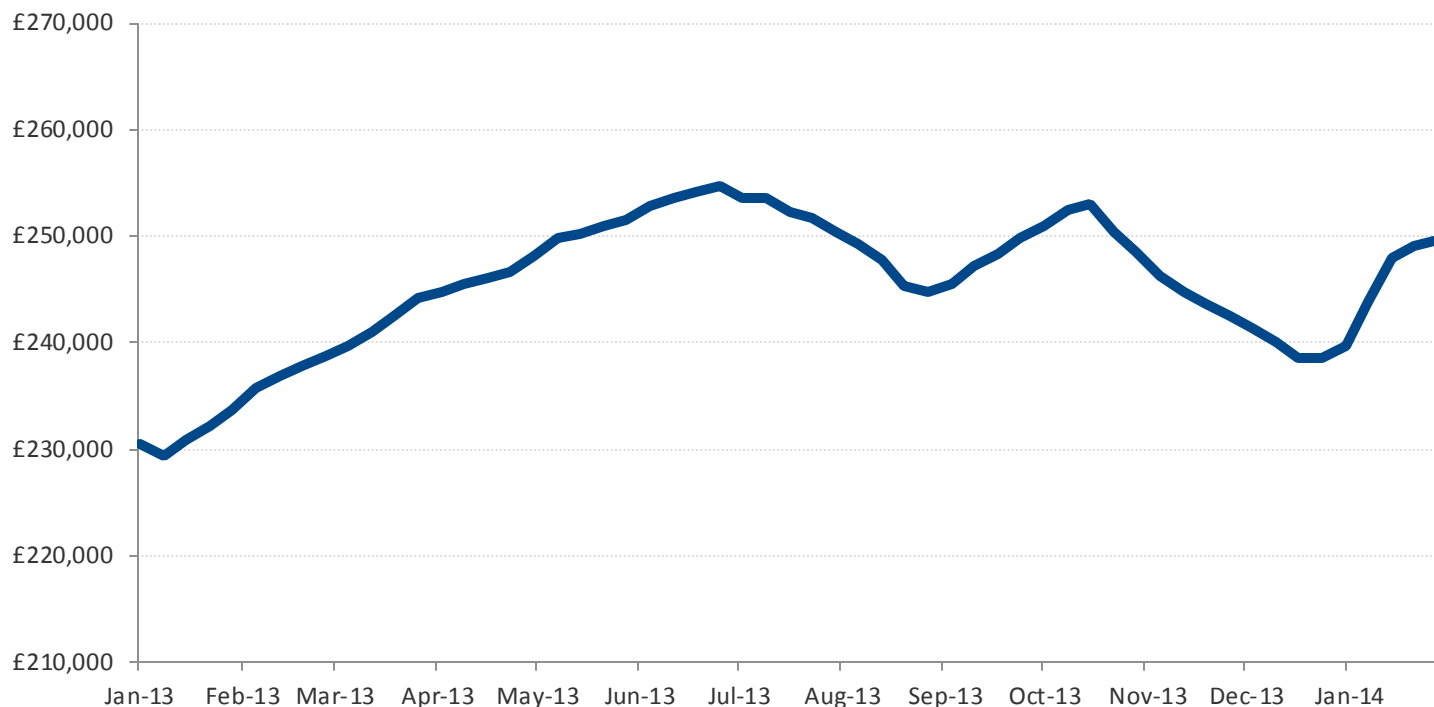
Shipside advises: *"With the market heating up in more locations, those looking to 'find-first-then-sell' could be left on the side-lines. They could rush to quickly put their property on the market when they find a new home, but that might be at a reduced price to sell quickly or they may not have time to prepare it properly for sale. In their desperation to secure the home they've found, they might end up offering a higher price to fend off other buyers who can move more quickly. Some do not want to sell first and then keep their buyer waiting, or are worried about*

*abortive expense. However, buyers will often wait if there is little other choice around, and most agents only charge if the move actually goes ahead, so a 'sell-first' policy has few drawbacks and greatly increases the chances of winning the property battle."*

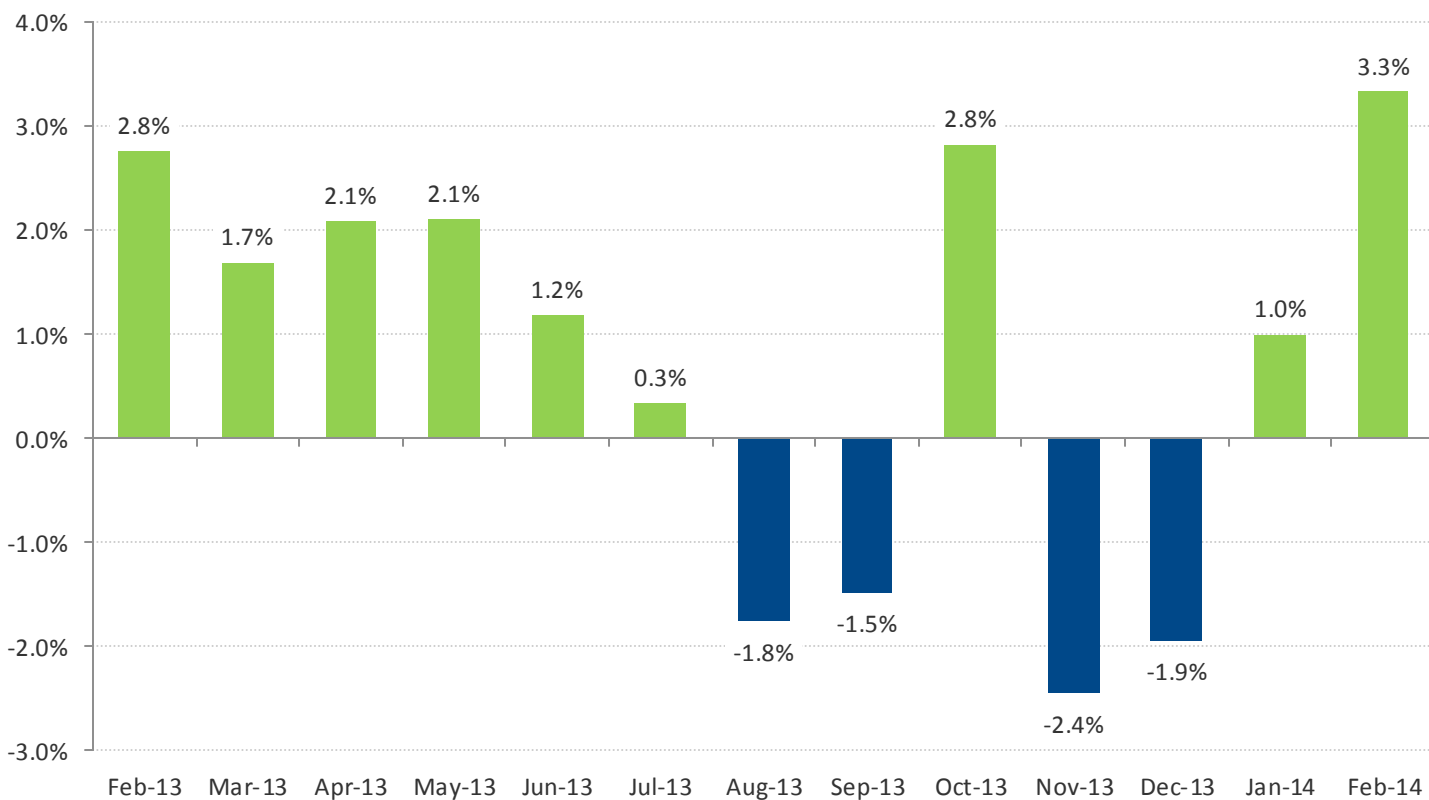
A number of new records on Rightmove in January provide further evidence of a market gathering momentum. Rightmove's ten busiest ever days were all in January this year, with more than 50 million pages viewed in a single day for the first time. There was a new record for email enquiries to agents and developers too. More than 1.6 million email enquiries were sent from Rightmove last month, up 20% on January last year, and firm evidence that interest is serious and being followed up.

Shipside notes: *"The new records show people are seriously engaging with the property market and seem to be really focused on making 2014 the year to move. Home-movers got through pages on Rightmove at an average rate of 500 per second and sent one email enquiry every two seconds. With more activity from sellers and increased confidence in the market, these 'early bird buyers' who are looking to move in the first half of the year are likely to catch themselves a better deal as prices of property look set to be higher in a few months."*

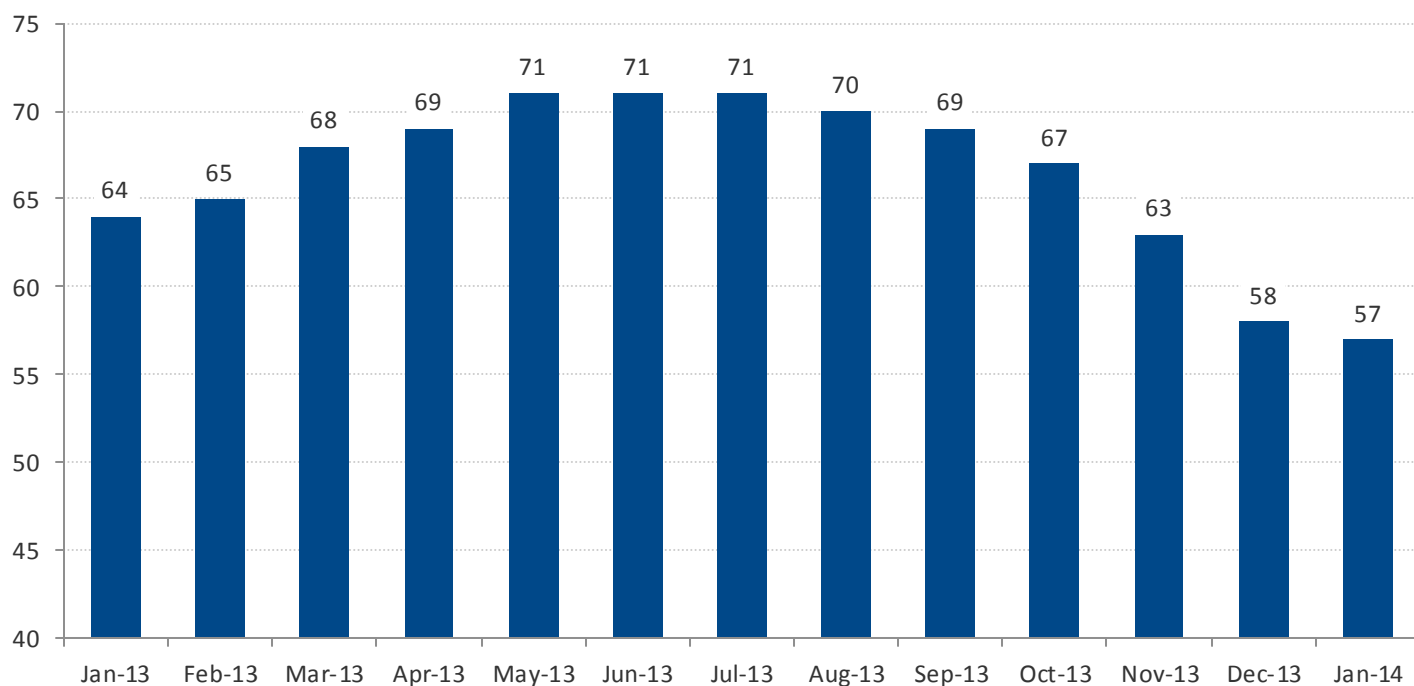
## Rightmove monthly asking price trend



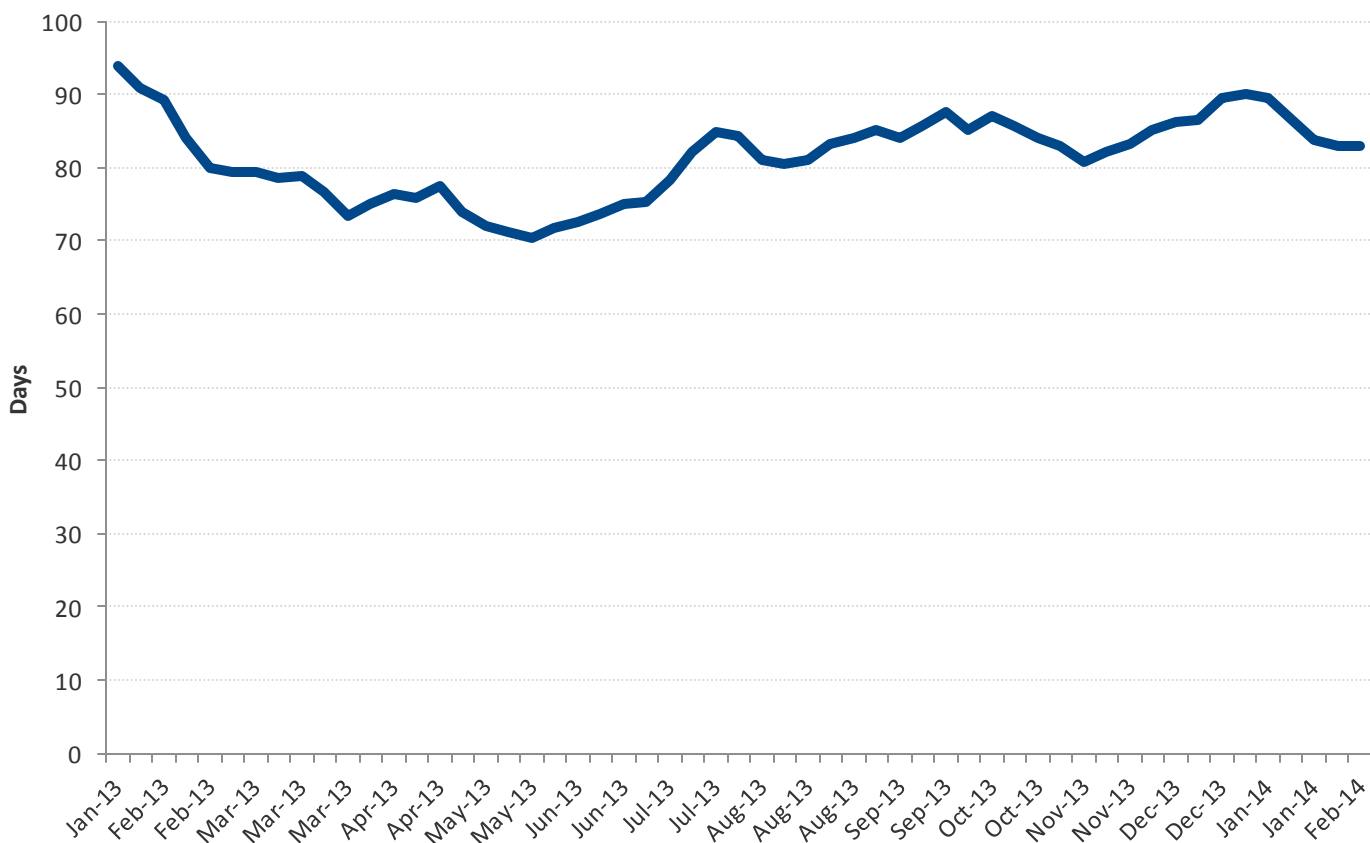
## % monthly change in average asking prices



## Average properties for sale per estate agent

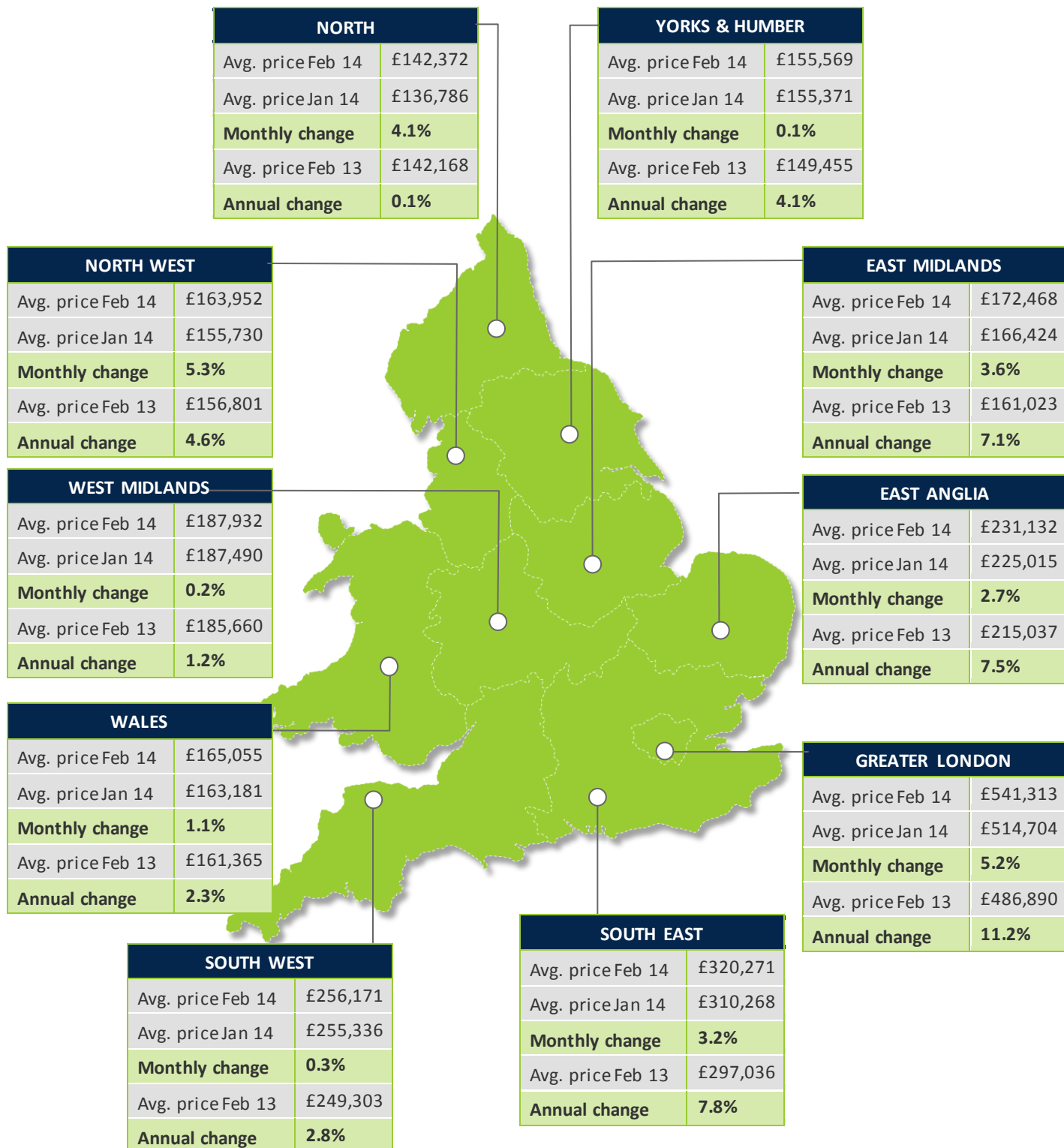


## Time on market indicator - National



## Regions of England and Wales

■ = increased from previous month ■ = decreased from previous month



## National asking price trend

Month	Index (Jan 2002 = 100)	% change	Avg. asking price
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
December 2013	196.5	-1.9%	£241,455
January 2014	198.4	+1.0%	£243,861
February 2014	205.0	+3.3%	£251,964
<b>Annual Change</b>	<b>+13.2</b>	<b>+6.9%</b>	<b>+£16,223</b>

## National asking price trend by property type

Month	Detached	Semi-detached	Terraced	Flats/apartments
February 2013	£346,671	£200,273	£186,077	£204,124
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
December 2013	£357,940	£205,671	£190,844	£213,977
January 2014	£361,672	£206,758	£191,384	£217,406
February 2014	£368,622	£213,021	£200,764	£221,492
<b>Annual Change</b>	<b>+6.3%</b>	<b>+6.4%</b>	<b>+7.9%</b>	<b>+8.5%</b>

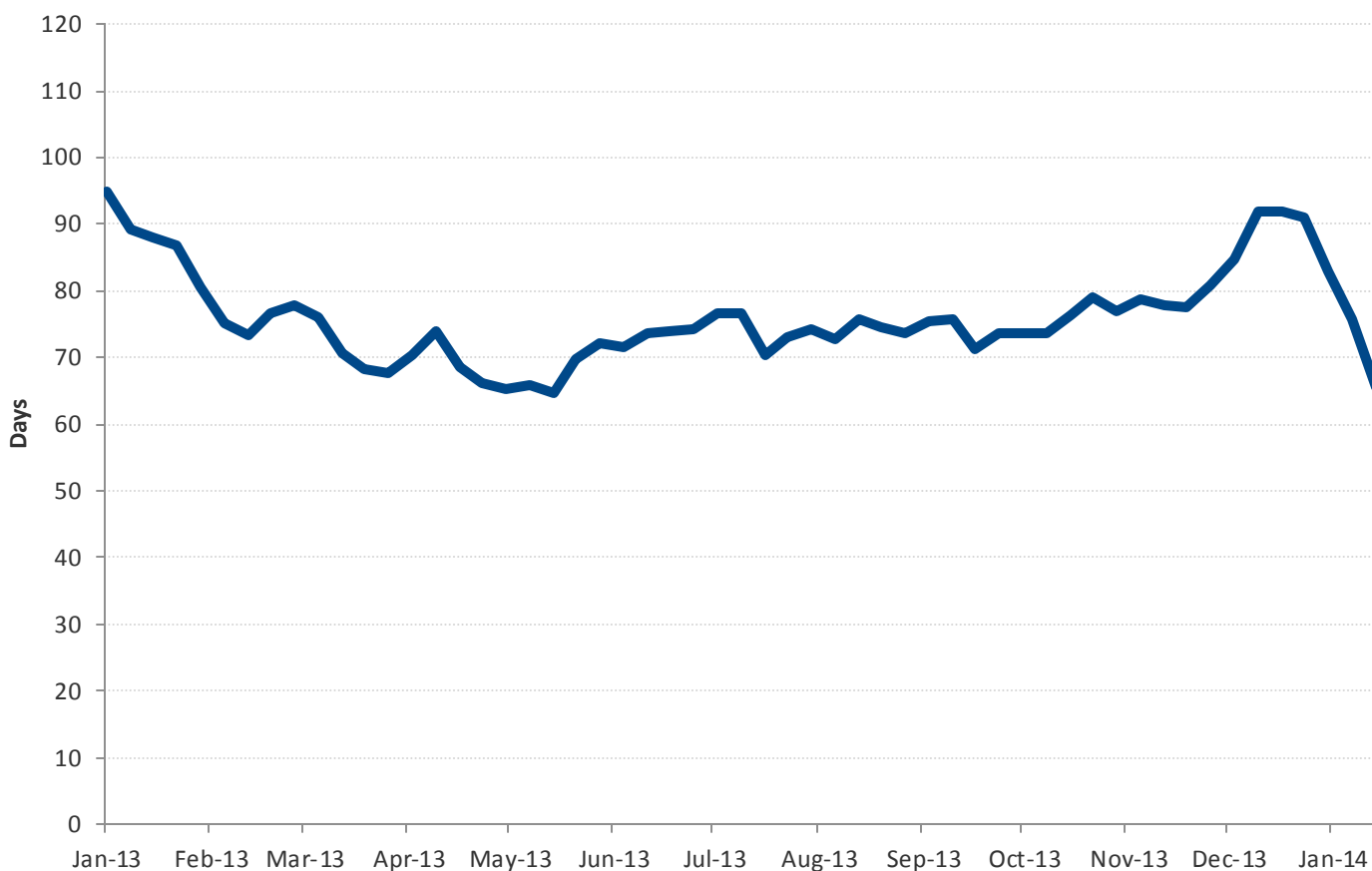
## London's best performers: February 2014

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	£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
<b>FEBRUARY 2014</b>		
Rightmove	£251,964	+3.3%
Halifax	N/A*	N/A*
Nationwide	N/A*	N/A*
<b>JANUARY 2014</b>		
Rightmove	£243,861	+1.0%
Halifax	£175,546	+1.1%
Nationwide	£176,491	+0.7%
<b>DECEMBER 2013</b>		
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

### 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 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](mailto:amy.funston@rightmove.co.uk).