

# The Rightmove House Price Index

The largest monthly sample of residential property prices

*Under embargo for 00:01 hours: Monday 16<sup>th</sup> May 2011*

## Prices pushed up by low interest rates and dip in seller numbers

	May	April
Average Property Asking Price	£238,874	£235,822
% Change in Month	+1.3%	+1.7%
% Change in Past Year	+0.7%	+0.1%
Monthly Index (Jan 2002=100)	194.4	191.9

- New sellers' average asking prices highest for almost 3 years – last time they were higher was June 2008
- New property listings fall from circa 29,000 per week to circa 20,000 per week over the extended bank holiday period
- Scarcer new listings help push up asking prices of fresh-to-market property by 1.3%
- Low interest rates (0.5% maintained for the 26<sup>th</sup> consecutive month) counterbalance downward price pressure – asking prices are now only £3,626 (1.5%) below their all-time high
- Average unsold stock rises further from 74 to 76 properties per branch, reaching highest ever level for May as potential buyers are distracted by fine weather and bank holidays

### Rightmove Monthly Asking Price Trend



Rightmove measured 98,606 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 10<sup>th</sup> April 2011 to 7<sup>th</sup> May 2011 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 16<sup>th</sup> May 2011

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## Overview

With Bank of England base rates held at record low levels for the 26th consecutive month, new sellers coming to market continue to postpone tough decisions on price, and are now on average asking their highest prices since June 2008. Base rates of 0.5% and continuing lack of mortgage availability are enabling the housing market to stay in its 'low transaction limbo', with few forced sellers driving prices down and few genuinely proceedable buyers. With such low transaction volumes, asking prices do not necessarily reflect the market fundamentals, so continuing demand for good quality property in better areas and a lack of pressure to sell have enabled prices to appear to defy gravity. New sellers' asking prices are now only 1.5% below May 2008's peak of £242,500, although the recent resurgence of inflation means that they are down by around 10% in real terms.

Miles Shippside, director of Rightmove comments: "The Bank of England's decision to hold interest rates at unprecedented low levels, compared to all other property market downturns, has disrupted the traditional economic formula of an excess of supply over demand leading to lower prices. It has thrown some sellers a lifeline in their quest to hold on to the gains they made during the boom era, though the market has failed to build up a head of steam due to continuing red signals from mortgage lenders, and the normal spring momentum being diverted into a siding by the warm weather and the Royal Wedding. One interest rate rise won't immediately derail the market but if we see several in quick succession it will quickly hit the buffers."

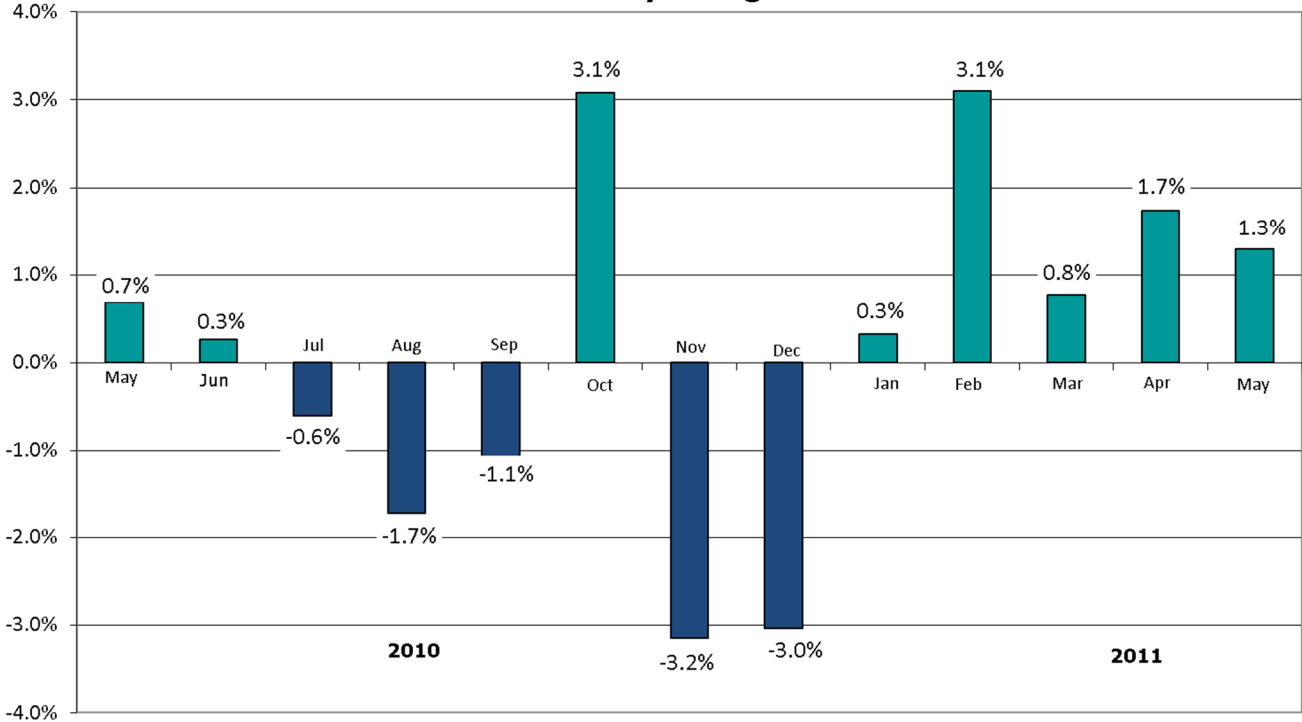
Rightmove's asking price statistics include all properties that will be bought by cash purchasers. They therefore reflect the total market, including the more active cash buyer sector where desirable properties in limited supply still enjoy upwards price pressure compared to the mortgage-constrained mass-market. The wider market remains weak in volume terms, and open to activity distortions such as the recent spate of bank holidays. The lack of listings coming to market during the extended bank holiday period for Easter, the Royal Wedding and May Day no doubt had an effect on new sellers' asking prices, as a slump in seller numbers leads to some estate agents competing for new instructions by agreeing to market at unrealistic prices. The weekly run-rate of new instructions prior to the Easter holiday was circa 29,000. In the two week period between the holidays this fell by 30% to an average of just 20,000, resulting in higher average asking prices for properties coming to market in the latter part of the period.

Shippside comments: "Agents rely on fresh property stock to give them a more dynamic shop window and capture potential buyers' attention. With new seller levels down some 30% over the extended holiday period, there seems to have been a knee-jerk reaction pandering to sellers' pricing aspirations rather than accommodating the reality of low buyer numbers. With buyers also distracted by the attractions of bank holidays and warm weather, and viewing royal weddings rather than property, these sellers could miss out on the rapidly closing spring window of moving activity by pitching onto the market at near-record asking prices".

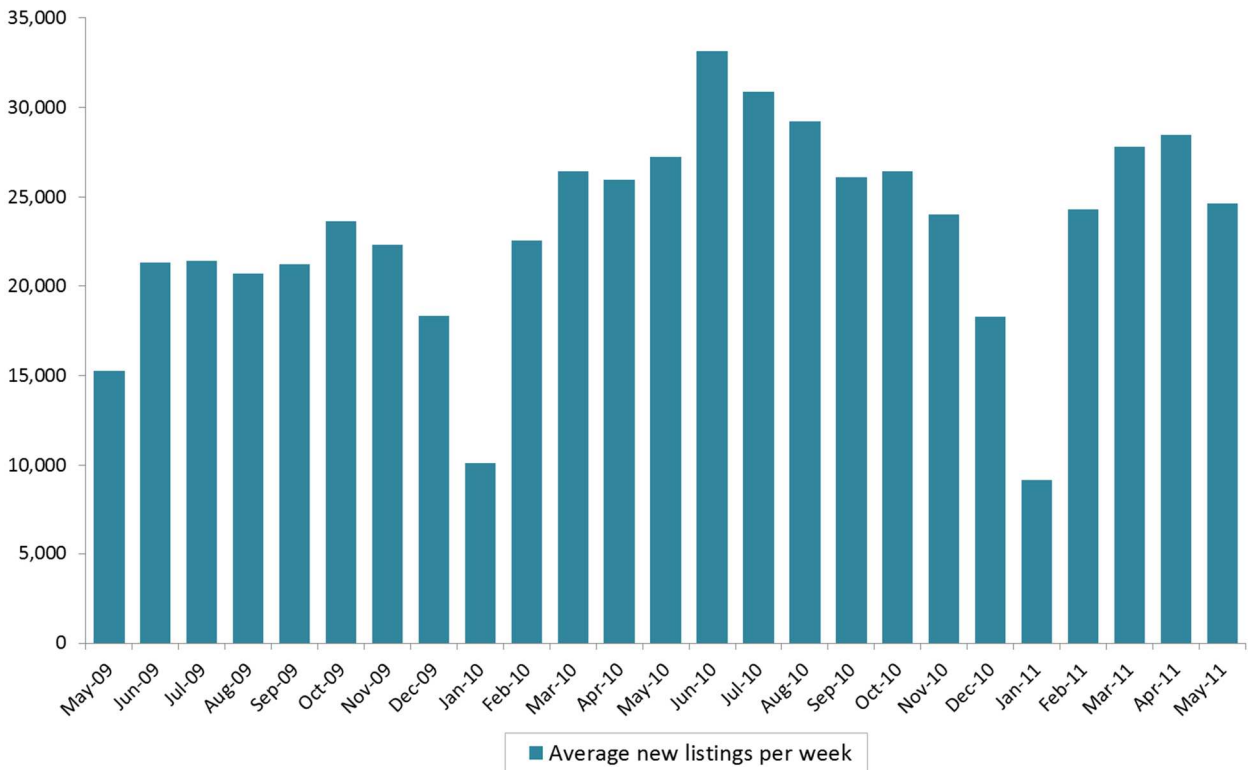
This is the longest period that base rates have remained unchanged since the 2<sup>nd</sup> World War era of 1939 to 1951. Then base rates were held at 2%, considerably above the rate of 0.5% that is helping today's sellers to ignore continued low mortgage lending levels. This property market downturn is different to all others, with low interest rates helping to support property prices in many parts of the country. In the last major downturn of the early 1990s, interest rates of up to 14.875% forced a more rapid price correction. Average unsold stock levels are rising as sellers can take more time to wait for the offer they believe is out there, especially with lenders showing continued willingness to keep those in arrears in their homes. Average properties for sale per estate agency branch have thus reached the highest level recorded by Rightmove in the month of May. They have risen from 74 to 76, and in spite of this increased competition, new sellers' average asking prices are near their all-time high.

Shipside adds: "The increase in agents' property stock levels combined with a reduction in the number of properties coming to market suggests that the number of buyers has fallen even faster than the number of sellers, and transaction volumes will therefore remain low as we move into the traditional summer slowdown. Estate agents usually see their stock turnover more quickly during the spring, but this year's slower market suggests that stock levels may exceed Rightmove's previous record of 79 properties per branch over the next few months."

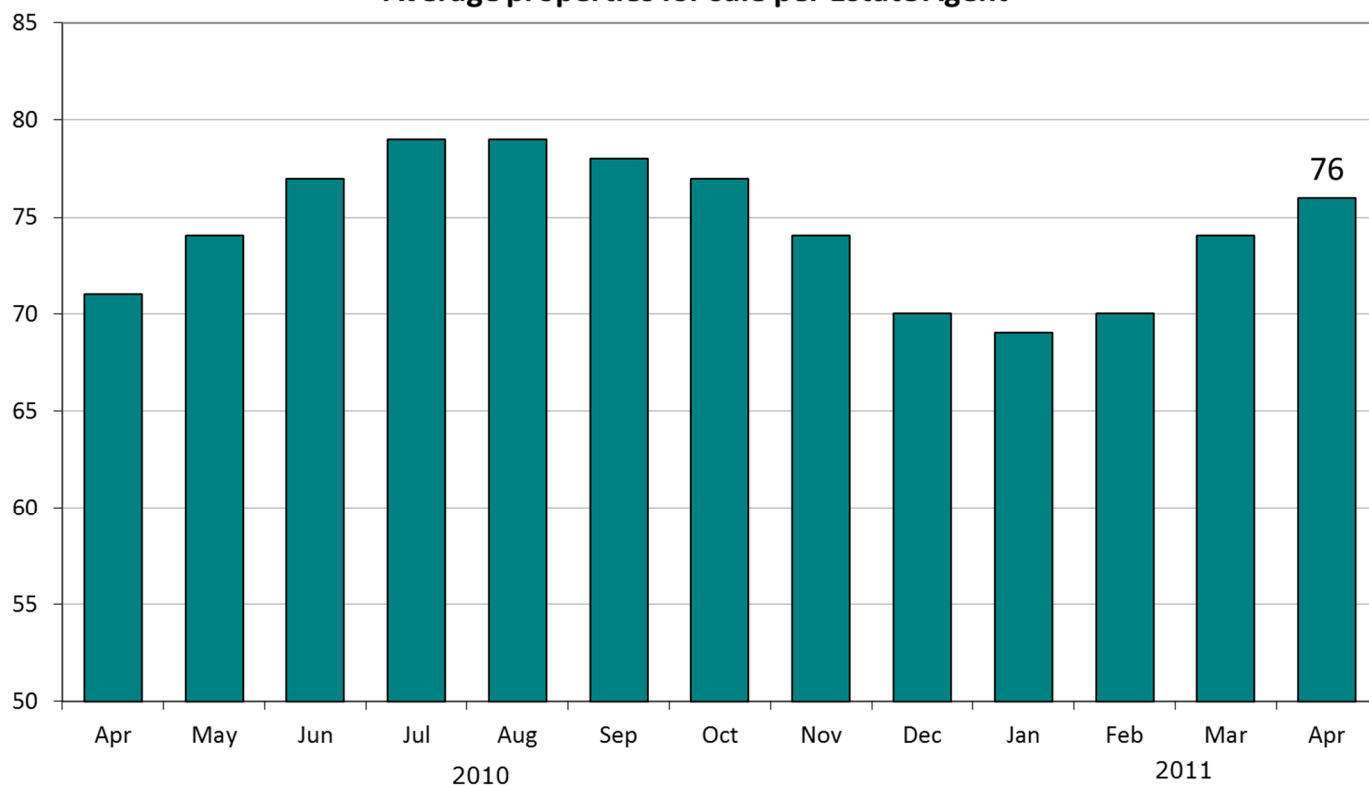
### Monthly Change



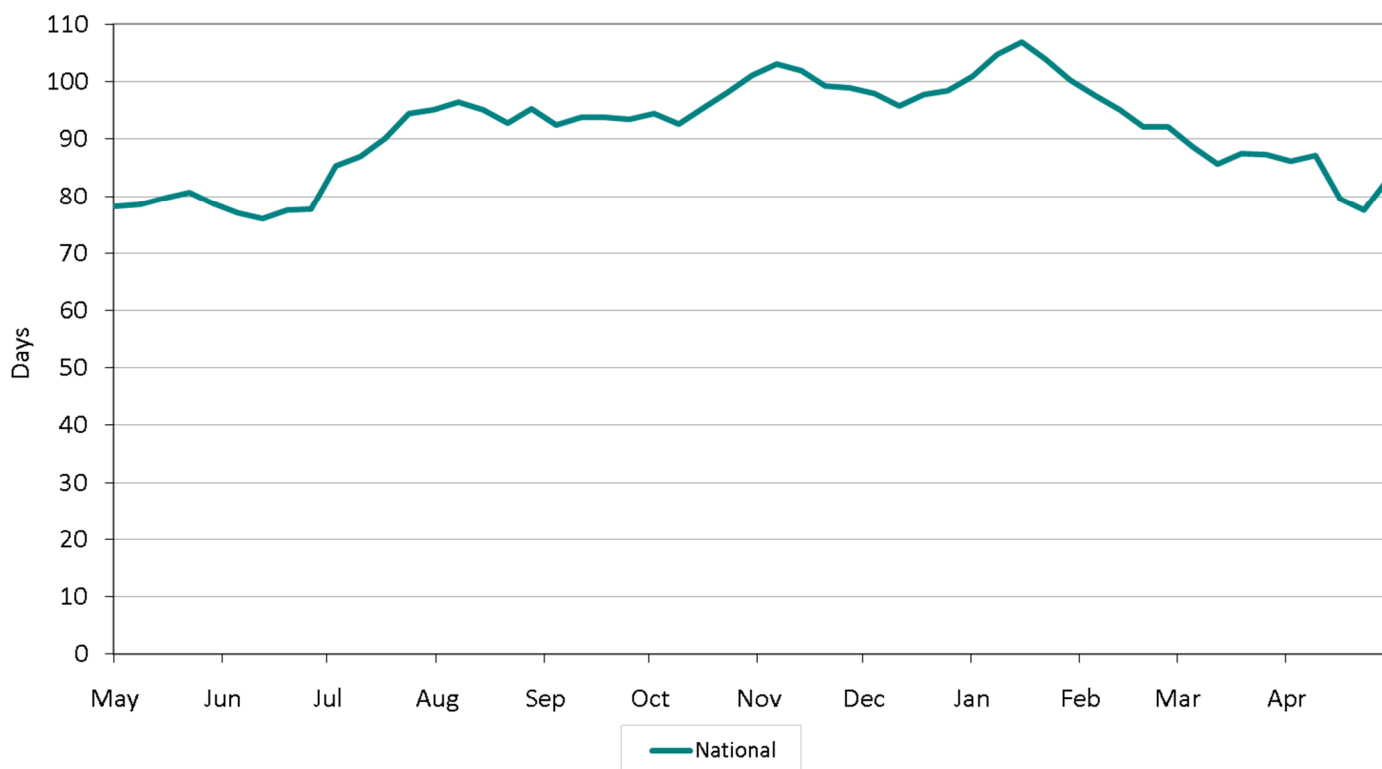
### New Listings - Weekly Average



### Average properties for sale per Estate Agent



### Time on Market Indicator (National)



Released 16<sup>th</sup> May 2011

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# Regions of England & Wales

**Increases**

**Decreases**  
from previous month

North	
Avg. Price May 11	£156,064
Avg. Price Apr 11	£150,053
Monthly Change	4.0%
Avg. Price May 10	£151,525
Annual Change	3.0%

North West	
Avg. Price May 11	£166,133
Avg. Price Apr 11	£169,416
Monthly Change	-1.9%
Avg. Price May 10	£167,317
Annual Change	-0.7%

Yorkshire & Humberside	
Avg. Price May 11	£159,088
Avg. Price Apr 11	£157,024
Monthly Change	1.3%
Avg. Price May 10	£166,490
Annual Change	-4.4%

West Midlands	
Avg. Price May 11	£191,120
Avg. Price Apr 11	£184,648
Monthly Change	3.5%
Avg. Price May 10	£195,433
Annual Change	-2.2%

East Midlands	
Avg. Price May 11	£170,348
Avg. Price Apr 11	£160,797
Monthly Change	5.9%
Avg. Price May 10	£166,009
Annual Change	2.6%

Wales	
Avg. Price May 11	£170,577
Avg. Price Apr 11	£167,532
Monthly Change	1.8%
Avg. Price May 10	£170,562
Annual Change	0.0%

East Anglia	
Avg. Price May 11	£226,715
Avg. Price Apr 11	£216,763
Monthly Change	4.6%
Avg. Price May 10	£222,866
Annual Change	1.7%

South West	
Avg. Price May 11	£262,243
Avg. Price Apr 11	£260,593
Monthly Change	0.6%
Avg. Price May 10	£256,514
Annual Change	2.2%

Greater London	
Avg. Price May 11	£430,936
Avg. Price Apr 11	£431,013
Monthly Change	0.0%
Avg. Price May 10	£420,203
Annual Change	2.6%

South East	
Avg. Price May 11	£308,899
Avg. Price Apr 11	£306,897
Monthly Change	0.7%
Avg. Price May 10	£306,674
Annual Change	0.7%

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
May 2010	192.9	+0.7%	£237,134
June 2010	193.5	+0.3%	£237,767
July 2010	192.3	-0.6%	£236,332
August 2010	189.0	-1.7%	£232,241
September 2010	186.9	-1.1%	£229,767
October 2010	192.7	+3.1%	£236,849
November 2010	186.6	-3.2%	£229,379
December 2010	181.0	-3.0%	£222,410
January 2011	181.5	+0.3%	£223,121
February 2011	187.2	+3.1%	£230,030
March 2011	188.6	+0.8%	£231,790
April 2011	191.9	+1.7%	£235,822
May 2011	194.4	+1.3%	£238,874
<b>Annual Change</b>	<b>+1.5</b>	<b>+0.7%</b>	<b>+£1,740</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
May 2010	£350,517	£200,758	£179,838	£189,835
June 2009	£353,476	£198,116	£181,790	£190,847
July 2010	£354,052	£198,109	£179,375	£188,268
August 2010	£345,414	£197,870	£177,762	£188,524
September 2010	£342,636	£196,752	£174,880	£183,659
October 2010	£352,260	£198,866	£180,706	£187,562
November 2010	£337,214	£195,386	£174,826	£187,770
December 2010	£326,708	£190,603	£171,769	£183,281
January 2011	£328,831	£190,534	£172,759	£187,269
February 2011	£338,546	£196,106	£178,058	£186,862
March 2011	£343,427	£196,487	£177,422	£190,367
April 2011	£347,974	£197,649	£178,034	£191,519
May 2011	£354,276	£199,409	£177,463	£192,660
<b>Annual Change</b>	<b>+1.1%</b>	<b>-0.7%</b>	<b>-1.3%</b>	<b>+1.5%</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 May 2011

London's Top 5	Avg. Price May 11	Avg. Price Apr 11	Monthly Change
Bromley	£332,149	£323,250	2.8%
Brent	£573,901	£559,571	2.6%
Waltham Forest	£288,156	£282,061	2.2%
Hounslow	£488,134	£478,619	2.0%
Greenwich	£275,283	£270,549	1.7%

## London's Worst Performers May 2011

London's Bottom 5	Avg. Price May 11	Avg. Price Apr 11	Monthly Change
Croydon	£265,147	£274,492	-3.4%
Bexley	£207,975	£211,930	-1.9%
Camden	£834,952	£850,471	-1.8%
Sutton	£328,650	£334,617	-1.8%
Hillingdon	£335,174	£340,522	-1.6%

## London Time on Market

Time on Market Indicator (London)



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## London Boroughs

Borough	Avg. Price May 11	Avg. Price Apr 11	Monthly Change	Avg. Price May 10	Annual Change
Kensington and Chelsea	£1,791,786	£1,799,540	-0.4%	£1,887,753	-5.1%
City of Westminster	£1,335,509	£1,330,623	0.4%	£1,171,675	14.0%
Camden	£834,952	£850,471	-1.8%	£782,692	6.7%
Hammersmith and Fulham	£776,110	£785,428	-1.2%	£757,116	2.5%
Kingston-upon-Thames	£609,807	£607,745	0.3%	£562,219	8.5%
Richmond-upon-Thames	£598,358	£593,494	0.8%	£578,487	3.4%
Islington	£595,828	£598,170	-0.4%	£600,528	-0.8%
Wandsworth	£576,720	£583,853	-1.2%	£553,789	4.1%
Brent	£573,901	£559,571	2.6%	£558,044	2.8%
Barnet	£500,718	£503,498	-0.6%	£499,138	0.3%
Hackney	£491,978	£490,890	0.2%	£478,803	2.8%
Hounslow	£488,134	£478,619	2.0%	£463,154	5.4%
Haringey	£476,539	£479,161	-0.5%	£469,709	1.5%
Lambeth	£423,873	£428,713	-1.1%	£427,963	-1.0%
Merton	£406,249	£409,814	-0.9%	£402,977	0.8%
Ealing	£405,622	£399,498	1.5%	£411,996	-1.5%
Southwark	£405,109	£399,655	1.4%	£388,587	4.3%
Tower Hamlets	£387,808	£384,586	0.8%	£395,947	-2.1%
Lewisham	£337,403	£333,679	1.1%	£337,042	0.1%
Hillingdon	£335,174	£340,522	-1.6%	£337,476	-0.7%
Bromley	£332,149	£323,250	2.8%	£339,134	-2.1%
Sutton	£328,650	£334,617	-1.8%	£333,268	-1.4%
Harrow	£322,500	£324,120	-0.5%	£320,635	0.6%
Enfield	£318,394	£319,459	-0.3%	£316,650	0.6%
Waltham Forest	£288,156	£282,061	2.2%	£290,366	-0.8%
Redbridge	£280,670	£280,019	0.2%	£282,826	-0.8%
Greenwich	£275,283	£270,549	1.7%	£274,607	0.2%
Croydon	£265,147	£274,492	-3.4%	£276,000	-3.9%
Havering	£251,740	£254,318	-1.0%	£250,475	0.5%
Newham	£235,279	£232,111	1.4%	£236,607	-0.6%
Barking and Dagenham	£211,023	£210,249	0.4%	£216,118	-2.4%
Bexley	£207,975	£211,930	-1.9%	£217,522	-4.4%

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

## Index Comparison

	May 2011		Apr 2011		Mar 2011	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
<b>Rightmove</b>	<b>£238,874</b>	<b>+1.3%</b>	<b>£235,822</b>	<b>+1.7%</b>	<b>£231,790</b>	<b>+0.8%</b>
<b>Halifax</b>	N/A *	N/A *	£160,395	-1.4%	£162,912	+0.1%
<b>Nationwide</b>	N/A *	N/A *	£165,609	-0.2%	£164,751	+0.5%

\* 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 11,882 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: Experian 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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