

Rightmove House Price Index

The largest monthly sample of
residential property prices

January 2019
National edition

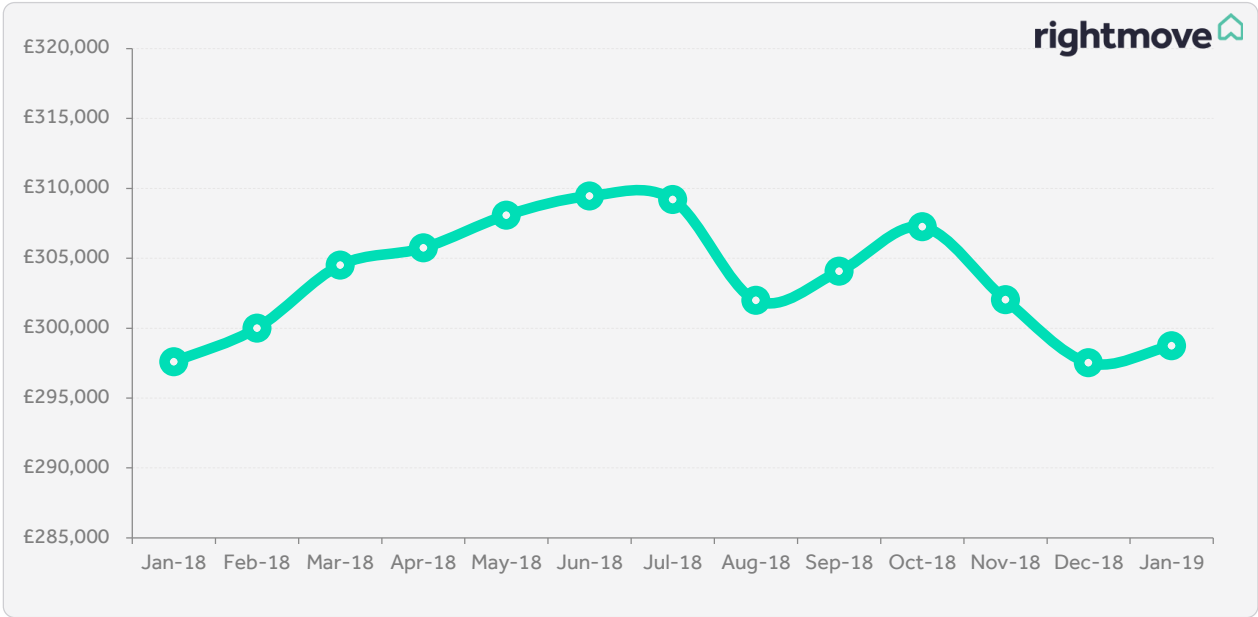


Muted rise in prices but market moving with 5% uplift in home-hunting

- First data-driven indicators of the year show home-movers remain active:
 - Price of property coming to market rises by 0.4% (+£1,207) this month, the lowest monthly rise at this time of year since January 2012
 - National average dragged down by new-to-the-market sellers realising they have less pricing power than usual given the current market backdrop, especially in the south
 - Visits to Rightmove up 5% in first two weeks compared to a year ago*, to an average of over 4.5 million visits each day, indicating potential home-movers still searching in vast numbers
 - Number of properties coming to market in the first two weeks in 2019 broadly the same as a year ago (-2.1%)*, with owners in more northerly regions showing greatest propensity to move

| National average asking prices | | | | |
|--|-------------------|----------------|----------------|---------------|
| Month | Avg. asking price | Monthly change | Annual change | Index |
| Jan 2019 | £298,734 | +0.4% | +0.4% | 231.0 |
| Dec 2018 | £297,527 | -1.5% | +0.7% | 230.0 |
| National average asking prices by market sector (excluding Inner London) | | | | |
| Sector | Jan 2019 | Dec 2018 | Monthly change | Annual change |
| First-time buyers | £190,086 | £188,381 | +0.9% | +1.1% |
| Second-steppers | £270,750 | £267,862 | +1.1% | +1.6% |
| Top of the ladder | £517,921 | £514,829 | +0.6% | -0.4% |

Monthly asking price trend



Rightmove measured 70,068 asking prices nationally this month, circa 90% of the UK market. The properties were put on sale by estate agents from 9th December 2018 to 12th January 2019 and advertised on Rightmove.co.uk.

Overview

The first data-driven market snapshot of 2019 based on virtually the whole market shows a patchy but active start to the year, with more northerly regions faring better in terms of pricing power and willingness to move than those farther south. The average price of property coming to market is up by just 0.4% (+£1,207) for January, the lowest monthly rise seen at this time of year since January 2012. In contrast, potential home-mover visits to the Rightmove website are at record highs for the first two weeks of a new year, and up by 5% on the comparable period a year ago.

Miles Shippide, Rightmove director and housing market analyst comments: *"As we move from the old year into the new, the headline summary is that the Christmas slowdown came early and the hangover lasted a few days longer into the New Year than usual. Agents report that activity is now picking up, though when you dig underneath the national averages, the first snapshot of 2019 shows a somewhat patchy and variable picture depending on where you are in the country. Given the current market backdrop and ongoing political turmoil, it's not surprising that the more challenging conditions in London and its nearby regions mean that they appear to have had a slower start to the year. Overall however, with Rightmove visits up by 5% on 2018 and at record levels for this time of year, it is encouraging that potential home-movers are still searching in vast numbers. Traditionally this is the time of year when more movers look at a wider choice of fresh property supply and kick-start the market, and this year's buyers have the added spur of the slowest rate of new year price increases for seven years."*

Three out of eleven regions have seen actual price falls this month. London, which perhaps is feeling more closely affected by the uncertainty associated with Brexit, has seen an average fall of 1.5% in new seller asking prices this month, while the adjacent South East region remains muted at only +0.2%. Both London and the South East have a strong influence on national average prices since together they constitute 30% of all new-to-the-market listings, despite their homeowners currently being among the most reluctant to come to market. The national average of properties coming to the market is broadly the same in the first two weeks of the year (-2.1%) compared to the same period a year ago. There is a 10.0% drop in London, while the largest rises are predominantly in the northern regions.

Shippide adds: *"Broadly speaking, buyer affordability and sentiment are in more positive territory in the north than in the south. But wherever you are looking to buy, mortgage rates are still at historically very cheap levels and lenders are competing hard to lend. In addition, sellers seem to recognise that they need to lower their price aspirations, and with an average of over 4.5 million visits to Rightmove each day many people appear to be contemplating a new-year move. Mass-market home-movers have a track record of ignoring the politics and continuing to satisfy their housing needs, and as long as these fundamentals remain in place through this period of uncertainty, the market will keep moving. Indeed, in 2018 the number of sales agreed by estate agents was down by only 3% on 2017, an indicator of resilience and holding up much better than many had forecast."*

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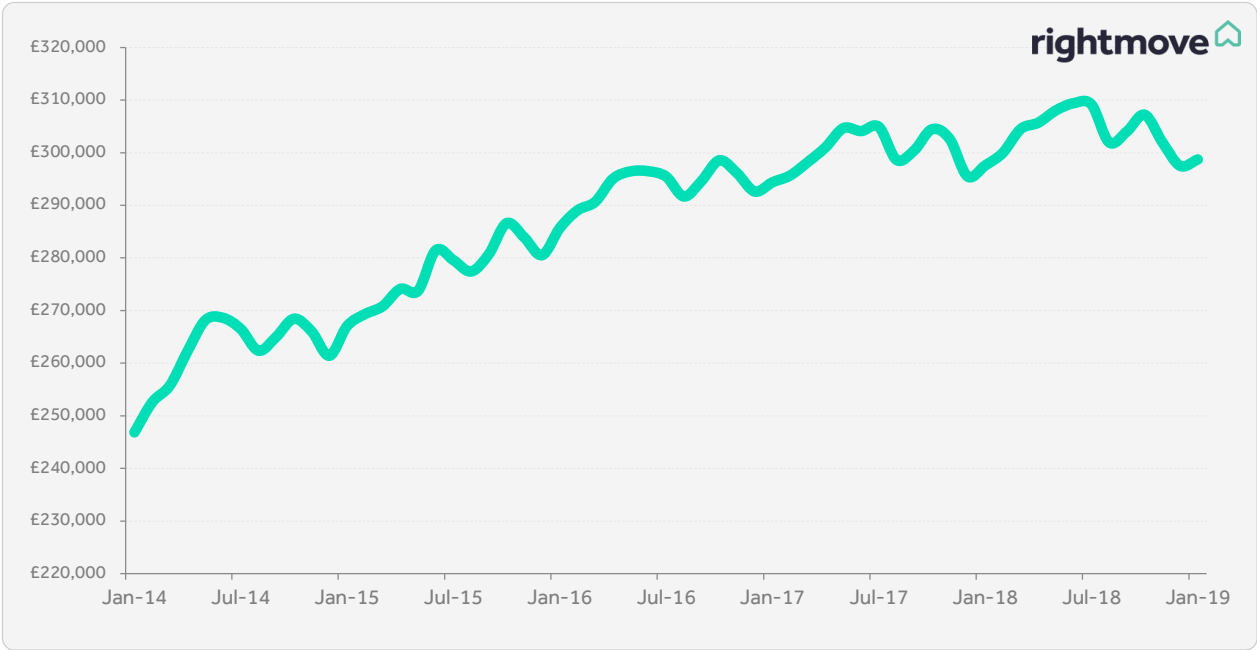
Agents' views

David Plumtree, Connells Group Estate Agency Chief Executive, says: *"2019 has started off in encouraging fashion in respect of market appraisals and instructions, both of which are ahead of the first two weeks of last year. As expected, we continue to see a shortage of buyers despite having more available stock, and this is more pronounced in London and the East. Brexit concerns are, of course, the cause for hesitancy amongst buyers and we don't expect any change in this until we see some certainty. There remains a good deal of price reduction activity on unsold stock in order to stimulate interest from buyers and we expect to see very modest growth in average house prices in 2019."*

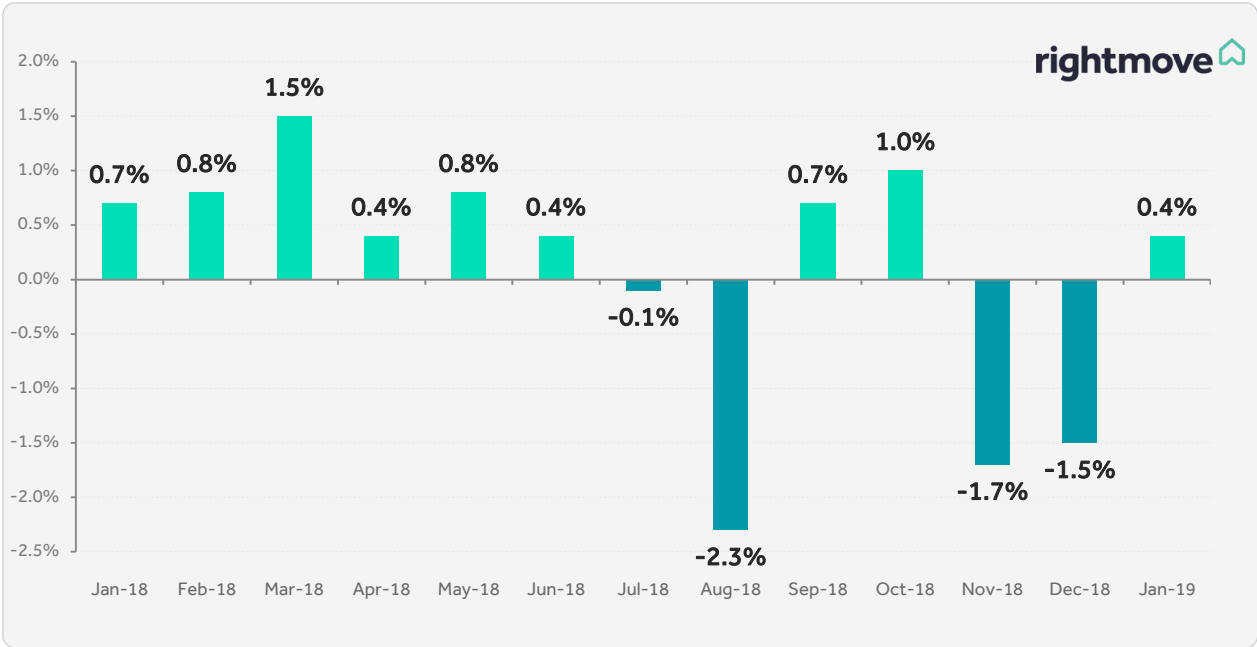
Will Watson, Director of Watsons Residential in Nottinghamshire, says: *"It's been quite an interesting start to the year. The first week of January was really slow. We had half the amount of viewings booked in that we were expecting, but during week two we've seen things gradually start to pick up. We had nine or ten sales last week and about the same in new listings. The market seems to be relatively healthy for first time buyers, at least up to the £200,000 mark. Anywhere past £250,000 and it's getting more challenging, with lower activity. I think with Brexit, there will continue to be caution and uncertainty in the market until we get an outcome either way. Once we know where we stand it should start to alleviate that caution and stimulate growth in the upper end of the market."*

Asking price trends

Five year asking price trend

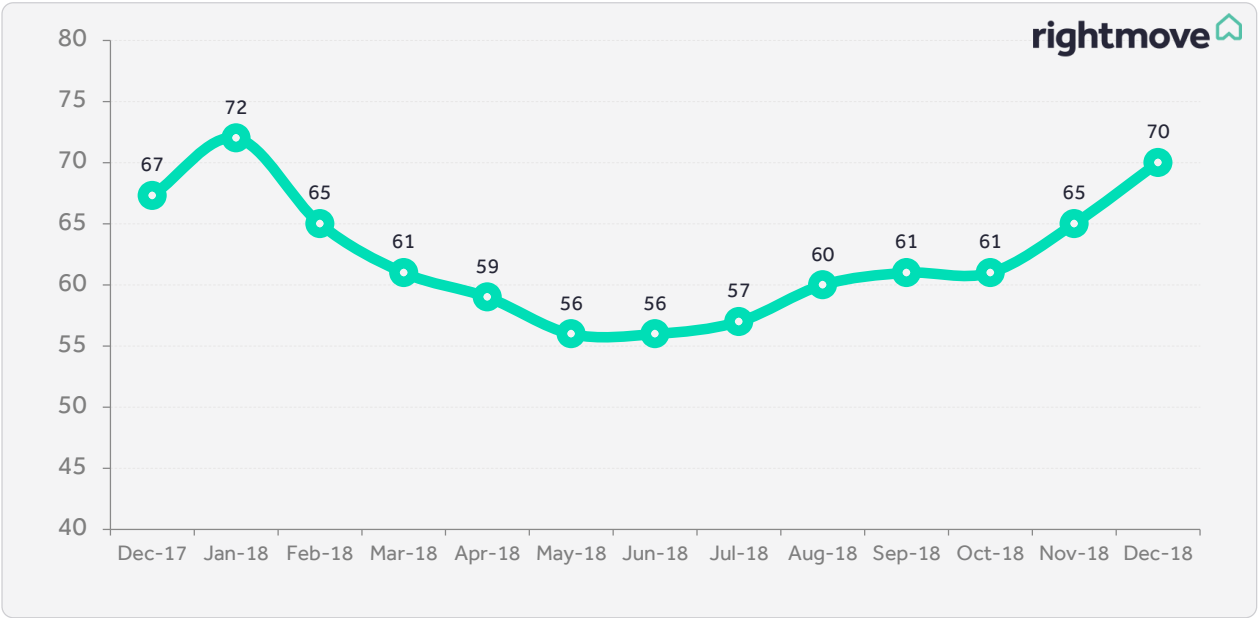


% monthly change in average asking prices

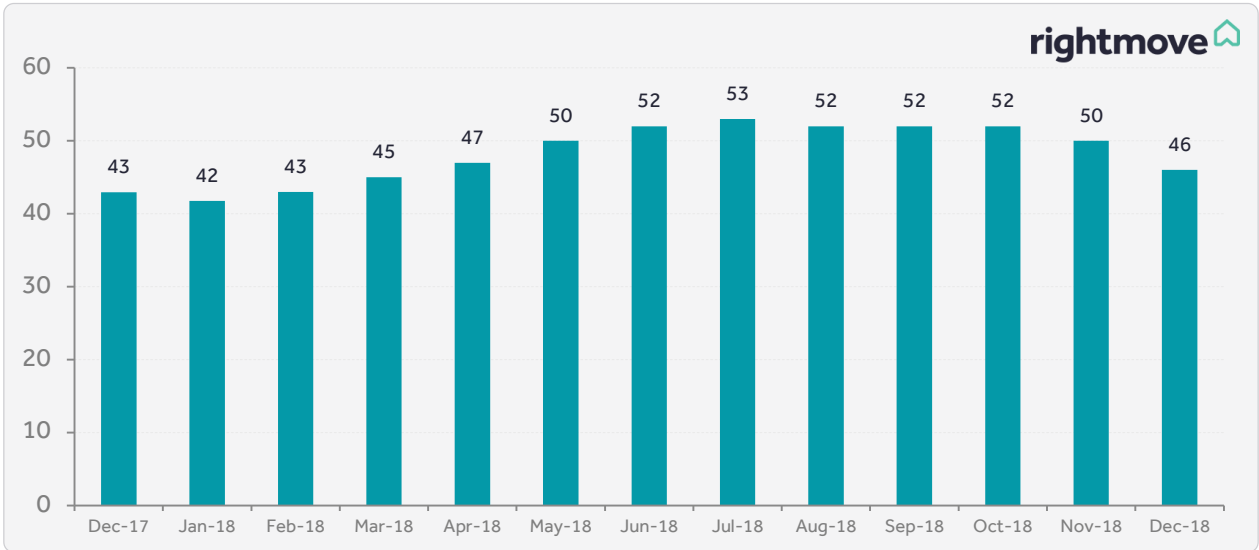


Average time to sell and stock

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



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



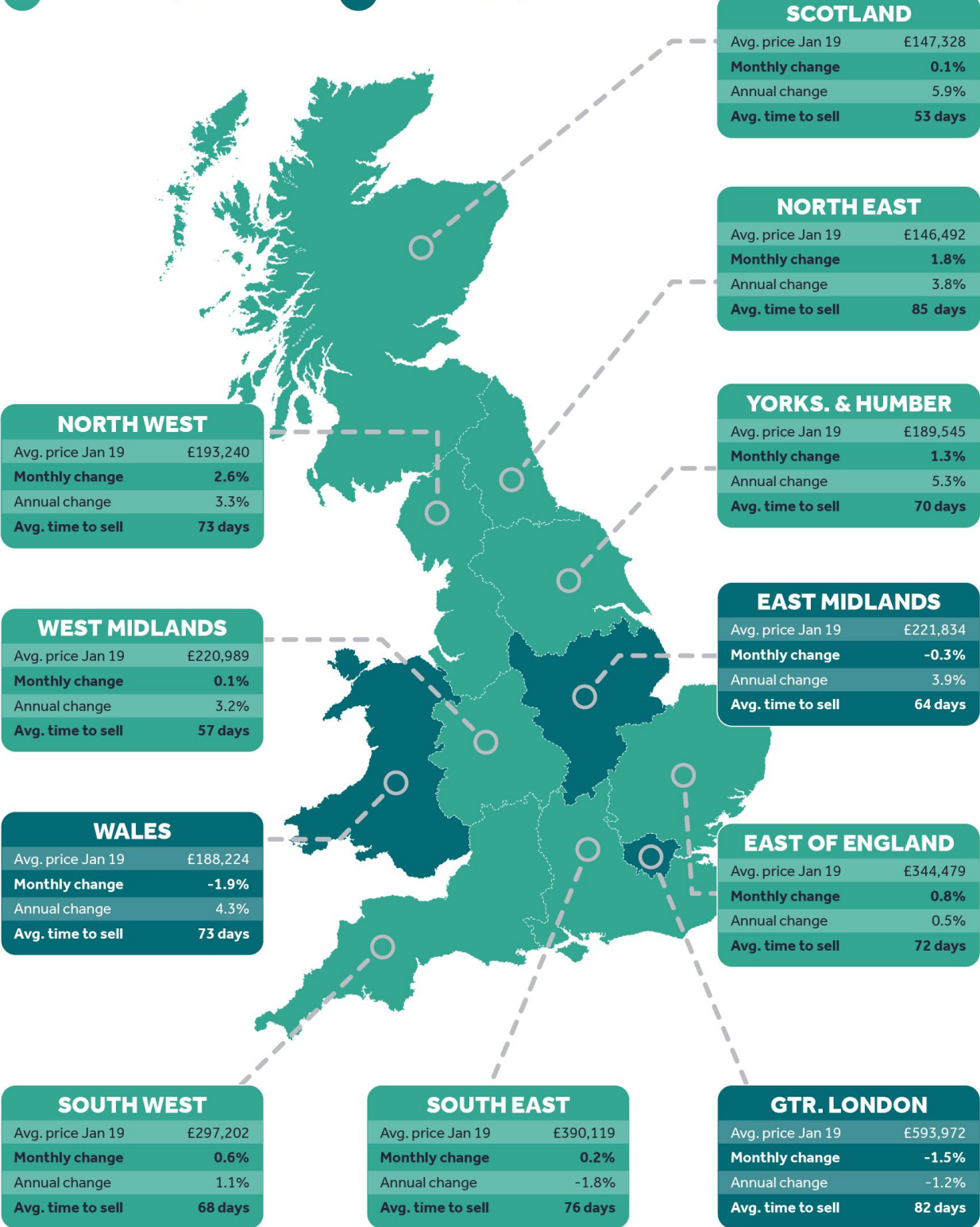
Regional trends



Increase from previous month

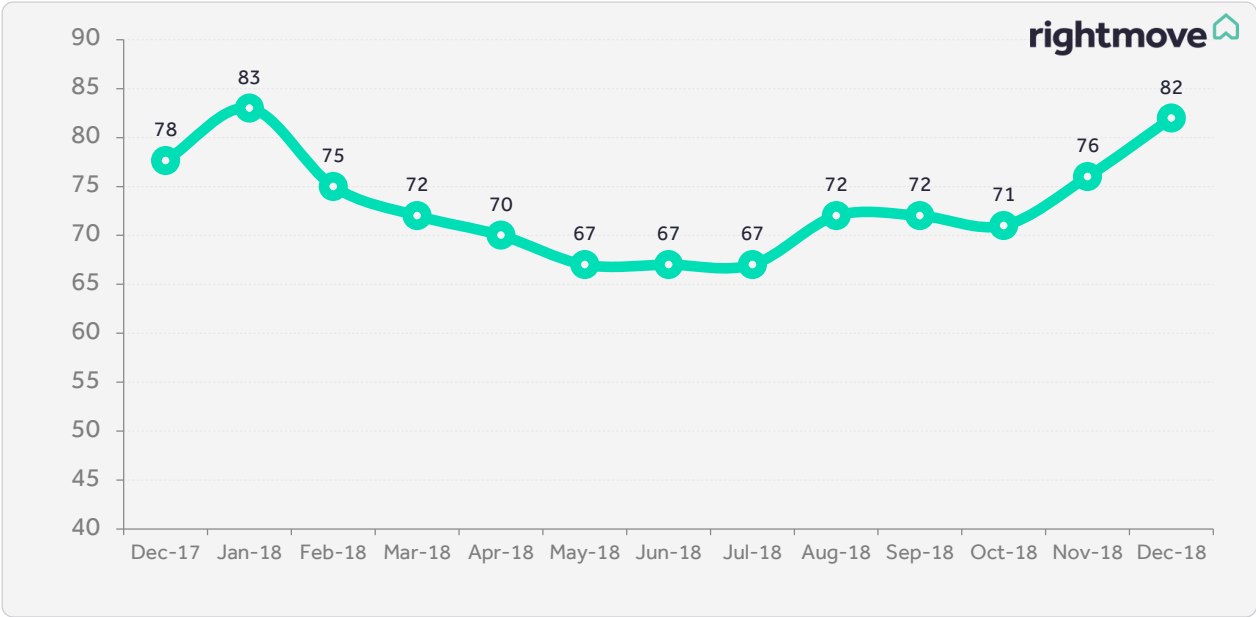


Decrease from previous month



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 Jan 2019 | Monthly change | Annual change |
|------------------------|---------------------|----------------|---------------|
| Camden | £1,074,370 | 5.8% | 10.0% |
| Westminster | £1,447,551 | 0.1% | 2.8% |
| Enfield | £445,968 | -1.6% | 0.2% |
| Bromley | £524,798 | -1.5% | 0.1% |
| Waltham Forest | £472,696 | -0.5% | 0.1% |
| Havering | £406,807 | 0.5% | -0.3% |
| Bexley | £401,263 | -0.5% | -0.5% |
| Hillingdon | £482,716 | -1.1% | -0.5% |
| Islington | £735,620 | 0.1% | -0.8% |
| Richmond upon Thames | £800,066 | -3.0% | -1.8% |
| Haringey | £586,466 | 0.2% | -2.1% |
| Harrow | £538,076 | -1.3% | -2.1% |
| Redbridge | £443,676 | -1.1% | -2.1% |
| Kensington and Chelsea | £1,529,412 | -2.5% | -2.2% |
| Lewisham | £456,247 | 0.0% | -2.3% |
| Newham | £406,605 | -0.5% | -3.1% |
| Tower Hamlets | £576,975 | 0.0% | -3.1% |
| Barking and Dagenham | £305,757 | -1.3% | -3.3% |
| Merton | £601,155 | -2.4% | -3.4% |
| Brent | £554,131 | -1.4% | -3.6% |
| Ealing | £527,717 | -3.1% | -3.9% |
| Greenwich | £422,792 | -2.1% | -4.2% |
| Wandsworth | £760,549 | -0.1% | -4.6% |
| Croydon | £420,933 | -0.3% | -4.7% |
| Hammersmith and Fulham | £885,433 | -2.7% | -4.7% |
| Sutton | £435,999 | -3.0% | -5.5% |
| Hackney | £611,801 | -1.3% | -6.4% |
| Barnet | £590,817 | -2.4% | -7.3% |
| Lambeth | £596,777 | -2.4% | -7.4% |
| Kingston upon Thames | £576,396 | -3.4% | -7.5% |
| Southwark | £592,825 | -5.2% | -8.0% |
| Hounslow | £499,560 | -2.3% | -8.7% |

Editor's notes

About the Index:

*First two weeks of the year comprises Wed 2nd January - Mon 14th January 2019 versus Wed 3rd January - Mon 15th January 2018 to provide comparable periods.

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).