



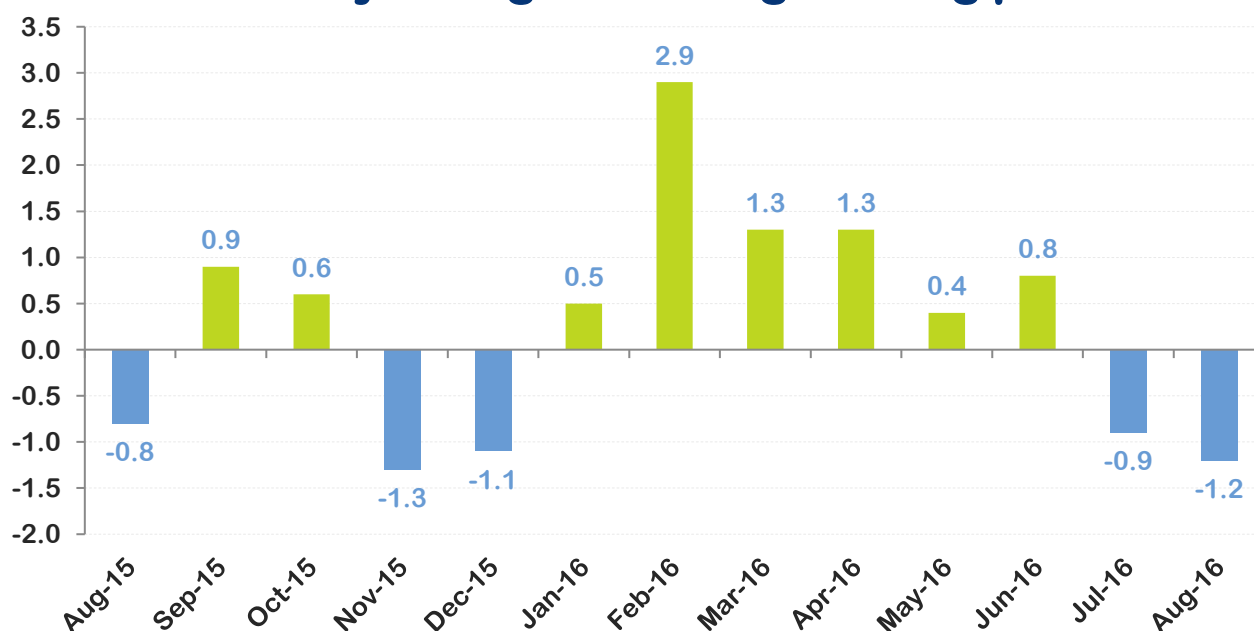
Under embargo for 00:01 hours, Monday 15th August 2016

2016 shapes up as a year of two halves

- Statistics from over 90% of the market show price of property coming to market falls by 1.2% (-£3,602), in line with the 1.2% average drop over the last six years at this seasonally subdued time of year
- Larger homes taking longest time to sell and suffering largest drop in price, with first-time buyer and second-stepper type property doing the best
 - Number of days to sell increases the most in London and South East in the last two months, as summer slowdown follows on seamlessly from Brexit uncertainty, slowing down speed of sale more in London and its commuter belt
- 2016 on course to be a year of two halves:
 - Activity skewed to first half of year with buy-to-let surge boosting property transactions to 12% higher than 2015
 - With July buyer enquiries to agents 18% down on election-boosted 2015 though up 4% on 2014, the outcome of the second half of 2016 hangs on the strength of the traditional autumn market rebound

National average asking prices				
Month	Avg. asking price	Monthly change	Annual change	Index
August 2016	£304,222	-1.2%	+4.1%	250.5
July 2016	£307,824	-0.9%	+4.5%	253.4
National average asking prices by market sector (excluding Inner London)				
Sector	August 2016	July 2016	Monthly change	Annual change
First-time buyers	£188,237	£189,183	-0.5%	+5.8%
Second-steppers	£257,495	£258,511	-0.4%	+6.0%
Top of the ladder	£538,755	£554,678	-2.9%	+2.7%

% monthly change in average asking prices





Overview

The price of property marketed in the last four weeks is 1.2% (-£3,602) lower than the previous month. Whilst it is usual for sellers who come to market in the summer holiday season to price more cheaply, there have only been larger drops in two of the last six years since 2010. With the timing of Brexit uncertainty coinciding with both the seasonal slowdown and continuing the lull following the first quarter buy-to-let surge, 2016 will be a year of two halves. How different they are will depend upon the strength of the traditional market rebound this autumn, especially at the upper end of the market and within the London commuter belt, which currently appear to be the most subdued.

Miles Shipside, Rightmove director and housing market analyst comments: *"Many prospective buyers take a summer break from home-hunting, and those who come to market at this quieter time of year tend to price more aggressively. This summer is also affected by both Brexit uncertainty and the aftermath of the buy-to-let rush in March to beat the stamp duty deadline. Most sellers seem to recognise that buyers may want some extra encouragement to get them to put their towel on a property to reserve it as well as on their sunbed! The average fall in new seller asking prices at this time of year has been 1.2% over the last six years, so this month's fall is exactly in line with the long-term average. The largest price falls at this time of year were -2.0% and -1.3% in 2014 and 2010, with the smallest fall being -0.8% in post-election boosted 2015."*

The sector that would benefit most from an autumn pick-up is made up of larger homes with four bedrooms or more. They are taking the longest time to sell, with an average of 74 days from being advertised on Rightmove to being marked as sold subject to contract by estate agents. This 'top of the ladder' sector is also suffering the largest drop in new seller asking prices this month, with a fall of 2.9%. First-time buyer (two bedrooms or fewer) and second-stepper type properties (typically three bedrooms) are performing the best, with an average time to sell of 58 days and price drops of 0.5% and 0.4% respectively.

The southern regions, on average more highly priced than other parts of the country and more influenced by the dynamics of the London market, have had the biggest jump in the number of days to sell in the last two months. Some agents, especially in London and its commuter belt, report that the summer slowdown has unfortunately followed on seamlessly from May and June's Brexit uncertainty. Time to sell in London has increased by five days between May and July, South East and the South West are up by four days, while the East of England region is up by three. While the average number of days it takes to sell a property is still longer in the north, all of the northern regions have seen either no change or just a day plus or minus over the same period.

Shipside observes: *"It will be welcome news for some northerners that the traditional north-south divide may be taking a rare turn in their favour. London has seen its price boom curtailed by punitive stamp duty and over-stretched affordability and has been in re-adjustment for a year or more, mostly affecting Inner London. At this time of year interest from buyers of more expensive properties that typify much of London and its commuter belt tends to tail off more, as they are often discretionary movers. Having waited for the referendum result, it now seems that some are also waiting until the summer holidays are over before reviewing their course of action."*

As predicted when the April deadline was set for the additional tax on second homes, many transactions that might have occurred later in the year have been brought forward. This resulted in the first half of 2016 recording property transactions (as reported on 21st July by HMRC for England and Wales January to June) up by 12% on the same period in 2015. The outcome of the second half of 2016 hangs on the extent of the summer slowdown and the strength of the traditional autumn market rebound. July buyer enquiries to agents are 18% down on election-boosted July 2015, though



are 4% up on July 2014 which is a better basis for like-for-like comparison. Buyer enquiries to estate agents were down from June to July, but by a modest 5% to 1.6 million.

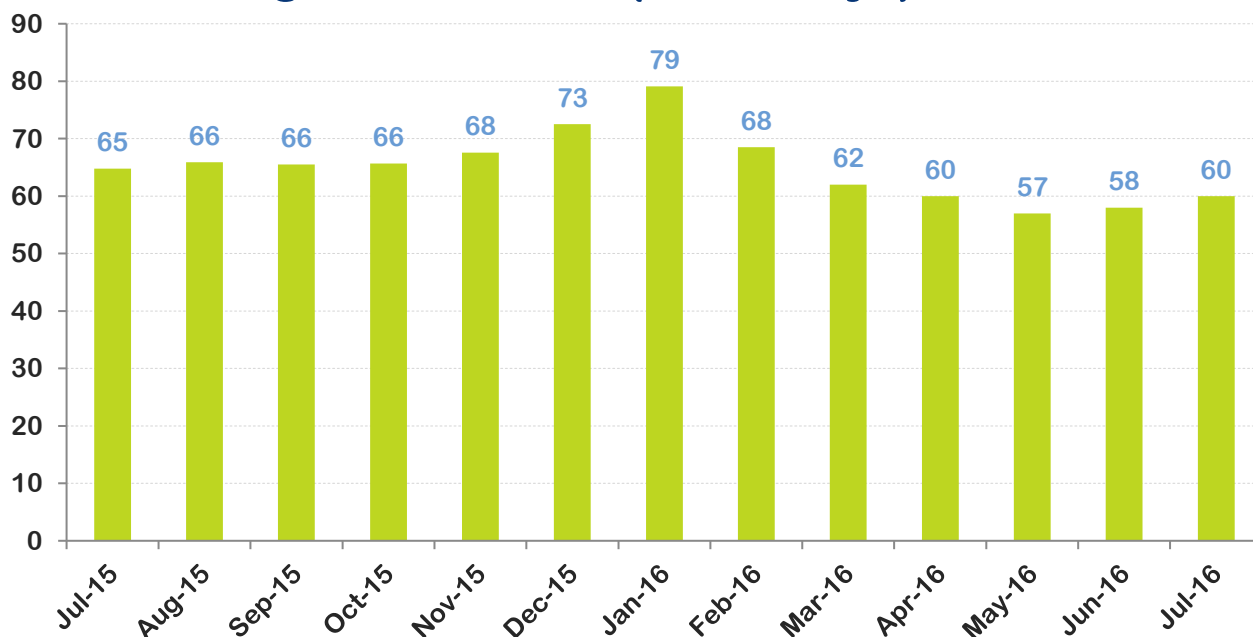
Shipside says: *"There is pent-up demand with potential buyers still enquiring in very large numbers though obviously more muted compared to 2015's post-election highs. While the summer sales slowdown has come early in some locations with the run-up to the referendum subduing activity in May and June, there are still hundreds of thousands of buyer enquiries every week. Buyers can often get a better deal at this time of year if estate agents match them up with motivated sellers. By autumn we should get a clearer view of the strength of any post-referendum hangover, though that also depends on buyers' confidence to turn this interest into action. The latest interest rate cut making already cheap-to-borrow money even cheaper should act as an added boost to confidence."*

Agent's View

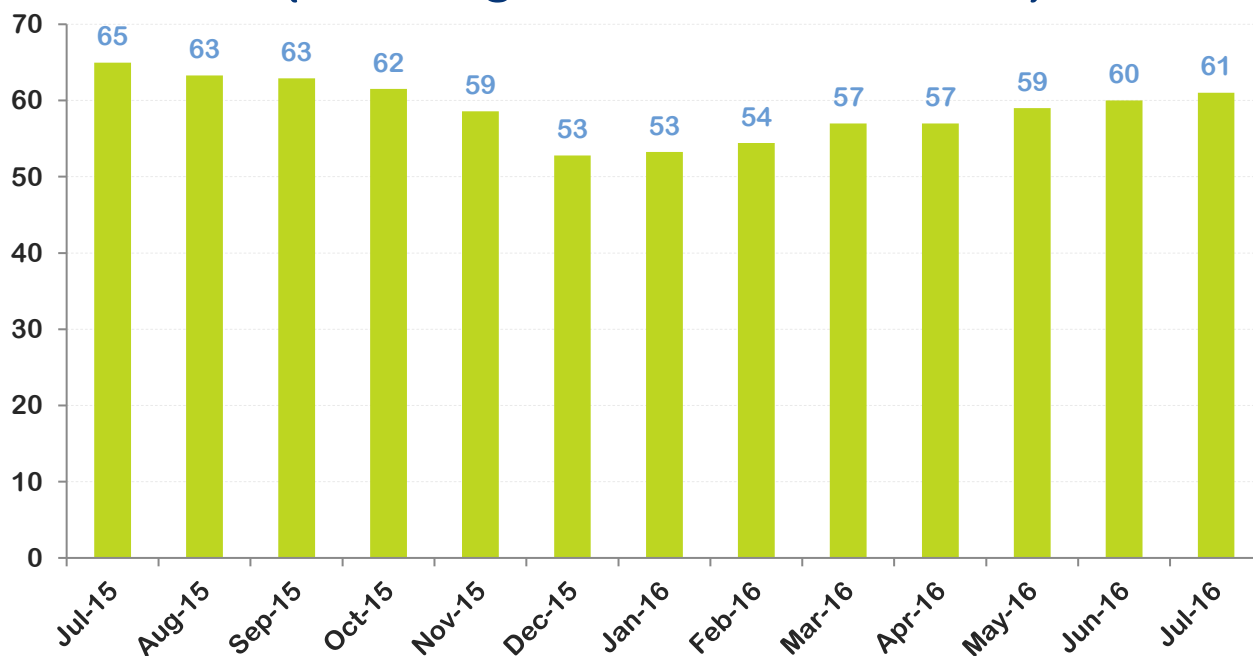
Robert Scott-Lee, Managing Director of Chancellors in Surrey, Bucks, Oxfordshire & Berkshire says: *"As we look towards the Autumn market we feel very confident with the underlying fundamentals. Applicant enquiries are strong and buyer motivation is strong given lending rates and general demand caused by under supply, however we of course note that political developments may cause ongoing disturbance to the normal negotiation process. Undoubtedly some have looked to take advantage of the uncertainty by renegotiating offers. There are sellers who have crumbled but equally there are sellers who have stood firm, and with the benefit of back up buyers have been rewarded by their insistence on maintaining the sale at the agreed price."*



Average 'time to sell' (no. of days) - National



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



The Rightmove House Price Index

THE LARGEST MONTHLY SAMPLE OF RESIDENTIAL PROPERTY PRICES



Regional trends



Increase from previous month



Decrease from previous month

NORTH EAST

Avg. price Aug 16	£147,330
Avg. price Jul 16	£147,686
Monthly change	-0.2%
Avg. price Aug 15	£149,051
Annual change	-1.2%

YORKS. & HUMBER

Avg. price Aug 16	£176,654
Avg. price Jul 16	£174,614
Monthly change	1.2%
Avg. price Aug 15	£172,483
Annual change	2.4%

NORTH WEST

Avg. price Aug 16	£180,146
Avg. price Jul 16	£182,562
Monthly change	-1.3%
Avg. price Aug 15	£177,196
Annual change	1.7%

EAST MIDLANDS

Avg. price Aug 16	£194,908
Avg. price Jul 16	£197,705
Monthly change	-1.4%
Avg. price Aug 15	£187,587
Annual change	3.9%

WEST MIDLANDS

Avg. price Aug 16	£208,186
Avg. price Jul 16	£205,951
Monthly change	1.1%
Avg. price Aug 15	£200,348
Annual change	3.9%

EAST OF ENGLAND

Avg. price Aug 16	£334,951
Avg. price Jul 16	£336,176
Monthly change	-0.4%
Avg. price Aug 15	£309,468
Annual change	8.2%

WALES

Avg. price Aug 16	£180,425
Avg. price Jul 16	£180,861
Monthly change	-0.2%
Avg. price Aug 15	£177,709
Annual change	1.5%

GTR. LONDON

Avg. price Aug 16	£619,409
Avg. price Jul 16	£635,710
Monthly change	-2.6%
Avg. price Aug 15	£606,826
Annual change	2.1%

SOUTH WEST

Avg. price Aug 16	£300,606
Avg. price Jul 16	£300,904
Monthly change	-0.1%
Avg. price Aug 15	£282,191
Annual change	6.5%

SOUTH EAST

Avg. price Aug 16	£404,797
Avg. price Jul 16	£413,009
Monthly change	-2.0%
Avg. price Aug 15	£382,182
Annual change	5.9%



Monthly asking price trend



London's best performers: August 2016

Borough	Avg. price Aug 2016	Avg. price Jul 2016	Monthly change	Avg. price Aug 2015	Annual change
Enfield	£492,283	£471,210	4.5%	£432,281	13.9%
Lewisham	£471,716	£459,859	2.6%	£432,067	9.2%
Lambeth	£627,320	£614,581	2.1%	£629,626	-0.4%
Waltham Forest	£475,662	£465,682	2.1%	£416,476	14.2%
Haringey	£625,440	£613,476	2.0%	£586,997	6.5%

London's worst performers: August 2016

Borough	Avg. price Aug 2016	Avg. price Jul 2016	Monthly change	Avg. price Aug 2015	Annual change
City of Westminster	£1,629,205	£1,906,098	-14.5%	£2,146,526	-24.1%
Kensington and Chelsea	£2,010,038	£2,295,878	-12.5%	£2,147,264	-6.4%
Richmond upon Thames	£829,533	£895,183	-7.3%	£849,946	-2.4%
Brent	£608,885	£644,087	-5.5%	£639,774	-4.8%
Merton	£643,899	£678,545	-5.1%	£607,873	5.9%



London boroughs

Borough	Avg. price Aug 2016	Avg. price Jul 2016	Monthly change	Avg. price Aug 2015	Annual change
Kensington and Chelsea	£2,010,038	£2,295,878	-12.5%	£2,147,264	-6.4%
City of Westminster	£1,629,205	£1,906,098	-14.5%	£2,146,526	-24.1%
Camden	£1,094,577	£1,082,224	1.1%	£1,106,312	-1.1%
Hammersmith and Fulham	£977,758	£1,017,820	-3.9%	£992,487	-1.5%
Richmond upon Thames	£829,533	£895,183	-7.3%	£849,946	-2.4%
Wandsworth	£798,069	£802,576	-0.6%	£830,025	-3.9%
Islington	£777,032	£801,165	-3.0%	£732,879	6.0%
Barnet	£679,428	£685,679	-0.9%	£717,397	-5.3%
Merton	£643,899	£678,545	-5.1%	£607,873	5.9%
Ealing	£630,867	£628,236	0.4%	£609,219	3.6%
Hackney	£630,649	£644,181	-2.1%	£627,302	0.5%
Lambeth	£627,320	£614,581	2.1%	£629,626	-0.4%
Haringey	£625,440	£613,476	2.0%	£586,997	6.5%
Southwark	£622,731	£622,580	0.0%	£580,809	7.2%
Brent	£608,885	£644,087	-5.5%	£639,774	-4.8%
Kingston upon Thames	£607,330	£629,184	-3.5%	£614,355	-1.1%
Tower Hamlets	£604,249	£597,114	1.2%	£592,850	1.9%
Harrow	£555,975	£557,357	-0.2%	£526,547	5.6%
Bromley	£531,374	£540,648	-1.7%	£495,903	7.2%
Hounslow	£516,753	£521,988	-1.0%	£497,710	3.8%
Enfield	£492,283	£471,210	4.5%	£432,281	13.9%
Waltham Forest	£475,662	£465,682	2.1%	£416,476	14.2%
Lewisham	£471,716	£459,859	2.6%	£432,067	9.2%
Hillingdon	£470,808	£473,764	-0.6%	£428,013	10.0%
Redbridge	£443,741	£456,376	-2.8%	£430,528	3.1%
Greenwich	£435,373	£443,611	-1.9%	£427,078	1.9%
Sutton	£426,467	£438,134	-2.7%	£394,956	8.0%
Croydon	£426,016	£423,105	0.7%	£379,279	12.3%
Newham	£397,182	£392,005	1.3%	£371,915	6.8%
Havering	£392,464	£394,640	-0.6%	£342,661	14.5%
Bexley	£356,263	£356,804	-0.2%	£317,893	12.1%
Barking and Dagenham	£303,357	£305,117	-0.6%	£262,292	15.7%



Editors' notes

About the Index:

The Rightmove House Price Index methodology has been refined as of January 2015. The Index now uses new mapping technology to define regions at a postcode rather than postcode district or area level, and the mix adjustment has been updated to reflect the current proportion of stock by property type in each area, to provide even more accurate data. All regional breakdowns are now reported in line with ONS regions. For the purpose of historical comparisons, the historical figures have been restated based on the new methodology.

The Index can now include further 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 90% of the market, the largest and most up-to-date monthly sample of any house price indicator in the UK. 95% of properties are sold via an agent, whilst only 75% are purchased with a mortgage. 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.

Rightmove measured 110,501 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 10th July 2016 to 6th August 2016 and advertised on Rightmove.co.uk. This month 5,082 properties have been excluded due to being anomalies.

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.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 around 90% of all properties for sale and at any time displays a stock of over one million properties to buy or rent, worth around £270 billion. The Rightmove.co.uk site attracts over 110 million visits from home movers each month who view in excess of 1.5 billion pages (Rightmove data, 2015).