

# House Price Index

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

**-1.4%**

Monthly average asking price decrease, larger than the usual November drop

**+1.2%**

Annual price change, in line with Rightmove's end-of-year +1% prediction

**+23%**

Increase in buyer demand versus a year ago, following a post-Bank-Rate-cut uptick

## Bank Rate cuts boost optimism for 2025 despite Budget pause

- Average new seller asking prices drop by 1.4% (-£5,366) this month to £366,592, a bigger fall than the usual, seasonal 0.8% drop seen at this time of year, likely due to pre- and post-Budget jitters
- However, despite the dampening effect of the Budget, market activity remains stronger than last year as Bank Rate falls:
  - The number of sales being agreed is still 26% ahead of the quieter market at this time in 2023
  - The number of new sellers deciding to move and coming to market is 6% ahead of the same period a year ago
  - Rightmove's real-time data shows some early signs of a post-Bank-Rate-cut uptick in buyer demand, though we still expect activity to tail off as usual towards Christmas
- Rightmove's 2025 forecast is that average new seller asking prices will rise by 4%, our highest prediction since 2021, with lower mortgage rates releasing some of the pent-up housing demand and putting modest upwards pressure on prices
- The market remains price-sensitive, and seller competition is at its highest level for a decade. Those keen to sell will need to offer a well-presented and well-priced home to attract buyers who are spoilt for choice and still affordability-stretched
- Bank Rate cuts are now forecast to be slower-paced, so affordability may take longer to improve than previously expected

### National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
November 2024	£366,592	-1.4%	+1.2%	283.4
October 2024	£371,958	+0.3%	+1.0%	287.6

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

Sector	November 2024	October 2024	Monthly change	Annual change
First time buyers	£225,340	£226,868	-0.7%	+0.9%
Second-steppers	£340,319	£343,196	-0.8%	+2.1%
Top of the ladder	£653,290	£675,343	-3.3%	-0.8%

Rightmove measured 90,619 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 13<sup>th</sup> October – 9<sup>th</sup> November 2024 and advertised on Rightmove.co.uk.

# Overview

The average price of property coming to the market for sale drops by 1.4% this month (-£5,366) to £366,592. This is the second month in a row that new seller pricing has fallen more than the norm, with the usual drop seen at this time of year being 0.8%. Last month's pre-Budget jitters have turned into post-Budget disappointment, creating new challenges for the housing market, and appear to have caused a larger-than-normal seasonal slowdown in pricing as we head towards Christmas. However, despite the dampener of the Budget, the big picture of market activity remains strong when compared with last year. Since the Budget we have also had a second Bank Rate cut, with Rightmove's real-time data identifying early signs of a subsequent boost in buyer activity. Sustained strong market metrics compared with last year and optimism for lower mortgage rates in 2025 have led to Rightmove forecasting a 4% increase in average new seller asking prices next year. Despite this prediction, the market is expected to remain price-sensitive, and sellers are currently competing with a decade-high number of other sellers to attract a buyer. While more mortgage rate cuts are still expected during 2025, Bank Rate cuts are now forecast to be slower-paced, which could delay the affordability improvements that some movers have been holding out for.



There's been a lot of news to digest for home-movers over the last few weeks and it appears that the market may still be chewing it over. We had been seeing a drop-off in buyer demand, both in the lead-up to the Budget and in its immediate aftermath, as it was confirmed that there will be an increase to stamp-duty charges for most home-movers and second-home buyers, and some first-time buyers. However, a second Bank Rate cut and a boost of optimism regarding 2025 appear to have reversed this trend at least temporarily. Zooming out of these short-term trends, the big picture of market activity remains positive when compared to the quieter market at this time last year. This sets us up for what we predict will be a stronger 2025 in both prices and number of homes sold, particularly if mortgage rates fall by enough to significantly improve affordability for more of the mass-market.

**Tim Bannister** Rightmove's Director of Property Science



The number of sales being agreed continues to track positively against the quieter market of this time last year and is now 26% ahead of the same period in 2023. Meanwhile, the number of new sellers coming to market is 6% ahead of the same period a year ago. Rightmove's real-time data can identify the immediate impact of external events on home-moving activity. The latest snapshot shows that a drop in the number of buyers contacting estate agents about homes for sale after the Autumn Budget has now been replaced by an uptick in buyer demand in response to the second Bank Rate cut. To put these trends into figures, in early October, before the Budget, buyer demand was 23% ahead of the same period in 2023. This figure dropped to +18% following the Budget but has now ticked back up to +23% following the Bank Rate cut. However, we do still expect the usual seasonal slow-down in home-moving activity as we get closer to Christmas.

A combination of sustained positive market activity and the expectation that mortgage rates will lower over the course of next year has led to Rightmove's 2025 forecast of a 4% increase in average new seller asking prices. This is Rightmove's highest prediction for increases in prices since 2021, with improving buyer affordability and the release of some pent-up demand expected to put modest upwards pressure on prices next year. We also expect a surge in the number of completed sales in March next year to beat the Stamp Duty deadline at the end of that month. However, there is still caution for sellers as we approach 2025, with the market expected to remain price-sensitive. Seller competition to find a buyer is intense, with the average number of homes for sale per estate agent branch at its highest level for the time of year since 2014. New sellers will need to continue being sensible with their price expectations to attract buyers who are spoilt for choice, and still affordability-stretched, especially with a slow-down expected in the rate of wage growth, following the National Insurance increases in the budget.



Despite the post-Budget gloom, the market is more positive than last year, with average asking prices currently 1.2% higher than in 2023, in line with our forecast of a 1% increase for 2024. We now predict that we'll see a stronger year for prices in 2025. The signs are that the market momentum that we've been seeing this year will continue into next year, especially if mortgage rates drop to a level that gives greater affordability to some movers who have been waiting in the wings until now. However, we still expect some twists and turns next year. The speed at which mortgage rates come down next year will be key in determining activity levels for some of the market's traditionally busiest periods, and sellers will still need to price temptingly enough to secure a buyer while the choice of homes for sale remains as high as it is right now.

**Tim Bannister** Rightmove's Director of Property Science



# Experts' views



Since the Budget and subsequent interest rate drop, there has been no obvious spike in sales numbers, although there has been a slight uptick in demand. Decisions are being made now before the buildup to Christmas, as buyers are more likely to get price flexibility from sellers now rather than in the New Year. This presents a good opportunity to negotiate, as there will certainly be more people looking in January after the Christmas break and usual surge in enquiries on Boxing Day. There is some uncertainty following hikes in National Insurance and the minimum wage. There has been a lot of change in the last couple of weeks, so I think time will tell. It's definitely an interesting time in the market but as we go into 2025 we expect market sentiment to improve further.

**Kevin Shaw, National Sales Managing Director at Leaders Romans Group**

Now is a good time to list, as most people traditionally hold off at this time of year from coming to market, believing that buyer activity is lower. Committed buyers are still offering and purchasing, and for some sellers who have a property that could attract a first-time buyer, the window of opportunity is closing for them to use the stamp duty relief, so now would be a good time to take action. For investors, the increased stamp duty does present an initial barrier, and maybe those considering an investment property will recalibrate offer prices to take into account additional costs. Overall yields have increased with rising rents, which should give investors some comfort despite increases in stamp duty.

**Alastair Cochrane, Group Sales & Operations Director at Stirling Ackroyd**

We have seen a few flashes of greater market activity, largely stemming from first time buyers, however overall, we're seeing activity tail off before Christmas. This time of year does see some sellers taking a break from the market which gives an opportunity for those who persevere, as the amount of choice decreases for those active buyers. We have two camps of sellers at the moment - those without time pressure are holding fast with their asking prices, while others who reduce their price to attract a buyer more swiftly have more luck once they find a competitive price point. There are still many sellers planning their moves who are out looking despite not yet having a buyer themselves. There is certainly optimism that as first-time buyer activity picks up, this will create the much-needed knock-on effect to kick-start next year.



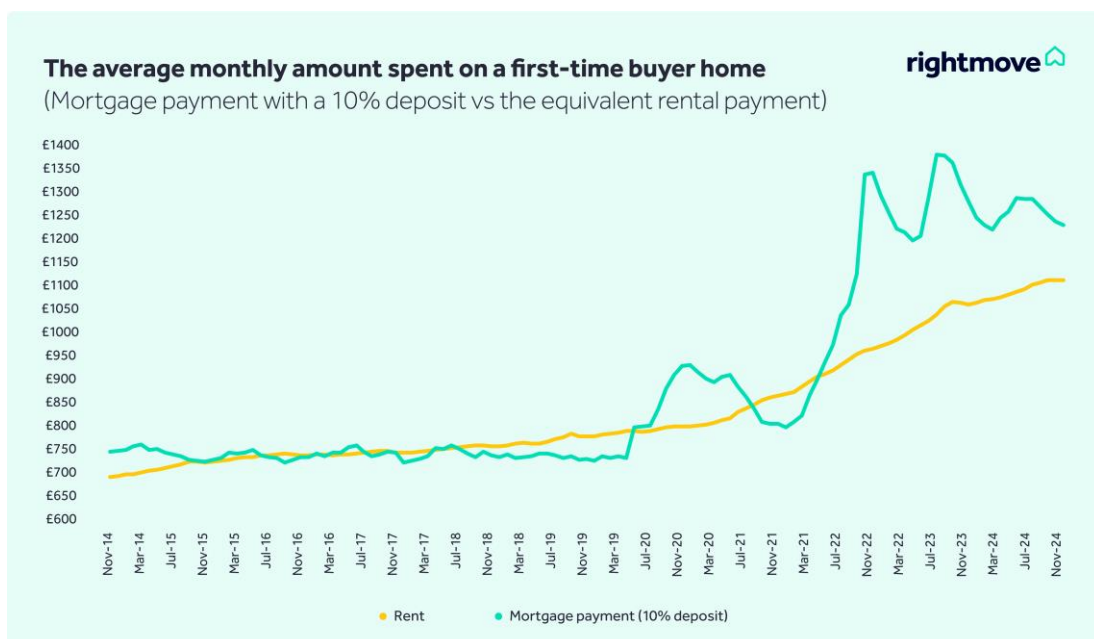
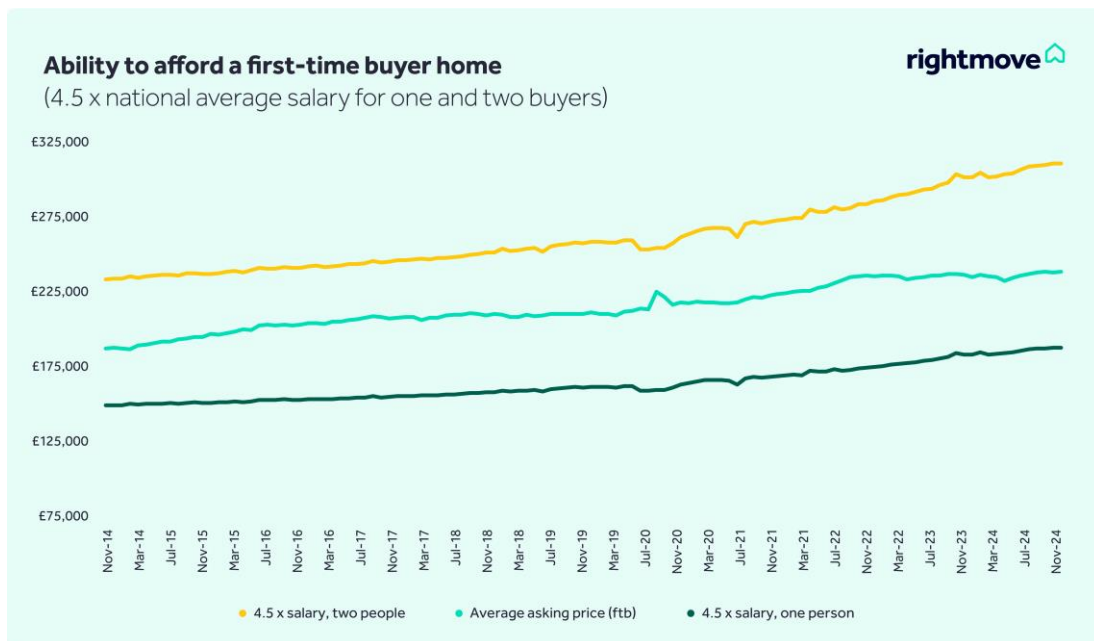
**Alex Caddy, Manager at Clarkes Estate and Letting Agency**



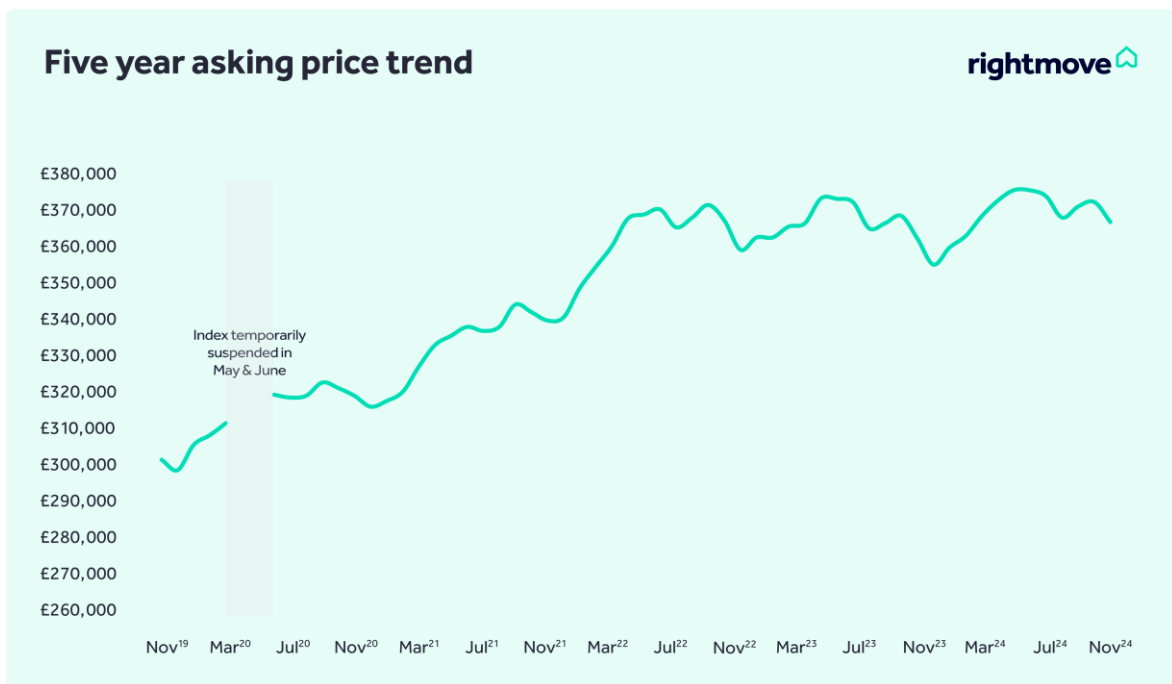
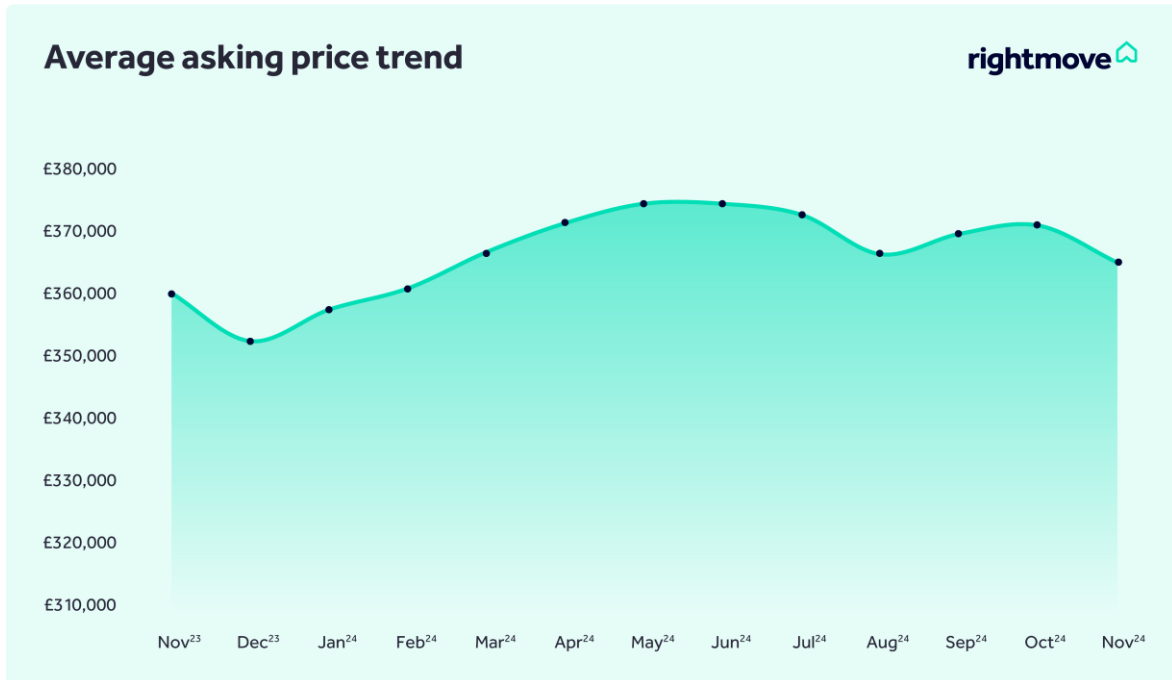
# Affordability trends

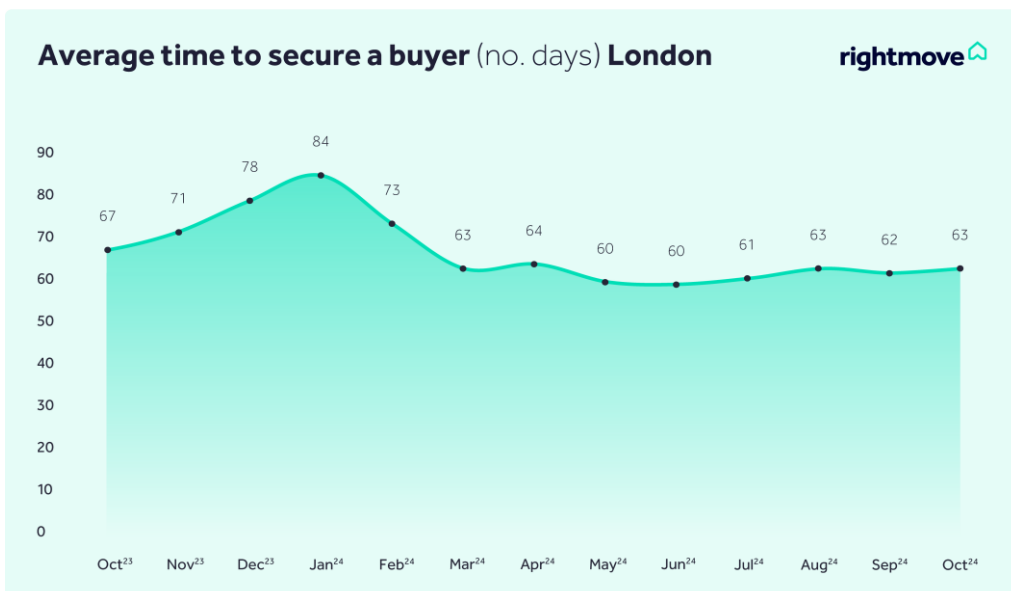
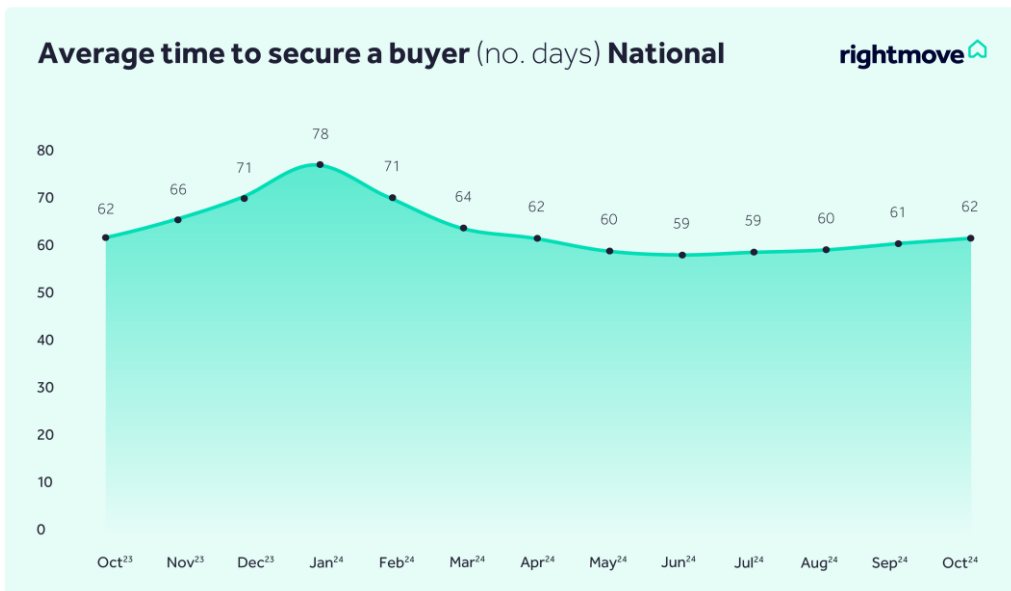
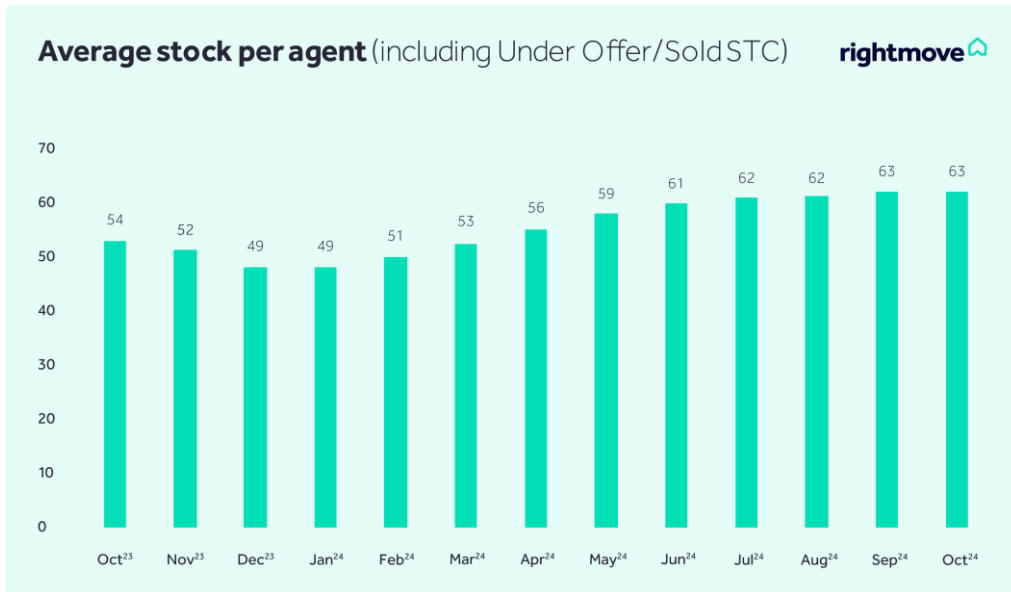
The first-time buyer monthly mortgage payment is based on Bank of England data of the averages for 90% LTV two-year fixed mortgages from lenders, and the average asking price of a typical first-time buyer home (two bedrooms or fewer) using the Rightmove House Price Index. The equivalent monthly rent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



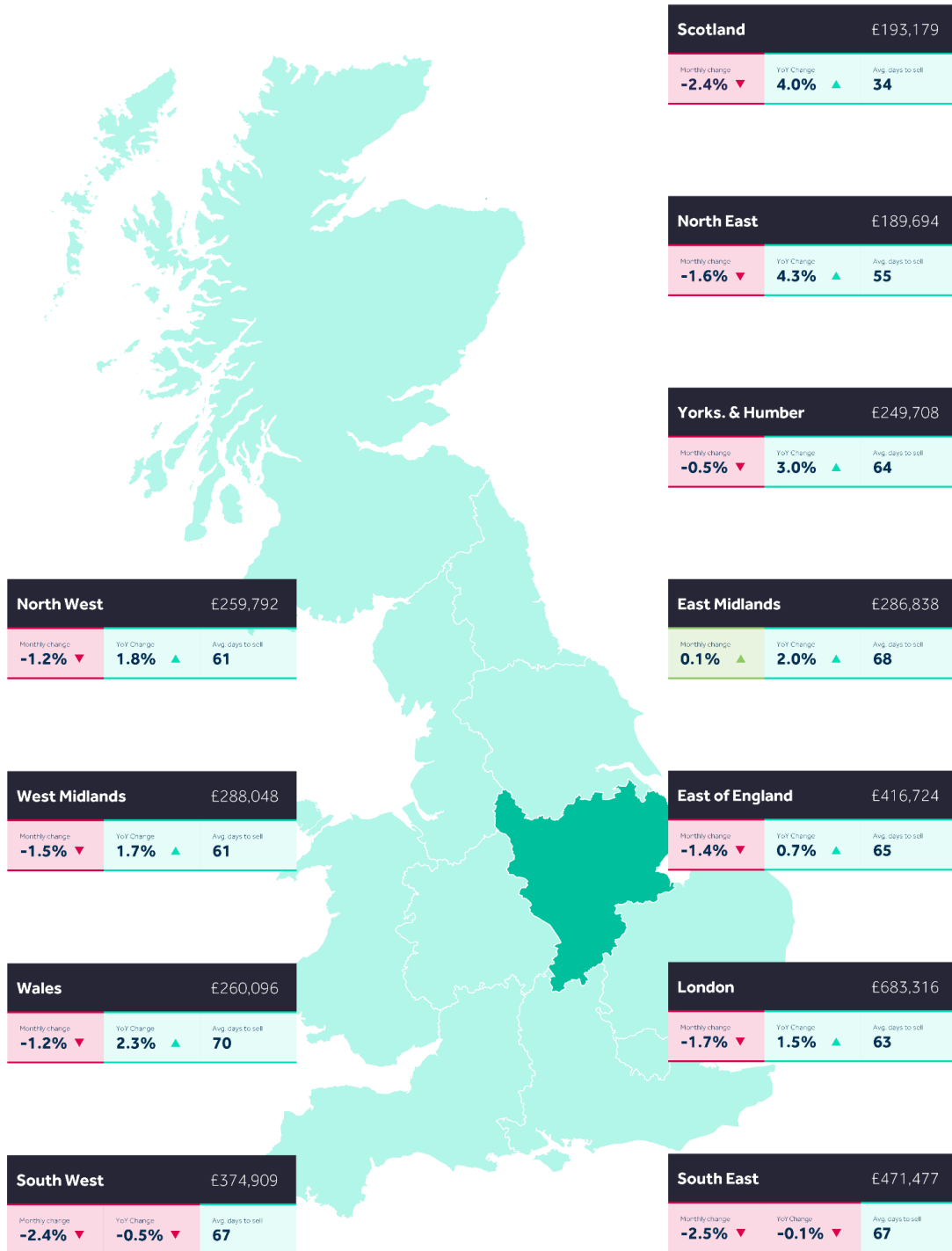
# Price & activity trends





# 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. 24	Monthly change	Annual change
Merton	£743,655	0.4%	7.2%
Tower Hamlets	£617,546	-1.7%	6.0%
Camden	£1,070,949	3.3%	4.6%
Newham	£477,755	0.3%	4.1%
Islington	£826,411	0.6%	4.0%
Westminster	£1,505,723	-0.5%	3.9%
Redbridge	£522,825	0.6%	3.6%
Wandsworth	£865,205	-0.6%	2.4%
Sutton	£550,704	0.1%	2.2%
Haringey	£693,255	-0.5%	2.1%
Bromley	£629,543	-0.1%	2.0%
Hammersmith and Fulham	£1,008,196	3.0%	2.0%
Ealing	£615,611	0.6%	1.9%
Croydon	£488,766	0.6%	1.7%
Waltham Forest	£565,756	-0.4%	1.6%
Southwark	£672,532	2.6%	1.3%
Hackney	£704,331	-1.0%	1.2%
Barking and Dagenham	£375,970	0.6%	1.1%
Bexley	£489,118	0.3%	1.0%
Kingston upon Thames	£703,838	0.7%	1.0%
Enfield	£502,684	0.2%	0.9%
Hounslow	£600,268	-1.4%	0.8%
Greenwich	£502,514	-0.4%	0.8%
Lewisham	£517,071	-1.0%	-0.5%
Lambeth	£673,378	0.5%	-0.9%
Harrow	£621,350	-1.3%	-1.1%
Hillingdon	£559,145	-0.3%	-1.2%
Kensington and Chelsea	£1,667,573	0.1%	-1.6%
Havering	£476,439	-1.5%	-1.6%
Barnet	£719,496	-1.0%	-1.7%
Richmond upon Thames	£939,329	2.4%	-2.5%
Brent	£610,182	0.7%	-3.1%



# About the Index

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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.