



**Under embargo for 00:01 hours: Monday, 21<sup>st</sup> September 2015**

## Biggest September rise for 13 years to new record high benefits property-rich

- Price of property coming to market this month hits new national record, up 0.9% to £294,834, as demand is fuelled by cheap borrowing yet supply is limited by some home-owners' reluctance to move
- Average £2,550 rise is the largest amount seen in month of September since 2002, driven by price jump in family-home sectors (+1.2%) as owners of first-time-buyer properties see prices stall (-1.1%)
- Property-rich getting richer:
  - Top 15 highest-priced counties all rise in price this month, by double the national average at 1.8%
  - These counties are all in the higher-priced southern regions which have all risen this month, driven by supply shortages with fewer home-owners selling
  - The lower-priced northern regions all fall, reducing would-be sellers' ability to raise adequate funds to move and exacerbating supply shortages
  - New seller numbers are down on same period last year in both the north (-4.9%) and the south (-7.1%)

National average asking prices				
Month	Avg. asking price	Monthly change	Annual change	Index
September 2015	£294,834	0.9%	6.4%	242.7
August 2015	£292,284	-0.8%	6.4%	240.6
National average asking prices by market sector (excluding Inner London)				
Sector	September 2015	August 2015	Monthly change	Annual change
First-time buyers	£176,027	£177,977	-1.1%	5.9%
Second-stoppers	£246,037	£243,011	1.2%	6.8%
Top of the ladder	£531,028	£524,822	1.2%	3.9%

## Top 15 most expensive counties - house price growth

County	Avg. price Sep 2015	Avg. price Aug 2015	Monthly change	Avg. price Sep 2014	Annual change
Surrey	£545,841	£537,270	1.6%	£511,786	6.7%
Hertfordshire	£460,956	£460,074	0.2%	£416,290	10.7%
Oxfordshire	£437,042	£431,701	1.2%	£412,716	5.9%
Buckinghamshire	£432,692	£426,163	1.5%	£400,344	8.1%
Berkshire	£430,486	£422,546	1.9%	£387,705	11.0%
West Sussex	£375,155	£364,007	3.1%	£350,296	7.1%
East Sussex	£354,284	£352,730	0.4%	£337,740	4.9%
Kent	£341,585	£334,050	2.3%	£310,666	10.0%
Essex	£334,472	£324,220	3.2%	£301,690	10.9%
Dorset	£324,841	£320,529	1.3%	£312,614	3.9%
Hampshire	£321,589	£313,535	2.6%	£302,400	6.3%
Cambridgeshire	£291,636	£281,270	3.7%	£261,345	11.6%
Avon	£291,326	£285,419	2.1%	£275,330	5.8%
Gloucestershire	£290,478	£288,080	0.8%	£286,211	1.5%
Somerset	£288,413	£283,557	1.7%	£279,877	3.0%



## Overview

The price of property coming to market continues to rise at a time of year when historically there should still be a holiday-season pause. The average increase of £2,550 (+0.9%) is the largest rise in the month of September since 2002, and has resulted in a new national record of £294,834. This is 0.1% higher than the previous peak in July of this year.

Miles Shipside, Rightmove director and housing market analyst comments: *"Prices are at an all-time high, yet borrowing is historically cheap and positive sentiment is aided by the ongoing postponement of rate rises from these six-year lows. Demand from those who can afford to buy remains high, and suitable supply remains tight, with the number of properties coming to market down 6% on the same period in 2014. The result is the biggest monthly price rise seen at this time of year for 13 years. High demand, lack of suitable supply, and increasingly stretched affordability are leading to some extremes in market forces in different sectors and parts of the country. One of the effects is that those who own property that is in most demand, either by type or location, are seeing their values continue to rise. Their properties are rich in features and benefits that others want to buy, and as a consequence they are getting proportionately richer than either owners of less desirable homes or those who are not on the housing ladder at all."*

### Property-rich getting richer - Sector dynamics:

It is the typical family-home market sectors that have risen most this month. Second-stepper and top-of-the-ladder properties, covering all property types with three or more bedrooms, went up by an average of 1.2%. In contrast first-time-buyer type properties with two bedrooms or fewer fell by 1.1%.

Shipside observes: *"This year's price surge in the first-time-buyer sector has stalled this month, and has now been overtaken by second-stepper homes both in terms of monthly and annual increases. It looks like some of those buying typical first-time-buyer properties are now struggling to afford prices in this bracket that have on average gone up by nearly £10,000 in the last year, hence new sellers are asking for less. Owners of first-time-buyer properties, often the sector with the least equity, are now finding that the gap to jump up from their first home to the second step on the ladder has got bigger. The top of the range also accelerated upwards this month, as the buoyant market momentum that started at the bottom feeds up into higher price brackets as equity-rich home-movers trade up."*

### Property-rich getting richer - Geographic dynamics:

All four southern regions rose this month, up by an average of 1.3%. The average new seller asking price is higher in all of these regions than in any of the six northern regions. In contrast all the lower-priced northern regions fell, with an average decline of 0.9%. While the north's negative and south's positive price outcomes are very different this month, a clear commonality whatever the price trend is that fewer property owners are coming to market. The north's property listings are down 4.9% this month on the same period last year, with the buoyant south down even more by 7.1%. Continuing the theme of those owning the more expensive property assets benefitting most from the currently rising property market, the top 15 most expensive counties have all seen price rises this month. The average increase is 1.8%, which is double the overall national average increase of 0.9% this month. All of these counties are in the south of the country, with Surrey, Hertfordshire, Oxfordshire, Buckinghamshire and Berkshire being the top five most expensive outside London. Another southern county, Bedfordshire, has the highest annual growth of 12.3%.

Shipside notes: *"The middle and upper-price sectors have increased the most this month. With this growing equity the property-rich potentially have more options to move, but if the property they desire is not up for sale or has increased beyond their reach then it seems many are staying put and exacerbating the supply shortages. Many home-owners in the north also seem unable to move, though this is as a result of lack of equity growth meaning*



*they may have to wait for some of the southern-based price boom over the last five years to ripple up north. All are evidence of the growing demand outstripping suitable supply and housing costs continuing to rise."*

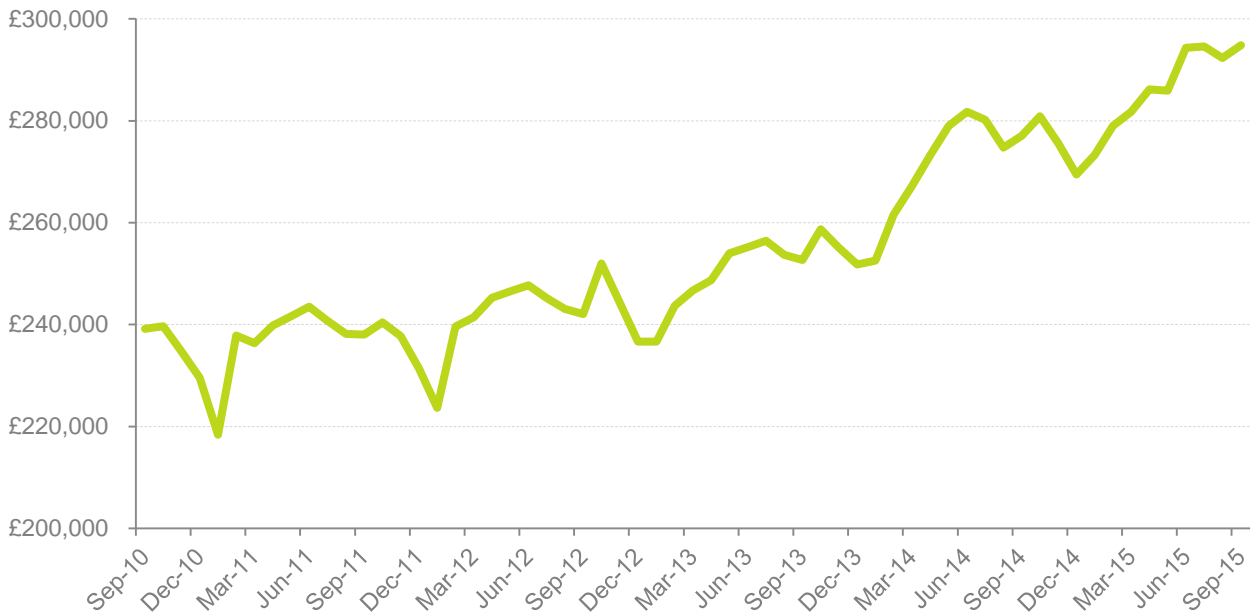
## Agents' Views

Simon Wilkinson, of Wilkinson Estate Agents in Bedfordshire says: *"For many this area is somewhat undervalued, given its excellent location to places such as London, Birmingham, Oxford and Cambridge. The strong Milton Keynes, Luton and Bedford economies permeate the area as a powerhouse of strong and successful business and it is therefore no surprise to see the hinterland racing ahead."*

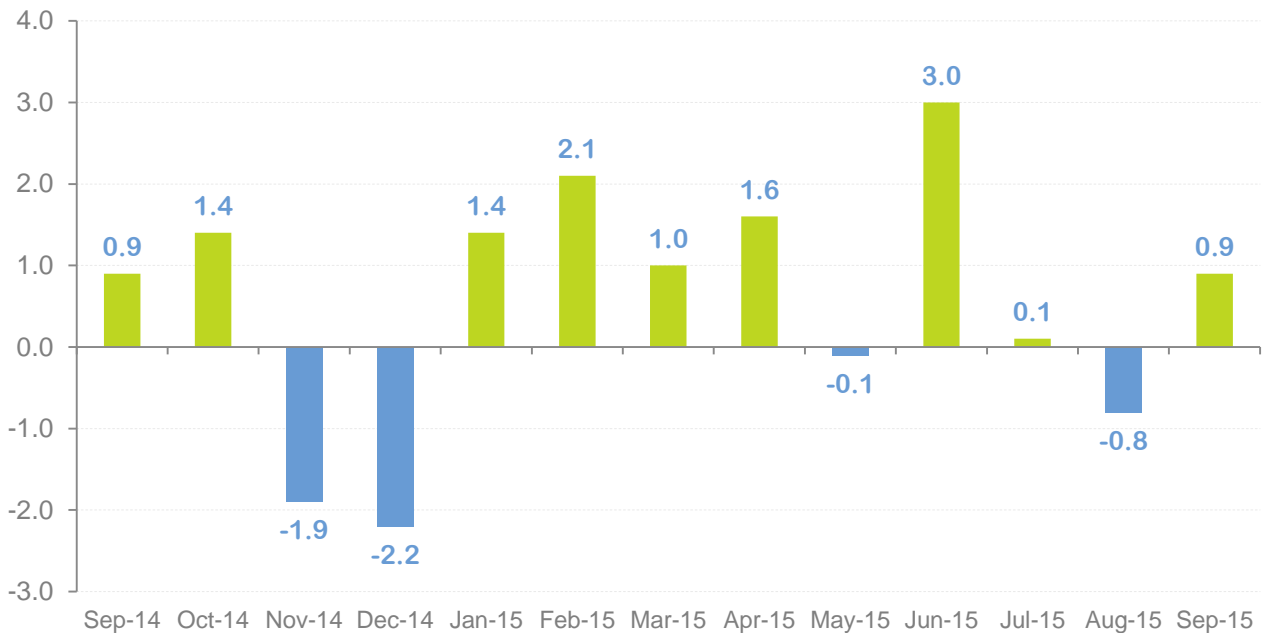
Lee James Pendleton, Director of James Pendleton Estate Agents, said: *"We've had a phenomenal summer with record months in July and August, as we've seen a huge upturn in the market around Wandsworth, Lambeth and Hammersmith & Fulham. While there have been less buyers overall, there are more quality buyers. One example of a place that's booming is Nine Elms in Battersea, where studios that had been selling for £450,000 are now selling for over £600,000. These new developments have had a ripple effect on Wandsworth in general, with prices up around 15% in some places."*



## Monthly asking price trend

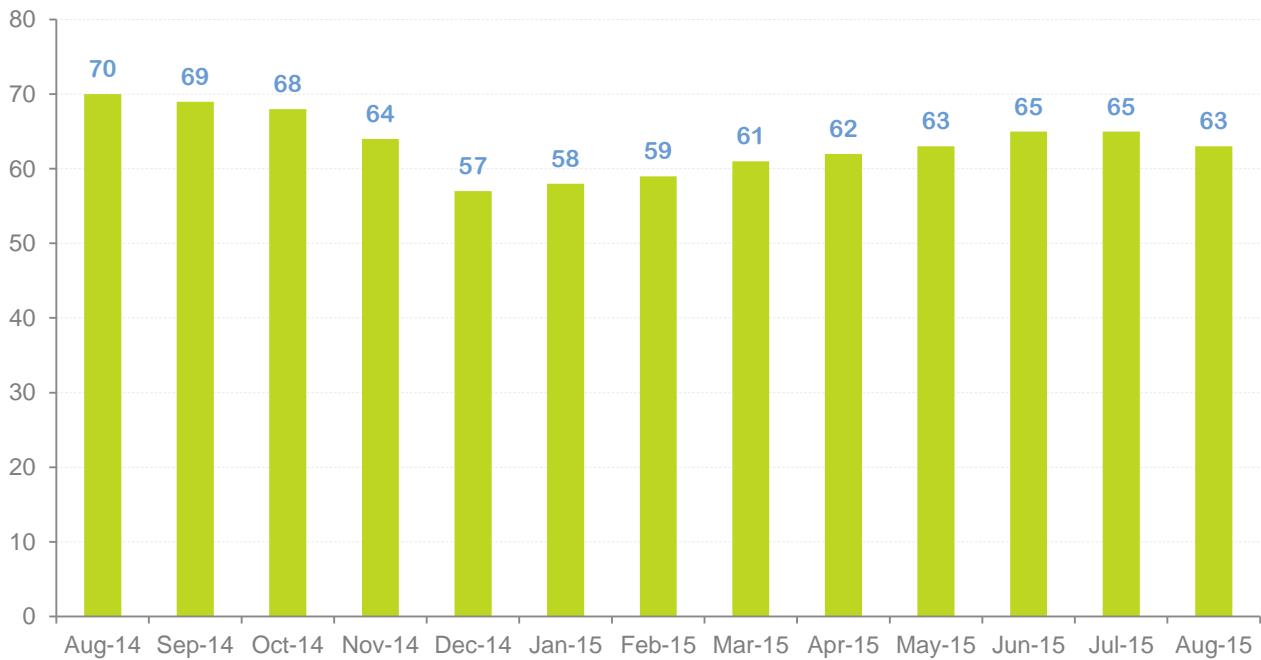


## % monthly change in average asking prices

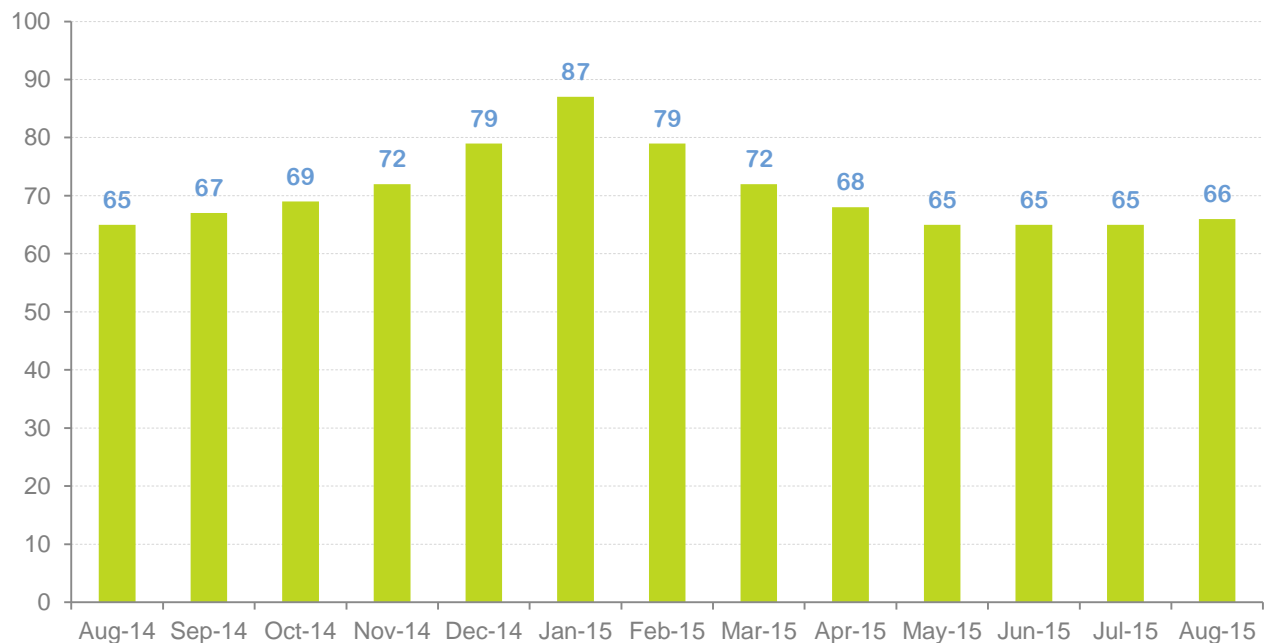




## Average properties for sale per estate agent



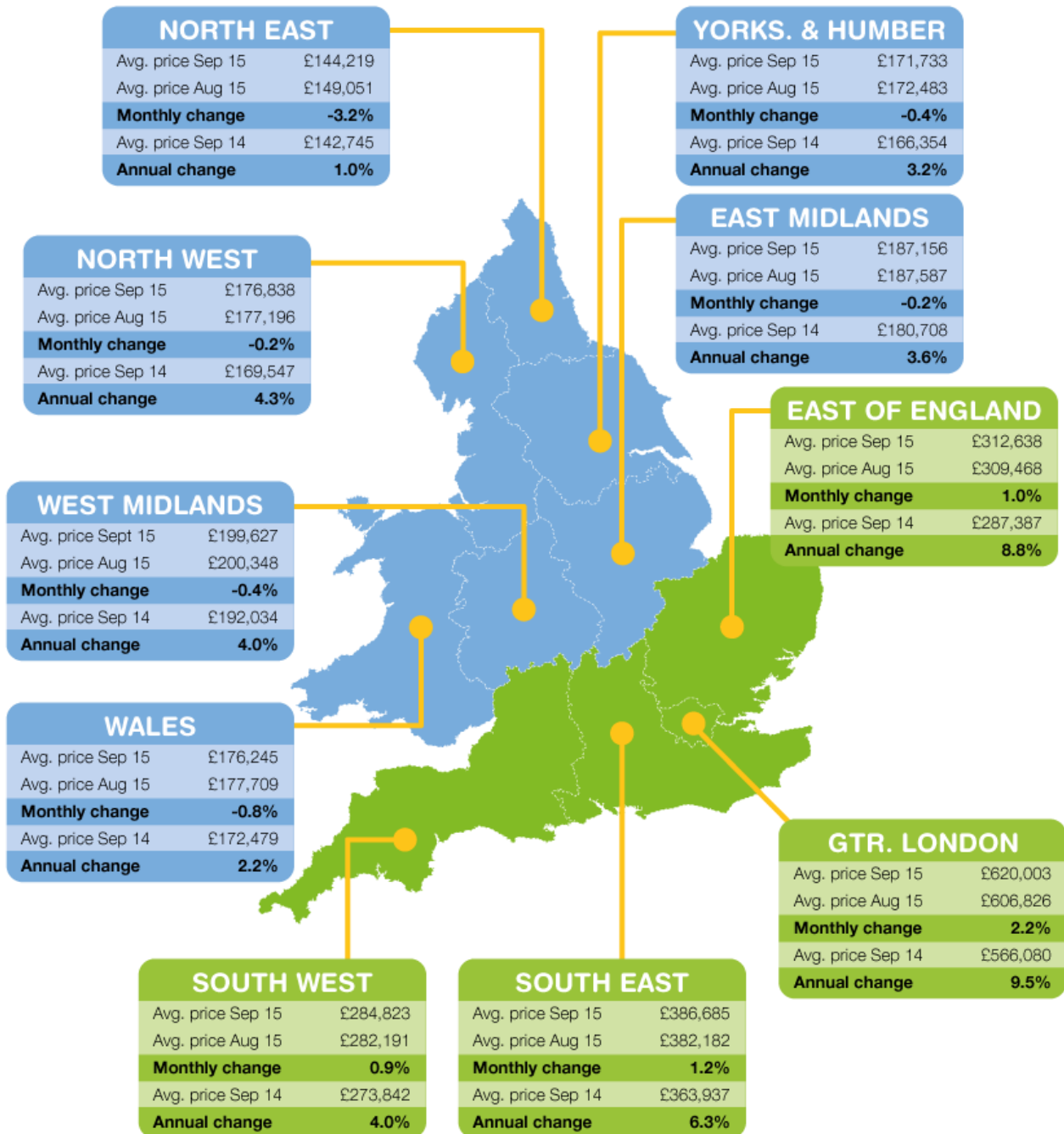
## Average 'time to sell' (no. of days) - National





## Regions of England and Wales

■ Increase from previous month
 ■ Decrease from previous month





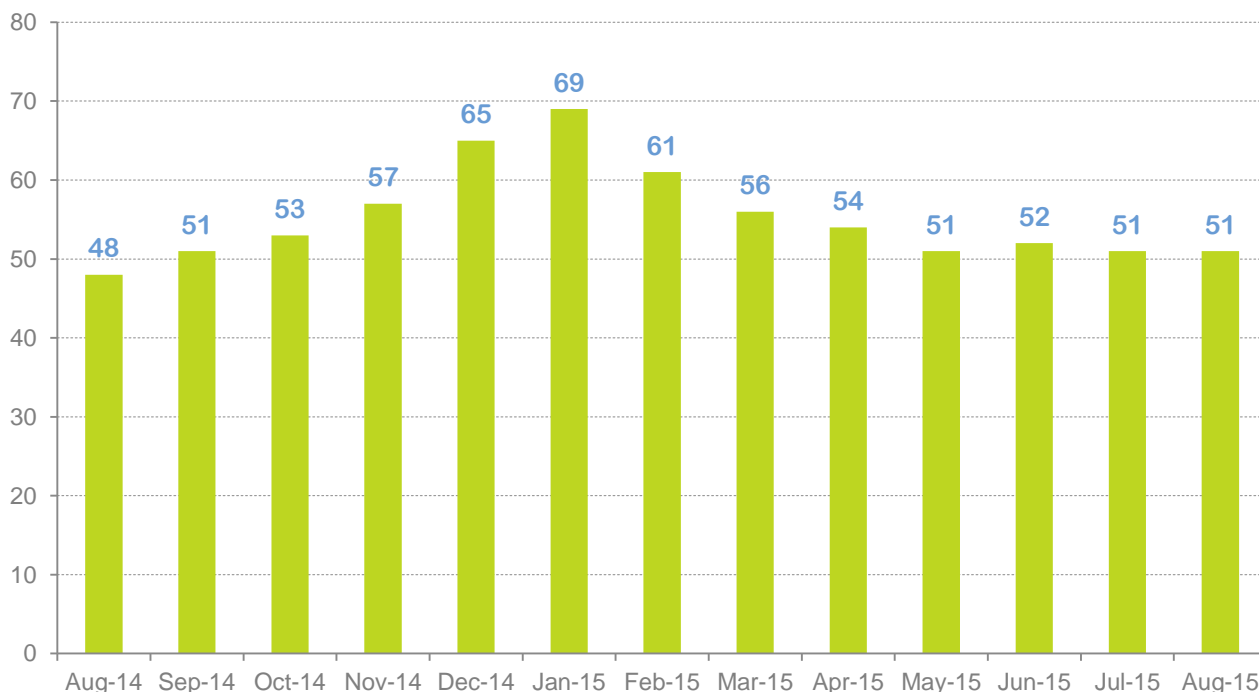
## London's best performers: September 2015

Borough	Avg. price Sep 2015	Avg. price Aug 2015	Monthly change	Avg. price Sep 2014	Annual change
Southwark	£631,055	£580,809	8.7%	£574,382	9.9%
Kensington and Chelsea	£2,326,857	£2,147,264	8.4%	£1,839,417	26.5%
Richmond upon Thames	£910,626	£849,946	7.1%	£865,585	5.2%
Hounslow	£531,400	£497,710	6.8%	£450,868	17.9%
Wandsworth	£877,178	£830,025	5.7%	£729,819	20.2%

## London's worst performers: September 2015

Borough	Avg. price Sep 2015	Avg. price Aug 2015	Monthly change	Avg. price Sep 2014	Annual change
City of Westminster	£1,878,256	£2,146,526	-12.5%	£1,855,461	1.2%
Barnet	£679,720	£717,397	-5.3%	£644,630	5.4%
Tower Hamlets	£566,497	£592,850	-4.4%	£506,068	11.9%
Lambeth	£605,929	£629,626	-3.8%	£576,256	5.1%
Newham	£361,557	£371,915	-2.8%	£314,042	15.1%

## Average 'time to sell' (days) - London







## London boroughs

Borough	Avg. price Sep 2015	Avg. price Aug 2015	Monthly change	Avg. price Sep 2014	Annual change
Kensington and Chelsea	£2,326,857	£2,147,264	8.4%	£1,839,417	26.5%
City of Westminster	£1,878,256	£2,146,526	-12.5%	£1,855,461	1.2%
Camden	£1,119,730	£1,106,312	1.2%	£988,861	13.2%
Hammersmith and Fulham	£1,036,493	£992,487	4.4%	£989,781	4.7%
Richmond upon Thames	£910,626	£849,946	7.1%	£865,585	5.2%
Wandsworth	£877,178	£830,025	5.7%	£729,819	20.2%
Islington	£759,046	£732,879	3.6%	£679,363	11.7%
Barnet	£679,720	£717,397	-5.3%	£644,630	5.4%
Hackney	£639,148	£627,302	1.9%	£610,367	4.7%
Southwark	£631,055	£580,809	8.7%	£574,382	9.9%
Brent	£623,835	£639,774	-2.5%	£595,332	4.8%
Merton	£619,838	£607,873	2.0%	£593,499	4.4%
Ealing	£618,339	£609,219	1.5%	£583,846	5.9%
Kingston upon Thames	£610,070	£614,355	-0.7%	£541,763	12.6%
Lambeth	£605,929	£629,626	-3.8%	£576,256	5.1%
Haringey	£573,719	£586,997	-2.3%	£613,840	-6.5%
Tower Hamlets	£566,497	£592,850	-4.4%	£506,068	11.9%
Harrow	£542,953	£526,547	3.1%	£478,831	13.4%
Hounslow	£531,400	£497,710	6.8%	£450,868	17.9%
Bromley	£510,122	£495,903	2.9%	£465,702	9.5%
Hillingdon	£446,130	£428,013	4.2%	£388,244	14.9%
Enfield	£443,470	£432,281	2.6%	£407,008	9.0%
Greenwich	£441,914	£427,078	3.5%	£378,372	16.8%
Lewisham	£436,820	£432,067	1.1%	£398,486	9.6%
Redbridge	£428,306	£430,528	-0.5%	£369,447	15.9%
Waltham Forest	£423,193	£416,476	1.6%	£371,744	13.8%
Sutton	£398,505	£394,956	0.9%	£364,381	9.4%
Croydon	£386,953	£379,279	2.0%	£351,874	10.0%
Newham	£361,557	£371,915	-2.8%	£314,042	15.1%
Havering	£351,244	£342,661	2.5%	£317,674	10.6%
Bexley	£327,506	£317,893	3.0%	£297,039	10.3%
Barking and Dagenham	£267,567	£262,292	2.0%	£229,995	16.3%





## 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 134,029 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 9th August 2015 to 12th September 2015 and advertised on Rightmove.co.uk. This month 6,602 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 90 million visits from home movers each month who view in excess of one billion pages (Rightmove data, October 2014).