

House Price Index

The largest monthly sample of residential property prices

New records set and forecasts rise in extraordinary times

- New national record for average price of property coming to market, with a 1.1% (+£3,534) monthly rise
- Prices now 5.5% (+£16,818) higher than a year ago, the biggest rate of increase for over four years, with Rightmove now forecasting annual growth rate to peak at circa 7% by December
- Activity levels also hit three new records in September, though there are now some signs of this extraordinary momentum easing off in October:
 - Average time to sell of 50 days is quicker than ever before, leaving agents with more properties marked as sold than available for sale for the first time ever
 - Highest number of sales ever agreed in a month, up 70% on September last year
 - Traffic to Rightmove up almost 50% on September 2019, the biggest annual jump since 2006
 - Number of active buyers 66% higher than a year ago, down marginally from 67% July peak
 - Pace of growth easing but sales agreed for October so far still up 58% on same period last year

National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
October 2020	£323,530	+1.1%	+5.5%	250.1
September 2020	£319,996	+0.2%	+5.0%	247.4

National average asking price by market sector (excluding inner London)

Sector	October	September 2020	Monthly change	Annual change
First time buyers	£201,628	£200,324	+0.7%	+5.7%
Second-stoppers	£293,341	£291,618	+0.6%	+6.1%
Top of the ladder	£575,594	£564,512	+2.0%	+5.8%

Rightmove measured 141,352 asking prices this month in England, circa 95% of the UK market. The properties were put on sale by estate agents from 13th September to 10th October and advertised on Rightmove.co.uk.

The average price of property coming to market increased by 1.1% (+£3,534) this month, to an all-time national record of £323,530. This is 5.5% (+£16,818) higher than a year ago, the highest annual growth rate for over four years. The momentum caused by the combination of pent-up and new demand has led to new records in several key metrics, and as a result Rightmove forecasts that the annual rate of increase will rise further before the year-end and peak at around 7%. The forecasting rulebook has been rewritten in this extraordinary year, with predictions of a post-lockdown price plunge in quarter three failing to materialise, and Rightmove's original forecast in December last year of a 2% annual rise for 2020 being too timid.

Tim Bannister, Rightmove's Director of Property Data comments:

"Previous records are tumbling in this extraordinary market, and there are still some legs left in the upwards march of property prices. We predict that the annual rate of growth will peak by December at around 7% higher than a year ago. Many buyers seem willing to pay record prices for properties that fit their changed post-lockdown needs, though agents are commenting that some owners' price expectations are now getting too optimistic, and not all properties fit the must-have template that buyers are now seeking. Not only is the time left to sell and legally complete before the 31st March stamp duty deadline being eaten away by the calendar, but more time is also needed because the sheer volume of sales is making it take longer for sales that have been agreed to complete the process. Sellers and their agents should therefore be wary of being too optimistic on their initial asking price, as whilst activity levels continue to amaze there are some signs of momentum easing off from these unprecedented levels."

Despite the effective market closure between late March and mid-May, 2% more sales have been agreed so far this year than in the same period in 2019, so this is not just a release of delayed pent-up demand. There is new demand too, which is continuing at pace, although there are some signs of it easing slightly.

As well as the new price record, September saw three new records for market activity, with figures better than ever previously recorded by Rightmove:

- The average time to sell is now 50 days, which is 12 days faster than the same period last year
- For the first time ever, estate agents now have more properties marked as sold than they have as available for sale
- Finally, the number of sales reported by agents also set a new record, and was 70% higher than the same period a year ago

Rightmove also recorded a 49% increase in traffic in September compared to the same period last year, which is the biggest year-on-year jump since 2006. So far in October the number of sales agreed is still 58% up on the same period last year. The number of active buyers contacting estate agents also continues to run at a high level, up by 66% in September compared to 12 months ago, and only marginally down on the peak of +67% seen in July.

Bannister notes:

"Prospective buyers are seeing properties selling fast and prices rising as they search for their next home, adding to momentum and spurring them on to act quickly. With the number of buyers contacting agents still up by two-thirds on a year ago, there is plenty of fuel left in the tank to drive further activity in the run-up to Christmas and into next year. There have also been government promises of additional low-deposit mortgage support for first-time buyers, which could prove to be timely as we run up to 31st March. It appears that the current momentum, assisted by the prospect of stamp duty savings, is helping to keep the housing market healthy. Estate agents have worked hard to give confidence to sellers and buyers alike that property viewings can be conducted safely, and early signs show that market activity still remains high in areas with stricter local lockdowns."

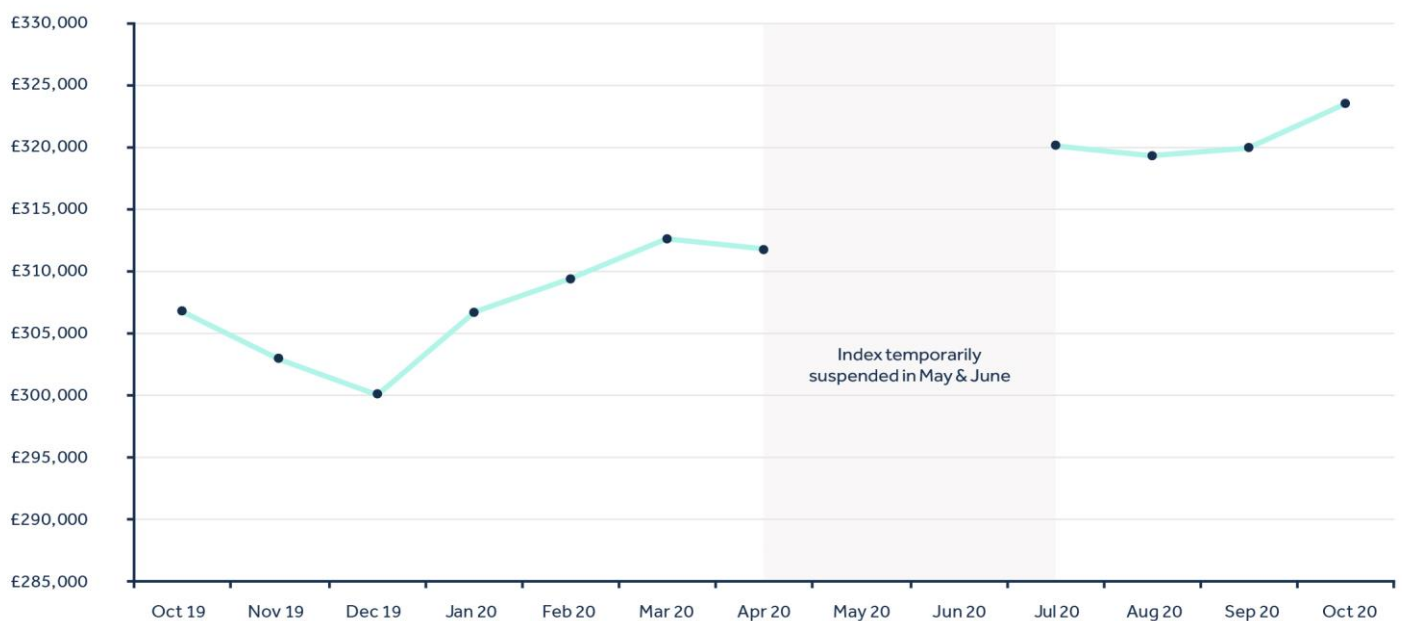
Agents' Views

Martin Robinson, Director of Hunters, said: *"We would normally see a slowing of the market as the nights draw in, but the appetite to take full advantage of the low interest rates and a stamp duty holiday means activity continues to grow. Demand is still outweighing supply, particularly for quality properties marketed at the right price, and we're regularly experiencing sales going to best and final offers. The market continues to be strong right across the property types, whether it be first time buyer, investor, second time mover or houses in the country which offer more outside space. We're also seeing changes in the habits of the consumer with many saying that there is no need to be on the doorstep of their work place and are looking to move to a more rural or affordable location, broadband speed permitting, to work remotely where they can get more for their money."*

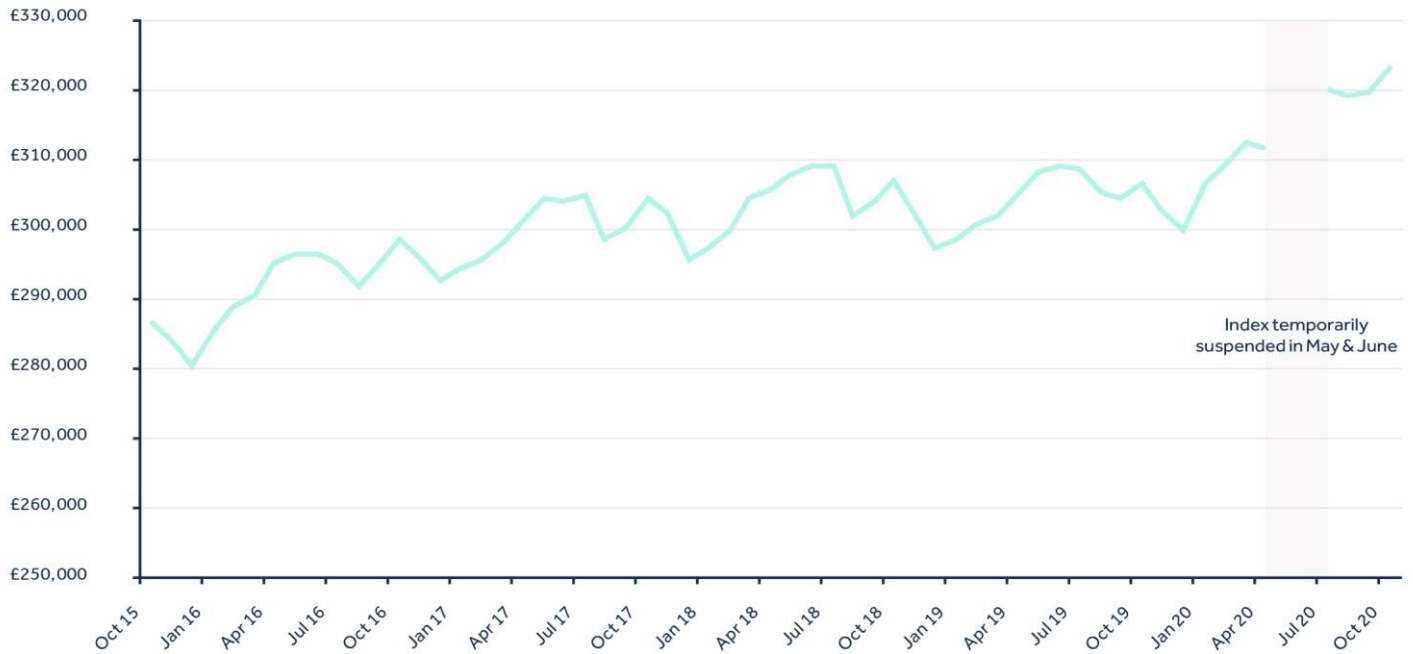
Dominic Agace, Chief Executive of Winkworth estate agents, with 100 offices nationwide, including 60 in the capital, said: *"The market remains brisk across all levels, as we see new lifestyle choices support this demand. We are now seeing sellers join the property market, catching up with buyers' early start. With both tracking well ahead of 2019 levels, we expect this activity to continue for the rest of the year. However, with increasing supply and uncertainty around Covid, we expect prices to flatten out now we are past the peak autumnal market. The market has been strong across all our London offices, as property movers look to take advantage of the savings on stamp duty and the record low interest rates. This includes those looking to get onto the housing ladder, second steppers looking to move from a flat to their first house, and people looking for outside space by moving to outer London or going further and taking the plunge to make their move to the country, with our offices in commuter locations and beyond seeing significant demand. I think the trend to make a move for more space will continue, reflecting the increasing trend for working from home."*

Average asking price trend

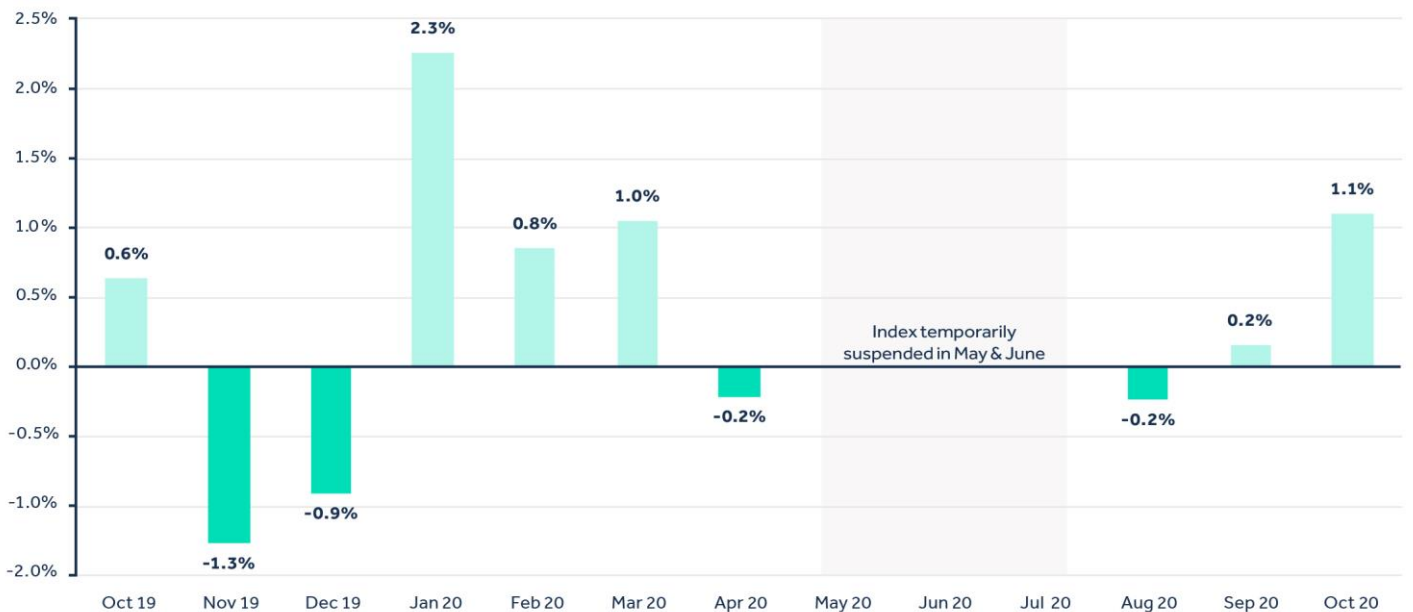
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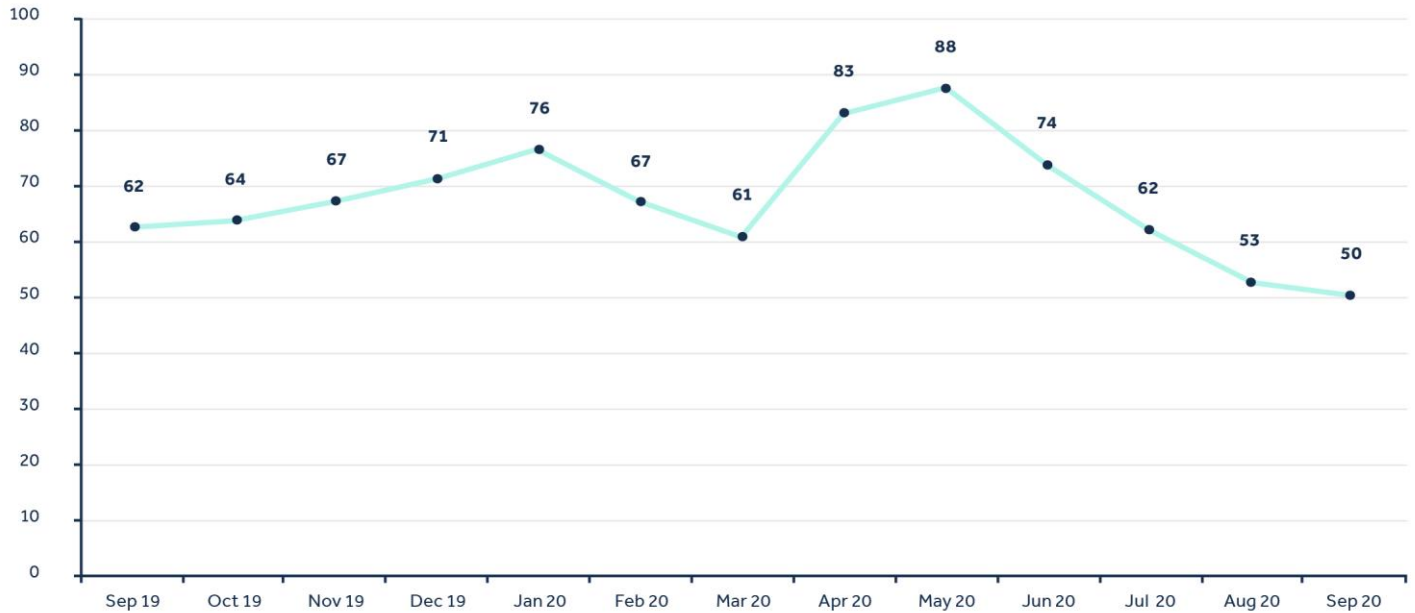
Five year asking price trend



% monthly change in average asking prices



Average time to secure a buyer (no. days) National

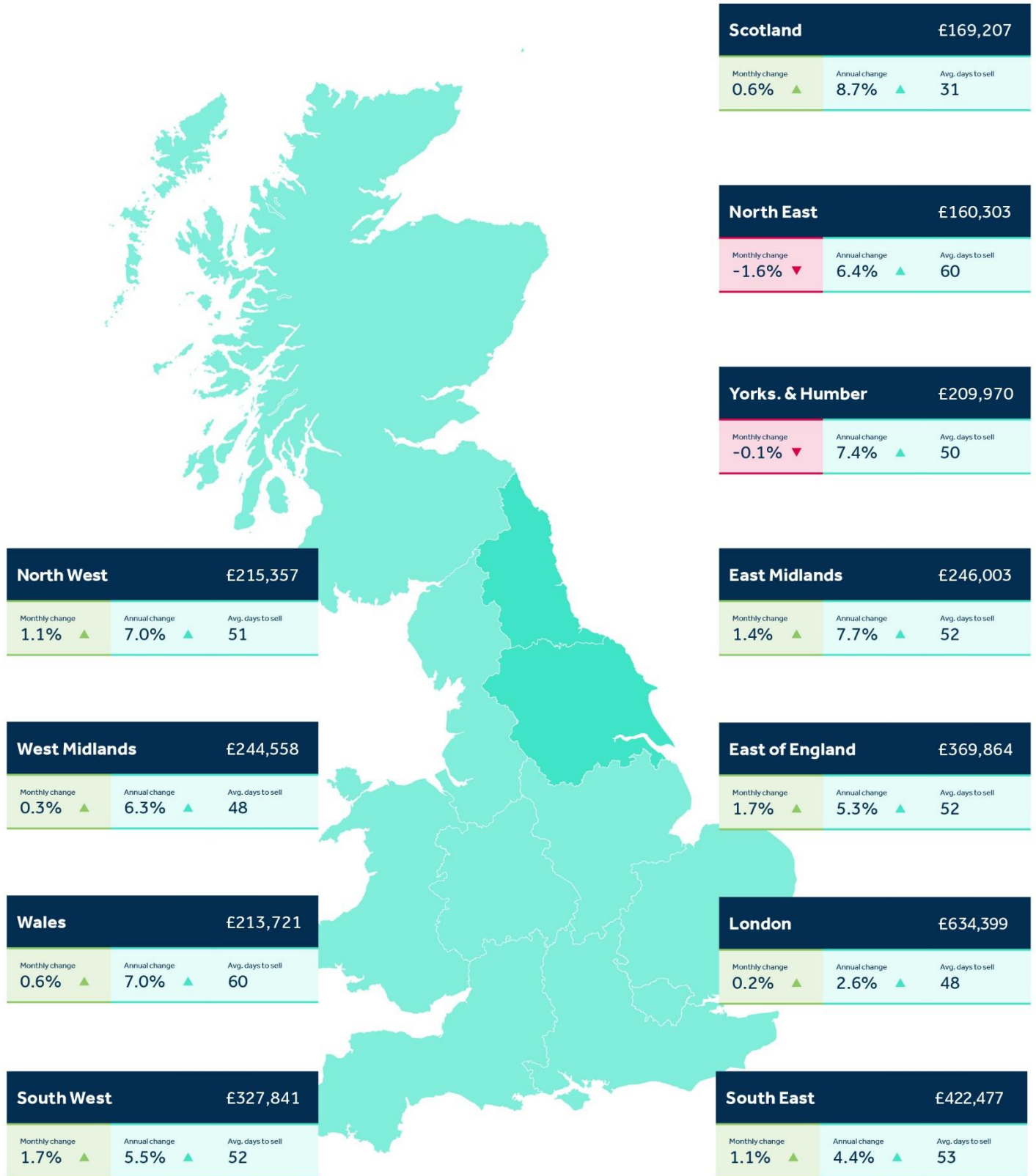


Average stock per agent (including Under Offer/Sold STC)

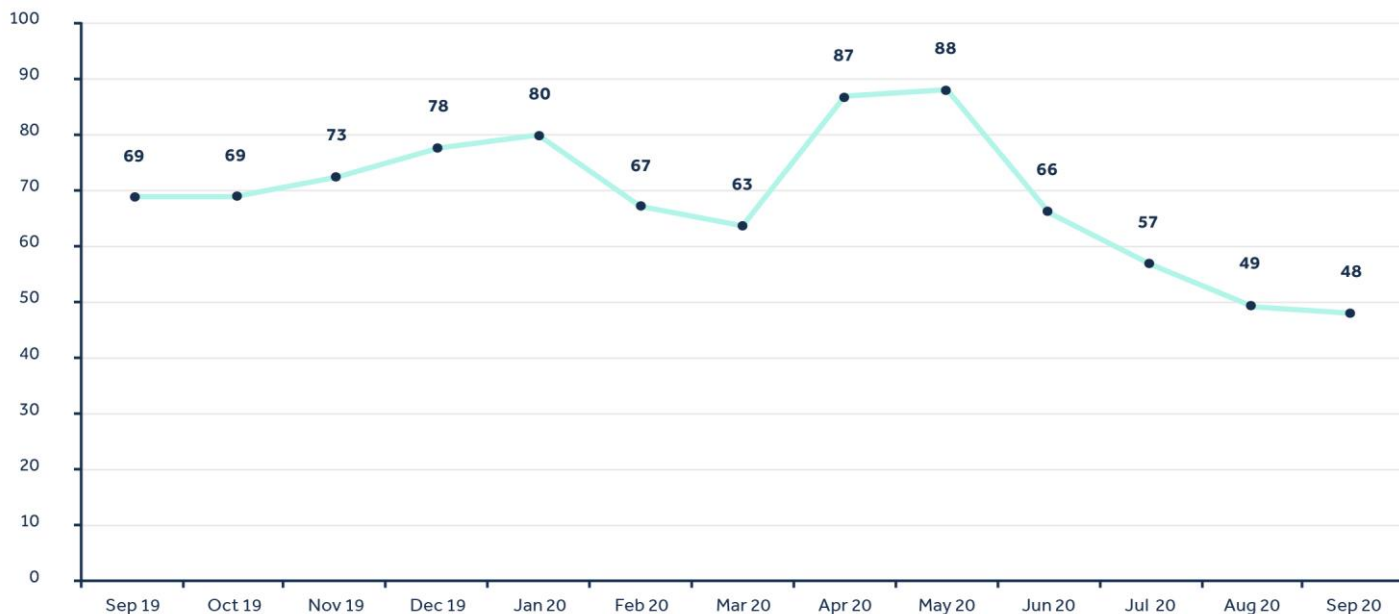


House Price Index

● Increase from previous month
 ● Decrease from previous month



Average time to secure a buyer (no. days) London



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 Oct 2020	Monthly change	Annual change
Kensington and Chelsea	£1,504,887	-2.4%	-7.1%
Westminster	£1,326,577	1.1%	-4.1%
Camden	£988,649	-2.3%	3.8%
Hammersmith and Fulham	£944,548	-0.8%	3.6%
Richmond upon Thames	£870,310	-2.4%	6.7%
Wandsworth	£793,361	-1.7%	2.7%
Islington	£779,235	-0.6%	3.0%
Haringey	£657,125	1.3%	7.4%
Hackney	£656,029	-1.1%	1.7%
Lambeth	£652,803	-0.4%	5.0%
Barnet	£651,939	-0.3%	2.4%
Merton	£651,623	-2.7%	3.5%
Southwark	£642,175	-0.9%	-1.8%
Kingston upon Thames	£623,203	0.6%	6.0%
Brent	£601,865	0.8%	6.0%
Ealing	£579,076	-0.2%	4.9%
Harrow	£578,451	0.6%	5.5%
Bromley	£564,578	1.0%	6.6%
Tower Hamlets	£564,146	-0.9%	-1.2%
Hounslow	£550,983	0.0%	3.9%
Waltham Forest	£510,454	-0.9%	4.7%
Hillingdon	£508,582	0.4%	6.1%
Lewisham	£499,388	0.3%	8.2%
Sutton	£494,083	0.2%	5.3%
Redbridge	£474,903	0.4%	3.5%
Enfield	£468,642	0.0%	4.4%
Greenwich	£467,181	0.6%	5.3%
Croydon	£450,733	-0.1%	3.6%
Newham	£431,721	0.0%	4.1%
Bexley	£429,514	-0.8%	4.8%
Havering	£427,824	0.2%	4.6%
Barking and Dagenham	£330,334	0.8%	4.1%

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 95% 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.

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 95% 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 nearly 141 million visits from home movers each month with time on site averaging 1.1 billion minutes per month (Rightmove data, July 2019).