

Under embargo for 00:01 hours: Monday, 14th April 2014

London up 15.9% in a year – highest rate since credit crunch

| GREATER LONDON | |
|-----------------------|--------------|
| Avg. price Apr 14 | £572,348 |
| Avg. price Mar 14 | £552,530 |
| Monthly change | 3.6% |
| Avg. price Apr 13 | £493,635 |
| Annual change | 15.9% |

- New seller asking prices hit new record high for the second consecutive month in London, up by 3.6% (+£19,818), with annual rate of 15.9% highest since November 2007 (+19.6%)
- London ripple effect spreads out into commuter belt and second home territory, creating upwards price pressure in the three other southern regions as they hit new all-time highs as well
- Upward trend in number of properties coming to market in London so far in 2014, up 13% on last year, but demand still outstripping supply and fuelling prices

London has hit a new record for the second consecutive month, with the price of property coming to market up by 3.6% (+£19,818) at an average of £572,348. The year-on-year rise of 15.9% represents a jump of £78,713, a level not seen since November 2007, before the credit crunch.

Miles Shipside, Rightmove director and housing market analyst comments: *“Records keep tumbling in the capital, with a new asking price record being set in London for the second consecutive month. With the annual rate of increase now running at nearly 16%, buyers in the capital considering purchasing an average property will see a price tag nearly £80,000 higher than this time last year. The last time they were going up at this rate was over six years ago, shortly before Lehman Brothers went under and the credit crunch really kicked in.”*

New seller asking prices hit record highs in all four southern regions, as the London ripple effect spreads out. Buyers with a finite budget are often looking for a lower minimum entry level or better value outside London but within acceptable commuting distance. This has a knock-on effect as increased demand chases a limited property supply, with the South East being the main recipient.

Shipside adds: *“A strong ripple effect is spreading out from the capital, causing a new wave of record prices for property coming to market in the South East, the South West and East Anglia. Some of this will be buyers who will commute into London, while others will be those looking to invest some of their London property gains further afield, perhaps with a second or retirement home in East Anglia or the South West. Unfortunately for those looking for better value and affordability in the rest of the south, new seller asking prices are on the up there too.”*

There is an encouraging upward trend in the number of properties coming to market in London so far in 2014, up 13% on last year. In time this increased supply and churn of the housing stock will help give a greater balance between supply and demand, but for the present with prices at a new record level, it is evident that demand is still outstripping supply and fuelling prices.

Shipside adds: *“The extra and welcome London property supply is failing to satisfy the high demand and with prices still increasing, buyers are not really seeing or feeling the benefit of the pick-up in new seller numbers. Agents are still reporting a demand that at present seems insatiable in some hotspot locations.”*

Agents' views in London

Andrew Weir of Foxtons said:

"It has been widely speculated that London is starting to see a slow return of stock to the property market, however, interest remains so high that properties are selling as quickly as they arrive, leaving many buyers as frustrated as before. Last month alone we saw an increase of 20% of new buyers registering with Foxtons compared to the same time last year and many prime London properties are attracting multiple offers and selling over the asking price. Because of this, buyers who had once focused upon properties in one particular area are more and more likely to have to expand their search. As a result, London is witnessing a ripple effect as the prices of property across zones 2, 3, and 4 are increasing with their new amplified demand. Perhaps unsurprisingly, New Homes are becoming an increasingly appealing option to buyers as they prove to be simpler and less emotional business transactions."

Douglas Sleeper of Townends said:

"The imbalance between the number of buyers and sellers has never been greater with 12 buyers registering for every one new property that comes to the market. The heat in the London market is clearly in evidence with an "open house" event in Streatham attracting viewings from over 70 applicants in just one day and selling for £75,000 over the asking price."

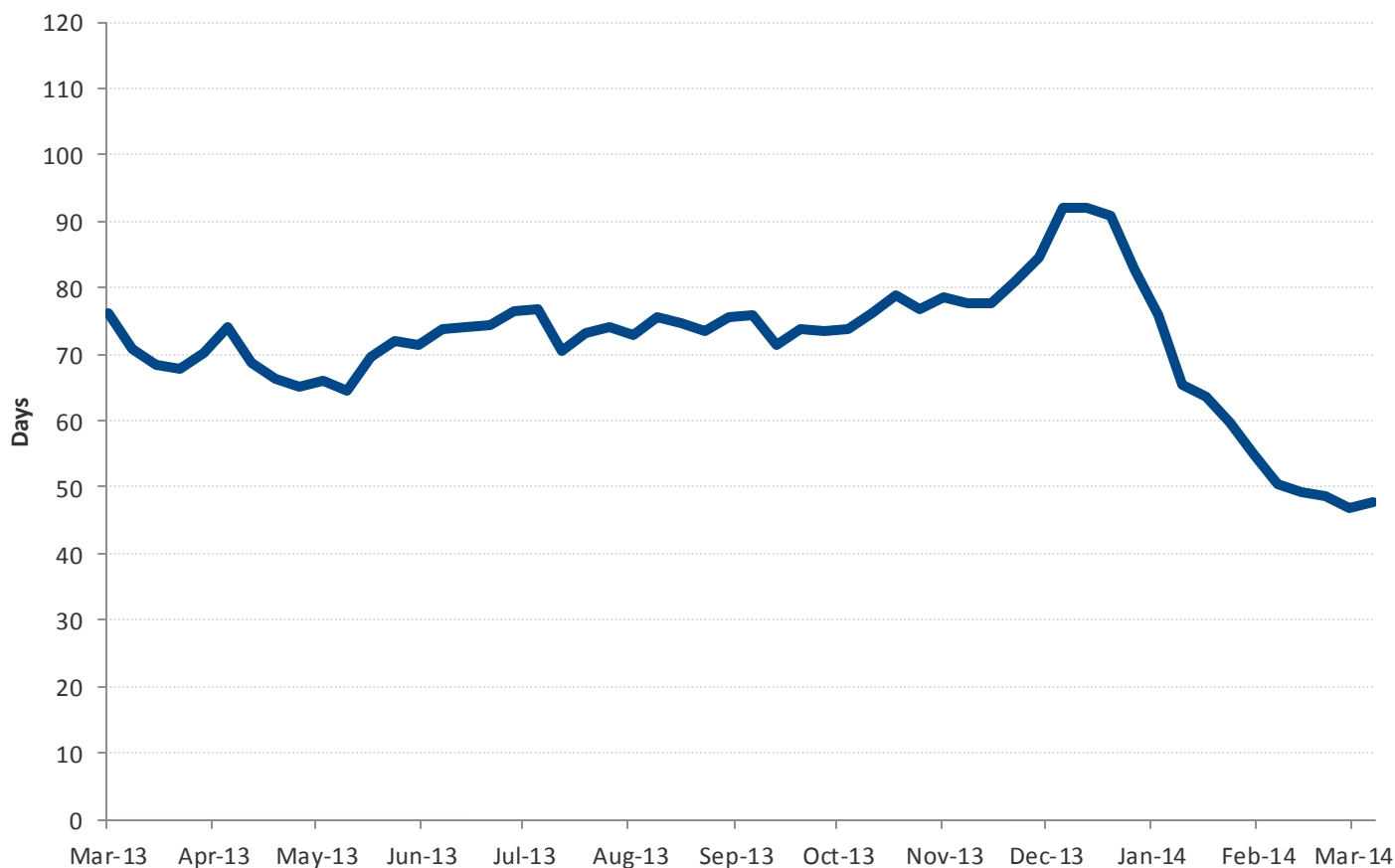
London's best performers: April 2014

| London's top 5 | Avg. price Apr 14 | Avg. price Mar 14 | Monthly change |
|----------------|-------------------|-------------------|----------------|
| Brent | £815,126 | £755,541 | 7.9% |
| Camden | £1,092,044 | £1,016,050 | 7.5% |
| Haringey | £639,871 | £597,634 | 7.1% |
| Tower Hamlets | £595,280 | £560,581 | 6.2% |
| Merton | £555,469 | £523,669 | 6.1% |

London's worst performers: April 2014

| London's bottom 5 | Avg. price Apr 14 | Avg. price Mar 14 | Monthly change |
|-------------------|-------------------|-------------------|----------------|
| Richmond | £817,202 | £821,439 | -0.5% |
| Barking & D'ham | £247,173 | £245,377 | 0.7% |
| Harrow | £391,951 | £384,936 | 1.8% |
| Enfield | £390,233 | £382,944 | 1.9% |
| Waltham Forest | £362,211 | £355,247 | 2.0% |

Time on market indicator - London



London boroughs

| Borough | Avg. price Apr 14 | Avg. Price Mar 14 | Monthly change | Avg. price Apr 13 | Annual change |
|------------------------|-------------------|-------------------|----------------|-------------------|---------------|
| Kensington and Chelsea | £2,233,471 | £2,118,956 | 5.4% | £2,357,306 | -5.3% |
| City of Westminster | £1,537,531 | £1,468,013 | 4.7% | £1,617,732 | -5.0% |
| Hammersmith and Fulham | £1,102,454 | £1,073,163 | 2.7% | £972,175 | 13.4% |
| Camden | £1,092,044 | £1,016,050 | 7.5% | £981,879 | 11.2% |
| Wandsworth | £867,746 | £834,843 | 3.9% | £700,107 | 23.9% |
| Richmond-upon-Thames | £817,202 | £821,439 | -0.5% | £693,255 | 17.9% |
| Brent | £815,126 | £755,541 | 7.9% | £692,067 | 17.8% |
| Kingston-upon-Thames | £800,609 | £774,562 | 3.4% | £680,519 | 17.6% |
| Islington | £785,989 | £754,328 | 4.2% | £694,333 | 13.2% |
| Hackney | £694,058 | £665,708 | 4.3% | £590,551 | 17.5% |
| Barnet | £670,897 | £648,330 | 3.5% | £594,222 | 12.9% |
| Haringey | £639,871 | £597,634 | 7.1% | £588,564 | 8.7% |
| Hounslow | £625,283 | £609,332 | 2.6% | £514,418 | 21.6% |
| Lambeth | £605,930 | £578,890 | 4.7% | £501,300 | 20.9% |
| Tower Hamlets | £595,280 | £560,581 | 6.2% | £426,865 | 39.5% |
| Ealing | £577,546 | £557,628 | 3.6% | £478,566 | 20.7% |
| Merton | £555,469 | £523,669 | 6.1% | £480,980 | 15.5% |
| Southwark | £542,257 | £523,894 | 3.5% | £468,425 | 15.8% |
| Lewisham | £435,978 | £422,596 | 3.2% | £375,352 | 16.2% |
| Bromley | £411,862 | £394,233 | 4.5% | £355,560 | 15.8% |
| Hillingdon | £407,265 | £399,201 | 2.0% | £365,227 | 11.5% |
| Sutton | £397,431 | £384,793 | 3.3% | £351,447 | 13.1% |
| Harrow | £391,951 | £384,936 | 1.8% | £350,722 | 11.8% |
| Enfield | £390,233 | £382,944 | 1.9% | £348,671 | 11.9% |
| Croydon | £364,552 | £352,053 | 3.6% | £294,646 | 23.7% |
| Waltham Forest | £362,211 | £355,247 | 2.0% | £310,949 | 16.5% |
| Greenwich | £346,285 | £335,015 | 3.4% | £309,921 | 11.7% |
| Redbridge | £342,715 | £334,920 | 2.3% | £302,303 | 13.4% |
| Newham | £297,269 | £289,656 | 2.6% | £244,297 | 21.7% |
| Havering | £283,711 | £277,236 | 2.3% | £262,184 | 8.2% |
| Bexley | £264,653 | £252,981 | 4.6% | £225,019 | 17.6% |
| Barking and Dagenham | £247,173 | £245,377 | 0.7% | £216,183 | 14.3% |

Index comparison

| | House price | Monthly change |
|-----------------|-------------|----------------|
| APR 2014 | | |
| Rightmove | £262,594 | +2.6% |
| Halifax | N/A* | N/A* |
| Nationwide | N/A* | N/A* |
| MAR 2014 | | |
| Rightmove | £255,962 | +1.6% |
| Halifax | £178,249 | -1.1% |
| Nationwide | £180,264 | +0.4% |
| FEB 2014 | | |
| Rightmove | £251,964 | +3.3% |
| Halifax | £179,872 | +2.4% |
| Nationwide | £177,846 | +0.6% |

*Published at the beginning of next month for Halifax and at the end of this month for Nationwide

Rightmove

Compiled from asking prices of properties as they come on the market via Rightmove's member estate agents over the previous month, covering over 90% the market. Not seasonally adjusted. (Seasonally adjusted figure used for the Halifax from Nov 2003, as no unadjusted figure has been published.)

Halifax

Based on mortgage approvals of loans agreed by Halifax Bank of Scotland over the previous month, seasonally adjusted.

Nationwide

Based on mortgage approvals of loans agreed by Nationwide Building Society over the previous month. Figure quoted for monthly change is seasonally adjusted.

Rightmove measures asking prices and does not seasonally adjust its figures, while Nationwide and Halifax both report data based on mortgage offers, seasonally adjusted. The index offered by the CLG (Department of Communities and Local Government) measure prices at completion stage, not seasonally adjusted.

Editors' notes

Advertising property for over 90% of all UK estate agents, Rightmove is in a unique position to identify any immediate changes in the market. Using a larger sample than any other house price reports, Rightmove's House Price Index is compiled from the asking prices of properties coming onto the market via the c.10,000 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 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, while 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 of 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 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. All eight corporate estate agents (those with 100 or more branches) list their properties on the site. The Rightmove.co.uk site attracts over 80 million visits from home movers each month who view in excess of one billion pages (Rightmove data, October 2013).

For further information on methodology please contact the Press Office on **T** | 020 7087 0605 **M** | 07894 255295 or **E** | amy.funston@rightmove.co.uk.