

House Price Index

The largest monthly sample of residential property prices and housing market activity

-1.5%

Monthly average asking price drop of 1.5%, in line with long-term August trend

+0.8%

Annual average asking price change improves to +0.8% versus more subdued 2023

+19%

Year-on-year increase in demand since the Bank Rate cut on 1st August

Bank Rate cut spurs further upturn in market activity

- Average new seller asking prices see a seasonal drop of 1.5% (-£5,708) this month to £367,785. August has seen a monthly decline in prices from July for the last 18 years, with this month's fall in line with the long-term average
- The first Bank of England rate cut for four years has led to an immediate upturn in buyer activity:
 - The number of potential buyers contacting estate agents about homes for sale has jumped from 11% up on the prior year across the month of July, to 19% up since the 1st of August compared to the same time a year ago
- Rightmove raises its 2024 forecast from -1% to +1% due to positive market data and trends compared to the much more subdued 2023:
 - The number of sales being agreed is now 16% ahead of the near-peak-mortgage-rate period of a year ago
 - The number of new sellers coming to market is 5% ahead of last year as confidence to move grows
- Rightmove's weekly mortgage tracker shows that the average 5-year fixed mortgage rate is now 4.80%, an improvement from 5.82% a year ago:
 - The best available 5-year fixed rate is now 3.83% for those with a 40% deposit, the lowest a 5-year fixed rate has been since the period before the mini-Budget in September 2022

National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
August 2024	£367,785	-1.5%	+0.8%	284.3
July 2024	£373,493	-0.4%	+0.4%	288.7

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

Sector	August 2024	July 2024	Monthly change	Annual change
First time buyers	£227,191	£227,924	-0.3%	+1.6%
Second-steppers	£340,605	£343,617	-0.9%	+0.7%
Top of the ladder	£665,492	£681,096	-2.3%	+0.1%

Rightmove measured 129,916 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 7th July – 10th August 2024 and advertised on Rightmove.co.uk.

Overview

The average price of property coming to the market for sale sees a seasonal drop of 1.5% this month (-£5,708) to £367,785. New seller asking prices have fallen in the month of August for the past 18 years, and the size of this month's drop is in line with the long-term average. The distractions of school summer holidays traditionally bring a dip in prices, as some buyers put their home-moving plans on hold to enjoy holidays or time with family. This also means that new sellers who do come to market at this quieter time of year may have a pressing need to sell, which means they tend to price more competitively. However, summer sellers this year may find that there is a degree of buyer buzz around the market that was missing in the peak-mortgage-rate market at this time last year. As anticipated in Rightmove's July report, the first Bank of England rate cut for four years at the start of the month has helped to accelerate mortgage rate drops and contributed significantly to improved buyer demand. These better conditions are helping to set up a positive Autumn market, and a further spur to activity following the Bank Rate cut has led Rightmove to raise its 2024 forecast from a 1% drop over the whole of 2024 to a 1% rise in new seller asking prices.



The first Bank Rate cut since 2020 has sparked a welcome late summer boost in buyer activity. While mortgage rates aren't yet substantially lower since the rate cut, the fact that the long-hoped-for first cut has finally arrived, and mortgage rates are heading downwards, is positive for home-mover sentiment. As the summer holiday season comes to an end, the conditions are there for a more active autumn market. The reaction from home-movers to what is hopefully only the first of several rate cuts over the next year or two, combined with other positive data and trends, has led us to raise our price prediction for the year. We now expect new seller prices to rise marginally by 1% over the whole of 2024. This is a relatively small revision from our original prediction of a 1% fall in prices over the year, since we didn't initially forecast anything more drastic than a slight drop in prices this year.

Tim Bannister Rightmove's Director of Property Science



Since the Bank Rate cut on the 1st of August, the number of potential buyers contacting estate agents to view homes for sale is 19% higher than in the same period a year ago. This comparison is with a very subdued period in 2023, when the market was dealing with the fallout of unexpectedly high inflation figures and peak mortgage interest rates. However, this improvement in the buyer demand trend from +11% across the month of July shows the immediate and strong impact of the first Bank Rate cut since 2020. Agents report that increased political certainty and the improving economic outlook is also helping with buyer interest.

The positive impact of the Bank Rate cut, combined with other encouraging market data, has led Rightmove to revise its end-of-year price prediction upwards — from a 1% drop in new seller asking prices over the whole of 2024, to a 1% rise over the year. We expect small price rises in the autumn, followed by the usual seasonal monthly falls in prices at the end of the year. Though there are still some uncertainties ahead – October's Budget, the timing of a second Bank Rate cut, and the US economy to name just three – the scene is now set for a positive remainder of the year. The number of sales being agreed between buyers and sellers continues to track very positively at 16% ahead of last year, and the number of new sellers coming to market is now a stable 5% ahead of this time last year.

Mortgage rates continue to head downwards and have picked up some pace in recent weeks. The average five-year fixed mortgage rate is now 4.80%, which though still high compared with three years ago, before the first of 14 consecutive Bank Rate increases, is an improvement from 5.82% at this time in 2023. Rightmove's weekly mortgage tracker shows that the best available 5-year fixed rate is now 3.83% for those with a 40% deposit, the lowest that a 5-year fixed rate has been since the period before the mini-Budget in September 2022.



Although it will likely take a few more cuts to the Bank Rate for home-movers to see a more substantial reduction in mortgage rates, it's home-mover sentiment that has immediately been heightened. Buyers and sellers are more optimistic about the outlook for the market, evidenced by the immediate upturn that we've seen in activity. However, though optimism around the direction of mortgage rates is justified, the reality is that they are still very high compared with a few years ago, and there will be some who need rates to drop further before their affordability is notably improved. Buyers are still stretched, and so sellers mustn't get too carried away by the higher buyer activity levels compared with last year, and continue to come to market with a competitive price.

Tim Bannister Rightmove's Director of Property Science



Experts' views



The summer property market has remained fairly active, with increased stability providing a solid foundation for continued strong sales based on buyer confidence. The much-anticipated election outcome caused few ripples, with only a slight dip in viewings as the holiday season began. However, as the Autumn Budget approaches, we may see more significant changes, particularly among buy-to-let landlords who are closely monitoring potential capital gains tax implications. In areas such as Chichester, Midhurst and Bognor Regis, the current sales market is particularly active and we have seen a noticeable increase in enquiries from downsizers across the board. While August is generally a slightly quieter month due to the holiday season, the market continues to show resilience and is ticking over steadily. The Bank of England Base Rate appears to have had a positive impact on home-mover sentiment. Underlying demand remains positive and we expect activity to gather pace in line with the traditional seasonal fluctuations as we move into the autumn months.

Gareth Overton, Head of Residential Sales at Henry Adams

July was a strong month for us, reflecting the resilience of our market. We've seen a mix of outcomes, with some properties achieving well above the expected price whereas others sold closer to it. This underscores how crucial it is for sellers to set realistic and competitive prices in today's market, as getting the price right is key to attracting strong buyer interest. With schools returning and routines normalising, we expect activity to pick up further in the coming weeks. The stability we've observed in July positions us well for continued growth into the Autumn.

Gary Hamilton, founder of Bohome Estate Agents in Hamilton

The market in North Cornwall is warming up nicely to coincide with the long overdue return of sunshine. There is no doubt that activity slowed in the build-up to the general election despite a result that was no great surprise to the country. With the election now behind us we are seeing an improvement in buyer engagement as more certainty in the political and economic landscapes forms. There is a substantial increase in properties for sale across the area giving buyers an extremely good level of choice and time to reflect on the best opportunities. There are some spectacular instructions available, some representing true 'once in a lifetime' opportunities so focussed buyers who know what they want can really find something very special.

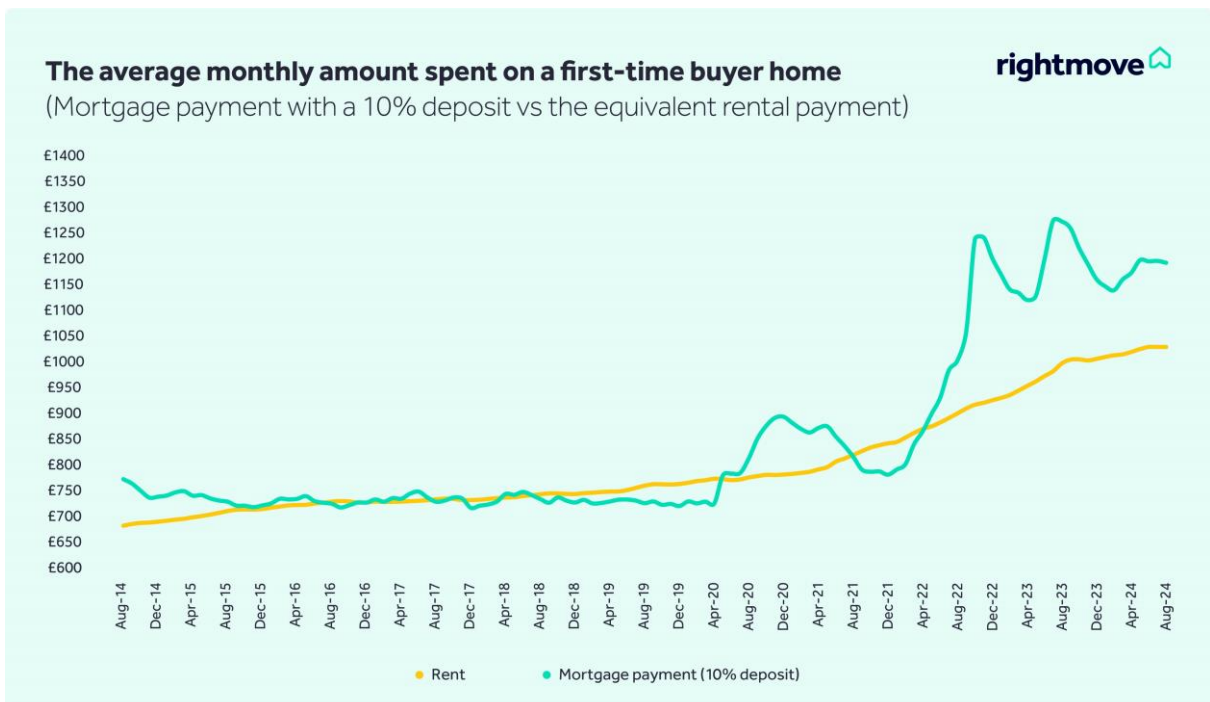
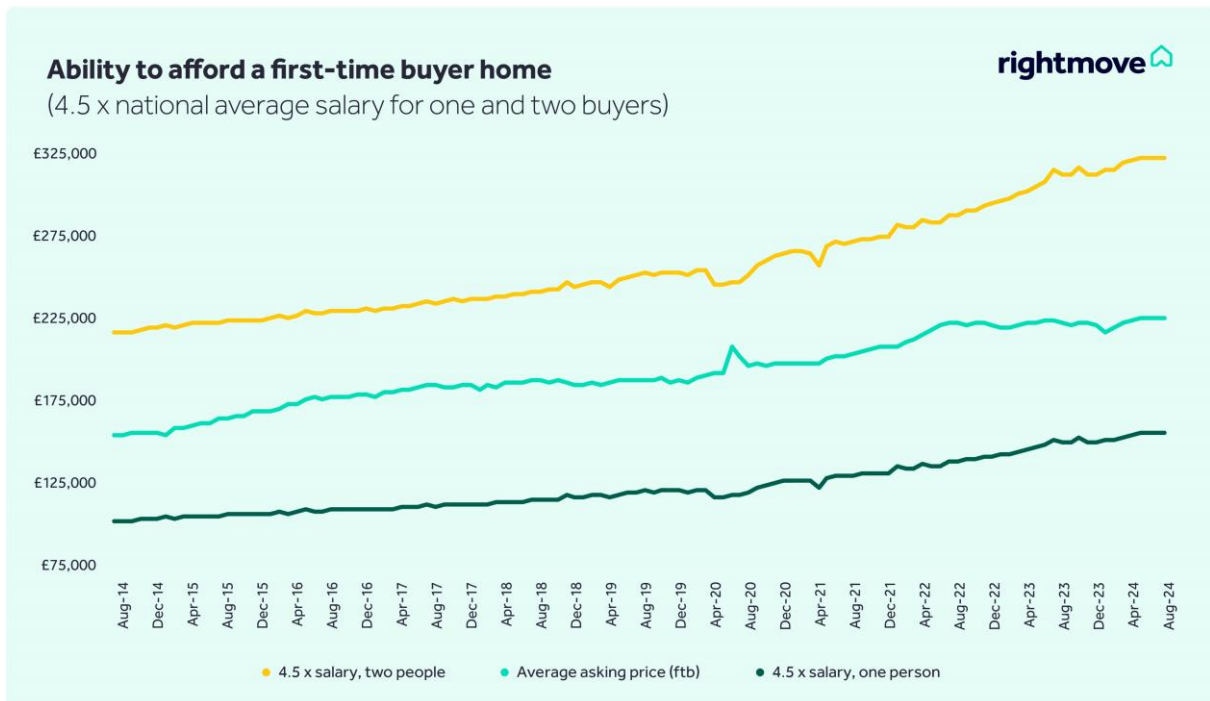
Josephine Ashby, Managing Partner at John Bray Estate Agents in Cornwall



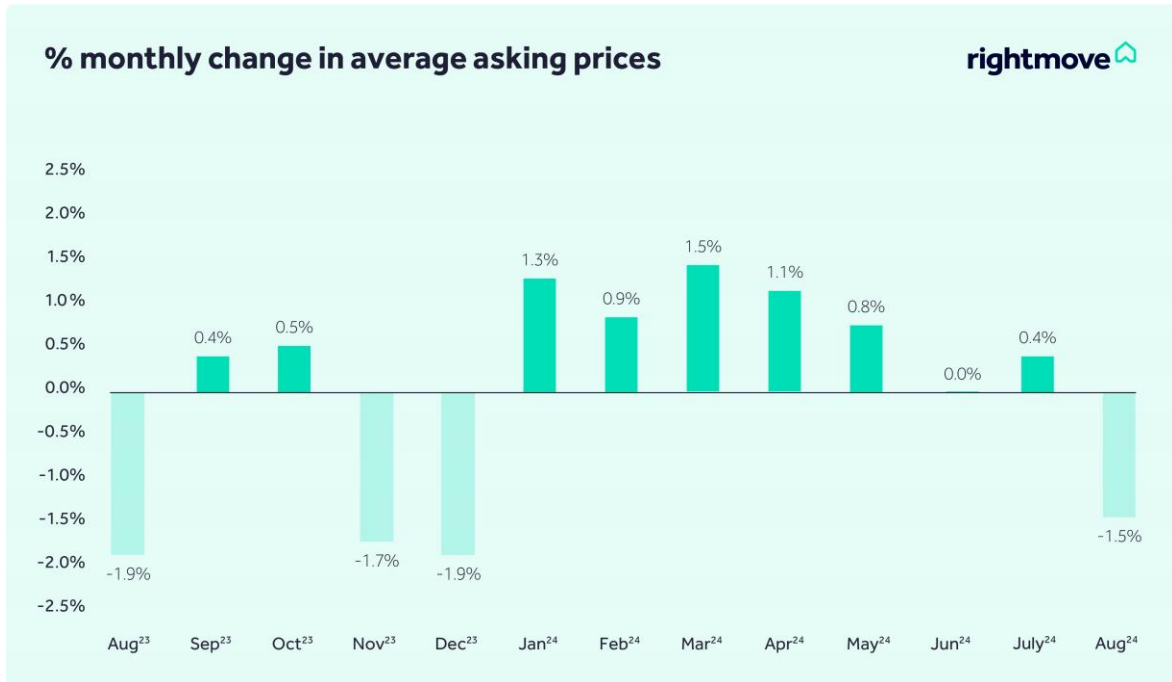
Affordability trends

The first-time buyer monthly mortgage payment is based on Bank of England data of the averages for 90% LTV two-year fixed mortgages from lenders, and the average asking price of a typical first-time buyer home (two bedrooms or fewer) using the Rightmove House Price Index. The equivalent monthly rent is calculated using the same property types (two bedrooms or fewer).

The affordability to buy a first home is based on the Average Weekly Earnings (AWE) dataset from ONS multiplied by 4.5 to get the typical maximum that a person can borrow from a lender. The average asking price of a typical first-time buyer home is taken from the Rightmove House Price Index.



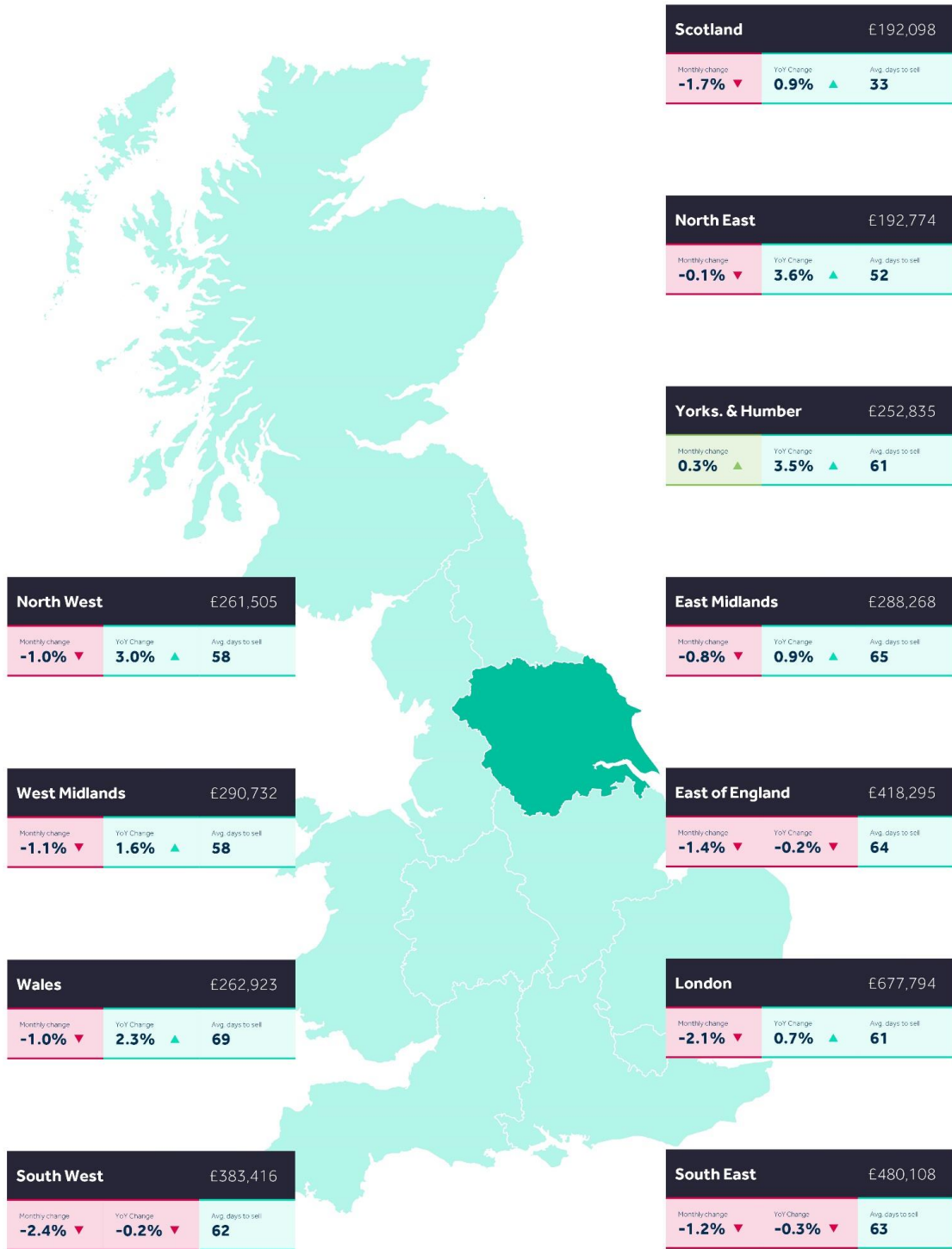
Price & activity trends





Regional trends

● Increase from previous month
 ● Decrease from previous month



London boroughs

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 Aug 24	Monthly change	Annual change
Westminster	£1,537,470	1.0%	5.4%
Lewisham	£532,374	-0.6%	3.9%
Camden	£1,069,501	-3.9%	3.7%
Wandsworth	£876,171	0.6%	3.1%
Merton	£740,937	-3.5%	2.7%
Ealing	£614,347	-1.0%	2.5%
Newham	£472,518	-3.8%	2.3%
Waltham Forest	£572,056	-0.1%	2.2%
Hammersmith and Fulham	£999,006	-2.6%	2.1%
Barking and Dagenham	£375,156	0.5%	2.1%
Barnet	£728,964	0.1%	2.1%
Havering	£487,298	0.3%	1.3%
Southwark	£664,053	-1.4%	0.9%
Bexley	£489,110	-0.2%	0.9%
Hillingdon	£562,621	0.3%	0.6%
Islington	£809,658	-1.0%	0.6%
Harrow	£622,735	1.0%	0.5%
Kensington and Chelsea	£1,673,995	-0.9%	0.4%
Haringey	£692,075	-1.0%	0.4%
Enfield	£503,562	0.0%	0.4%
Redbridge	£513,605	-0.9%	0.2%
Bromley	£626,026	-0.5%	-0.5%
Sutton	£547,184	0.4%	-0.5%
Lambeth	£670,654	-3.1%	-0.7%
Tower Hamlets	£607,107	2.1%	-0.7%
Hounslow	£599,426	-0.9%	-0.7%
Croydon	£483,310	-0.4%	-0.8%
Greenwich	£497,731	-0.7%	-0.9%
Hackney	£718,561	0.7%	-1.5%
Richmond upon Thames	£921,112	-5.9%	-1.8%
Kingston upon Thames	£689,962	-2.6%	-2.9%
Brent	£616,308	-2.3%	-4.8%

About the Index

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. The Rightmove House Price Index methodology was last updated and restated in January 2018.

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 providing real-time data, the Rightmove Index has established itself as a reliable indicator of current and future trends in the housing market.

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.

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 attracted 2.5 billion visits in 2021 with time on site totalling 18.3 billion (Rightmove data, 2021).

Average mortgage rates to be credited to Rightmove. The data is provided by specialist mortgage technology provider Podium Solutions. The data covers 95% of mortgage lending, to exclude specialist lenders. If you would like further data on different LTVs or fixed terms, please contact us.