

# House Price Index

The largest monthly sample of residential property prices

## Biggest ever monthly price jump sets new record high as movers fear missing out

- Price of property coming to market rises by 2.3% this month (+£7,785) to a record of £348,804, the biggest monthly jump in pounds recorded by Rightmove in more than twenty years:
  - Prices are now 9.5% higher than a year ago, the highest annual rate of growth since September 2014
- There are signs that both buyers and sellers fear missing out in the current competitive market:
  - More potential buyers are sending enquiries to agents, with the number 16% higher than this time last year
  - New property listings are up 11% compared to the same period last year, suggesting more sellers are coming to market before looking for a property to purchase, to avoid missing out on their next home
  - The number of people requesting a home valuation from an estate agent was up 11% in January compared to last year
  - London records biggest annual jump in number of buyers sending enquiries of any region, and highest annual rate of price growth since 2016, as the end of pandemic restrictions and a return to the office fuel renewed demand in the capital

### National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
February 2022	£348,804	+2.3%	+9.5%	269.7
January 2022	£341,019	+0.3%	+7.6%	263.6

### National average asking price by market sector (excluding inner London)

Sector	February 2022	January 2022	Monthly change	Annual change
First time buyers	£215,334	£214,176	+0.5%	+7.3%
Second-steppers	£322,854	£313,752	+2.9%	+11.3%
Top of the ladder	£623,493	£623,936	-0.1%	+11.0%

Rightmove measured 116,386 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 9<sup>th</sup> January 2022 to 12<sup>th</sup> February 2022 and advertised on Rightmove.co.uk.

February picks up where January left off, as the second month of the year proves to be even stronger than the first. New seller asking prices hit a new record high of £348,804 this month, rising by 2.3% (+£7,785). February normally sees a rise in asking prices from January, but this is the biggest monthly jump in cash terms recorded by Rightmove in more than twenty years of reporting, and the annual rate of asking price growth (+9.5%) is the highest recorded since September 2014. This new record means that average asking prices have now risen by nearly £40,000 in the two years since the pandemic started, compared to just over £9,000 in the previous two years. The pandemic continues to influence many home moves, with this month's price growth driven primarily by the "second stepper" sector – those who may find themselves in need of more space and are now ready to move on from their first homes. As the final pandemic restrictions now look to be ending, and returning to the office is encouraged or required by many businesses, London has recorded the biggest jump in the number of buyers sending enquiries of any region (+24%), a new price record, and its highest annual rate of price growth since 2016.

**Tim Bannister, Rightmove's Director of Property Data comments:** *"The data suggests that people are by no means done with their pandemic-driven moves. Such a significant societal event means that even two years on from the start of the pandemic, people are continuing to re-consider their priorities and where they want to live. As the final legal restrictions look to be ending soon, and more businesses are encouraging a return to the office for at least part of the week, we now have a group of movers who are looking to return closer to major cities, or at least within comfortable commuting distance of their workplaces. High demand and a shortage of available stock are supporting a rise in prices and a new record average asking price this month. The rising cost of living is undoubtedly affecting many people's finances, especially those trying to save up enough for a deposit to get on the ladder or to trade up. However, despite rising costs and rising interest rates, the data right now shows demand rising across the whole of Great Britain, with many people determined to move as we head into the spring home-moving season."*

A fear of missing out in the current competitive market is fuelling rising activity from both buyers and sellers. In a market that is still very short of available stock, more potential buyers are sending enquiries to agents compared to this time last year to try to beat the crowd, with the result being that buyer demand is 16% higher than at this time in 2021.

While there is still a mismatch between buyer demand and the supply of available homes, the early signs of a better-balanced market that we reported at the end of 2021 are now starting to come to fruition. The number of new sellers listing their homes for sale is up by 11% compared to this time last year, providing some much-needed fresh property choice, and January saw a rise of 11% in the number of people requesting a home valuation from an estate agent.

These sellers who are taking action now, many of whom are also buyers, are putting themselves in the best possible position to secure their next property. Agents are reporting many cases of movers who have missed out on their dream home because they did not already have their current home on the market or sold (subject to contract), and were pipped to the post by a competing buyer in a better position to proceed with the purchase.

The timing of this increased activity is ideal for both current and would-be sellers, as data from Rightmove shows that March is historically the strongest time to sell, with the highest number of buyer enquiries per property for sale. This means that competition between buyers is generally at its strongest in March, providing an opportunity for would-be sellers to have the best chance of selling their home quickly for a good price.

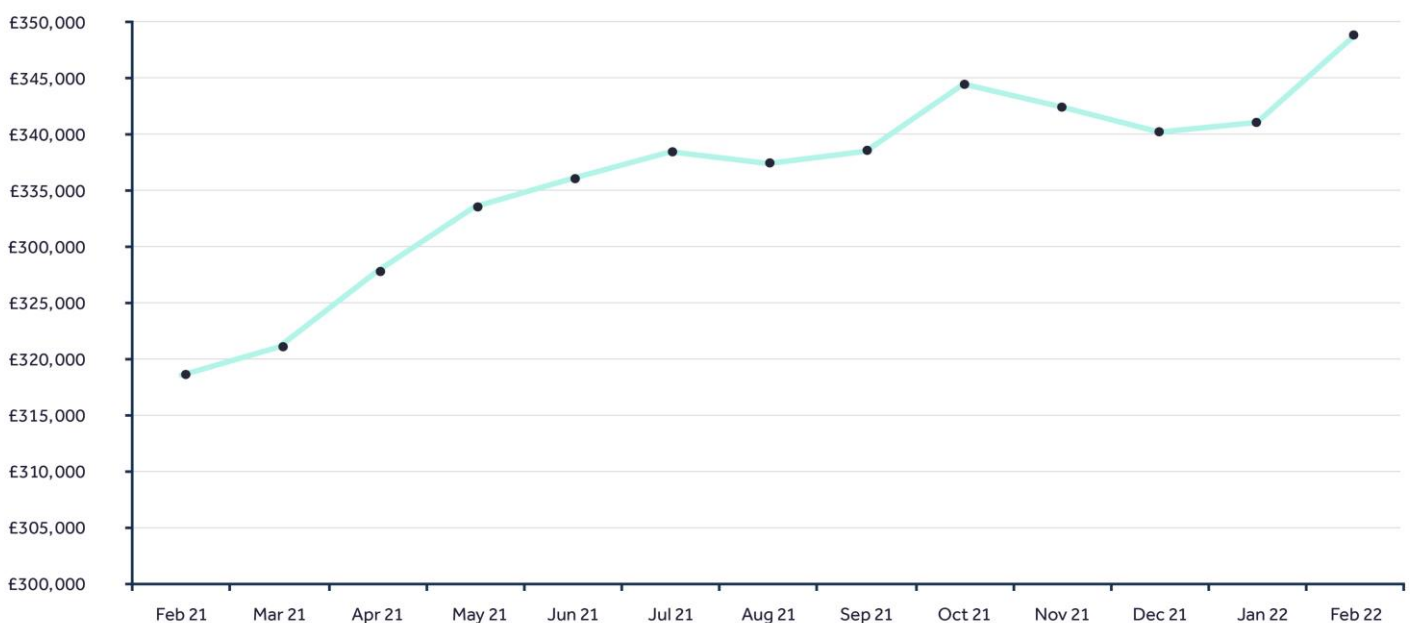
**Bannister says:** *"It seems that the fast-moving market has really hit home for sellers this month, with a number of those who are also buyers putting themselves in the best position to secure their dream home by becoming a 'power buyer' and getting their own home on the market first. This in turn is driving a rise in new listings compared to last year, giving the existing pool of buyers some fresh choice. A fear of missing out on one's dream home is really driving market behaviour at the moment, as movers look to do all that they can to avoid the disappointment of being too slow to secure their ideal property. We're seeing buyers sending more enquiries for available homes than usual, and doing everything that they can to put themselves at the top of the list. Setting up instant property alerts, keeping a keen eye on fresh property stock coming to market each day, and acting immediately rather than waiting are other tactics that some successful buyers are using. Those would-be sellers who are considering coming to market in the near future will be pleased to hear that March is historically the best time to sell, with sellers normally seeing the most enquiries for their property, and therefore the best chance of a successful sale."*

## Agents' Views

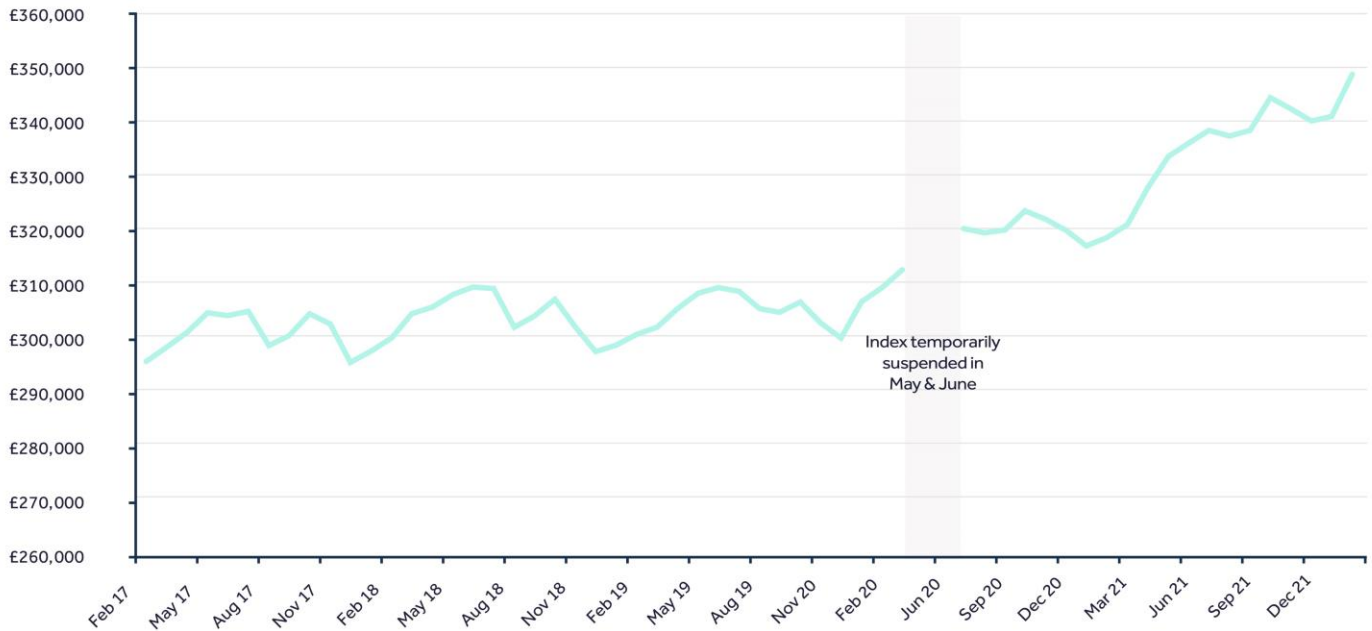
**Ben Hudson, Managing Director at Hudson Moody in York, said:** *“Like many, our biggest challenge is a lack of stock. As soon as anything new comes onto the market, it is flying off the shelf, with multiple buyers competing for the final sale. With so many potential buyers, many properties at the moment are selling above asking price, which can make valuing a property accurately a challenge as we don’t want to give unrealistic expectations. It can be difficult for buyers at the moment, with not a lot of choice and tough competition for the properties available. However for sellers, most new properties are getting huge traction at the moment, which makes it a great time to come to market, and we’d recommend those considering selling soon take action now. The good news is we are starting to see the first signs of the pressure easing, and more traditional seasonal markets returning after two years of frenetic pandemic markets. We are going out to value more properties, and seeing more new listings come to the market for sale, and we are seeing signs of a busy, but more traditional spring season.”*

**Barry Chuwen, of MQ Estate Agents in Scotland, said:** *“We’re seeing a dynamic market north of the border, with enquiries and sales greater than normal for the time of year. We are still seeing strong demand for all types of properties, from the first-time buyer market to large family homes, and we are also seeing a rise in the number of landlords entering the market, seemingly keen to capitalise on greater values. Some people believe things will inevitably slow down in the spring, but for the moment, demand remains strong and this is forcing prices up and up.”*

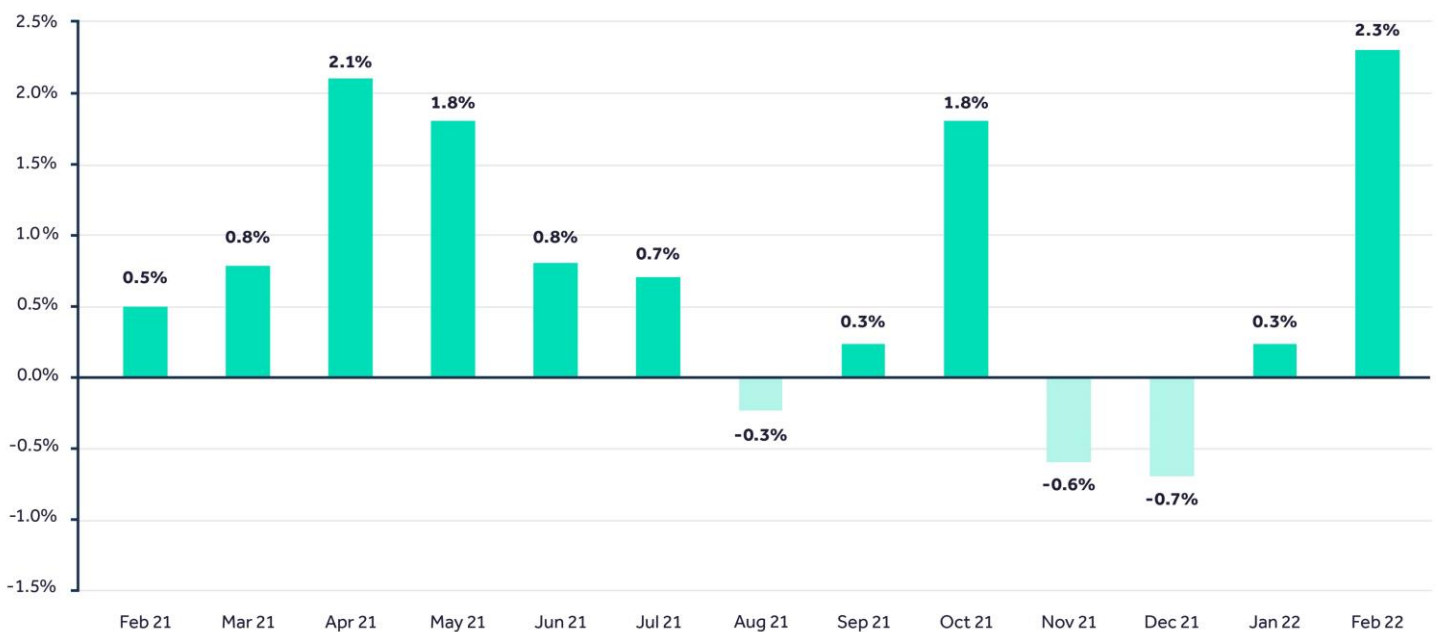
## Average asking price trend



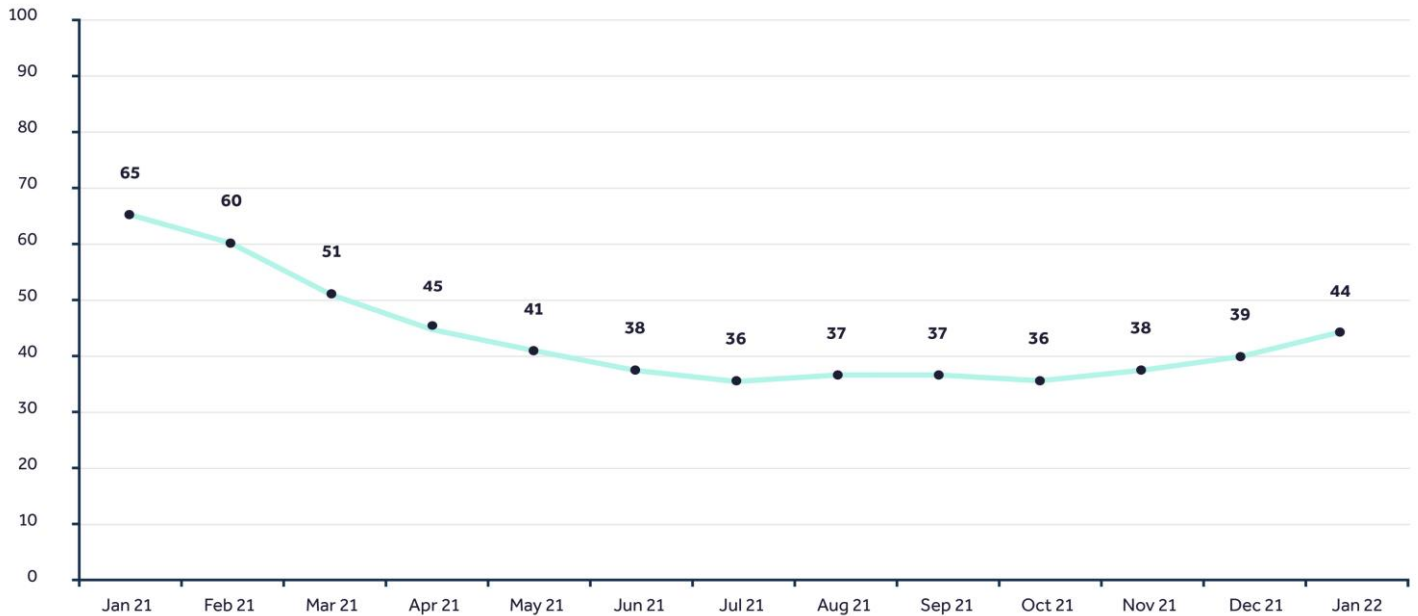
## Five year asking price trend



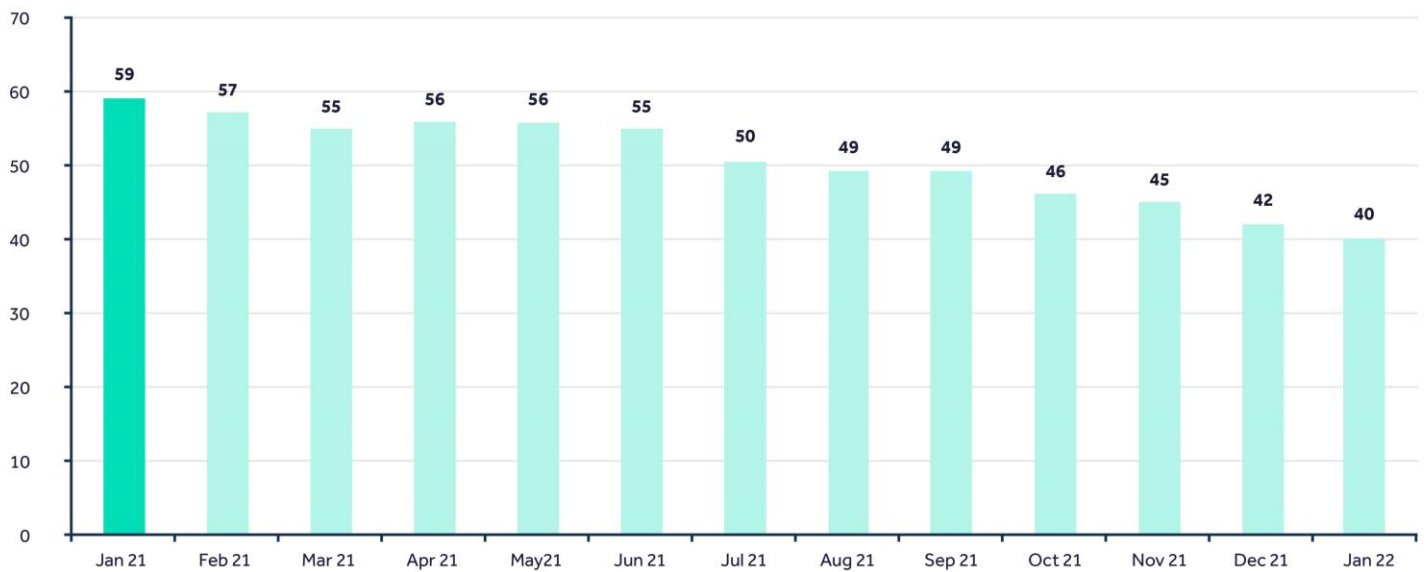
## % monthly change in average asking prices



## Average time to secure a buyer (no. days) National

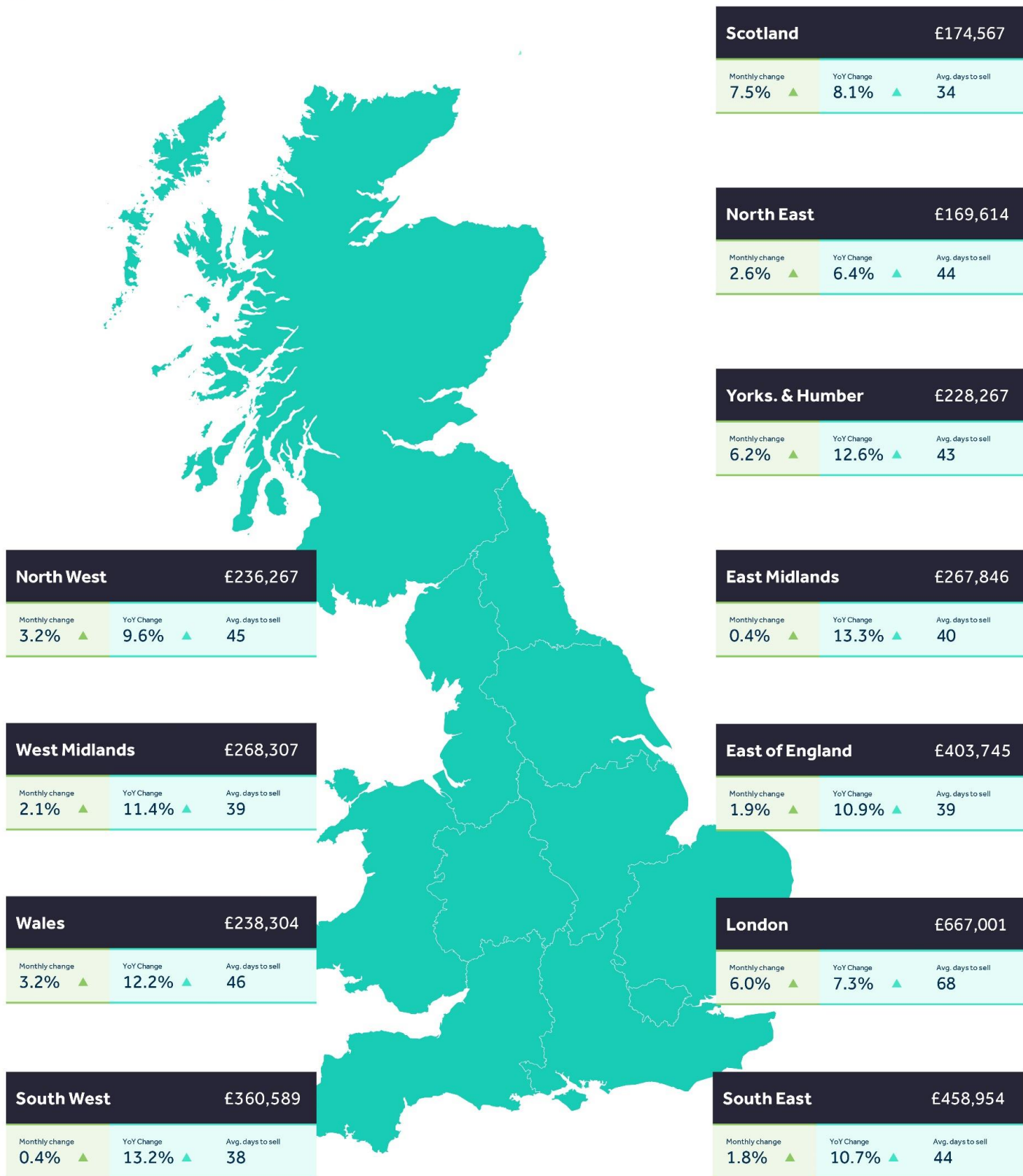


## Average stock per agent (including Under Offer/Sold STC)

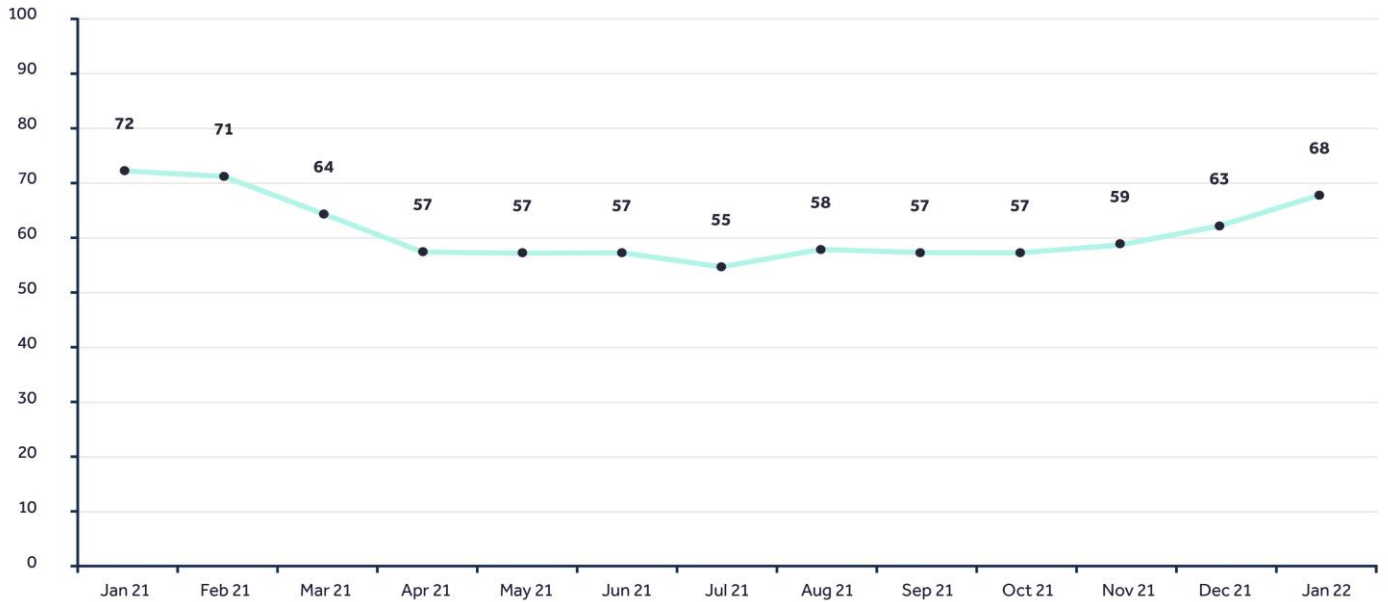


# House Price Index

● Increase from previous month    ● Decrease from previous month



## Average time to secure a buyer (no. days) London



Borough data is based on a three-month rolling average and can be used as an indicator of overall price trends in each borough over time. It is not directly comparable with the overall London monthly figures.

Borough	Avg. price Feb 2022	Monthly change	Annual change
Bromley	£610,457	0.9%	11.5%
Barking and Dagenham	£361,509	1.4%	10.8%
Kensington and Chelsea	£1,684,514	3.7%	10.6%
Havering	£457,872	1.2%	9.9%
Merton	£682,901	1.8%	9.7%
Sutton	£514,271	2.1%	8.1%
Hillingdon	£529,005	2.7%	7.9%
Ealing	£593,500	1.6%	7.4%
Bexley	£454,328	-0.2%	7.4%
Kingston upon Thames	£667,221	-0.4%	7.2%
Hounslow	£571,056	0.7%	6.5%
Redbridge	£502,240	1.8%	6.1%
Harrow	£597,827	0.9%	5.6%
Wandsworth	£804,856	0.5%	5.5%
Croydon	£472,843	2.3%	5.3%
Enfield	£483,436	1.0%	5.2%
Hammersmith and Fulham	£940,355	5.5%	5.1%
Westminster	£1,387,019	-1.4%	5.0%
Richmond upon Thames	£888,828	3.7%	5.0%
Waltham Forest	£531,673	2.6%	5.0%
Lewisham	£501,285	1.4%	4.9%
Newham	£449,561	1.7%	4.9%
Camden	£989,810	6.0%	4.9%
Brent	£603,397	0.6%	4.9%
Lambeth	£658,072	-1.3%	4.9%
Barnet	£654,517	1.0%	3.9%
Greenwich	£474,313	-0.2%	3.1%
Southwark	£644,973	3.7%	3.1%
Islington	£745,837	0.6%	2.3%
Tower Hamlets	£568,597	-0.1%	0.6%
Haringey	£626,335	0.9%	0.0%
Hackney	£653,345	4.0%	-0.9%



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## About the Index

The Rightmove House Price Index methodology was updated in January 2018. The report now includes data for Scotland and a number of measures have been refined. The stock per agent figure now calculates the average based on the number of properties an agent has on Rightmove each day across the month, rather than the average of the total number of properties each agent advertised in the month. London asking prices are now broken down into travel zones. For the purpose of historical comparisons, the historical figures have been restated based on the new methodology.

The Index includes asking price breakdowns in the housing market to offer trends at three different sectors of the market: first-time buyer, second-stepper and top of the ladder. Inner London prices have been excluded from this categorisation as the normal housing ladder is not really applicable.

Advertising property for over 90% of all UK estate agents, Rightmove is in a unique position to identify any immediate changes in the market. Rightmove's House Price Index is compiled from the asking prices of properties coming onto the market via over 13,000 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 asking prices of properties currently on the market. The sample includes up to 200,000 homes each month – representing circa 95% of the market, the largest and most up-to-date monthly sample of any house price indicator in the UK. 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 in the housing market.

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## Market sectors explained

**First-time buyer:** This figure represents the typical property a first-time buyer would purchase, covering all two bed properties and smaller that come to market (houses and flats).

**Second-stepper:** This figure represents the typical property of a person moving from their first home, covering all three and four bed properties that come to market (houses and flats) excluding four bed detached houses.

**Top of the ladder:** This figure represents asking prices at the top end of the market, covering all five bed properties and above (houses and flats), as well as four bed detached houses.

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## 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 the number one property website in the UK (source: Experian Hitwise). It has circa 95% of all properties for sale and at any time displays a stock of over one million properties to buy or rent. The Rightmove.co.uk site attracts nearly 141 million visits from home movers each month with time on site averaging 1.1 billion minutes per month (Rightmove data, July 2019).