

# The Rightmove House Price Index

The largest monthly sample of residential property prices

**Under embargo for 00:01 hours: Monday 21<sup>st</sup> September 2009**

## Demand pulls ahead of supply as stock dwindles

	September	August
<b>Average Property Asking Price</b>	<b>£223,996</b>	<b>£222,762</b>
<b>% Change in Month</b>	<b>+0.6%</b>	<b>-2.2%</b>
<b>% Change in Past Year</b>	<b>-1.5%</b>	<b>-3.1%</b>
<b>Monthly Index (Jan 2002=100)</b>	<b>182.2</b>	<b>181.2</b>

- Average asking prices rise by 0.6% as Autumn sellers raise price expectations
- Lowest stock levels for 18 months with 10 properties coming off the market for every 8 coming on
- Would-be sellers deterred from trading up by dwindling property choice and high deposit requirements
- Lenders competing to cherry-pick the cash-rich which drives price increases in the more affluent South

### Rightmove Monthly Asking Price Trend



Rightmove measured 105,924 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 9<sup>th</sup> August 2009 to 12<sup>th</sup> September 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 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 21<sup>st</sup> September 2009

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Tom McGuigan on 0845 456 8439 or [press@rightmove.co.uk](mailto:press@rightmove.co.uk)

## Overview

The onset of the Autumn moving season sees new sellers asking an average of 0.6% more for their properties. Rightmove has also recorded the lowest average stock levels per branch for 18 months, with 29% more properties coming off the market than coming to the market. The lack of choice in popular areas and high deposit requirements are combining to deter existing home owners from taking advantage of more buoyant market conditions to trade up.

Miles Shippside, commercial director of Rightmove, comments: "There's an Autumn window for new sellers where a sensible asking price combined with this better market could get you traded up into your next home before Christmas. Some would-be sellers may be concerned by the limited choice of suitable property currently available, and will have to decide whether to take a chance on finding something fresh to the market after they have found a buyer. This increases the risk and stress of moving, but with choice getting increasingly limited in popular areas they need to have a buyer lined up to improve their chances of securing their next home".

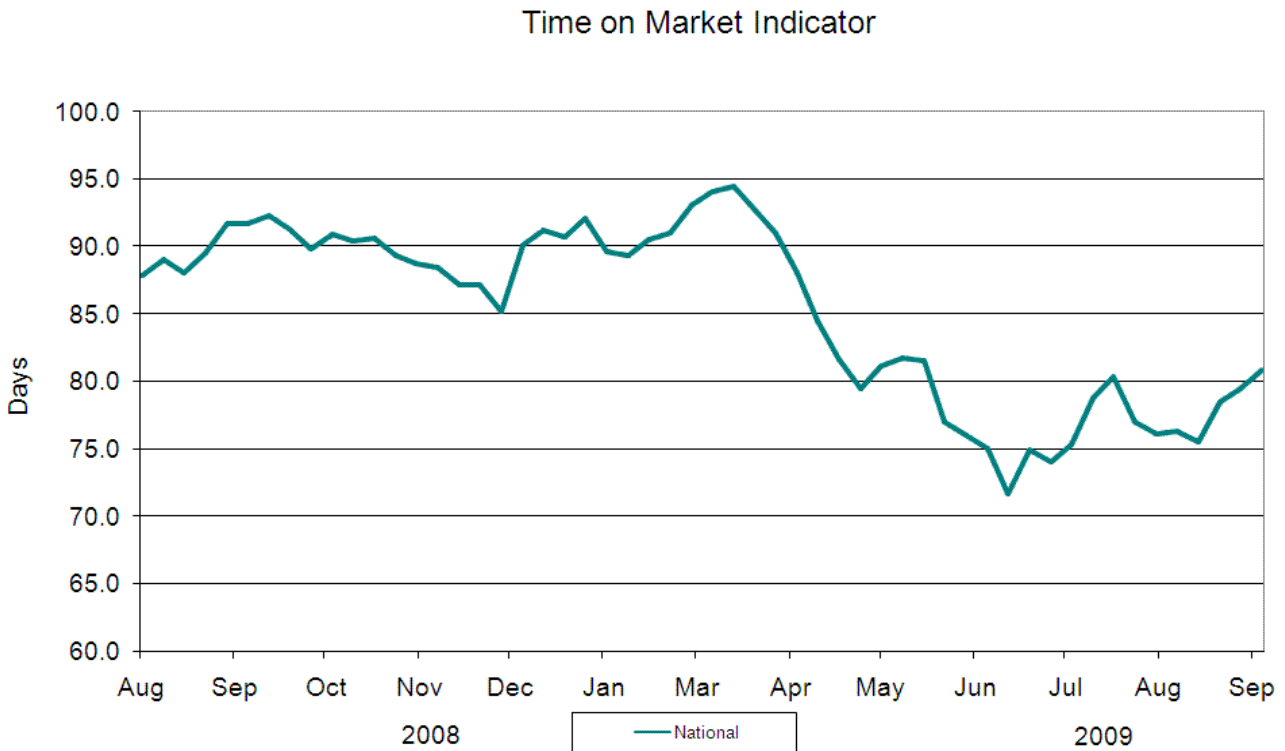
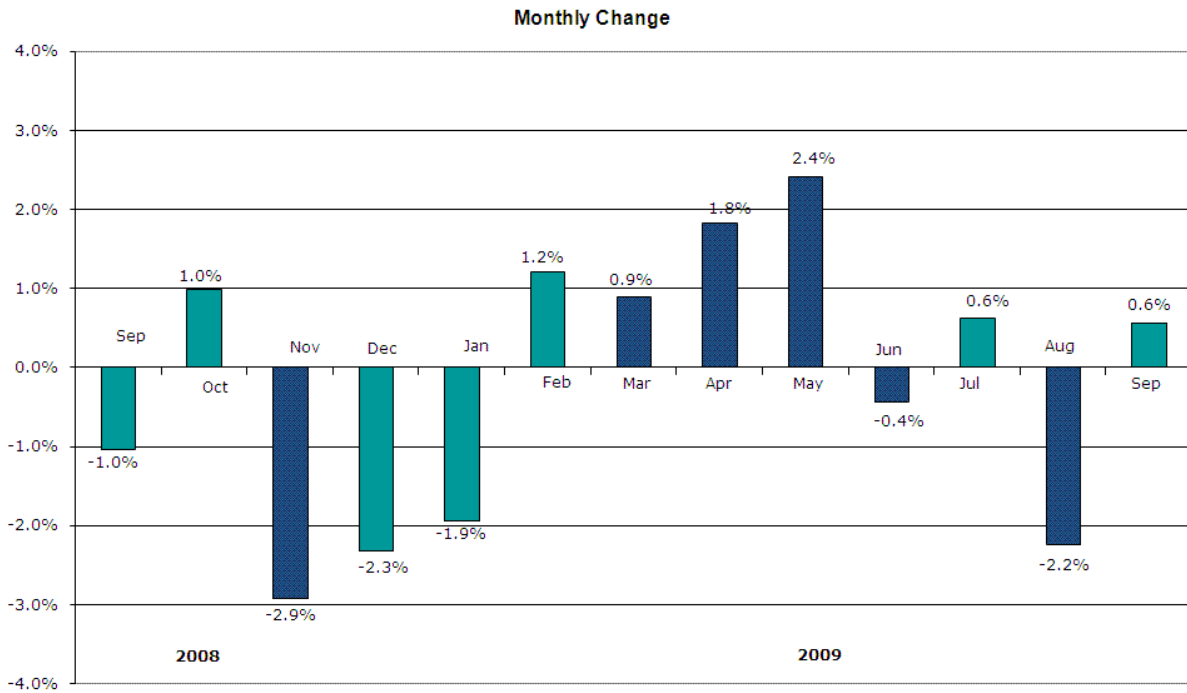
The brisker market continues to erode stock levels as sold or withdrawn property is removed from the market. One agent's summary of trading conditions in August was: "Sales awesome, new listings dreadful". The average unsold stock per estate agency branch has dipped to 69, after 17 months in the 70s. This is the lowest level since February 2008. With circa 20% fewer branches than in 2008, the fall in stock levels is made more pointed. New seller numbers are averaging around 23,000 a week, giving a run rate of around 1.2 million a year. Historic figures from Rightmove show that potential buyers have previously enjoyed a choice from around 2 million properties a year. With 151,591 properties measured as coming off the market this month, it is easy to see why property scarcity in popular areas is underpinning price levels.

The above trend is particularly evident in the south of the country, where year-on-year measurement shows that the four regions are either close to breakeven or higher than this time last year. Average asking prices in the South-East are 0.4% higher than a year ago, with East Anglia 1.5% up. The South-West and London are within 1% of breakeven, with prices just 0.1% and 0.9% lower respectively. These regions find it easier to create a virtuous circle of buoyant demand and pricing as better-heeled buyers are drawn to well-heeled areas. In contrast, the more northerly regions all remain more firmly in negative territory. Less deposit cash, coupled with locations that are less of a magnet, limits the scope for price recovery.

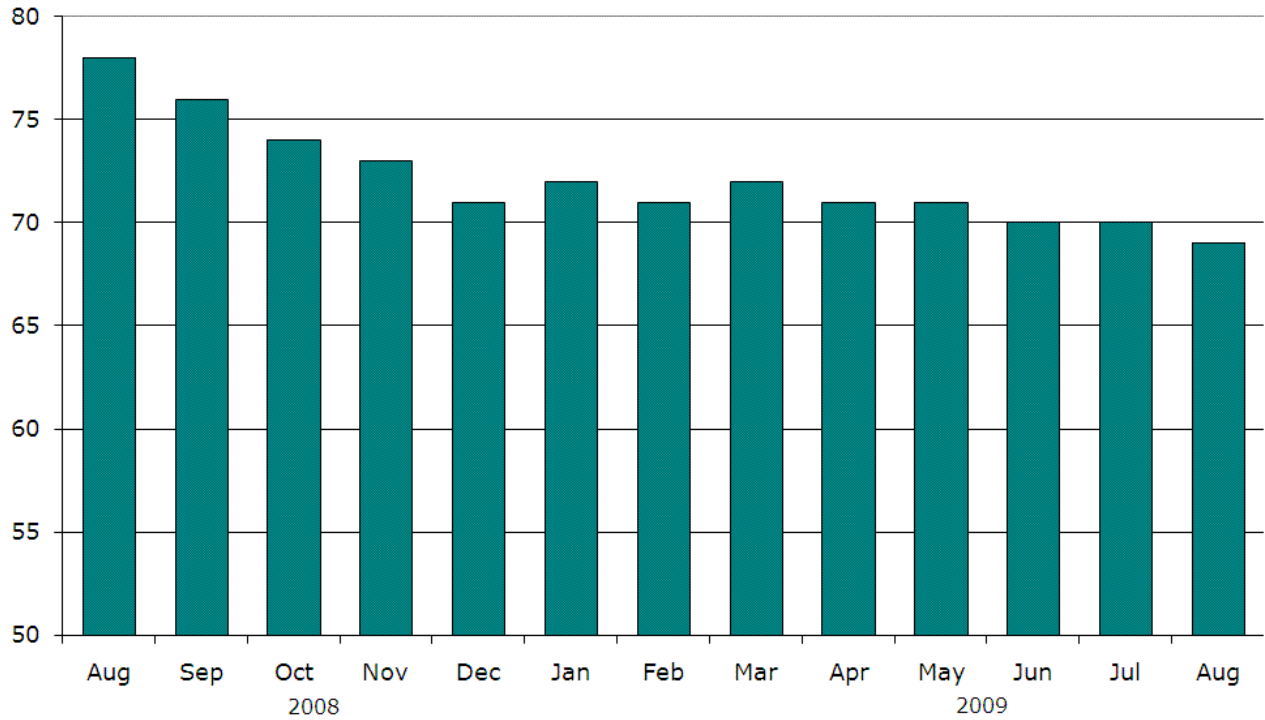
Shippside explains: "The recession appears to have hit prices harder in the north, and this is compounded by lenders' more conservative attitude to risk. Lenders quite naturally prefer to lend to lower risk borrowers in better locations, with better job security, larger deposits and more resilient property values. Indeed it becomes a self fulfilling prophecy, keeping the best areas more buoyant and making it harder for depressed areas to bounce back".

Evidence that trading up is the domain of the cash-rich comes from the latest Rightmove Consumer Survey of potential movers' circumstances. With 53% of those polled stating that they had over 50% equity in their existing homes, it illustrates that the current activity in the property market now depends to an unhealthy degree on those with substantial equity. This is exacerbated by some non-state-backed lenders competing to target this group with very attractive rates, rather than contributing to the wider health of the property market by assisting more first-time-buyers. This cherry-picking may be good for their internal risk management, but also risks prolonging a thin market, which could herald further price falls in areas starved of finance. More competitive mortgage deals at up to 90% of the purchase price are required for transaction volumes to recover substantially.

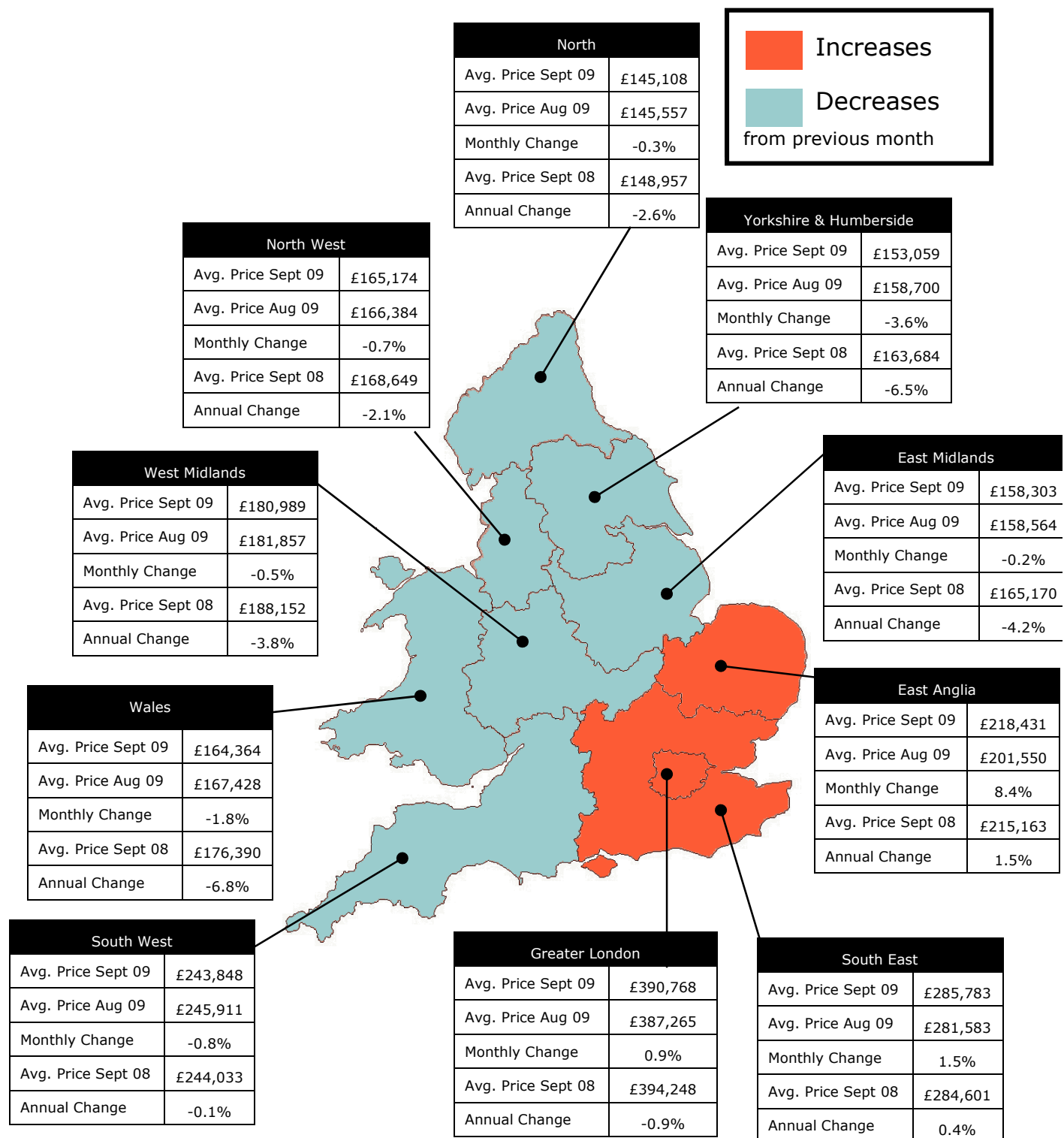
Shippside adds: "Many aspiring sellers could face years trapped in their homes until values rise enough for them to join the equity-rich club, and even then they will be heavily dependent on the number of bottom-of-the-chain first-time-buyers. Confidence is up, stock is down, and the number of people searching is high. There are lots of positives but too few buyers can put down the 40% deposits that are needed in order to secure the best mortgage deals. Finance greases the wheels of the property market, and it is anybody's guess when we might see the necessary level of competitive funding return. Frustrated home-hunters should note the expected ten year timetable to wind up Lehman Brothers, giving a clear indication of the time required to rebuild the banking system."



### 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
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
May 2009	185.1	+2.4%	£227,441
June 2009	184.2	-0.4%	£226,436
July 2009	185.4	+0.6%	£227,864
August 2009	181.2	-2.2%	£222,762
September 2009	182.2	+0.6%	£223,996
<b>Annual Change</b>	<b>-2.8</b>	<b>-1.5%</b>	<b>+£3,442</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
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
May 2009	£327,914	£188,271	£169,038	£183,587
June 2009	£325,903	£189,866	£169,149	£184,011
July 2009	£330,574	£193,298	£171,227	£182,800
August 2009	£324,557	£189,181	£170,265	£181,769
September 2009	£328,201	£192,503	£171,060	£179,454
<b>Annual Change</b>	<b>+0.2%</b>	<b>-1.4%</b>	<b>-1.8%</b>	<b>-2.8%</b>

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](mailto:press@rightmove.co.uk) or call 0845 456 8439

## London's Best Performers September 2009

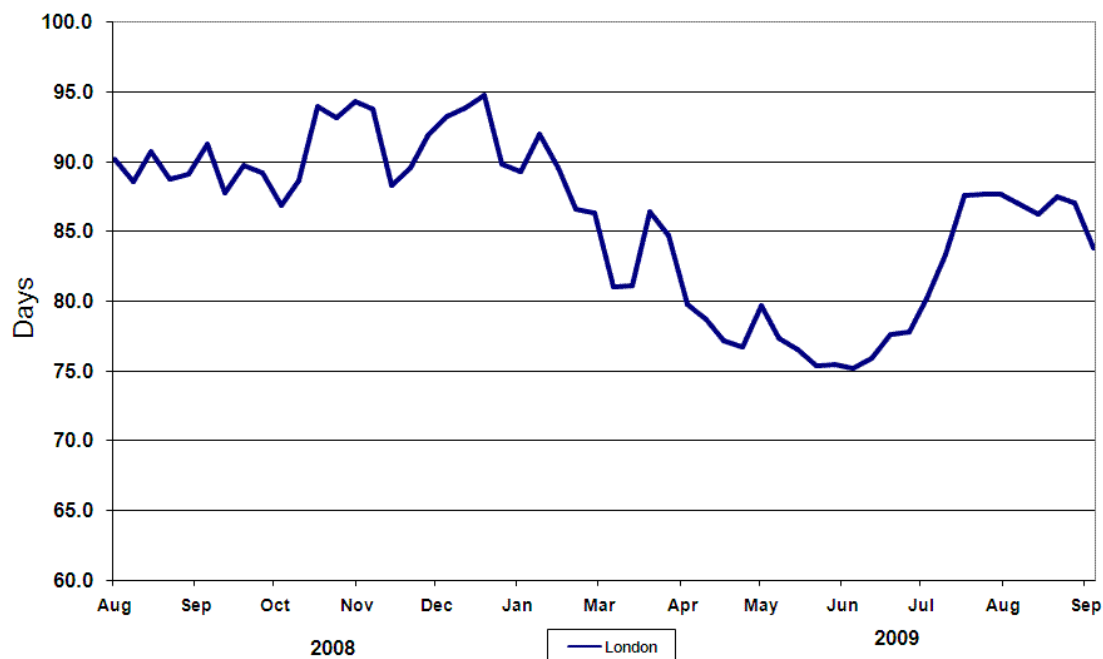
London's Top 5	Avg. Price Sept 09	Avg. Price Aug 09	Monthly Change
Hounslow	£445,547	£425,294	4.8%
Tower Hamlets	£370,858	£354,519	4.6%
Hackney	£460,061	£443,829	3.7%
Merton	£382,230	£372,958	2.5%
Waltham Forest	£273,791	£267,740	2.3%

## London's Worst Performers September 2009

London's bottom 5	Avg. Price Sept 09	Avg. Price Aug 09	Monthly Change
Newham	£211,220	£213,935	-1.3%
Kingston-upon-Thames	£514,461	£526,186	-2.2%
Haringey	£417,297	£427,461	-2.4%
Camden	£760,302	£779,285	-2.4%
City of Westminster	£1,100,906	£1,169,047	-5.8%

## London Time on Market

Time on Market Indicator



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## London Boroughs

Borough	Avg. Price Sept 09	Avg. Price Aug 09	Monthly Change	Avg. Price Sept 08	Annual Change
Kensington and Chelsea	£1,689,874	£1,653,579	2.2%	£1,553,437	8.8%
City of Westminster	£1,100,906	£1,169,047	-5.8%	£1,077,146	2.2%
Camden	£760,302	£779,285	-2.4%	£693,161	9.7%
Hammersmith and Fulham	£663,940	£665,768	-0.3%	£692,677	-4.1%
Richmond-upon-Thames	£574,192	£577,254	-0.5%	£536,368	7.1%
Islington	£553,988	£545,975	1.5%	£554,820	-0.1%
Brent	£549,782	£551,530	-0.3%	£516,196	6.5%
Kingston-upon-Thames	£514,461	£526,186	-2.2%	£516,109	-0.3%
Wandsworth	£498,430	£488,231	2.1%	£518,805	-3.9%
Hackney	£460,061	£443,829	3.7%	£486,627	-5.5%
Barnet	£456,269	£459,253	-0.6%	£457,353	-0.2%
Hounslow	£445,547	£425,294	4.8%	£432,671	3.0%
Haringey	£417,297	£427,461	-2.4%	£405,992	2.8%
Lambeth	£382,702	£374,913	2.1%	£387,125	-1.1%
Merton	£382,230	£372,958	2.5%	£384,054	-0.5%
Tower Hamlets	£370,858	£354,519	4.6%	£426,358	-13.0%
Ealing	£370,713	£363,979	1.9%	£383,332	-3.3%
Southwark	£363,474	£358,345	1.4%	£373,385	-2.7%
Hillingdon	£324,634	£319,190	1.7%	£337,097	-3.7%
Lewisham	£314,771	£311,802	1.0%	£323,017	-2.6%
Harrow	£308,171	£301,561	2.2%	£316,514	-2.6%
Sutton	£304,083	£299,590	1.5%	£321,162	-5.3%
Bromley	£303,077	£300,131	1.0%	£331,635	-8.6%
Enfield	£297,639	£298,077	-0.1%	£309,746	-3.9%
Waltham Forest	£273,791	£267,740	2.3%	£277,626	-1.4%
Redbridge	£266,129	£260,921	2.0%	£280,706	-5.2%
Croydon	£259,283	£255,865	1.3%	£267,695	-3.1%
Greenwich	£252,683	£253,868	-0.5%	£252,005	0.3%
Havering	£242,978	£243,628	-0.3%	£251,002	-3.2%
Newham	£211,220	£213,935	-1.3%	£244,191	-13.5%
Barking and Dagenham	£209,292	£205,569	1.8%	£222,097	-5.8%
Bexley	£204,409	£200,009	2.2%	£218,841	-6.6%

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

## Index Comparison

	September 09		August 09		July 09	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
Rightmove	£223,996	+0.6%	£222,580	-2.3%	£227,864	+0.6%
Halifax	N/A *	N/A *	£160,973	+0.8%	£159,623	+1.1%
Nationwide	N/A *	N/A *	£160,224	+0.9%	£158,871	+1.3%

\* 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 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 the c.10,000 estate agency branches listing on Rightmove.co.uk. 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 12,031 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