

The Rightmove House Price Index

The largest monthly sample of residential property prices

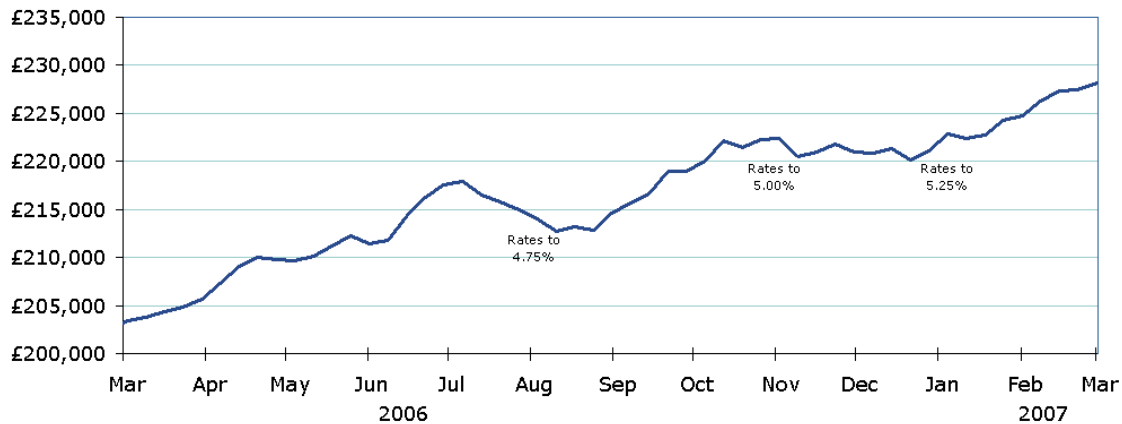
Under embargo for 0001 hours: Monday 19th March 2007

Stock shortage respite on the horizon

| | March | February |
|--------------------------------------|-----------------|----------|
| Average Property Asking Price | £228,183 | £224,802 |
| % Change in Month | +1.5% | +0.9% |
| % Change in Past Year | +12.2% | +11.5% |
| Monthly Index (Jan 2002=100) | 185.7 | 182.9 |

- Average national asking prices rise by 1.5% (£3,381) in the month as spring activity kicks in.
- With prices now rising at over 12% per year, first-time buyers face ever increasing difficulties getting onto the housing ladder.
- Chancellor's dilemma: whether to help first time buyers but risk giving prices an additional boost?
- Policymakers should be wary of likelihood of substantial property supply increase in the short term as sellers seek to avoid Home Information Pack costs by marketing before June 1st.

Rightmove Monthly Asking Price Trend



Rightmove measured 150,666 asking prices – circa 80% of the UK market. The properties were put on sale by estate agents from 11th February to 10th March 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 22 million visits from home movers each month who view in excess of 450 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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Overview

Average asking prices rose by 1.5% (£3,381) last month as the spring market strengthened and shrugged off fears of another interest rate rise. The increase provides further evidence of the resilience of the housing market, with buyers continuing to trade in spite of new record price levels, three interest rate rises and the threat of another in the pipeline. It now appears the continued shortage of supply has more than compensated for the impact of the January rate rise. Compared to a year ago, buyers face prices that are £24,784 higher, an annual increase of 12.2%, up from 11.5% in February.

Miles Shippside, Commercial Director of Rightmove comments: "With supply shortages rapidly overtaking the effect of interest rate rises, we reiterate our view that moderating house price growth in the long term is dependent on building more homes where people want to live. As we have seen recently, raising interest rates can be used to influence the direction of prices in the short term but do very little to address the underlying cause of house price inflation. Crucially they cannot address the increasing demand for housing driven by the needs of a growing population".

Increasingly hard pressed first time buyers traditionally look to the budget for some relief from the growing tax burdens of house purchase. Analysis of Rightmove's database of 635,000 properties currently advertised on the site (representing over 80% of all properties for sale) shows that only 16% are priced below the £125,000 starting threshold for Stamp Duty. A further 32% are potentially liable to pay the higher rate thresholds of 3% or more, as they are priced above £250,000. In the current market, with demand exceeding supply in many parts of the country, any respite for first time buyers such as increases of stamp duty thresholds are likely to be rapidly lost as it fuels the ability of sellers to increase prices further.

Shippside comments: "One could argue that raising Stamp Duty thresholds in the current climate is of principal benefit to sellers rather than first time buyers, which would be a pointless exercise. It would cause demand to increase further, potentially pushing up prices, rather than helping more people to afford to get a roof of their own over their heads".

However, the dilemma of whether policymakers should use stamp duty or interest rates as crude short term tools to influence the long term imbalance between demand and supply should also be looked at in the context of an anticipated surge in supply prior to June 1st. It is probable that a high proportion of sellers who were thinking of marketing their properties later in 2007 will choose to rush to the market before June in order to avoid incurring the costs of Home Information Packs. This should reduce upwards price pressure in the short term as more properties compete to find buyers and stock levels surge.

Miles adds: "April and May could see a surge of new property to the market, as many who are thinking of marketing between now and September will seriously consider beating the HIP requirement deadline of June 1st. Any tinkering with demand by raising stamp duty thresholds with one hand or raising interest rates with the other is likely to be insignificant compared to the potential impact of several hundred thousand extra sellers trying to avoid the extra obligations and costs of the biggest ever legislative change to the housing market in England and Wales. Ironically, the extra supply and choice this will create will give hard pressed buyers some relief from the unhealthy price spiral. It is also a factor that must not be ignored when decisions affecting the housing market are being considered by policymakers at what could be a sensitive time".

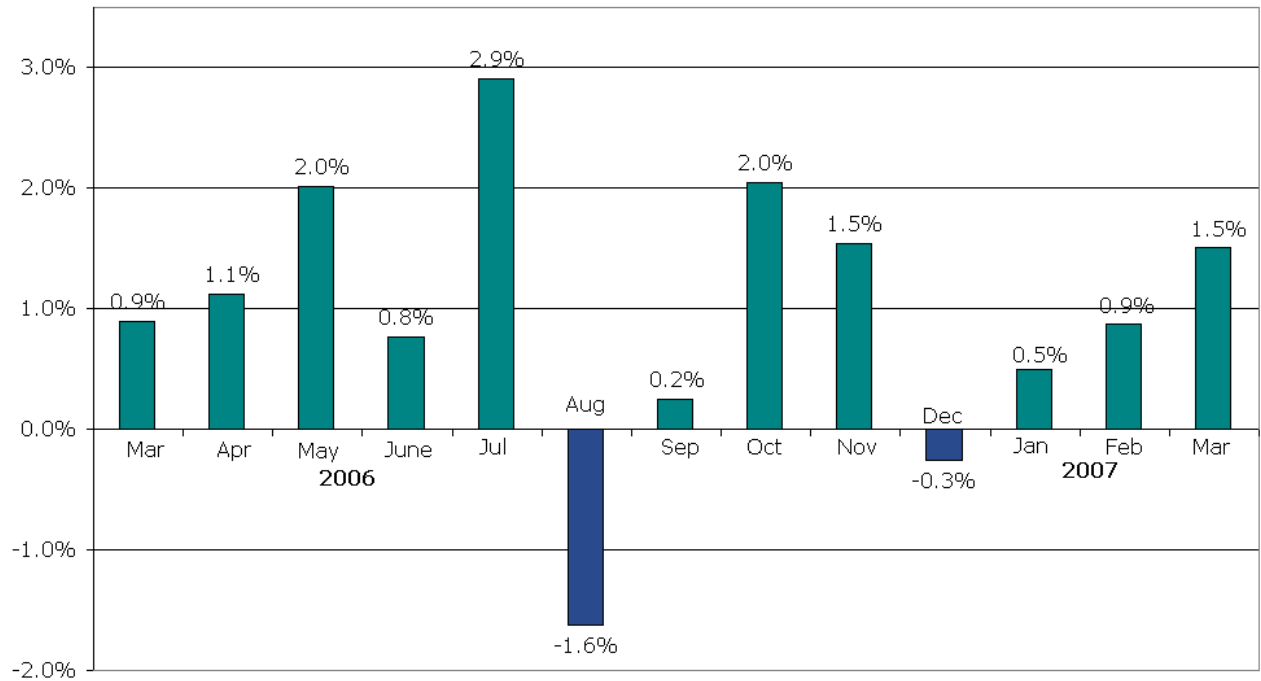
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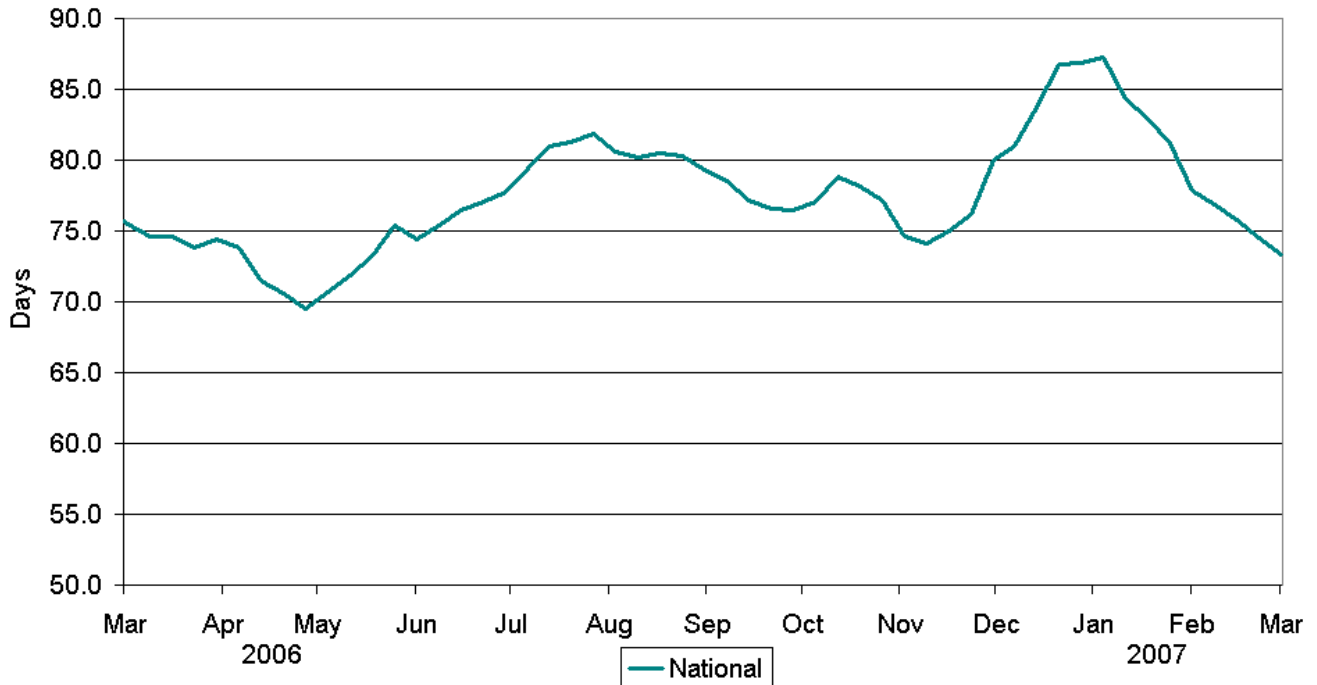
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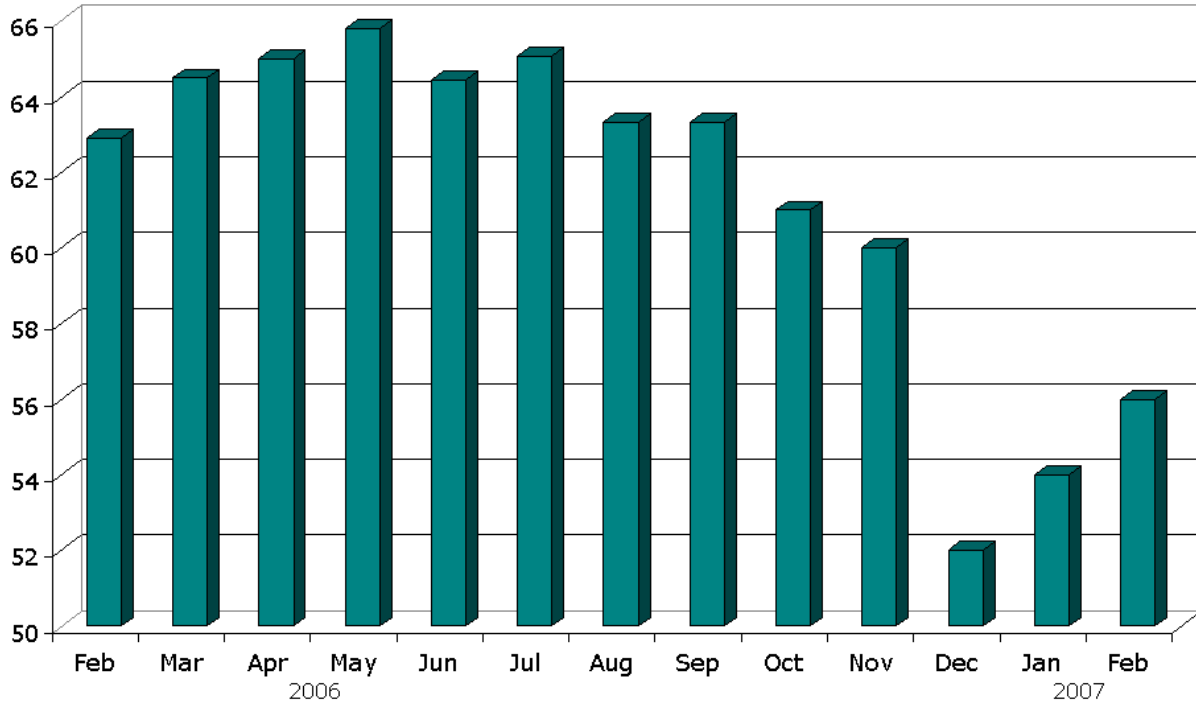
Monthly Change



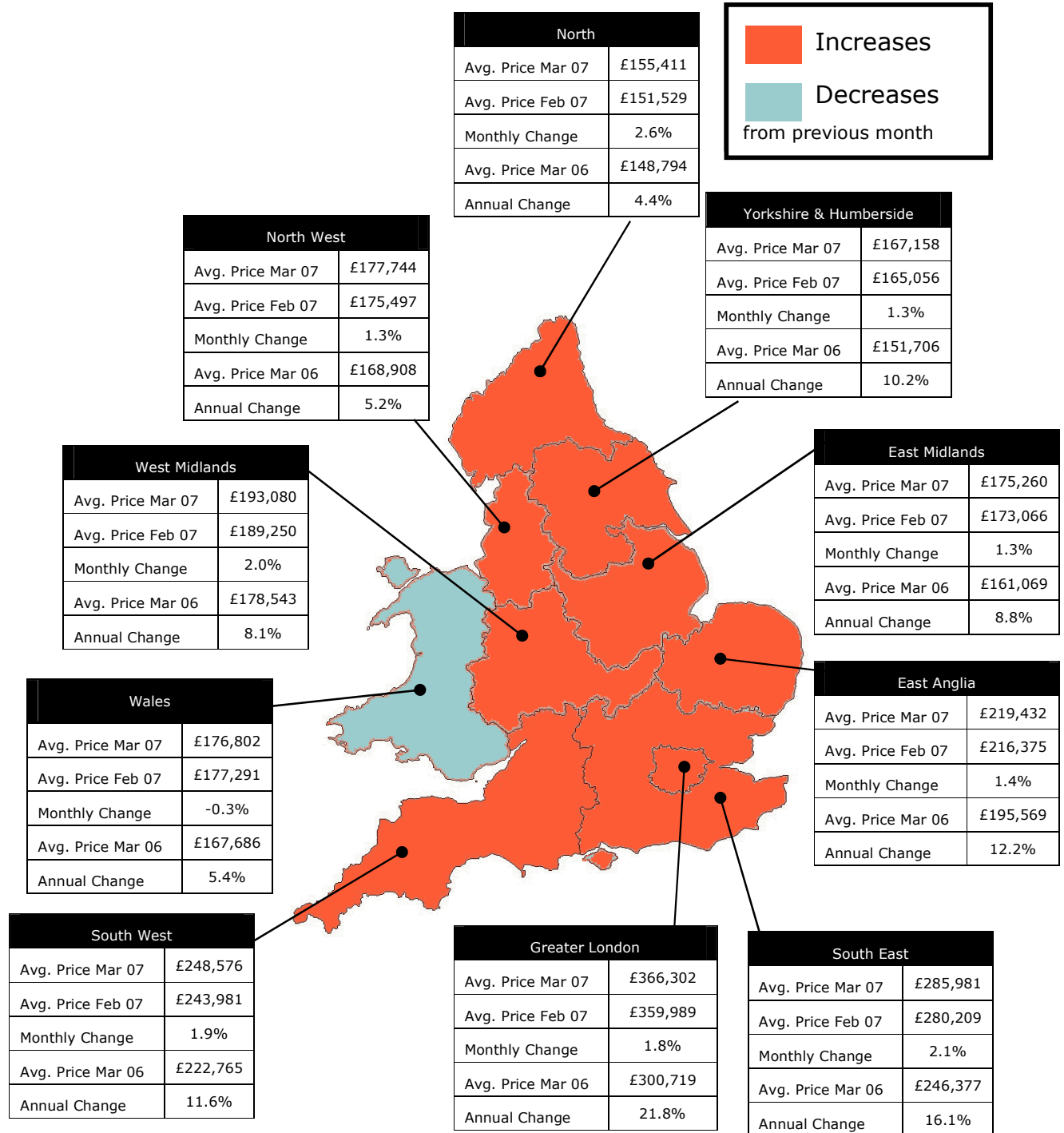
Time on Market Indicator



Average properties for sale per Estate Agent



Regions of England & Wales



If you are a journalist and would like a further breakdown on these regional statistics please contact the Press Office: 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 |
|----------------------|---------------------------|---------------|-----------------|
| 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 |
| March 2007 | 185.7 | +1.5% | £228,183 |
| Annual Change | +20.2 | +12.2% | +£24,784 |

(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 |
|----------------------|---------------|---------------|---------------|------------------|
| 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 |
| March 2007 | £327,068 | £201,018 | £177,928 | £192,196 |
| Annual Change | +11.1% | +8.9% | +11.9% | +16.1% |

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 March 2007

| London's Top 5 | Avg. Price Mar 07 | Avg. Price Feb 07 | Monthly Change |
|------------------------|-------------------|-------------------|----------------|
| Southwark | £361,109 | £343,784 | 5.0% |
| Lambeth | £383,287 | £368,264 | 4.1% |
| Croydon | £266,386 | £256,580 | 3.8% |
| Hackney | £422,522 | £408,993 | 3.3% |
| Hammersmith and Fulham | £579,478 | £561,984 | 3.1% |

London's Worst Performers March 2007

| London's Bottom 5 | Avg. Price Mar 07 | Avg. Price Feb 07 | Monthly Change |
|---------------------|-------------------|-------------------|----------------|
| Redbridge | £282,701 | £280,346 | 0.8% |
| Wandsworth | £469,701 | £466,531 | 0.7% |
| Islington | £467,918 | £464,816 | 0.7% |
| Bromley | £305,815 | £305,880 | 0.0% |
| City of Westminster | £820,200 | £837,421 | -2.1% |

London Time on Market

Time on Market Indicator



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London Boroughs

| Borough | Avg. Price March 07 | Avg. Price February 07 | Monthly Change | Avg. Price March 06 | Annual Change |
|------------------------|------------------------|---------------------------|-------------------|------------------------|------------------|
| Kensington and Chelsea | £1,208,981 | £1,194,965 | 1.2% | £661,898 | 82.7% |
| City of Westminster | £820,200 | £837,421 | -2.1% | £545,810 | 50.3% |
| Hammersmith and Fulham | £579,478 | £561,984 | 3.1% | £449,699 | 28.9% |
| Camden | £572,895 | £562,737 | 1.8% | £412,165 | 39.0% |
| Wandsworth | £469,701 | £466,531 | 0.7% | £368,443 | 27.5% |
| Islington | £467,918 | £464,816 | 0.7% | £365,937 | 27.9% |
| Richmond-upon-Thames | £460,114 | £455,331 | 1.1% | £370,358 | 24.2% |
| Kingston-upon-Thames | £455,634 | £444,091 | 2.6% | £350,000 | 30.2% |
| Brent | £436,073 | £429,460 | 1.5% | £351,992 | 23.9% |
| Hackney | £422,522 | £408,993 | 3.3% | £323,239 | 30.7% |
| Hounslow | £420,988 | £412,135 | 2.1% | £340,029 | 23.8% |
| Barnet | £408,765 | £398,076 | 2.7% | £345,223 | 18.4% |
| Lambeth | £383,287 | £368,264 | 4.1% | £280,190 | 36.8% |
| Haringey | £366,517 | £357,579 | 2.5% | £290,517 | 26.2% |
| Southwark | £361,109 | £343,784 | 5.0% | £277,788 | 30.0% |
| Ealing | £360,916 | £356,634 | 1.2% | £310,355 | 16.3% |
| Tower Hamlets | £357,785 | £348,548 | 2.7% | £301,200 | 18.8% |
| Merton | £352,357 | £342,318 | 2.9% | £302,389 | 16.5% |
| Hillingdon | £325,459 | £318,870 | 2.1% | £287,665 | 13.1% |
| Sutton | £323,668 | £318,309 | 1.7% | £282,711 | 14.5% |
| Lewisham | £307,239 | £301,516 | 1.9% | £254,244 | 20.8% |
| Harrow | £306,614 | £303,076 | 1.2% | £274,457 | 11.7% |
| Bromley | £305,815 | £305,880 | 0.0% | £270,629 | 13.0% |
| Enfield | £296,866 | £292,416 | 1.5% | £264,836 | 12.1% |
| Waltham Forest | £288,311 | £284,538 | 1.3% | £245,625 | 17.4% |
| Redbridge | £282,701 | £280,346 | 0.8% | £242,061 | 16.8% |
| Croydon | £266,386 | £256,580 | 3.8% | £233,720 | 14.0% |
| Newham | £255,597 | £250,784 | 1.9% | £213,445 | 19.7% |
| Havering | £251,855 | £249,690 | 0.9% | £224,174 | 12.3% |
| Greenwich | £244,174 | £240,686 | 1.4% | £211,919 | 15.2% |
| Bexley | £222,780 | £219,929 | 1.3% | £197,318 | 12.9% |
| Barking and Dagenham | £219,293 | £215,448 | 1.8% | £196,688 | 11.5% |

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

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Index Comparison

| | March 07 | | February 07 | | January 07 | |
|------------|-------------|----------------|-------------|----------------|-------------|----------------|
| | House Price | Monthly change | House Price | Monthly change | House Price | Monthly change |
| Rightmove | £228,183 | +1.5% | £224,802 | +0.9% | £222,859 | +0.5% |
| Halifax | N/A* | N/A* | £192,233 | +1.8% | £188,623 | +1.3% |
| Nationwide | N/A* | N/A* | £174,706 | +0.7% | £173,225 | +0.3% |

* 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 80% of 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 ODPM 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 11,500 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 13,637 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 £220 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 22 million visits every month and has been ranked as high as 7th in terms of most viewed UK website (source: Hitwise).

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