

# The Rightmove House Price Index

The largest monthly sample of residential property prices

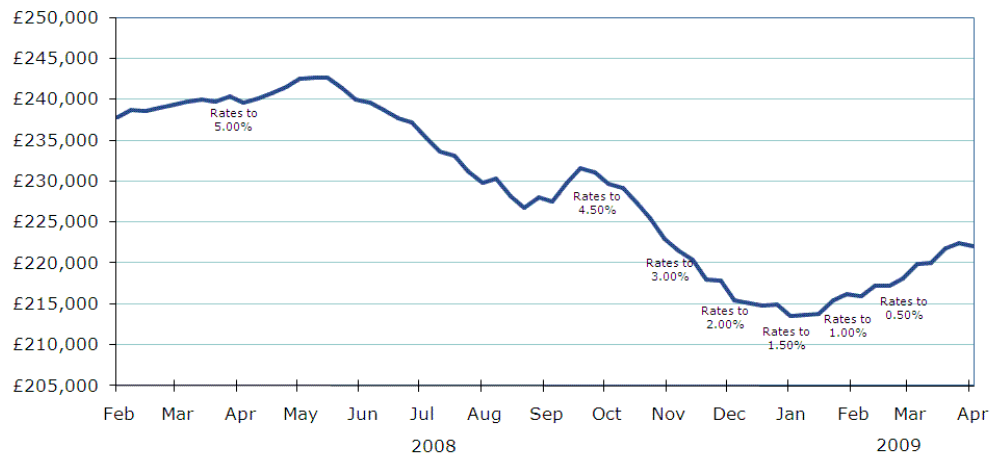
*Under embargo for 0001 hours: Monday 20<sup>th</sup> April 2009*

## Spring bounce continues as prices find their floor

	April	March
Average Property Asking Price	£222,077	£218,081
% Change in Month	1.8%	0.9%
% Change in Past Year	-7.3%	-9.0%
Monthly Index (Jan 2002=100)	180.7	177.4

- New sellers raise average asking prices by 1.8% (£3,996), the largest rise for 14 months
- 3<sup>rd</sup> consecutive monthly increase may be more than a seasonal bounce, though many new sellers are still starting too high, with circa 80,000 current sellers lowering asking prices by 2% or more each month
- 22,000 new sellers per week tempted to market, up 13% on previous month — a signal of growing confidence that it's a good time to trade up and there are deals to be done
- Any early signs of recovery must be put into the context of mortgage approvals running at a mere third of recent levels

### Rightmove Monthly Asking Price Trend



*Rightmove measured 111,307 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 8th March 2009 to 11<sup>th</sup> April 2009 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 40 million visits from home movers each month who view in excess of 500 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 20<sup>th</sup> April 2009

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## Overview

For the third consecutive month new sellers have raised their average asking prices, this time by 1.8% (£3,996). It could be argued that one or two months of rises is the result of traditional spring optimism and volatility caused by low volumes, but three months in a row and the largest rise for 14 months may indicate that we have finally reached a price floor and confidence is starting to return.

Miles Shippside, commercial director of Rightmove comments: "My view is that many sellers are still starting too high, but the fact that they are coming to market in greater numbers and feel they can ask more shows a strengthening in resolve and confidence, which is an encouraging sign. It looks like we are now bumping along the bottom of the trough, but for there to be any real sense of optimism that we're on a sustainable road to recovery, the availability of mortgage finance needs to improve significantly, given that mortgage activity is currently running at around a third of its average levels between 2002 and 2007. Thankfully mortgage lenders are finally starting to release more funds to finance new house purchases."

Estate agents report a continuing increase in sales levels beyond the 19% uplift in mortgage approvals reported by the Bank of England for February, indicating that the trend of improving transaction volumes could continue, albeit from a chronically low base. Feedback from estate agents suggests that prices actually being achieved are still around 25% below peak prices in many instances, though quality homes in desirable locations perform better. Those parts of the country that have adjusted to the credit famine have found that prices have stabilised at around this level, giving substantial leeway for sales activity to increase if credit restrictions were to be relaxed.

Shippside predicts: "2009 will not see the triple whammy of recovery of confidence, the economy, and institutional lending. Some sellers are doing deals at prices that have adjusted to the new reality, though there also remain some real property black spots of overpriced supply outstripping recession-dimmed demand. Those less desirable and harder-hit areas will lag well behind in the recovery given the new era of financial prudence, and those that have to sell must be even more realistic."

Another sign of returning confidence is the increased number of new sellers tempted to market in the last month. Whilst still down 19% on April last year, at 22,260 per week it is 13% up on last month. With repossession numbers still muted due to lower mortgage payments and mortgage lenders' 'Pre-Action Protocol' to keep borrowers in their homes, this shows a genuine return of discretionary sellers deciding the time could be right to do a deal. As a result, average stock per estate agency branch has risen from 71 to 72. However, with a lot fewer agents in business than last year and reduced levels of new build, the overall number of properties available remains at historically low levels, underpinning initial asking prices. It is possible that both this price support and lower inventory levels are the result of a paradigm shift in potential seller behaviour, due to a significant percentage being deterred by the up front costs of a Home Information Pack

Shippside observes: "With only 38,000 mortgage approvals recorded in February, it will be a real challenge for mortgage lenders, including the Government-owned institutions to satisfy the mortgage needs of both these 111,000 new sellers and those who are already active in the market."

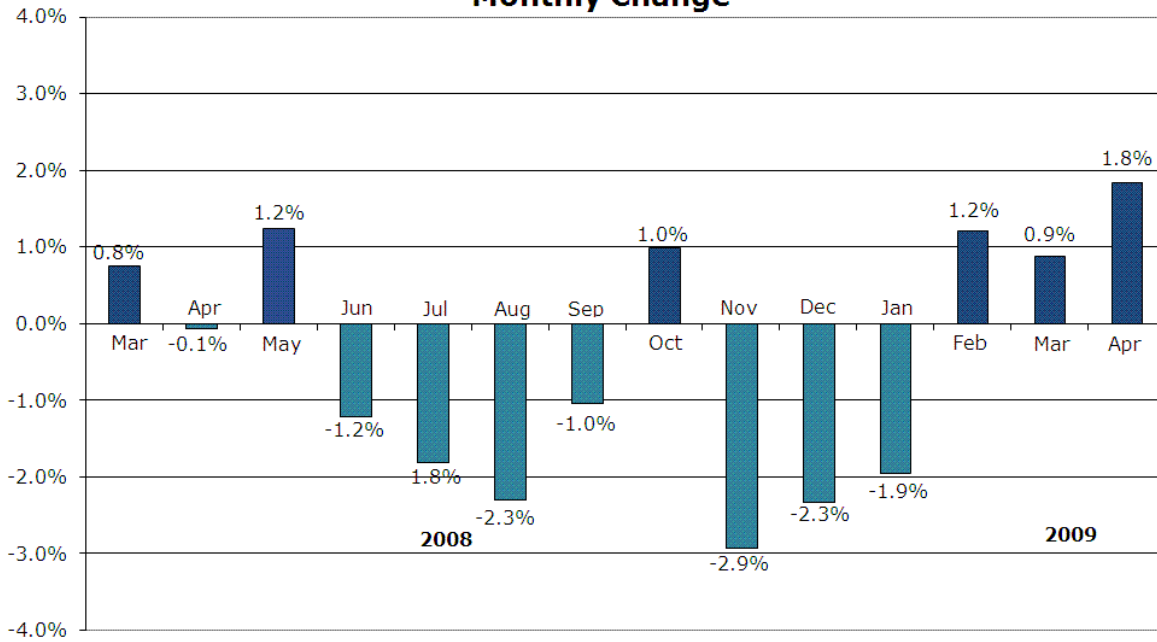
A fall in time-on-market is further evidence of the spring bounce in sales activity reported by many agents. This has fallen from 81 to 77 days. The length of time to sell could be further reduced by sellers launching their property onto the market at a lower initial price, rather than reducing it after a few weeks when no buyers have appeared. Whilst Rightmove web traffic analysis shows reducing the asking price generates renewed interest, the initial marketing impetus of a "new to market" property has been lost. Rightmove is seeing around 16,000 asking price reductions of 2% or more each week. These might be a reflection of misplaced seller optimism, a fall in local buyer demand or increase in property

supply, or a change in a seller's personal circumstances that require an urgent need to market more heavily and be ready to do a deal.

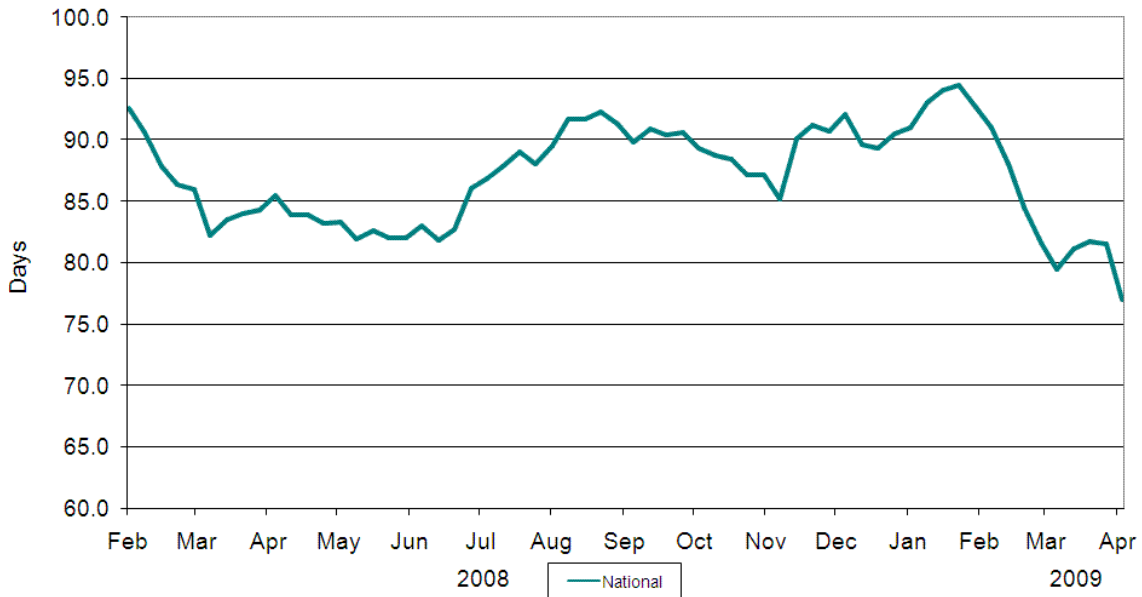
Shipside adds: "As a reflection of these circumstances and current market conditions, Rightmove is to launch Property Deal Weekly on the 21<sup>st</sup> April. The online magazine format will automatically select and highlight any asking price reduction of 2% or more from the previous week and send it to home-hunters who register to receive it. No doubt bargain hunters will be keeping a keen eye out for the largest reductions, as once a property has gone stale it normally needs a big reduction and a big push to regenerate buyers interest. The best advice for sellers is to price lower at the outset to tempt buyers right away, rather than having to go through months of frustration and the desperation of a major price slash."



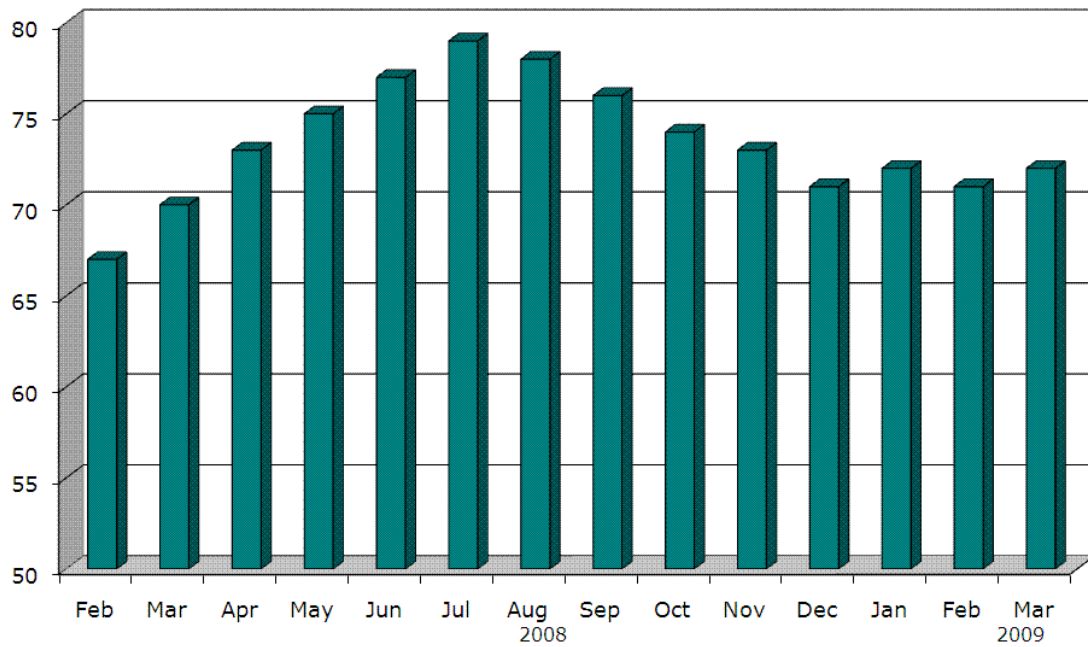
### Monthly Change



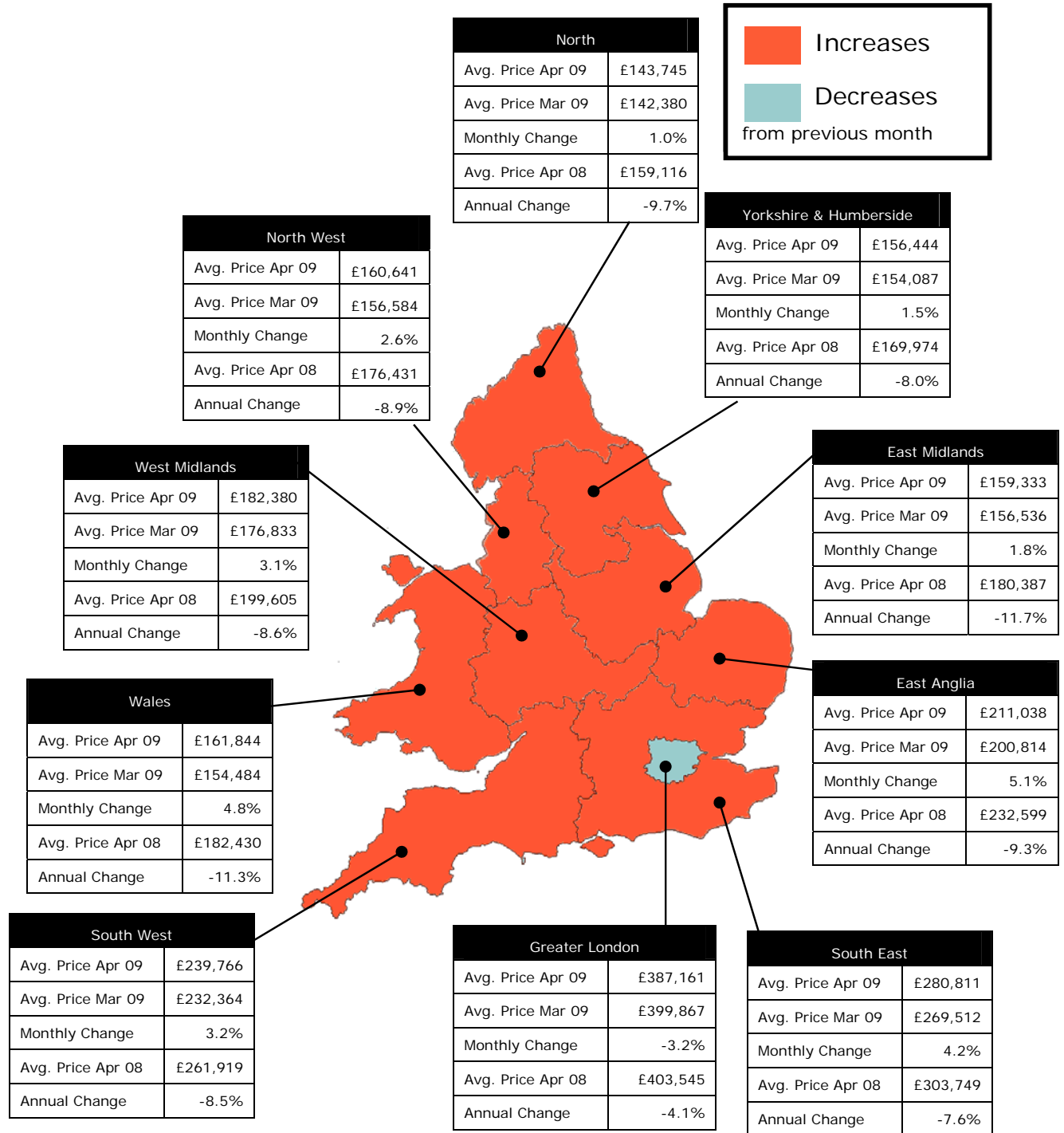
### Time on Market Indicator



**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

## National Asking Price Trend

Month	Index (Jan 2002 = 100)	% Change	Avg. Price
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
December 2008	177.2	-2.3%	£217,808
January 2009	173.8	-1.9%	£213,570
February 2009	175.9	+1.2%	£216,163
March 2009	177.4	+0.9%	£218,081
April 2009	180.7	+1.8%	£222,077
<b>Annual Change</b>	<b>-14.2</b>	<b>-7.3%</b>	<b>-£17,044</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
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
December 2008	£317,998	£185,471	£164,512	£175,915
January 2009	£314,282	£181,093	£161,667	£173,613
February 2009	£307,787	£183,208	£166,302	£179,063
March 2009	£312,893	£184,300	£168,828	£184,821
April 2009	£321,827	£187,589	£167,844	£179,693
<b>Annual Change</b>	<b>-6.5%</b>	<b>-11.0%</b>	<b>-9.6%</b>	<b>-7.5%</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

## London's Best Performers April 2009

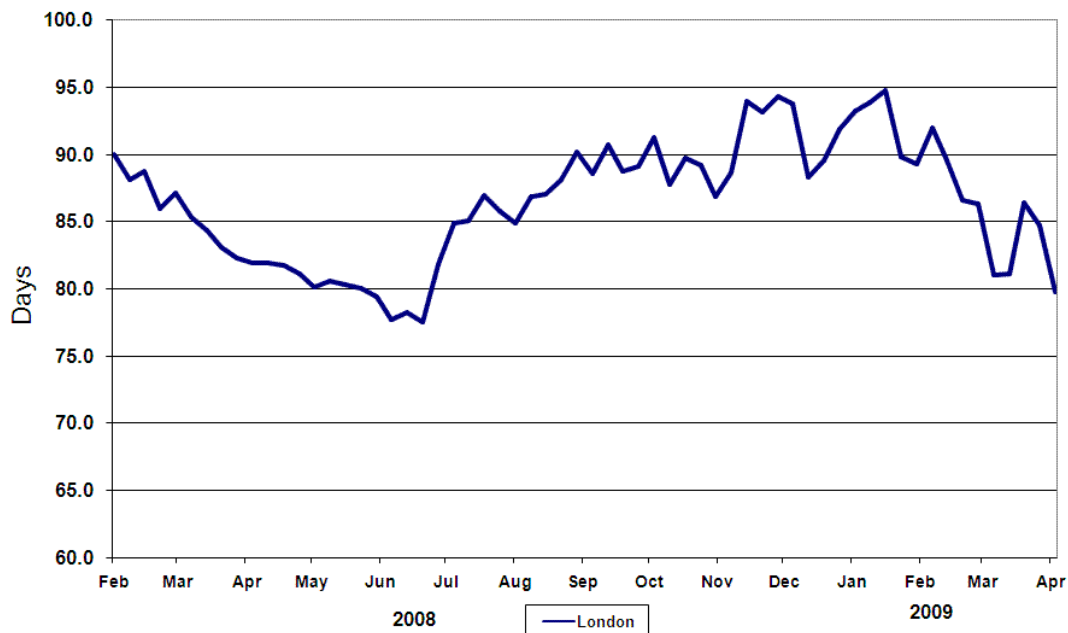
London's Top 5	Avg. Price Apr 09	Avg. Price Mar 09	Monthly Change
Brent	£548,724	£533,826	2.8%
Greenwich	£244,176	£240,047	1.7%
Kingston-upon-Thames	£490,020	£488,248	0.4%
Hackney	£427,328	£429,428	-0.5%
Redbridge	£261,754	£265,767	-1.5%

## London's Worst Performers April 2009

London's Bottom 5	Avg. Price Apr 09	Avg. Price Mar 09	Monthly Change
Ealing	£346,871	£376,064	-7.8%
Hillingdon	£319,997	£344,825	-7.2%
Croydon	£250,012	£265,090	-5.7%
Islington	£548,677	£580,684	-5.5%
Barnet	£473,762	£500,691	-5.4%

## London Time on Market

Time on Market Indicator



Released 20<sup>th</sup> April 2009

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## London Boroughs

Borough	Avg. Price Apr 09	Avg. Price Mar 09	Monthly Change	Avg. Price Apr 08	Annual Change
Kensington and Chelsea	£1,928,947	£1,995,389	-3.3%	£1,458,558	32.3%
City of Westminster	£1,132,228	£1,182,176	-4.2%	£998,601	13.4%
Camden	£748,539	£779,374	-4.0%	£717,154	4.4%
Hammersmith and Fulham	£703,446	£725,326	-3.0%	£702,387	0.2%
Brent	£548,724	£533,826	2.8%	£516,725	6.2%
Islington	£548,677	£580,684	-5.5%	£544,596	0.7%
Richmond-upon-Thames	£545,970	£554,458	-1.5%	£535,249	2.0%
Wandsworth	£523,690	£549,469	-4.7%	£529,698	-1.1%
Kingston-upon-Thames	£490,020	£488,248	0.4%	£510,697	-4.0%
Barnet	£473,762	£500,691	-5.4%	£458,181	3.4%
Haringey	£437,143	£448,664	-2.6%	£413,983	5.6%
Hackney	£427,328	£429,428	-0.5%	£480,473	-11.1%
Hounslow	£409,623	£428,820	-4.5%	£463,540	-11.6%
Merton	£389,023	£396,883	-2.0%	£396,849	-2.0%
Lambeth	£387,652	£402,521	-3.7%	£405,929	-4.5%
Tower Hamlets	£370,844	£387,817	-4.4%	£403,545	-8.1%
Southwark	£355,832	£364,559	-2.4%	£377,473	-5.7%
Ealing	£346,871	£376,064	-7.8%	£413,138	-16.0%
Hillingdon	£319,997	£344,825	-7.2%	£346,766	-7.7%
Lewisham	£310,763	£325,893	-4.6%	£330,003	-5.8%
Bromley	£307,811	£323,264	-4.8%	£330,081	-6.7%
Harrow	£300,287	£314,582	-4.5%	£326,555	-8.0%
Enfield	£300,017	£311,998	-3.8%	£318,116	-5.7%
Sutton	£296,570	£304,238	-2.5%	£345,333	-14.1%
Redbridge	£261,754	£265,767	-1.5%	£289,200	-9.5%
Waltham Forest	£256,378	£264,932	-3.2%	£297,555	-13.8%
Croydon	£250,012	£265,090	-5.7%	£286,406	-12.7%
Havering	£247,307	£257,046	-3.8%	£260,581	-5.1%
Greenwich	£244,176	£240,047	1.7%	£259,543	-5.9%
Newham	£208,246	£217,374	-4.2%	£255,496	-18.5%
Barking and Dagenham	£206,951	£212,329	-2.5%	£231,593	-10.6%
Bexley	£203,311	£209,015	-2.7%	£223,283	-8.9%

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

## Index Comparison

	April 09		March 09		February 09	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
Rightmove	£222,077	+1.8%	£218,081	+0.9%	£216,163	+1.2%
Halifax	N/A *	N/A *	£157,326	-1.9%	£160,237	-2.3%
Nationwide	N/A *	N/A *	£150,946	0.9%	£147,746	-1.8%

\* 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 9,240 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 40 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