



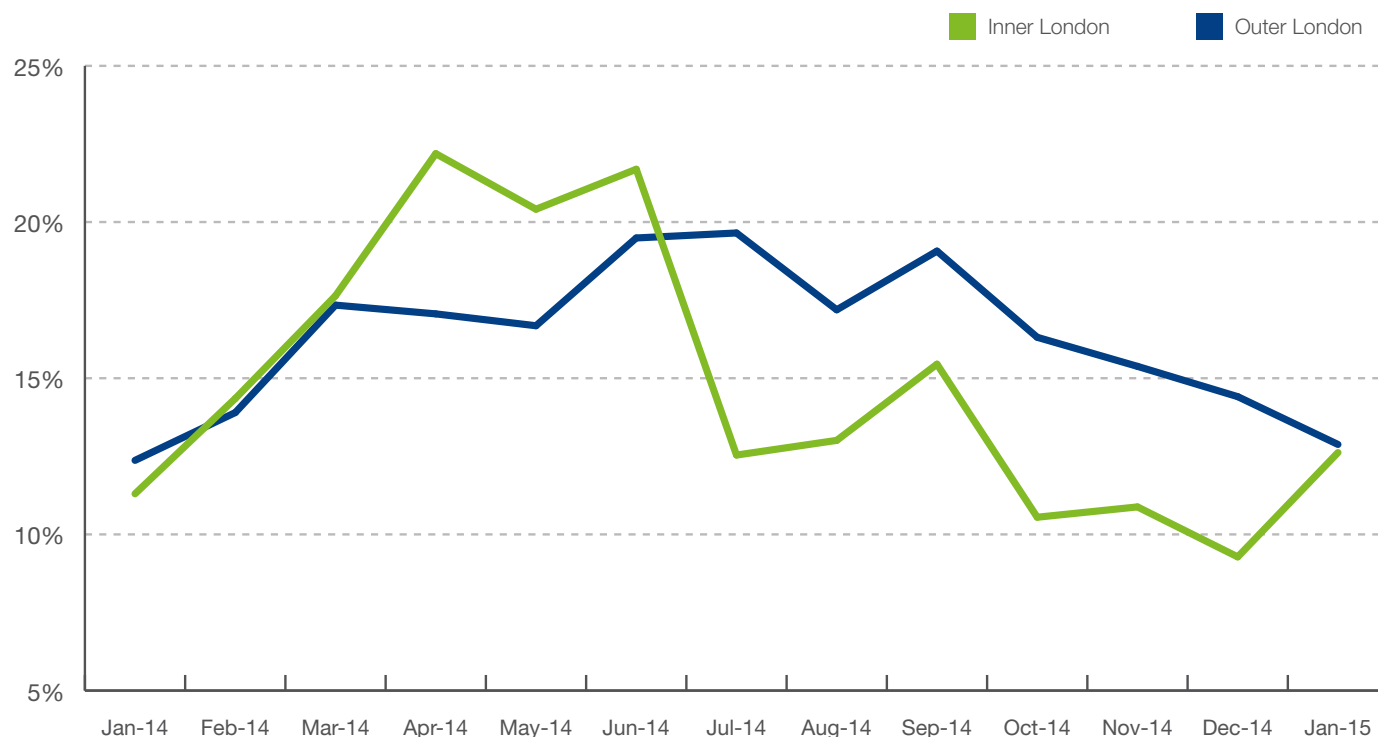
Under embargo for 00:01 hours: Monday, 19th January 2015

Inner and Outer London year-on-year rises converge

- The price of property coming to market in Greater London this month is up by 0.9% (+£5,314)
- However, there is a considerable difference this month between new seller asking prices in Outer London (-0.5%) and Inner London (+2.3%)
- While year-on-year prices in Outer London out-performed Inner London for the second half of last year, they are now running neck-and-neck at circa 13% each
- Four out of the six London boroughs with annual rises of over 20% are to the East and North as buyers still seek convenience and value

London average asking prices:				
Area	Jan 2015	Dec 2014	Monthly change	Annual change
Greater London	£566,404	£561,090	+0.9%	+12.8%
Inner London	£755,655	£738,368	+2.3%	+12.6%
Outer London	£440,949	£443,194	-0.5%	+12.9%
Average asking prices by market sector:				
Sector	Jan 2015	Dec 2014	Monthly change	Annual change
First-time buyers	£424,964	£417,112	+1.9%	+14.0%
Second-steppers	£598,502	£584,918	+2.3%	+11.5%
Top of the ladder	£1,386,492	£1,432,309	-3.2%	+12.6%

% annual change in average asking prices by month





Overview

New seller asking prices are up by 0.9% (+£5,314) in Greater London this month. However there is a considerable difference between the price of newly-marketed property in Outer and Inner London this month, with a fall of -0.5% (-£2,245) in the former and a +2.3% (+£17,287) rise in the latter. What they do now share is a very similar annual rate of increase. While year-on-year price increases in Outer London were higher than Inner London for the second half of 2014, they are now within 0.3% of each other. The price of property coming to market in Outer London is now 12.9% more expensive than a year ago, with Inner London recording a 12.6% uplift.

Miles Shipside, Rightmove director and housing market analyst comments: *“London’s property market dynamics are full of ebbs and flows, and they can change pretty quickly. Inner London’s prime was the darling of international buyers and the resultant price surge spilled out to other inner boroughs before rippling out to outer ones, the South East region and beyond. That resulted in Outer London having higher year-on-year house price inflation than Inner London for all of the second half of last year, and while both were at the heady peaks of circa 20% rises earlier in 2014 they are now neck-and-neck again but at a more modest rate of just under 13%.”*

This return to parity is partly due to the overall slowing of the London property market, but also the enduring appeal of the convenience and relative value offered by some of the cheaper Boroughs to the East and North. Tower Hamlets, with an average new seller asking price of £556,138, has jumped up by 22.6% (+£102,616) in the last 12 months and Barking and Dagenham has gone up 21.7% to £240,651 (+£42,950). Newham, which is now at £332,337, has seen prices rise by 27.6% (+£71,922), and Haringey has recorded the biggest increase of 29% (+£136,817) to £608,039. The other boroughs with 20% plus rises are City of Westminster up 23.5% to £2,055,666 (+£390,565) and Greenwich up 25% to £386,785 (+£77,240).

Shipside adds: *“London as a whole has seen average annual increases drop from about 20% to just under 13% but as we go into 2015 several boroughs are still well over 20% more expensive than a year ago. With population in the capital forecast to continue growing, the scarcity of accommodation and the search for relative value close to employment keeps underpinning and inflating prices.”*

Agent’s View

Simon Gerrard, President of National Association of Estate Agents and Managing Director of Martyn Gerrard Estate Agents with 11 branches in London says: *“The start of the year has been a strong one, and we’re only a week or so in. More people seem to be putting their property on the market early this year, one explanation for this is that they are doing so rather than waiting for the normal seasonally busy time of Spring. This is most probably because Spring 2015 will coincide with the General Election that could lead to uncertainty in the market at that time. There is still more demand than supply, and sellers with property values near the old Stamp Duty thresholds are now able to market their property for its true worth, both of which are contributing to higher asking prices. Overall I think we’ll see a strong first quarter to the year, especially as potential buyers are now getting used to what is expected of them with the stricter lending criteria.”*

The Rightmove House Price Index

THE LARGEST MONTHLY SAMPLE OF RESIDENTIAL PROPERTY PRICES



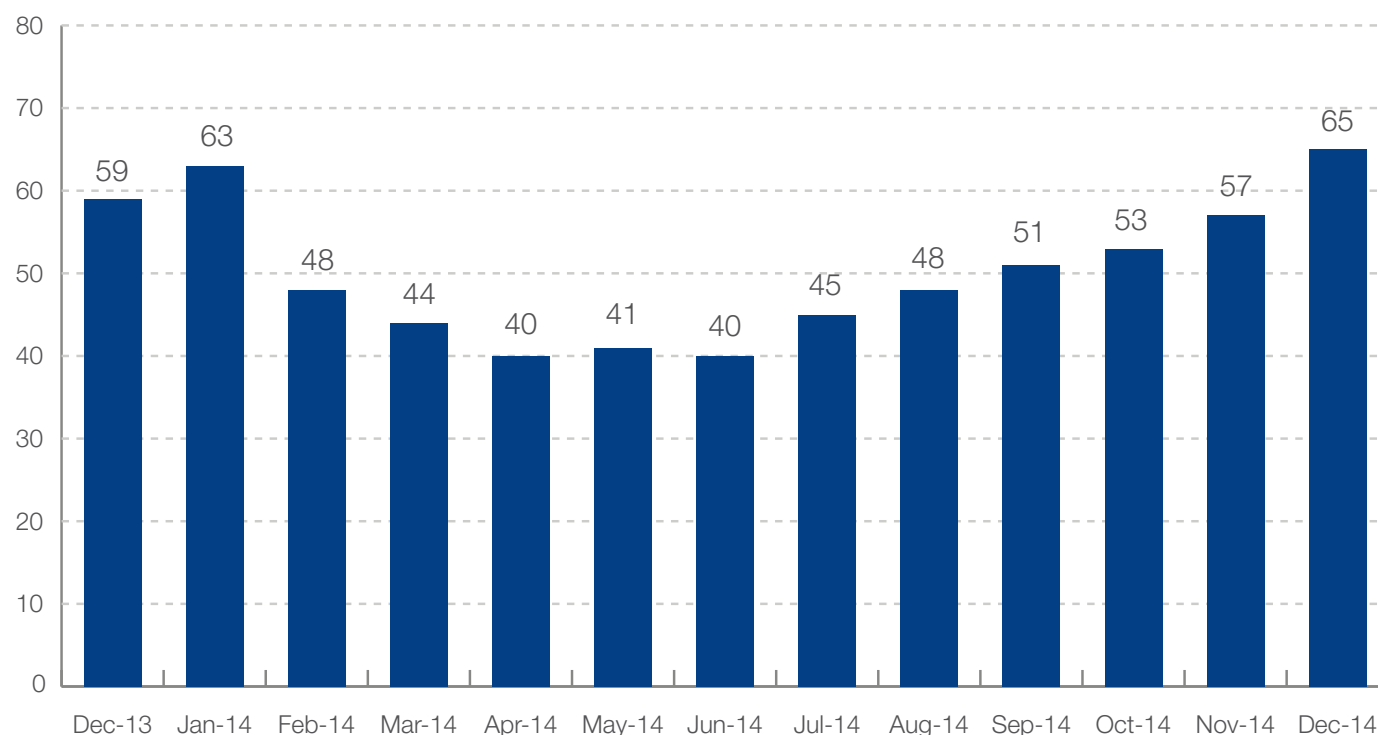
London's best performers: January 2015

London's Top 5	Avg. price Jan 2015	Avg. price Dec 2014	Monthly change	Avg. price Jan 2014	Annual change
Merton	£589,704	£516,951	14.1%	£560,065	5.3%
City of Westminster	£2,055,666	£1,867,486	10.1%	£1,665,101	23.5%
Hammersmith and Fulham	£1,009,772	£919,982	9.8%	£927,854	8.8%
Kingston-upon-Thames	£593,148	£551,231	7.6%	£494,990	19.8%
Bromley	£483,060	£451,562	7.0%	£414,022	16.7%

London's worst performers: January 2015

London's Top 5	Avg. price Jan 2015	Avg. price Dec 2014	Monthly change	Avg. price Jan 2014	Annual change
Richmond-upon-Thames	£780,673	£858,571	-9.1%	£807,250	-3.3%
Hounslow	£464,195	£503,798	-7.9%	£403,566	15.0%
Ealing	£565,818	£594,282	-4.8%	£488,920	15.7%
Barnet	£678,635	£705,132	-3.8%	£612,006	10.9%
Camden	£968,926	£991,428	-2.3%	£981,566	-1.3%

Average 'time to sell' (days) - London





London boroughs

Borough	Avg. price Jan 2015	Avg. price Dec 2014	Monthly Change	Avg. price Jan 2014	Annual change
Kensington and Chelsea	£2,193,008	£2,192,956	0.0%	£1,919,803	14.2%
City of Westminster	£2,055,666	£1,867,486	10.1%	£1,665,101	23.5%
Hammersmith and Fulham	£1,009,772	£919,982	9.8%	£927,854	8.8%
Camden	£968,926	£991,428	-2.3%	£981,566	-1.3%
Wandsworth	£812,731	£779,366	4.3%	£730,054	11.3%
Richmond-upon-Thames	£780,673	£858,571	-9.1%	£807,250	-3.3%
Islington	£680,546	£663,773	2.5%	£615,855	10.5%
Barnet	£678,635	£705,132	-3.8%	£612,006	10.9%
Haringey	£608,039	£601,889	1.0%	£471,222	29.0%
Lambeth	£597,542	£601,264	-0.6%	£535,592	11.6%
Kingston-upon-Thames	£593,148	£551,231	7.6%	£494,990	19.8%
Hackney	£591,719	£568,378	4.1%	£524,003	12.9%
Southwark	£591,355	£560,235	5.6%	£521,179	13.5%
Merton	£589,704	£516,951	14.1%	£560,065	5.3%
Brent	£580,877	£545,010	6.6%	£512,128	13.4%
Ealing	£565,818	£594,282	-4.8%	£488,920	15.7%
Tower Hamlets	£556,138	£552,946	0.6%	£453,522	22.6%
Bromley	£483,060	£451,562	7.0%	£414,022	16.7%
Harrow	£470,121	£477,812	-1.6%	£443,669	6.0%
Hounslow	£464,195	£503,798	-7.9%	£403,566	15.0%
Lewisham	£411,682	£397,045	3.7%	£344,815	19.4%
Enfield	£402,805	£395,511	1.8%	£342,539	17.6%
Hillingdon	£394,327	£399,351	-1.3%	£329,157	19.8%
Greenwich	£386,785	£389,024	-0.6%	£309,545	25.0%
Waltham Forest	£380,583	£370,775	2.6%	£324,434	17.3%
Redbridge	£380,425	£370,152	2.8%	£323,856	17.5%
Sutton	£372,913	£369,359	1.0%	£325,714	14.5%
Croydon	£355,606	£349,703	1.7%	£309,028	15.1%
Newham	£332,337	£316,671	4.9%	£260,415	27.6%
Havering	£320,062	£312,502	2.4%	£269,601	18.7%
Bexley	£297,761	£290,239	2.6%	£259,214	14.9%
Barking and Dagenham	£240,651	£236,161	1.9%	£197,701	21.7%



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. For the purpose of historical comparisons, the historical figures have been restated based on the new methodology.

The Index now includes further breakdowns of Inner and Outer London. These have been defined in line with the Office for National Statistics Borough classification. The Index can also now offer trends at three different sectors of the market: first-time buyer, second-stepper and top of the ladder.

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.

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.

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).