



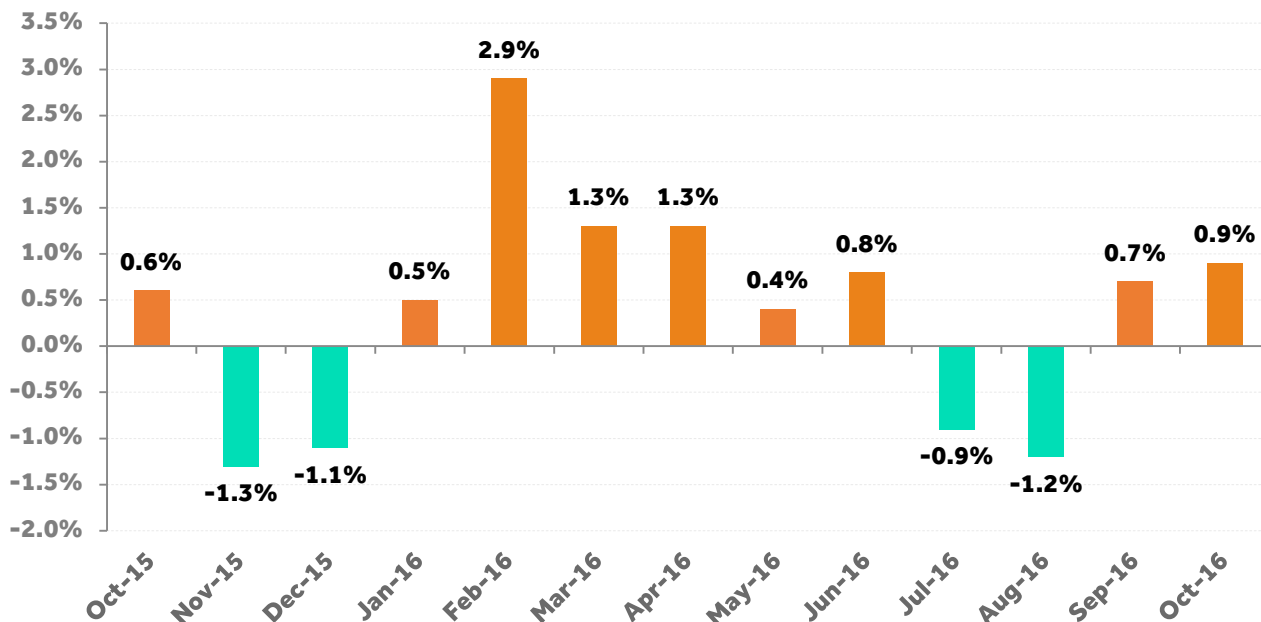
**Under embargo for 00:01 hours, Monday 17<sup>th</sup> October 2016**

## North/south sales divide in the Autumn market

- Price of property coming to market increases by 0.9% (+£2,623) this month to £309,122, just 0.4% (£1,349) below the all-time high reached in June
- Sales agreed in September have recovered from summer lull, now down just 4% on the post-election boosted same period in 2015, and up 6% on 2014
- Sellers' market in the north of the country with sales agreed up on 2015 and available stock down
- Buyers still have upper hand in the south - sales agreed are recovering but down on 2015, and stock is up

National average asking prices				
Month	Avg. asking price	Monthly change	Annual change	Index
October 2016	£309,122	+0.9%	+4.2%	254.5
September 2016	£306,499	+0.7%	+4.0%	252.3
National average asking prices by market sector (excluding Inner London)				
Sector	October 2016	September 2016	Monthly change	Annual change
First-time buyers	£188,891	£194,477	-2.9%	+2.3%
Second-steppers	£260,629	£258,836	+0.7%	+5.5%
Top of the ladder	£550,641	£545,387	+1.0%	+3.8%

## % monthly change in average asking prices





## Overview

After two consecutive falls in July and August, the price of property coming to market has now risen for two months. This month's increase of 0.9% (+£2,623) puts the national average at £309,122, just 0.4% (£1,349) short of the record set in June of this year. However, different areas of the country and different sectors are experiencing contrasting market conditions, with a north/south divide currently emerging in this year's autumn market.

Miles Shipside, Rightmove director and housing market analyst comments: *"After the referendum result and the usual summer slowdown, estate agents' experiences appear to fall into one of two camps, with a definite north/south divide. Agents in the northern half of the country reported a quiet week or two after the surprise result of the Brexit vote, but most then saw a quick return to good levels of buyer enquiries and subsequent sales agreed. In contrast many in the southern regions saw more prolonged hesitancy among buyers, with it taking until September before a marked pick-up in activity. What has continued is the overall upwards trajectory in the average price of property coming to market, underpinned by years of inadequate new-build supply. After some price falls over the quieter summer period, the national average is now less than a couple of thousand pounds shy of its all-time high recorded in June."*

In the full month of September sales agreed have recovered after the summer lull and are now down just 4% nationally compared to the same period in 2015, but up 6% on 2014. Given that the housing market in the second half of 2015 was buoyed by the surprise of a majority government, overall sales activity seems to be recovering well after an especially quiet summer in some southern parts of the country. An element of this was due to transaction levels being front loaded into first half of this year due to the tax inspired buy-to-let surge.

### Sellers' market in the northern regions

The six northern regions (North West, North East, Yorkshire & the Humber, East Midlands, West Midlands and Wales) saw an 11% fall in the total available stock for sale compared to the same period in 2015, continuing the downward trend over the last few years. This reduction in choice for buyers hampers their ability to negotiate and gives sellers the confidence to both ask for higher prices and hold out for their asking price. The number of sales agreed have risen by 3% in these regions compared to the same period a year ago.

Shipside observes: *"While the number of new-to-the-market sellers is actually up compared to this time last year in all the northern regions, it is failing to keep pace with high buyer demand. Agents report brisk sales in many areas, especially in the mass-market sectors. They say as long as it's not over-priced, the right house in the right area is quickly being snapped up for close to, at, or even over the asking price."*

### Buyers hold the upper hand in much of the south

In contrast, September's figures for the four southern regions (Greater London, South East, East of England and South West) saw total available stock for sale rise by 16% compared to the same period in 2015. While sales have picked up after the summer months, the number of sales agreed is down across all four southern regions, indicative of less buyer activity than in September 2015. The average across all four regions is a fall in sales agreed of 10%.

Shipside concludes: *"This increase in the number of properties up for sale should not be misinterpreted as a glut of unsold property, but rather as an increase from the very low number of properties that agents have had on their books in the last few fast-selling years. While there is still underlying high demand in mass-market sectors, some find that affordability has become over-stretched while others judge that prices have risen beyond their true value. While many properties are still selling, in market sectors where there is now a lot more choice, buyers need enticing by an attractive price or by properties with special finish or appeal. If sellers fail to take this into account, then buyers will choose to buy elsewhere or bide their time."*



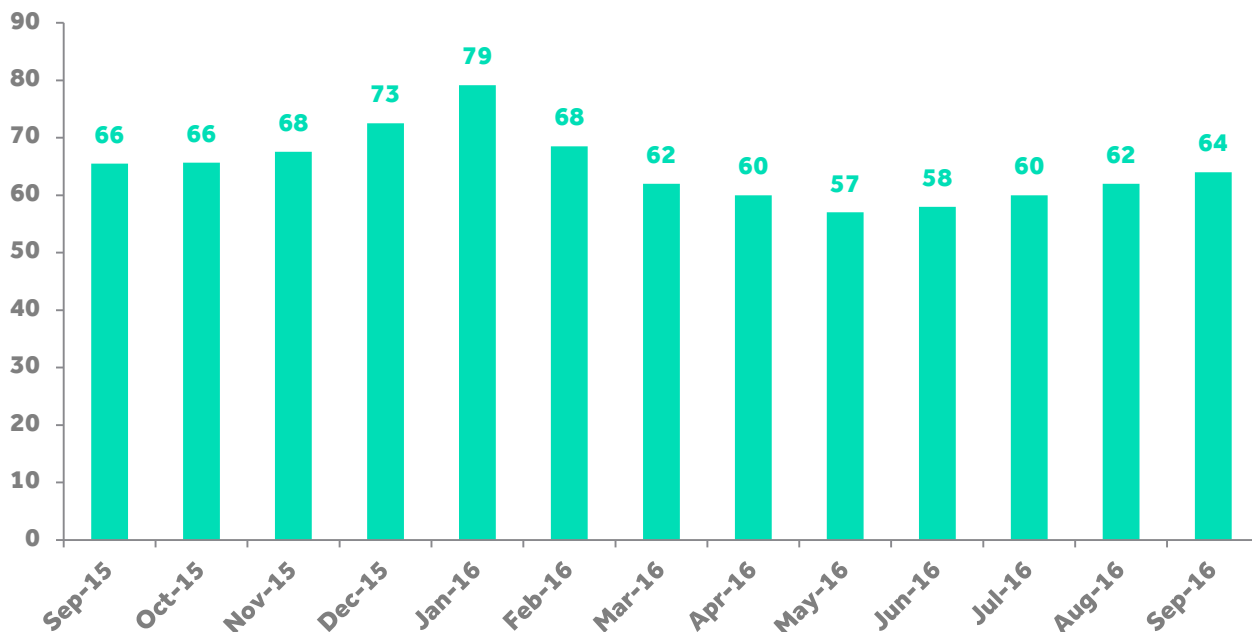
## Agents' Views

James Court, Director at Readings Property Group in Leicester, said: *"The market in Leicester is still very buoyant with sales in the last months ranging from £41,000 to over £600,000. Strong sales and shortage of new listings to replace them have seen the market size contract by some 25%. Typically, we have a choice of buyers for each property. So you need to have sold to secure your next purchase."*

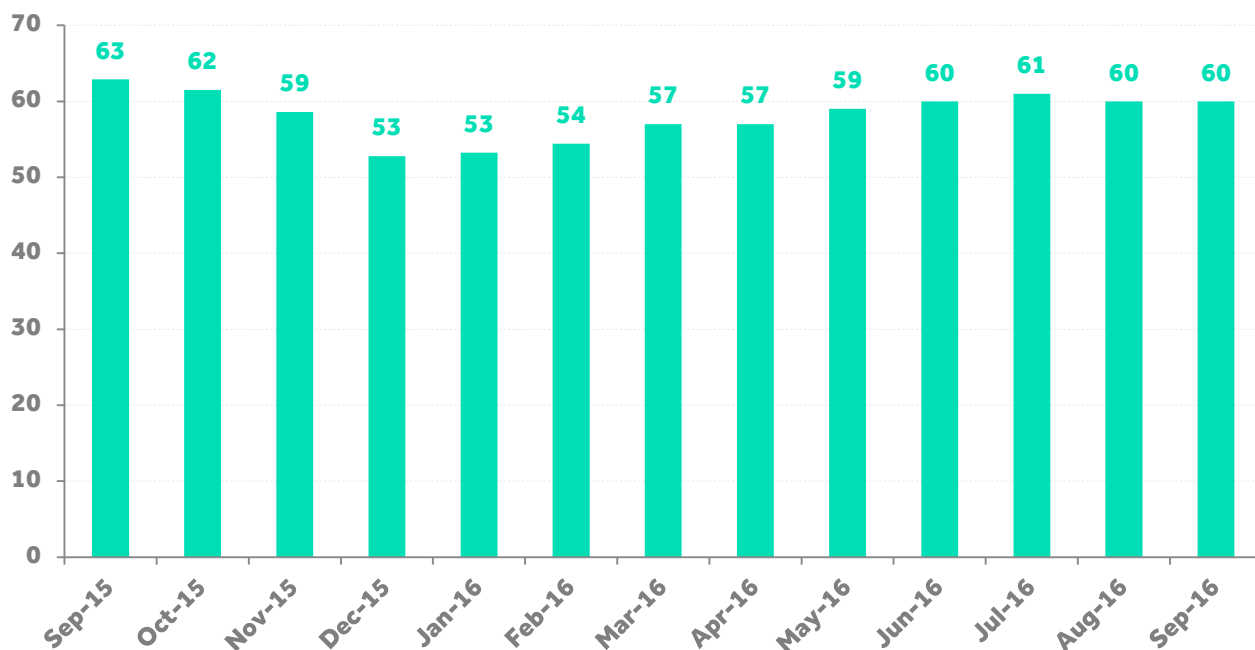
Richard Jones, Partner at Marriotts Estate Agents in Nottingham, said: *"New listings coming onto the market are failing to keep pace with buyer demand. If the right house in the right area at the right price comes onto the market it's gone within days, either getting very close to the asking price or achieving over. If buyers aren't quick they miss the property and it becomes history as far as they are concerned, and they have to wait for their next chance."*



## Average 'time to sell' (no. of days) - National

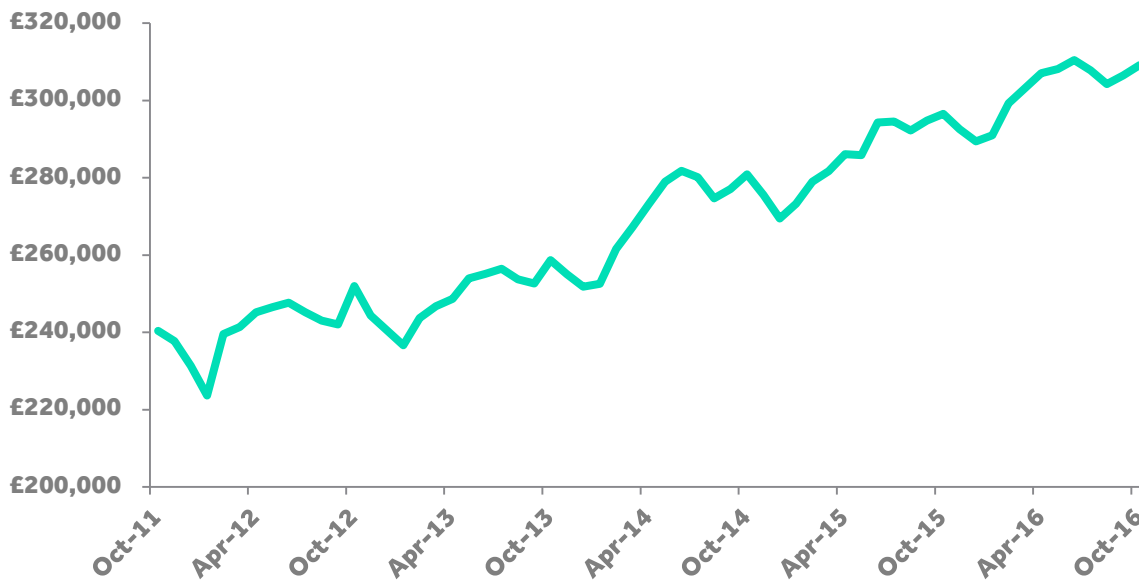


## Average stock per agent (including Under Offer/Sold STC)





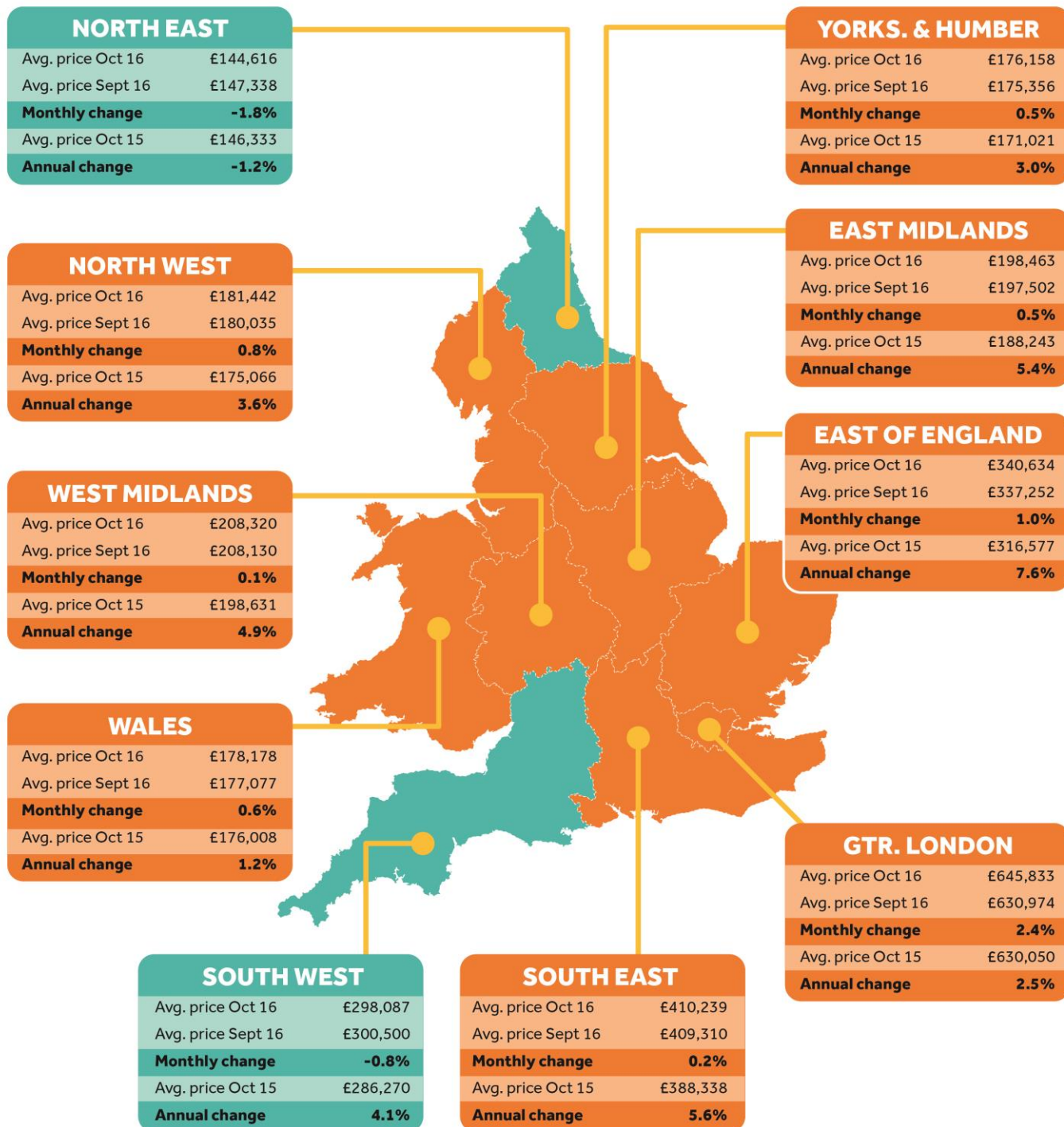
## Monthly asking price trend





## Regional trends

■ Increase from previous quarter
 ■ Decrease from previous quarter
 ■ No change





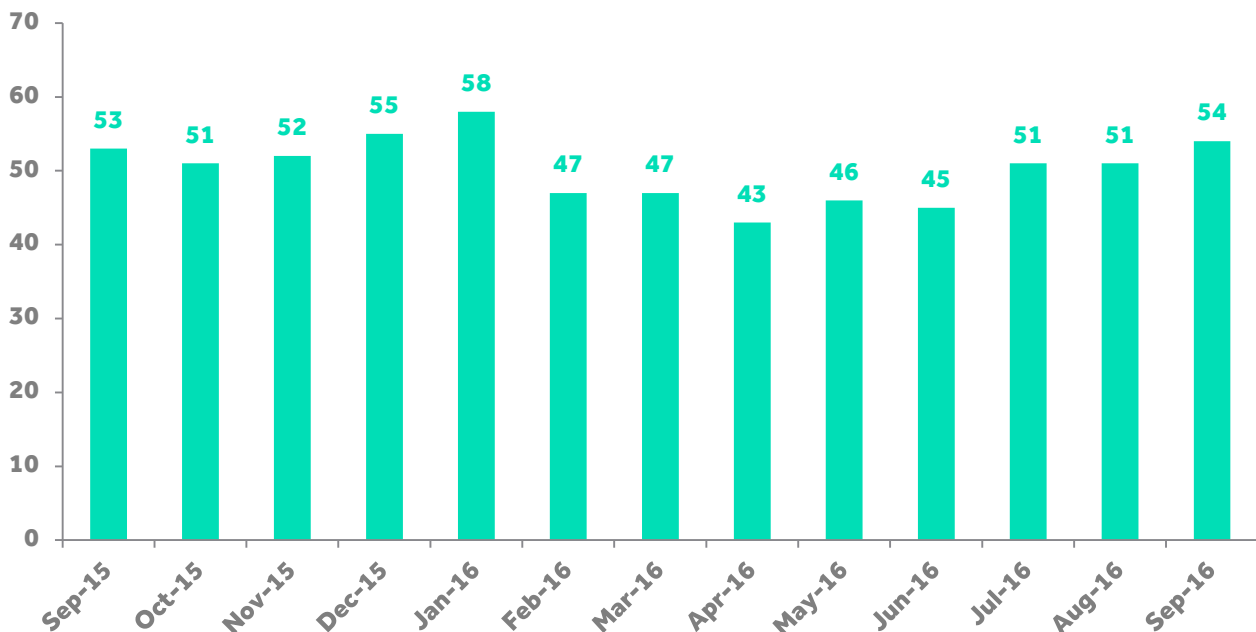
## London's best performers: October 2016

Borough	Avg. price Oct 2016	Avg. price Sep 2016	Monthly change	Avg. price Oct 2015	Annual change
Kensington and Chelsea	£2,328,422	£2,054,707	13.3%	£2,492,753	-6.6%
Hounslow	£576,113	£528,819	8.9%	£554,607	3.9%
Tower Hamlets	£649,954	£601,449	8.1%	£617,075	5.3%
Haringey	£676,695	£627,398	7.9%	£620,950	9.0%
Merton	£707,130	£663,782	6.5%	£672,563	5.1%

## London's worst performers: October 2016

Borough	Avg. price Oct 2016	Avg. price Sep 2016	Monthly change	Avg. price Oct 2015	Annual change
Lambeth	£646,074	£665,870	-3.0%	£653,552	-1.1%
Croydon	£420,404	£429,653	-2.2%	£390,069	7.8%
Wandsworth	£811,191	£827,528	-2.0%	£818,203	-0.9%
Hackney	£647,057	£659,868	-1.9%	£649,326	-0.3%
Hillingdon	£481,106	£489,930	-1.8%	£444,423	8.3%

## Average 'time to sell' (no. of days) - London





## London boroughs

Borough	Avg. price Oct 2016	Avg. price Sep 2016	Monthly change	Avg. price Oct 2015	Annual change
Kensington and Chelsea	£2,328,422	£2,054,707	13.3%	£2,492,753	-6.6%
City of Westminster	£1,859,042	£1,777,498	4.6%	£2,022,794	-8.1%
Camden	£1,106,363	£1,059,161	4.5%	£1,133,750	-2.4%
Hammersmith and Fulham	£1,009,951	£1,009,603	0.0%	£1,042,822	-3.2%
Richmond upon Thames	£902,252	£867,512	4.0%	£900,749	0.2%
Wandsworth	£811,191	£827,528	-2.0%	£818,203	-0.9%
Islington	£793,326	£801,685	-1.0%	£761,320	4.2%
Barnet	£707,243	£693,044	2.0%	£661,480	6.9%
Merton	£707,130	£663,782	6.5%	£672,563	5.1%
Haringey	£676,695	£627,398	7.9%	£620,950	9.0%
Brent	£661,560	£644,188	2.7%	£644,419	2.7%
Ealing	£654,412	£618,741	5.8%	£635,942	2.9%
Tower Hamlets	£649,954	£601,449	8.1%	£617,075	5.3%
Hackney	£647,057	£659,868	-1.9%	£649,326	-0.3%
Lambeth	£646,074	£665,870	-3.0%	£653,552	-1.1%
Southwark	£630,568	£630,711	0.0%	£612,039	3.0%
Kingston upon Thames	£615,549	£610,355	0.9%	£636,595	-3.3%
Hounslow	£576,113	£528,819	8.9%	£554,607	3.9%
Harrow	£570,639	£569,326	0.2%	£547,831	4.2%
Bromley	£543,839	£537,994	1.1%	£523,474	3.9%
Lewisham	£484,050	£462,997	4.5%	£450,687	7.4%
Hillingdon	£481,106	£489,930	-1.8%	£444,423	8.3%
Enfield	£467,332	£469,443	-0.4%	£457,247	2.2%
Waltham Forest	£461,237	£461,703	-0.1%	£433,796	6.3%
Redbridge	£458,602	£447,662	2.4%	£434,127	5.6%
Greenwich	£458,238	£461,957	-0.8%	£455,103	0.7%
Sutton	£434,312	£436,549	-0.5%	£398,333	9.0%
Croydon	£420,404	£429,653	-2.2%	£390,069	7.8%
Newham	£410,934	£403,842	1.8%	£376,073	9.3%
Havering	£392,457	£392,879	-0.1%	£349,520	12.3%
Bexley	£358,023	£350,942	2.0%	£334,049	7.2%
Barking and Dagenham	£303,690	£296,989	2.3%	£273,097	11.2%





## 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.

Rightmove measured 110,008 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 11<sup>th</sup> September 2016 to 8<sup>th</sup> October 2016 and advertised on Rightmove.co.uk. This month 5,566 properties have been excluded due to being anomalies.

### 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 110 million visits from home movers each month who view in excess of 1.5 billion pages (Rightmove data, 2015).