



Monday 20th February 2017

Biggest year-on-year fall in London for six years

- Price of property coming to market jumps 2.6% (+£16,163) this month as seasonal pick-up continues
- Inner London (+5.2%) out-performs Outer London (-0.1%) as the owners of more expensive properties skew the average rise by deciding to come to market after the Christmas sojourn
- Putting seasonal volatility aside, the year-on-year figures show a major change in the capital's property fortunes with the largest annual fall (-0.4%) since April 2011
- London's most expensive borough, Kensington & Chelsea, highlights some of the Inner London challenges and re-adjustment at the very top end of the market with a 14.6% annual fall, and over £360,000 chopped off new seller asking prices

London average asking prices				
Area	February 2017	January 2017	Monthly change	Annual change
Greater London	£641,116	£624,953	+2.6%	-0.4%
Inner	£829,984	£789,310	+5.2%	-2.1%
Outer	£514,022	£514,483	-0.1%	+1.4%
Average asking prices by market sector				
Sector	February 2017	January 2017	Monthly change	Annual change
First-time buyers	£478,799	£469,648	+1.9%	+0.3%
Second-steppers	£680,665	£656,270	+3.7%	+1.4%
Top of the ladder	£1,572,109	£1,557,501	+0.9%	-4.9%

Overview

As the attention of owners of the capital's more expensive homes turns to putting their properties on the market after their extended Christmas break, London sees the continuation of the new year's usual price rebound. The average asking price of newly-marketed properties is up by 2.6% (+£16,163) on the previous month, with all of the increase being down to more expensive and more seasonally volatile Inner London (+5.2%, +£40,674) as Outer London fell (-0.1%, -£461).

Miles Shippside, Rightmove director and housing market analyst comments: "Having perhaps been busy slope-side or seaside, the owners of more expensive properties have as usual decided to come to market after their Christmas sojourn which has skewed this month's average rise. This is shown by the average price in Inner London jumping by over 5%, compared to a slight fall of 0.1% in Outer London. The annual rate smooths out these seasonal gyrations and shows higher-priced Inner London still well down year-on-year compared to more affordable Outer London."

The travails of the Inner London market, with an average newly-marketed price of over £800,000 compared to Outer London's of just over £500,000, have dragged down the overall London annual rate to its biggest fall for six years. Prices of properties coming to market are now 0.4% lower than a year ago, a rate of decrease not seen since April 2011.



Shipside notes: *"Whilst Outer London continues to be in positive territory with a 1.4% annual rise as demand remains strong for its more affordable options, Inner London has fallen by 2.1%. The capital's most expensive borough, Kensington & Chelsea, epitomises the re-adjustments required for recovery. It has seen nearly 15% lopped off prices in just a year. While bargain hunters may be excited at the prospect of savings of over £360,000, they should remember that average asking prices are still well in to seven figures at over £2 million."*

Agent's View

James Sims, Director at Brik Estate Agents in Fulham said: *"The sales market in Fulham is currently very price sensitive. We're noticing that reducing properties by even a marginal 2-3% can make a significant difference to the level of interest from potential buyers. As is usual at this time of year we've had more sellers of properties in higher priced brackets come to market, and so we've been working with them to make sure their property is marketed at the right price."*



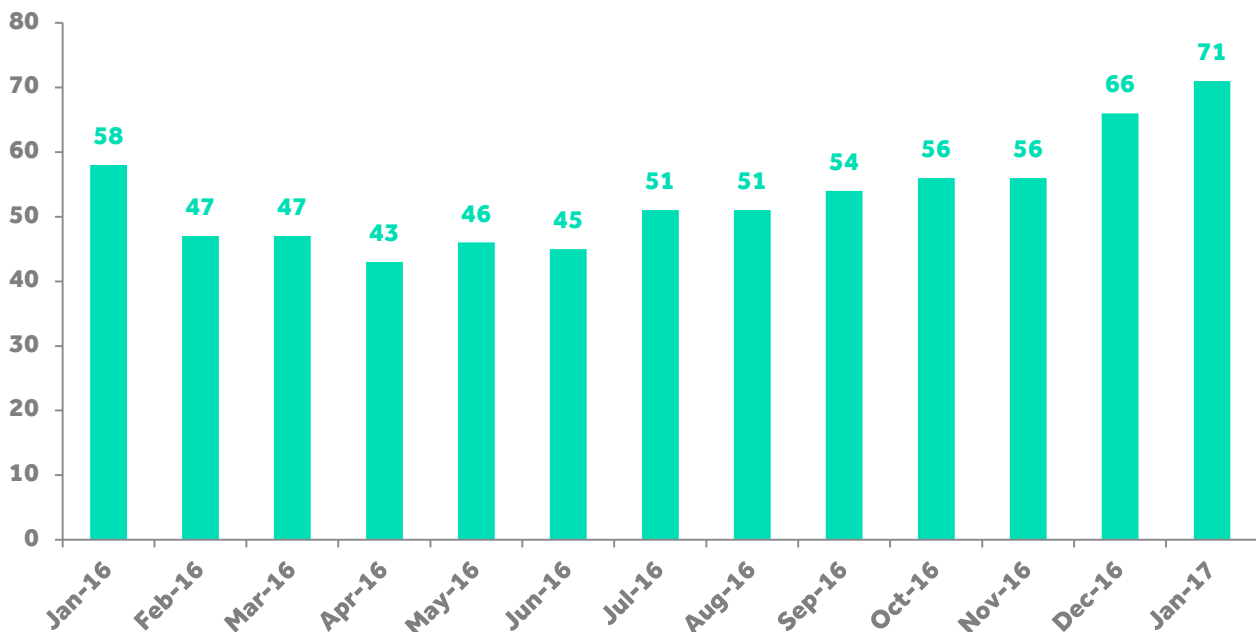
London's best annual performers: February 2017

Borough	Avg. price Feb 2017	Avg. price Jan 2017	Monthly change	Avg. price Feb 2016	Annual change
Camden	£1,422,554	£1,118,218	27.2%	£1,117,232	27.3%
Redbridge	£478,079	£446,581	7.1%	£440,222	8.6%
Bexley	£366,344	£370,291	-1.1%	£338,097	8.4%
Havering	£400,456	£391,186	2.4%	£371,090	7.9%
Greenwich	£464,479	£464,144	0.1%	£432,666	7.4%

London's worst annual performers: February 2017

Borough	Avg. price Feb 2017	Avg. price Jan 2017	Monthly change	Avg. price Feb 2016	Annual change
Kensington and Chelsea	£2,126,942	£2,485,483	-14.4%	£2,489,126	-14.6%
Hammersmith and Fulham	£953,345	£948,671	0.5%	£1,069,235	-10.8%
Merton	£641,598	£632,749	1.4%	£704,481	-8.9%
Kingston upon Thames	£592,515	£621,638	-4.7%	£627,672	-5.6%
Hounslow	£534,830	£499,873	7.0%	£563,555	-5.1%

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





London boroughs

Borough	Avg. price Feb 2017	Avg. price Jan 2017	Monthly change	Avg. price Feb 2016	Annual change
Kensington and Chelsea	£2,126,942	£2,485,483	-14.4%	£2,489,126	-14.6%
City of Westminster	£1,926,444	£1,992,328	-3.3%	£2,015,540	-4.4%
Camden	£1,422,554	£1,118,218	27.2%	£1,117,232	27.3%
Hammersmith and Fulham	£953,345	£948,671	0.5%	£1,069,235	-10.8%
Richmond upon Thames	£886,068	£864,137	2.5%	£878,113	0.9%
Wandsworth	£805,719	£775,702	3.9%	£846,666	-4.8%
Islington	£785,356	£807,550	-2.7%	£804,467	-2.4%
Barnet	£696,998	£732,439	-4.8%	£689,060	1.2%
Hackney	£688,163	£732,573	-6.1%	£666,945	3.2%
Southwark	£665,002	£684,410	-2.8%	£659,096	0.9%
Haringey	£649,062	£605,271	7.2%	£625,016	3.8%
Lambeth	£644,160	£662,177	-2.7%	£658,069	-2.1%
Merton	£641,598	£632,749	1.4%	£704,481	-8.9%
Brent	£619,614	£573,189	8.1%	£649,889	-4.7%
Tower Hamlets	£608,284	£600,774	1.3%	£578,662	5.1%
Ealing	£605,870	£604,736	0.2%	£632,596	-4.2%
Kingston upon Thames	£592,515	£621,638	-4.7%	£627,672	-5.6%
Harrow	£551,855	£542,733	1.7%	£542,901	1.6%
Hounslow	£534,830	£499,873	7.0%	£563,555	-5.1%
Bromley	£534,213	£556,044	-3.9%	£532,505	0.3%
Hillingdon	£482,408	£483,951	-0.3%	£478,230	0.9%
Enfield	£480,322	£486,236	-1.2%	£452,818	6.1%
Redbridge	£478,079	£446,581	7.1%	£440,222	8.6%
Waltham Forest	£471,488	£475,186	-0.8%	£452,689	4.2%
Lewisham	£465,590	£473,592	-1.7%	£457,352	1.8%
Greenwich	£464,479	£464,144	0.1%	£432,666	7.4%
Sutton	£441,840	£437,115	1.1%	£442,303	-0.1%
Croydon	£425,581	£423,347	0.5%	£399,953	6.4%
Newham	£418,835	£426,971	-1.9%	£396,582	5.6%
Havering	£400,456	£391,186	2.4%	£371,090	7.9%
Bexley	£366,344	£370,291	-1.1%	£338,097	8.4%
Barking and Dagenham	£303,182	£298,255	1.7%	£291,638	4.0%



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