



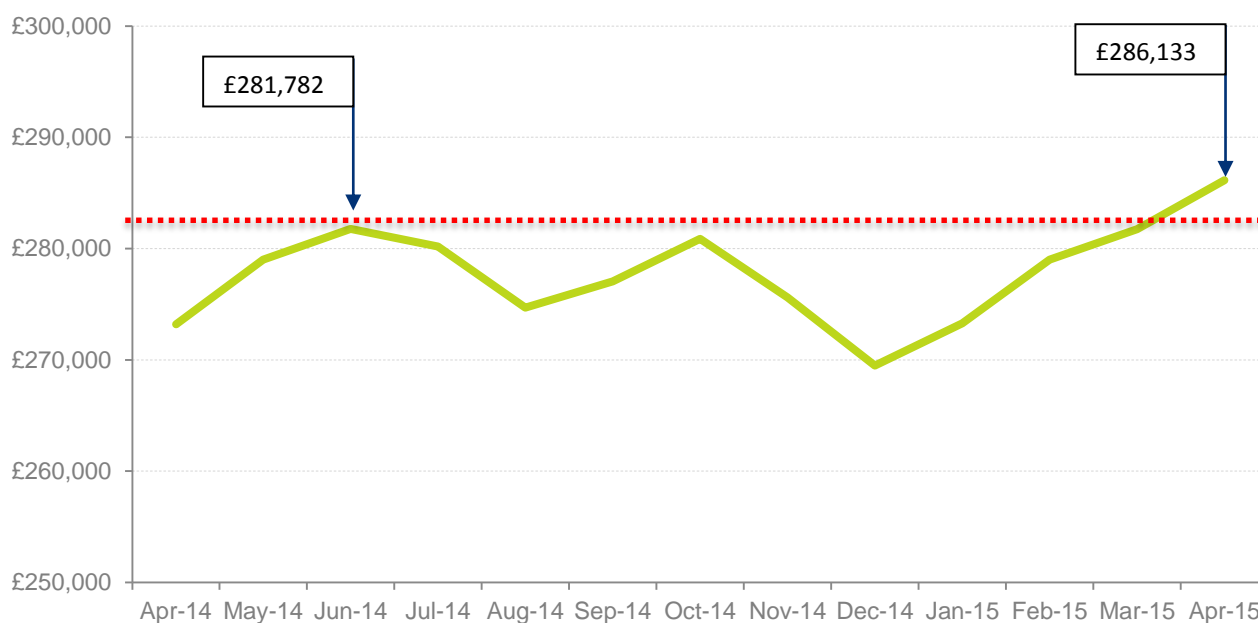
Under embargo for 00:01 hours: Monday, 20th April 2015

All-time price high poses election challenge

- With Rightmove reporting the highest ever asking price of £286,133, policies to ensure more homes are made available will be key as housing becomes an important election topic
- The property shortage experienced in many parts of the country has been exacerbated by a 2015 slump in the number of properties being put up for sale and by increased demand, with record spring search activity on Rightmove:
 - Number of new sellers down 4% so far in 2015 compared to 2014
 - March busiest ever month on Rightmove, up almost 20% year-on-year to 115 million¹
- The political challenge is most extreme in the south of the country, with the price of property coming to market up by an average of nearly £85,000 (+27.5%) since the last election in May 2010

National average asking prices				
Month	Avg. asking price	Monthly change	Annual change	Index
April 2015	£286,133	+1.6%	+4.7%	235.6
March 2015	£281,752	+1.0%	+5.4%	232
National average asking prices by market sector (excluding Inner London)				
Sector	Apr 2015	Mar 2015	Monthly change	Annual change
First-time buyers	£170,850	£169,414	+0.8%	+5.1%
Second-steppers	£237,352	£235,205	+0.9%	+4.7%
Top of the ladder	£519,500	£511,354	+1.6%	+2.2%

Monthly asking price trend





Overview

The price of property coming to market has hit a new all-time high this month. The average new seller asking price has increased by 1.6% (+£4,381) to a new record of £286,133, surpassing the previous high set back in June 2014 by £4,351 (+1.5%). The property shortage experienced in many parts of the country has been exacerbated by a 2015 slump in the number of properties being put up for sale and by increased demand, with record spring search activity on Rightmove. With Rightmove reporting its highest ever asking price and the election less than four weeks away, policies to ensure more homes are made available will be key as housing becomes an important election topic.

Miles Shippside, Rightmove director and housing market analyst comments: *“Record high housing demand and an under-supply of homes have delivered a new all-time high in the price of property coming to market in the month before the election. The high cost of housing is a big concern for many home-hunters, so the contents of the respective party manifestos and well thought-out sustainable solutions to the lack of affordable housing supply will be high on many voters’ agendas too. While the annual rate of price increases may be dropping back, down from 5.4% last month to 4.7% this month, it’s of little comfort to buyers as even more modest increases stretch buyers’ finances into new territory with prices at record average highs. Furthermore, the rapid fall in general inflation means that the inflation-adjusted rate of house price growth remains high.”*

While the recovering housing market saw an 11% increase in new seller numbers from January to April 2014 compared to the same period in 2013, so far this year’s newly marketed property numbers have slumped and are down by 4% compared with 2014. Conversely, housing demand continues to burgeon, with Rightmove recording its busiest ever month in March. Website visits were up almost 20% year-on-year, to over 115 million.

Shippside observes: *“Failure to meet house-building targets since the eighties, nineties and noughties to match forecast housing demand has been a major factor in upwards price pressure both in the property sales and private rented sectors. In spite of the distractions and uncertainty surrounding the upcoming election, demand for the right roof over your head seems unchecked. If you’re setting up home, moving jobs or your kids need to be in a new school, your personal housing agenda is perhaps higher than the bigger-picture political one. However, while demand is at record levels, there is less fresh property choice to buy this year as fewer home-owners are coming to market. Hesitation to sell and the use of property as a long-term investment are factors in this month’s new price record, and as we approach the election the highest ever cost of housing sets an interesting challenge for political leaders.”*

The challenge is greatest in the south of the country (Greater London, south east, east of England and the south west), where the average price of property coming to market is up by £84,874 (+27.5%) since the last election in May 2010. The high demand for homes in London and severe shortage of new supply fuel a large proportion of this increase, with a £195,420 (+49.0%) price rise in the capital in the last five years. The favoured commuter-belt south east region has also seen knock-on affordability issues with new seller asking prices up by £62,105 (+20.0%). In contrast the north of the country has seen prices rise by an average of just £6,374 (+3.7%), falling behind the rate of inflation, though this overall average obviously masks many areas that have seen substantial increases and subsequent severely strained affordability.

Shippside adds: *“With low wage inflation, the increasing cost of housing is another burden for many. The problem is especially acute in the south, particularly those areas influenced by the high demand for housing within reach of the capital.”*



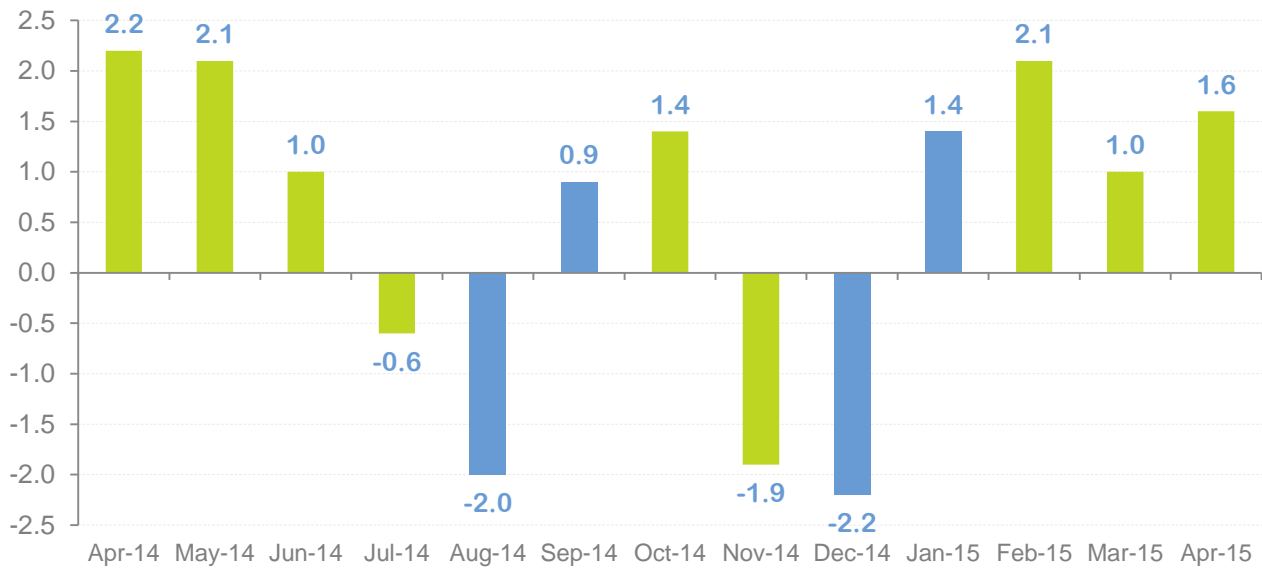
Agents' Views

Philip Jackson, Director of Maguire Jackson in Birmingham, says: *"The market has definitely picked up in the past 14 months and there have been a number of signs of increasing confidence among both first-time buyers and buy-to-let investors looking for property in the City Centre. Low stock remains an issue, and we've already sold a number of new homes that are due to be completed in the autumn. Luckily in our area there are plans for further homes to be built over the next year, but the increasing demand means that for the market to recover fully we do need more properties to come to the market. Asking prices in our area, while on the up, are still back at 2005/early 2006 prices, and haven't yet got back to where they were during the 2007 peak."*

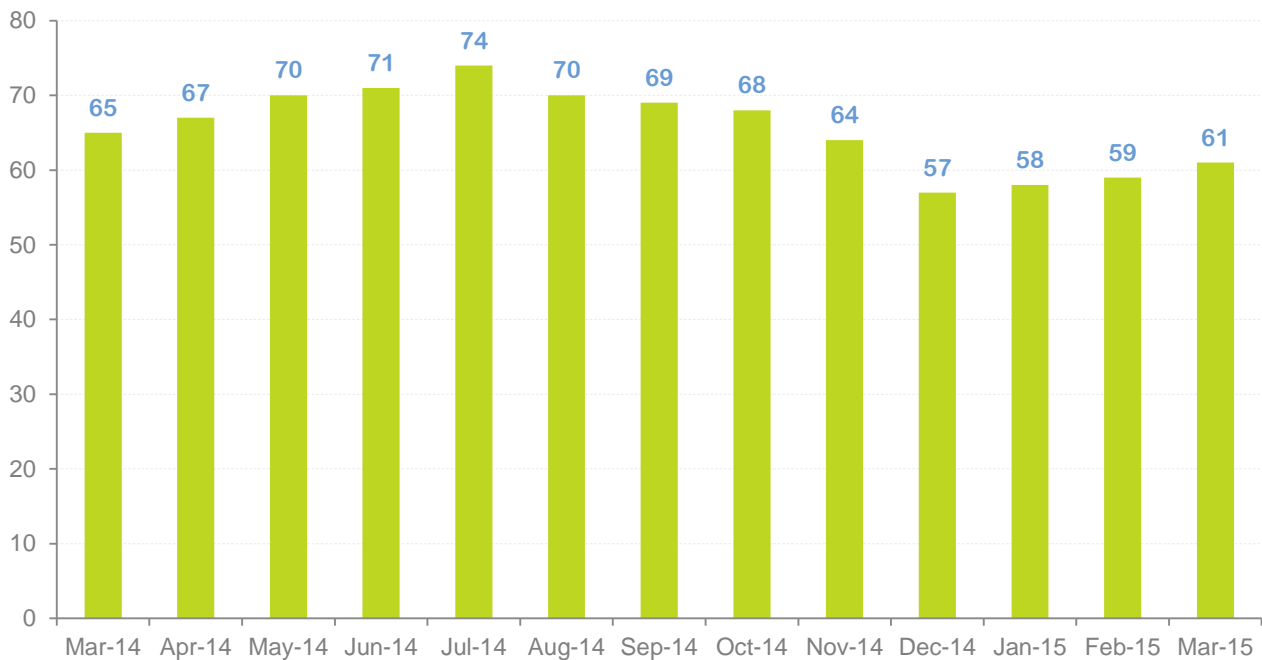
Nick Devonport, Managing Director of Northfields Estate Agents in West London, says: *"With the Easter break falling much earlier this year than last, I noticed the lack of people and cars on the road in London over the Easter break which indicated to me that many families had headed off on holidays, leading to fewer people putting their homes on the market during that time. This seems to indicate growing confidence in the financial outlook with people again happy to invest in 'extras' like holidays. Early indications show Londoners have returned home and resumed business as usual, with activity following a level of interest similar to what we saw in early 2015. As a result, I expect listing numbers to spike slightly over the next few days which could make up for the slight drop we saw over Easter. Overall I would describe the housing market as resilient – people are thinking longer term than they have in the past. The shocks that would have derailed momentum in the housing market, like a general election, are now faint whispers in the background."*



% monthly change in average asking prices

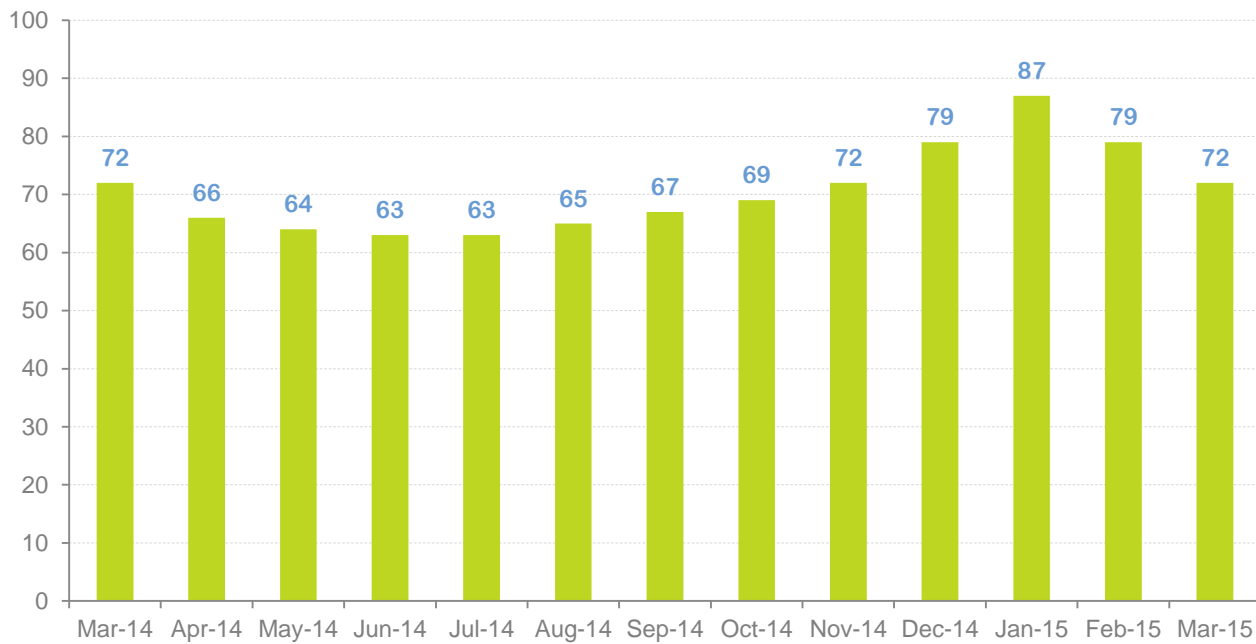


Average properties for sale per estate agent



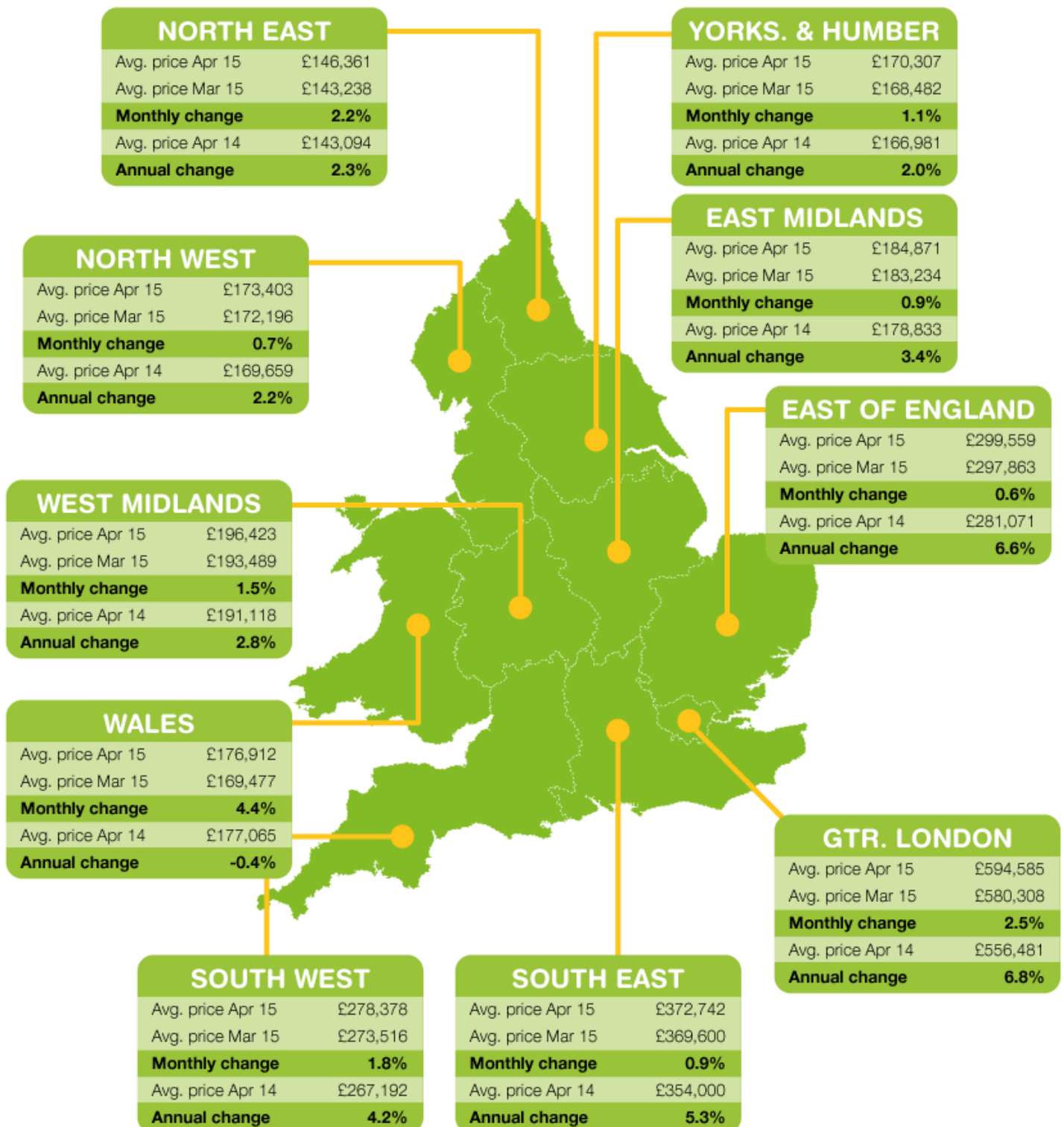


Average 'time to sell' (no. of days) - National





Regions of England and Wales





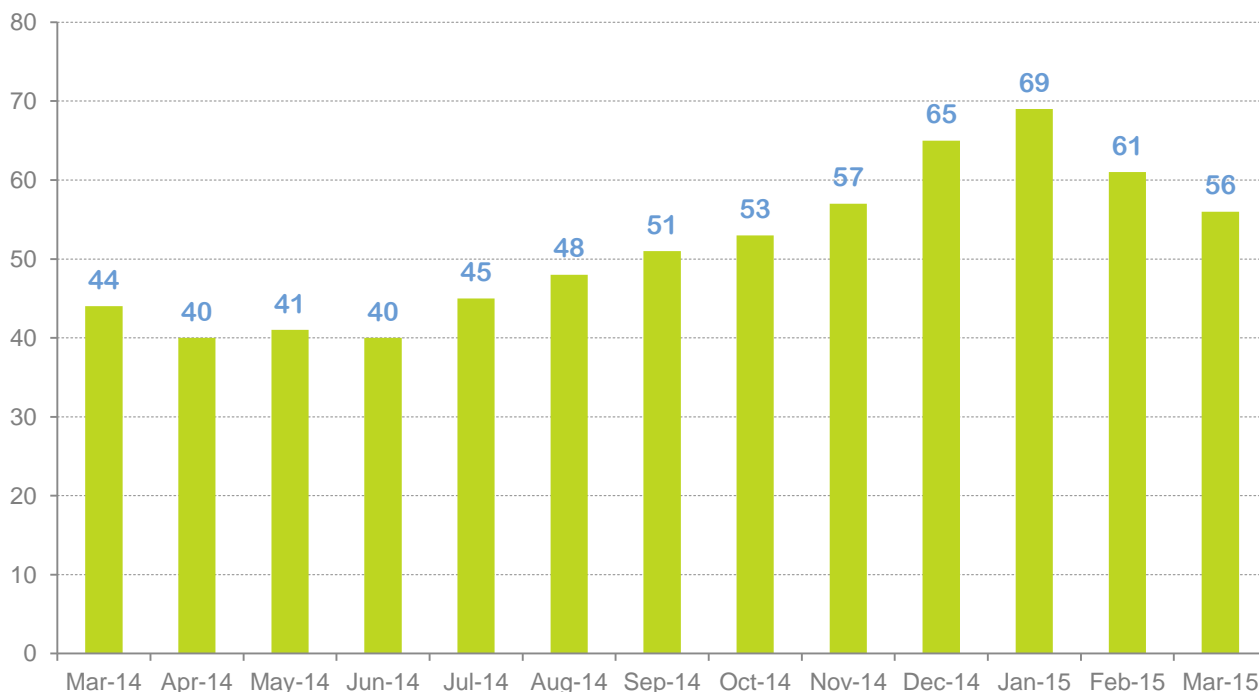
London's best performers: April 2015

Borough	Avg. price Apr 2015	Avg. price Mar 2015	Monthly change	Avg. price Apr 2014	Annual change
Tower Hamlets	£618,236	£544,893	13.5%	£513,436	20.4%
City of Westminster	£1,941,099	£1,756,851	10.5%	£1,816,867	6.8%
Kensington and Chelsea	£2,575,095	£2,358,524	9.2%	£2,472,829	4.1%
Southwark	£650,686	£612,291	6.3%	£553,649	17.5%
Bromley	£490,982	£466,996	5.1%	£462,395	6.2%

London's worst performers: April 2015

Borough	Avg. price Apr 2015	Avg. price Mar 2015	Monthly change	Avg. price Apr 2014	Annual change
Wandsworth	£761,901	£808,680	-5.8%	£754,283	1.0%
Brent	£574,108	£598,042	-4.0%	£550,709	4.2%
Haringey	£561,762	£581,314	-3.4%	£581,553	-3.4%
Islington	£734,646	£757,433	-3.0%	£738,567	-0.5%
Greenwich	£399,997	£411,492	-2.8%	£368,431	8.6%

Average 'time to sell' (days) - London





London boroughs

Borough	Avg. price Apr 2015	Avg. price Mar 2015	Monthly change	Avg. price Apr 2014	Annual change
Kensington and Chelsea	£2,575,095	£2,358,524	9.2%	£2,472,829	4.1%
City of Westminster	£1,941,099	£1,756,851	10.5%	£1,816,867	6.8%
Camden	£1,022,989	£1,044,045	-2.0%	£992,530	3.1%
Hammersmith and Fulham	£1,018,396	£1,012,875	0.5%	£996,648	2.2%
Richmond upon Thames	£805,644	£827,131	-2.6%	£830,686	-3.0%
Wandsworth	£761,901	£808,680	-5.8%	£754,283	1.0%
Islington	£734,646	£757,433	-3.0%	£738,567	-0.5%
Southwark	£650,686	£612,291	6.3%	£553,649	17.5%
Barnet	£644,795	£617,535	4.4%	£602,524	7.0%
Lambeth	£619,153	£597,032	3.7%	£614,158	0.8%
Tower Hamlets	£618,236	£544,893	13.5%	£513,436	20.4%
Hackney	£613,110	£593,439	3.3%	£589,079	4.1%
Ealing	£606,879	£603,252	0.6%	£543,237	11.7%
Kingston upon Thames	£601,081	£583,500	3.0%	£544,274	10.4%
Merton	£599,070	£613,208	-2.3%	£549,101	9.1%
Brent	£574,108	£598,042	-4.0%	£550,709	4.2%
Haringey	£561,762	£581,314	-3.4%	£581,553	-3.4%
Hounslow	£503,711	£484,253	4.0%	£465,020	8.3%
Bromley	£490,982	£466,996	5.1%	£462,395	6.2%
Harrow	£482,553	£495,499	-2.6%	£466,105	3.5%
Hillingdon	£430,462	£414,329	3.9%	£366,682	17.4%
Lewisham	£419,524	£415,152	1.1%	£383,894	9.3%
Enfield	£419,450	£411,595	1.9%	£376,515	11.4%
Greenwich	£399,997	£411,492	-2.8%	£368,431	8.6%
Waltham Forest	£397,817	£389,176	2.2%	£355,511	11.9%
Sutton	£380,443	£384,102	-1.0%	£350,245	8.6%
Redbridge	£379,523	£386,290	-1.8%	£357,669	6.1%
Croydon	£367,692	£364,351	0.9%	£327,392	12.3%
Newham	£351,190	£340,933	3.0%	£291,252	20.6%
Havering	£336,254	£331,526	1.4%	£310,537	8.3%
Bexley	£309,579	£310,473	-0.3%	£277,781	11.4%
Barking and Dagenham	£245,731	£240,829	2.0%	£219,714	11.8%



Editors' notes

1 Rightmove data, March 2015 visits vs March 2014 visits.

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 149,059 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 8th March 2015 to 11th April 2015 and advertised on Rightmove.co.uk. This month 7,575 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).