

# House Price Index

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

## -1.7%

Monthly average asking price decrease, in line with the usual December drop

## +1.4%

Prices end the year 1.4% ahead of 2023

## +22%

The number of sales agreed continues to track positively compared with last year

## Usual seasonal lull, as some movers wait for Boxing Day bounce

- New seller asking prices drop by a seasonal 1.7% (-£6,395) this month to £360,197, in line with the usual December monthly fall, with sellers' pricing power diminishing as Christmas approaches:
  - Prices end the year 1.4% above December 2023, and Rightmove predicts that new seller asking prices will rise by 4% next year, with forecast mortgage rate drops set to further improve affordability and stimulate market activity
- Despite the festive lull, activity remains substantially stronger than the same period a year ago, with the number of sales being agreed up by 22%, and new buyer demand up by 13%
- Some movers are now waiting for the traditional Boxing Day bounce on Rightmove:
  - Boxing Day 2023 saw a record number of new sellers launching to the market for that time of year, providing fresh property choice for buyers, while buyer demand jumped by 273% between the Christmas Day lull and Boxing Day
- Rightmove's real-time data also captures the impact of the looming stamp-duty deadline on March 31<sup>st</sup> 2025:
  - Sellers of smaller properties in higher-priced areas are trying to beat the deadline to avoid higher tax
  - Prices are holding up best in the first-time-buyer sector, especially homes priced below the £300,000 threshold
- Despite the signs of a stronger 2025, headwinds remain, with the impact of Budget measures being a challenge

### National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
December 2024	£360,197	-1.7%	+1.4%	278.5
November 2024	£366,592	-1.4%	+1.2%	283.4

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

Sector	December 2024	November 2024	Monthly change	Annual change
First time buyers	£225,086	£225,340	-0.1%	+2.3%
Second-steppers	£335,900	£340,319	-1.3%	+2.1%
Top of the ladder	£643,182	£653,290	-1.5%	+2.5%

Rightmove measured 75,761 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 10<sup>th</sup> November – 7<sup>th</sup> December and advertised on Rightmove.co.uk.

# Overview

The average price of property coming to the market for sale falls by a seasonal 1.7% this month (-£6,395) to £360,197, in line with the usual December monthly drop. Rightmove's lead indicator of new seller asking prices measures prices at the very beginning of the home buying and selling process, capturing immediate changes in home-mover behaviour. New sellers typically need to come to market with some of the most competitive prices of the year in December, to motivate festivity-distracted buyers to act. While the market is slowing down as it always does in the build-up to Christmas, activity continues to remain strong compared to last year. This is laying the groundwork for a potentially busy Boxing Day bounce in home-mover activity, which has become a tradition in recent years as early-bird buyers and sellers flood onto Rightmove. Looking ahead to 2025, challenges remain, and Rightmove's real-time data continues to show the impact of the looming stamp-duty deadline on March 31<sup>st</sup>. There are signs that those who are most likely to face higher stamp duty charges are trying to act fast to avoid them, despite now being very much up against the clock. Rightmove predicts that new seller asking prices will rise by a further 4% overall in 2025, aided by anticipated mortgage rate falls, which would help to stimulate activity.



New sellers in December have to work particularly hard to capture the attention of Xmas-party and festivity-distracted buyers, and the 1.7% average monthly fall is a fitting gift for those who are still buying homes rather than presents. Despite this monthly drop, prices have risen by 1.4% compared with this time in 2023, broadly in line with our prediction of a 1% rise in prices this year. We are now looking ahead to the traditional Rightmove Boxing Day bounce in home-mover activity, which has increasingly become a key date in the housing market calendar. Each year, our real-time data can pinpoint the exact moment that the turkey is finished, family games run out of steam, mobile devices are picked up, and prospective movers flood onto Rightmove and get their 2025 move started. If this year is anything like recent years, those early birds who get their search started the day after the festivities are over are likely to be rewarded with plenty of fresh property choice to consider."

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



The number of sales being agreed is up by 22% compared with this time last year, while the number of new buyers contacting estate agents about homes for sale is up by 13%. This momentum is a good sign for another Boxing Day activity bounce. The prospect of last year's bounce encouraged a record number of Boxing Day sellers to launch their properties onto the market in 2023. The resulting surge in fresh choice creates a virtuous circle of market activity, attracting potential New Year buyers – last year, buyer demand jumped by 273% between the Christmas Day lull and Boxing Day.

However, despite the positive aspects of the 2024 market, the looming stamp duty deadline in England is a potential dampener for some in 2025, and Rightmove's real-time data is capturing the impact on different groups of movers. The latest snapshot identifies signs that sellers of smaller properties in higher-priced areas are trying to trade up or just sell before the deadline to avoid the higher stamp duty charges, despite now needing to act very quickly. In the last four weeks, the number of sellers of typical first-time buyer homes with two bedrooms or fewer in London coming to market is up by 20%, the most of any regional market sector. In second place is the South East at +16%, which is also the second most expensive region. Meanwhile, prices are holding up most strongly for first-time-buyer type properties in more affordable areas, which are set to be less affected by the stamp duty changes, as most first-time-buyer homes are well under the resuming £300,000 tax threshold. Prices for typical first-time-buyer homes in the North East are up by 1.0% this month, starkly contrasting this month's national 1.7% fall across all property types.

While there are positive signs for the 2025 market, and meaningful mortgage rate falls would be a big boost to consumer confidence and pockets, there is still caution over how next year may play out. There is uncertainty over how rising stamp duty may affect activity later in 2025, as well as the level of wage growth.



Looking at our data and the UK's underlying housing needs, there are lots of reasons to be positive about next year. However, as we've seen several times this year, the market is sensitive to unexpected events and the direction of travel can change. The stamp duty changes are a cloud over the market at the moment, with some groups much more impacted than others, and therefore keen to avoid the additional charges. After the important first three months of the year in 2025, a lot depends on how quickly normal activity is resumed with higher stamp duty in England. A Bank Rate cut and some mortgage rate falls early on in the year would help to settle the market and provide a boost to sentiment and consumer confidence.

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



# Experts' views



The property market has shown remarkable resilience this year, with sales activity remaining strong, which gives us optimism for a promising 2025. Naturally, December brings a seasonal slowdown in new listings as many shift their focus to the festivities. However, we expect the traditional post-Christmas surge in activity to kickstart the new year, with Boxing Day marking the beginning of a busy period. Getting a valuation now or early January will help put prospective sellers in a strong position to take advantage of buyers who are actively seeking correctly priced properties. While the market remains robust, we're mindful of challenges ahead, including the anticipated impact of stamp duty reverting to previous levels in April.

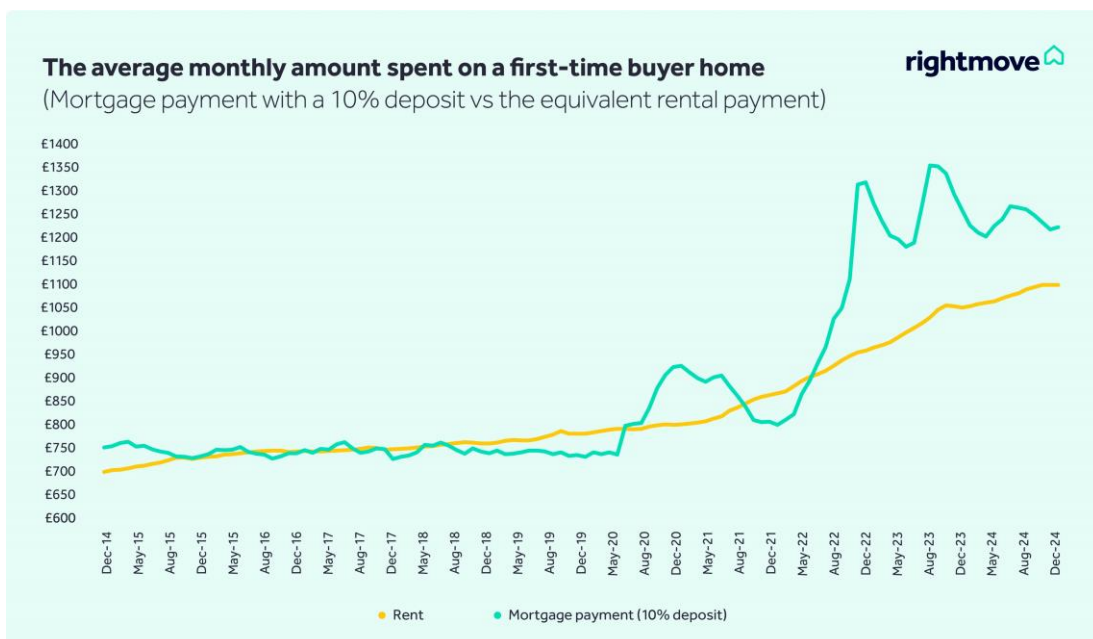
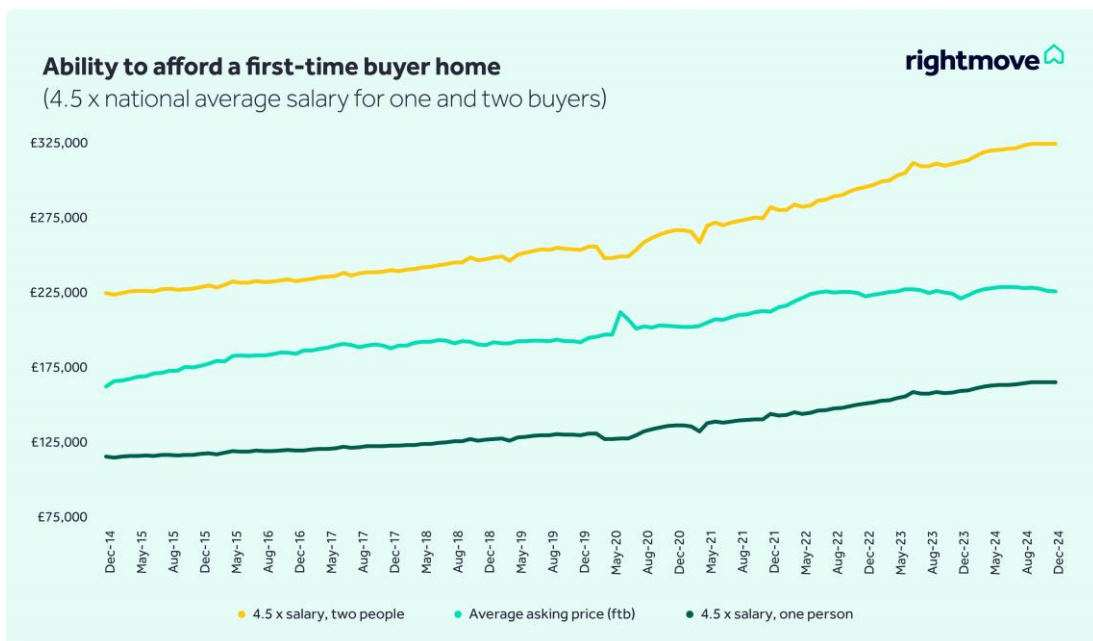
Steven Holden, Director at Holden Copley in Nottingham



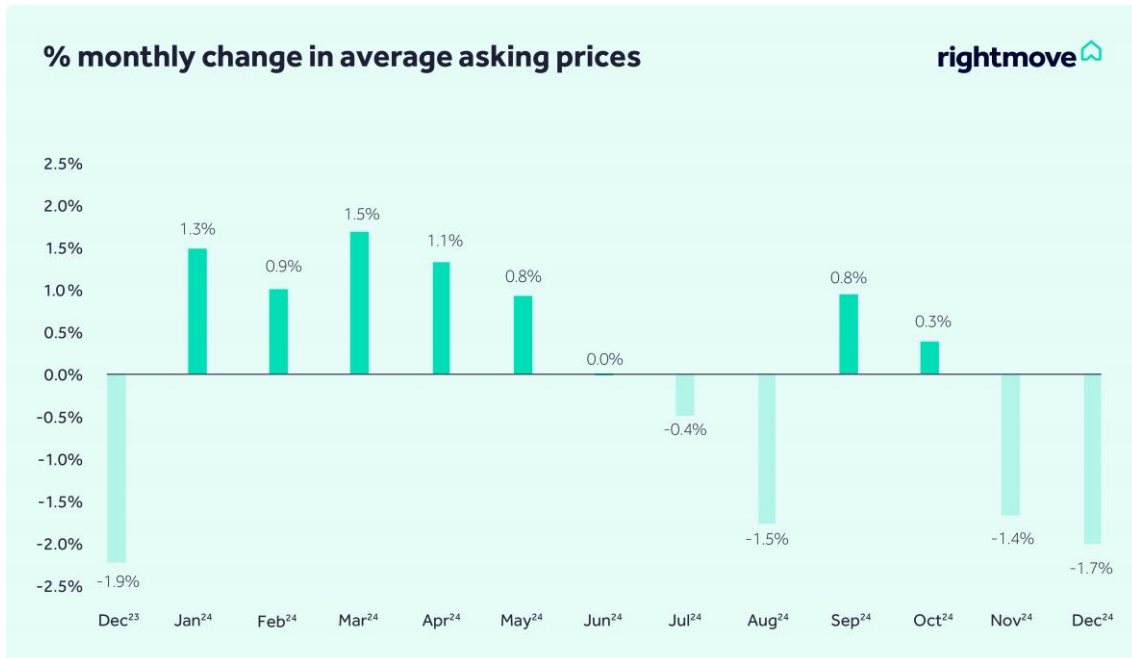
# Affordability trends

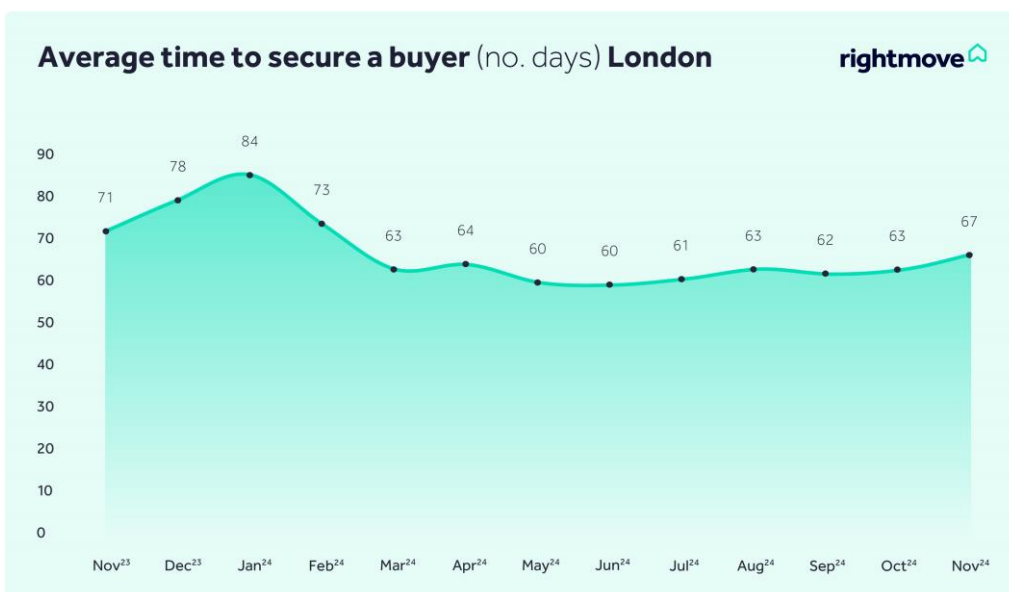
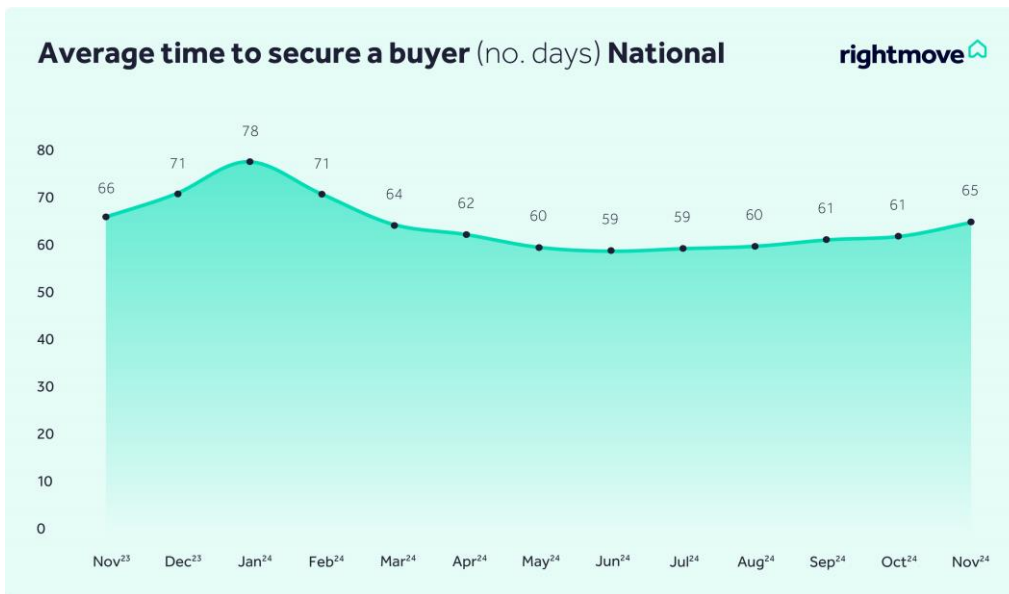
The first-time buyer monthly mortgage payment is based on Bank of England data of the averages for 90% LTV two-year fixed mortgages from lenders, and the average asking price of a typical first-time buyer home (two bedrooms or fewer) using the Rightmove House Price Index. The equivalent monthly rent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



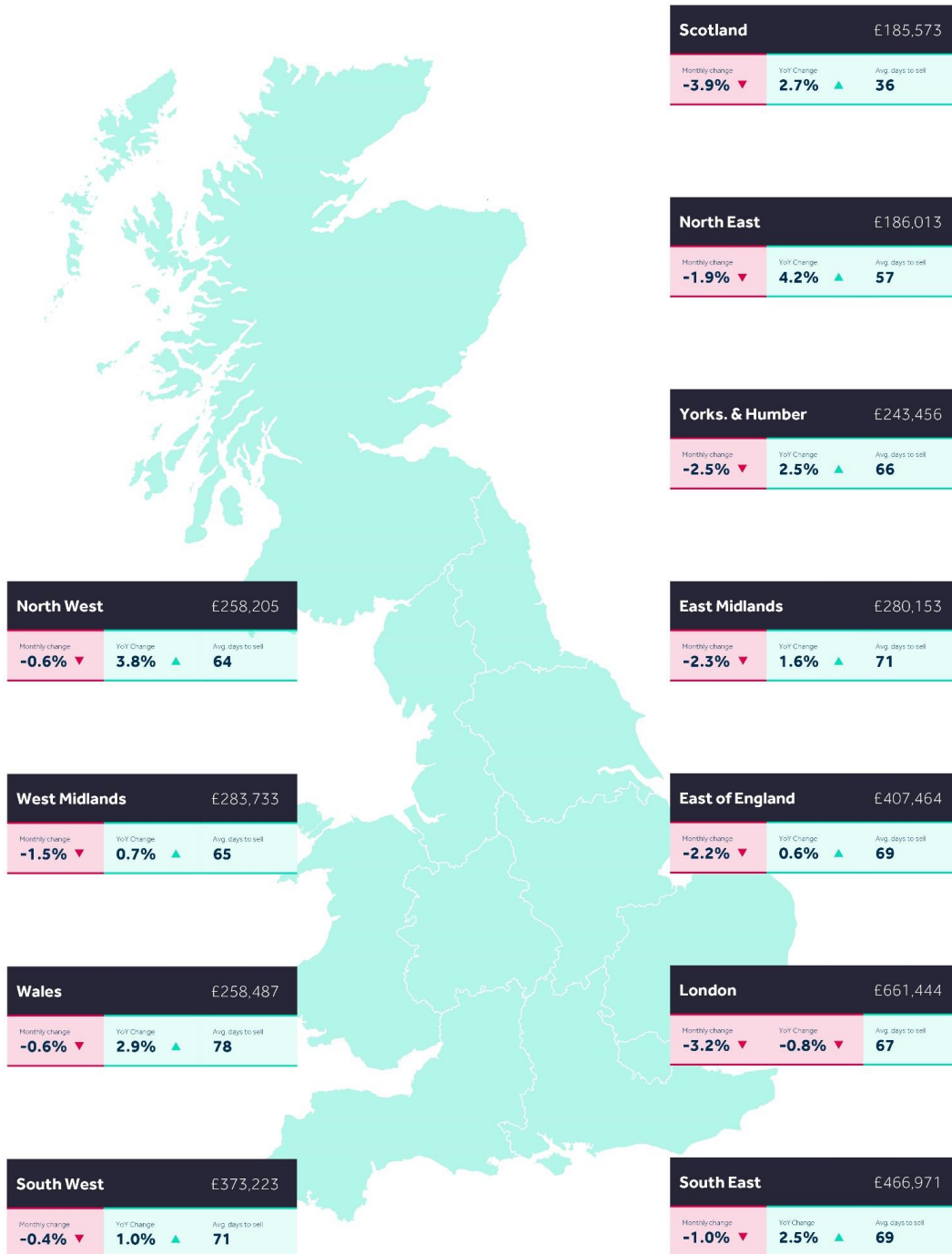
# Price & activity trends





# 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 Dec. 24	Monthly change	Annual change
Merton	£752,890	1.2%	8.4%
Newham	£475,550	-0.5%	5.1%
Tower Hamlets	£601,927	-2.5%	4.0%
Waltham Forest	£569,171	0.6%	3.3%
Barking and Dagenham	£376,553	0.2%	3.1%
Bromley	£627,303	-0.4%	3.0%
Southwark	£666,655	-0.9%	2.8%
Redbridge	£512,311	-2.0%	2.5%
Hounslow	£595,375	-0.8%	2.4%
Enfield	£502,954	0.1%	2.3%
Hillingdon	£560,305	0.2%	2.0%
Croydon	£485,626	-0.6%	2.0%
Islington	£817,448	-1.1%	2.0%
Sutton	£550,688	0.0%	1.8%
Camden	£1,058,226	-1.2%	1.6%
Greenwich	£499,949	-0.5%	1.5%
Ealing	£609,316	-1.0%	1.5%
Kingston upon Thames	£697,135	-1.0%	1.4%
Hackney	£695,980	-1.2%	1.3%
Hammersmith and Fulham	£1,006,061	-0.2%	1.3%
Bexley	£483,052	-1.2%	1.0%
Haringey	£681,657	-1.7%	0.7%
Lewisham	£515,935	-0.2%	-0.5%
Barnet	£720,660	0.2%	-0.6%
Wandsworth	£854,608	-1.2%	-0.7%
Richmond upon Thames	£935,517	-0.4%	-0.8%
Harrow	£618,043	-0.5%	-0.8%
Westminster	£1,469,668	-2.4%	-1.0%
Havering	£475,317	-0.2%	-1.5%
Lambeth	£676,679	0.5%	-2.2%
Brent	£609,120	-0.2%	-3.7%
Kensington and Chelsea	£1,650,916	-1.0%	-3.7%



# 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.