



Under embargo for 00.01 hrs, Monday 18th January 2016

Prices fall by 0.9% in least buoyant start to year since 2012

- The price of property coming to market in London falls by 0.9% (-£5,807) this month
- Festive season doldrums and continuing market re-adjustments combine to give least buoyant January price performance for four years
- Inner London continues to be the drag with a fall of 2.1% (-£16,896), while Outer London records marginally positive gain of 0.1% (+£605)
- Fiercer competition among sellers as 13% more property comes to market this month compared to same period in 2015

London average asking prices				
Area	January 2016	December 2015	Monthly change	Annual change
Greater London	£610,741	£616,548	-0.9%	7.8%
Inner London	£788,399	£805,295	-2.1%	4.3%
Outer London	£490,649	£490,044	0.1%	11.3%
Average asking prices by market sector:				
Sector	January 2016	December 2015	Monthly change	Annual change
First-time buyers	£455,853	£463,012	-1.5%	7.3%
Second-steppers	£640,130	£648,329	-1.3%	7.0%
Top of the ladder	£1,533,889	£1,511,923	1.5%	10.6%

Overview

New seller asking prices have fallen by an average of 0.9% (-£5,807) in the last month. Whilst a traditionally quieter time of year prone to price volatility as owners of more expensive properties choose not to come to market, this is the least buoyant January report since 2012 highlighting the London market's continuing re-adjustment. In addition new listing volumes have jumped by 13% year-on-year, and this extra stock coming to market and more competition among sellers competing for buyers' attention could be another factor behind prices stalling.

Miles Shipside, Rightmove director and housing market analyst comments: *"Both buyer and seller activity are dulled by the distractions of Christmas and New Year that this report straddles, but the price fall is also indicative of the continuing re-alignment to bring price and value closer together in parts of the capital. There is the added complication of a relative surge in the number of properties coming to market, up by 13% on the same period last year. More and consequently fiercer competition among sellers means lower pricing with more property vying for buyers' offers."*

Sellers are also reacting to buyers seeking better value further out from the centre of London. Inner London prices are down by 2.1% (-£16,896) at an average of £788,399. In contrast lower-priced Outer London records a price rise of 0.1% (+£605) giving an average new seller asking price of £490,649.

Shipside notes: *"Buyers search for affordability and value continues, and while not as convenient for many, the trade-off between commuting and price continues to exert upwards price pressure further out. The annual rate of increase in Outer London is now 11.3%, over twice that of Inner London."*



Agent's View

Julian Peak, Regional Sales Director of KFH South East & Kent comments: *"Some areas of London have seen exceptionally strong demand in the opening weeks of the year. South east London has been incredibly busy with more than double the number of buyers registering interest compared to the same period last year. We expect strong demand to continue well into the first five months of the year. A number of factors are increasing the draw of south London to many buyers. These include the government Help to Buy schemes, the changes to Stamp Duty charges and people wishing to achieve more value for their money. Catford, Lewisham and Deptford are great examples of these 'up and coming' areas offering better value, with developers and businesses alike continuing to plough money into these high streets, just as we have seen previously with Peckham Rye and Brockley."*



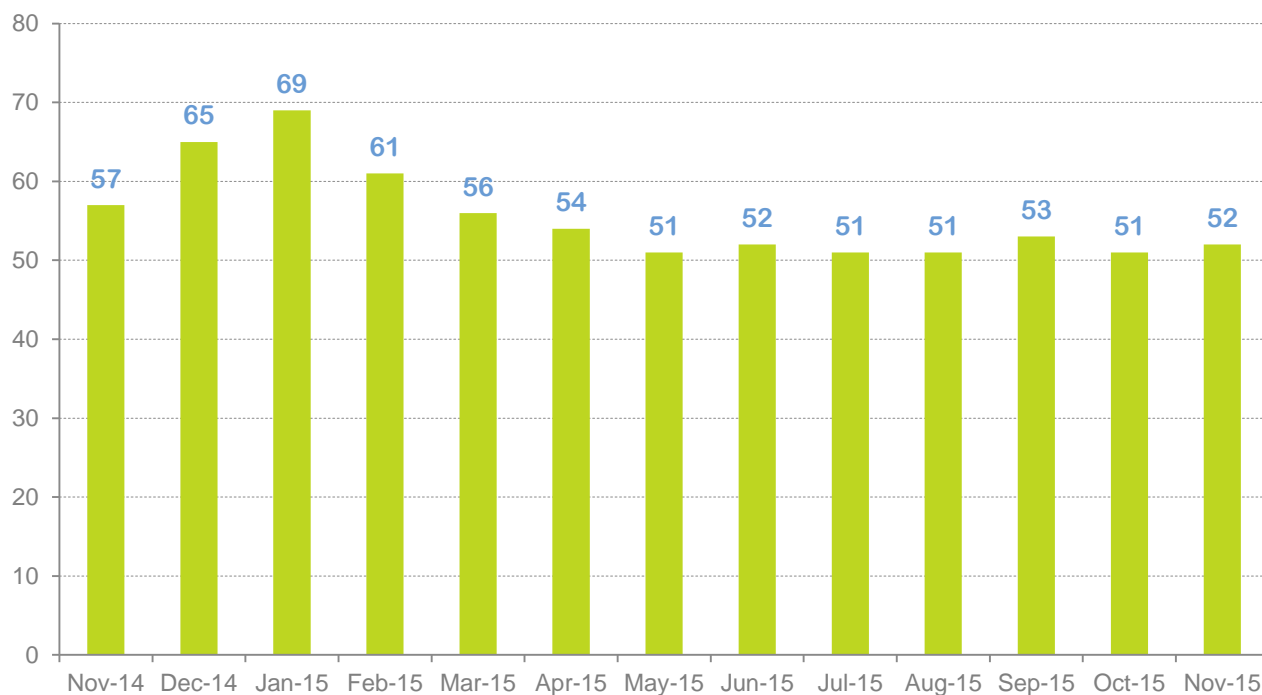
London's best performers: January 2016

Borough	Avg. price Jan 2016	Avg. price Dec 2015	Monthly change	Avg. price Jan 2015	Annual change
City of Westminster	£2,044,240	£1,764,956	15.8%	£2,055,666	-0.6%
Camden	£1,338,376	£1,207,626	10.8%	£968,926	38.1%
Hillingdon	£465,330	£441,482	5.4%	£394,327	18.0%
Barnet	£703,248	£681,923	3.1%	£678,635	3.6%
Barking and Dagenham	£287,364	£280,128	2.6%	£240,651	19.4%

London's worst performers: January 2016

Borough	Avg. price Jan 2016	Avg. price Dec 2015	Monthly change	Avg. price Jan 2015	Annual change
Kensington and Chelsea	£2,256,043	£2,497,560	-9.7%	£2,193,008	2.9%
Merton	£611,062	£670,771	-8.9%	£589,704	3.6%
Haringey	£558,884	£605,403	-7.7%	£608,039	-8.1%
Hounslow	£514,740	£548,580	-6.2%	£464,195	10.9%
Harrow	£521,899	£549,153	-5.0%	£470,121	11.0%

Average 'time to sell' (days) - London





London boroughs

Borough	Avg. price Jan 2016	Avg. price Dec 2015	Monthly change	Avg. price Jan 2015	Annual change
Kensington and Chelsea	£2,256,043	£2,497,560	-9.7%	£2,193,008	2.9%
City of Westminster	£2,044,240	£1,764,956	15.8%	£2,055,666	-0.6%
Camden	£1,338,376	£1,207,626	10.8%	£968,926	38.1%
Hammersmith and Fulham	£1,072,983	£1,095,788	-2.1%	£1,009,772	6.3%
Richmond upon Thames	£906,934	£930,316	-2.5%	£780,673	16.2%
Wandsworth	£808,651	£805,834	0.3%	£812,731	-0.5%
Islington	£734,066	£770,411	-4.7%	£680,546	7.9%
Barnet	£703,248	£681,923	3.1%	£678,635	3.6%
Southwark	£645,339	£645,101	0.0%	£591,355	9.1%
Hackney	£634,150	£650,657	-2.5%	£591,719	7.2%
Kingston upon Thames	£633,588	£632,897	0.1%	£593,148	6.8%
Merton	£611,062	£670,771	-8.9%	£589,704	3.6%
Ealing	£609,885	£628,941	-3.0%	£565,818	7.8%
Lambeth	£608,077	£623,310	-2.4%	£597,542	1.8%
Brent	£601,273	£619,434	-2.9%	£580,877	3.5%
Tower Hamlets	£584,205	£599,095	-2.5%	£556,138	5.0%
Haringey	£558,884	£605,403	-7.7%	£608,039	-8.1%
Harrow	£521,899	£549,153	-5.0%	£470,121	11.0%
Hounslow	£514,740	£548,580	-6.2%	£464,195	10.9%
Bromley	£498,352	£500,570	-0.4%	£483,060	3.2%
Hillingdon	£465,330	£441,482	5.4%	£394,327	18.0%
Lewisham	£453,735	£442,528	2.5%	£411,682	10.2%
Enfield	£447,192	£438,179	2.1%	£402,805	11.0%
Greenwich	£441,021	£443,377	-0.5%	£386,785	14.0%
Waltham Forest	£439,241	£431,917	1.7%	£380,583	15.4%
Redbridge	£432,125	£445,398	-3.0%	£380,425	13.6%
Newham	£401,945	£396,012	1.5%	£332,337	20.9%
Croydon	£399,068	£393,145	1.5%	£355,606	12.2%
Sutton	£397,705	£399,890	-0.5%	£372,913	6.6%
Havering	£359,847	£351,506	2.4%	£320,062	12.4%
Bexley	£337,431	£332,038	1.6%	£297,761	13.3%
Barking and Dagenham	£287,364	£280,128	2.6%	£240,651	19.4%



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).