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Inner London price rises lag national average; Outer London beats every region

- Inner London sees new seller asking prices fall 2.3% on the month, and with a 5.8% annual increase is now behind the national annual rise of 6.2%
- Outer London's annual rise of 10.5% means it out-performs every region in the country
- Overall average asking price of property coming to market in London drops by 1.6% (-£10,184) to £619,866, but still maintains an overall rise of 8.1% year-on-year
- Seasonal factors play a part in the price fall, with five out of the last six years having recorded a drop at this time of year, though prime central London continues to be the main drag
- Four out of the five worst performing boroughs year-on-year are the £1-million-pound-plus boroughs with an average fall of 1.8%

London average asking prices				
Area	November 2015	October 2015	Monthly change	Annual change
Greater London	£619,866	£630,050	-1.6%	8.1%
Inner London	£812,696	£832,099	-2.3%	5.8%
Outer London	£491,231	£495,083	-0.8%	10.5%
Average asking prices by market sector:				
Sector	November 2015	October 2015	Monthly change	Annual change
First-time buyers	£466,089	£467,050	-0.2%	10.7%
Second-steppers	£653,695	£663,034	-1.4%	10.1%
Top of the ladder	£1,509,749	£1,586,624	-4.8%	-1.2%

Overview

As Christmas draws nearer, London's housing market begins its usual seasonal slowdown. Five out of the last six Novembers have seen falls in the price of property coming to market, and this year's drop of 1.6% (-£10,184) is therefore not exceptional. However, the underlying story is that prime central London continues to be the main drag both on a monthly and annual basis, in contrast to the strong price performance in many of the less expensive boroughs and especially in Outer London.

Miles Shipside, Rightmove director and housing market analyst comments: "Those looking to market their property as Christmas gets closer often have a greater sense of urgency to find a buyer and sensibly recognise that trimming their asking price will provide an incentive to potential buyers more focussed on seasonal Christmas trimmings. So while this month's overall fall in London isn't unusual as the capital is notably affected at this time of year, it is exacerbated by the general slowdown in the prime London markets."

Inner London sees new seller asking prices down by 2.3% on the month and at 5.8% up year-on-year is now behind the national annual rise of 6.2%, and has the same rate of increase as the East Midlands. Four out of the five worst performing boroughs year-on-year are the £1-million-pound plus boroughs of Kensington and Chelsea (-9.3%), Westminster (+2.2%), Hammersmith and Fulham (+1.7%) and Camden (-1.9%) with an average fall of 1.8%. Brent with a rise of 0.2% keeps them company at the bottom of the annual league.



Shipside adds: *“Agents report that sales above £2 million remain difficult with sellers having to seriously re-adjust their price expectations, though super-prime buyers are less deterred by the higher stamp duty costs if the right property comes along.”*

Outer London’s annual rise of 10.5% means it out-performs every region in the country. It pips East of England which leads the regional table with prices up by 10.4% on a year ago.

Shipside observes: *“The ripple effect from the high cost of housing close to the centre and the search for value and affordability has not only driven up prices in Outer London boroughs, but has been an influence in pushing up prices further afield. At £315,568 the average price of a property in the East of England is barely half of the London average, so in areas that are commutable to London or for those cashing in and moving out of the capital, it is very price-attractive.”*

Agent’s View

Emily Williams, Sales Manager, KFH Bromley, talks about one of the Outer London hotspots contributing to the growth: *“Buyers are looking for value for money, which areas in South East London and North Kent continue to offer. High rents and sales prices in zones two and three have led to increasing numbers of professionals in their late twenties armed with large budgets and significant deposits heading to Bromley to find more for their money. Bromley’s strong transport connections to Victoria and the City, its green, open spaces and its flourishing High Street have all contributed to its allure. I can only see demand continuing to rise as more and more Londoners move out of the inner city to make their home on the borders.”*



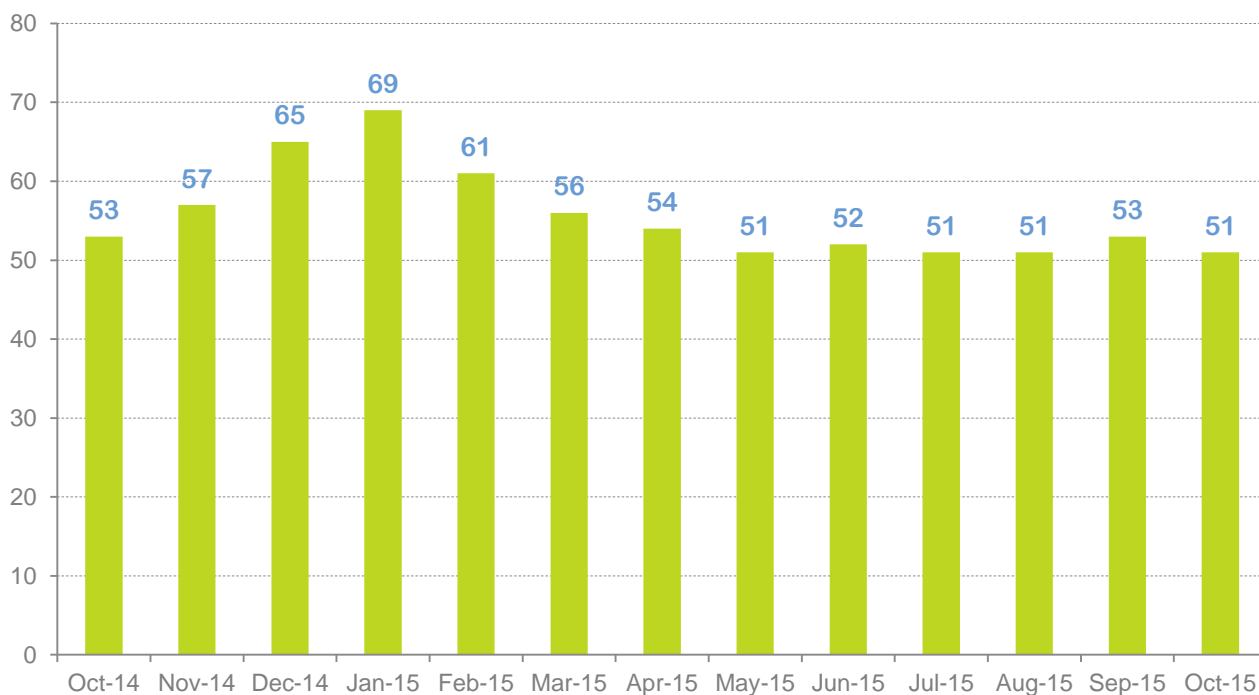
London's best performers: November 2015

Borough	Avg. price Nov 2015	Avg. price Oct 2015	Monthly change	Avg. price Nov 2014	Annual change
Hillingdon	£475,420	£444,423	7.0%	£396,470	19.9%
Hackney	£687,330	£649,326	5.9%	£607,454	13.1%
Islington	£795,978	£761,320	4.6%	£749,926	6.1%
Southwark	£638,666	£612,039	4.4%	£576,936	10.7%
Havering	£361,441	£349,520	3.4%	£313,519	15.3%

London's worst performers: November 2015

Borough	Avg. price Nov 2015	Avg. price Oct 2015	Monthly change	Avg. price Nov 2014	Annual change
Camden	£1,047,597	£1,133,750	-7.6%	£1,068,156	-1.9%
Kensington and Chelsea	£2,327,125	£2,492,753	-6.6%	£2,565,922	-9.3%
Merton	£631,304	£672,563	-6.1%	£613,491	2.9%
Tower Hamlets	£587,752	£617,075	-4.8%	£510,488	15.1%
City of Westminster	£1,929,379	£2,022,794	-4.6%	£1,887,580	2.2%

Average 'time to sell' (days) - London





London boroughs

Borough	Avg. price Nov 2015	Avg. price Oct 2015	Monthly change	Avg. price Nov 2014	Annual change
Kensington and Chelsea	£2,327,125	£2,492,753	-6.6%	£2,565,922	-9.3%
City of Westminster	£1,929,379	£2,022,794	-4.6%	£1,887,580	2.2%
Hammersmith and Fulham	£1,047,889	£1,042,822	0.5%	£1,030,119	1.7%
Camden	£1,047,597	£1,133,750	-7.6%	£1,068,156	-1.9%
Richmond upon Thames	£879,220	£900,749	-2.4%	£853,381	3.0%
Wandsworth	£833,266	£818,203	1.8%	£764,250	9.0%
Islington	£795,978	£761,320	4.6%	£749,926	6.1%
Hackney	£687,330	£649,326	5.9%	£607,454	13.1%
Barnet	£676,424	£661,480	2.3%	£605,763	11.7%
Southwark	£638,666	£612,039	4.4%	£576,936	10.7%
Haringey	£637,076	£620,950	2.6%	£560,540	13.7%
Lambeth	£631,566	£653,552	-3.4%	£582,075	8.5%
Merton	£631,304	£672,563	-6.1%	£613,491	2.9%
Ealing	£626,216	£635,942	-1.5%	£609,711	2.7%
Brent	£622,145	£644,419	-3.5%	£620,817	0.2%
Kingston upon Thames	£611,145	£636,595	-4.0%	£543,102	12.5%
Tower Hamlets	£587,752	£617,075	-4.8%	£510,488	15.1%
Hounslow	£546,413	£554,607	-1.5%	£482,965	13.1%
Harrow	£537,883	£547,831	-1.8%	£493,828	8.9%
Bromley	£510,107	£523,474	-2.6%	£455,575	12.0%
Hillingdon	£475,420	£444,423	7.0%	£396,470	19.9%
Lewisham	£460,822	£450,687	2.2%	£407,062	13.2%
Enfield	£455,389	£457,247	-0.4%	£406,250	12.1%
Greenwich	£449,776	£455,103	-1.2%	£380,879	18.1%
Waltham Forest	£433,466	£433,796	-0.1%	£366,585	18.2%
Redbridge	£433,413	£434,127	-0.2%	£380,376	13.9%
Croydon	£395,467	£390,069	1.4%	£359,472	10.0%
Sutton	£392,045	£398,333	-1.6%	£361,394	8.5%
Newham	£377,592	£376,073	0.4%	£314,639	20.0%
Havering	£361,441	£349,520	3.4%	£313,519	15.3%
Bexley	£331,197	£334,049	-0.9%	£291,469	13.6%
Barking and Dagenham	£274,957	£273,097	0.7%	£230,624	19.2%



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.

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).