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First-time buyer hotspots highlight exodus from central London

- The price of property coming to market in London falls by 0.3% (-£2,112) this month
- Inner London the main drag factor with average fall of 1.1% (-£9,618)
- Of the top ten biggest national price-increase hotspots for typical first-time buyer properties, six are in Outer London with four in the commuter-belt outside London
 - Croydon leads the capital's first-time buyer price charge, up by 18.6% year-on-year
 - Dartford in Kent next highest riser at 18.5%, followed by Luton in Bedfordshire at 18.4%

London average asking prices				
Area	May 2016	April 2016	Monthly change	Annual change
Greater London	£644,088	£646,200	-0.3%	10.8%
Inner	£829,231	£838,849	-1.1%	8.4%
Outer	£520,073	£516,952	+0.6%	13.2%
Average asking prices by market sector:				
Sector	May 2016	April 2016	Monthly change	Annual change
First-time buyers	£483,122	£481,327	+0.4%	10.4%
Second-steppers	£689,356	£679,168	+1.5%	13.5%
Top of the ladder	£1,514,173	£1,603,852	-5.6%	4.9%

Overview

London's new seller asking prices have fallen this month by 0.3% (-£2,112). While the travails of the more centrally-located and upper-end of the capital's property market are well-documented, the stretched affordability at the first-time buyer end of the spectrum is also acting as a drag on activity in Inner London.

Miles Shippside, Rightmove director and housing market analyst comments: *"Whilst Inner London and the central boroughs in particular are mainly highly-priced locations, they also had large pockets of lower-priced housing, typically the target of first-time buyers. Research by Rightmove shows that none of these locations are experiencing high enough price rises to make it into the national top ten hotspots for first-time-buyer type properties with two bedrooms or fewer. All ten are in either Outer London or the neighbouring regions. This indicates an exodus of first-time buyer interest as they are driven out of Inner London by the sheer unaffordability of properties in that area."*

The highest percentage increase in the price of property coming to market in London compared to a year ago in the typical first-time-buyer property sector is in Croydon, up by 18.6%. In regions outside London but still very much in commuter-belt territory, Dartford in the South East has recorded an 18.5% jump, with Luton in the East of England up by 18.4%. Agents report that all of these areas were the focus of considerable buy-to-let investor activity.

Shippside observes: *"The country's top price rise hotspot is Croydon, where Londoners priced out of most other parts of the capital have sensed a combination of convenience and value, aided by some serious regeneration. Dartford has been a very popular and affordable area for London buyers prepared to commute from the South East region and also offers good rental yields to investors. With 5% less property coming to market in Dartford in the last four*



weeks compared to the same period in 2015, limited fresh supply is also a big factor. Luton has been a low-priced town for some time with easy London access, and has now come into play.”

Top ten national first-time buyer hotspots

Place	Yearly % change	Avg. asking price May 2016
Croydon	18.6%	£297,770
Dartford*	18.5%	£244,310
Luton*	18.4%	£186,900
Ilford	18.1%	£298,641
Uxbridge	17.9%	£308,266
Watford*	17.1%	£342,259
Enfield	17.0%	£316,820
Romford	16.6%	£253,964
Sutton	15.7%	£311,094
Slough*	14.9%	£328,173

*denotes location in region outside Greater London



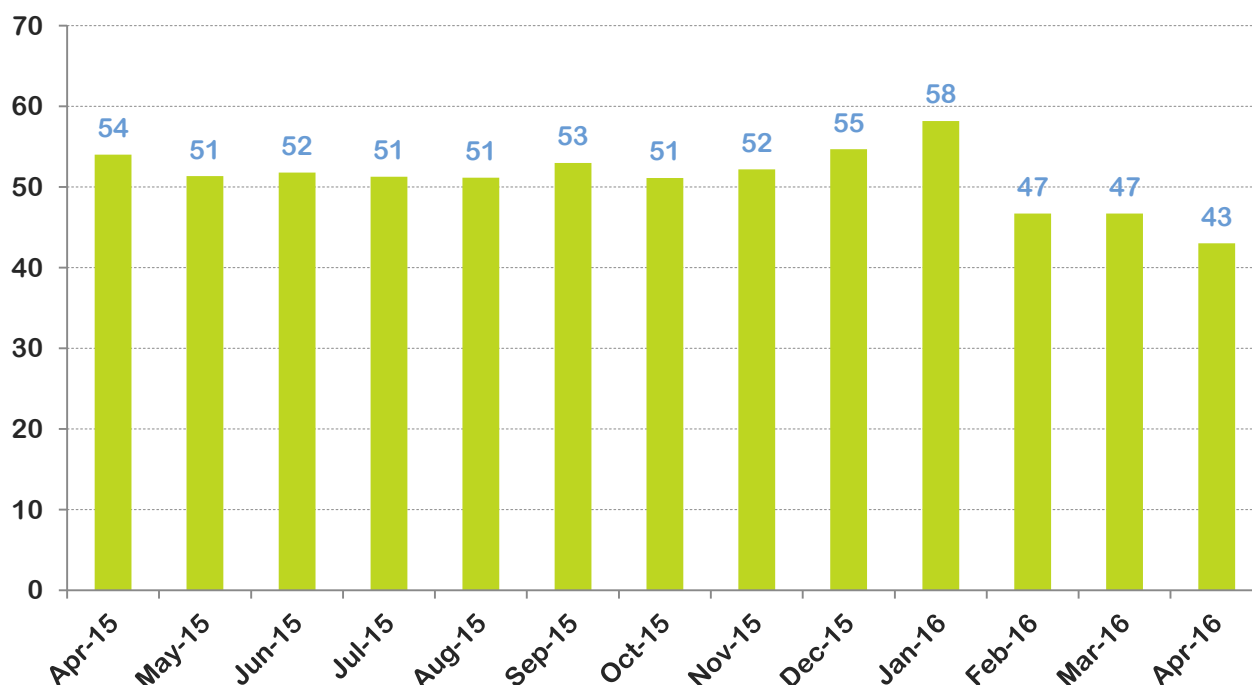
London's best performers: May 2016

Borough	Avg. price May 2016	Avg. price Apr 2016	Monthly change	Avg. price May 2015	Annual change
Merton	£713,285	£671,176	6.3%	£583,108	22.3%
Haringey	£639,960	£604,138	5.9%	£601,526	6.4%
Kingston upon Thames	£659,122	£637,544	3.4%	£576,318	14.4%
Brent	£651,267	£631,089	3.2%	£568,761	14.5%
Lewisham	£482,336	£467,182	3.2%	£429,325	12.3%

London's worst performers: May 2016

Borough	Avg. price May 2016	Avg. price Apr 2016	Monthly change	Avg. price May 2015	Annual change
Greenwich	£460,532	£485,697	-5.2%	£405,329	13.6%
Lambeth	£630,350	£664,561	-5.1%	£604,076	4.3%
Barnet	£670,654	£702,956	-4.6%	£647,905	3.5%
Camden	£1,099,702	£1,150,149	-4.4%	£1,103,710	-0.4%
Southwark	£628,163	£657,370	-4.4%	£615,613	2.0%

Average 'time to sell' (days) - London





London boroughs

Borough	Avg. price May 2016	Avg. price Apr 2016	Monthly change	Avg. price May 2015	Annual change
Kensington and Chelsea	£2,287,938	£2,244,739	1.9%	£1,981,363	15.5%
City of Westminster	£1,871,358	£1,880,224	-0.5%	£1,919,918	-2.5%
Camden	£1,099,702	£1,150,149	-4.4%	£1,103,710	-0.4%
Hammersmith and Fulham	£1,020,421	£1,057,044	-3.5%	£996,675	2.4%
Richmond upon Thames	£927,944	£933,761	-0.6%	£815,144	13.8%
Wandsworth	£829,151	£852,058	-2.7%	£767,331	8.1%
Islington	£774,037	£790,552	-2.1%	£756,985	2.3%
Merton	£713,285	£671,176	6.3%	£583,108	22.3%
Barnet	£670,654	£702,956	-4.6%	£647,905	3.5%
Kingston upon Thames	£659,122	£637,544	3.4%	£576,318	14.4%
Brent	£651,267	£631,089	3.2%	£568,761	14.5%
Hackney	£641,775	£639,876	0.3%	£630,321	1.8%
Haringey	£639,960	£604,138	5.9%	£601,526	6.4%
Ealing	£635,757	£625,473	1.6%	£603,721	5.3%
Lambeth	£630,350	£664,561	-5.1%	£604,076	4.3%
Southwark	£628,163	£657,370	-4.4%	£615,613	2.0%
Tower Hamlets	£608,789	£600,705	1.3%	£620,868	-1.9%
Hounslow	£585,150	£583,015	0.4%	£518,478	12.9%
Harrow	£573,952	£570,481	0.6%	£515,216	11.4%
Bromley	£541,856	£541,610	0.0%	£490,080	10.6%
Hillingdon	£485,349	£490,183	-1.0%	£435,562	11.4%
Lewisham	£482,336	£467,182	3.2%	£429,325	12.3%
Waltham Forest	£476,363	£464,824	2.5%	£405,792	17.4%
Enfield	£476,284	£463,804	2.7%	£420,272	13.3%
Greenwich	£460,532	£485,697	-5.2%	£405,329	13.6%
Redbridge	£452,517	£449,125	0.8%	£403,993	12.0%
Sutton	£439,176	£439,576	-0.1%	£389,872	12.6%
Croydon	£419,856	£416,889	0.7%	£372,772	12.6%
Newham	£401,295	£401,197	0.0%	£340,171	18.0%
Havering	£385,906	£389,583	-0.9%	£335,007	15.2%
Bexley	£359,692	£356,208	1.0%	£317,698	13.2%
Barking and Dagenham	£297,114	£302,347	-1.7%	£250,977	18.4%



Editors' notes

About the Index:

The Rightmove House Price Index methodology has been refined as of January 2015. The Index now uses new mapping technology to define regions at a postcode rather than postcode district or area level, and the mix adjustment has been updated to reflect the current proportion of stock by property type in each area, to provide even more accurate data. All regional breakdowns are now reported in line with ONS regions. For the purpose of historical comparisons, the historical figures have been restated based on the new methodology.

The Index can now include further breakdowns in the housing market to offer trends at three different sectors of the market: first-time buyer, second-stepper and top of the ladder. Inner London prices have been excluded from this categorisation as the normal housing ladder is not really applicable.

Advertising property for over 90% of all UK estate agents, Rightmove is in a unique position to identify any immediate changes in the market. Rightmove's House Price Index is compiled from the asking prices of properties coming onto the market via over 13,000 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 asking 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, whilst 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 in the housing market.

Market sectors explained:

First-time buyer: This figure represents the typical property a first-time buyer would purchase, covering all two bed properties and smaller that come to market (houses and flats).

Second-stepper: This figure represents the typical property of a person moving from their first home, covering all three and four bed properties that come to market (houses and flats) excluding four bed detached houses.

Top of the ladder: This figure represents asking prices at the top end of the market, covering all five bed properties and above (houses and flats), as well as four bed detached houses.

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 is consistently ranked the number one property website in the UK (source: Experian Hitwise). 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. The Rightmove.co.uk site attracts over 90 million visits from home movers each month who view in excess of one billion pages (Rightmove data, October 2014).