

# Rightmove House Price Index

The largest monthly sample of  
residential property prices

February 2019  
London edition

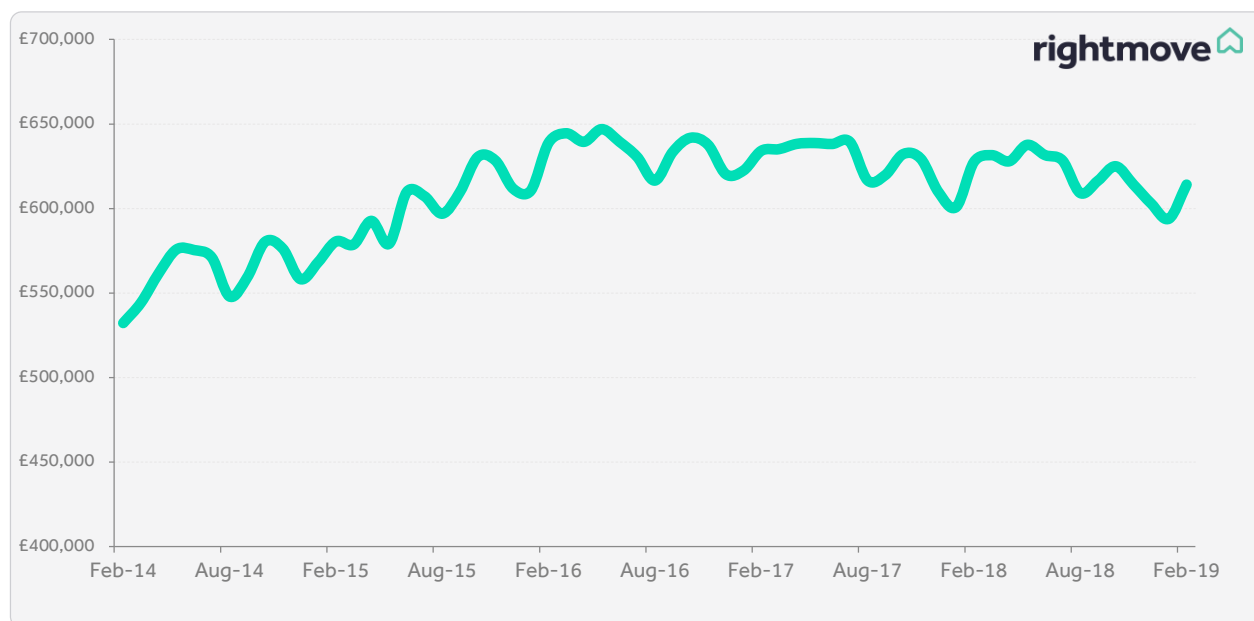


## London's new sellers test higher prices ahead of spring market

- The average price of property coming to market in the capital rises by 3.4% (+£20,210) this month, a typical surge at this time of year as owners of higher-priced property act ahead of the spring selling season
- Despite this monthly rise, new seller asking prices are still 2.1% (-£13,409) below those of a year ago, with only Zone 1 properties showing a rise and Zones 2-6 falling by an average of 2.2%
- Inner London sees an average monthly change of 5.0% as owners of more expensive properties test the market, whilst Outer London is more subdued with a 2.2% monthly rise

London average asking prices				
Area	February 2019	January 2019	Monthly change	Annual change
Greater London	£614,182	£593,972	+3.4%	-2.1%
Inner London	£759,714	£723,230	+5.0%	-2.5%
Outer London	£510,486	£499,666	+2.2%	-1.8%
Average asking prices by market sector				
Sector	February 2019	January 2019	Monthly change	Annual change
First-time buyers	£476,643	£471,467	1.1%	-2.6%
Second-steppers	£692,070	£671,112	3.1%	-0.8%
Top of the ladder	£1,362,730	£1,324,108	2.9%	-3.2%

### Five year London asking price trend



Rightmove measured 106,343 asking prices nationally this month, circa 90% of the UK market. The properties were put on sale by estate agents from 13<sup>th</sup> January 2019 to 9<sup>th</sup> February 2019 and advertised on Rightmove.co.uk.

## Overview

The average price of property coming to market in Greater London has risen by 3.4% (+£20,210) this month. This is a typical surge for February in the very seasonal London market, as owners of higher-priced property start to take advantage of the start of the spring selling season, but despite this large monthly rise the less volatile annual rate is still showing a year-on-year fall of 2.1% (-£13,409).

Miles Shippide, Rightmove director and housing market analyst comments: *"Inner London has the highest average property prices, so when more of them come to market as is the norm at this time of year it exaggerates the rise. The Inner London average this month has risen by 5.0% as owners of more expensive properties test the market, with Outer London more subdued at 2.2%. It obviously remains to be seen if these new sellers can find interest from prospective buyers and achieve their asking prices. Buyers will be attracted by newly-marketed property costing less than a year ago, but will also be trying to judge whether to negotiate a deal now or hold on until there is more political certainty."*

Despite these monthly rises, new seller asking prices are still considerably below those of a year ago, with only TfL Zone 1 properties showing a rise and Zones 2-6 falling by an average of 2.2%. Zone 1 covers much of prime London, and having fallen considerably over recent years, prices there are now 1% higher than a year ago. All other zones have fallen by between 0.2% and 3.6% compared with a year ago.

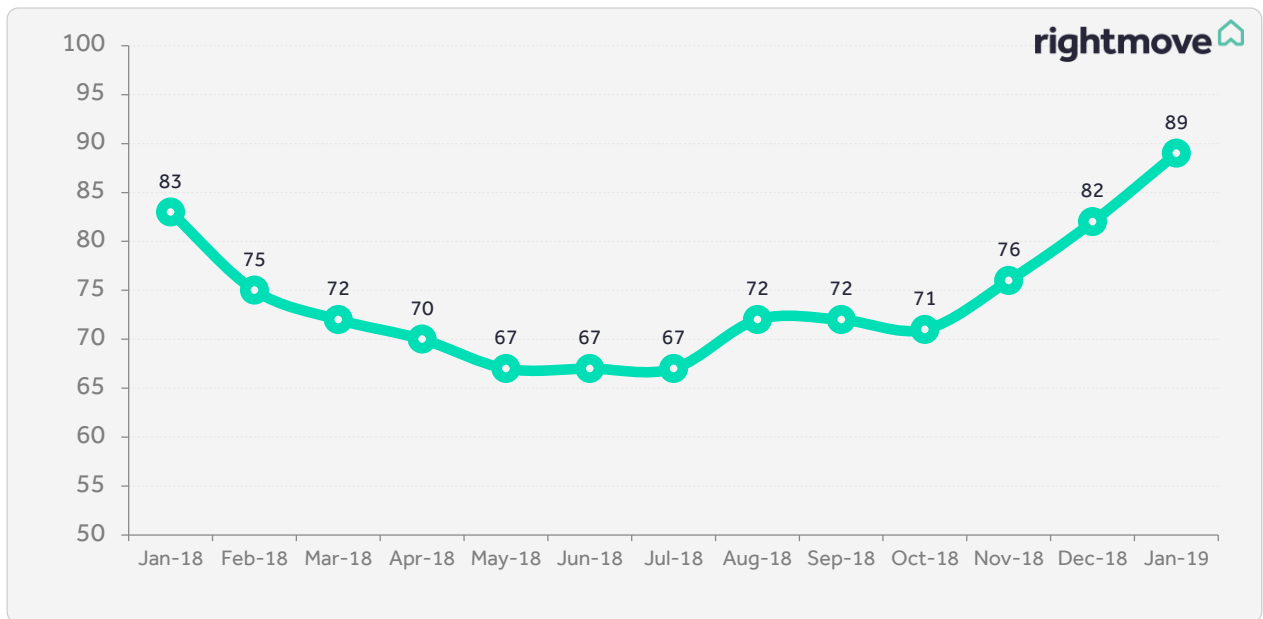
Shippide adds: *"The more expensive million-pound-plus boroughs of Westminster and Camden have seen the largest annual rises in London, up by 5.2% and 3.9% respectively. There had been some substantial price falls in these areas following even larger price rises in the last boom. Buyers' realisation that there is now relative good value in these boroughs has helped to stabilise prices, underpinned by fewer properties coming to market preventing a glut of competition."*

## Agent's view

Stephanie McMahon, Head of Research at Strutt & Parker, said: *"While the London market as a whole saw a drop in values throughout the course of 2018, it appears that there might have been a slowdown in price falls in the final quarter of the year. It has now been more than four years since the peak of the market in Q3 2014 and it is interesting to see through Rightmove's data that the core London markets of Camden and Westminster have shown some growth in January, which could indicate that some green shoots are sprouting in the heart of the capital. Although it's difficult to say from just one month of uptick, perhaps some central London sellers might be starting to see an upside on the horizon with their asking prices."*

# London trends

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



Transport for London zones	Avg. price Feb 2019	Avg. price Jan 2019	Monthly change	Avg. price Feb 2018	Annual change
Zone 1	£1,387,684	£1,350,664	2.7%	£1,373,384	1.0%
Zone 2	£718,628	£684,903	4.9%	£745,819	-3.6%
Zone 3	£582,830	£563,480	3.4%	£601,992	-3.2%
Zone 4	£479,129	£471,781	1.6%	£482,071	-0.6%
Zone 5	£465,484	£461,696	0.8%	£480,897	-3.2%
Zone 6	£490,381	£473,976	3.5%	£491,609	-0.2%

## 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 Feb 2019	Monthly change	Annual change
Westminster	£1,480,945	2.5%	5.2%
Camden	£1,014,811	-0.1%	3.9%
Havering	£414,495	2.4%	1.6%
Enfield	£449,777	-0.7%	1.1%
Islington	£746,476	1.6%	0.6%
Waltham Forest	£475,140	0.0%	0.6%
Wandsworth	£801,623	5.3%	0.5%
Bromley	£524,242	-1.6%	0.0%
Bexley	£402,702	-0.1%	-0.1%
Haringey	£595,706	1.8%	-0.6%
Redbridge	£450,648	0.5%	-0.6%
Richmond upon Thames	£806,031	-2.3%	-1.0%
Hillingdon	£479,885	-1.7%	-1.1%
Harrow	£540,624	-0.8%	-1.6%
Lewisham	£456,857	0.1%	-2.2%
Greenwich	£431,155	-0.2%	-2.3%
Brent	£559,956	-0.4%	-2.6%
Ealing	£534,126	-1.9%	-2.7%
Kensington and Chelsea	£1,520,913	-3.1%	-2.7%
Barking and Dagenham	£307,290	-0.8%	-2.9%
Newham	£407,451	-0.3%	-2.9%
Southwark	£621,130	-0.6%	-3.6%
Barnet	£612,835	1.3%	-3.8%
Hammersmith and Fulham	£892,055	-2.0%	-4.0%
Kingston upon Thames	£598,044	0.3%	-4.0%
Croydon	£422,880	0.1%	-4.2%
Merton	£594,440	-3.5%	-4.5%
Sutton	£439,916	-2.2%	-4.6%
Tower Hamlets	£565,047	-2.0%	-5.2%
Hounslow	£517,641	1.2%	-5.4%
Hackney	£615,524	-0.7%	-5.8%
Lambeth	£601,368	-1.7%	-6.7%

# 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).