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11% rise in cheapest borough and 11% fall in most expensive sum up London's travails

- Price of property coming to market in London rebounds by 1.9% (+£11,565) this month, recovering some ground after four consecutive monthly falls
- The price recovery is exaggerated by seasonal volatility, with more owners of expensive properties coming to market after the end of the summer holidays, pushing up the average
- Annual changes in most expensive and cheapest boroughs summarise the extreme divergence at play in the capital's housing market
 - Kensington and Chelsea (average new seller asking price of £2,054,707) shows 11.7% fall year-on-year
 - Barking and Dagenham (average new seller asking price of £296,989) up by 11.0% year-on-year

London average asking prices				
Area	September 2016	August 2016	Monthly change	Annual change
Greater London	£630,974	£619,409	+1.9%	+1.8%
Inner	£804,642	£784,494	+2.6%	-1.4%
Outer	£514,904	£508,829	+1.2%	+5.3%
Average asking prices by market sector:				
Sector	September 2016	August 2016	Monthly change	Annual change
First-time buyers	£477,097	£473,352	+0.8%	+3.6%
Second-steppers	£667,858	£671,600	-0.6%	+3.6%
Top of the ladder	£1,510,559	£1,356,230	+11.4%	-5.4%

Overview

After four consecutive months of falls in new seller asking prices, those coming to market are showing a 1.9% (+£11,565) increase on the previous month. This rise partially offsets the overall drop of 4.1% from April to August, but is also a reflection of more sellers of more expensive properties deciding to come to market after the end of the summer holidays. This seasonal habit is more extreme in the capital than elsewhere in the country and makes monthly figures more volatile around holiday periods. A stark summary of the state of the London property market over the last year is now apparent, with a near identical mirroring of circa 11% annual rises and 11% annual falls in the cheapest and most expensive boroughs respectively.

Miles Shipside, Rightmove director and housing market analyst explains: *"The boom at the upper end of the London housing market was well and truly curtailed by George Osborne's punitive stamp duty changes, and prices are re-adjusting to a level at which buyers find better value and are tempted to re-enter. Overseas buyers who are buying with funds in currencies that have appreciated against sterling since the surprise Brexit vote have seen a further reduction in prices of around 10%. Kensington & Chelsea, the most expensive borough with an average asking price of over £2 million, has seen the price of property coming to market drop by 11.7% in the last year as some buyers are able to bide their time and sit firmly on their bidding hands. In contrast buyers with a greater need for a home for their daily work commute are still very active and seek out value and what they can afford. Barking and Dagenham with an average asking price of under £300,000 is the cheapest borough, yet is now 11% more expensive than a year*



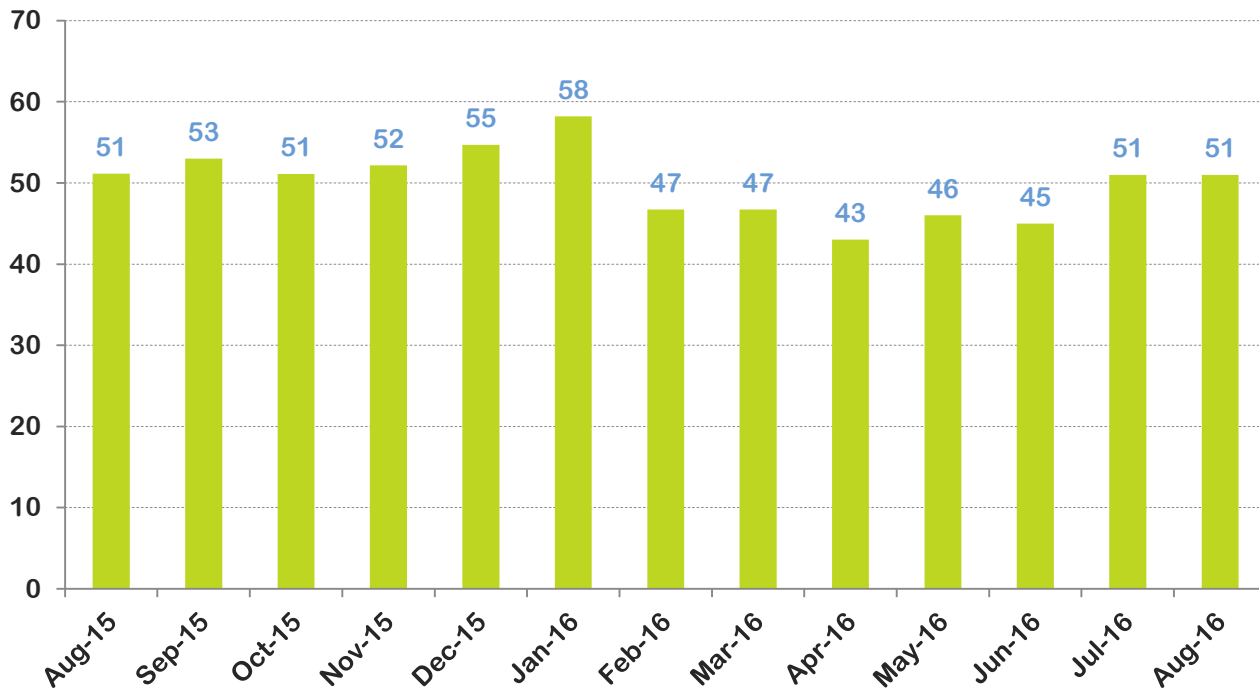
ago. It is one of four cheaper boroughs that have seen the largest annual increases in the capital, all around 11%. These divergences between top and bottom summarise the extremes and very different forces at play in London.”

Agent's View

Stephanie McMahon, Head of Research at Strutt & Parker in London said: “The average price falls in Kensington & Chelsea reflect a slow-down which began in some parts of prime central London almost two years ago. The market in the run up to the summer was characterised by low levels of sales which have subsequently impacted values. Outside of prime London, the market is driven to a much greater extent by people working and living in London, and this is where the bulk of activity has been over the past 12 months, resulting in the inflation of new seller prices.”



Average 'time to sell' (days) - London



London's best performers: September 2016

Borough	Avg. price Sep 2016	Avg. price Aug 2016	Monthly change	Avg. price Sep 2015	Annual change
City Of Westminster	£1,777,498	£1,629,205	9.1%	£1,878,256	-5.4%
Lambeth	£665,870	£627,320	6.1%	£605,929	9.9%
Greenwich	£461,957	£435,373	6.1%	£441,914	4.5%
Brent	£644,188	£608,885	5.8%	£623,835	3.3%
Richmond Upon Thames	£867,512	£829,533	4.6%	£910,626	-4.7%

London's worst performers: September 2016

Borough	Avg. price Sep 2016	Avg. price Aug 2016	Monthly change	Avg. price Sep 2015	Annual change
Enfield	£469,443	£492,283	-4.6%	£443,470	5.9%
Camden	£1,059,161	£1,094,577	-3.2%	£1,119,730	-5.4%
Waltham Forest	£461,703	£475,662	-2.9%	£423,193	9.1%
Barking And Dagenham	£296,989	£303,357	-2.1%	£267,567	11.0%
Ealing	£618,741	£630,867	-1.9%	£618,339	0.1%



London boroughs

Borough	Avg. price Sep 2016	Avg. price Aug 2016	Monthly change	Avg. price Sep 2015	Annual change
Kensington And Chelsea	£2,054,707	£2,010,038	2.2%	£2,326,857	-11.7%
City Of Westminster	£1,777,498	£1,629,205	9.1%	£1,878,256	-5.4%
Camden	£1,059,161	£1,094,577	-3.2%	£1,119,730	-5.4%
Hammersmith And Fulham	£1,009,603	£977,758	3.3%	£1,036,493	-2.6%
Richmond Upon Thames	£867,512	£829,533	4.6%	£910,626	-4.7%
Wandsworth	£827,528	£798,069	3.7%	£877,178	-5.7%
Islington	£801,685	£777,032	3.2%	£759,046	5.6%
Barnet	£693,044	£679,428	2.0%	£679,720	2.0%
Lambeth	£665,870	£627,320	6.1%	£605,929	9.9%
Merton	£663,782	£643,899	3.1%	£619,838	7.1%
Hackney	£659,868	£630,649	4.6%	£639,148	3.2%
Brent	£644,188	£608,885	5.8%	£623,835	3.3%
Southwark	£630,711	£622,731	1.3%	£631,055	-0.1%
Haringey	£627,398	£625,440	0.3%	£573,719	9.4%
Ealing	£618,741	£630,867	-1.9%	£618,339	0.1%
Kingston upon Thames	£610,355	£607,330	0.5%	£610,070	0.0%
Tower Hamlets	£601,449	£604,249	-0.5%	£566,497	6.2%
Harrow	£569,326	£555,975	2.4%	£542,953	4.9%
Bromley	£537,994	£531,374	1.2%	£510,122	5.5%
Hounslow	£528,819	£516,753	2.3%	£531,400	-0.5%
Hillingdon	£489,930	£470,808	4.1%	£446,130	9.8%
Enfield	£469,443	£492,283	-4.6%	£443,470	5.9%
Lewisham	£462,997	£471,716	-1.8%	£436,820	6.0%
Greenwich	£461,957	£435,373	6.1%	£441,914	4.5%
Waltham Forest	£461,703	£475,662	-2.9%	£423,193	9.1%
Redbridge	£447,662	£443,741	0.9%	£428,306	4.5%
Sutton	£436,549	£426,467	2.4%	£398,505	9.5%
Croydon	£429,653	£426,016	0.9%	£386,953	11.0%
Newham	£403,842	£397,182	1.7%	£361,557	11.7%
Havering	£392,879	£392,464	0.1%	£351,244	11.9%
Bexley	£350,942	£356,263	-1.5%	£327,506	7.2%
Barking And Dagenham	£296,989	£303,357	-2.1%	£267,567	11.0%



Editors' notes

About the Index:

The Rightmove House Price Index methodology was 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).