

Rightmove House Price Index

The largest monthly sample of
residential property prices

March 2018
London edition

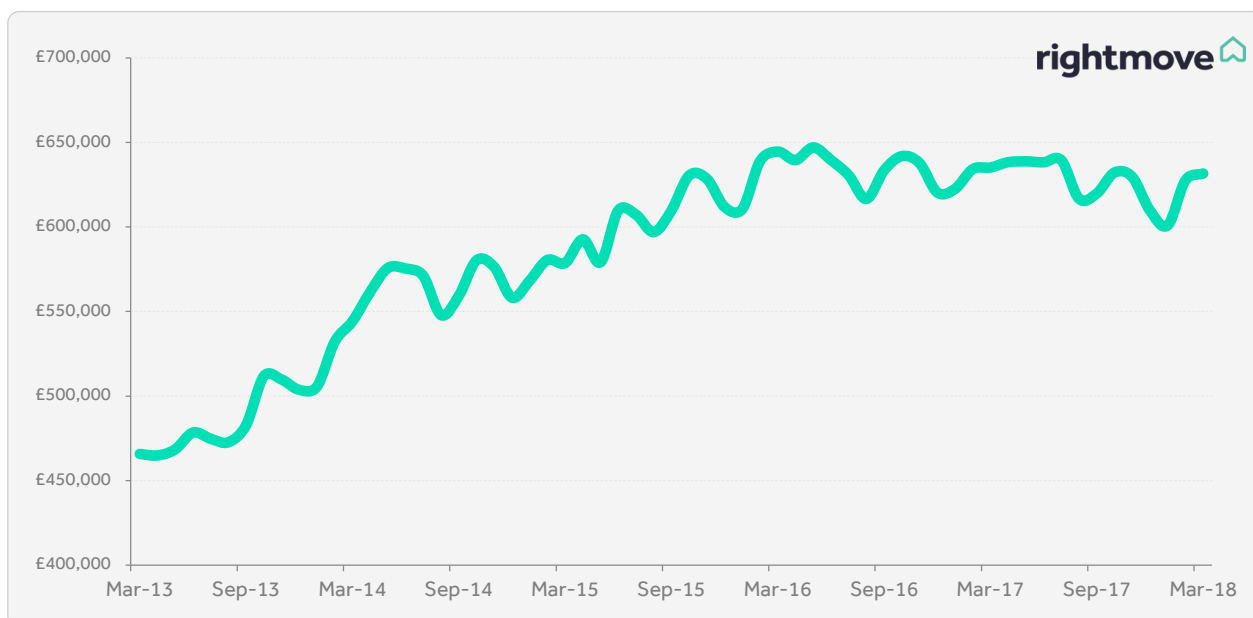


No spring rush to market as more would-be sellers stay put

- The price of property coming to market in Greater London rises by 0.6% (+£4,060) this month
- However, annual rate continues to be in negative territory (-0.6%) for the seventh consecutive month
- Ongoing price doldrums mean no seasonal rush to market as new seller numbers down by 3% this month on the same period a year ago
- Only owners of two-bed flats are more willing to come to market (+1%) so far in 2018 compared to 2017:
 - Number of five-bed houses marketed so far this year down 16% on 2017
 - Four-bed houses see 6% fewer new sellers, followed by two-bed houses, down 4%

London average asking prices				
Area	March 2018	February 2018	Monthly change	Annual change
Greater London	£631,651	£627,591	0.6%	-0.6%
Inner London	£780,734	£779,261	0.2%	-0.8%
Outer London	£525,383	£520,042	1.0%	-0.3%
Average asking prices by market sector				
Sector	March 2018	February 2018	Monthly change	Annual change
First-time buyers	£491,943	£489,518	0.5%	-0.8%
Second-steppers	£697,937	£697,862	0.0%	-1.0%
Top of the ladder	£1,454,247	£1,407,866	3.3%	1.7%

Five year London asking price trend



Rightmove measured 112,693 asking prices nationally this month, circa 90% of the UK market. The properties were put on sale by estate agents from 11th February 2018 to 10th March 2018 and advertised on Rightmove.co.uk.

Overview

Spring is traditionally the time when many owners think of selling, and put their property on the market. However, with average new seller asking prices failing to show a year-on-year rise for the seventh consecutive month, would-be sellers seem more reticent to come to market with prices still lower than they were a year ago. The number of newly-marketed properties is down by 3% this month compared to the same period in 2017. While prices have increased by 0.6% (+£4,060) month-on-month, they remain 0.6% lower than a year ago.

Miles Shippside, Rightmove director and housing market analyst comments: *"There is a lack of spring in the number of new sellers stepping onto the market. With an annual rate of price decrease as opposed to increase being a constant factor for the last seven months, it is bound to be a deterrent to some potential sellers. Even though fewer properties are coming to market, the slower rate of sales means stocks of unsold property are growing, leading to subsequent downwards price pressure. This is good news for potential buyers as it strengthens their negotiating power, but means some potential sellers are putting off their marketing given the reduced chances of selling at their desired price."*

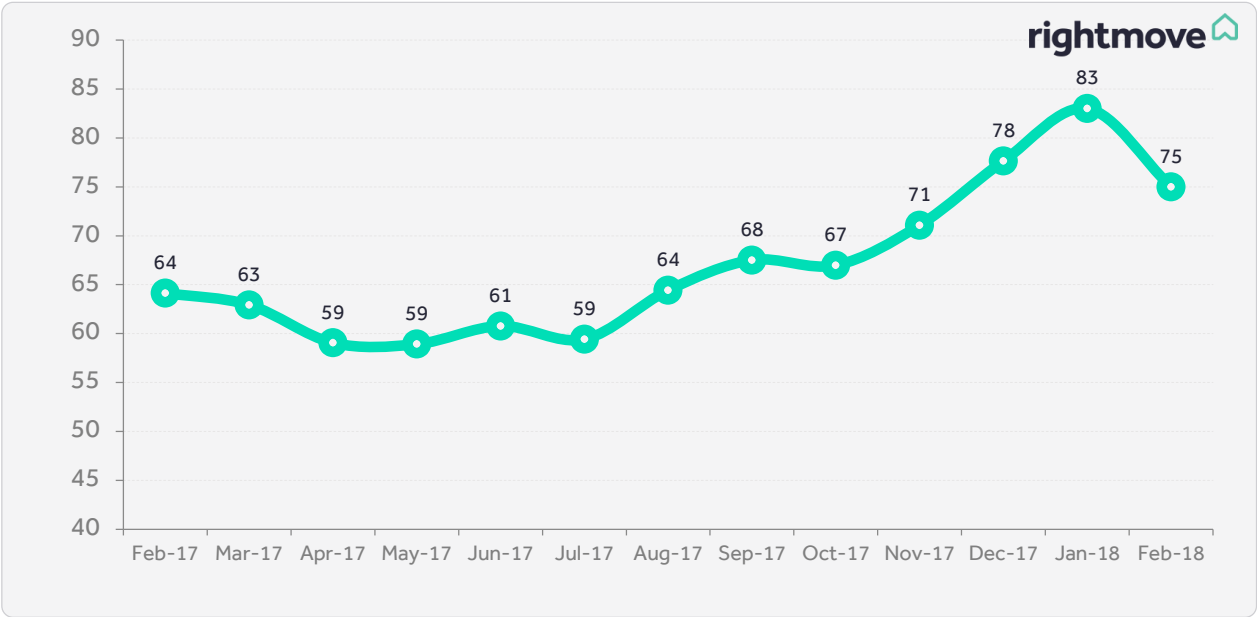
Only owners of two-bed flats are more willing to come to market so far in 2018 compared to 2017, with an increase of 1% in their numbers. The number of one-bed flats marketed year-to-date is down by 2%, and three-bed flats by 3%. The most reticent are potential sellers of five-bed houses with the number marketed so far this year down 16% on 2017. Four-bed houses are seeing 6% fewer new sellers, followed by two-bed houses with 4% fewer.

Shippside observes: *"So far in 2018 owners of two-bed flats are the only ones testing the market in greater numbers than a year ago. While fewer owners of all other property types are coming to market, there is perhaps a more pressing need for space driving the desire to move on from a two-bed flat. If you live in one, extending your flat is an unlikely option to create more room for a growing family. In contrast owners of larger homes with more bedrooms are more likely to already have the space they need, so the decision to move is perhaps more discretionary. They are likely to be more able to wait for the return of rising prices before trying to sell."*

London trends

Transport for London zones	Avg. price Mar 2018	Avg. price Feb 2018	Monthly change	Avg. price Mar 2017	Annual change
Zone 1	£1,384,382	£1,373,384	0.8%	£1,376,567	0.6%
Zone 2	£747,910	£745,819	0.3%	£754,704	-0.9%
Zone 3	£608,799	£601,992	1.1%	£612,153	-0.5%
Zone 4	£486,501	£482,071	0.9%	£486,455	0.0%
Zone 5	£482,319	£480,897	0.3%	£486,609	-0.9%
Zone 6	£497,267	£491,609	1.2%	£499,936	-0.5%

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



London trends

Borough data is based on a three month rolling average and can be used as an indicator of overall price trends in each borough over time. It is not directly comparable with the overall London monthly figures.

Borough	Avg. price Mar 2018	Monthly change	Annual change
Bexley	£409,420	0.3%	3.0%
Hounslow	£561,805	2.1%	2.6%
Hackney	£664,194	1.0%	2.5%
Barking and Dagenham	£313,315	-0.8%	2.2%
Kensington and Chelsea	£1,690,498	2.7%	1.6%
Havering	£407,994	0.0%	1.2%
Croydon	£445,258	0.3%	0.8%
Hillingdon	£498,637	0.2%	0.7%
Barnet	£657,742	2.3%	0.6%
Brent	£587,613	1.0%	-0.1%
Tower Hamlets	£599,210	1.5%	-0.2%
Sutton	£469,736	0.3%	-0.3%
Greenwich	£448,178	0.0%	-0.3%
Redbridge	£451,504	-0.2%	-0.3%
Waltham Forest	£482,428	1.0%	-0.3%
Wandsworth	£817,328	1.4%	-0.4%
Haringey	£615,628	0.9%	-0.4%
Hammersmith and Fulham	£952,530	1.3%	-0.5%
Bromley	£530,415	0.8%	-0.6%
Lewisham	£479,123	0.8%	-0.6%
Newham	£413,695	-0.9%	-0.7%
Kingston upon Thames	£628,441	1.0%	-1.0%
Enfield	£455,245	0.2%	-1.2%

Boroughs continued overleaf

London trends

Borough (continued)	Avg. price Feb 2018	Monthly change	Annual change
Ealing	£561,039	1.0%	-1.9%
Southwark	£655,243	1.1%	-2.2%
Merton	£653,114	3.6%	-2.8%
Islington	£758,002	0.8%	-2.8%
Camden	£991,566	0.8%	-3.1%
Harrow	£557,209	0.6%	-3.5%
Lambeth	£653,920	0.9%	-4.2%
Westminster	£1,438,199	-0.1%	-4.6%
Richmond upon Thames	£820,628	0.2%	-5.4%

Editor's notes

About the Index:

The Rightmove House Price Index methodology was updated in January 2018. The report now includes data for Scotland and a number of measures have been refined. The stock per agent figure now calculates the average based on the number of properties an agent has on Rightmove each day across the month, rather than the average of the total number of properties each agent advertised in the month. London asking prices are now broken down into travel zones. For the purpose of historical comparisons, the historical figures have been restated based on the new methodology.

The Index includes asking price 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. 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.

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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 circa 90% of all properties for sale and at any time displays a stock of over one million properties to buy or rent. The Rightmove.co.uk site attracts over 130 million visits from home movers each month with time on site averaging over one billion minutes per month (Rightmove data, July 2017).