

Rightmove House Price Index

The largest monthly sample of
residential property prices

June 2018
London edition



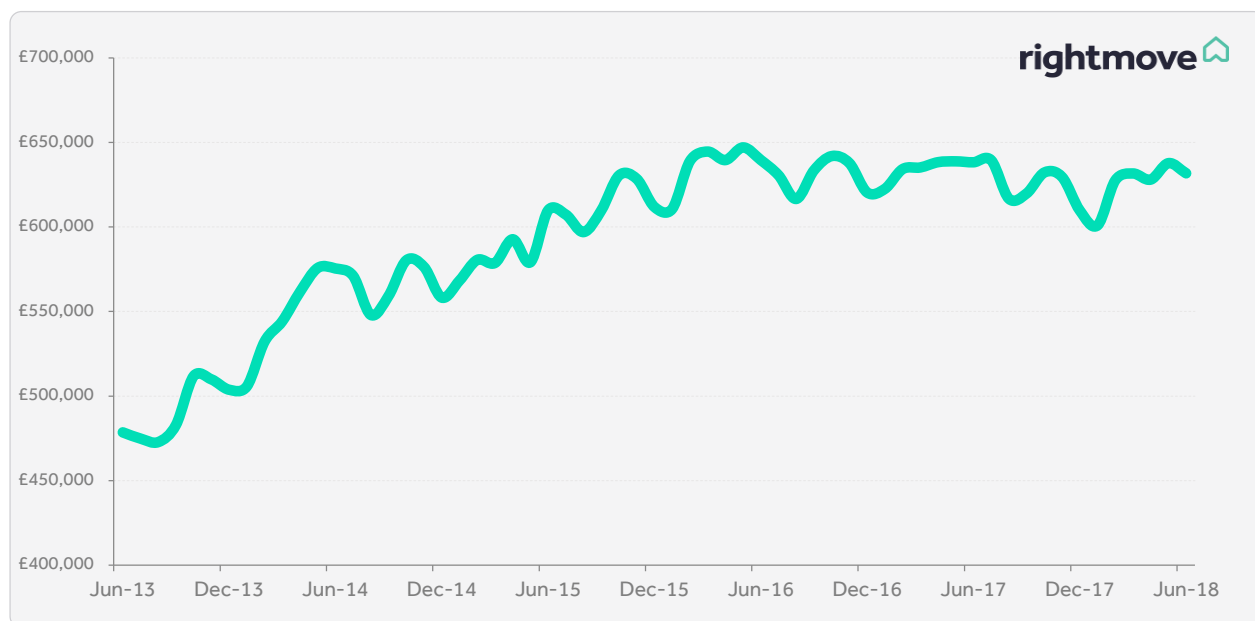
End of spring market sees prices fall as available stock rises

- As the traditionally busier spring market comes to an end the price of property coming to market in London drops by 0.9% (-£6,009)
- The annual rate remains negative for tenth consecutive month at -1.0%
- With 16.4% more available property on the market compared to this time last year sellers will need to compete harder on price to get buyers' attention
- Number of sales agreed by estate agents in May was 5.0% down on May 2017 in London, a slight improvement on the year-to-date figure of 6.5% down

London average asking prices				
Area	June 2018	May 2018	Monthly change	Annual change
Greater London	£631,737	£637,746	-0.9%	-1.0%
Inner London	£784,298	£792,076	-1.0%	-1.1%
Outer London	£523,781	£527,330	-0.7%	-0.7%

Average asking prices by market sector				
Sector	June 2018	May 2018	Monthly change	Annual change
First-time buyers	£486,054	£490,185	-0.8%	-2.5%
Second-steppers	£701,337	£705,896	-0.6%	-0.1%
Top of the ladder	£1,485,770	£1,450,450	2.4%	2.3%

Five year London asking price trend



Rightmove measured 122,013 asking prices nationally this month, circa 90% of the UK market. The properties were put on sale by estate agents from 13th May 2018 to 9th June 2018 and advertised on Rightmove.co.uk.

Overview

This month's new-to-the-market sellers have on average priced their properties 0.9% (-£6,009) lower than those that came to the market last month. The annual rate remains in negative territory, with prices 1.0% cheaper than a year ago.

Miles Shippside, Rightmove director and housing market analyst comments: *"This month sees the largest fall in the price of property coming to market since January, as new-to-the-market sellers recognise that the traditionally busier spring selling season is drawing to a close. The end result is that for the tenth consecutive month new sellers in London are marketing their properties at cheaper average prices than a year ago. London's monthly fall of 0.9% and annual decrease of 1.0% is in contrast to the national average monthly rise of 0.4% and the national annual increase of 1.7% in new seller asking prices."*

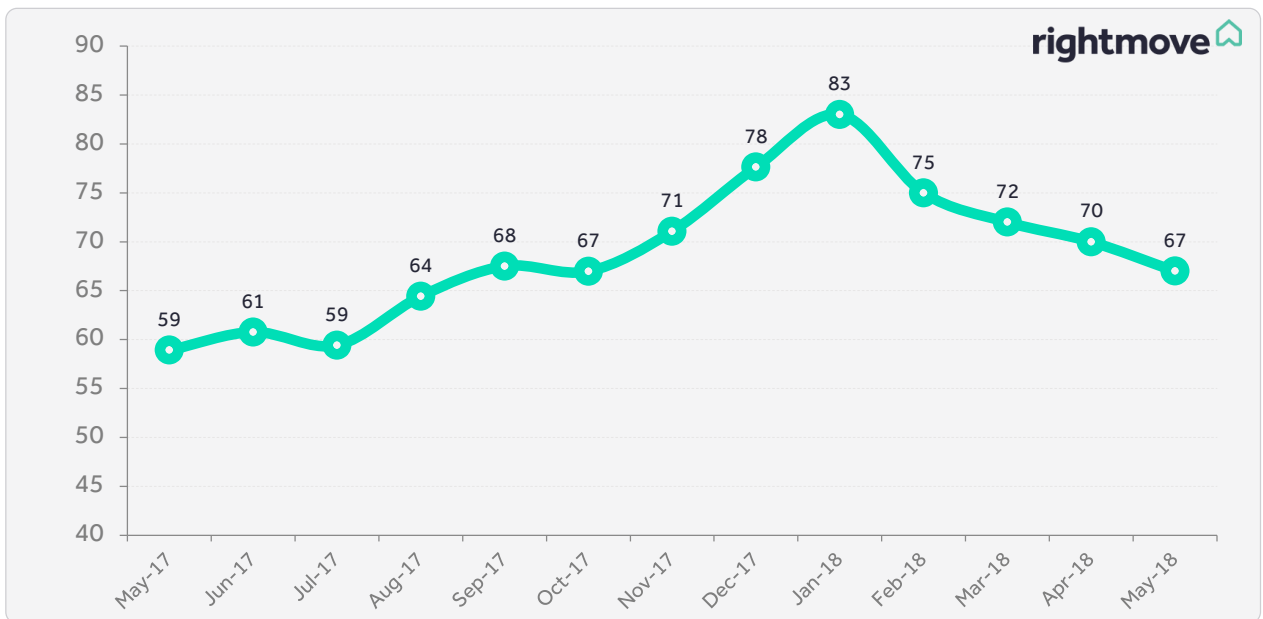
London has 16.4% more available inventory than at this time a year ago, fuelling a buyers' market in some areas. The number of sales agreed by estate agents in May was 5.0% down on May 2017 - though this downturn is less severe than the year-to-date average of 6.5% down on the same period in 2017. This slight improvement compared with the year-to-date average might indicate that the fall in sales numbers is starting to bottom out. However, with the normally quieter summer holiday months approaching, selling conditions will remain challenging. Sellers would be well advised to take frank advice from an experienced estate agent who is familiar with local market conditions.

Shippside notes: *"With the normally more active spring buyer market over and with some potential buyers likely to be distracted by summer holidays and World Cup-itis, the goal posts have just moved. Sellers in locations that have seen larger percentage increases in the number of available properties will have to price lower than properties they are competing against, as there are few better tactics than a bargain price to tempt buyers."*

London trends

Transport for London zones	Avg. price Jun 2018	Avg. price May 2018	Monthly change	Avg. price Jun 2017	Annual change
Zone 1	£1,345,031	£1,350,807	-0.4%	£1,378,505	-2.4%
Zone 2	£760,327	£767,041	-0.9%	£769,614	-1.2%
Zone 3	£600,126	£611,923	-1.9%	£611,209	-1.8%
Zone 4	£488,710	£492,858	-0.8%	£488,476	0.0%
Zone 5	£489,669	£485,555	0.8%	£487,014	0.5%
Zone 6	£494,168	£494,969	-0.2%	£498,525	-0.9%

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



London trends

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 June 2018	Monthly change	Annual change
Redbridge	£473,394	0.8%	4.2%
Kensington and Chelsea	£1,726,570	3.6%	3.0%
Barnet	£662,109	-0.3%	2.7%
Merton	£658,345	-0.2%	2.2%
Sutton	£480,858	1.0%	2.2%
Greenwich	£452,631	-0.4%	1.8%
Richmond upon Thames	£865,124	-0.2%	1.5%
Havering	£411,372	-0.1%	1.3%
Croydon	£446,625	0.5%	1.0%
Enfield	£460,348	0.1%	0.2%
Hillingdon	£496,368	0.4%	0.1%
Barking and Dagenham	£313,439	-0.5%	0.1%
Bexley	£403,329	-0.6%	-0.3%
Lewisham	£483,645	0.8%	-0.6%
Tower Hamlets	£607,446	0.8%	-0.8%
Lambeth	£671,537	1.9%	-0.9%
Southwark	£643,486	1.2%	-1.0%
Waltham Forest	£482,408	-0.5%	-1.3%
Newham	£419,475	0.4%	-1.3%
Westminster	£1,508,200	-0.3%	-1.4%
Haringey	£627,373	0.1%	-1.9%
Hounslow	£541,949	-0.7%	-1.9%
Wandsworth	£823,115	0.4%	-2.0%
Harrow	£568,509	0.3%	-2.2%
Bromley	£530,274	-1.2%	-2.3%
Brent	£584,355	0.3%	-2.6%
Islington	£752,962	-1.5%	-2.9%
Camden	£995,367	-0.6%	-3.3%
Kingston upon Thames	£610,388	-1.5%	-3.3%
Hackney	£649,176	-0.7%	-3.7%
Hammersmith and Fulham	£928,028	-0.5%	-3.9%
Ealing	£558,569	-0.3%	-4.5%

Editor's notes

About the Index:

The Rightmove House Price Index methodology was updated in January 2018. The report now includes data for Scotland and a number of measures have been refined. The stock per agent figure now calculates the average based on the number of properties an agent has on Rightmove each day across the month, rather than the average of the total number of properties each agent advertised in the month. London asking prices are now broken down into travel zones. For the purpose of historical comparisons, the historical figures have been restated based on the new methodology.

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.

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. 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.

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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 circa 90% 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 attracts over 130 million visits from home movers each month with time on site averaging over one billion minutes per month (Rightmove data, July 2017).