

House Price Index

The largest monthly sample of residential property prices

Best ever spring sellers' market as prices hit another new record

- Another new price record as the average price of property coming to market jumps by 1.7% (+£5,760) this month to £354,564, breaking through the £350,000 barrier for the first time
- The average monthly rise is the largest seen at this time of year since March 2004, pushing the annual rate of increase to 10.4%, with all regions and countries except London and Scotland now up over 10% annually
- Most expensive sector of four bedrooms plus sees average 3.8% (+£23,619) monthly price surge encouraging new sellers to come to market, with 12% more new listings in this sector than at this time last year
- For those looking to move this is the best ever spring sellers' market, not just because of record price levels:
 - We enter the spring selling season with the biggest mismatch between supply and demand for this time of year ever measured by Rightmove, with more than twice as many buyers as sellers
 - Chance of finding a buyer in first week is highest ever, and twice as likely compared to same period in 2019
- Too early to know how the market will be affected by the longer-term economic impact of the abhorrent and devastating war in Ukraine. Rightmove initially saw slightly lower buyer demand but this has now stabilised
- We forecast a less frothy market in the second half of the year, as economic headwinds lead to a more evenly balanced market, though demand will still outstrip supply

National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
March 2022	£354,564	+1.7%	+10.4%	274.1
February 2022	£348,804	+2.3%	+9.5%	269.7

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

Sector	March 2022	February 2022	Monthly change	Annual change
First time buyers	£218,201	£215,334	+1.3%	+8.4%
Second-steppers	£326,705	£322,854	+1.2%	+11.5%
Top of the ladder	£647,112	£623,493	+3.8%	+13.1%

Rightmove measured 98,310 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 13th February 2022 to 12th March 2022 and advertised on Rightmove.co.uk.

The price of property coming to market has hit a new record high for the second consecutive month, with the national average now being £354,564. This month's 1.7% (+£5,760) increase is the largest at this time of year since March 2004. In addition, the annual rate of 10.4% is the highest that Rightmove has recorded in any month since June 2014. This unprecedented price level is being stoked by the greatest imbalance between buyer demand and the number of properties available for sale that we have ever measured at this time of year. This is the strongest spring sellers' market that we have ever seen in several metrics.

Tim Bannister, Rightmove's Director of Property Data comments: *"There's a hat-trick of reasons for home-owners to follow the normal trend and make it their goal to sell this spring. Firstly, the potential to achieve a record price for their property. Secondly, the imbalance between high buyer demand compared to low available property supply is the greatest that we have ever seen for the start of a spring market, meaning that the chance of being able to pick and choose between several suitable buyers is strong. Thirdly, the proportion of properties finding a buyer within the first week is also at an all-time high for this time of year, so sellers with an appropriately priced and well-presented property can expect a shorter marketing period than the norm. Those who weren't ready to take advantage of last year's rush now have another chance to get on the market while these conditions last. Many of those who are selling in this record-breaking market obviously also face the prospect of buying again in the same market, and being in fierce competition against other buyers. Having a buyer for your own property, subject to contract, puts those who are buying again in a powerful position compared to buyers who have yet to sell, and agents report that these 'power buyers' are more likely to get the property that they want and negotiate the best deal on price."*

There are now more than twice as many buyers as sellers active in the market, which is the biggest mismatch between supply and demand that we have ever recorded at this time of year. The speed of the market is further demonstrated by the fact that there are more than one in five (22%) deals being agreed on Rightmove within the first week of being marketed. This is double the figure for the same period in the more normal market of 2019. Almost half, 47%, are having a sale agreed within the first fortnight, another indicator of high demand and the likelihood of finding a buyer quickly. While these unprecedented numbers are helping to drive prices to new records, they do also show that there are a number of properties that will remain on the market after this time and that may benefit from a price reduction.

Bannister says: *"Agents report that despite the current high demand, a price reduction is often needed if a property has not found a buyer within the first two weeks. It could be that the property is too niche and has to wait for the right buyer with those specific requirements to come along, but more often it's due to prospective buyers being underwhelmed by a seller looking for an over-optimistic asking price compared to other properties that are being snapped up at record speed. Acting quickly on a price reduction before the property goes stale can help to get sellers back on track for a speedier sale."*

The largest monthly price rise has been recorded in the "top of the ladder" sector, predominantly comprising four bedroom or more properties. This has seen a 3.8% (+£23,619) jump due to high demand and the greatest scarcity of supply, though encouragingly for prospective buyers in this sector 12% more properties have come to market in the last month compared to the same period a year ago. However it's the more mass-market "second-stepper" sector that's selling fastest, with just over half (50.3%) of these homes finding a buyer within the first two weeks of marketing.

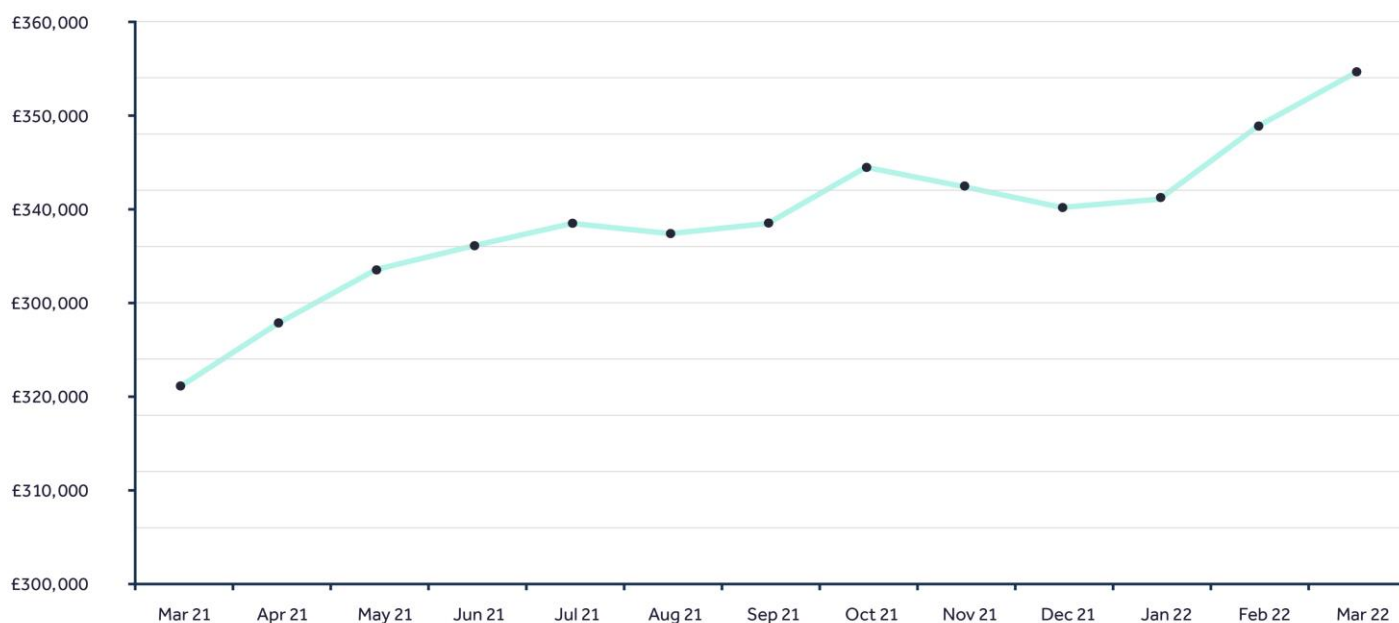
Bannister concludes: *"All sectors of the market are experiencing very brisk conditions and we expect the strong market to continue until economic forces combine to move the supply and demand balance closer towards equilibrium. There are headwinds that seem likely to remove the current market froth in the second half of the year. We've just seen interest rates rise again, and there are further incremental increases forecast for the year which will raise mortgage rates for some. Inflation and cost of living increases are also likely to affect buyer affordability and market sentiment. It's too early to know how the UK housing market will be affected by the longer term economic impact of the abhorrent and devastating war in Ukraine, and so all we can use as a measure for now is the level of UK buyer and seller activity. When the war started we initially saw slightly lower buyer demand but this has now stabilised. Our forecast is that overall transaction numbers for 2022 will revert back to pre-pandemic levels, as the market returns to a more even balance. Currently, the number of sales being agreed by estate agents is 11% higher compared to the same period in the more normal market in 2019."*

Agent's View

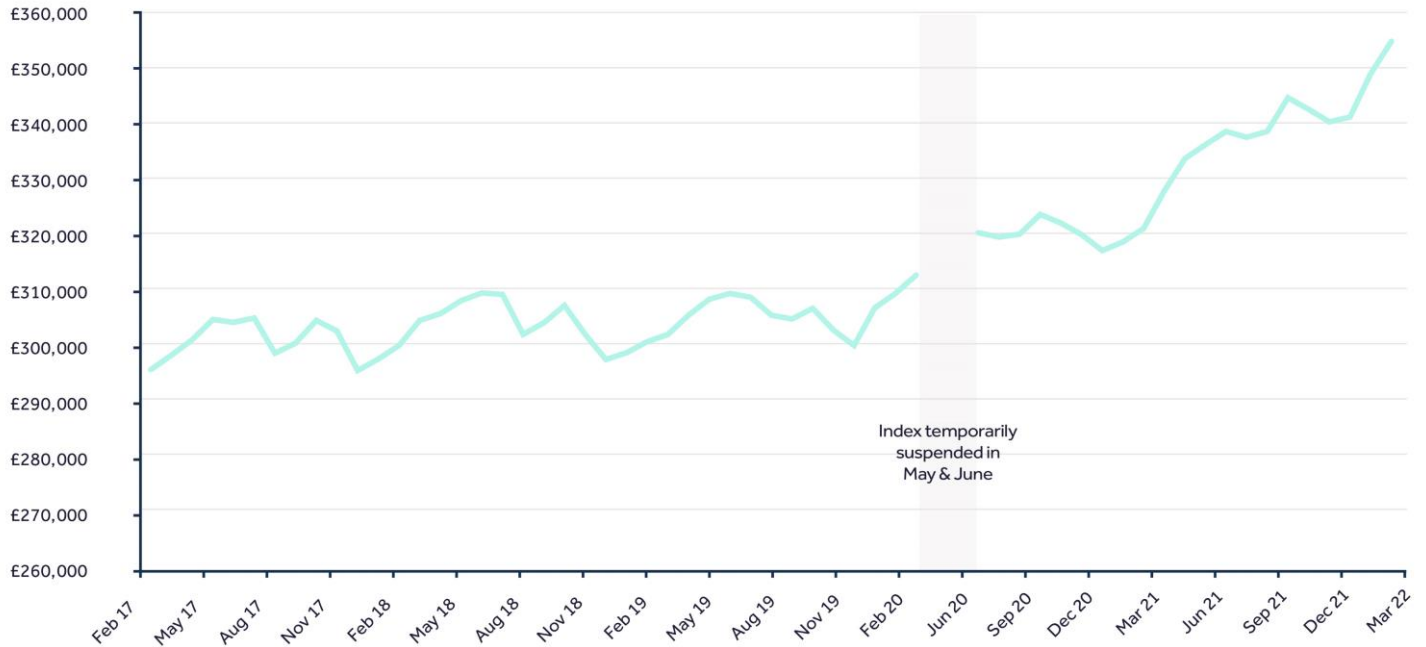
Kate Eales, head of regional agency at Strutt & Parker comments: *“The market continues to be competitive with demand outweighing supply, driving up house prices across the country. But despite historically low stock volumes dominating headlines over the past few weeks, we’re beginning to see incremental increases in the number of homes coming to the market as we enter spring. The increase in demand for larger homes is evident as buyers search for more space including room for a home office. The trend of a significant number of people planning to work from home for three days a week or more in the longer term has created new hotspots across the country for part-time commuters including Shropshire, North Cotswolds and Suffolk. Regional price increases have been bolstered by buyers who have adapted to this competitive market by looking to neighbouring towns and villages to what may have been their preferred location.”*

Average asking price trend

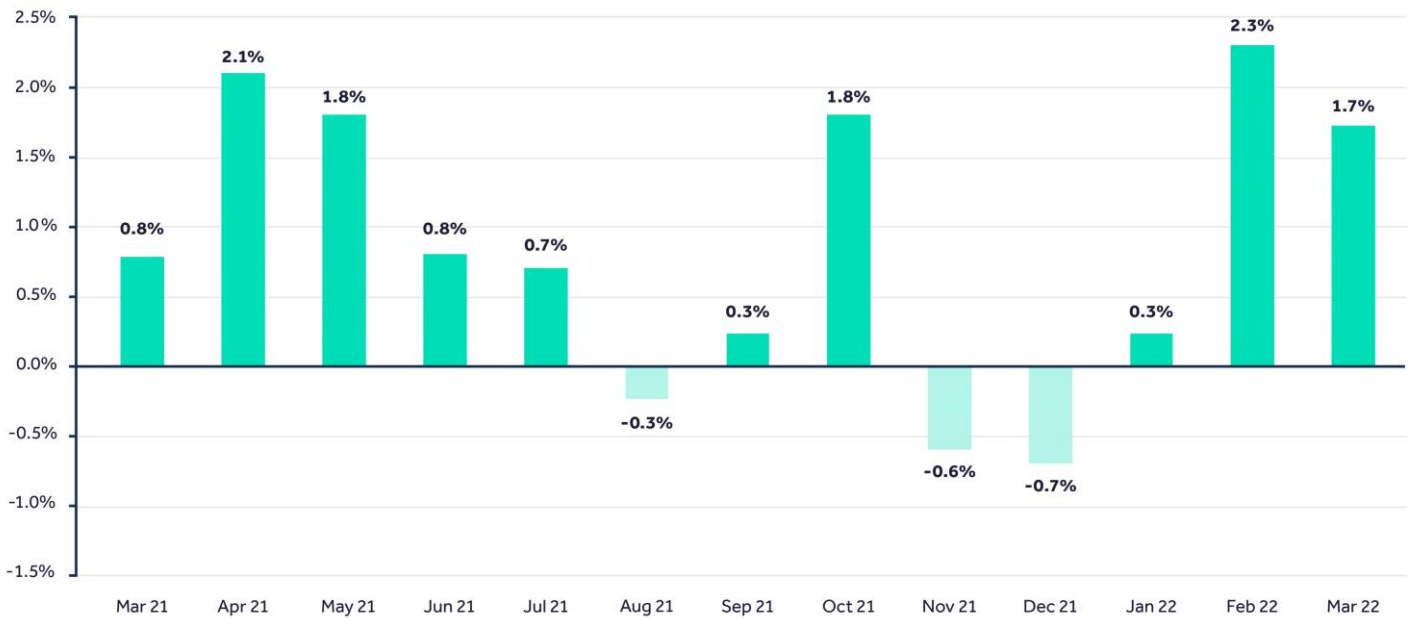
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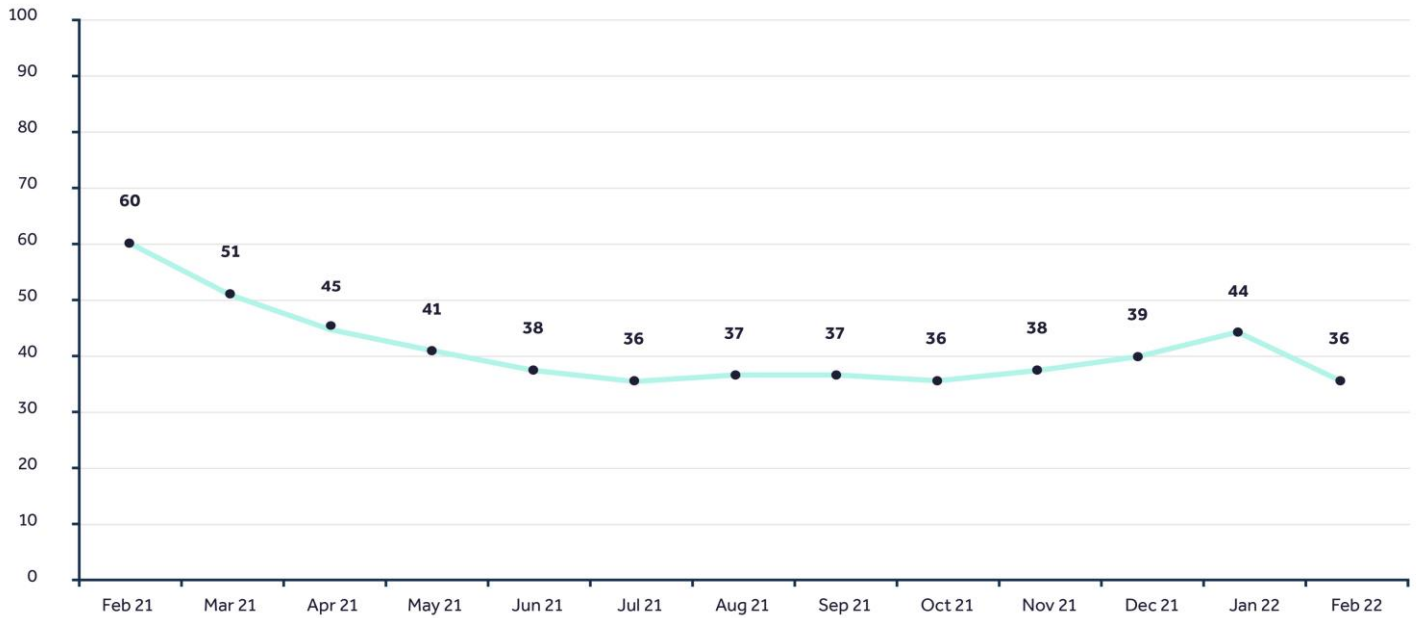
Five year asking price trend



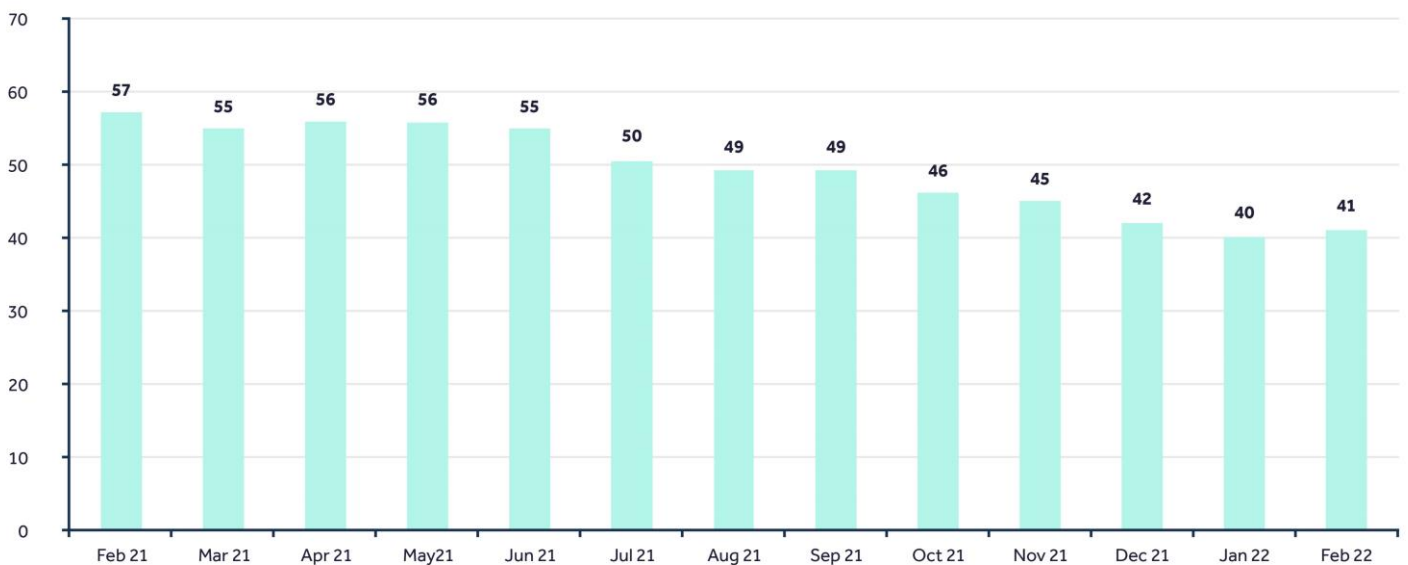
% monthly change in average asking prices



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

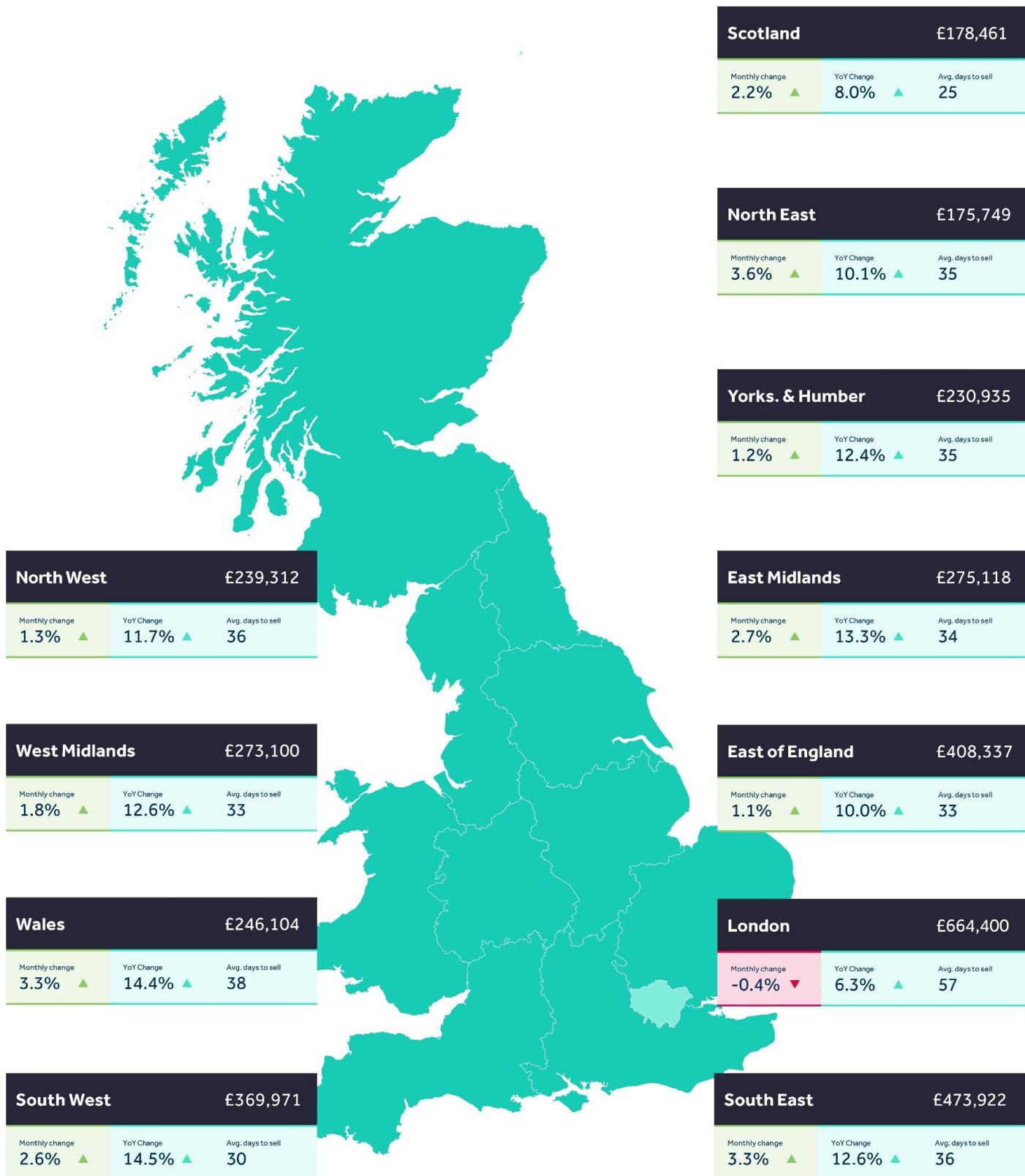


Average stock per agent (including Under Offer/Sold STC)

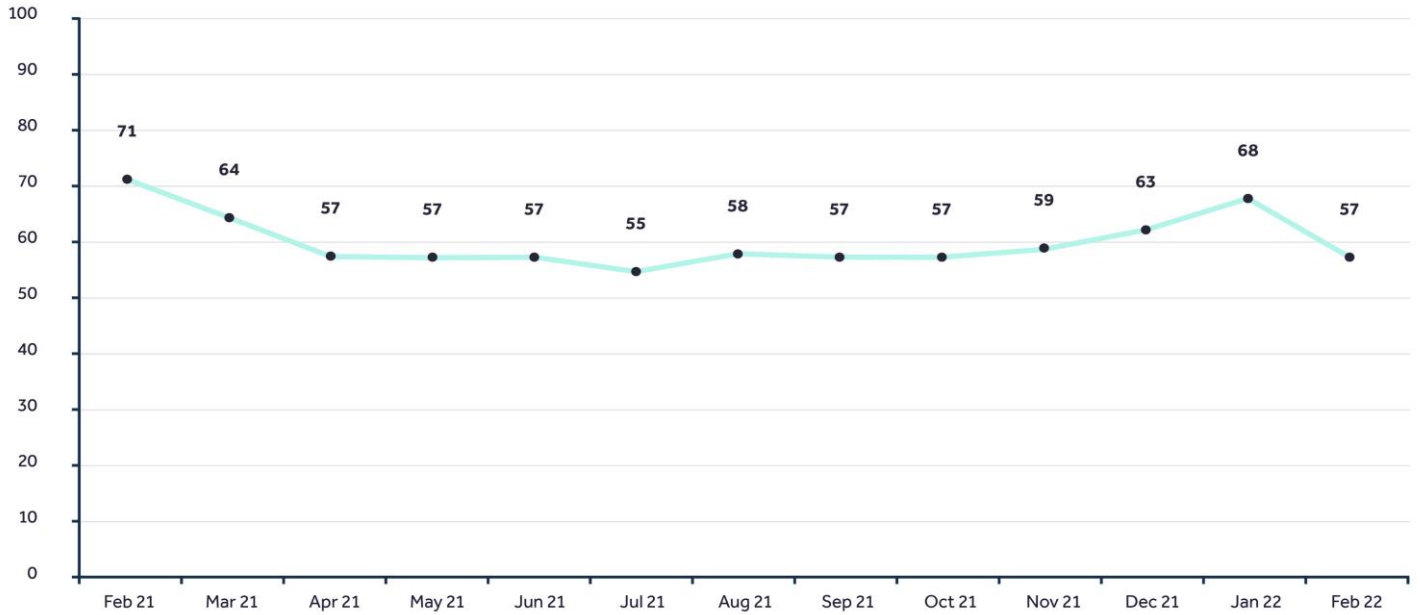


House Price Index

● Increase from previous month ● Decrease from previous month



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



Asking price 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 2022	Monthly change	Annual change
Kensington and Chelsea	£1,702,118	1.0%	12.3%
Bromley	£610,901	0.1%	11.0%
Havering	£466,452	1.9%	10.8%
Sutton	£525,305	2.1%	10.8%
Westminster	£1,407,436	1.5%	10.6%
Merton	£695,506	1.8%	10.4%
Barking and Dagenham	£363,645	0.6%	10.2%
Hillingdon	£543,437	2.7%	9.8%
Kingston upon Thames	£683,359	2.4%	8.9%
Bexley	£463,354	2.0%	8.2%
Redbridge	£502,729	0.1%	7.3%
Ealing	£598,600	0.9%	7.3%
Harrow	£605,357	1.3%	6.9%
Waltham Forest	£539,078	1.4%	6.9%
Wandsworth	£822,352	2.2%	6.6%
Croydon	£481,088	1.7%	6.5%
Haringey	£655,764	4.7%	6.4%
Richmond upon Thames	£905,737	1.9%	5.7%
Barnet	£666,748	1.9%	5.4%
Tower Hamlets	£573,620	0.9%	5.3%
Enfield	£489,593	1.3%	5.1%
Greenwich	£478,944	1.0%	4.9%
Hammersmith and Fulham	£952,009	1.2%	4.8%
Camden	£989,472	0.0%	4.6%
Lewisham	£505,530	0.8%	4.5%
Southwark	£650,733	0.9%	4.0%
Newham	£447,913	-0.4%	3.8%
Brent	£605,516	0.4%	3.6%
Hounslow	£569,704	-0.2%	3.6%
Hackney	£666,297	2.0%	3.3%
Islington	£762,019	2.2%	2.4%
Lambeth	£649,307	-1.3%	1.4%

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 is the UK's leading property website, displaying details of homes for sale or rent to the largest online audience, with circa 95% of all properties for sale in the UK. It is consistently ranked the number one property website in the UK (source: Experian Hitwise). In 2021 Rightmove attracted 2.5 billion visits from home movers, with time on site averaging 1.5 billion minutes per month (Rightmove data, 2021).