

The Rightmove House Price Index

The largest monthly sample of residential property prices

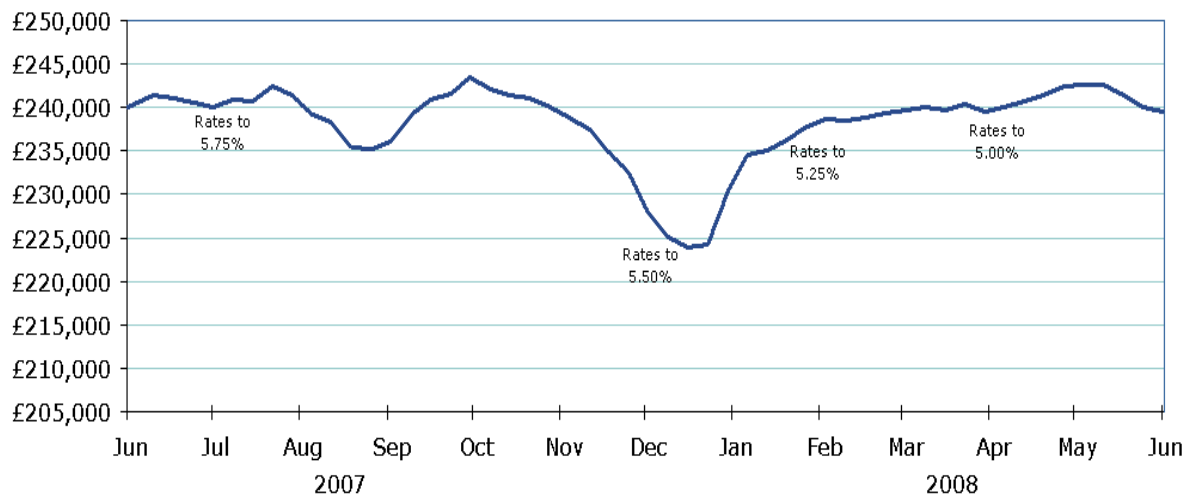
Under embargo for 0001 hours: Monday 23rd June 2008

Homes for sale now outnumber buyers 15:1

	June	May
Average Property Asking Price	£239,564	£242,500
% Change in Month	-1.2%	1.2%
% Change in Past Year	0.1%	2.2%
Monthly Index (Jan 2002=100)	194.9	197.3

- Standing out becomes increasingly important as ratio of properties to buyers doubles year on year to 15:1 as mortgage famine hits home
- New sellers drop their prices 1.2% in a month, as buyers' affordability continues to drop
- One million properties for sale as poor spring sales push agents' unsold stock to a new record of 75 homes per office
- Sellers urged to make use of modern technology to combat tough market conditions
- The 3 P's of Pricing, Presentation and Promotion vital for sale success

Rightmove Monthly Asking Price Trend



Rightmove measured 154,806 asking prices – circa 90% of the UK market. The properties were put on sale by estate agents from 11th May to 14th June 2008 and advertised on Rightmove.co.uk

Rightmove.co.uk is the UK's largest property web site, advertising around 90% of all homes for sale via estate agents across the UK. The site attracts over 30 million visits from home movers each month who view in excess of 400 million pages. Each month Rightmove uses asking price data of up to 200,000 properties coming onto the market to produce this House Price Index - the largest, most accurate and up-to-date monthly index.

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For media enquiries and interviews please contact:

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Overview

Home sellers' expectation of the price they will be able to obtain when selling their property is lowering, shows the Rightmove House Price Index.

Last month new sellers coming to the market reduced the average national asking prices by 1.2% (£2,936), the first fall we have ever measured in the month of June (previous low: 0.2%, June 2005). The adjustment is belated but in some ways welcome as it makes homes more affordable for buyers, who are being increasingly stretched by rising inflation and mortgage rates.

Miles Shippside, commercial director of Rightmove comments: "In spite of the lowest housing transactions for 30 years, new sellers had been coming to the market asking record prices. It was a mad state of affairs that defied the laws of economics. Thankfully, new sellers are now taking some proactive steps to price more realistically from the outset to attract increasingly hard-pressed buyers."

"It is essential your property stands out over your competition, especially with a property to buyer ratio of 15 to 1*. Sales are still happening, and there is a pent-up demand for the right properties at the right price. The homes that are in special locations, have strong character details or an immaculate finish are still popular if priced realistically. Run-of-the-mill homes that are not much different to others on the market have to stand out as bargain buys, and badly presented homes have to be really cheap."

The widening gap between some sellers' asking price aspirations and what buyers are willing or able to pay is one of the factors behind the illiquid property market and low volumes of transactions. Getting serious about attracting buyers through more realistic pricing now appears to be more firmly on sellers agendas, after months of denial. Most sellers will still benefit from large equity gains.

Further reductions in asking prices will be required for properties in over-supply, as buyer affordability is still deteriorating against the wider economic backdrop of the average cost of living outstripping wage rises and the upwards spiral of mortgage rates. The restrictions on mortgage availability give sellers an additional challenge, as the number of readily mortgageable buyers they can target has been severely restricted. Evidence of the challenge facing sellers is research from Rightmove showing the doubling of the ratio of properties for sale to successful buyers. The number of properties for sale has now breached the one million mark, contributing to the ratio of 15 properties for sale for every successful buyer. Last year saw an average of 7:1.

Shippside adds: "Lenders are trying *not* to lend right now and are just cherry-picking for profit. With approximately half the mortgage funds available, homes have to stand out to attract the half of buyers that can still buy. For most sellers that will mean whatever they thought of asking for their property at the peak of the boom, they need to take at least 10% off. Otherwise, their property will stagnate."

After a decade of relatively easy selling conditions, motivated sellers and their estate agent need to act together to ensure their property has the power to attract that one buyer away from the other 14 competitor homes. Many estate agents were not in the market in the early 90's downturn and in the meantime, new technology and resources have emerged to fundamentally change successful sales techniques. The transparency and reach of the internet means buyers are much more informed, and with one million properties for sale at the moment, all of which can be easily accessed online, there is no hiding if your home is not properly priced and marketed.

Average unsold stock per estate agency branch continues to rise to new record levels, to 75 homes per branch from 73 in the previous month. Not only is this the highest ever in June, it is the highest figure Rightmove has ever recorded. Against this level of competition and given the difficult economic background and low level of transactions, sellers and estate agents need to 'sell their way out' of this downturn by being very pro-active.



Shipside summarises what sellers need to discuss with their estate agent to help them stand out and sell in today's property downturn: "Sellers need to discuss the 3 P's - Pricing, Presentation and Promotion, with their agent. Pricing has to be below the competition and presentation of their property has to be the most attractive on the street. Having got those two basic elements right, it is then crucial to promote the property to really stand out from the rest. Estate agents now have to market like pro's and sellers have to provide them with the right raw material. Once you've sold, this is a great market for trading up; with opportunity to negotiate a reduction on the one you are buying and moving into a sought-after area where there is normally restricted choice."

*Rightmove research of number of properties available for sale in the marketplace and number of successful buyers this year versus 2007

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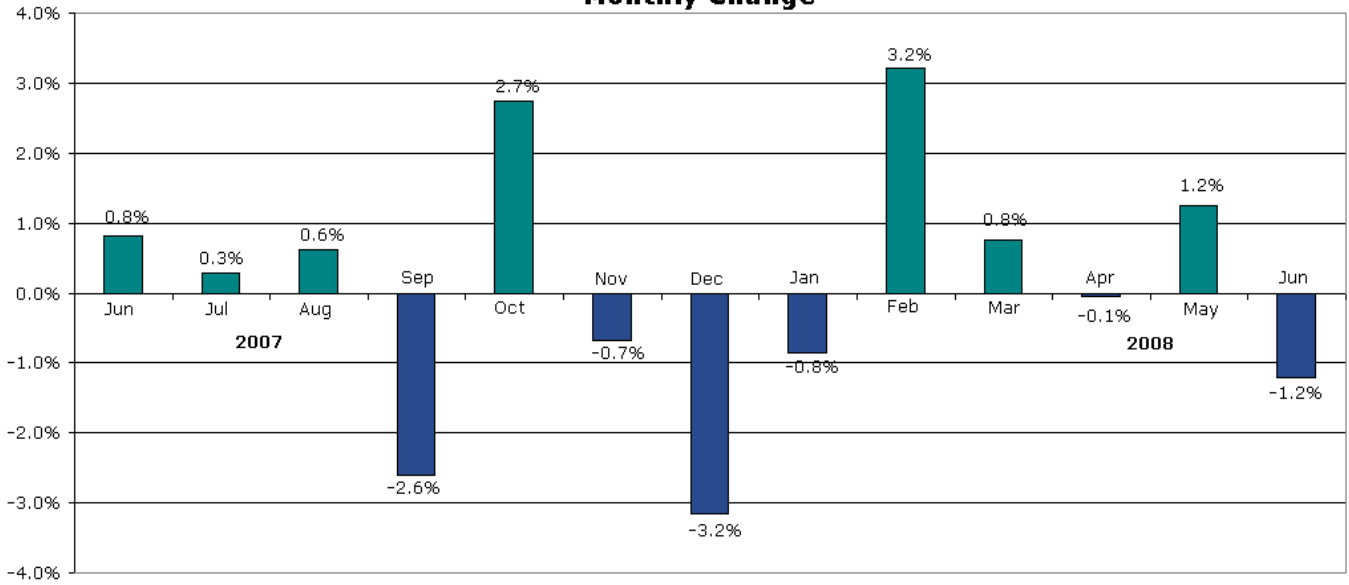
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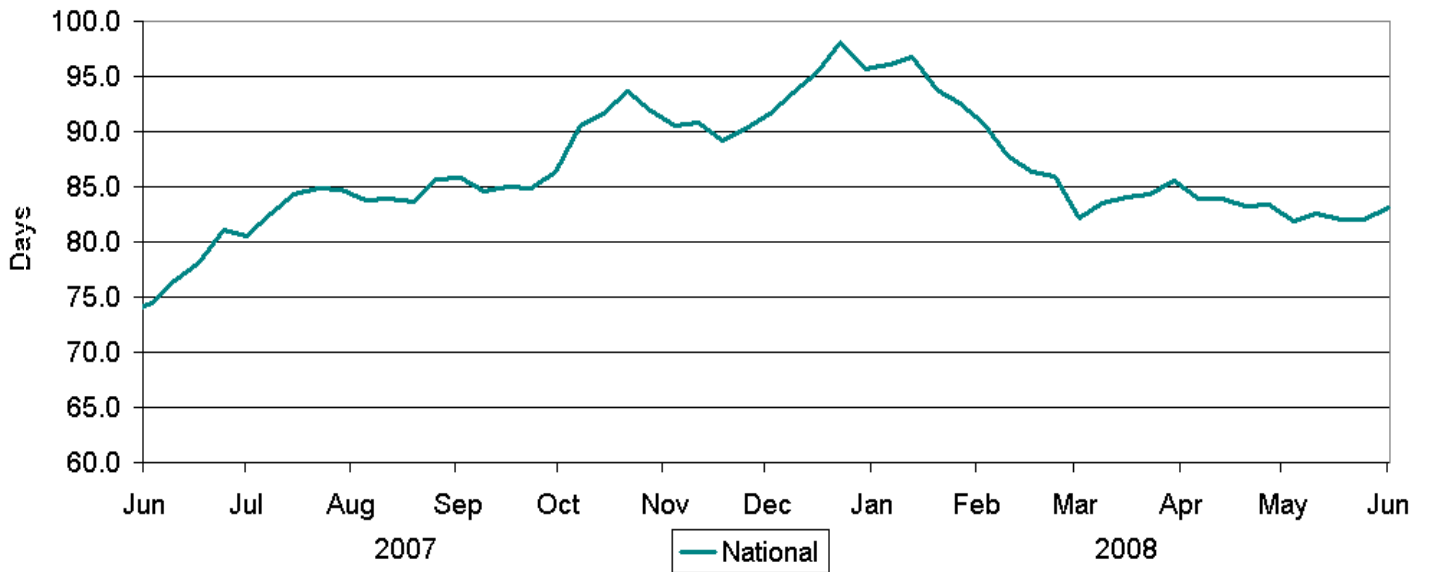
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Monthly Change



Time on Market Indicator



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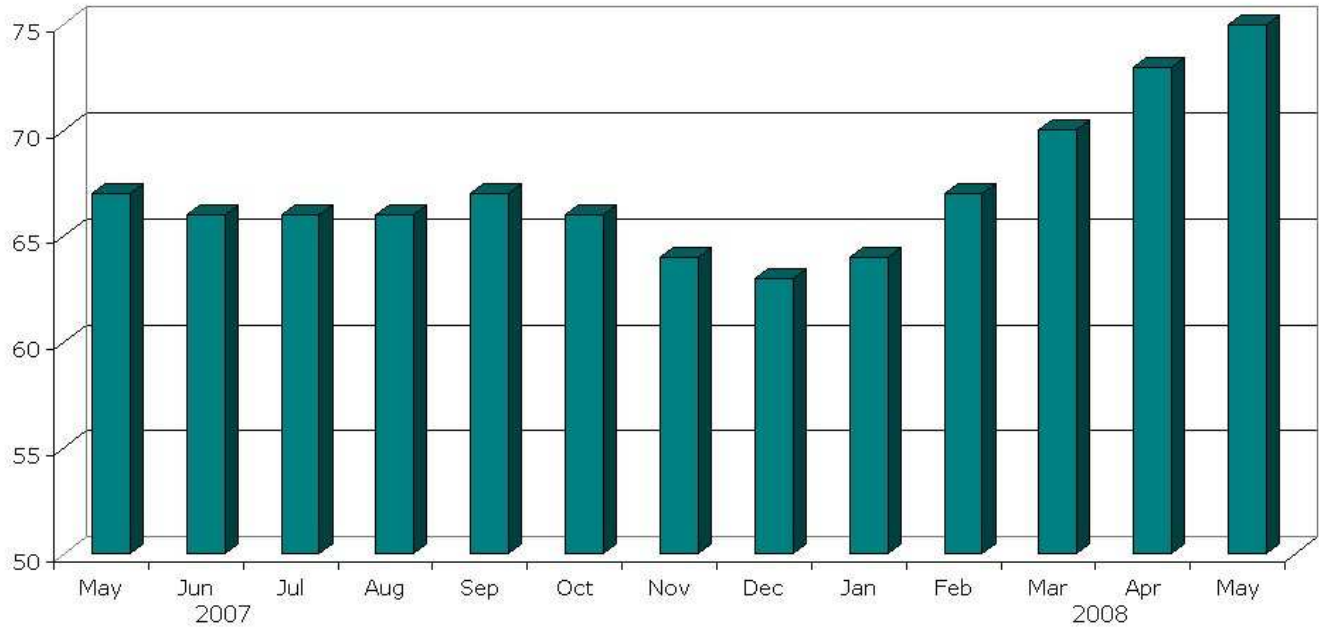
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Average properties for sale per Estate Agent



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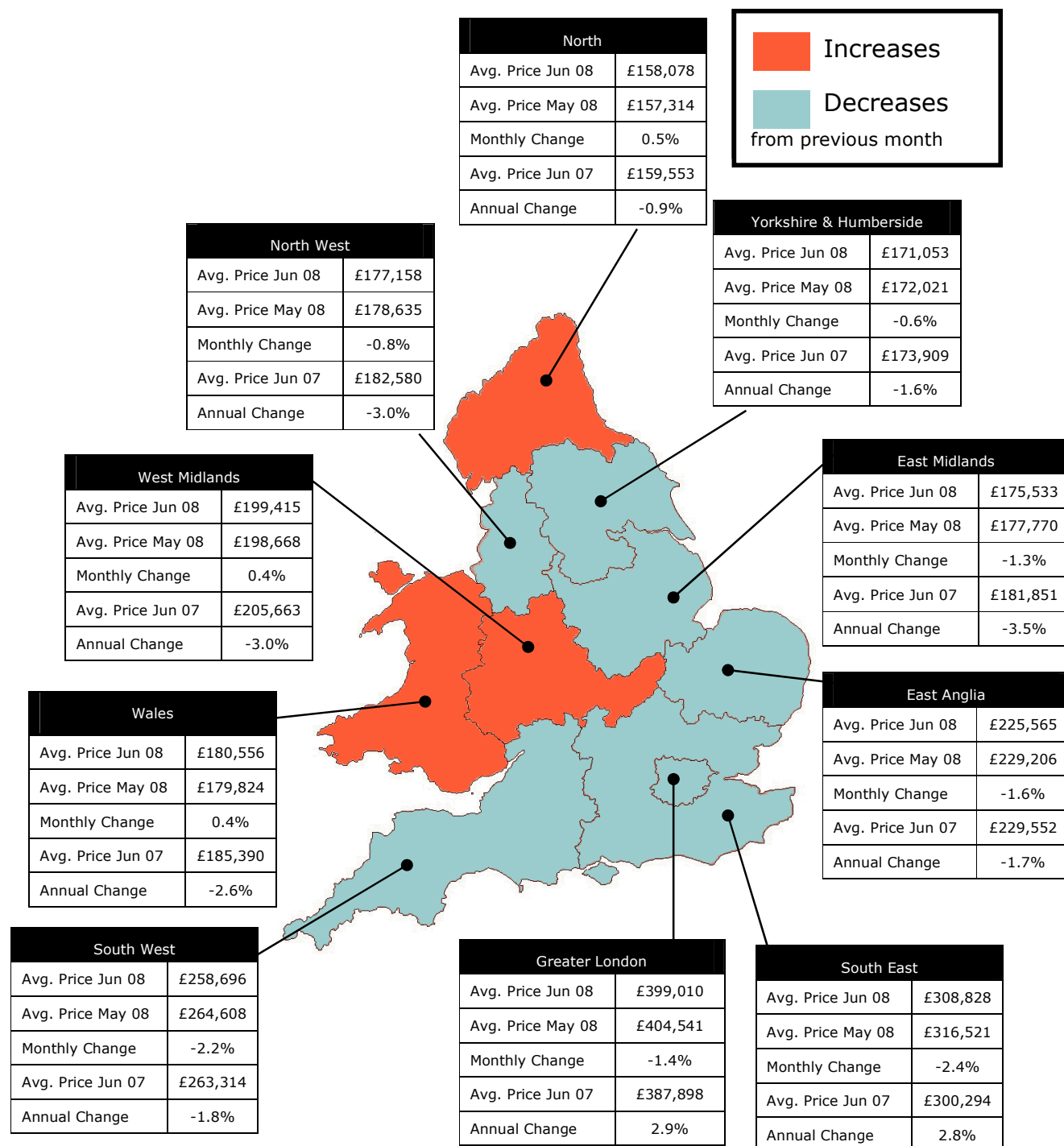
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Regions of England & Wales



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National Asking Price Trend

Month	Index (Jan 2002 = 100)	% Change	Avg. Price
June 2007	194.7	+0.8%	£239,317
July 2007	195.3	+0.3%	£240,001
August 2007	196.5	+0.6%	£241,474
September 2007	191.3	-2.6%	£235,176
October 2007	196.6	+2.7%	£241,642
November 2007	195.3	-0.7%	£239,986
December 2007	189.1	-3.2%	£232,396
January 2008	187.5	-0.8%	£230,428
February 2008	193.5	+3.2%	£237,856
March 2008	195.0	+0.8%	£239,655
April 2008	194.9	-0.1%	£239,521
May 2008	197.3	+1.2%	£242,500
June 2008	194.9	-1.2%	£239,564
Annual Change	+0.2	+0.1%	£247

(National asking price includes other property types that are not classified below)

National Asking Price Trend by Property Type

Month	Detached	Semi-Detached	Terraced	Flats/Apartments
June 2007	£342,865	£207,751	£184,385	£196,452
July 2007	£344,401	£208,460	£186,240	£200,109
August 2007	£349,848	£210,833	£186,573	£200,852
September 2007	£335,011	£206,704	£183,471	£200,587
October 2007	£348,770	£208,852	£187,834	£202,070
November 2007	£339,675	£208,794	£187,844	£200,875
December 2007	£334,039	£205,759	£180,224	£193,973
January 2008	£324,114	£203,951	£183,324	£197,384
February 2008	£338,789	£207,458	£185,444	£197,649
March 2008	£340,632	£207,141	£186,797	£199,912
April 2008	£344,140	£206,452	£184,624	£198,873
May 2008	£344,706	£206,327	£183,833	£199,076
June 2008	£343,167	£204,036	£182,611	£196,699
Annual Change	0.1%	-1.8%	-1.0%	0.1%

Press enquiries regarding the methodology employed and access to further analysis of the data held by rightmove.co.uk should be directed to the Press Office on press@rightmove.co.uk or call 0845 456 8439

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London's Best Performers June 2008

London's Top 5	Avg. Price Jun 08	Avg. Price May 08	Monthly Change
Islington	£557,662	£549,748	1.4%
City of Westminster	£1,037,421	£1,030,435	0.7%
Kensington and Chelsea	£1,476,824	£1,467,660	0.6%
Tower Hamlets	£412,431	£410,115	0.6%
Brent	£533,741	£531,760	0.4%

London's Worst Performers June 2008

London's bottom 5	Avg. Price Jun 08	Avg. Price May 08	Monthly Change
Hounslow	£425,708	£445,120	-4.4%
Sutton	£322,743	£337,402	-4.3%
Camden	£689,271	£714,948	-3.6%
Ealing	£389,771	£402,091	-3.1%
Greenwich	£260,404	£267,233	-2.6%

London Time on Market

Time on Market Indicator



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London Boroughs

Borough	Avg. Price Jun 08	Avg. Price May 08	Monthly Change	Avg. Price Jun 07	Annual Change
Kensington and Chelsea	£1,476,824	£1,467,660	0.6%	£1,422,597	3.8%
City of Westminster	£1,037,421	£1,030,435	0.7%	£861,469	20.4%
Hammersmith and Fulham	£691,226	£691,436	0.0%	£633,827	9.1%
Camden	£689,271	£714,948	-3.6%	£667,630	3.2%
Islington	£557,662	£549,748	1.4%	£500,193	11.5%
Richmond-upon-Thames	£541,514	£546,331	-0.9%	£532,685	1.7%
Brent	£533,741	£531,760	0.4%	£510,248	4.6%
Wandsworth	£525,381	£536,186	-2.0%	£498,954	5.3%
Kingston-upon-Thames	£524,966	£530,594	-1.1%	£502,842	4.4%
Hackney	£477,876	£483,958	-1.3%	£430,098	11.1%
Barnet	£451,205	£455,992	-1.0%	£432,237	4.4%
Hounslow	£425,708	£445,120	-4.4%	£414,738	2.6%
Haringey	£415,564	£423,875	-2.0%	£388,317	7.0%
Tower Hamlets	£412,431	£410,115	0.6%	£422,891	-2.5%
Lambeth	£407,481	£411,036	-0.9%	£380,631	7.1%
Merton	£394,767	£399,136	-1.1%	£393,470	0.3%
Ealing	£389,771	£402,091	-3.1%	£380,993	2.3%
Southwark	£373,655	£379,022	-1.4%	£358,813	4.1%
Hillingdon	£337,212	£342,869	-1.6%	£334,117	0.9%
Lewisham	£332,312	£336,819	-1.3%	£317,057	4.8%
Bromley	£323,459	£329,220	-1.7%	£317,987	1.7%
Sutton	£322,743	£337,402	-4.3%	£335,756	-3.9%
Harrow	£317,578	£324,846	-2.2%	£319,651	-0.6%
Enfield	£310,904	£316,108	-1.6%	£313,958	-1.0%
Waltham Forest	£286,961	£292,839	-2.0%	£294,198	-2.5%
Redbridge	£286,801	£288,375	-0.5%	£288,434	-0.6%
Croydon	£282,474	£288,159	-2.0%	£280,773	0.6%
Greenwich	£260,404	£267,233	-2.6%	£245,307	6.2%
Havering	£253,492	£257,617	-1.6%	£257,139	-1.4%
Newham	£248,653	£253,117	-1.8%	£259,796	-4.3%
Barking and Dagenham	£227,067	£230,246	-1.4%	£227,550	-0.2%
Bexley	£216,337	£220,885	-2.1%	£219,003	-1.2%

(City of London excluded due to small number of residential properties.)

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Index Comparison

	June 08		May 08		April 08	
	House Price	Monthly change	House Price	Monthly change	House Price	Monthly change
Rightmove	£239,564	-1.2%	£242,500	1.2%	£239,521	-0.1%
Halifax	N/A*	N/A*	£184,111	-2.4%	£188,704	-1.5%
Nationwide	N/A*	N/A*	£173,583	-2.5%	£178,555	-0.9%

* Published at the beginning of next month for Halifax and at the end of this month for Nationwide

Rightmove: compiled from asking prices of properties as they come on the market via Rightmove's member estate agents over the previous month, covering over 90% the market. Not seasonally adjusted. (Seasonally adjusted figure used for the Halifax from Nov 2003, as no unadjusted figure has been published.)

Halifax: based on mortgage approvals of loans agreed by Halifax Bank of Scotland over the previous month, seasonally adjusted.

Nationwide: based on mortgage approvals of loans agreed by Nationwide Building Society over the previous month, seasonally adjusted.

Rightmove measures asking prices and does not seasonally adjust its figures, while Nationwide and Halifax both report data based on mortgage offers, seasonally adjusted. The index offered by the CLG (Department of Communities and Local Government) measure prices at completion stage, not seasonally adjusted.

Editors' notes

Advertising property for over 90% of all UK estate agents, Rightmove is in a unique position to identify any immediate changes in the market. Using a larger sample than any other house price reports, Rightmove's **House Price Index** is compiled from the asking prices of properties coming onto the market via Rightmove.co.uk's 12,500 estate agency branches. Rather than being a survey of opinions as with some other indices, it is produced from factual data of actual 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. 95% of properties are sold via an agent, while only 75% are purchased with a mortgage. 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 of the housing market.

This month 19,220 properties have been excluded due to being anomalies.

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 has around 90% of all properties for sale and at any time displays a stock of over one million properties to buy or rent, worth around £270 billion. All eight corporate estate agents (those with 100 or more branches) list their properties on the site. The Rightmove.co.uk site receives over 30 million visits every month and is consistently ranked number one property website in the UK (source: Hitwise).

For further information on methodology please contact the Press Office on press@rightmove.co.uk or call 0845 456 8439

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