

Rightmove House Price Index

The largest monthly sample of
residential property prices

April 2019
London edition



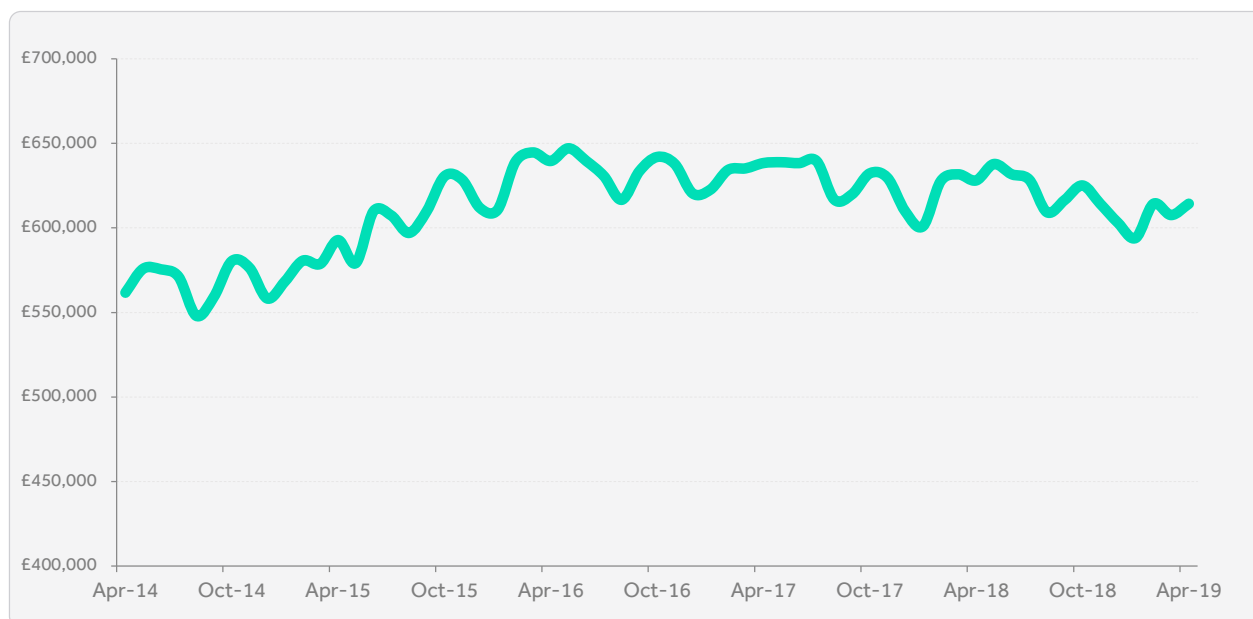
Mid-sized property sector holding up best against Brexit blues

- The price of new-to-the market properties increases by an average of 1.1% (+£6,694) this month, the largest rise at this time of year since 2015, though year-on-year prices remain down by 2.2%
- Inner London recovery (+2.7%) behind the monthly increase, with Outer London still falling and re-adjusting (-0.3%)
- Second-stepper/family home sector outperforming other sectors in key metrics as their housing needs mitigate the effects of uncertainty:
 - Holding their value better, with average 0.3% year-on-year price increase in this sector compared to London's overall 2.2% fall
 - Slightly more likely to sell, with number of sales agreed down by 5.1% year-on-year compared to London average drop of 5.6%
- Brexit delay could boost spring market activity as short-term uncertainty recedes

London average asking prices				
Area	April 2019	March 2019	Monthly change	Annual change
Greater London	£614,250	£607,557	+1.1%	-2.2%
Inner London	£757,773	£737,524	+2.7%	-1.3%
Outer London	£512,726	£514,046	-0.3%	-3.0%
Average asking prices by market sector				
Sector	April 2019	March 2019	Monthly change	Annual change
First-time buyers	£475,349	£470,425	+1.0%	-2.5%
Second-steppers	£696,368	£677,866	+2.7%	+0.3%
Top of the ladder	£1,331,227	£1,420,611	-6.3%	-7.8%

Five year London asking price trend

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Rightmove measured 112,570 asking prices nationally this month, circa 90% of the UK market. The properties were put on sale by estate agents from 10th March 2019 to 6th April 2019 and advertised on Rightmove.co.uk.

Overview

London sees a price increase as the spring moving season gets under way, with the 1.1% (+£6,694) uplift being the highest seen at this time of year since 2015. However, affordability limits and the uncertain political backdrop continue to hold back the market. New seller asking prices are 2.2% below this time last year, the number of properties coming to market is down by 12%, and the number of sales agreed has dropped by 5.6%.

Miles Shippide, Rightmove director and housing market analyst comments: *"The rise in new seller asking prices reflects a stronger Inner London performance. More sellers of expensive homes are coming to market in time for the traditional Easter pick-up, and there are tentative signs of market recovery after some large price re-adjustments in prime central locations."*

The family home sector made up of three-bed and four-bed properties (excluding four-bed detached) is outperforming other sectors. Families' housing needs, often driven by the need for more space or proximity to schools, are helping to outweigh the ongoing political uncertainty. These properties are holding their value better than other sectors, coming to the market at asking prices 0.3% higher on average than a year ago compared to an average fall for all London properties of 2.2%. This sector is also slightly more likely to sell, with the number of sales agreed down by 5.1% compared to this time last year, while the average London year-on-year drop is 5.6%.

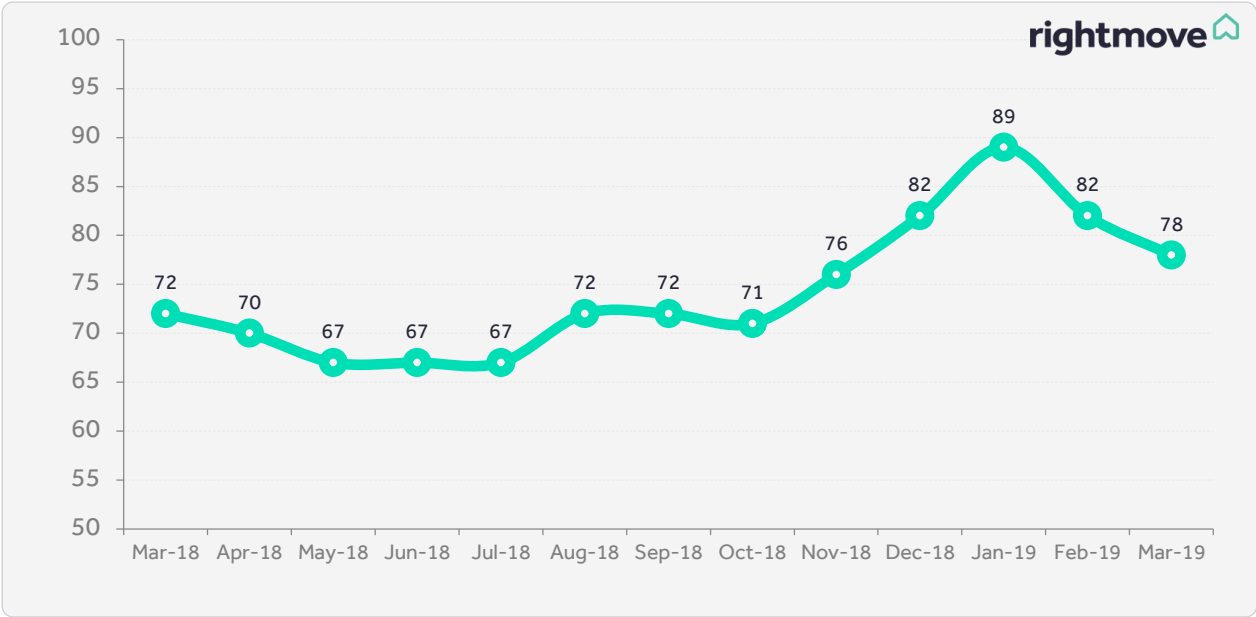
Shippide adds: *"Properties in this mid-sized sector offer families more bedrooms, more space and their choice of schools, admittedly at a hefty price jump. It gets harder with time and still-growing children to postpone a move that they may have already delayed for a year or two while waiting for Brexit clarity. Their patience is understandably wearing a bit thin, and whilst all sectors are in the doldrums, theirs is holding up the best."*

The EU's offer of a Brexit extension until October coincides with what is usually the busiest moving season. While it is only a postponement, it lasts for long enough to relieve some of the short-term uncertainty, and so it arrives at an opportune time for the housing market.

Shippide observes: *"No doubt there are still a lot of twists and turns to come, but this extension could give hesitating home movers encouragement that there is now a window of relative certainty in uncertain times. We are not anticipating an activity surge, but maybe a wave of relief that releases some pent-up demand to take advantage of lower property prices and cheap fixed-rate mortgages."*

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 April 2019	Monthly change	Annual change
Havering	£411,119	-0.6%	0.4%
Southwark	£645,549	2.6%	0.2%
Redbridge	£453,142	0.5%	-0.2%
Wandsworth	£812,750	1.9%	-0.3%
Barking and Dagenham	£313,688	1.1%	-0.3%
Enfield	£453,923	1.1%	-0.5%
Islington	£761,455	2.0%	-0.9%
Newham	£408,920	1.4%	-1.1%
Waltham Forest	£477,995	0.6%	-1.4%
Bexley	£403,515	0.3%	-1.6%
Bromley	£528,005	0.6%	-1.8%
Ealing	£551,429	0.4%	-1.9%
Sutton	£459,418	1.9%	-1.9%
Harrow	£547,591	0.9%	-1.9%
Greenwich	£441,685	1.3%	-2.2%
Hillingdon	£484,215	1.0%	-2.4%
Croydon	£432,033	1.4%	-2.6%
Hounslow	£545,667	0.7%	-2.6%
Haringey	£602,863	0.1%	-2.6%
Brent	£569,278	1.0%	-2.6%
Westminster	£1,424,478	0.6%	-2.7%
Lambeth	£627,469	3.8%	-2.7%
Hammersmith and Fulham	£922,700	0.7%	-2.9%
Richmond upon Thames	£810,227	-0.9%	-3.0%
Camden	£968,144	-1.7%	-3.1%
Lewisham	£458,342	0.2%	-3.8%
Kingston upon Thames	£607,641	-0.2%	-3.9%
Barnet	£634,472	0.9%	-4.1%
Merton	£628,333	0.5%	-4.3%
Tower Hamlets	£562,270	1.5%	-5.7%
Hackney	£625,637	-0.7%	-5.8%
Kensington and Chelsea	£1,516,867	0.5%	-7.0%

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).