

House Price Index

The largest monthly sample of residential property prices and housing market activity

-1.7%

Monthly price drop, largest November drop since 2018

-1.3%

Annual price change, heading towards Rightmove's -2% prediction

-10%

The number of sales being agreed is now 10% lower than at this time in 2019

Better-than-predicted year, as sellers price more competitively

- Average new seller asking prices drop by 1.7% (-£6,088) this month to £362,143, as Christmas approaches and sellers continue to adopt more pricing realism to attract a buyer
- Though the transition from the frenzied pandemic market back towards more normal activity levels has been slow, key indicators point to a year that so far has been better than many predicted following the turbulent end to 2022:
 - Average asking prices are just 3% below May's peak, but pricing right the first time remains key to securing a buyer
 - Sales agreed are now 10% below 2019's more normal market level, improving from 15% below last month
 - The pandemic-driven stock shortage is over, with available properties for sale now just 1% behind 2019
- However, some regions and market sectors continue to transition better than others to the need for more enticing pricing:
 - The number of sales being agreed for studio, one-, and two-bed properties is just 7% lower than 2019's level, compared to four-bed detached houses and all five-bed plus properties, where agreed sales are 14% behind 2019
 - While there are yearly price declines in the Midlands and all Southern regions, by contrast Wales, Scotland and the North of England have seen rises in the price of newly-marketed properties
- Two consecutive Base Rate holds has helped to keep buyer demand in line with 2019's level. Now, many will be looking to the forthcoming Autumn Statement and hoping for more than a renewal of the mortgage guarantee scheme

National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
November 2023	£362,143	-1.7%	-1.3%	280.0
October 2023	£368,231	+0.5%	-0.8%	284.7

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

Sector	November 2023	October 2023	Monthly change	Annual change
First time buyers	£223,426	£224,263	-0.4%	-0.2%
Second-steppers	£333,263	£337,445	-1.2%	-1.6%
Top of the ladder	£658,840	£674,168	-2.3%	-1.4%

Rightmove measured 86,285 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 8th October – 4th November 2023 and advertised on Rightmove.co.uk.

Overview

New seller asking prices drop by 1.7% (-£6,088) this month to £362,143. Asking prices usually drop at this time of year, as serious sellers price more competitively to attract distracted buyers in the lead-up to Christmas. However, this year's November drop is the largest in five years, indicating that new sellers are also increasingly adopting more realistic price expectations from the outset of marketing to tempt potential buyers to act. As we approach the end of 2023, key indicators point to a market that while challenging, has been more positive than many predicted.



We'd expect to see a drop in new seller asking prices in the last couple of months of the year, as serious sellers start to separate themselves from discretionary sellers and cut through the Christmas noise with an attractive price to secure a buyer. However, the larger than usual drop this month signals that among the usual pricing seasonality, we are starting to see more new sellers heed their agents' advice and come to market with more enticing prices to stand out from their over-optimistic competition. Buyers are still out there, but for many their affordability is much reduced due to higher mortgage rates. It now looks like more sellers are understanding Rightmove's research; that the chances of securing a buyer are much greater if they price right the first time, rather than over-pricing and reducing their price later.

Tim Bannister Rightmove's Director of Property Science



Despite the turbulent end to 2022, the year to date has been better than many expected. Asking prices have eased from the unsustainably frothy heights seen during the pandemic markets, where many sales went to best and final bids. However, new seller asking prices are now just 3% behind May's peak and this relatively small fall in asking prices, coupled with stable numbers of new properties coming to the market each month, are strong indicators that forced sales are not widespread.

The number of sales being agreed is now 10% below the same period in 2019, improving from being 15% below 2019's level last month. The pandemic-driven stock shortage also now appears to be over, with the number of available homes for sale now just 1% behind this time in 2019. While there is certainly no glut of homes for sale, buyers across Great Britain are likely to see much more choice in their local area compared to a year ago.

However, these are averages across Great Britain, and in the current very price-sensitive market some areas and sectors are faring better than others during this period of pricing transition. The number of sales being agreed in the smallest homes sector (studio, one-, and two-bed properties) is just 7% lower than 2019's level, compared to the largest homes sector (four-bed detached houses and all five-bed plus properties), where agreed sales are 14% behind 2019. Meanwhile, there are yearly price declines in the Midlands and all Southern regions, however the more affordable areas of Wales, Scotland and the North of England have seen asking price rises, as the changed market conditions affect local housing markets in different ways.

Last week, the Bank of England opted to hold the Base Rate for the second consecutive time, which has supported buyer demand and helped to keep it in line with 2019's level. Now, many will be looking to the forthcoming Autumn Statement for any policy announcements or market incentives. One rumoured announcement is a renewal of the mortgage guarantee scheme, which encourages lenders to offer a 95% Loan-To-Value mortgage helping those with a smaller deposit. However, data from the Bank of England and the Financial Conduct Authority (FCA) shows only around 5% of mortgages taken out are of this kind, highlighting the limitations of the scheme.



This year has brought many new challenges for buyers, sellers and agents to navigate. While there have been many twists and turns, and there are still seven weeks left of the year, the data indicates that there has been more to be positive about in 2023 than many thought there would be at this time last year. The upcoming Autumn Statement will now set the tone heading into 2024, particularly if there are any major policy announcements. We hope that the government has considered the impact on the market of any new policies, and that any measures introduced help as many movers as possible. An announcement as limited as a mortgage guarantee scheme renewal would be a missed opportunity to provide some support to movers, particularly first-time buyers.

Tim Bannister Rightmove's Director of Property Science



Agents' views



The market is resilient and more in favour of buyers compared to the past two years. Pricing right is the most important tool for potential sellers at the moment. We have seen several sellers try to test the market with an over-optimistic price to qualified buyers. However, the consequences of getting it wrong are pronounced, with the data showing that many sellers who don't get the price right the first time end up wasting a huge amount of time and money.

Record rents have made it difficult for would-be first-time buyers trying to save up their deposit and get onto the ladder from the rental market. Meanwhile, higher interest rates and the increased tax and legislative burdens to landlords, have led to some private landlords exiting the private rental market. Incentives are needed to encourage more private landlords back into the market and improve supply - landlords are not the problem, more investment and properties available to rent is the solution to reducing rents.

Ian Preston, Managing Director at Preston Baker in Yorkshire

Picking the right agent to help with the right price for a home is so vital for sellers at the moment. Buyers have much more choice than a year or two ago, meaning if sellers price too optimistically, buyers are going to look towards their more competitively priced neighbours. However, we are starting to see more pricing realism from sellers compared to a few months ago, and activity levels are positive so far in November. There are certainly still buyers out there ready to take the leap if the price is right. Two consecutive Base Rate holds, much steadier fixed-rate mortgage deals on offer, and a general feeling that rates may have now peaked, are giving some assurance and confidence to buyers.

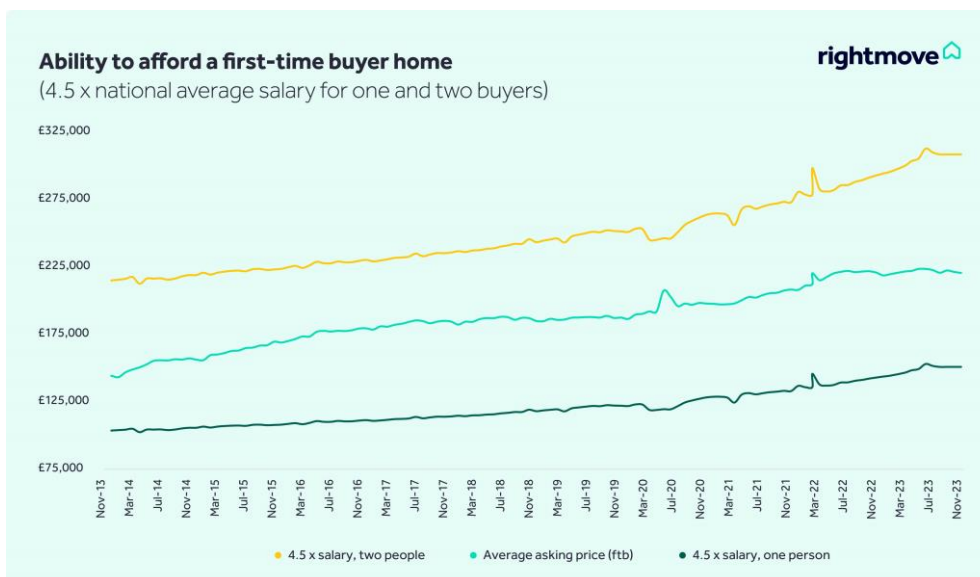
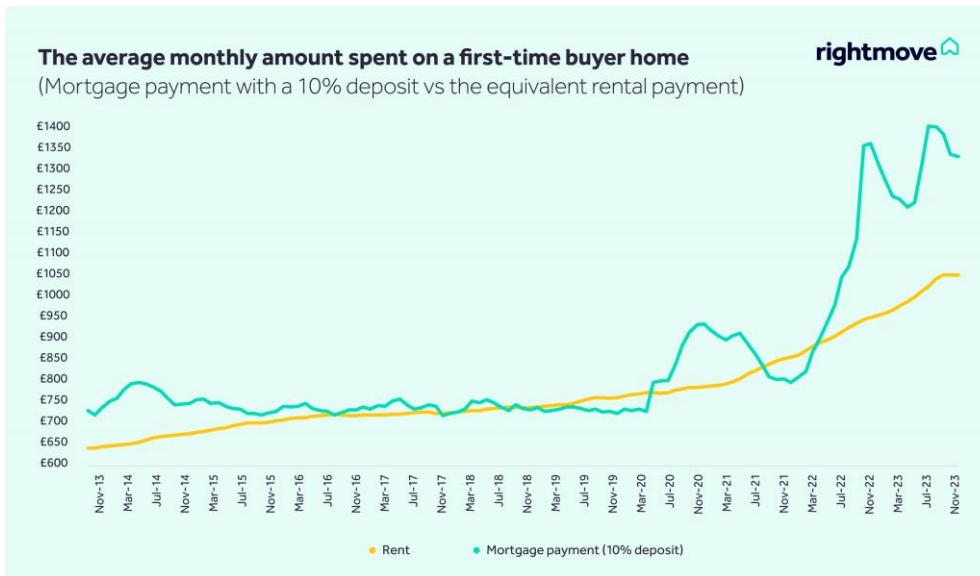
Matt Nicol, Managing Director at Nicol & Co. in Worcestershire



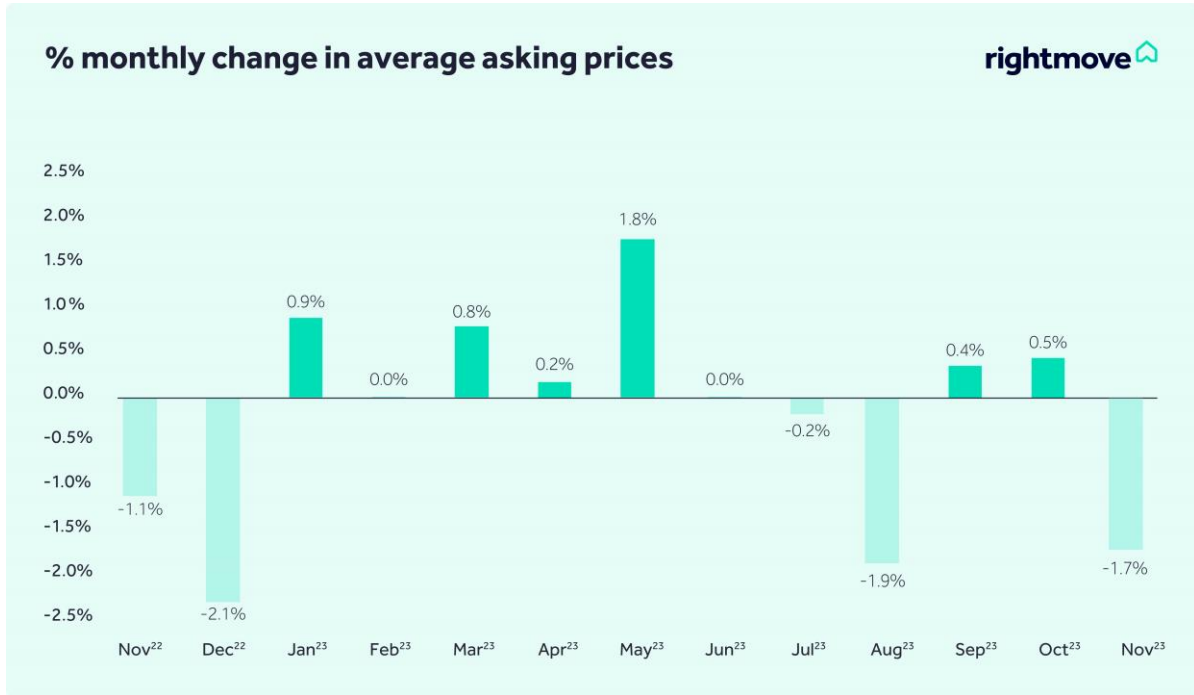
Affordability trends

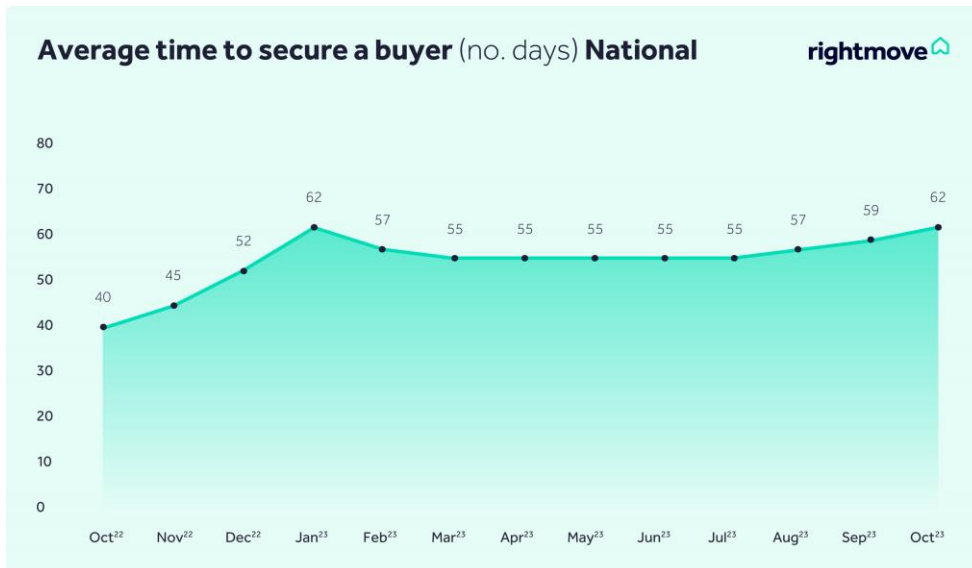
The first-time buyer monthly mortgage payment is based on Bank of England data of the averages for 90% LTV two-year fixed mortgages from lenders, and the average asking price of a typical first-time buyer home (two bedrooms or fewer) using the Rightmove House Price Index. The equivalent monthly rent is calculated using the same property types (two bedrooms or fewer).

The affordability to buy a first home is based on the Average Weekly Earnings (AWE) dataset from ONS multiplied by 4.5 to get the typical maximum that a person can borrow from a lender. The average asking price of a typical first-time buyer home is taken from the Rightmove House Price Index.



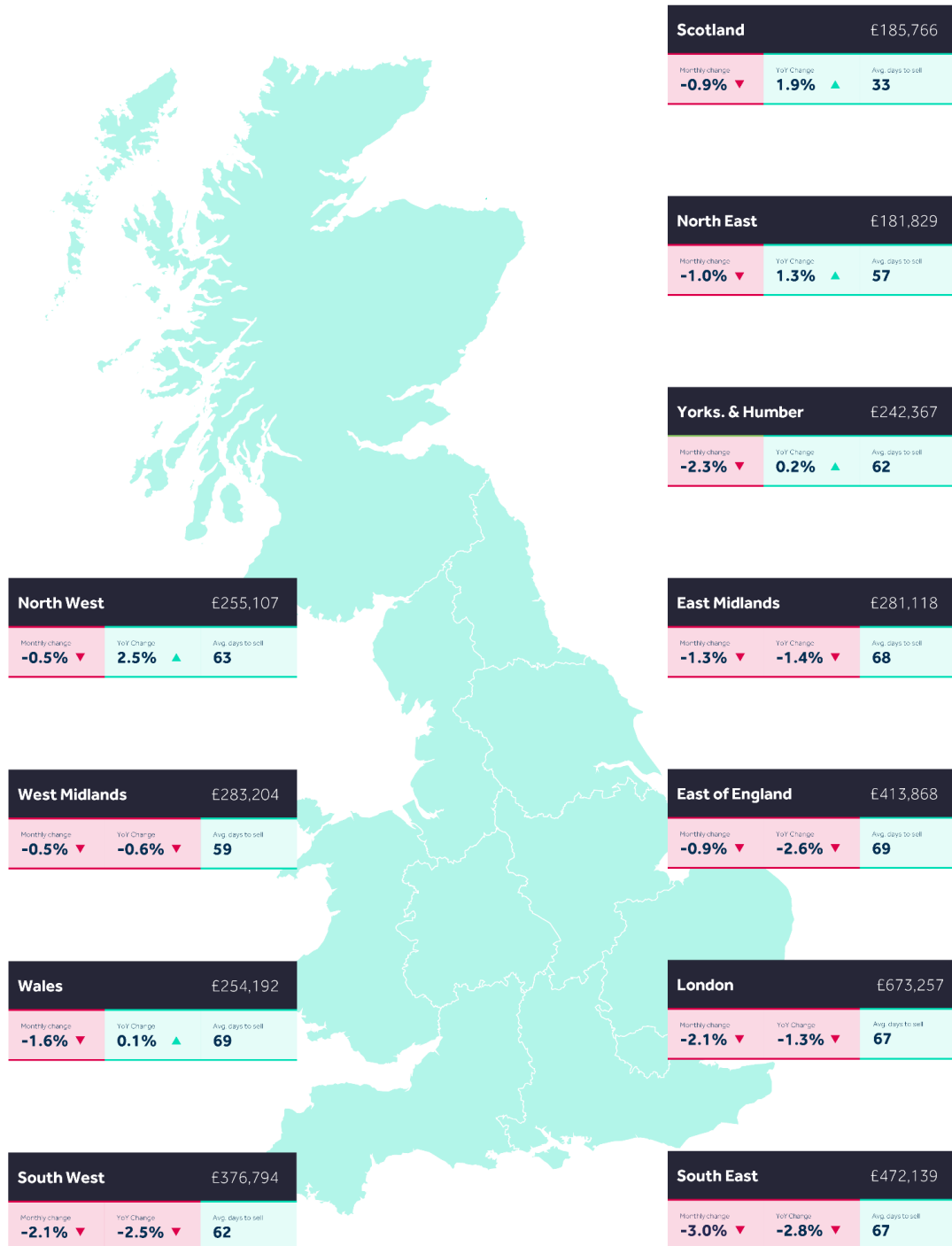
Price & activity trends





Regional trends

● Increase from previous month ● Decrease from previous month



London boroughs

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 Nov 23	Monthly change	Annual change
Richmond upon Thames	£963,068	1.7%	2.9%
Hammersmith and Fulham	£988,746	0.6%	2.7%
Wandsworth	£845,060	-0.4%	2.4%
Hillingdon	£566,017	-0.2%	1.5%
Southwark	£663,839	-1.2%	0.9%
Lambeth	£679,441	0.4%	0.7%
Sutton	£539,082	-1.8%	0.6%
Barnet	£731,947	1.8%	0.1%
Kensington and Chelsea	£1,694,314	-0.4%	-0.2%
Islington	£794,951	-0.8%	-0.2%
Greenwich	£498,760	0.1%	-0.3%
Havering	£484,115	0.1%	-0.3%
Lewisham	£519,928	2.0%	-0.6%
Westminster	£1,448,897	1.9%	-0.7%
Bexley	£484,259	-0.2%	-0.8%
Barking and Dagenham	£372,016	0.5%	-0.9%
Harrow	£628,218	0.7%	-1.1%
Haringey	£678,911	-0.5%	-1.2%
Kingston upon Thames	£696,926	-0.4%	-1.4%
Waltham Forest	£556,573	-0.8%	-1.8%
Newham	£459,125	1.0%	-1.9%
Hackney	£695,682	-3.2%	-1.9%
Tower Hamlets	£582,682	-1.3%	-2.0%
Redbridge	£504,835	-0.7%	-2.5%
Bromley	£617,319	-0.5%	-2.7%
Croydon	£480,430	-0.1%	-2.8%
Enfield	£498,162	-0.8%	-2.9%
Hounslow	£595,501	-0.1%	-3.0%
Ealing	£604,301	0.1%	-3.2%
Brent	£629,384	-0.2%	-4.6%
Camden	£1,023,405	-0.4%	-4.6%
Merton	£693,751	0.5%	-8.9%

About the Index

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. The Rightmove House Price Index methodology was last updated and restated in January 2018.

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 providing real-time data, the Rightmove Index has established itself as a reliable indicator of current and future trends in the housing market.

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.

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 attracted 2.5 billion visits in 2021 with time on site totalling 18.3 billion (Rightmove data, 2021).

Average mortgage rates to be credited to Rightmove. The data is provided by specialist mortgage technology provider Podium Solutions. The data covers 95% of mortgage lending, to exclude specialist lenders. If you would like further data on different LTVs or fixed terms, please contact us.