

House Price Index

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

+1.5%

Monthly price rise in March, notably higher than the 22-year average of 1.0%

+13%

Increase in sales agreed compared to this time last year

+8%

Increase in buyer demand compared to this time last year

Stronger buyer demand and sales as market marches into Spring

- The average price of newly marketed properties rises by 1.5% (+£5,279) this month to £368,118, higher than the historic average March increase of 1.0% and the biggest for 10 months as the market continues its recovery after a muted 2023
- The positive start to the year continues, paving the way for a greater number of home purchases than last year:
 - With average asking prices still £4,776 below the May 2023 peak, more are seeing a window of opportunity to buy
 - The number of sales being agreed is now 13% higher than at this time last year
 - Buyer demand is now 8% above last year, led by the less mortgage-rate-sensitive larger homes sector and London
- However, despite a better-than-expected start to the year, the market remains sensitive to pricing and external events:
 - Rightmove's real time data shows the growth in buyer demand was tempered somewhat by a lacklustre Spring Budget, with no direct help for first-time buyers or mortgage market innovations
 - The average time to find a buyer is 71 days, the longest at this time of year since 2019. Attractively priced properties are quickly being cherry-picked, but over-optimistically priced sellers are taking longer to find a buyer
 - The average 5-year mortgage rate is now 4.84% compared to 4.64% five weeks ago, as rates edge up to higher levels

National average asking price

Month	Avg. asking price	Monthly change	Annual change	Index
March 2024	£368,118	+1.5%	+0.8%	284.6
February 2024	£362,839	+0.9%	+0.1%	280.5

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

Sector	March 2024	February 2024	Monthly change	Annual change
First time buyers	£226,370	£224,815	+0.7%	+0.9%
Second-steppers	£339,341	£336,066	+1.0%	+0.7%
Top of the ladder	£664,422	£645,640	+2.9%	+0.9%

Rightmove measured 109,481 asking prices this month nationally, circa 95% of the UK market. The properties were put on sale by estate agents from 11th Feb – 9th March 2024 and advertised on Rightmove.co.uk.

Overview

The average price of property coming to the market for sale rises by 1.5% (+£5,279) this month to £368,118, as the market continues its recovery after a muted 2023. The positive start to the year continues, with Rightmove recording an increase in buyer demand, measured by people sending enquiries to estate agents, and stronger sales numbers than a year ago. This, alongside the usual Spring optimism, has put upwards pressure on prices. This month's 1.5% price growth is notably higher than the average historic March increase of 1.0%, and the biggest monthly increase in prices for 10 months. However, average asking prices are still £4,776 below the May 2023 peak and the increase in buyer activity suggests that more are seeing a window of opportunity to buy. Higher activity at the start of this year compared to last year must also be looked at in the context of the more cautious start to 2023. Rather than the start of another market surge, the signs are that overall activity levels have now returned to steadier pre-pandemic norms. However, the elevated level of mortgage interest rates mean that the increased activity is skewed towards those buyers who are less sensitive to higher mortgage costs.



March is typically a strong month for asking price growth, as both buyer and seller activity levels rise and the spring selling season gets underway. However, the stronger than usual price growth this March indicates that new sellers are feeling much more confident, with some perhaps being over-optimistic, that there is enough buyer activity and affordability in their local market to achieve a higher price. Despite the above average price increases in this opening three months of the year, asking prices are still £4,776 below their peak in May 2023. For those who can afford to buy and have yet to take action to move this year, this may provide a window of opportunity to buy as we now seem to be past the bottom of the market. While some sellers are still being over-optimistic with their pricing expectations, there are also more sellers who are aware of the need to be negotiable and realistic, with elevated interest rates compared to recent years still stretching affordability for many buyers.

Tim Bannister Rightmove's Director of Property Science



Since the beginning of March, the number of sales being agreed is 13% higher than at the same time last year, continuing to pave the way for a higher number of transactions this year than the one million in 2023. Leading these higher sales agreed numbers is the less mortgage-rate-sensitive, top-of-the-ladder sector, where agreed sales are now 18% higher than last year. It is also this largest homes sector which is driving more people to get in touch with estate agents than at this time last year. In March so far, buyer demand for top-of-the-ladder properties is 12% higher than the same period last year, compared with 8% higher overall for all property types.

London has seen the biggest increase in buyer demand, both overall and for top-of-the-ladder properties, compared to this time last year. The return to the office, wage increases, stable house prices and the slowing of inflation have all played their part in increasing buyer interest in living in the capital again.

However, agents report that despite this better-than-expected start to the year, the market is still sensitive to pricing and external events. For example, last week's lacklustre Budget, with not one measure announced to directly support first-time buyers or help the mortgage market, has tempered the growth we were seeing in buyer demand. Rightmove's real time data shows an immediate pause in interest from some buyers following the Budget, in response to the disappointing scarcity of housing announcements.

The average time to find a buyer is now 71 days, which is the longest at this time of year since 2019. Agents report that buyers are quickly cherry-picking attractively priced properties, whilst over-priced properties are taking much longer, pushing the average time to find a buyer up. Meanwhile after several weeks of creeping rate rises, the average 5-year mortgage rate is now 4.84% compared to 4.64% five weeks ago, continuing to test buyer affordability.



It's been a positive first three months of the year for the market and better than many anticipated. However, we know from last year how quickly the picture can change with some negative economic news or surprises, evidenced in Rightmove's data which captured the immediate buyer reaction to the lack of major housing initiatives in the Spring Budget. Sellers are right to feel more confident and optimistic this year, but buyer affordability remains stretched and higher mortgage rates are an ongoing challenge. With the market still sensitive to pricing and external events, some caution and willingness to negotiate is advised for sellers who are keen to find a buyer in the Spring market.

Tim Bannister Rightmove's Director of Property Science



Agent's views



While Base Rate holds have certainly helped to stabilise the market, high mortgage rates have continued to limit buyer purchasing power across the capital, with London home to the highest average house price of all regions.

But while mortgage affordability remains an issue, it certainly hasn't dampened the appetite of London buyers and we've continued to see a high level of activity at all price thresholds, but particularly across the super-prime market. Buyers at the very top end of the ladder are acting with great confidence, with the higher cost of borrowing not presenting the same obstacle as the average homeowner.

As a result, we're seeing high demand for super-prime stock and many more buyers circling due to a more constrained supply of suitable properties in this sector.

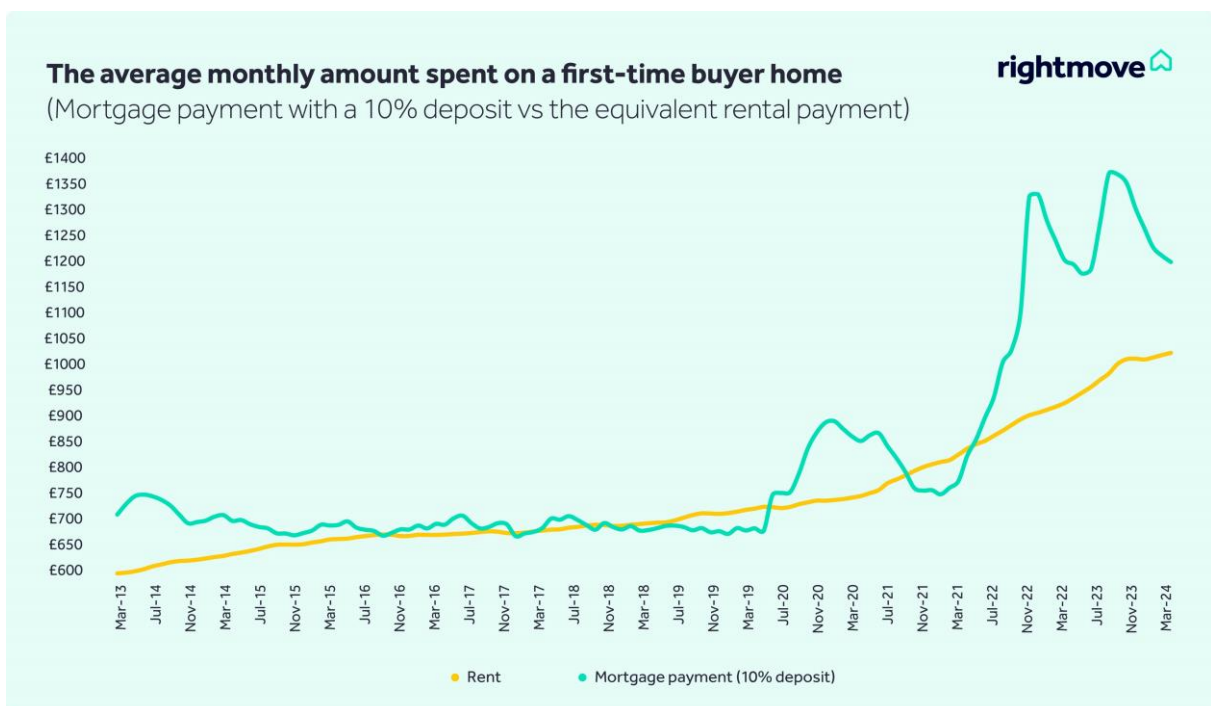
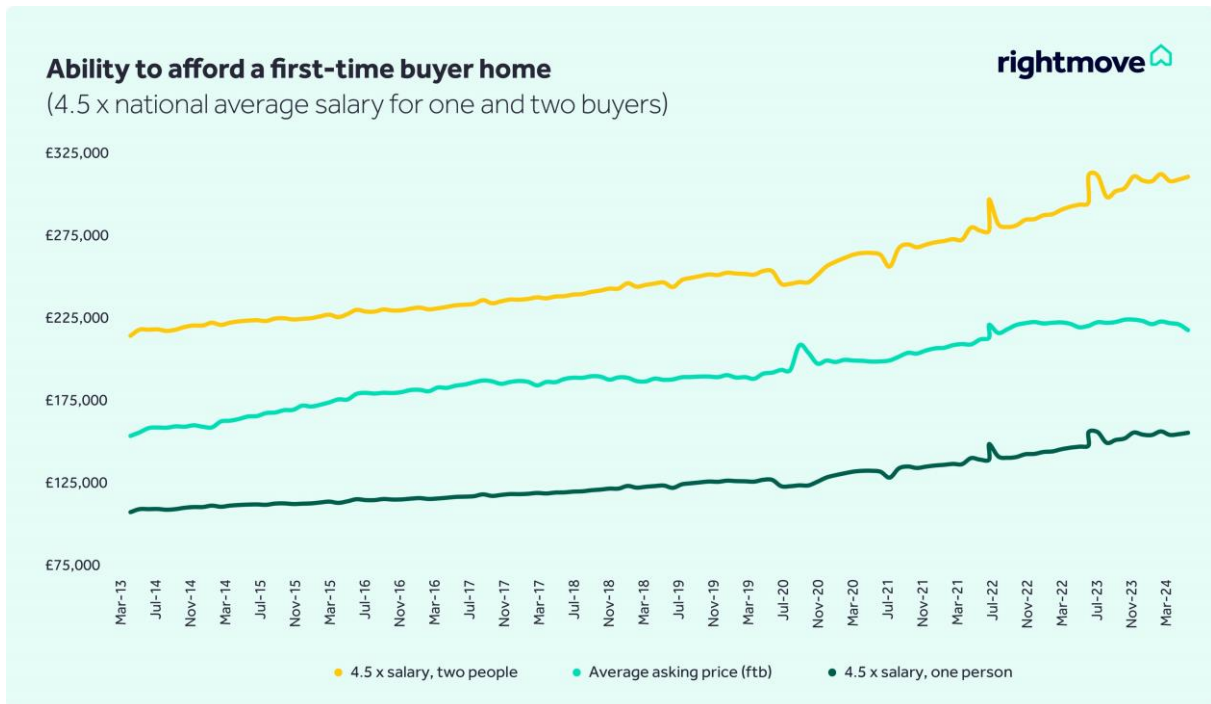
Marc von Grundherr, Director of Benham and Reeves



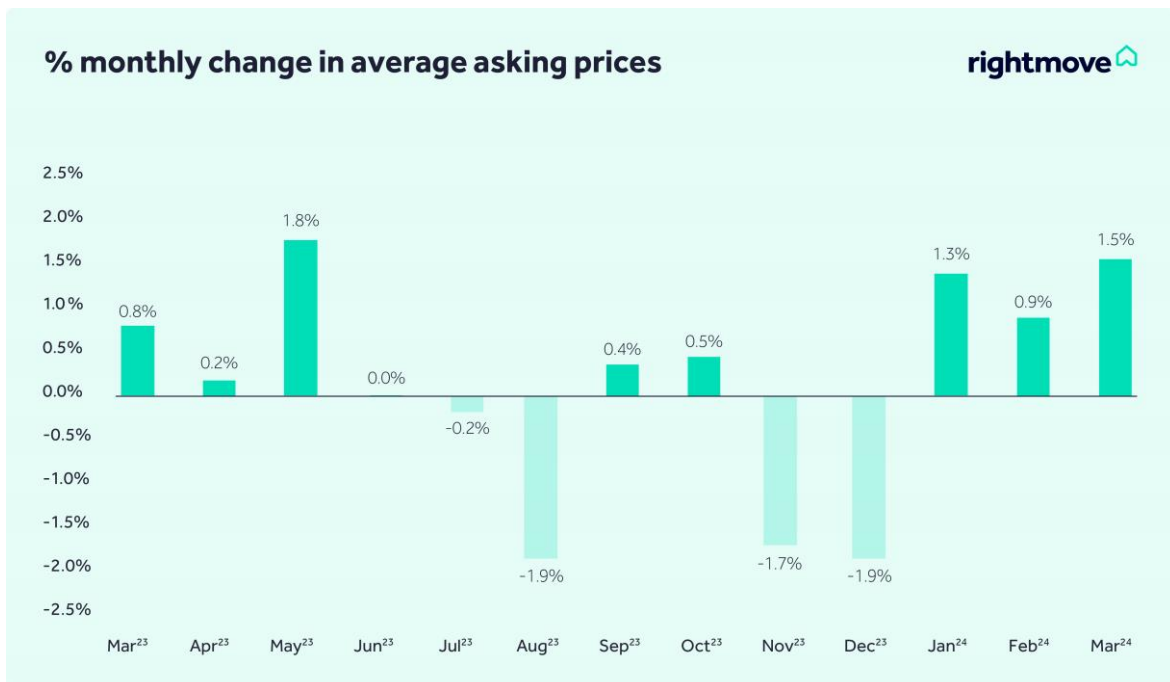
Affordability trends

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.



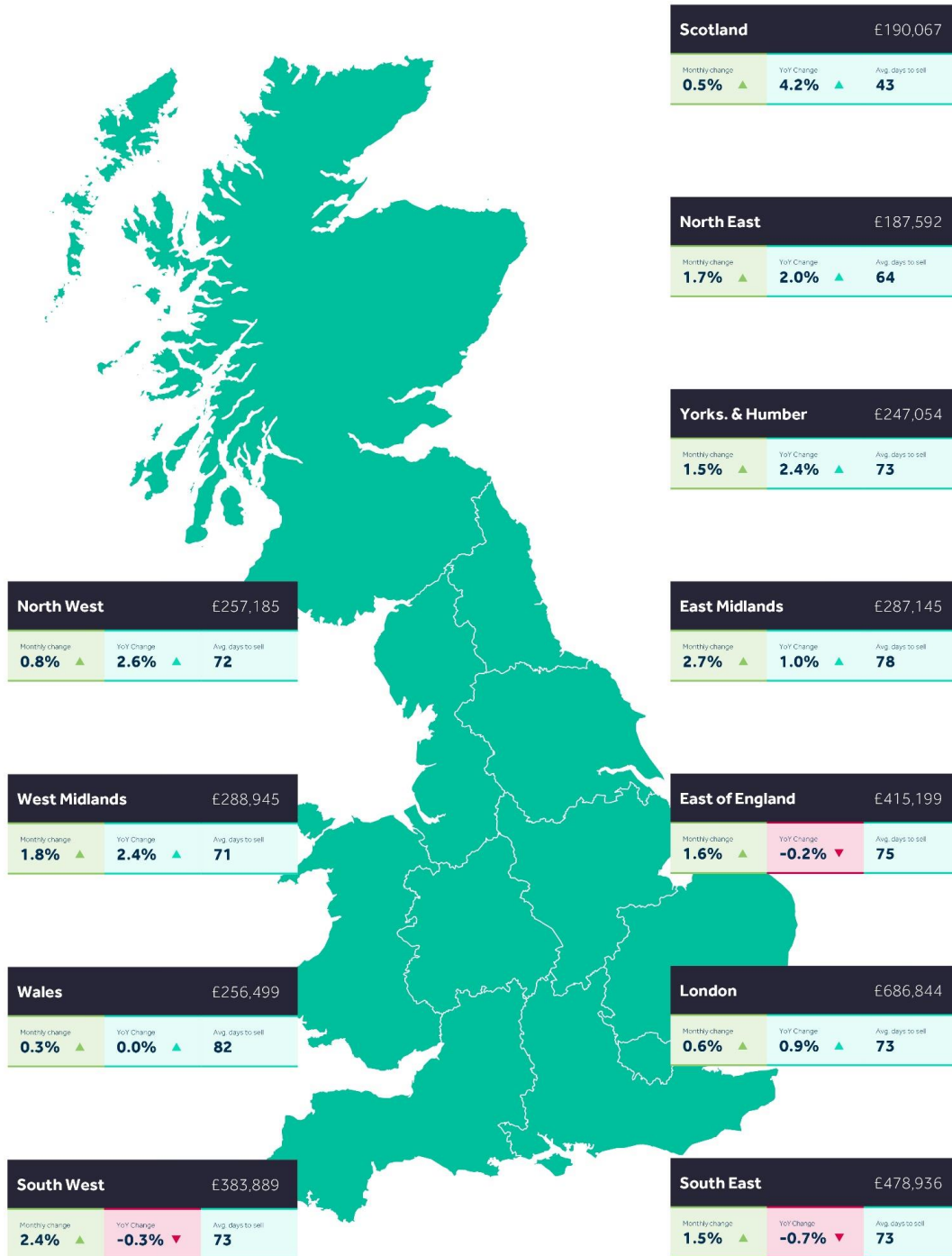
Price & activity trends





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 Mar 24	Monthly change	Annual change
Richmond upon Thames	£949,555	1.0%	5.6%
Hammersmith and Fulham	£1,010,417	0.1%	5.6%
Westminster	£1,526,159	-0.7%	4.7%
Greenwich	£494,762	2.0%	2.7%
Hillingdon	£566,801	2.8%	2.3%
Tower Hamlets	£606,972	1.7%	2.2%
Hackney	£699,695	1.1%	2.2%
Brent	£626,873	1.7%	1.8%
Barnet	£719,069	3.5%	1.0%
Hounslow	£595,972	1.7%	0.5%
Waltham Forest	£556,038	0.3%	0.4%
Havering	£479,515	-0.3%	0.3%
Lewisham	£517,593	1.1%	0.1%
Bromley	£617,894	0.7%	-0.2%
Kingston upon Thames	£688,306	0.6%	-0.3%
Sutton	£547,038	1.4%	-0.3%
Kensington and Chelsea	£1,667,168	0.9%	-0.3%
Ealing	£601,151	1.3%	-0.5%
Croydon	£484,795	0.5%	-0.6%
Wandsworth	£846,446	-3.1%	-0.8%
Lambeth	£668,165	-2.1%	-1.0%
Newham	£461,474	2.5%	-1.1%
Southwark	£661,468	2.9%	-1.2%
Harrow	£616,703	1.5%	-1.3%
Haringey	£664,852	-0.5%	-1.6%
Bexley	£473,283	1.1%	-1.7%
Enfield	£494,799	1.8%	-1.8%
Islington	£785,410	1.2%	-2.2%
Merton	£698,291	4.9%	-2.4%
Redbridge	£503,607	0.9%	-2.4%
Barking and Dagenham	£360,537	0.3%	-2.6%
Camden	£1,085,835	1.5%	-3.2%

About the Index

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

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 providing real-time data, 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).

Average mortgage rates to be credited to Rightmove. The data is provided by specialist mortgage technology provider Podium Solutions. The data covers 95% of mortgage lending, to exclude specialist lenders. If you would like further data on different LTVs or fixed terms, please contact us.