

House Price Index

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

+1.3%

Strongest January monthly increase in new seller asking prices since 2020

-0.7%

Yearly price change improves to 0.7% lower than this time last year

+5%

Increase in demand in the first week of the year compared to last year

Tentatively promising new year start as buyer and seller activity jump

- Average new seller asking prices rise by 1.3% (+£4,571) month-on-month to £359,748, the biggest December to January increase in prices since 2020, though average prices are still 0.7% lower than at this time last year
- There has been some tentatively promising activity in the first week of the year, markedly stronger than a year ago, as more prospective buyers and sellers seem to have the confidence to get their 2024 moving plans started early:
 - The number of new properties coming onto the market for sale is 15% higher than in the same period last year
 - Buyer demand in the first week of 2024 is also 5% higher than in the same period last year. However, competitive pricing from sellers is still vital, with the number of new properties coming to market outpacing the rise in demand
 - The number of sales agreed is 20% higher than during the first week of last year, indicating a strong return of buyer confidence when compared with the unsettled post-mini-Budget period a year ago
- Since Christmas, Rightmove has seen nine of its ten busiest days on record for people getting a Mortgage in Principle to see what they can afford to borrow, another early sign of movers getting their 2024 plans in place
- The average 5-year mortgage rate is now 4.86%, compared to 6.11% at the July 2023 peak. While there may be more surprises to come, early indicators suggest a more stable year for the mortgage market after its volatility from September 2022 onwards

National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
January 2024	£359,748	+1.3%	-0.7%	278.1
December 2023	£355,177	-1.9%	-1.1%	274.6

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

Sector	January 2024	December 2023	Monthly change	Annual change
First time buyers	£222,473	£219,984	+1.1%	+0.0%
Second-steppers	£331,703	£328,995	+0.8%	-0.5%
Top of the ladder	£642,987	£627,445	+2.5%	-2.0%

Rightmove measured 63,000 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 3rd December 2023 – 6th January 2024 and advertised on Rightmove.co.uk.

Overview

The average price of property coming onto the market for sale rises by 1.3% (+4,571) this month to £359,748. Prices typically rise from a quiet December into a busier January, but this price rise is the largest for January since 2020, and more than double the 20-year average of +0.6%. Average new seller asking prices are still 0.7% lower than last year, highlighting that many new sellers are being realistic about their expectations as the market continues to recover from the impact of volatile mortgage rates. However, the jump in the number of properties coming to market and the strength of this month's price rise also show that new sellers are more confident about the outlook for the year ahead. Rightmove's early snapshot of buyer and seller activity since the start of the year is tentatively promising for those looking to get their 2024 moving after a hesitant 2023.



After a stop-start market in 2023, the initial signs suggest a smoother year for movers in 2024. More new sellers are now entering the market, and with more confident pricing. While the increased level of buyer activity that we're also seeing may justify some of this increased pricing confidence from sellers, it's important that sellers who are keen to find a buyer don't get carried away with New Year enthusiasm when setting their price expectations. Elevated mortgage rates and the wider cost-of-living squeeze are still limiting buyers' spending power. Accurate and realistic pricing for their local area is the recipe for success for sellers looking to get moving in 2024, and it's been proven that over-optimistic pricing makes a move much less likely.

Tim Bannister Rightmove's Director of Property Science



Whilst it's an early snapshot of 2024, both buyer and seller activity have jumped compared to the same period a year ago, indicating a return of confidence when compared with the unsettled post-mini-Budget period. The number of potential buyers contacting estate agents about homes for sale in the first week of 2024 was 5% higher than in the same period last year, with the growth in activity strongest in London and the North East.

The number of properties coming to market for sale is also 15% higher than at the start of last year, following a record number of sellers launching on Rightmove on Boxing Day. The North East and South West have seen the greatest addition of new choice for the increased number of new buyers. There remains no glut of homes for sale, with the total number of available properties just 1% above the more normal market levels of 2019. However, it is vital that those who are keen to sell price competitively, even with this new buyer activity, as the number of properties coming to market is outpacing the rise in the number of buyers enquiring.

The most positive early indicator for 2024 is that the number of sales being agreed is 20% higher at the start of the year than in the same period last year. This also shows that many sellers are pricing attractively enough to tempt buyers who were hesitant to commit a year ago when the outlook for mortgage rates and buyer affordability was much more uncertain.

Since the 27th of December, Rightmove has seen nine of its ten busiest days for prospective movers beginning the process of getting a Mortgage in Principle, to see how much they are likely to be able to borrow from a lender, and therefore the type of home that they may be able to afford. January is on course to be the busiest month for people getting a Mortgage in Principle on Rightmove since that service was launched in 2022. Whilst it is still early days, this is another positive sign of future movers getting their 2024 budgets and plans in place.

The average 5-year fixed mortgage rate is now 4.86%, compared to the peak of 6.11% in July last year. As some best-buy rates edge closer to 4%, and a first Base Rate cut since 2020 is expected later this year, there is overall a more stable backdrop for the mortgage market than at this time last year.



Rightmove's whole-of-market data puts us in a position to see the very earliest signs of activity in the market, and the number of new listings, buyer enquiries to agents, and sales being agreed are encouraging early indicators. Combined with our more recent Mortgage in Principle data, the numbers suggest that many are taking action to make their move in 2024, perhaps including some who paused last year due to the more unsteady mortgage market. A General Election is expected to be held during the second half of 2024, and traditionally we see a temporary slow-down in activity in the weeks before an election, as movers wait for the outcome and assess any impact that it may have on their housing plans. It will be important to keep a careful eye on this and on the impact of other economic news this year, but for now the data at the start of 2024 points to building momentum, and reasons for growing market optimism.

Tim Bannister Rightmove's Director of Property Science



Agents' views



It's certainly cold out there at this time of year, but the housing market is just heating up. We've had a really promising start to the year, with some very positive signs. Future sellers are getting their valuation appointments booked in, future buyers are enquiring and getting their viewings booked in and we're also seeing really high demand for mortgage appointments, as movers seek to understand their affordability and position at the start of the year. Most importantly, we're seeing offers being made, and a high number at that. It is early days and not a time to get carried away, but we've had a good start.

Chris Rowson, Managing Director at Sharman Quinney in Cambridgeshire

It's been a busy January so far, which has actually followed a busy end to 2023 for us, even more so than over the summer which is unusual. The key thing is mortgage rates, and with rates coming down from July and into the start of 2024, we can see buyers have got more confidence. We've seen a lot of activity from first-time buyers, now ready to make their move at the start of the year, and with mortgage rates more settled, we're also starting to see upsizers return who are now more confident to take out a larger mortgage for a bigger home. The market is just getting started, but we're optimistic about what 2024 can bring.

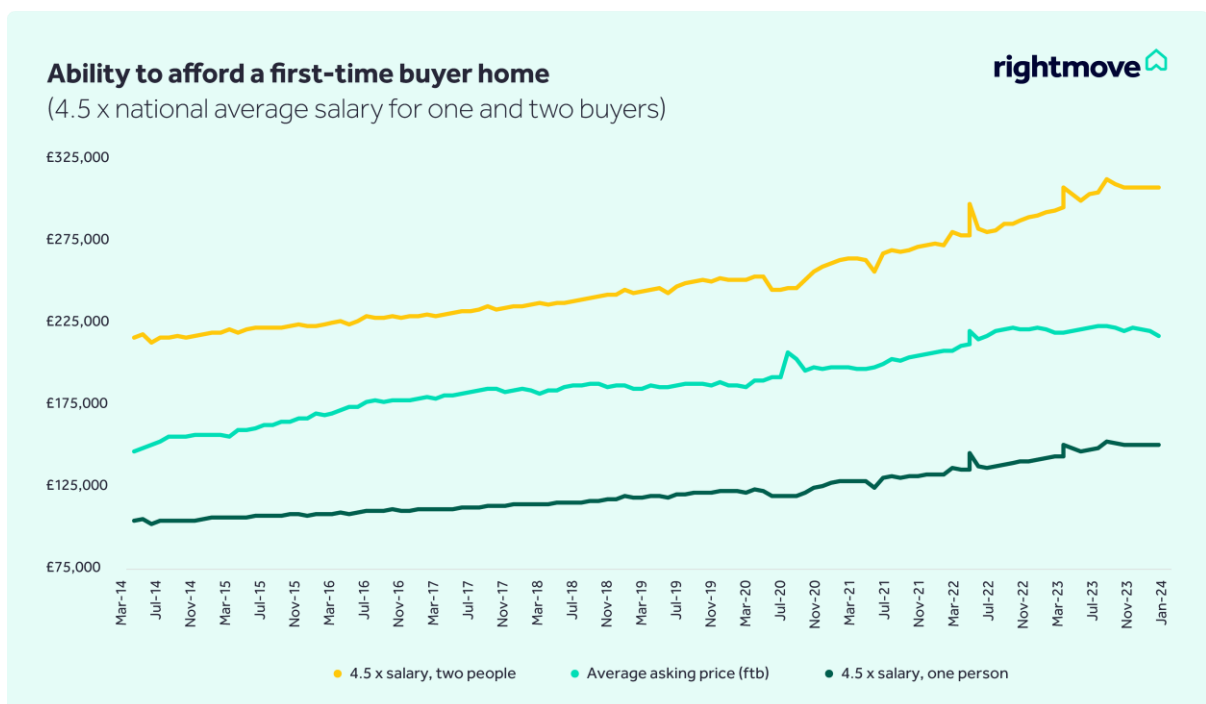
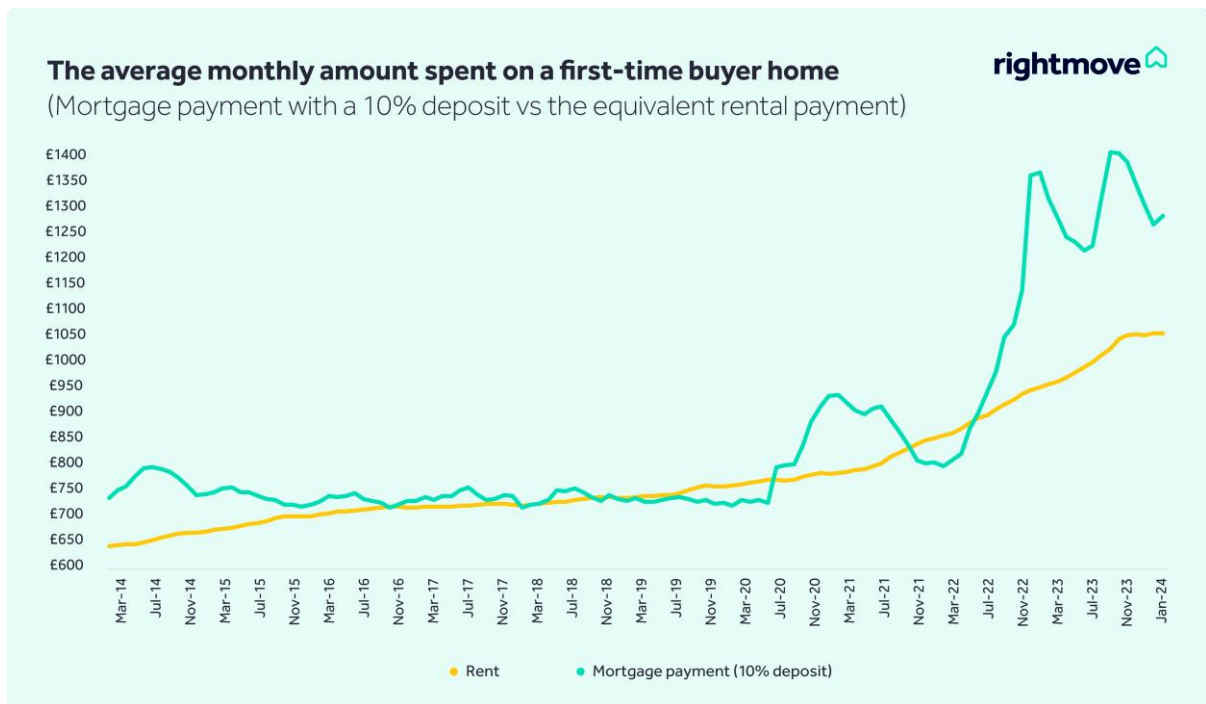
Paul Bayliss, Director at The Square Room Estate Agents on The Fylde Coast



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).

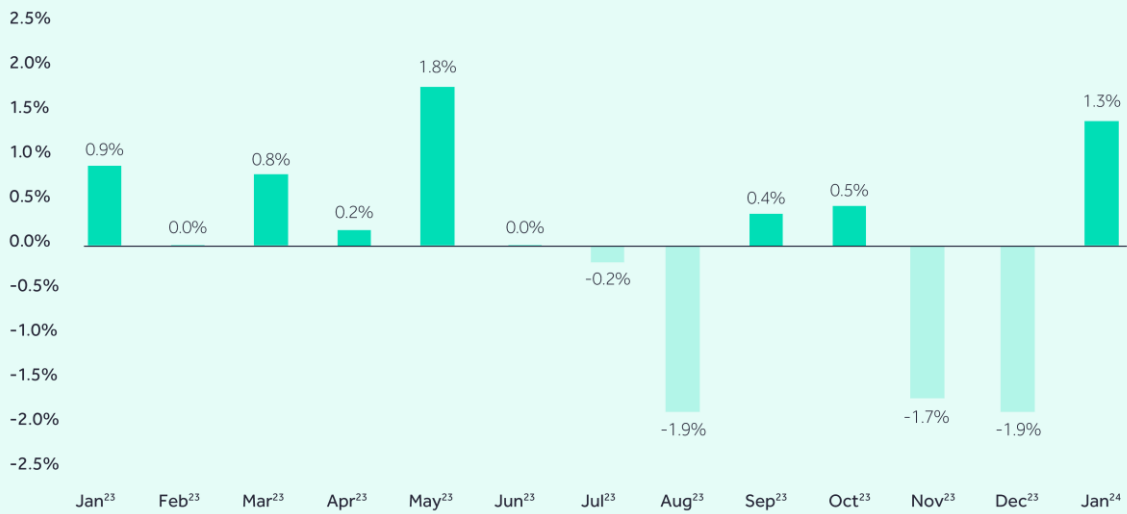
The affordability to buy a first home is based on the Average Weekly Earnings (AWE) dataset from ONS multiplied by 4.5 to get the typical maximum that a person can borrow from a lender. The average asking price of a typical first-time buyer home is taken from the Rightmove House Price Index.



Price & activity trends

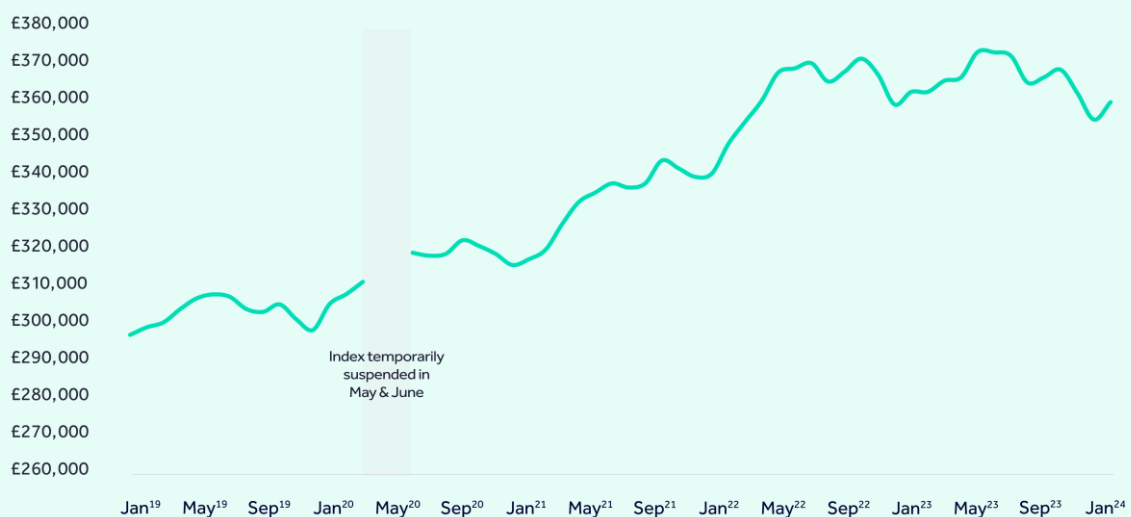
% monthly change in average asking prices

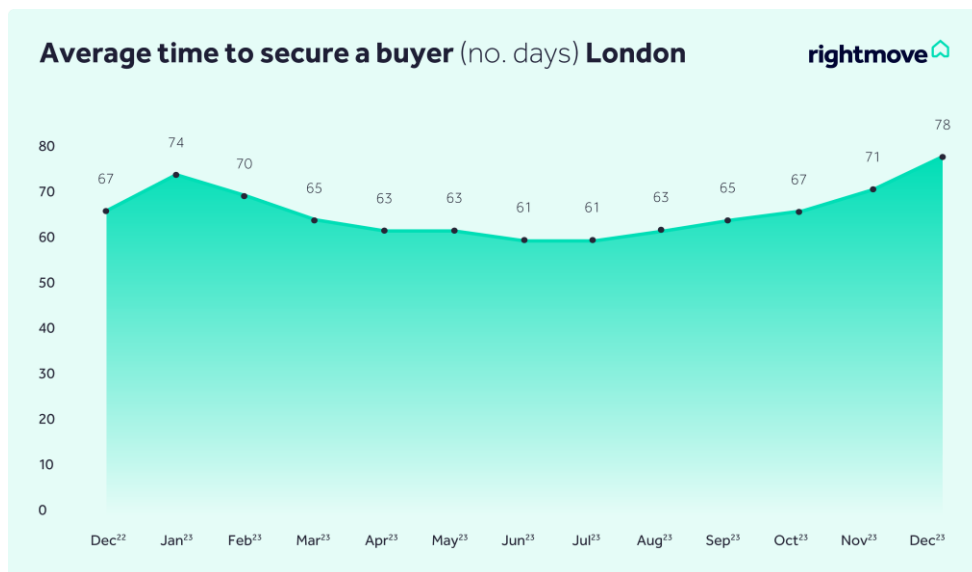
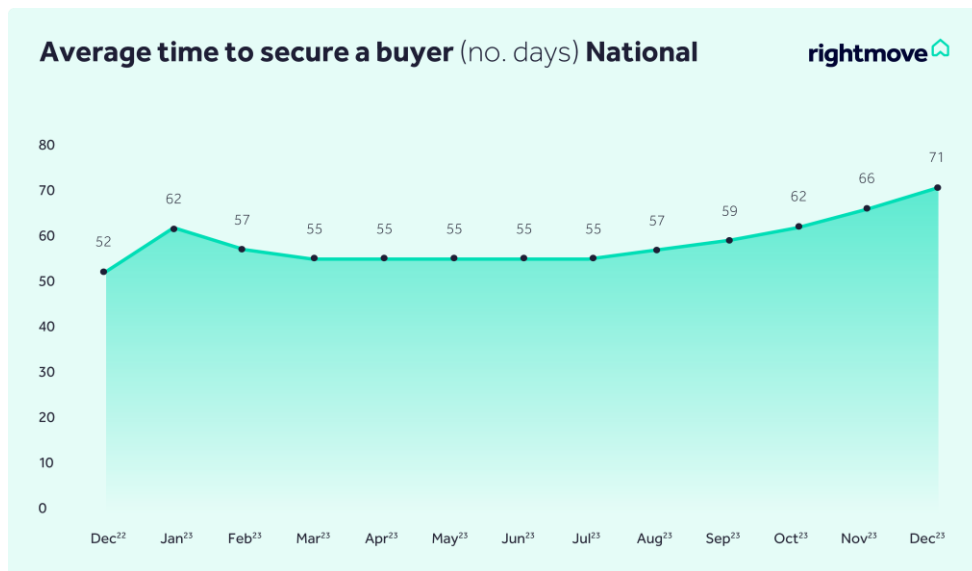
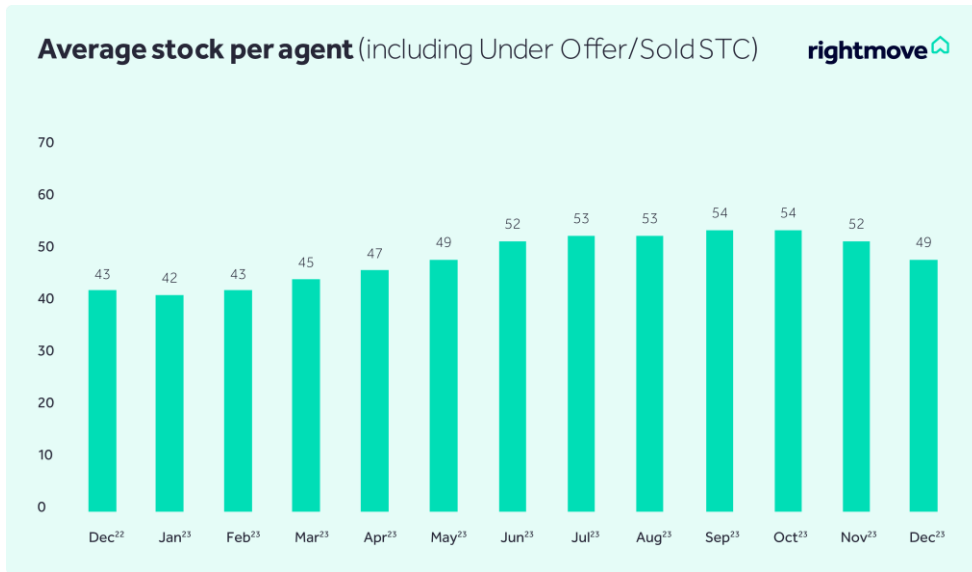
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Five year asking price trend

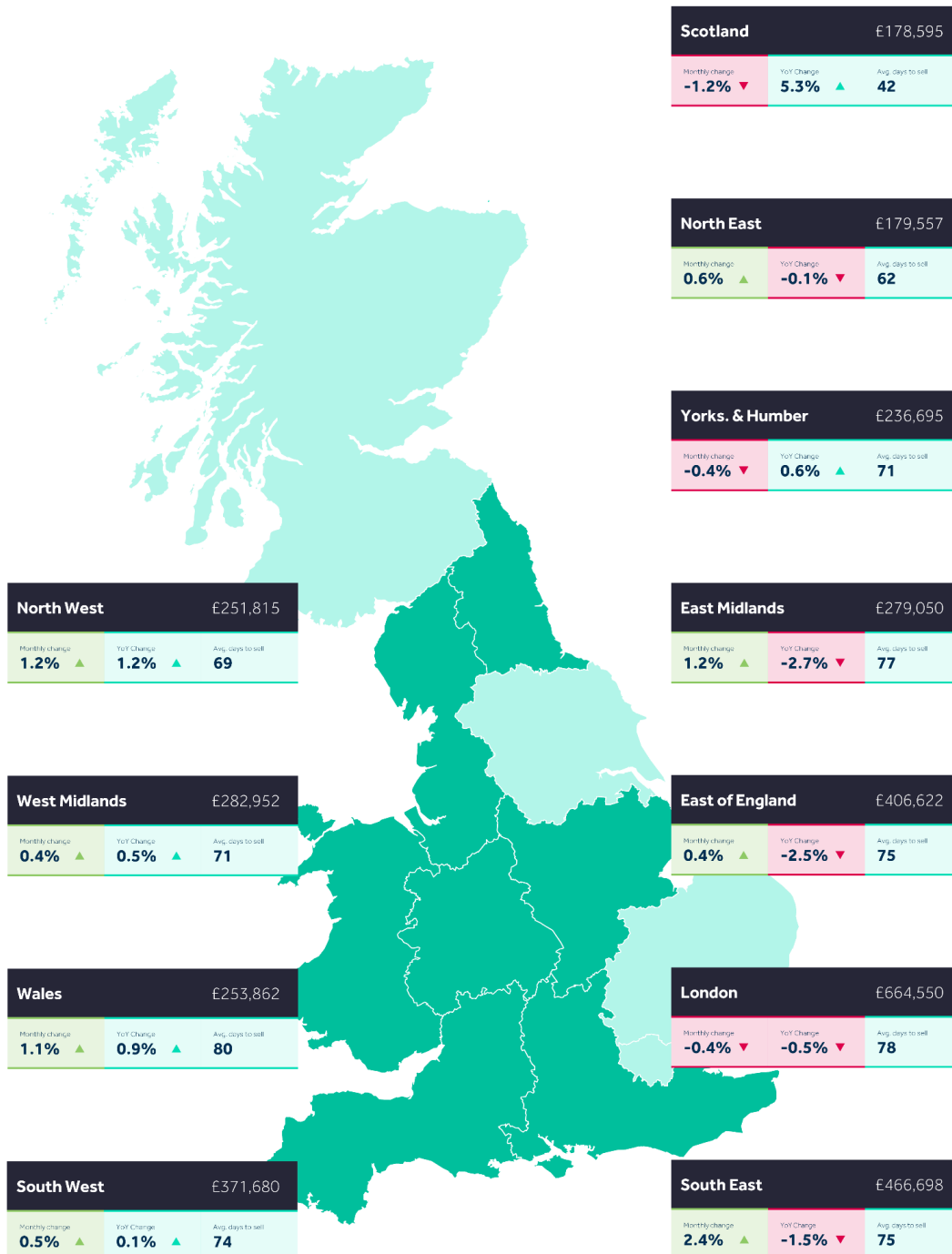
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Regional trends

● 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 Jan 23	Monthly change	Annual change
Wandsworth	£864,896	0.5%	5.8%
Westminster	£1,468,833	-1.0%	2.9%
Lambeth	£667,003	-3.6%	1.7%
Islington	£786,131	-1.9%	1.5%
Hammersmith and Fulham	£987,656	-0.6%	1.4%
Greenwich	£487,230	-1.1%	1.1%
Harrow	£619,905	-0.5%	1.0%
Lewisham	£516,559	-0.4%	0.9%
Havering	£479,003	-0.7%	0.7%
Kensington and Chelsea	£1,630,229	-4.9%	0.6%
Newham	£454,626	0.4%	0.4%
Richmond upon Thames	£937,425	-0.6%	0.4%
Sutton	£528,834	-2.2%	0.0%
Barnet	£703,052	-3.1%	-0.3%
Hackney	£688,404	0.2%	-0.3%
Ealing	£601,759	0.3%	-0.8%
Haringey	£662,260	-2.2%	-0.9%
Brent	£624,948	-1.2%	-1.0%
Bexley	£472,746	-1.1%	-1.3%
Waltham Forest	£546,448	-0.8%	-1.4%
Hillingdon	£541,718	-1.3%	-1.5%
Redbridge	£493,673	-1.2%	-1.5%
Croydon	£475,942	0.0%	-1.7%
Southwark	£646,187	-0.4%	-2.0%
Tower Hamlets	£579,432	0.1%	-2.9%
Kingston upon Thames	£673,084	-2.1%	-3.1%
Bromley	£606,955	-0.3%	-3.2%
Barking and Dagenham	£359,622	-1.6%	-3.8%
Hounslow	£581,602	0.0%	-4.0%
Camden	£1,043,155	0.1%	-4.6%
Enfield	£485,573	-1.2%	-5.3%
Merton	£666,525	-4.0%	-6.4%

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.