

Rightmove House Price Index

The largest monthly sample of
residential property prices

December 2018
London edition



Londoners play 'wait and see' as 19% fewer homes come to market

- Scarcity of property coming to market helps to underpin new seller asking prices and leads to a less severe seasonal price fall than is usual at this time of year
 - New seller asking prices fall by 1.8% (-£11,275) this month, the smallest drop in December since 2013
 - 19% fewer properties come to market this month compared to same period a year ago, with postponement due to political uncertainty a likely factor
 - Inner London home owners most hesitant to come to market, with 24% drop in new listings
 - Outer London less willing or able to delay, but still a 16% drop in new listings

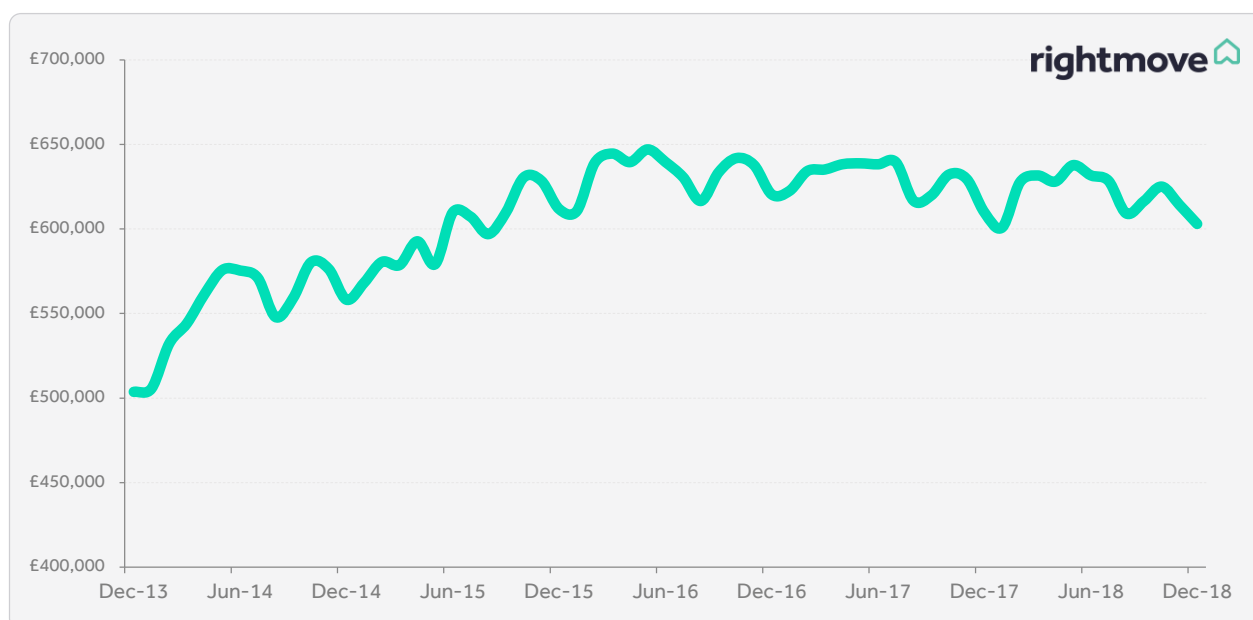
London average asking prices

Area	December 2018	November 2018	Monthly change	Annual change
Greater London	£602,996	£614,271	-1.8%	-1.1%
Inner London	£757,029	£754,726	+0.3%	+1.4%
Outer London	£492,502	£514,587	-4.3%	-3.5%

Average asking prices by market sector

Sector	December 2018	November 2018	Monthly change	Annual change
First-time buyers	£475,273	£475,403	0.0%	-2.8%
Second-steppers	£687,718	£682,130	+0.8%	+0.7%
Top of the ladder	£1,309,133	£1,373,940	-4.7%	+1.7%

Five year London asking price trend



Rightmove measured 75,965 asking prices nationally this month, circa 90% of the UK market. The properties were put on sale by estate agents from 11th November 2018 to 8th December 2018 and advertised on Rightmove.co.uk.

Overview

New seller asking prices fall by 1.8% (-£11,275) this month to an average of £602,996. While the price of property coming to market usually drops at this time of year, this is the smallest pre-Christmas drop in our December report since 2013. However, with the annual rate remaining in negative territory at -1.1%, new sellers are aware that they still need to price very realistically given current market conditions.

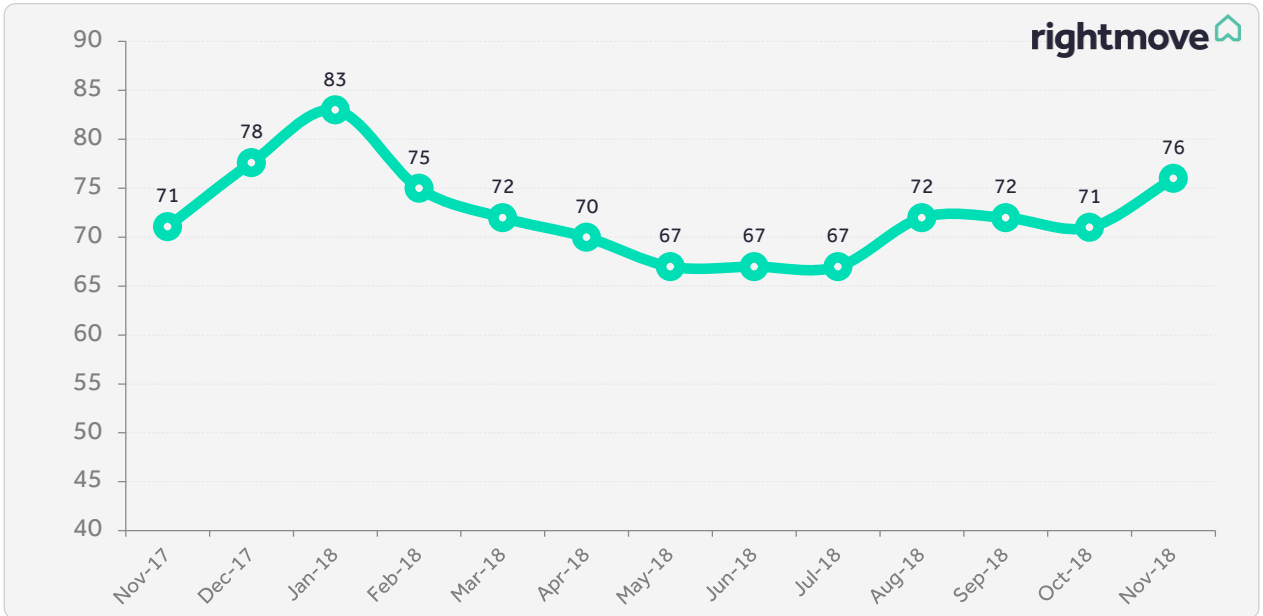
Miles Shippside, Rightmove director and housing market analyst comments: *“Those who put their property on the market in the run up to Christmas tend to recognise that it’s traditionally a less active time of year, so they price lower than other properties to attract scarce buyers. While this month’s new sellers have on average set their prices 1.8% lower compared to properties that came to market in the previous month, this is a less aggressive reduction than the average of -2.9% since 2013. There is a relative scarcity of property coming to market compared to the same period a year ago, and with less competition from other newly-marketed properties there is perhaps less immediate pressure this year to undercut similar properties on price.”*

In Greater London 19% fewer properties have come to market this month compared to the same period a year ago. Inner London home owners appear to be the most hesitant, and are 24% fewer in number. With an average price in excess of £750,000, potential sellers are perhaps more able to choose their time to come to market as they have fewer financial pressures. In contrast, Outer London owners seem less willing or able to delay their sale, although there are still 16% fewer newly-marketed properties. Their average asking price is around £500,000.

Shippside observes: *“Some would-be sellers may be waiting for a market pick-up following two years of re-adjustment due to price rises overshooting affordability and a more punitive stamp duty tax regime. Others are likely to be postponing marketing until there is more certainty about the direction of Brexit. However, it must not be forgotten that the seeds of London’s slowdown, including over-stretched buyer affordability, were sown before the B-word became so prevalent and relevant. From the low point on Christmas Day, the number of pages of property viewed on Rightmove last year more than tripled (+228%) by the first working day of the New Year. Home owners who are thinking of coming to the market early in 2019 should seriously consider doing so as soon as possible to get maximum exposure to the surge in interest from buyers who make it their resolution to move in the New Year.”*

London trends

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 Dec 2018	Monthly change	Annual change
Bromley	£539,718	0.5%	4.5%
Hillingdon	£492,949	0.0%	2.3%
Camden	£1,010,407	0.0%	2.0%
Westminster	£1,462,052	0.4%	1.9%
Bexley	£400,564	-1.1%	1.9%
Kensington and Chelsea	£1,596,199	-1.0%	1.3%
Richmond upon Thames	£822,898	-0.3%	1.3%
Enfield	£456,655	0.1%	1.0%
Southwark	£640,828	-1.0%	0.9%
Merton	£613,371	-0.2%	0.5%
Havering	£405,385	-0.4%	0.5%
Waltham Forest	£475,632	-0.4%	0.2%
Ealing	£545,305	-0.2%	-0.2%
Brent	£565,669	-1.9%	-0.8%
Islington	£737,597	-1.7%	-1.0%
Greenwich	£434,281	0.0%	-1.0%
Haringey	£581,552	-2.8%	-1.0%
Kingston upon Thames	£599,859	-0.4%	-1.5%
Redbridge	£449,117	-1.6%	-1.6%
Barking and Dagenham	£311,861	-0.3%	-1.7%
Lewisham	£456,242	-0.5%	-1.8%
Tower Hamlets	£581,018	0.2%	-1.8%
Newham	£412,373	-0.8%	-1.9%
Harrow	£546,659	-0.7%	-2.0%
Sutton	£450,077	-1.1%	-2.3%
Barnet	£611,726	-2.9%	-2.9%
Hammersmith and Fulham	£913,633	-3.7%	-3.1%
Croydon	£423,246	-1.6%	-4.0%
Wandsworth	£764,709	-2.2%	-4.1%
Hackney	£618,989	-0.2%	-4.2%
Lambeth	£624,037	0.2%	-4.9%
Hounslow	£504,979	-2.4%	-6.5%

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).