

# The Rightmove House Price Index

The largest monthly sample of residential property prices

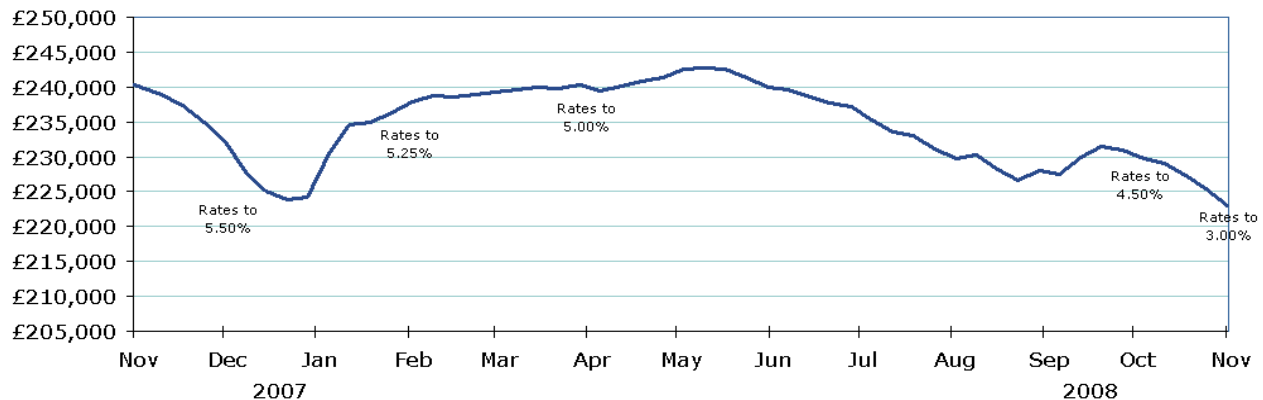
**Under embargo for 0001 hours: Monday 17<sup>th</sup> November 2008**

## Winter of opportunity for cash-rich bargain hunters

	November	October
<b>Average Property Asking Price</b>	<b>£222,979</b>	£229,691
<b>% Change in Month</b>	<b>-2.9%</b>	1.0%
<b>% Change in Past Year</b>	<b>-7.1%</b>	-4.9%
<b>Monthly Index (Jan 2002=100)</b>	<b>181.4</b>	186.9

- Increasingly desperate new sellers slash asking prices by 2.9% month-on-month and 7.1% year-on-year
- 80,000 new sellers lowest recorded by Rightmove since 2002, as those that hope for a price recovery choose not to market
- Cheapest base rates since 1955 coincide with onset of winter market, giving opportunity for 'cash-rich and mortgage ready' buyers to bargain hard
- An average 7.1% year-on-year fall in initial asking prices does not tally with agents' feedback of achieved sales prices at around 20% below peak asking prices

### Rightmove Monthly Asking Price Trend



Rightmove measured 80,390 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 11<sup>th</sup> October to 8<sup>th</sup> November 2008 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 30 million visits from home movers each month who view in excess of 400 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 17<sup>th</sup> November 2008

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For media enquiries and interviews please contact:

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## Overview

As the traditional moving season draws to a close, most new sellers hoping to find a buyer in 2008 have recognised the need for more drastic action and have listed their properties with estate agents at asking prices 2.9% lower than those last month.

This is the biggest fall that Rightmove has ever measured in November; new sellers are now asking 7.1% less when they come onto the market compared to a year ago. However, with agents reporting that sales are being agreed at around 20% below peak asking prices, quicker sales would be achieved if sellers started at an asking price closer to where they are highly likely to end up.

Miles Shippside, commercial director at Rightmove comments: "Some sellers could avoid months of disillusionment and despair if they started marketing at an asking price a lot closer to where the evidence indicates they are likely to end up. While average asking prices have fallen by 7.1% over the past year, in most parts of the country you should look to at least double that discount to achieve a sale. Not all will be willing or able to consider it, especially those struggling with negative equity. However, those that do will increase their chances of selling more quickly and could cut out the months of asking price reductions to get to the 'buyer friendly' price that they could have started with."

The number of new sellers continues to dwindle to an average of just 20,000 a week; at this time last year the average was circa 35,000 a week. We estimate this is the lowest since 2002. It indicates that many potential sellers are not under time pressure and are unwilling to come to market until prices or the outlook improve. This trend is resulting in a steady fall in the average number of properties for sale per estate agency branch, which peaked at 77 in July and stands at 73 in October. This is not only a result of a lack of property coming onto the market and the low level of successful sales, but also due to seller disenchantment leading to more properties being withdrawn from the market without selling.

As a result, we have seen a slight fall in time on the market over the last 3 months from 90 to 87 days. While in more buoyant times a fall in time on the market would be an indicator of quicker sales, in these turbulent times it is unfortunately due to properties being withdrawn unsold. This often occurs before Christmas as sellers take a marketing break over the festive period.

Also of note is that from the 1st October an Energy Performance Certificate was required even for those properties initially marketed before the new Home Information Pack regulations came into effect. Some of these properties will have been on the market for almost a year and look hopelessly overpriced. The cost of a HIP gives sellers an additional marketing cost of circa £300, often payable upfront. As well as new sellers being deterred by the depression in both the economy and prices, these additional costs to come to market (or to stay on the market) are a likely contributory factor in falling numbers of new instructions and the withdrawal of existing sellers who have given up hope of getting a buyer.

Shippside adds: "With people reining in spending because of concerns over the economy, prospective sellers may find it easier to delay marketing until the New Year to find the money for a HIP. All the woes that are currently affecting the property market are compounding each other, making it a tough Christmas for those that have to sell but giving opportunities to those looking to buy."

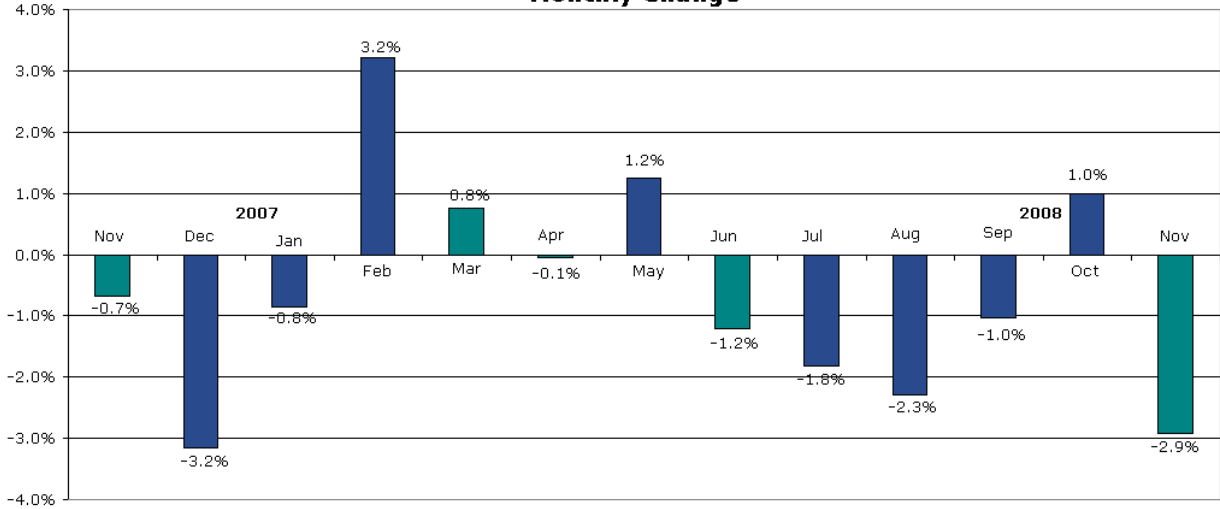
The lowest base rate since 1955 and the promise of further aggressive cuts gives the potential for a greater volume of sales in 2009. Buyers that are currently cash-rich or mortgage-ready face a tempting combination of quality property, sellers willing to do deals, and cheap mortgages. Lower interest rates make rental yields look increasingly attractive to the long term professional investor – with examples of rental yields of over 7% starting to be achieved by canny investors buying the right properties.

Cash-rich buyers may make the judgement call to hunt for quality bargains starting this winter. They are in a position where mainstream buyers are still forced out of the market by

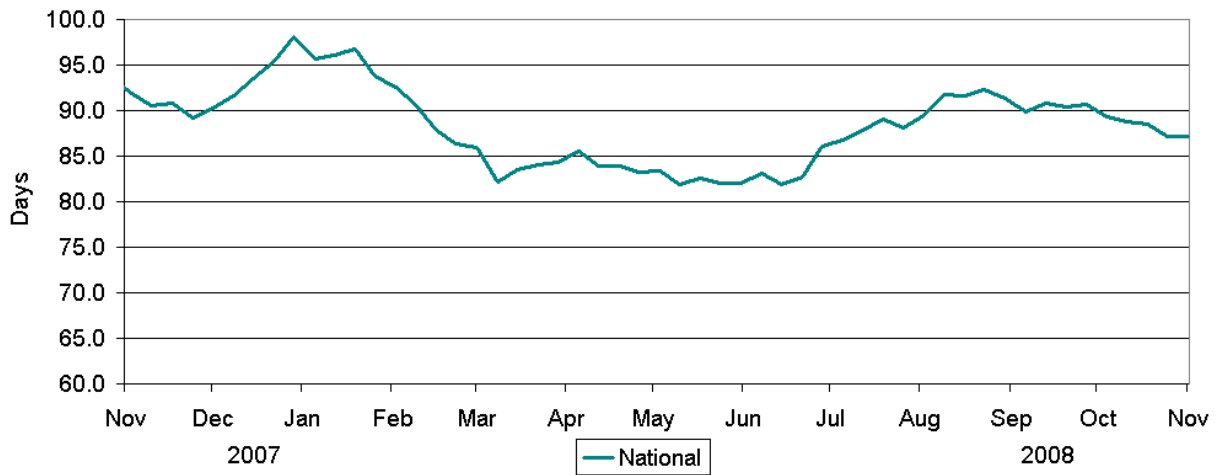
restrictions on mortgage availability and lenders demands for bigger deposits, and this should start to ease at some stage next year. Whenever it does, there is likely to be a degree of pent-up demand fuelled by historically cheap borrowing and cheaper property, lessening the advantage of those that are in a privileged position to proceed now.

Shipside adds: "New sellers have dropped 2.9% in the last month alone and as it's not the traditional buying season they have to give consideration to any offers. The number of forced sellers is still limited, but it's potentially a good hunting ground for the bottom feeders whilst the mainstream buyers are still being kept on the sidelines. There will be a few real Christmas bargains snapped up in the darker evenings leading up to the New Year."

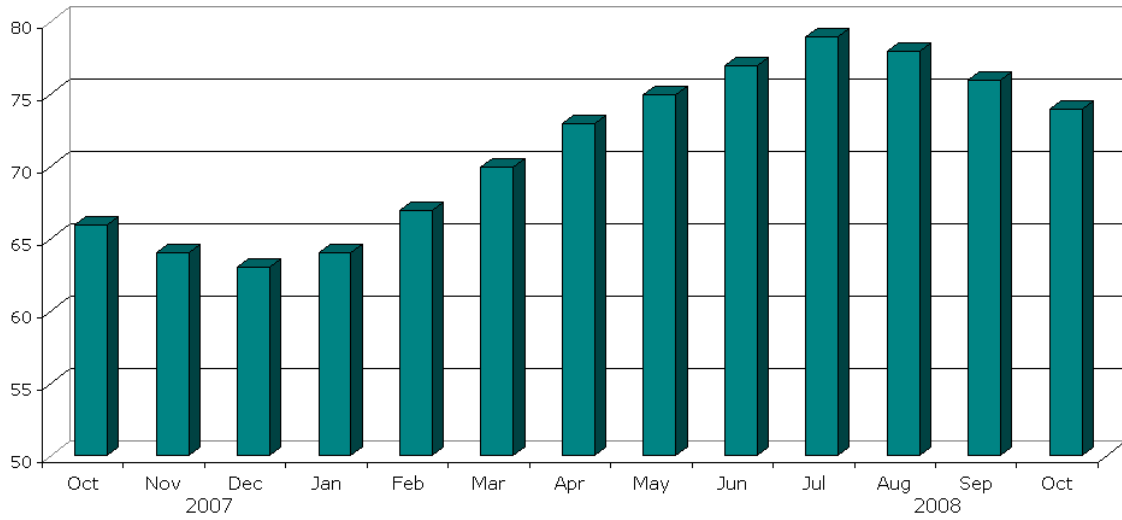
### Monthly Change



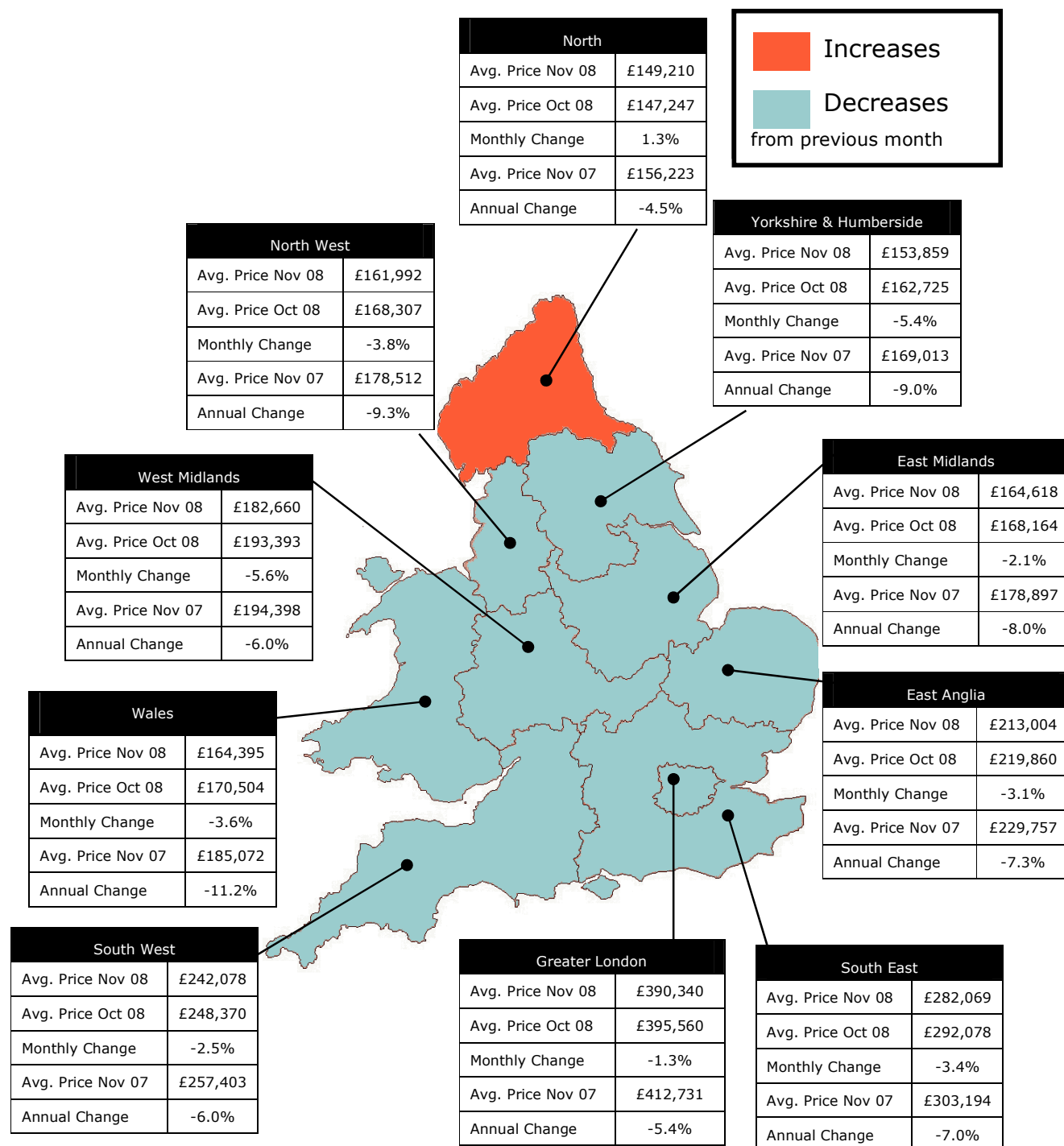
### Time on Market Indicator



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 on: [press@rightmove.co.uk](mailto: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
November 2007	195.3	-0.7%	£239,986
December 2007	189.1	-3.2%	£232,396
January 2008	187.5	-0.8%	£230,428
February 2008	193.5	+3.2%	£237,856
March 2008	195.0	+0.8%	£239,655
April 2008	194.9	-0.1%	£239,521
May 2008	197.3	+1.2%	£242,500
June 2008	194.9	-1.2%	£239,564
July 2008	191.4	-1.8%	£235,219
August 2008	187.0	-2.3%	£229,816
September 2008	185.0	-1.0%	£227,438
October 2008	186.9	1.0%	£229,691
November 2008	181.4	-2.9%	£222,979
<b>Annual Change</b>	<b>-13.9</b>	<b>-7.1%</b>	<b>-£17,007</b>

(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 2007	£339,675	£208,794	£187,844	£200,875
December 2007	£334,039	£205,759	£180,224	£193,973
January 2008	£324,114	£203,951	£183,324	£197,384
February 2008	£338,789	£207,458	£185,444	£197,649
March 2008	£340,632	£207,141	£186,797	£199,912
April 2008	£344,140	£206,452	£184,624	£198,873
May 2008	£344,706	£206,327	£183,833	£199,076
June 2008	£343,167	£204,036	£182,611	£196,699
July 2008	£338,319	£200,736	£180,449	£192,006
August 2008	£330,312	£198,079	£174,364	£189,965
September 2008	£327,568	£195,188	£174,270	£184,542
October 2008	£334,518	£193,143	£173,858	£187,051
November 2008	£323,690	£188,219	£170,740	£183,501
<b>Annual Change</b>	<b>-4.7%</b>	<b>-9.9%</b>	<b>-9.1%</b>	<b>-8.6%</b>

Press enquiries regarding the methodology employed and access to further analysis of the data held by [rightmove.co.uk](http://rightmove.co.uk) should be directed to the Press Office on [press@rightmove.co.uk](mailto:press@rightmove.co.uk) or call 0845 456 8439

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## London's Best Performers November 2008

London's Top 5	Avg. Price Nov 08	Avg. Price Oct 08	Monthly Change
Haringey	£420,486	£407,214	3.3%
Croydon	£274,179	£268,317	2.2%
Barnet	£463,182	£460,057	0.7%
Camden	£718,169	£714,115	0.6%
Wandsworth	£532,474	£534,432	-0.4%

## London's Worst Performers November 2008

London's Bottom 5	Avg. Price Nov 08	Avg. Price Oct 08	Monthly Change
Sutton	£307,891	£318,690	-3.4%
Southwark	£363,232	£374,871	-3.1%
Tower Hamlets	£388,554	£399,788	-2.8%
Hammersmith and Fulham	£692,439	£711,740	-2.7%
Hackney	£475,877	£488,289	-2.5%

## London Time on Market

Time on Market Indicator



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## London Boroughs

Borough	Avg. Price Nov 08	Avg. Price Oct 08	Monthly Change	Avg. Price Nov 07	Annual Change
Kensington and Chelsea	£1,562,776	£1,571,792	-0.6%	£1,653,696	-5.5%
City of Westminster	£1,033,562	£1,056,495	-2.2%	£994,306	3.9%
Camden	£718,169	£714,115	0.6%	£697,166	3.0%
Hammersmith and Fulham	£692,439	£711,740	-2.7%	£699,743	-1.0%
Islington	£556,791	£562,486	-1.0%	£538,099	3.5%
Richmond-upon-Thames	£534,629	£541,027	-1.2%	£557,451	-4.1%
Wandsworth	£532,474	£534,432	-0.4%	£505,349	5.4%
Kingston-upon-Thames	£525,970	£537,438	-2.1%	£518,246	1.5%
Brent	£521,874	£530,654	-1.7%	£526,634	-0.9%
Hackney	£475,877	£488,289	-2.5%	£473,377	0.5%
Barnet	£463,182	£460,057	0.7%	£463,253	0.0%
Hounslow	£437,634	£443,462	-1.3%	£461,711	-5.2%
Haringey	£420,486	£407,214	3.3%	£402,589	4.4%
Merton	£388,818	£390,658	-0.5%	£408,564	-4.8%
Tower Hamlets	£388,554	£399,788	-2.8%	£436,880	-11.1%
Lambeth	£382,905	£387,943	-1.3%	£397,970	-3.8%
Ealing	£378,162	£385,032	-1.8%	£410,860	-8.0%
Southwark	£363,232	£374,871	-3.1%	£380,873	-4.6%
Hillingdon	£332,921	£337,343	-1.3%	£357,258	-6.8%
Bromley	£324,044	£329,620	-1.7%	£341,688	-5.2%
Lewisham	£314,687	£320,912	-1.9%	£338,249	-7.0%
Harrow	£311,107	£316,773	-1.8%	£336,152	-7.5%
Sutton	£307,891	£318,690	-3.4%	£358,119	-14.0%
Enfield	£302,749	£307,982	-1.7%	£330,263	-8.3%
Redbridge	£276,615	£282,291	-2.0%	£301,675	-8.3%
Croydon	£274,179	£268,317	2.2%	£289,595	-5.3%
Waltham Forest	£273,136	£279,059	-2.1%	£309,866	-11.9%
Havering	£246,157	£249,684	-1.4%	£269,384	-8.6%
Greenwich	£245,183	£250,555	-2.1%	£261,264	-6.2%
Newham	£228,439	£234,051	-2.4%	£265,407	-13.9%
Barking and Dagenham	£215,046	£220,148	-2.3%	£236,284	-9.0%
Bexley	£212,651	£215,743	-1.4%	£231,446	-8.1%

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

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## Index Comparison

	November 08		October 08		September 08	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
Rightmove	£222,979	-2.9%	£229,691	1.0%	£227,438	-1.0%
Halifax	N/A*	N/A*	£168,176	-2.2%	£172,108	-1.3%
Nationwide	N/A*	N/A*	£158,872	-1.4%	£161,797	-1.7%

\* 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 over 90% the market. Not seasonally adjusted. (Seasonally adjusted figure used for the Halifax from Nov 2003, as no unadjusted figure has been published.)

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

### Editors' notes

Advertising property for over 90% of all UK estate agents, Rightmove is in a unique position to identify any immediate changes in the market. Using a larger sample than any other house price reports, 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. Rather than being a survey of opinions as with some other indices, it is produced from factual data of actual prices of properties currently on the market. 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 11,644 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 one million properties to buy or rent, worth around £270 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 30 million visits every month and is consistently ranked number one property website in the UK (source: Hitwise).

For further information on methodology please contact the Press Office on [press@rightmove.co.uk](mailto:press@rightmove.co.uk) or call 0845 456 8439

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