

The Rightmove House Price Index

The largest monthly sample of residential property prices

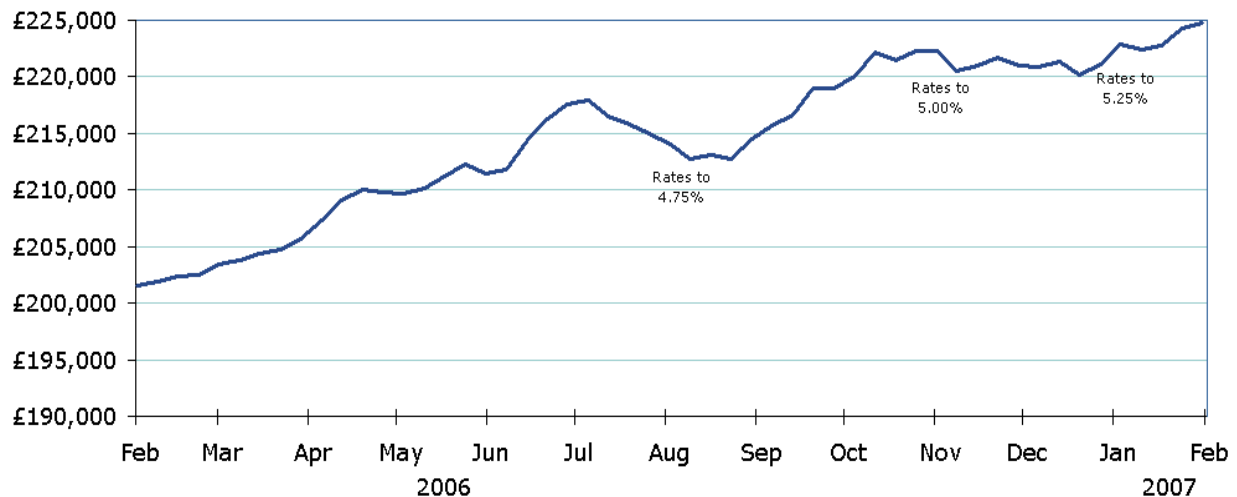
Under embargo for 0001 hours: Monday 19th February 2007

Sellers lower price aspirations as interest rates rise

	February	January
Average Property Asking Price	£224,802	£222,859
% Change in Month	+0.9%	+0.5%
% Change in Past Year	+11.5%	+13.5%
Monthly Index (Jan 2002=100)	182.9	181.3

- Annual asking price inflation drops by 2%, the sharpest fall for 18 months
- 0.9% monthly increase is half the traditional February rise and the lowest for 5 years
- Shortage of new sellers and falling length of time on the market unusually fails to fuel prices
- Unexpected January rate rise causes sellers to trim price expectations

Rightmove Monthly Asking Price Trend



Rightmove measured 143,883 asking prices – circa 80% of the UK market. The properties were put on sale by estate agents from 14th January to 10th February 2007 and advertised on Rightmove.co.uk.

Rightmove.co.uk is the UK's largest property web site, advertising around 80% of all homes for sale via estate agents across the UK. The site attracts over 18 million visits from home movers each month who view in excess of 350 million pages. 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.

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For media enquiries, please contact Maud Rousseau
Head of PR on 07713 116 602 or press@rightmove.co.uk

Overview

A smaller than anticipated monthly rise in asking prices has resulted in a sharpest drop in the annual rate for 18 months. The annual rate fell 2% last month, from 13.5% to 11.5%.

Analysts are forecasting a slowdown in the annual rate to around half the current level of 11.5% by the end of 2007. However, it is highly unusual for sellers to constrain their price aspirations so early in the year.

This month's report shows that 143,000 newly marketed properties have increased in price by just 0.9%, by far the lowest February figure for the last 5 years. Since Rightmove started its House Price Index five years ago average asking prices have always increased by over 2% in February.

This is all the more surprising given wider analysis of our data. Estate agents continue to report good levels of sales activity, and our data shows average property for sale per estate agency branch at a 3 year low for this time of year. This, in conjunction with a speeding up of stock turnover since the New Year, has led to a fall in time on the market, from 88 to 78 days. This combination of factors would usually generate a rise in prices similar to previous years.

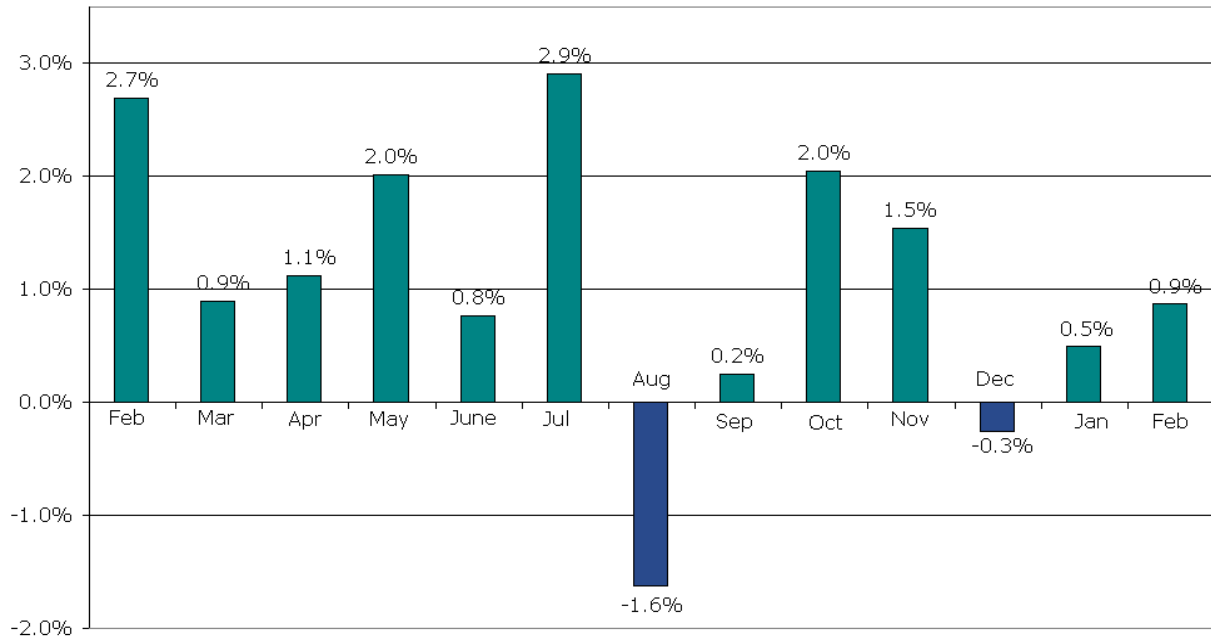
The contrary statistics point to the shock January interest rate rise knocking sellers' traditional New Year optimism.

Miles Shippside, Commercial Director of Rightmove comments: "The shock tactic of one unexpected rate rise early in the year appears to have had the desired effect. February price rises are normally two to three times higher than we have measured this month. With three interest rate rises in the last six months and the looming threat of another, it looks like we have finally reached the point where the market is highly interest rate sensitive. We are at a crossroads, and the path taken by those in charge of interest rate policy will dictate the direction of the housing market in 2007".

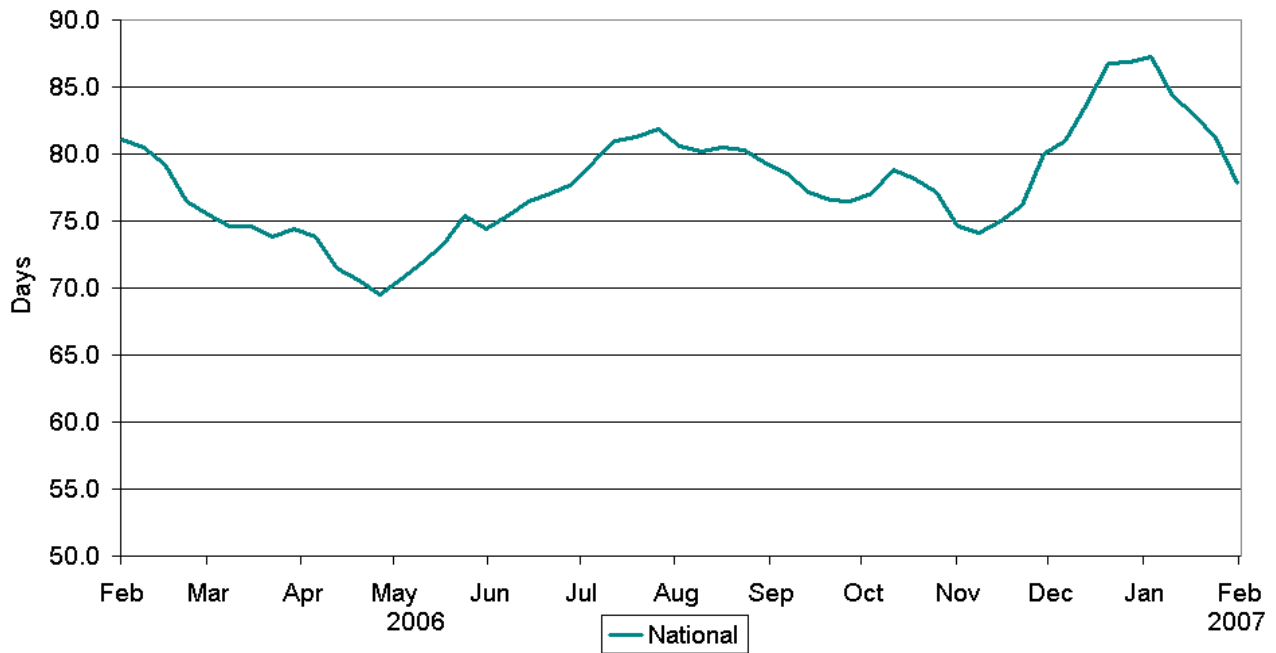
Price gains continue to be consistent in the south of the country, though the pace appears to be slowing. This southern 'mini boom' has been largely responsible for driving the national average rises back into double digit percentage figures, an unsustainable level for increasing numbers of home movers. A period of stability and lower growth is required for the longer term health and sustainability of the housing market. Annual increases of around 5% per annum give a balance to the market where new buyers are encouraged and rewarded by an appreciating asset; but not at a rate that restricts a desirable level of ongoing transactions.

Miles Shippside adds: "Buyer demand is still good, but appears to be resisting overpricing apart from the southern hotspots. With prices still at record levels and upwards interest rate speculation, sellers are showing signs of realising that buyer' resources have a limit. It will be interesting to see if that discipline holds during the spring without a further rate rise, or conversely how both buyers and sellers react to another rise in the coming months. It also looks like a good call, from a housing market point of view, that the Bank of England has resisted two consecutive rate rises as one increase appears to have struck the right balance so far".

Monthly Change 2006-2007



Time on Market Indicator



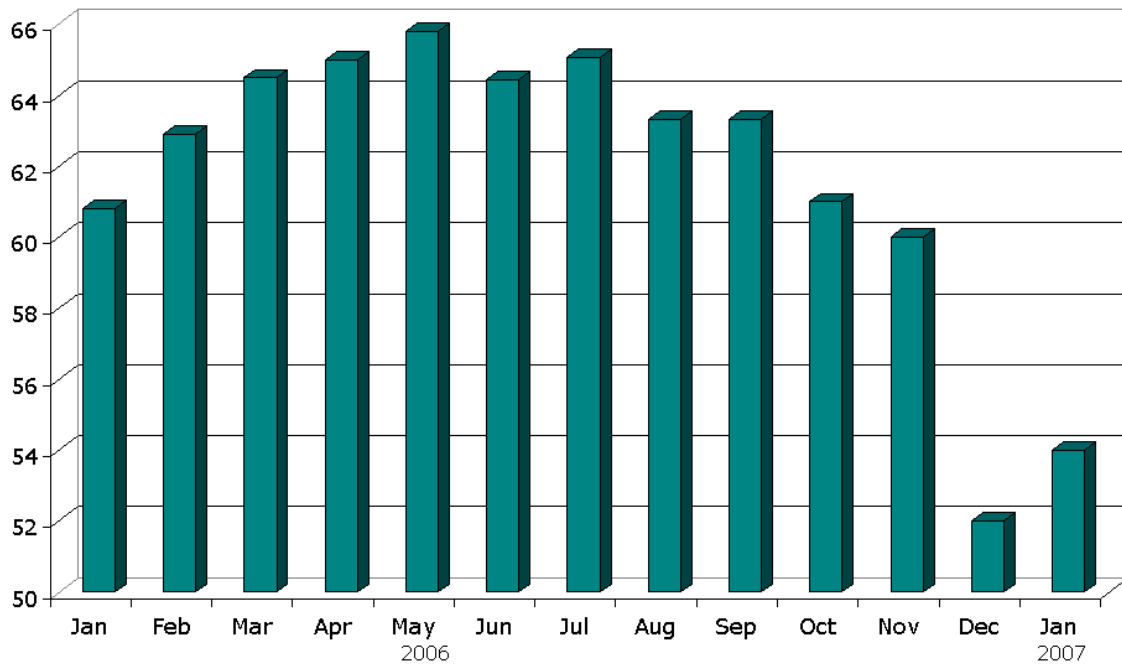
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Average properties for sale per Estate Agent



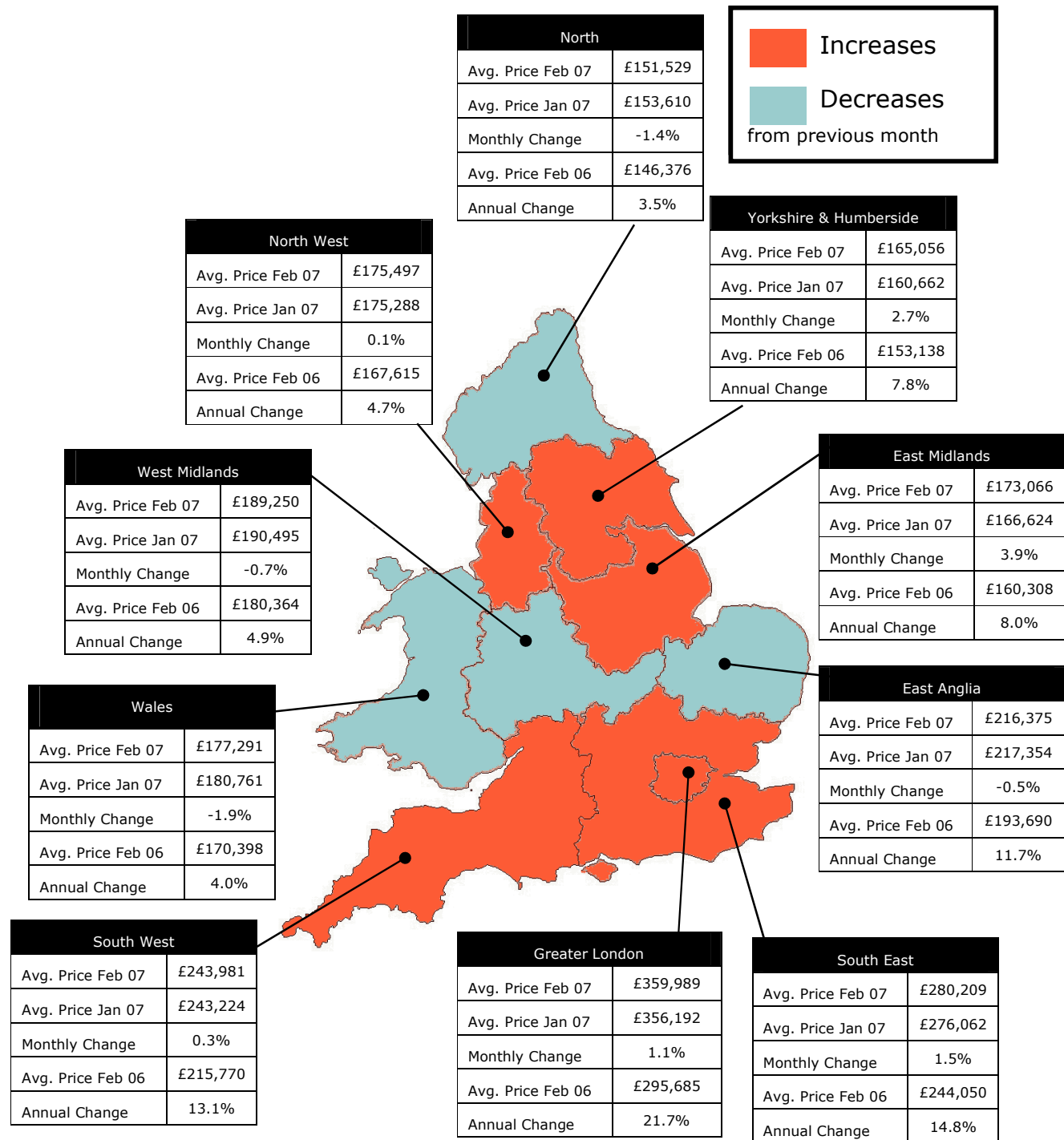
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Regions of England & Wales



If you are a journalist and would like a further breakdown on these regional statistics please contact the Press Office on: press@rightmove.co.uk or call 0845 456 8439

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National Asking Price Trend

Month	Index (Jan 2002 = 100)	% Change	Avg. Price
February 2006	164.0	+2.7%	£201,600
March 2006	165.5	+0.9%	£203,399
April 2006	167.3	+1.1%	£205,674
May 2006	170.7	+2.0%	£209,829
June 2006	172.0	+0.8%	£211,442
July 2006	177.0	+2.9%	£217,580
August 2006	174.1	-1.6%	£214,040
September 2006	174.6	+0.2%	£214,566
October 2006	178.1	+2.0%	£218,954
November 2006	180.9	+1.5%	£222,333
December 2006	180.4	-0.3%	£221,751
January 2007	181.3	+0.5%	£222,859
February 2007	182.9	+0.9%	£224,802
Annual Change	+18.9	+11.5%	+£23,202

(National asking price includes other property types that are not classified below)

National Asking Price Trend by Property Type

Month	Detached	Semi-Detached	Terraced	Flats/Apartments
February 2006	£288,953	£182,058	£157,688	£163,566
March 2006	£294,412	£184,588	£158,958	£165,472
April 2006	£299,093	£185,354	£160,854	£165,460
May 2006	£304,732	£187,554	£163,550	£167,641
June 2006	£309,762	£190,072	£165,350	£168,709
July 2006	£316,904	£192,544	£166,645	£171,705
August 2006	£310,317	£191,537	£166,343	£169,977
September 2006	£311,807	£192,367	£169,234	£173,719
October 2006	£319,089	£194,476	£169,834	£177,632
November 2006	£321,315	£195,757	£171,012	£185,053
December 2006	£316,003	£196,846	£173,372	£187,434
January 2007	£316,734	£195,564	£175,339	£189,265
February 2007	£318,772	£200,303	£177,942	£186,522
Annual Change	+10.3%	+10.0%	+12.8%	+14.0%

Press enquiries regarding the methodology employed and access to further analysis of the data held by rightmove.co.uk should be directed to the Press Office on press@rightmove.co.uk or call 0845 456 8439

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London's Best Performers February 2007

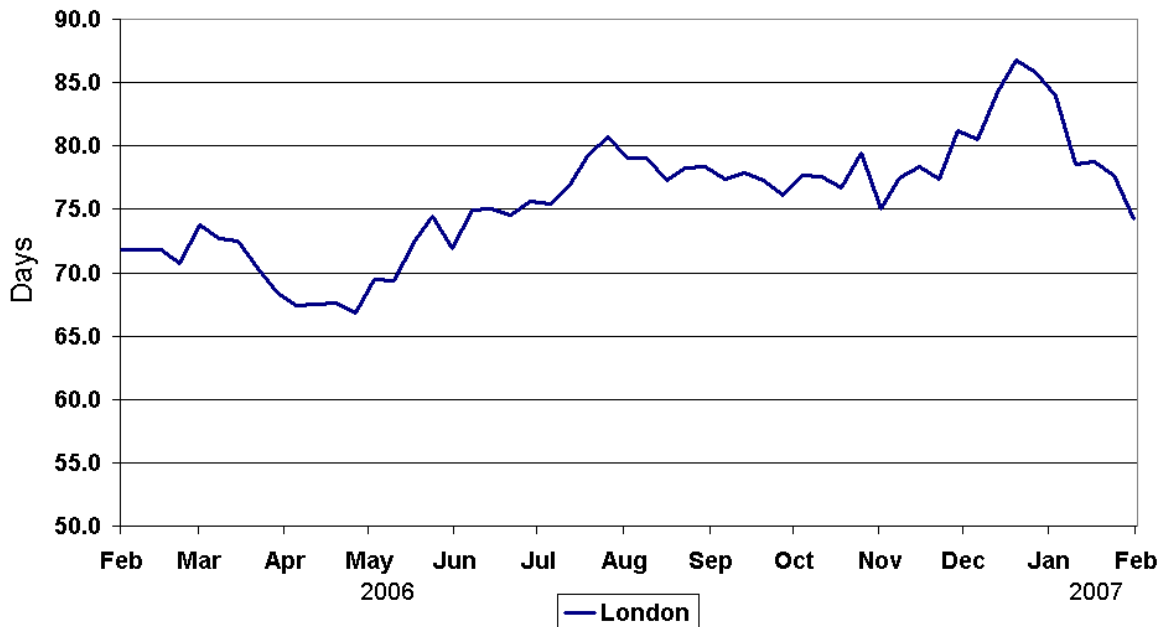
London's Top 5	Avg. Price Feb 07	Avg. Price Jan 07	Monthly Change
City of Westminster	£837,421	£763,227	9.7%
Kensington and Chelsea	£1,194,965	£1,145,791	4.3%
Lambeth	£368,264	£354,577	3.9%
Wandsworth	£466,531	£451,113	3.4%
Newham	£250,784	£242,557	3.4%

London's Worst Performers February 2007

London's Bottom 5	Avg. Price Feb 07	Avg. Price Jan 07	Monthly Change
Bromley	£305,880	£308,222	-0.8%
Hounslow	£412,135	£415,924	-0.9%
Croydon	£256,580	£260,569	-1.5%
Hammersmith and Fulham	£561,984	£573,338	-2.0%
Tower Hamlets	£348,548	£357,097	-2.4%

London Time on Market

Time on Market Indicator



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London Boroughs

Borough	Avg. Price February 07	Avg. Price January 07	Monthly Change	Avg. Price February 06	Annual Change
Kensington and Chelsea	£1,194,965	£1,145,791	4.3%	£677,910	76.3%
City of Westminster	£837,421	£763,227	9.7%	£530,154	58.0%
Camden	£562,737	£552,909	1.8%	£401,250	40.2%
Hammersmith and Fulham	£561,984	£573,338	-2.0%	£437,821	28.4%
Wandsworth	£466,531	£451,113	3.4%	£349,841	33.4%
Islington	£464,816	£456,512	1.8%	£351,307	32.3%
Richmond-upon-Thames	£455,331	£450,892	1.0%	£359,722	26.6%
Kingston-upon-Thames	£444,091	£443,479	0.1%	£347,748	27.7%
Brent	£429,460	£432,694	-0.7%	£353,688	21.4%
Hounslow	£412,135	£415,924	-0.9%	£330,212	24.8%
Hackney	£408,993	£402,447	1.6%	£306,649	33.4%
Barnet	£398,076	£399,966	-0.5%	£338,774	17.5%
Lambeth	£368,264	£354,577	3.9%	£278,470	32.2%
Haringey	£357,579	£353,204	1.2%	£290,175	23.2%
Ealing	£356,634	£351,484	1.5%	£308,341	15.7%
Tower Hamlets	£348,548	£357,097	-2.4%	£293,325	18.8%
Southwark	£343,784	£342,001	0.5%	£271,025	26.8%
Merton	£342,318	£339,001	1.0%	£299,937	14.1%
Hillingdon	£318,870	£315,710	1.0%	£284,671	12.0%
Sutton	£318,309	£317,047	0.4%	£278,477	14.3%
Bromley	£305,880	£308,222	-0.8%	£260,653	17.4%
Harrow	£303,076	£302,240	0.3%	£269,168	12.6%
Lewisham	£301,516	£297,702	1.3%	£248,438	21.4%
Enfield	£292,416	£288,813	1.2%	£263,566	10.9%
Waltham Forest	£284,538	£278,161	2.3%	£244,339	16.5%
Redbridge	£280,346	£279,299	0.4%	£239,436	17.1%
Croydon	£256,580	£260,569	-1.5%	£234,020	9.6%
Newham	£250,784	£242,557	3.4%	£207,964	20.6%
Havering	£249,690	£249,617	0.0%	£222,729	12.1%
Greenwich	£240,686	£237,696	1.3%	£208,022	15.7%
Bexley	£219,929	£218,981	0.4%	£194,590	13.0%
Barking and Dagenham	£215,448	£215,985	-0.2%	£194,641	10.7%

(City of London excluded due to small number of residential properties.)

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Index Comparison

	February 07		January 07		December 06	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
Rightmove	£224,802	+0.9%	£222,859	+0.5%	£221,751	-0.3%
Halifax	N/A*	N/A*	£188,623	+1.3%	£186,035	-1.0%
Nationwide	N/A*	N/A*	£173,225	+0.3%	£172,065	-0.1%

* 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 half the market. Not seasonally adjusted.

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, seasonally adjusted.

(Seasonally adjusted figure used for the Halifax from Nov 2003, as no unadjusted figure has been published.)

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 DCLG (Department of Communities and Local Government) measure prices at completion stage, not seasonally adjusted.

Editors' notes

Rightmove's **House Price Index** is compiled from the asking prices of properties coming onto the market via Rightmove.co.uk's 11,000 estate agency branches. It is produced from factual data of actual prices of actual properties, rather than being a survey of opinions as with some other indexes. The sample includes up to 200,000 homes each month – representing circa 80% 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 19,878 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 has around 80% of all properties for sale and at any time displays a stock of over 850,000 properties to buy or rent, worth around £170 billion. All eight corporate estate agents (those with 100 or more branches) list their properties on the site. The Rightmove.co.uk site receives over 18 million visits every month and has been ranked as high as 7th in terms of most viewed UK website (source: Hitwise).

For further information on methodology please contact the Press Office on press@rightmove.co.uk or call 0845 456 8439

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