

House Price Index

The largest monthly sample of residential property prices and housing market activity

£368,614

Record high average asking price

+9.7%

Annual price growth

+113%

Buyer demand per property more than double pre-pandemic five-year average

Fifth price record this year but further signs of pace easing

- Price of property coming to market hits a fifth consecutive record of £368,614, albeit only up by a modest 0.3% in the month (+£1,113), as the pace of price growth slows
- Affordability constraints, a better balance between supply and demand, and usual seasonal price drops will contribute to further slowing of price growth in coming months, with annual growth still on track to be 5% by the end of the year:
 - Buyer demand for each available property is down by 8% in May compared to April, but remains 6% higher than last year, and more than double (+113%) the pre-pandemic five-year May average
 - In addition, there are signs of more fresh choice for buyers, with the number of properties coming onto the market for sale up by 7% compared to this time last year, but still below 2019 levels
- Conveyancing log-jam means sellers need to come to market in the next few weeks to be in with the best chance of moving before Christmas, with the average time to get through conveyancing currently 150 days
 - More than 500,000 homes are currently sold subject to contract, which is 44% higher than 2019

National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
June 2022	£368,614	+0.3%	+9.7%	285.0
May 2022	£367,501	+2.1%	+10.2%	284.1

National average asking price by market sector (excluding inner London)

Sector	June 2022	May 2022	Monthly change	Annual change
First time buyers	£224,251	£223,117	+0.5%	+9.1%
Second-steppers	£339,675	£337,030	+0.8%	+11.3%
Top of the ladder	£678,628	£680,938	-0.3%	+10.1%

Rightmove measured 100,024 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 15th May to 11th June 2022 and advertised on Rightmove.co.uk.

Overview

The average price of property coming to market hits yet another new record for a fifth consecutive month, rising by 0.3% (+£1,113) to £368,614. This is the smallest increase since January, as the pace of price rises starts to slow. Despite five consecutive interest rate rises and the increasing cost of living, buyer demand for each available property remains very strong, being more than double (+113%) the pre-pandemic five-year May average. However, we are seeing signs that this is continuing to ease, with this measure down by 8% in May compared to April. After a very strong first half of the year, it is likely that affordability constraints will have a greater influence on market behaviour in the months ahead, with further interest rate rises anticipated. This, alongside more choice coming onto the market for buyers and the usual seasonal variations we'd expect, means that there are likely to be some month-on-month price falls during the second half of the year. We expect this to bring house price growth by the end of the year to around the 5% we originally predicted in December.



The exceptional pace of the market is easing a little, as demand gradually softens and price rises begin to slow, which is very much to be expected given the many record-breaking numbers over the past two years. When we look at the number of buyers contacting estate agents compared to 2019 or the pre-pandemic five-year average, demand is still very high compared to what was once considered normal. We're hearing from agents that though they might have had slightly fewer enquirers for each property in recent months, they're still seeing significant interest from multiple buyers and are achieving successful sales. Entering the second half of the year, we anticipate some further slowdown in the pace of price rises, particularly given the worsening affordability challenges that people are facing. We expect this to bring the annual rate of price growth down from the current 9.7% towards the 5% increase that Rightmove predicted at the beginning of the year.

Tim Bannister Rightmove's Director of Property Science



Buyers are currently being welcomed with more fresh choice, with the number of properties coming onto the market up by 7% compared to this time last year. However, this measure remains down by 11% when compared to the same time in 2019.

A conveyancing log-jam means that those who are looking to move this year and have yet to act will need to do so in the coming weeks. It is currently taking 150 days to complete a purchase on average after agreeing a sale, 50 days longer than at this time in 2019. This means that those who are hoping to complete a deal in time to enjoy next Christmas in a new home, need to come to market in the next few weeks to give themselves the best chance of finding a buyer and completing the transaction by the end of the year. There are more than 500,000 homes that are currently sold subject to contract, a massive figure which is 44% higher than it was at this time in 2019, and 39% higher than the pre-pandemic five-year average.



Existing homeowners looking to buy again will still need to put themselves in the best possible position to secure their next home in this strong market by making sure they find a buyer for their current property before looking for their next home. This is all the more important for those hoping to complete the process as quickly as possible and enjoy Christmas in a new home this year. Though December may feel far away, the data shows the current conveyancing log-jam means it is taking an average of 50 days longer to complete a purchase after agreeing a sale than it did in 2019. It's therefore important to act now and get in touch with a local estate agent to give yourself the best possible chance of being in your new home for Christmas.

Tim Bannister Rightmove's Director of Property Science



Agent's view



The market is still performing well and many properties are still selling above asking price, albeit within the last month to six weeks we have noticed a slight slowdown. This could be due to more properties coming to market which we are starting to see and the current imbalance between high buyer numbers and low stock has corrected itself ever so slightly. Another reason for this could be market sentiment shifting somewhat based on the rising costs of living. It is too early to know if interest rate rises have had any impact within the market, although we are having conversations with buyers wanting to purchase now and fix their rate before further expected increases happen. As for completion times, these are still frustratingly long. Short chains with good estate agents progressing them is certainly what we look for when negotiating with multiple buyers these days. My expectation of the near future is that things will continue as they are for the coming months. There are simply too many buyers wanting to purchase, so there would need to be a huge shift in either increased stock levels and/or much lower buyer demand to correct the market.

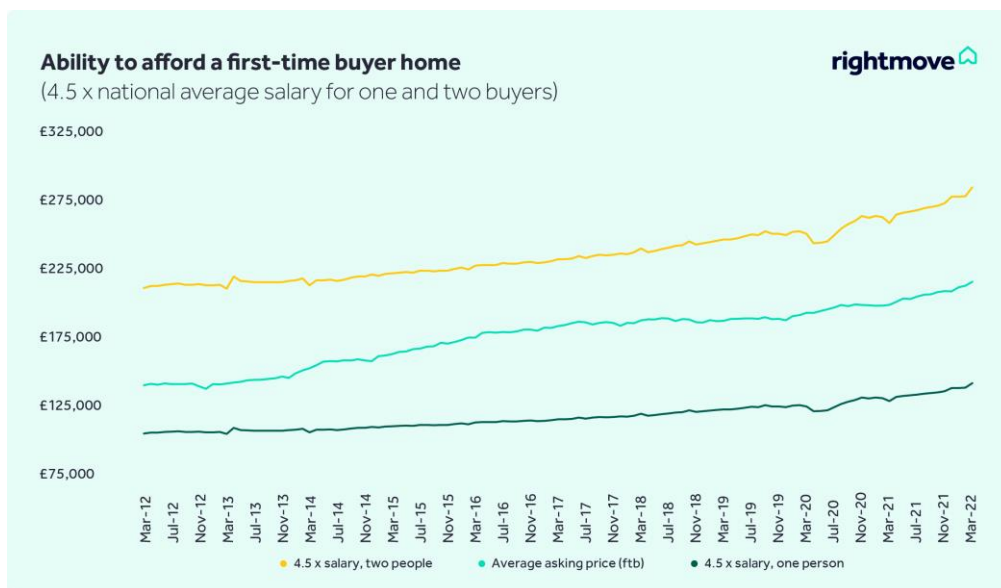
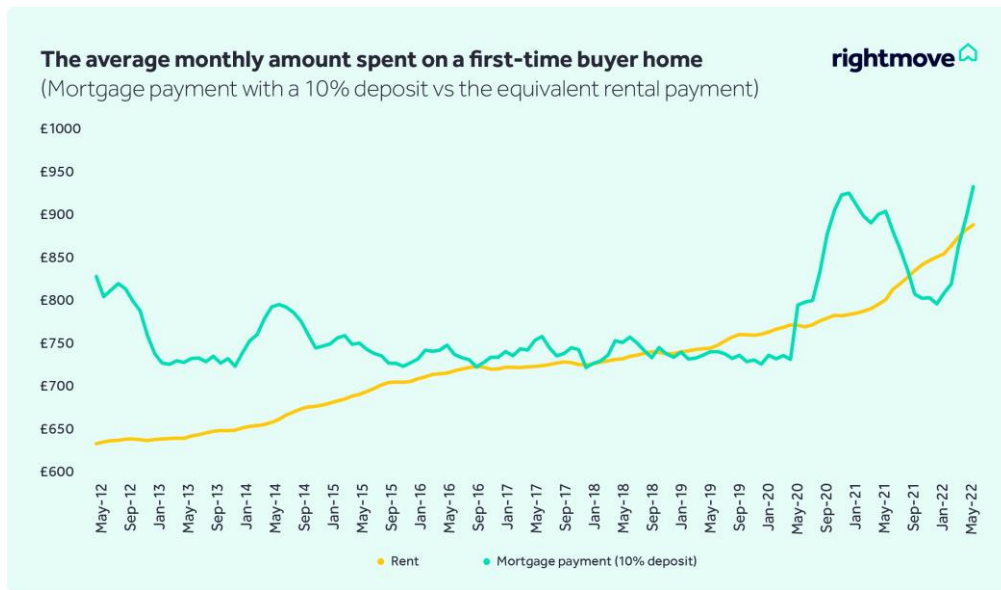
Oliver Gill, Director at Kirkham Property in Oldham



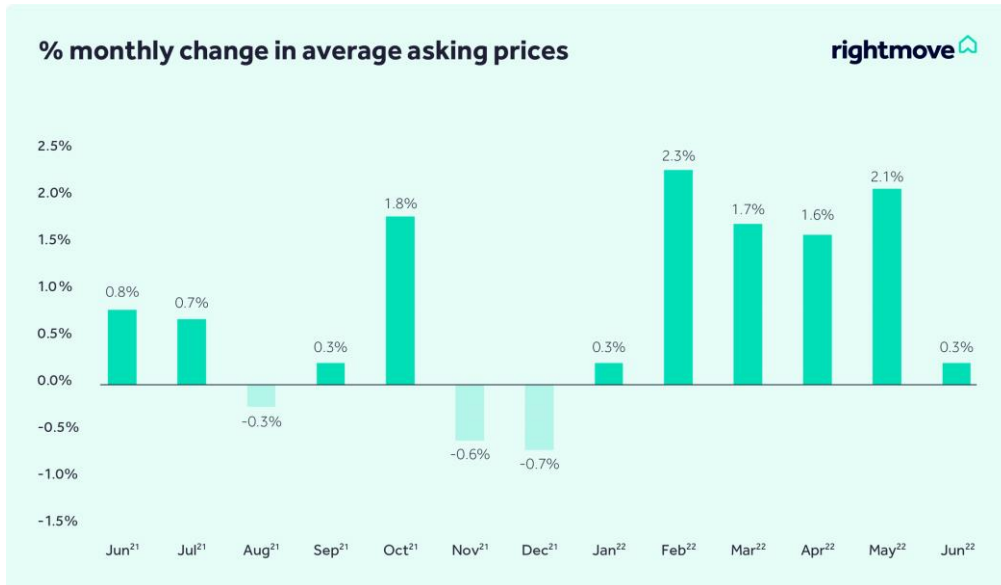
Affordability trends

The first-time buyer monthly mortgage payment is based on Bank of England data of the averages for 90% LTV two-year fixed mortgages from lenders, and the average asking price of a typical first-time buyer home (two bedrooms or fewer) using the Rightmove House Price Index. The equivalent monthly rent is calculated using the same property types (two bedrooms or fewer).

The affordability to buy a first home is based on the Average Weekly Earnings (AWE) dataset from ONS multiplied by 4.5 to get the typical maximum that a person can borrow from a lender. The average asking price of a typical first-time buyer home is taken from the Rightmove House Price Index.



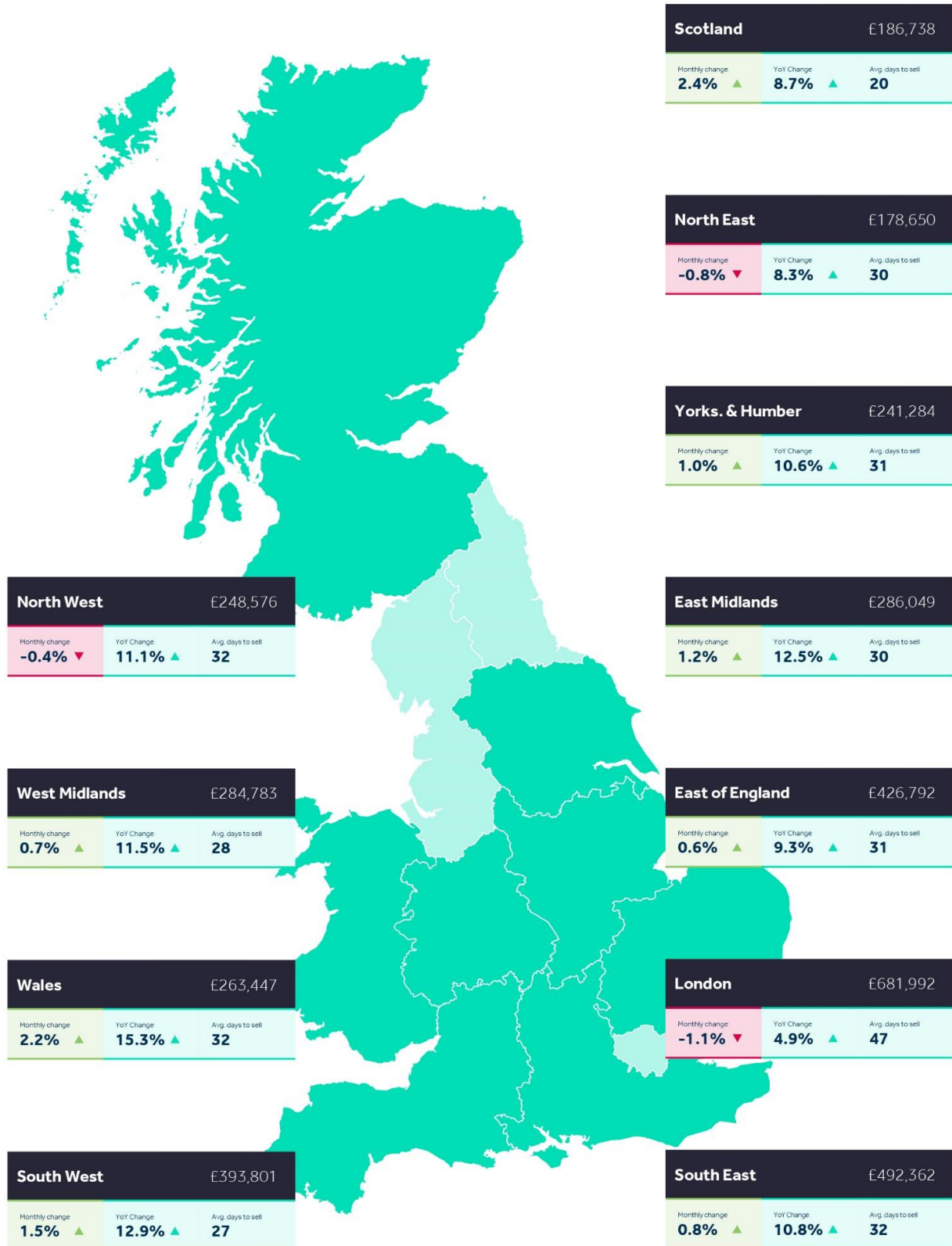
Price & activity trends





Regional trends

● Increase from previous month ● Decrease from previous month



London boroughs

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 22	Monthly change	Annual change
Havering	£1,455,674	1.1%	11.7%
Bromley	£736,679	2.4%	11.3%
Barking and Dagenham	£483,185	0.9%	9.5%
Barnet	£619,070	1.7%	9.5%
Merton	£369,852	0.6%	9.4%
Harrow	£711,342	1.4%	9.0%
Sutton	£545,290	0.8%	8.3%
Hillingdon	£733,094	-0.1%	8.0%
Hounslow	£630,279	1.1%	7.8%
Westminster	£1,697,768	1.3%	7.7%
Kingston upon Thames	£493,590	0.3%	7.5%
Croydon	£553,502	0.3%	7.3%
Redbridge	£784,207	0.9%	7.1%
Waltham Forest	£673,817	1.5%	6.9%
Hackney	£513,734	2.0%	6.9%
Islington	£548,258	0.1%	6.9%
Greenwich	£939,325	1.5%	6.8%
Richmond upon Thames	£603,105	2.0%	6.8%
Wandsworth	£471,874	1.2%	6.6%
Lewisham	£836,403	1.1%	6.4%
Tower Hamlets	£489,550	1.5%	5.7%
Brent	£687,430	0.5%	5.7%
Newham	£506,505	1.1%	5.4%
Hammersmith and Fulham	£458,624	2.2%	5.2%
Bexley	£517,661	-0.5%	4.9%
Enfield	£592,056	0.8%	4.8%
Ealing	£595,086	0.3%	4.3%
Haringey	£965,330	-1.6%	3.9%
Lambeth	£635,108	1.3%	3.0%
Camden	£1,003,849	-0.4%	2.8%
Kensington and Chelsea	£667,722	-1.6%	1.3%
Southwark	£645,493	-0.3%	0.8%

About the Index

The Rightmove House Price Index methodology was updated and restated in January 2018. 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 95% 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.

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.

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 95% 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 attracted 2.5 billion visits in 2021 with time on site totalling 18.3 billion (Rightmove data, 2021).