

The Rightmove House Price Index

The largest monthly sample of residential property prices

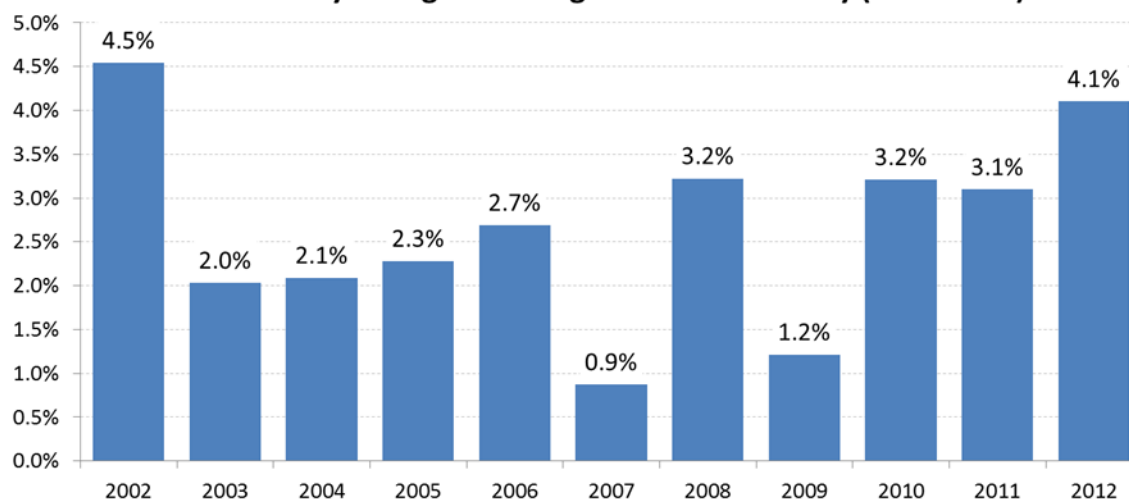
Under embargo for 00:01 hours: Monday 20th February 2012

Forces align to deliver biggest monthly asking price jump for a decade

	February	January
Average Property Asking Price	£233,252	£224,060
% Change in Month	+4.1%	-0.8%
% Change in Past Year	+1.4%	+0.4%
Monthly Index (Jan 2002=100)	189.8	182.3

- New sellers increase average asking prices by 4.1%, highest monthly increase since April 2002
- Surprisingly strong spring 'price-pump' by scarce sellers fuelled by cash-rich market sectors where demand exceeds supply, though also some evidence of increasing housing market confidence:
 - More mortgage deals - number of products available with 10% deposit up a third on a year ago
 - Nationally five out of ten view property as a lower risk asset class, while six out of ten state they feel the current market favours buyers suggesting buyer bidding-power
 - Evidence of dormant buyers 'springing back to life' suggests some adjustment to the current volume-constrained but stable market as the new norm
- Upwards price-pressure sustainable in active cash-rich micro-markets with stock shortages – London prices now within 1% of an all-time high, as new listings down 9% on this time last year

Monthly Change in Asking Prices for February (2002-2012)



Rightmove measured 122,030 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 8th January 2011 to 11th February 2012 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 20th February 2012

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For media enquiries and interviews please contact the Rightmove press office:
0845 456 8439 or press@rightmove.co.uk

Overview

The onset of the spring moving season generally leads to more ambitious pricing of properties coming to market, partly due to estate agents vying for new seller instructions. However, this February's 4.1% (£9,192) increase is the highest monthly rise Rightmove has recorded since April 2002, a surprisingly strong uplift given the challenging economic environment. In part this is fuelled by the cash-rich sectors of the market where buyer demand is exceeding suitable property supply, though there is also evidence of increasing housing market confidence. After four years of constant economic uncertainty, it seems some property consumers have accepted current market conditions as the new norm.

Miles Shippside, director at Rightmove comments: "We're seeing a strong 'spring bounce' in asking prices this year, but the ball is still a lot smaller than it was before the credit crunch as market volumes are constrained. The biggest jump in new sellers' asking prices for nearly ten years indicates there is pricing power if you are selling the right type of property in the right place where enough potential buyers have access to funding. If your local market does not have those characteristics and your price-pump is based on little more than seasonal optimism and an estate agent's hot air, then be prepared for buyer response to be a let-down. However, there are also indications that those who are able to buy but had previously lacked the confidence to take the plunge are of a more positive mindset this year. Perhaps some people are adjusting to the realities, opportunities and strange normality of a low volume but apparently stable property market".

Properties coming to market in the early months of the year are often the beneficiaries of a 'spring bounce' in asking prices, particularly during the years between 2000 and the onset of the credit crunch. For example, monthly rises of 4.5% were recorded in both February and April of 2002. Since then the largest percentage monthly uplift has been the 3.6% of April 2007. If a more bullish asking price is accompanied by a strong and market-wide seasonal increase in buyer activity, and finance is available to support it, then the local market accepts the increase. This was the pre-credit-crunch norm, but the current UK housing market is now characterised by a number of highly localised micro-markets performing very differently. Potential home-movers' confidence and ability to move in these micro-markets are affected by a number of factors including access to finance, employment dynamics and mix and availability of housing stock. Upwards price-pressure is understandable in active cash-rich micro-markets with a new listings shortage where demand exceeds supply, though there are also some early signs of more widespread increases in consumer confidence in the housing market.

More mortgage deals

Compared to a year ago there is more competition from lenders to attract a greater volume of quality business. The number of available products for both borrowers with a 10% deposit and buy-to-let investors has risen by 35% and 25% respectively over the last 12 months¹. There are some attractive five and ten year fixed-rate deals too.

While the £250,000 band stamp duty holiday for first-time buyers ends on 24th March, incentives for buyers of new build properties (which are not included in the Rightmove House Price Index) are set to be enhanced with the launch of NewBuy. This is an industry-led initiative supported by Government to increase the availability of higher loan-to-value mortgages for those buying a brand new me.

Shippside observes: "Since the credit crunch you've had to be squeaky clean to pass a credit score, but lenders have more product offerings and are advertising their availability far more strongly in the media. If your mindset is that lenders do not want to lend, then you may not want to bother sourcing finance and face potential rejection. Some agents report that this recent higher product profile from lenders has given some previously disenfranchised buyers new hope".

Good time to buy?

60% of the 32,000 questioned in a recent Rightmove survey stated they feel the current housing market favours buyers, a clear indication that there is buyer bidding- power in their area to get a lower offer

¹ Source: www.mortgage27.co.uk

accepted. The same survey also found that just over half (51%) viewed property as lower risk when compared to other investment options, providing further evidence of confidence in property as an asset class.

Shipside explains: "Prices of some property types in some areas have dropped back enough to offer temptingly affordable homes, either to investor landlords looking for good rental yields or to buyers comparing mortgage payments to the costs of renting. In some micro-markets sellers have the upper hand, but on the whole a buyer with cash or a mortgage offer is the one in the driving seat".

Adjusting to 'the new norm'

Record January search activity on Rightmove indicates a pent-up desire to move that out-weighs the uncertain economic outlook. With sales transaction numbers having been depressed for the last four years, many households will have a pressing need to move, and some of those that are able to do so seem to be springing back to life.

Shipside comments: "Search activity on Rightmove is up by 19% on January 2011, and it could be a sign that some of those who can afford to move have decided to get on with their lives, driven either by desperation or by coming to terms with the constant barrage of negative economic news being the new norm. You can get tired of gloomy news, or get used to it, and indeed for some cash-rich buyers life has moved on to such an extent that it's like the Lehman Brothers collapse never happened".

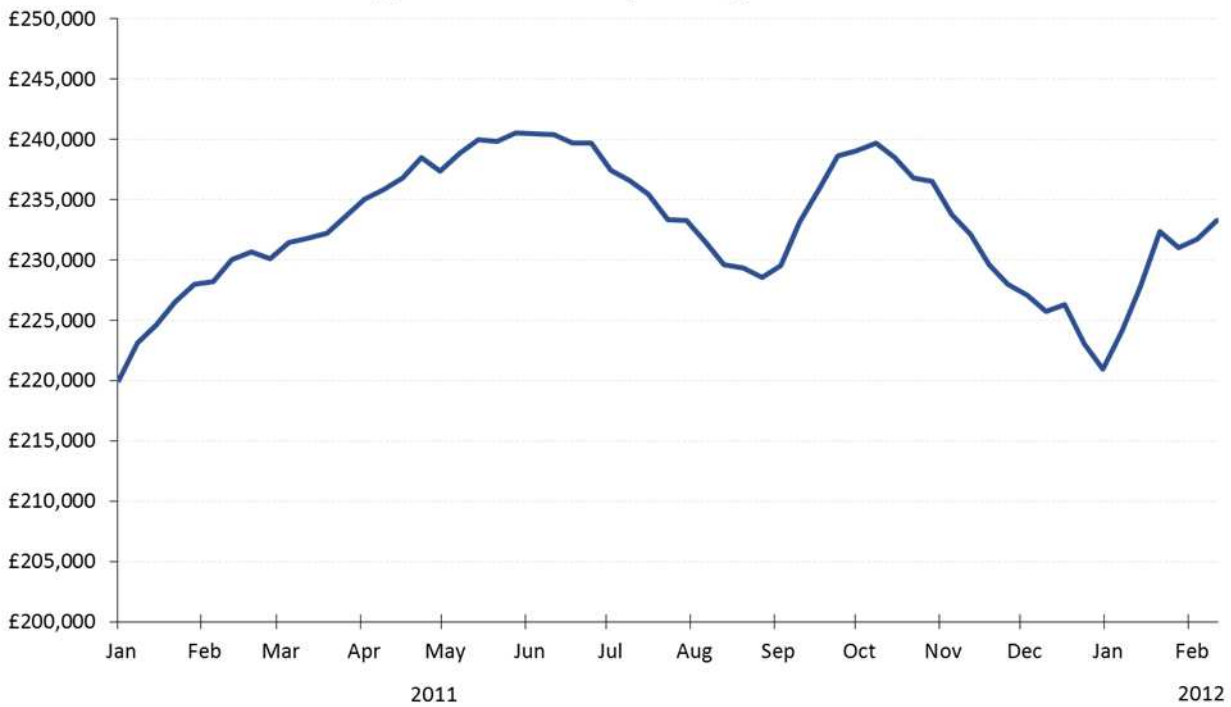
Dwindling stock

Some agents report that sales achieved in the last quarter of 2011 have now left them short of saleable stock. In October last year average unsold stock per estate agency branch was 75 properties, and this has now fallen to 67. This is further evidence of a pick-up in buyer confidence and demand starting to eat away at the rump of unsold stock. Lack of capacity in the new-build sector and sellers' reticence to come to market also means that properties that are coming off the market are not being replaced at the same rate.

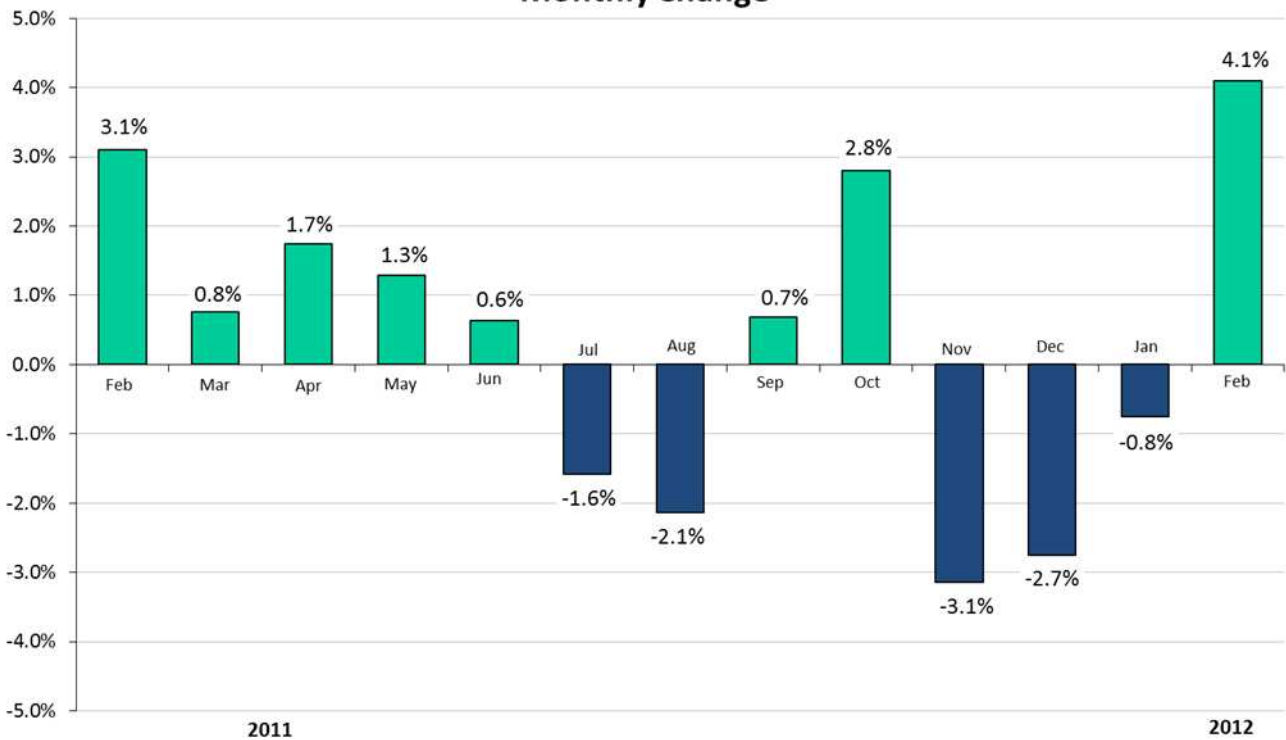
Average weekly listings are currently running at circa 30% below pre-credit crunch levels, and new seller numbers continue to be as depressed as those of 2011. The weekly run-rate of 24,406 new listings is virtually unchanged on the 24,327 recorded in the same period last year. Upwards price-pressure is likely to be sustainable in active cash-rich micro-markets with a shortage of new listings. For example, London asking prices are now less than 1% off their all-time high, with property coming to market down 9% on this time last year.

Shipside adds: "When prospective home-movers see less property advertised for sale and those that are turning over more quickly, it has a positive effect on their confidence to move and encourages them to act with more urgency. Stock levels are still on the high side in some less active parts of the country, but much of that stock is perhaps over-priced and un-saleable. However, in some micro-markets the shortage of existing and new instructions is such that it has helped contribute to the largest monthly jump in new seller asking prices for nearly a decade. While the mass-market stays at home, those that have access to funding continue to be active and have spending power, resulting in this month's big price hike".

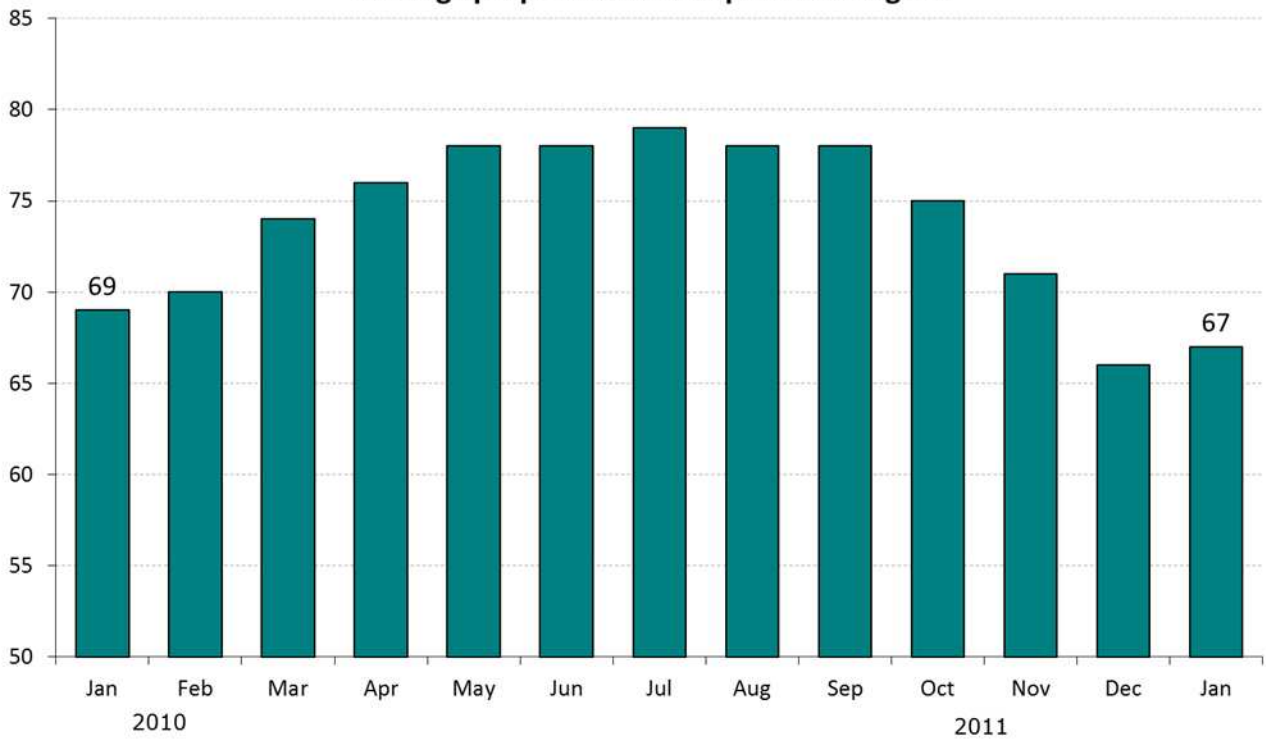
Rightmove Monthly Asking Price Trend



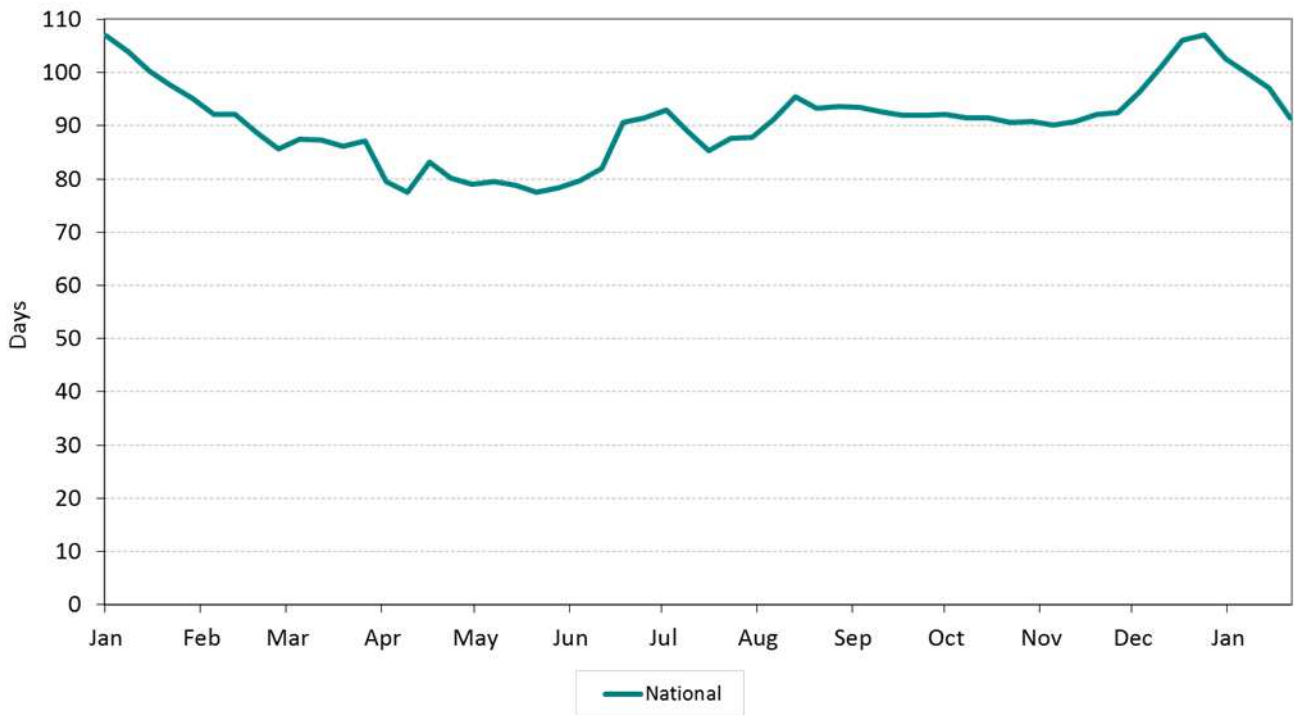
Monthly Change





Average properties for sale per Estate Agent



Time on Market Indicator (National)



Regions of England & Wales

 Increases
 Decreases
 from previous month

North	
Avg. Price Feb 12	£145,702
Avg. Price Jan 12	£137,942
Monthly Change	5.6%
Avg. Price Feb 11	£144,787
Annual Change	0.6%

North West	
Avg. Price Feb 12	£159,630
Avg. Price Jan 12	£154,715
Monthly Change	3.2%
Avg. Price Feb 11	£163,227
Annual Change	-2.2%

Yorkshire & Humberside	
Avg. Price Feb 12	£149,184
Avg. Price Jan 12	£147,519
Monthly Change	1.1%
Avg. Price Feb 11	£151,708
Annual Change	-1.7%

West Midlands	
Avg. Price Feb 12	£181,477
Avg. Price Jan 12	£174,498
Monthly Change	4.0%
Avg. Price Feb 11	£186,656
Annual Change	-2.8%

East Midlands	
Avg. Price Feb 12	£155,781
Avg. Price Jan 12	£151,127
Monthly Change	3.1%
Avg. Price Feb 11	£158,252
Annual Change	-1.6%

Wales	
Avg. Price Feb 12	£159,941
Avg. Price Jan 12	£157,543
Monthly Change	1.5%
Avg. Price Feb 11	£163,625
Annual Change	-2.3%

East Anglia	
Avg. Price Feb 12	£215,195
Avg. Price Jan 12	£212,815
Monthly Change	1.1%
Avg. Price Feb 11	£211,339
Annual Change	1.8%

South West	
Avg. Price Feb 12	£249,503
Avg. Price Jan 12	£239,156
Monthly Change	4.3%
Avg. Price Feb 11	£244,133
Annual Change	2.2%

Greater London	
Avg. Price Feb 12	£449,252
Avg. Price Jan 12	£438,324
Monthly Change	2.5%
Avg. Price Feb 11	£430,680
Annual Change	4.3%

South East	
Avg. Price Feb 12	£303,263
Avg. Price Jan 12	£283,609
Monthly Change	6.9%
Avg. Price Feb 11	£294,024
Annual Change	3.1%

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 or call 0845 456 8439

National Asking Price Trend

Month	Index (Jan 2002 = 100)	% Change	Avg. Price
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
June 2011	195.6	+0.6%	£240,394
July 2011	192.5	-1.6%	£236,597
August 2011	188.4	-2.1%	£231,543
September 2011	189.7	+0.7%	£233,139
October 2011	195.0	+2.8%	£239,672
November 2011	188.9	-3.1%	£232,144
December 2011	183.7	-2.7%	£225,766
January 2012	182.3	-0.8%	£224,060
February 2012	189.8	+4.1%	£233,252
Annual Change	+2.6	1.4%	+£3,222

(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
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
June 2011	£354,079	£198,904	£179,397	£192,090
July 2011	£348,145	£196,560	£178,694	£190,758
August 2011	£342,590	£194,781	£176,393	£190,143
September 2011	£342,687	£194,642	£178,505	£189,427
October 2011	£346,883	£198,267	£179,626	£194,545
November 2011	£343,200	£194,412	£173,935	£193,381
December 2011	£336,197	£191,040	£173,266	£189,870
January 2012	£332,266	£189,092	£173,474	£193,540
February 2012	£340,711	£195,718	£177,842	£195,308
Annual Change	+0.6%	-0.2%	-0.1%	+4.5%

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 or call 0845 456 8439.

London's Best Performers February 2012

London's Top 5	Avg. Price Feb 12	Avg. Price Jan 12	Monthly Change
Richmond-upon-Thames	£698,224	£603,231	15.7%
Kingston-upon-Thames	£666,922	£606,686	9.9%
Wandsworth	£656,781	£600,321	9.4%
Haringey	£519,816	£476,356	9.1%
Harrow	£345,496	£322,595	7.1%

London's Worst Performers February 2012

London's Bottom 5	Avg. Price Feb 12	Avg. Price Jan 12	Monthly Change
Kensington and Chelsea	£1,887,870	£1,924,048	-1.9%
Ealing	£425,320	£424,667	0.2%
Lambeth	£431,453	£430,728	0.2%
Camden	£868,876	£866,941	0.2%
Sutton	£328,315	£327,366	0.3%

London Time on Market

Time on Market Indicator (London)



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London Boroughs

Borough	Avg. Price Feb 12	Avg. Price Jan 12	Monthly Change	Avg. Price Feb 11	Annual Change
Kensington and Chelsea	£1,887,870	£1,924,048	-1.9%	£1,814,846	4.0%
City of Westminster	£1,412,415	£1,342,722	5.2%	£1,255,119	12.5%
Camden	£868,876	£866,941	0.2%	£745,711	16.5%
Hammersmith and Fulham	£853,208	£842,036	1.3%	£771,134	10.6%
Richmond-upon-Thames	£698,224	£603,231	15.7%	£584,912	19.4%
Kingston-upon-Thames	£666,922	£606,686	9.9%	£571,658	16.7%
Wandsworth	£656,781	£600,321	9.4%	£532,085	23.4%
Brent	£642,333	£632,467	1.6%	£519,079	23.7%
Islington	£620,645	£579,667	7.1%	£589,358	5.3%
Barnet	£571,374	£534,548	6.9%	£486,025	17.6%
Hackney	£530,483	£496,358	6.9%	£468,719	13.2%
Hounslow	£520,634	£517,828	0.5%	£450,513	15.6%
Haringey	£519,816	£476,356	9.1%	£455,372	14.2%
Merton	£446,425	£443,700	0.6%	£391,589	14.0%
Tower Hamlets	£435,706	£422,373	3.2%	£376,478	15.7%
Lambeth	£431,453	£430,728	0.2%	£397,773	8.5%
Ealing	£425,320	£424,667	0.2%	£397,573	7.0%
Southwark	£414,627	£405,686	2.2%	£376,594	10.1%
Hillingdon	£356,602	£340,616	4.7%	£337,174	5.8%
Lewisham	£352,238	£343,972	2.4%	£325,559	8.2%
Bromley	£347,903	£333,112	4.4%	£331,312	5.0%
Harrow	£345,496	£322,595	7.1%	£327,369	5.5%
Enfield	£333,065	£322,861	3.2%	£320,555	3.9%
Sutton	£328,315	£327,366	0.3%	£316,006	3.9%
Waltham Forest	£310,782	£291,628	6.6%	£278,603	11.6%
Redbridge	£290,669	£288,320	0.8%	£275,075	5.7%
Greenwich	£287,518	£278,377	3.3%	£263,514	9.1%
Croydon	£273,429	£268,612	1.8%	£271,890	0.6%
Havering	£255,884	£251,659	1.7%	£242,557	5.5%
Newham	£251,745	£239,968	4.9%	£216,229	16.4%
Bexley	£221,913	£215,365	3.0%	£209,240	6.1%
Barking and Dagenham	£218,385	£215,901	1.2%	£203,450	7.3%

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

Index Comparison

	Feb 2012		Jan 2011		Dec 2011	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
Rightmove	£233,252	+4.1%	£224,060	-0.8%	£225,766	-2.7%
Halifax	N/A *	N/A *	£160,907	+0.6%	£160,063	-0.9%
Nationwide	N/A *	N/A *	£162,228	-0.2%	£163,822	-0.2%

* 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 14,188 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 or call 0845 456 8439.