

# The Rightmove House Price Index

The largest monthly sample of residential property prices

*Under embargo for 00:01 hours: Monday 15<sup>th</sup> March 2010*

## Slowest March ever recorded by Rightmove

	March	February
<b>Average Property Asking Price</b>	<b>£229,614</b>	<b>£229,398</b>
<b>% Change in Month</b>	<b>+0.1%</b>	<b>+3.2%</b>
<b>% Change in Past Year</b>	<b>+5.3%</b>	<b>+6.1%</b>
<b>Monthly Index (Jan 2002=100)</b>	<b>186.8</b>	<b>186.6</b>

- Virtual price standstill as new sellers ask just 0.1% (£216) more – the lowest rise ever recorded in March
- Previously snowbound sellers return, leading to highest new property supply for 18 months
- First quarter of 2010 shows overall asking price gain of 3.7% (£8,151) despite distortions from severe weather
- Potential first-time buyers still struggling to enter home-ownership:
  - Lenders compete to cherry-pick only the most credit-worthy
  - 78% are unaware of how the Government's Homebuy scheme may help them

### Rightmove Monthly Asking Price Trend



*Rightmove measured 105,784 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 7<sup>th</sup> February 2010 to 6<sup>th</sup> March 2010 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 15<sup>th</sup> March 2010

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

## Overview

Between 2002 and 2009 the average monthly increase in March was 1.3%; in contrast this March's rise of just 0.1% is the lowest Rightmove has ever recorded at this time of year. Unsurprisingly, it coincides with a return of sellers, with 34% more properties coming to market compared to March 2009, meaning more competition and less opportunity to increase asking prices.

Miles Shippside, commercial director of Rightmove comments: "As usual we've seen a winter price lull followed by a New Year bounce, though at a national level it's never previously fizzled out before spring has really sprung. Observers of the market should note that new sellers are up by over a third on March last year and by 17.5% on last month, so in some areas more restrained pricing is required as a direct consequence of buyers having more choice. We still forecast some further rises in the first half of this year when buyers have picked over the newly marketed stock, though the small increase in March shows how much more unpredictable the market has become".

The previous lowest rise seen in March, in both 2003 and 2005, was 0.6%. This month's virtual standstill is a little less surprising given the large 3.2% national upswing in February, when the shortage of new stock was exacerbated by people coping with the snow rather than getting their homes on the market. With the post-credit-crunch market already operating on thin seller volumes, a further restriction on property supply resulted in some over-ambitious pricing, leading to a degree of correction this month. More amenable weather conditions have allowed those who were delayed their sale to now bring their properties to market, contributing to the 105,784 measured this month. This is up by 15,769 on the number who came to market last month, an increase of 17.5%. However, new stock remains subdued compared to historic norms, still down 26% on the average pre-credit-crunch levels of 2005 to 2008. This shows that supply remains constrained, helping prevent swamping of the market at a time of more muted buyer demand. However, average unsold stock per estate agency branch has increased slightly from 63 to 65 properties, and this important statistic should be monitored closely as it will be a leading indicator of future trends in asking prices.

Also of note this month is a sharp fall in time on the market, down from an average of 84 to 63 days. While this is the lowest we have ever measured at this time of year, it is a culmination of months of low new supply coming to market rather than property flying off the shelves. Agents' post-snow report is that competitively priced property in popular areas is now selling, though securing finance and holding sales together is a significant challenge. However, less new stock means fewer stale properties to push up the average time on the market, which has also been brought down by this month's upturn in fresh stock numbers. It again highlights the opportunity this spring for a quicker sale in areas where competition is more limited than usual and agents report that the right properties are still selling briskly.

Shippside adds: "Snowbound sellers postponed their 2010 moving plans until the thaw, leading to the highest weekly average of properties coming to market since before the collapse of Lehman Brothers in September 2008. It has taken the intervention of nature to give us a reminder of what new property supply levels used to look like before major financial market disruption rewrote the rulebook that had remained broadly unchallenged for a quarter of a century".

In periods of greater volatility, it is worth noting regional year-on-year asking price movements, rather than single months in isolation. This shows that the stock shortages have had a levelling effect, with annual increases tightly grouped across the country. Sellers have upped their initial marketing prices most in the North West (8.7%) followed by the South East and South West (both at 7.4%). The spread of top to bottom is only 5.3%, with the East Midlands and Yorkshire and Humberside being the worst performers at 3.6% and 3.4% respectively. The annual rate of increase has reduced from the 6.1% recorded in February, to currently stand at 5.3%.

Shippside predicts: "The majority of property price indices will show some further rises this spring, as they reflect the recovery from the weather-induced dampener on turn-of-the-year sales and subsequent mortgage activity. This appears to have bucked up a few lenders' ideas too. More have

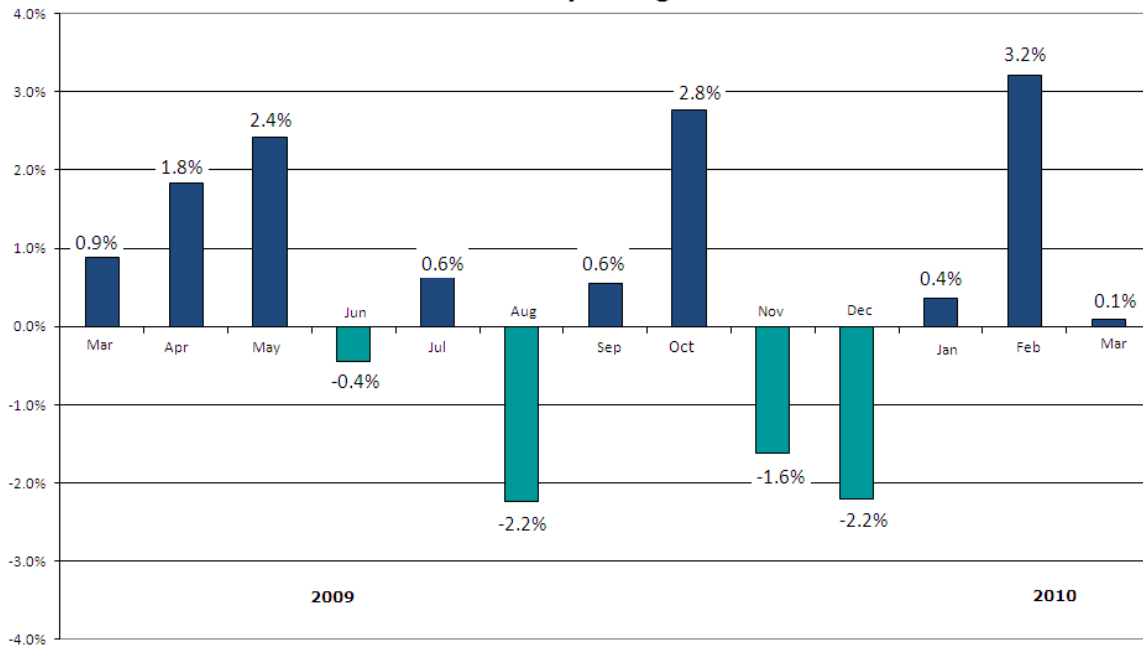
decided to get competitive in the 10% deposit arena, which powers the all-important first-time buyer market.”

Mortgage lending figures stalled in January. However, we are now seeing an increase in products available for would-be first-time buyers and the tentative reopening of the markets for mortgage securitization. The more credit-worthy applicants are the target of lenders who must seek a greater share of the good margins currently available in the market to rebuild their balance sheets and profitability. However, that still leaves the majority of aspiring first-time buyers out of financial favour. In the recent Rightmove Consumer Confidence Survey, 61% of those in rented accommodation stated they would like to buy but could not currently afford to do so.

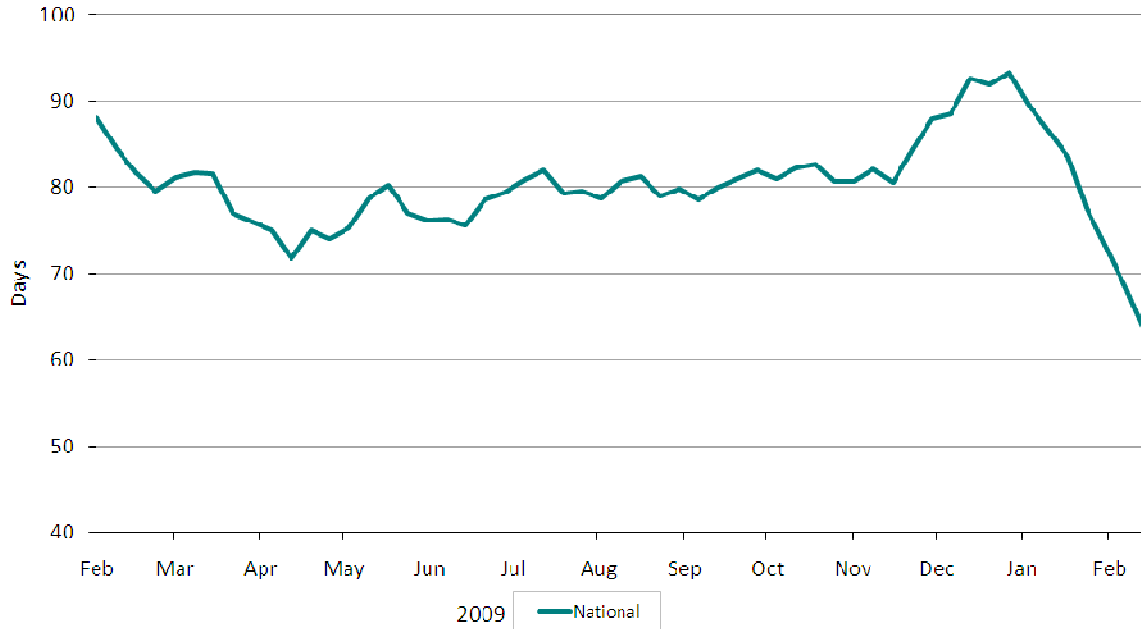
The Government’s Homebuy assisted purchase scheme for new-build properties could reduce this frustration, but additional research by Rightmove has uncovered a lack of awareness in the scheme among those whom it is intended to help. Only 22% of the 3,463 potential first-time buyers surveyed stated they were aware of the scheme, with another 34% saying they had heard the name but were unaware of the details. A further 44% had never heard of it. The initiative allows aspiring home-owners to purchase a share in a house while renting the rest – giving them an opportunity to get on the housing ladder earlier and buy the remainder of their home as and when their finances allow.

Shipside concludes: “We’ve waited two years for significant relaxation of mortgage lending criteria, and whilst it is giving the market a welcome nudge in the right direction, many aspiring buyers are still finding themselves left out in the cold. They could find the requirements of the Homebuy scheme more suited to their circumstances and a possible housing lifeline if they only knew more about it.”

### Monthly Change



### Time on Market Indicator (National)



Released 15<sup>th</sup> March 2010

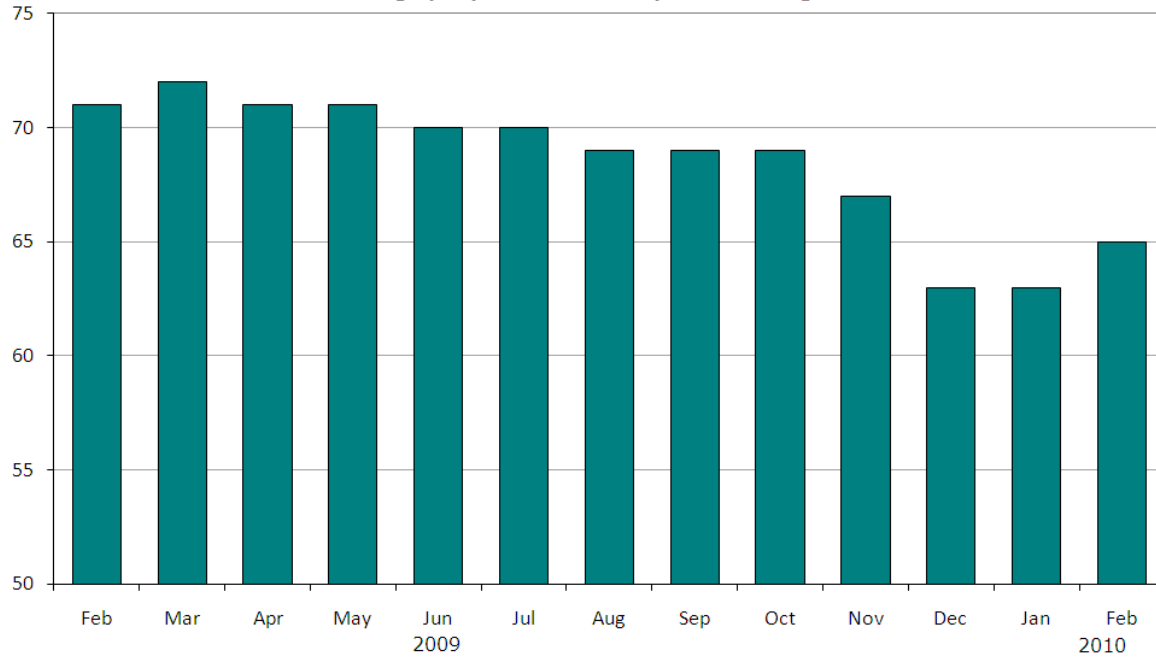
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### Average properties for sale per Estate Agent



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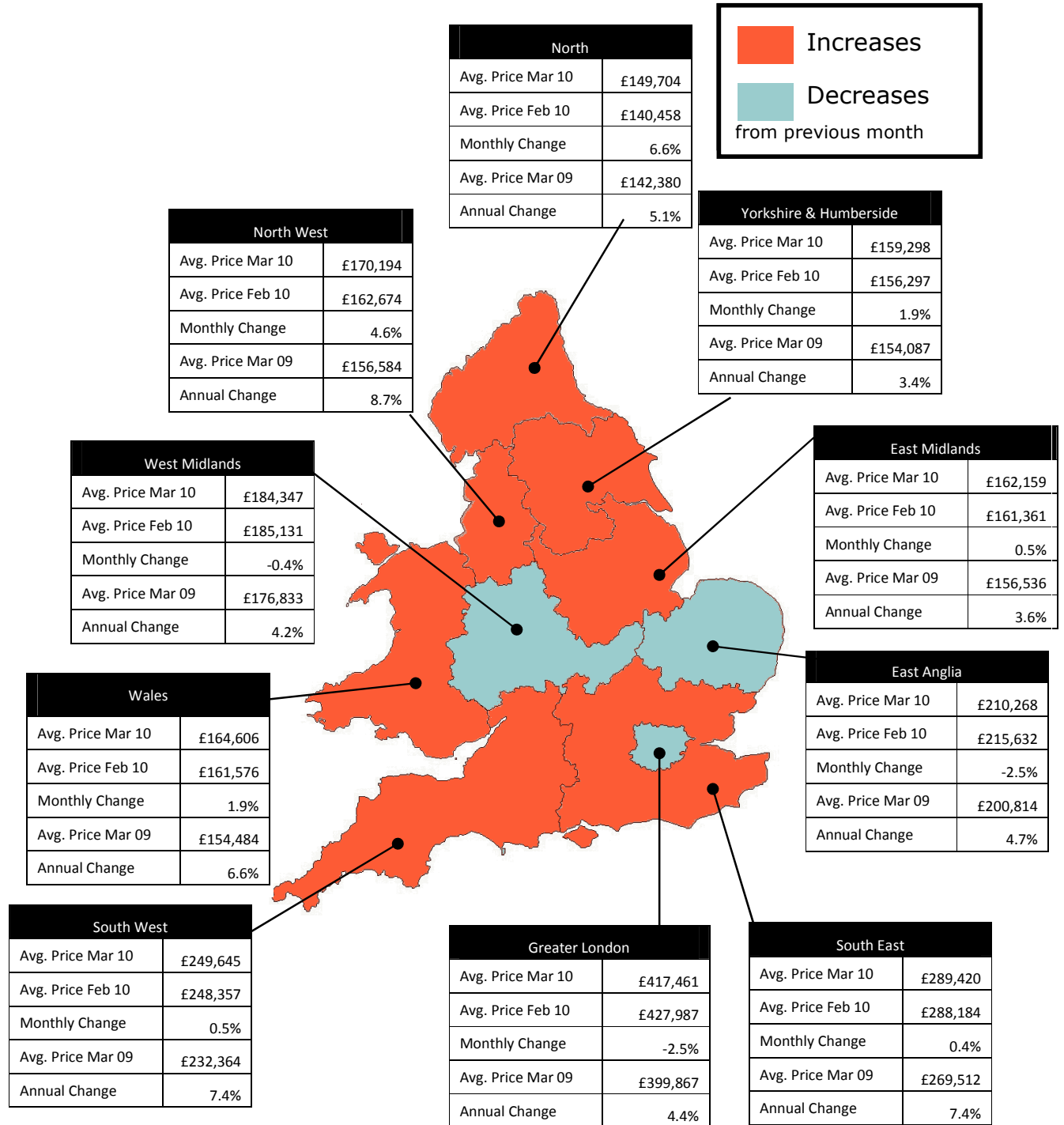
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# Regions of England & Wales



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
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
October 2009	187.3	+2.8%	£230,184
November 2009	184.2	-1.6%	£226,440
December 2009	180.2	-2.2%	£221,463
January 2010	180.8	+0.4%	£222,261
February 2010	186.6	+3.2%	£229,398
March 2010	186.8	+0.1%	£229,614
<b>Annual Change</b>	<b>+9.4</b>	<b>5.3%</b>	<b>£11,533</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
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
October 2009	£332,201	£193,216	£174,989	£185,200
November 2009	£329,463	£192,872	£172,258	£182,568
December 2009	£324,463	£190,759	£172,222	£181,808
January 2010	£323,502	£191,477	£175,288	£189,529
February 2010	£330,710	£195,139	£180,670	£189,449
March 2010	£331,949	£197,389	£180,030	£187,754
<b>Annual Change</b>	<b>6.1%</b>	<b>7.1%</b>	<b>6.6%</b>	<b>1.6%</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 March 2010

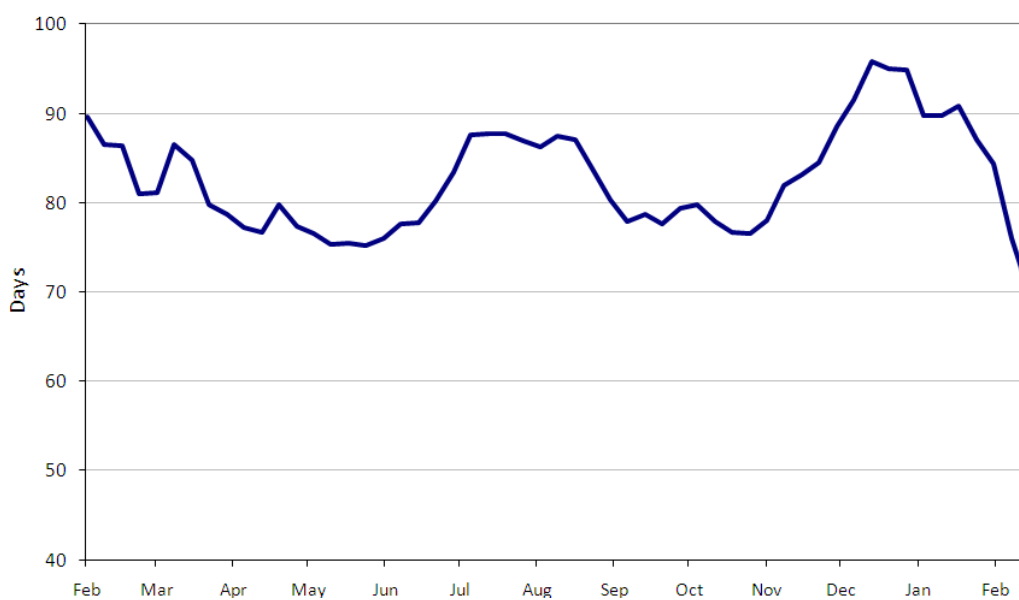
London's Top 5	Avg. Price Mar 10	Avg. Price Feb 10	Monthly Change
Haringey	£470,064	£437,701	7.4%
Hounslow	£500,004	£495,607	0.9%
Camden	£771,866	£766,002	0.8%
Islington	£581,848	£577,920	0.7%
Croydon	£277,338	£276,418	0.3%

## London's Worst Performers March 2010

London's bottom 5	Avg. Price Mar 10	Avg. Price Feb 10	Monthly Change
Kingston-upon-Thames	£525,066	£557,964	-5.9%
City of Westminster	£1,204,776	£1,278,185	-5.7%
Enfield	£321,973	£340,396	-5.4%
Hillingdon	£327,651	£346,212	-5.4%
Wandsworth	£548,505	£578,440	-5.2%

## London Time on Market

Time on Market Indicator



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## London Boroughs

Borough	Avg. Price Mar 10	Avg. Price Feb 10	Monthly Change	Avg. Price Mar 09	Annual Change
Kensington and Chelsea	£1,911,571	£1,934,069	-1.2%	£1,995,389	-4.2%
City of Westminster	£1,204,776	£1,278,185	-5.7%	£1,182,176	1.9%
Hammersmith and Fulham	£778,811	£788,188	-1.2%	£725,326	7.4%
Camden	£771,866	£766,002	0.8%	£779,374	-1.0%
Islington	£581,848	£577,920	0.7%	£580,684	0.2%
Brent	£562,668	£584,833	-3.8%	£533,826	5.4%
Richmond-upon-Thames	£557,396	£582,600	-4.3%	£554,458	0.5%
Wandsworth	£548,505	£578,440	-5.2%	£549,469	-0.2%
Kingston-upon-Thames	£525,066	£557,964	-5.9%	£488,248	7.5%
Hounslow	£500,004	£495,607	0.9%	£428,820	16.6%
Barnet	£490,785	£500,985	-2.0%	£500,691	-2.0%
Haringey	£470,064	£437,701	7.4%	£448,664	4.8%
Hackney	£469,669	£469,927	-0.1%	£429,428	9.4%
Lambeth	£423,406	£428,589	-1.2%	£402,521	5.2%
Merton	£412,637	£428,543	-3.7%	£396,883	4.0%
Ealing	£406,675	£405,653	0.3%	£376,064	8.1%
Tower Hamlets	£392,706	£407,018	-3.5%	£387,817	1.3%
Southwark	£385,300	£395,798	-2.7%	£364,559	5.7%
Bromley	£334,013	£346,993	-3.7%	£323,264	3.3%
Lewisham	£333,306	£346,408	-3.8%	£325,893	2.3%
Hillingdon	£327,651	£346,212	-5.4%	£344,825	-5.0%
Sutton	£325,740	£333,646	-2.4%	£304,238	7.1%
Enfield	£321,973	£340,396	-5.4%	£311,998	3.2%
Harrow	£318,214	£327,620	-2.9%	£314,582	1.2%
Waltham Forest	£290,020	£297,317	-2.5%	£264,932	9.5%
Croydon	£277,338	£276,418	0.3%	£265,090	4.6%
Redbridge	£276,796	£285,283	-3.0%	£265,767	4.1%
Greenwich	£272,168	£277,233	-1.8%	£240,047	13.4%
Newham	£253,893	£258,436	-1.8%	£217,374	16.8%
Havering	£251,743	£262,363	-4.0%	£257,046	-2.1%
Bexley	£218,317	£224,789	-2.9%	£209,015	4.5%
Barking and Dagenham	£212,986	£213,319	-0.2%	£212,329	0.3%

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

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## Index Comparison

	March 10		February 10		January 10	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
<b>Rightmove</b>	<b>£229,614</b>	<b>+0.1%</b>	<b>£229,398</b>	<b>+3.2%</b>	<b>£221,263</b>	<b>+0.4%</b>
<b>Halifax</b>	N/A *	N/A *	£166,857	-1.5%	£169,484	+0.4%
<b>Nationwide</b>	N/A *	N/A *	£161,320	-1.0%	£163,481	+1.4%

\* 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. Figure quoted for monthly change is 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 11,432 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.