

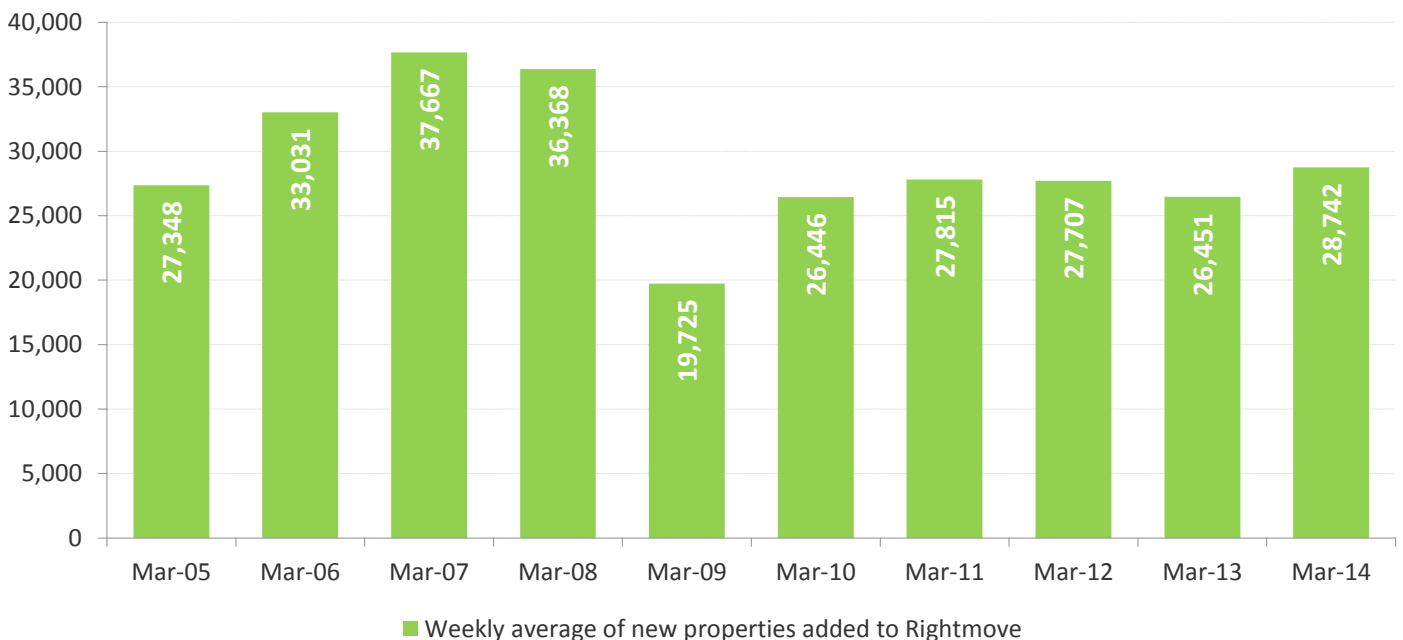
Under embargo for 00:01 hours: Monday, 17th March 2014

New record asking price as the country gets moving

Average property asking price:	
Mar 14	Feb 14
£255,962	£251,964
% change in month:	
Mar 14	Feb 14
+1.6%	+3.3%
% change in past year:	
Mar 14	Feb 14
+6.8%	+6.9%
Monthly index (Jan 2002 = 100)	
Mar 14	Feb 14
208.3	205.0

- Average asking prices of property coming to market hit new record high of £255,962 – up 1.6% (+£3,998) on last month and 6.8% (+£16,251) on last year
- New all-time high beats the previous peak of £253,658 set in July 2013 by 0.9% (+£2,304)
- In spite of prime London slowdown, the capital also sets a new record of £552,530 – up 1.5% (+£8,298) on previous high achieved in October 2013
- Country gets moving – recovery in property supply to help meet buyer demand as more sellers are enticed to market
 - total of 114,996 new properties advertised in the last four weeks, up 3.4% on last month and up 8.7% on last year
 - only flood-hit South East and South West lag behind the spring seller rush
- Will buoyant outlook lead the Chancellor to tinker with tax rates or apply brakes?

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



Rightmove measured 114,996 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 9th February 2014 to 8th March 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

There's a spring in the step of the housing market as it enters the traditional moving season. The national average asking price of property coming to market hit a new record high of £255,962. This is up by 1.6% (+£3,998) on last month and 6.8% (+£16,251) on last year. While London's price surge continues with another all-time high, the prime central London boroughs which experienced the initial post-credit-crunch recovery have recorded average price falls this month. However, prices rises are spreading out to the wider market. Increasing prices are luring more sellers back into the market as well, with a near 9% year-on-year national increase in the number of new properties marketed by estate agents.

Miles Shippside, Rightmove director and housing market analyst comments: *"Spring is in the air and the country is finally on the move. With prices on the up and set to increase more, there is a greater sense of urgency among buyers, and as an increasing number of them are existing home-owners, the supply of property for sale is starting to increase to meet growing buyer demand. The mass property market is starting to unlock after years of being handcuffed by fragile consumer confidence and a lack of low-deposit mortgages. The result is a new national asking price record, driven by a mortgage market that allows pent-up demand to be released combined with a welcome economic recovery."*

The new record asking price beats the previous peak of £253,658 set in July 2013 by 0.9% (+£2,304). While London's price surge continues and contributes strongly to the new national record, it is no longer being driven by the prime London boroughs. In spite of the four most expensive boroughs (all with average prices over £1 million) recording an average fall of 1.3% this month, London overall is still up by 2.1% on the month as price rises continue to ripple out. The average price of property coming to market in London is now £552,530. A new record, up 1.5% (+£8,298) on the previous high achieved in October 2013.

Shippside observes: *"The slack caused by prime London's slowdown has been taken up by other London boroughs, and the rest of the south of England, aided and abetted by rises in four of the six northern regions this month. While London's top-end locations remain sought after and highly valued, the slow-down in the pace of their rises was bound to happen after some heady increases."*

There is a definite recovery in property supply to help meet buyer demand as more sellers are enticed to market. After a time-lag of several months where increased buyer activity outstripped new seller supply, rising prices appear to be having their effect on home-owners' equity, confidence and ability to trade up, down or out. A total of 114,996 new properties were advertised in the last four weeks, up 3.4% on last month and up 8.7% on the same period last year. Only the flood-hit South East (+1.3%) and South West (+2.3%) regions have not seen substantial jumps in properties coming to market compared to a year ago. East Anglia, with an 8.9% increase, is the only other region that has recorded less than 10% more fresh choice for potential buyers.

Shippside notes: *"There is a definite spring seller rush in all regions bar the flood-hit South East and South West. This is great news for buyers who have been starved of fresh stock in popular locations, and the greater choice available to buyers will hopefully mitigate the upwards price pressure that some sellers have been able to exert. With local markets displaying different supply and demand dynamics it remains to be seen if the type of property coming to market is what buyers are looking for, but at a macro level the imbalance between supply and demand is starting to be addressed."*

With the Budget due on the 19th of March, the recovering housing market could attract the Chancellor's attention. Stamp duty is an increasingly lucrative revenue source, though it has crude thresholds that distort the market. This is especially felt at £250,000, where the tax increases from 1% to 3%. With the average price of property coming to market now over £250,000, some lowering of the hurdle at this threshold or a more incremental scale between the initial £125,000 threshold and £500,000 could perhaps be seen as opportune and fair. Alternatively, there are some in the coalition who warn that Help to Buy is now too much of a stimulus, so could a reduction in the upper limit from £600,000 to say £400,000 be a possibility?

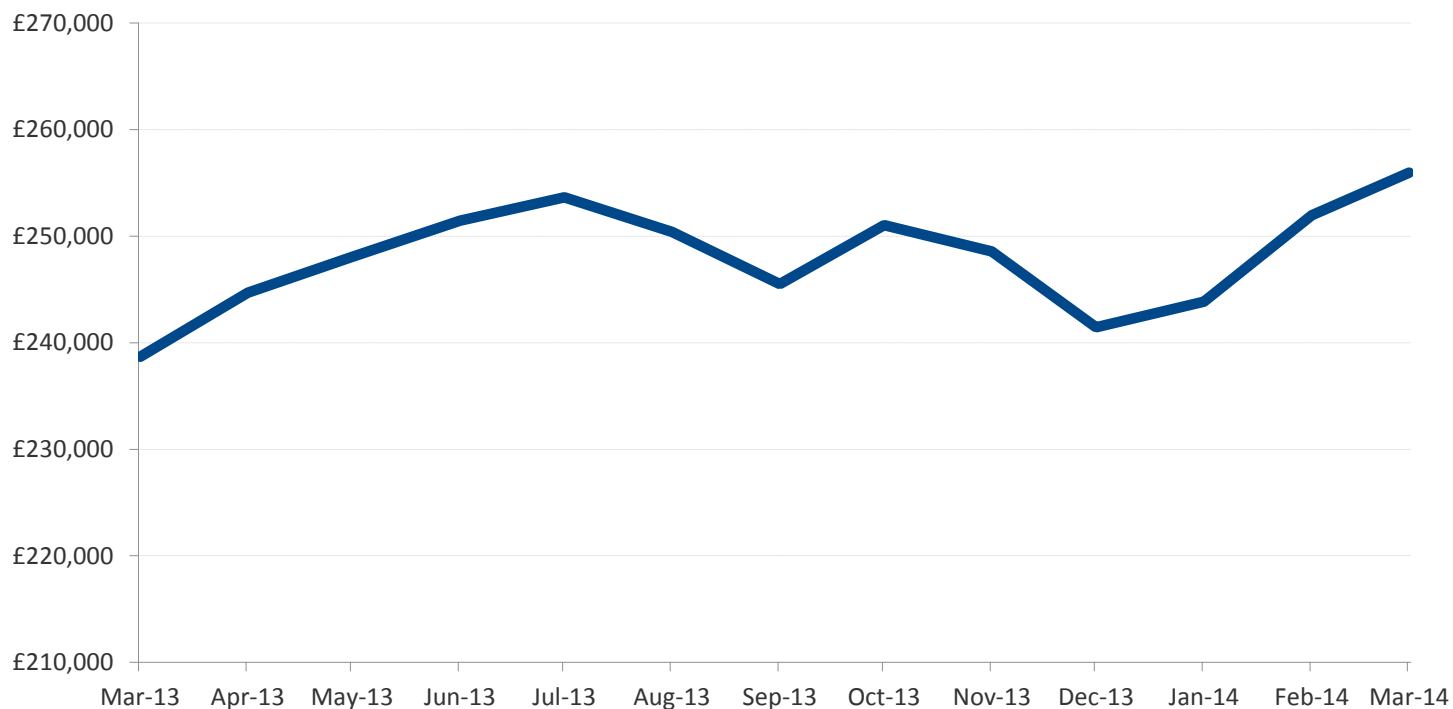
Shippside concludes: *"Depending on the Chancellor's need to balance the books versus the desire to please target voters, he may be tempted to make some further tax changes, or at least be seen to be strong-willed and apply some brakes. Stamp duty has unfair thresholds, and a buoyant market could withstand some tinkering. It could raise a bit more revenue and remove the slab tax criticisms around the popular thresholds that are affecting more and more property purchasers as prices rise. While Help to*

The Rightmove House Price Index

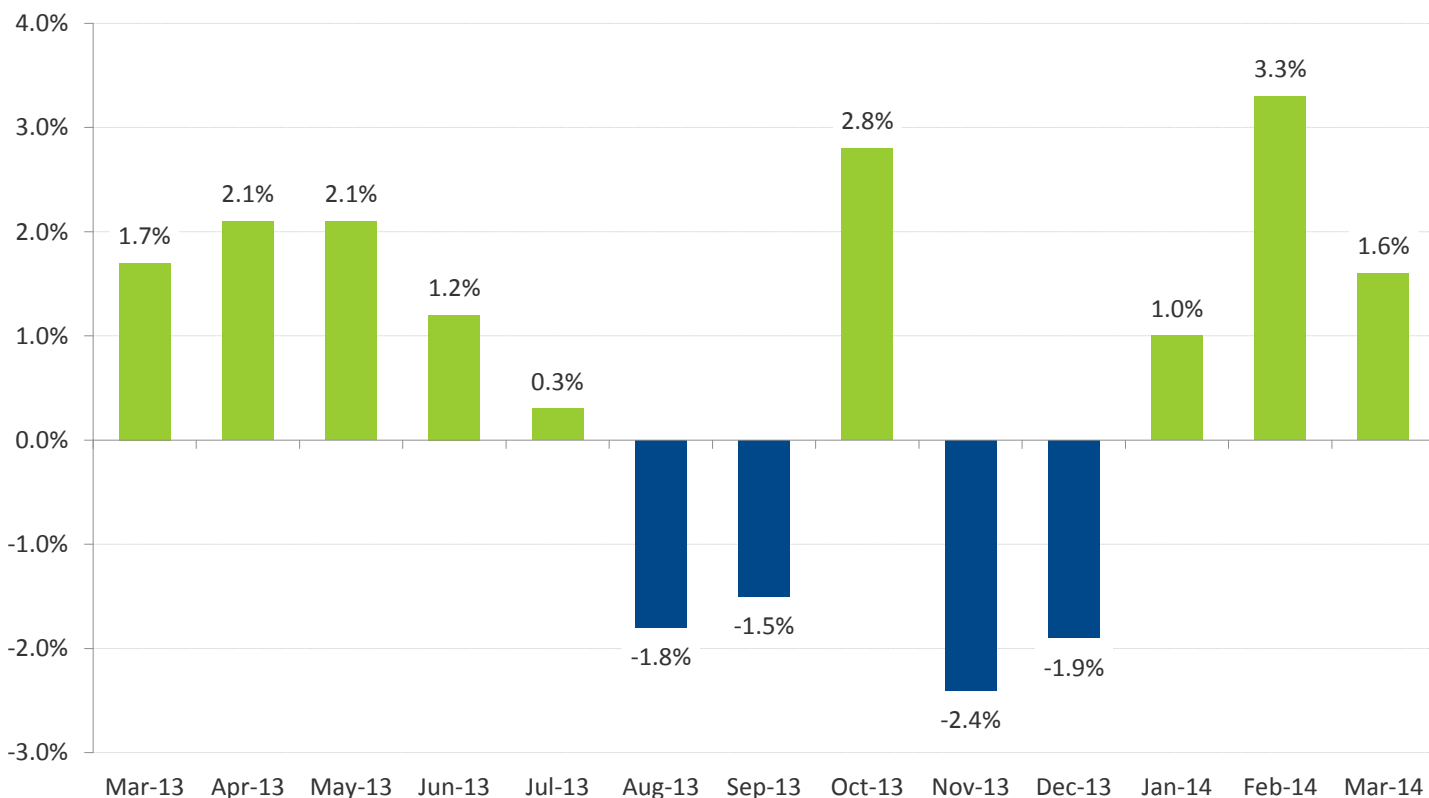
THE LARGEST MONTHLY SAMPLE OF RESIDENTIAL PROPERTY PRICES

Buy is little used by purchasers at the upper price limits, it may be seen as a prudent anti-overheating message if the top limit of £600,000 is substantially reduced. It would be a mainly symbolic gesture however, though a reduction in the 20% interest-free equity loan on new build properties may be closer on the horizon."

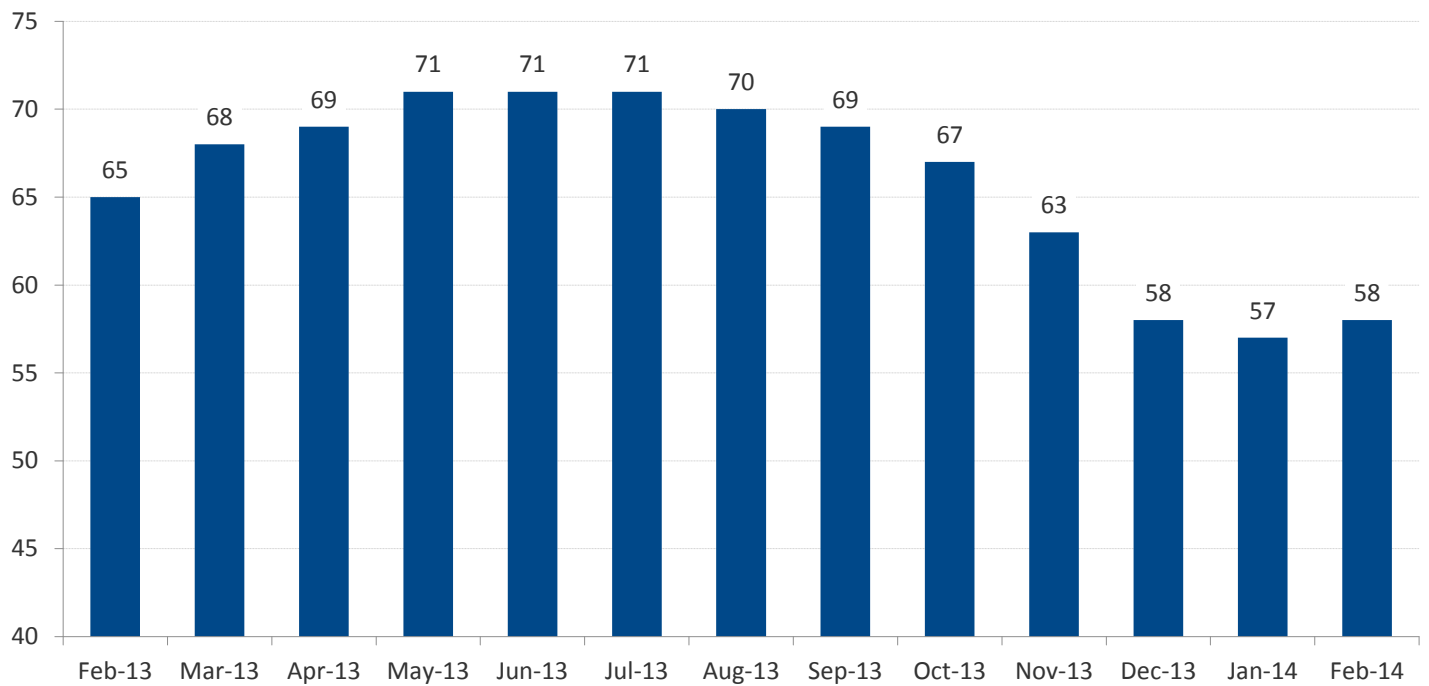
Rightmove monthly asking price trend



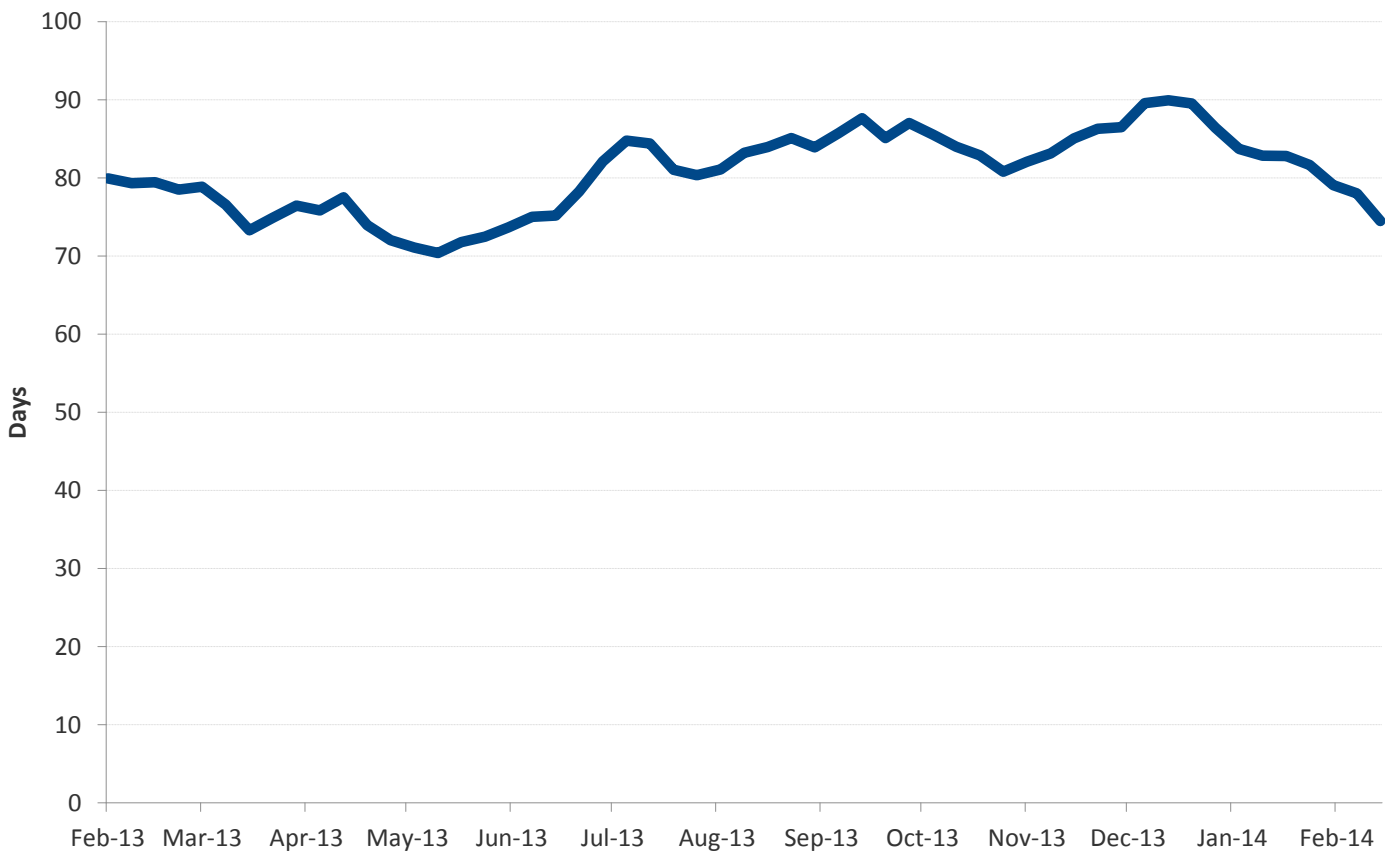
% monthly change in average asking prices



Average properties for sale per estate agent

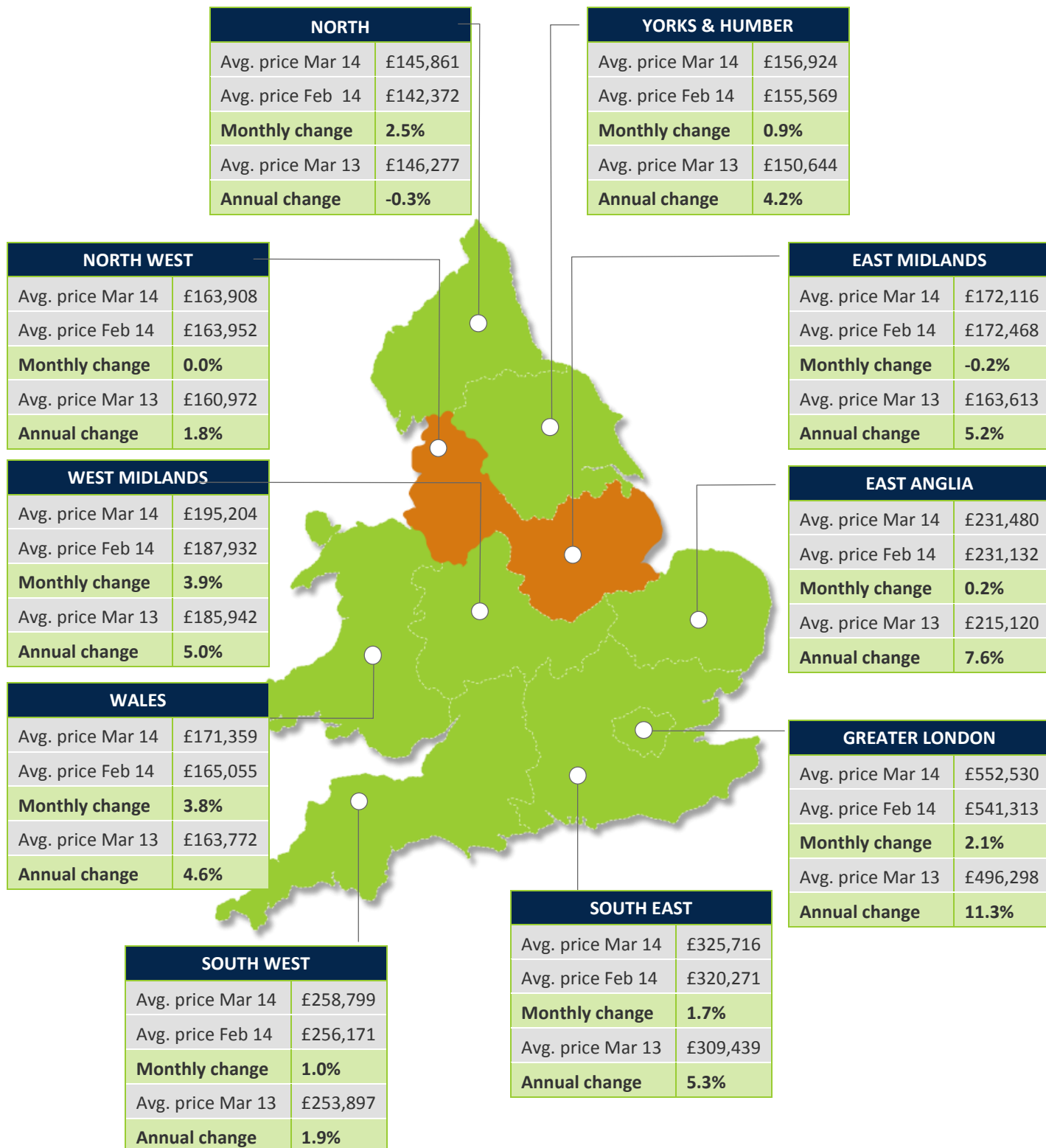


Time on market indicator - National



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
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
March 2014	208.3	+1.6%	£255,962
Annual Change	+13.3	+6.8%	+£16,252

National asking price trend by property type

Month	Detached	Semi-detached	Terraced	Flats/apartments
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
March 2014	£373,514	£215,004	£203,064	£227,970
Annual Change	+5.5%	+6.2%	+8.3%	+11.4%

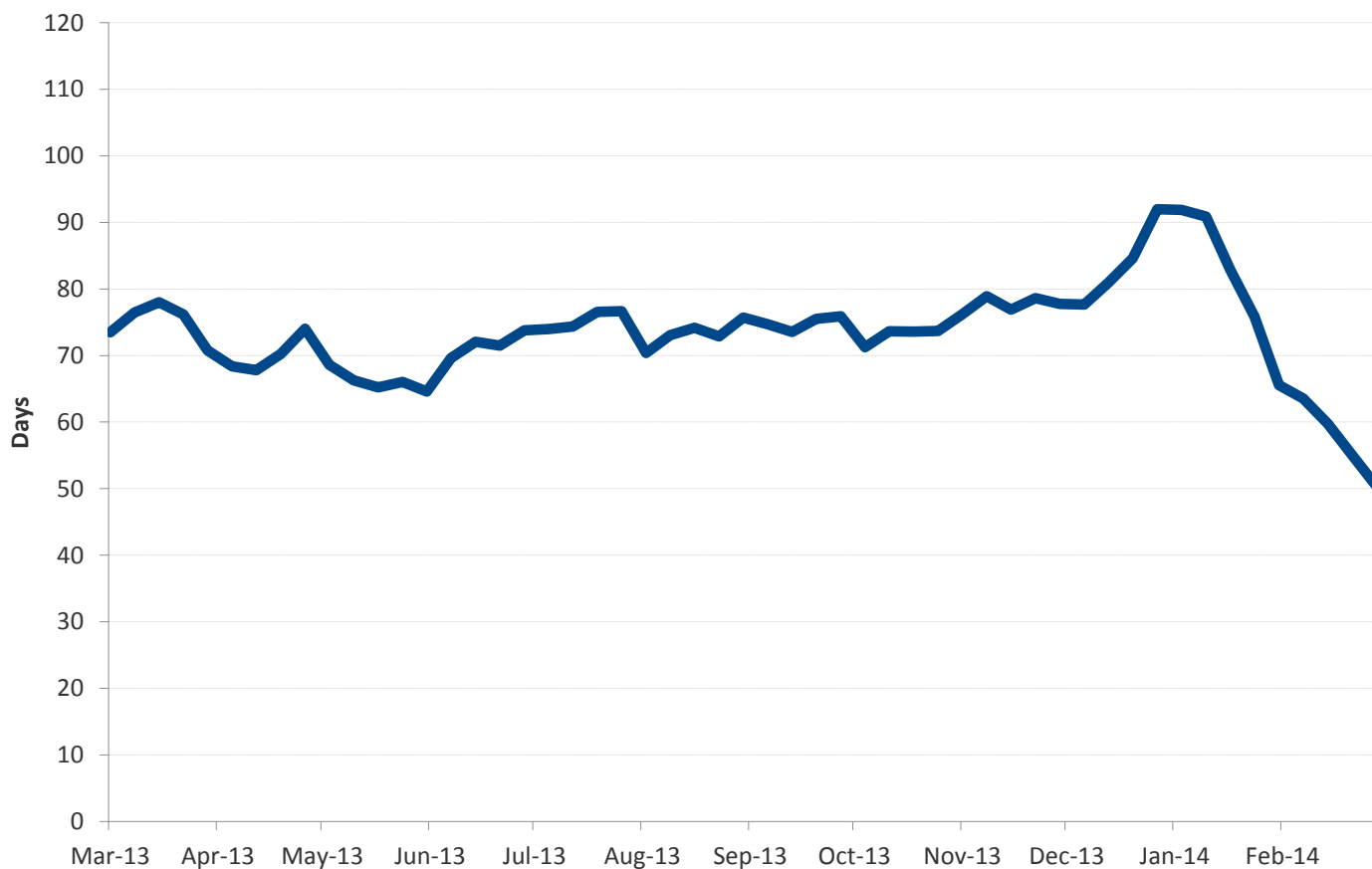
London's best performers: March 2014

London's top 5	Avg. price Mar 14	Avg. price Feb 14	Monthly change
Haringey	£597,634	£545,638	9.5%
Barnet	£648,330	£618,186	4.9%
Hounslow	£609,332	£581,986	4.7%
Kingston	£774,562	£741,305	4.5%
Redbridge	£334,920	£321,640	4.1%

London's worst performers: March 2014

London's bottom 5	Avg. price Mar 14	Avg. price Feb 14	Monthly change
K'ton & C'sea	£2,118,956	£2,170,691	-2.4%
Westminster	£1,468,013	£1,501,958	-2.3%
Merton	£523,669	£535,231	-2.2%
Camden	£1,016,050	£1,030,450	-1.4%
Harrow	£384,936	£389,665	-1.2%

Time on market indicator - London



London boroughs

Borough	Avg. price Mar 14	Avg. Price Feb 14	Monthly change	Avg. price Mar 13	Annual change
Kensington and Chelsea	£2,118,956	£2,170,691	-2.4%	£2,180,412	-2.8%
City of Westminster	£1,468,013	£1,501,958	-2.3%	£1,494,426	-1.8%
Hammersmith and Fulham	£1,073,163	£1,064,891	0.8%	£992,248	8.2%
Camden	£1,016,050	£1,030,450	-1.4%	£923,551	10.0%
Wandsworth	£834,843	£807,339	3.4%	£686,735	21.6%
Richmond-upon-Thames	£821,439	£805,271	2.0%	£676,086	21.5%
Kingston-upon-Thames	£774,562	£741,305	4.5%	£662,413	16.9%
Brent	£755,541	£761,583	-0.8%	£677,034	11.6%
Islington	£754,328	£724,527	4.1%	£651,540	15.8%
Hackney	£665,708	£640,733	3.9%	£559,023	19.1%
Barnet	£648,330	£618,186	4.9%	£588,327	10.2%
Hounslow	£609,332	£581,986	4.7%	£521,560	16.8%
Haringey	£597,634	£545,638	9.5%	£592,203	0.9%
Lambeth	£578,890	£573,813	0.9%	£473,793	22.2%
Tower Hamlets	£560,581	£545,773	2.7%	£420,727	33.2%
Ealing	£557,628	£542,438	2.8%	£464,199	20.1%
Southwark	£523,894	£517,734	1.2%	£452,635	15.7%
Merton	£523,669	£535,231	-2.2%	£477,462	9.7%
Lewisham	£422,596	£425,358	-0.6%	£374,597	12.8%
Hillingdon	£399,201	£396,343	0.7%	£364,001	9.7%
Bromley	£394,233	£391,521	0.7%	£353,232	11.6%
Harrow	£384,936	£389,665	-1.2%	£352,104	9.3%
Sutton	£384,793	£384,348	0.1%	£345,702	11.3%
Enfield	£382,944	£368,316	4.0%	£345,720	10.8%
Waltham Forest	£355,247	£350,506	1.4%	£301,948	17.7%
Croydon	£352,053	£344,715	2.1%	£294,058	19.7%
Greenwich	£335,015	£324,213	3.3%	£298,106	12.4%
Redbridge	£334,920	£321,640	4.1%	£302,375	10.8%
Newham	£289,656	£283,686	2.1%	£243,449	19.0%
Havering	£277,236	£277,727	-0.2%	£263,360	5.3%
Bexley	£252,981	£250,993	0.8%	£226,610	11.6%
Barking and Dagenham	£245,377	£243,788	0.7%	£218,960	12.1%

Index comparison

	House price	Monthly change
MARCH 2014		
Rightmove	£255,962	+1.6%
Halifax	N/A*	N/A*
Nationwide	N/A*	N/A*
FEBRUARY 2014		
Rightmove	£251,964	+3.3%
Halifax	£179,872	+2.4%
Nationwide	£177,846	+0.6%
JANUARY 2014		
Rightmove	£243,861	+1.0%
Halifax	£175,546	+1.1%
Nationwide	£176,491	+0.7%

*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 16,902 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.