

The Rightmove House Price Index

The largest monthly sample of residential property prices

Under embargo for 0001 hours: Monday 19th November 2007

Rightmove forecasts price standstill to continue for 2008

	November	October
Average Property Asking Price	£239,986	£241,642
% Change in Month	-0.7%	+2.7%
% Change in Past Year	+7.9%	+10.4%
Monthly Index (Jan 2002=100)	195.3	196.6

- Average national asking prices drop by 0.7% (£1,656), with all regions bar London falling
- Early onset of winter sales slump forces sellers to drop prices and leads to highest November time on the market for 5 years
- Rightmove's forecast is that overall prices will remain flat at 0% in 2008 and the market will require an early cut in interest rates to prevent stagnation
- Major price falls unlikely as majority of sellers not forced to sell and market underpinned by long term increasing demand outstripping inflexible supply

Rightmove Monthly Asking Price Trend



Rightmove measured 157,347 asking prices – circa 80% of the UK market. The properties were put on sale by estate agents from 7th October to 10th November 2007 and advertised on Rightmove.co.uk.

Rightmove.co.uk is the UK's largest property web site, advertising around 90% of all homes for sale via estate agents across the UK. The site attracts over 26 million visits from home movers each month who view in excess of 380 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.

Released 19th November 2007

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For media enquiries and interviews please contact:

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Overview

The depressed state of the housing market has resulted in sellers dropping their asking prices by an average of 0.7% (£1,656) this month. The net effect is that prices have remained at a standstill for the last 4 months, reducing the annual rate of increase to just 7.9%.

Rightmove expects this slowdown to continue, and forecasts that overall prices will be flat at 0% in 2008. We expect more price falls in December and in the first part of next year, before a more stable financial environment and underlying demand lead to some minor price gains later in the year. The overall effect will be a fall in real terms as prices fail to keep pace with inflation. This should also result in a welcomed improvement in buyer affordability, assuming average wage rises continue. A major price correction remains unlikely as long as the economy avoids a recession as the market is underpinned by the rapidly growing number of households outstripping the limited supply of new build.

Miles Shippside, Commercial Director of Rightmove comments: "Prices are set to flatline in 2008. While we do not expect a price drop overall, there will be parts of the country that are over-priced and over-supplied for the likely levels of affordability and demand next year. In these areas, motivated sellers are starting to cut their prices and will need to be the cheapest on the street to sell. Whilst bargain hunters will be paying less for these properties, prices will rise where demand continues to outstrip supply in quality areas close to major conurbations, especially London."

With fewer properties selling in these tough conditions, the average time on the market has jumped from 85 days to 92 days in the space of one month, the highest November figure since Rightmove started keeping records five years ago. This fall in sales activity is not yet fully reflected in mortgage lending figures, and we expect these to continue to show substantial falls over the next few months.

A slump in mortgage demand may come as a relief to those lenders experiencing difficulties in raising funds in the market, but it is a further sign of the need for a downward movement in interest rates early in the New Year to boost the current low volume of sales. We expect there to be a rate cut in February or soon after, with the money markets also pricing in one or two further downward adjustments during 2008. However, this will not lead to a further price surge such as that following the possibly premature rate drop in August 2005. Prices are 22% higher since that rate decrease, so buyer affordability constraints and the current financial backdrop mean that prices are at or near equilibrium, or indeed over-priced in some areas.

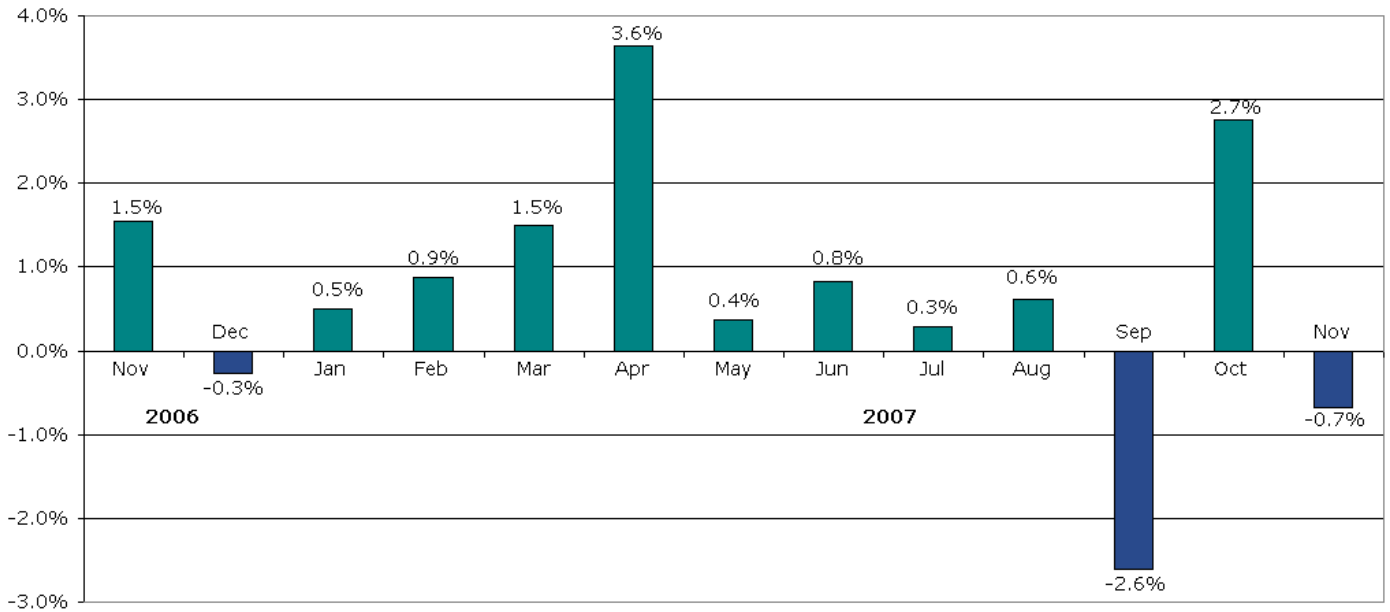
Miles Shippside comments: "The Bank of England will want to be sure that a rate cut will not lead to another surge in house prices, having mistakenly thought they had inflationary pressures under control when they dropped rates in 2005."

As well as significant numbers of potential buyers waiting to see what happens next year, sellers are holding back too. This has resulted in little change to the high levels of stock on the market, with low sales numbers being matched by correspondingly low numbers of new sellers. Average stock per estate agency branch is 65, down slightly from last month's 66.

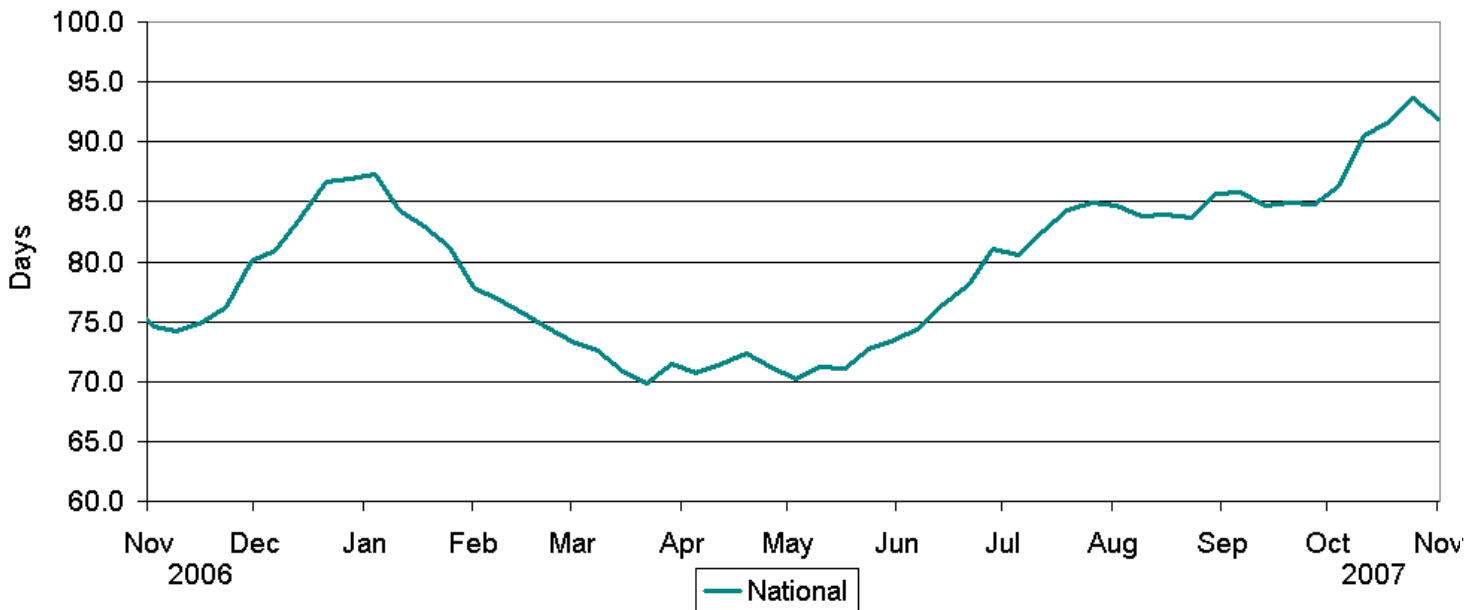
Many estate agents are surprised by the extent of the drop in activity, and are now starting to employ tougher market tactics to help get people moving.

Miles Shippside adds: "If you have to sell, then seriously consider dropping your price and taking an offer now rather than holding out. You could end up being offered even less in a few months' time. The good news is that with many sellers still refusing to reduce substantially, a 10% reduction can really stand out. In addition, these can be the best market conditions in which to trade up. You need to have strong nerves and employ a switched-on estate agent to help you negotiate not only on your sale, but on your purchase as well. There should be a narrowing of the price gap to trade up to the next level, so whatever reduction you have to accept from your buyer, you should be able to find a seller who is willing to accept a similar or even greater reduction off a property you wish to buy."

Monthly Change



Time on Market Indicator



Regions of England & Wales

Increases
Decreases
 from previous month

North	
Avg. Price Nov 07	£156,223
Avg. Price Oct 07	£158,368
Monthly Change	-1.4%
Avg. Price Nov 06	£154,768
Annual Change	0.9%

North West	
Avg. Price Nov 07	£178,512
Avg. Price Oct 07	£181,629
Monthly Change	-1.7%
Avg. Price Nov 06	£175,706
Annual Change	1.6%

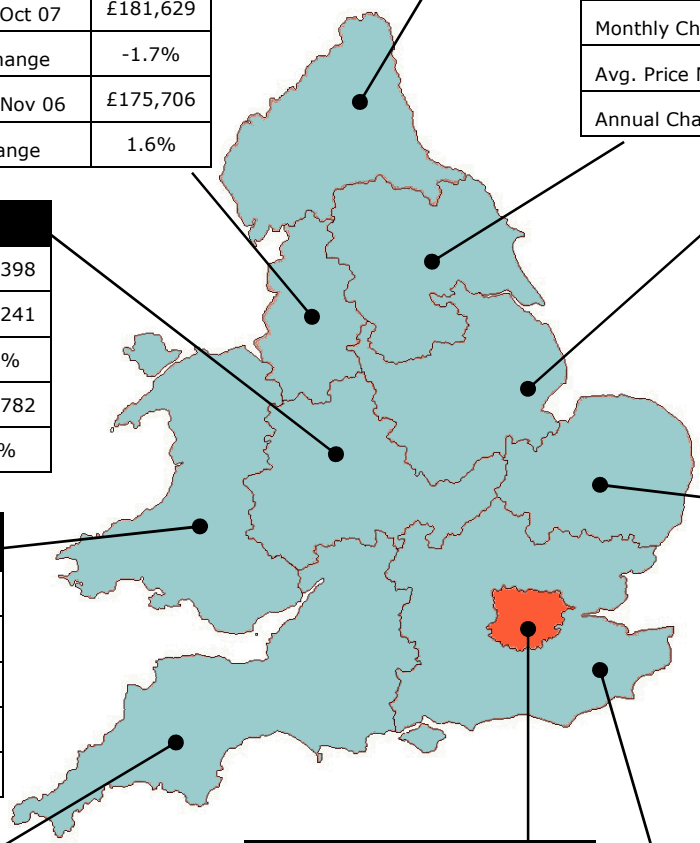
Yorkshire & Humberside	
Avg. Price Nov 07	£169,013
Avg. Price Oct 07	£172,332
Monthly Change	-1.9%
Avg. Price Nov 06	£165,178
Annual Change	2.3%

West Midlands	
Avg. Price Nov 07	£194,398
Avg. Price Oct 07	£199,241
Monthly Change	-2.4%
Avg. Price Nov 06	£187,782
Annual Change	3.5%

East Midlands	
Avg. Price Nov 07	£178,897
Avg. Price Oct 07	£179,955
Monthly Change	-0.6%
Avg. Price Nov 06	£171,684
Annual Change	4.2%

Wales	
Avg. Price Nov 07	£185,072
Avg. Price Oct 07	£185,288
Monthly Change	-0.1%
Avg. Price Nov 06	£174,363
Annual Change	6.1%

East Anglia	
Avg. Price Nov 07	£229,757
Avg. Price Oct 07	£231,088
Monthly Change	-0.6%
Avg. Price Nov 06	£216,596
Annual Change	6.1%



South West	
Avg. Price Nov 07	£257,403
Avg. Price Oct 07	£261,683
Monthly Change	-1.6%
Avg. Price Nov 06	£248,080
Annual Change	3.8%

Greater London	
Avg. Price Nov 07	£412,731
Avg. Price Oct 07	£403,637
Monthly Change	2.3%
Avg. Price Nov 06	£344,949
Annual Change	19.6%

South East	
Avg. Price Nov 07	£303,194
Avg. Price Oct 07	£309,270
Monthly Change	-2.0%
Avg. Price Nov 06	£277,415
Annual Change	9.3%

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

National Asking Price Trend

Month	Index (Jan 2002 = 100)	% Change	Avg. Price
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
April 2007	192.4	+3.6%	£236,490
May 2007	193.1	+0.4%	£237,361
June 2007	194.7	+0.8%	£239,317
July 2007	195.3	+0.3%	£240,001
August 2007	196.5	+0.6%	£241,474
September 2007	191.3	-2.6%	£235,176
October 2007	196.6	+2.7%	£241,642
November 2007	195.3	-0.7%	£239,986
Annual Change	+14.4	+7.9%	+£17,653

(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
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
April 2007	£336,264	£205,798	£182,632	£194,294
May 2007	£342,087	£207,898	£181,519	£196,813
June 2007	£342,865	£207,751	£184,385	£196,452
July 2007	£344,401	£208,460	£186,240	£200,109
August 2007	£349,848	£210,833	£186,573	£200,852
September 2007	£335,011	£206,704	£183,471	£200,587
October 2007	£348,770	£208,852	£187,834	£202,070
November 2007	£339,675	£208,794	£187,844	£200,875
Annual Change	5.7%	6.7%	9.8%	8.5%

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 November 2007

London's Top 5	Avg. Price Nov 07	Avg. Price Oct 07	Monthly Change
Kensington and Chelsea	£1,653,696	£1,524,606	8.5%
Camden	£697,166	£651,983	6.9%
Hackney	£473,377	£443,642	6.7%
Hammersmith and Fulham	£699,743	£662,448	5.6%
City of Westminster	£994,306	£946,085	5.1%

London's Worst Performers November 2007

London's Top 5	Avg. Price Nov 07	Avg. Price Oct 07	Monthly Change
Bexley	£231,446	£230,992	0.2%
Sutton	£358,119	£358,309	-0.1%
Barking and Dagenham	£236,284	£236,764	-0.2%
Redbridge	£301,675	£303,222	-0.5%
Newham	£265,407	£266,847	-0.5%

London Time on Market

Time on Market Indicator



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London Boroughs

Borough	Avg. Price Nov 07	Avg. Price Oct 07	Monthly Change	Avg. Price Nov 06	Annual Change
Kensington and Chelsea	£1,653,696	£1,524,606	8.5%	£1,086,764	52.2%
City of Westminster	£994,306	£946,085	5.1%	£697,520	42.5%
Hammersmith and Fulham	£699,743	£662,448	5.6%	£530,914	31.8%
Camden	£697,166	£651,983	6.9%	£522,153	33.5%
Richmond-upon-Thames	£557,451	£540,529	3.1%	£457,253	21.9%
Islington	£538,099	£527,643	2.0%	£419,561	28.3%
Brent	£526,634	£503,933	4.5%	£425,281	23.8%
Kingston-upon-Thames	£518,246	£512,691	1.1%	£448,855	15.5%
Wandsworth	£505,349	£504,089	0.3%	£443,919	13.8%
Hackney	£473,377	£443,642	6.7%	£376,216	25.8%
Barnet	£463,253	£448,939	3.2%	£383,997	20.6%
Hounslow	£461,711	£444,971	3.8%	£404,860	14.0%
Tower Hamlets	£436,880	£429,657	1.7%	£370,822	17.8%
Ealing	£410,860	£399,554	2.8%	£339,446	21.0%
Merton	£408,564	£400,062	2.1%	£346,632	17.9%
Haringey	£402,589	£389,923	3.2%	£331,374	21.5%
Lambeth	£397,970	£390,512	1.9%	£340,954	16.7%
Southwark	£380,873	£378,093	0.7%	£321,770	18.4%
Sutton	£358,119	£358,309	-0.1%	£312,268	14.7%
Hillingdon	£357,258	£355,803	0.4%	£317,683	12.5%
Bromley	£341,688	£332,227	2.8%	£290,195	17.7%
Lewisham	£338,249	£336,426	0.5%	£283,949	19.1%
Harrow	£336,152	£332,131	1.2%	£296,825	13.2%
Enfield	£330,263	£325,545	1.4%	£280,108	17.9%
Waltham Forest	£309,866	£307,039	0.9%	£273,907	13.1%
Redbridge	£301,675	£303,222	-0.5%	£270,044	11.7%
Croydon	£289,595	£288,062	0.5%	£257,894	12.3%
Havering	£269,384	£268,458	0.3%	£245,584	9.7%
Newham	£265,407	£266,847	-0.5%	£238,692	11.2%
Greenwich	£261,264	£255,940	2.1%	£224,719	16.3%
Barking and Dagenham	£236,284	£236,764	-0.2%	£215,498	9.6%
Bexley	£231,446	£230,992	0.2%	£207,559	11.5%

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

Index Comparison

	November 07		October 07		September 07	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
Rightmove	£239,986	-0.7%	£241,642	+2.7%	£235,176	-2.6%
Halifax	N/A*	N/A*	£197,248	-0.5%	£198,500	-0.6%
Nationwide	N/A*	N/A*	£186,044	+1.1%	£184,723	+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 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.

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 12,500 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 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 15,937 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 90% of all properties for sale and at any time displays a stock of over 1 million properties to buy or rent, worth around £240 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 26 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