



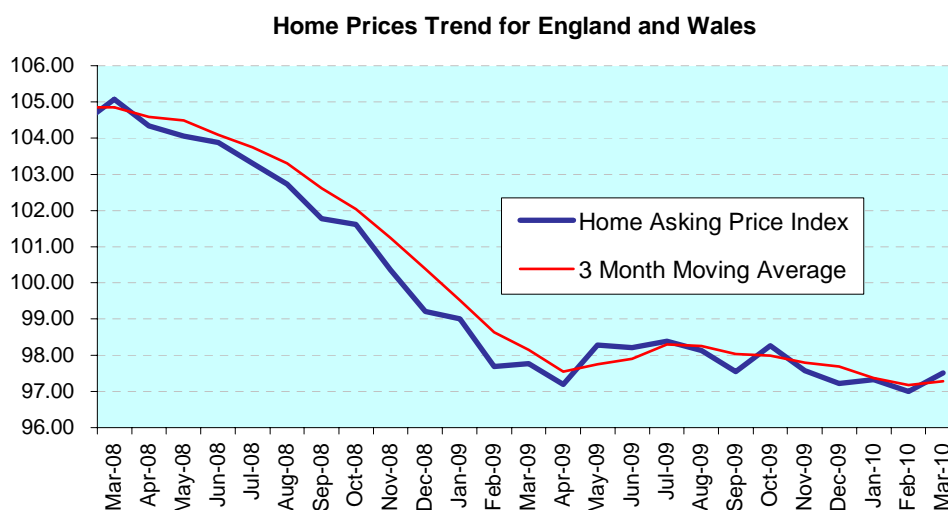
Asking Price Index

The UK's Independent Forward Market Indicator

Home Asking Price Index. Release date: 12th March 2010

Spring Gives Sellers New Hope

"At best, it could be a decade of flat to slightly falling prices," says Danny Gabay, a former Bank of England economist quoted in The Observer.



[Laspeyres](#) Index based on Weighted Arithmetic Mean of Weighted Arithmetic Mean of Regional House Prices. [May04 = 100]

Summary

The mix-adjusted average Asking Price for homes on the market in England and Wales rose by 0.5% this month.

Monthly rises were observed in 6 out of 9 English regions, Scotland and Wales.

Greater London market house prices jumped 1.0% in one month.

The typical (median) marketing time has eased back from 141 to 136 days over the last month.

Asking prices in Scotland have risen 2.0% over the last quarter.

Released 12th March 2010

Page 1 of 10

Copyright © 2010, HomeCo Internet Property Ltd

For media enquiries and interviews please contact: rachael.bonfield@home.co.uk

Press Office: 0845 373 3580

The Home.co.uk Asking Price Index was originally devised in association with Calnea Analytics Ltd



Asking Price Index

The UK's Independent Forward Market Indicator

Overview

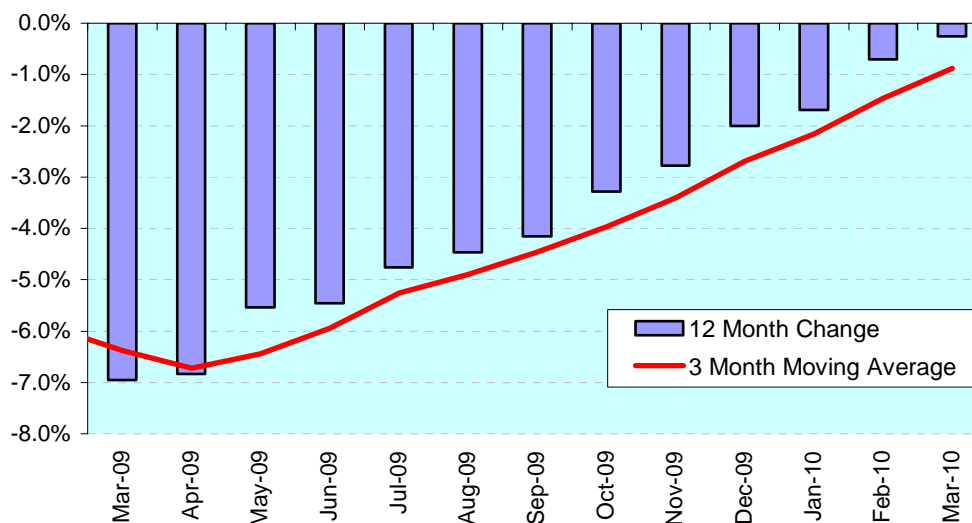
UK market house prices showed a seasonal up-tick over the last month. Time-on-market figures have also fallen showing that the market is moving a little more quickly. However, the average marketing time is still very high (227 days) and nearly double that of March 08 (120 days). Hence, despite a modest spring rise in activity and pricing, the market remains difficult for vendors and buyers alike.

Whilst most regions of the UK have seen seasonal price rises this month, asking prices fell in East Midlands, West Midlands and Yorkshire & Humber.

Overall these March 2010 figures show that the UK property market remains hobbled by the recession and is struggling to recover despite unprecedented low interest rates.

Twelve-Month Trend in Asking Prices

12 Month Change in Asking Prices by Month



The year-on-year (YoY) change in Asking Prices for England and Wales now stands at -0.3%, showing the continued stabilisation in prices over the last 12 months.

Note: When corrected for the effect of inflation (RPI ex housing) the YoY change for January 2010 would have been a much less favourable -7.1%.



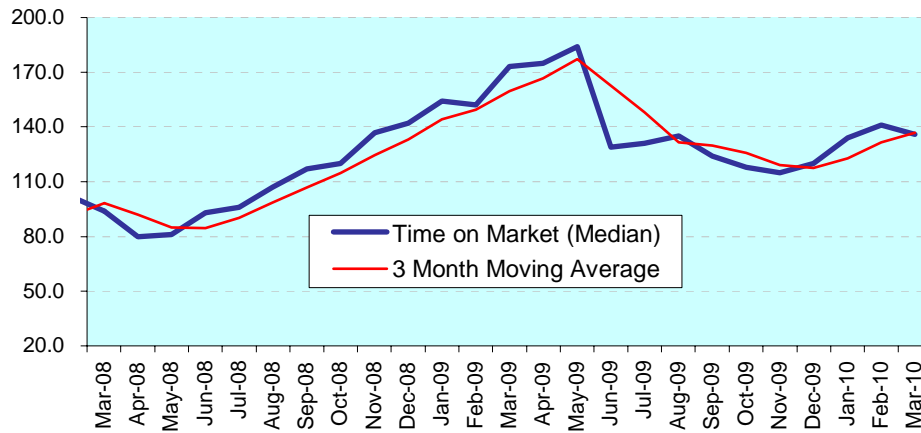
Asking Price Index

The UK's Independent Forward Market Indicator

Time-on-Market Analysis

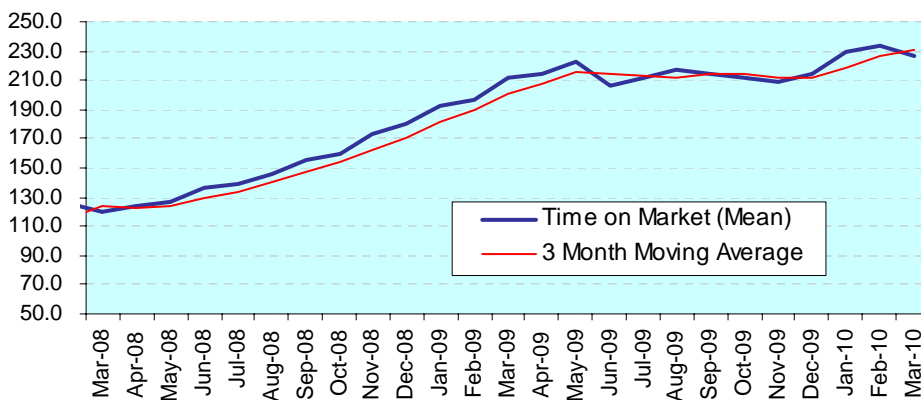
Typical Time on Market (median) for unsold properties dropped back slightly this month and now stands at 136 days.

Typical Time on Market for England & Wales



Average Time on Market (mean) for unsold UK property also decreased to 227 days.

Average Time on Market for England & Wales





Asking Price Index

The UK's Independent Forward Market Indicator

Asking Prices, Inflation and Average Earnings

Over the last 12 months, asking prices for homes in England and Wales have fallen 0.3%. Whilst asking prices appear to have stabilised they are still falling behind a rapidly increasing [CPI](#). Comparing January's ONS figures and the YoY change in asking price figures for the same month shows that market house prices were trailing by 7.1% relative to the [RPI](#) (ex. housing) and *ca.* 3.2% below the [AEI](#) (December figures from ONS excluding bonuses). The HAPI for England and Wales now stands at 97.5 [May04 = 100].

Regional Housing Markets

Regional Asking Prices for March 2010, showing gains and losses over Q1 2010

	Current average price	3 month change
Scotland	£160,415	+2.0%
South West	£253,662	+1.1%
Greater London	£342,525	+0.9%
East Anglia	£238,870	+0.5%
East Midlands	£170,915	+0.4%
Wales	£179,147	0.0%
North West	£176,149	0.0%
Yorkshire and Humber	£170,347	0.0%
North East	£153,271	0.0%
West Midlands	£189,759	-0.1%
South East	£282,901	-0.2%
England & Wales	£228,304	+0.3%

Released 12th March 2010

Page 4 of 10

Copyright © 2010, HomeCo Internet Property Ltd

For media enquiries and interviews please contact: rachael.bonfield@home.co.uk

Press Office: 0845 373 3580



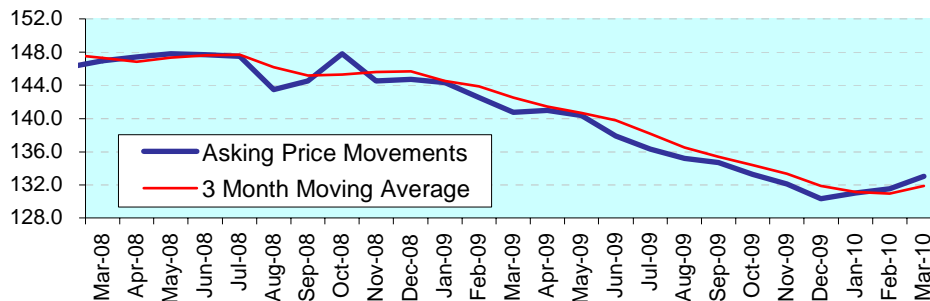
Asking Price Index

The UK's Independent Forward Market Indicator

Scotland

Over the past 3 months the property market in the Scotland has seen a significant recovery of 2.0% in the mix-adjusted asking price.

Asking Price Movements for Scotland

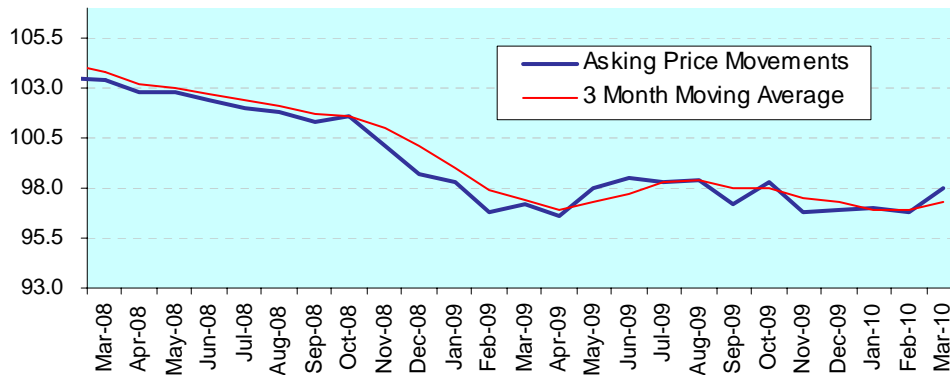


Laspeyres Indices based on Weighted Arithmetic Mean of Regional House Prices [May04 = 100]

South West

Although the overall recent trend remains flat, the mix-adjusted Asking Price for property in the South West has risen this month, consistent with a typical spring bounce in asking prices.

Asking Price Movements for the South West



Laspeyres Index based on Weighted Arithmetic Mean of Regional House Prices [May04 = 100]



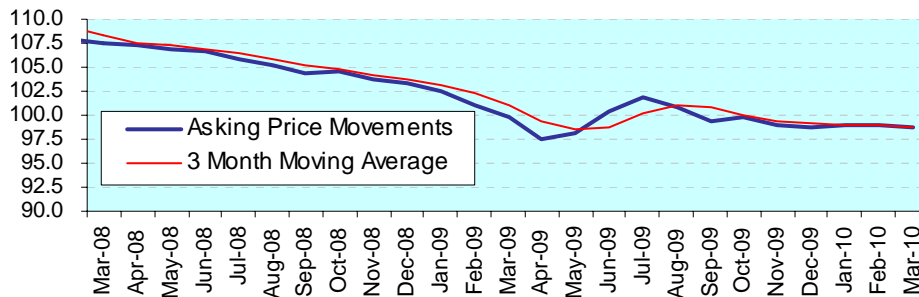
Asking Price Index

The UK's Independent Forward Market Indicator

West Midlands

The mix-adjusted average Asking Price for properties for sale in the West Midlands has fallen by 0.1% since December 2009. The 3-month moving average shows stagnation in market house prices in this region over recent months.

Asking Price Movements for the West Midlands

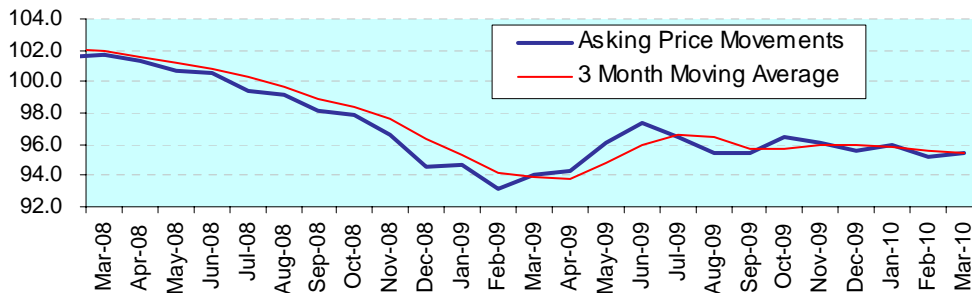


Laspeyres Index based on Weighted Arithmetic Mean of Regional House Prices [May04 = 100]

South East

Asking Prices for homes in the South East, one of the strongest regional markets in 2009, has unexpectedly fallen by 0.2% over the past 6 months. The South East was the worst performing English region in the first quarter of 2010.

Asking Price Movements for the South East



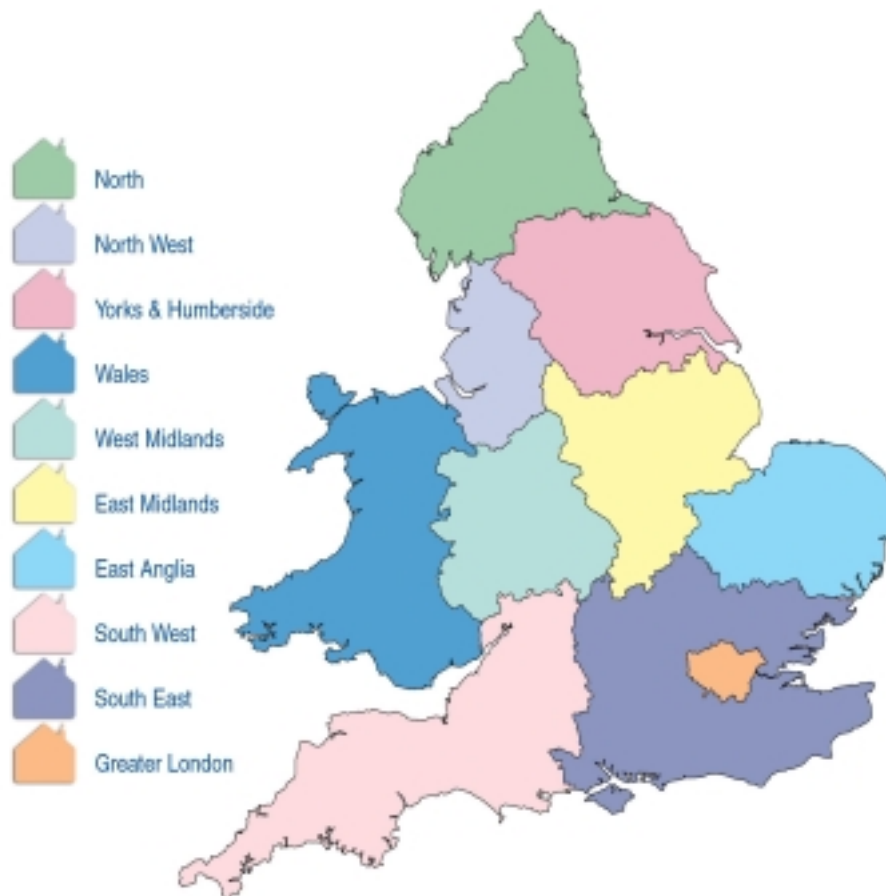
Laspeyres Index based on Weighted Arithmetic Mean of Regional House Prices [May04 = 100]



Asking Price Index

The UK's Independent Forward Market Indicator

Regions (as per DCLG)



Source: HM Land Registry



Asking Price Index

The UK's Independent Forward Market Indicator

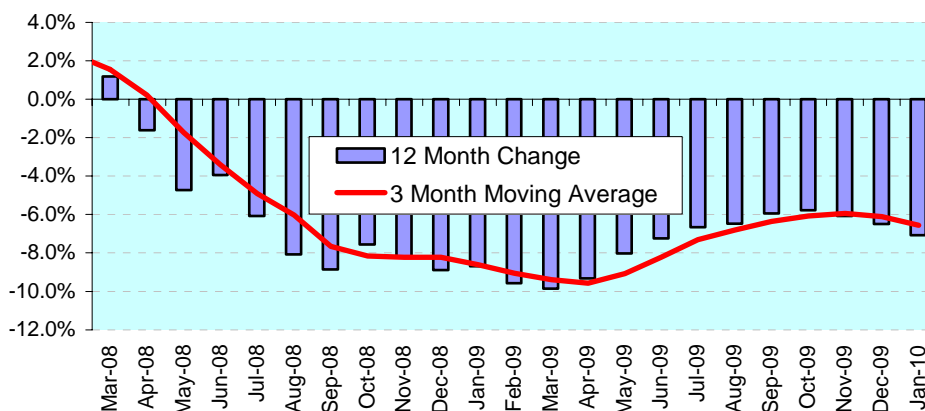
Comment

A rise of only 0.3% represents a lacklustre start for the UK property market in 2010. Record low interest rates have proven powerless to reinvigorate a market devastated by the credit crunch. Reckless lending was the cause of both the property boom and the consequential fallout, and mortgage lenders remain cautious as the UK economy suffers further turmoil. UK property is still overvalued by comparison with historic trends.

Nominal Prices Hide the Real Ongoing UK House Price Falls.

Weakness in Sterling is hiding the real ills in the UK property market. Inflation, the destroyer of purchasing power, is back with a vengeance in the UK.

Inflation Adjusted YoY Change in Asking Prices by Month



The above chart shows the year-on-year change in asking prices for England and Wales corrected for inflation using RPI (all items excluding housing). In real terms UK market house prices are still falling rapidly, as the potential purchasing power of home equity declines. In the 12 months to January 2010 they fell a further 7.1% when inflation in non-housing goods and services is taken into account.



Asking Price Index

The UK's Independent Forward Market Indicator

The Home.co.uk Asking Price Index

The Home.co.uk Asking Price Index is produced in association with [Calnea Analytics](#): the statistical consultancy responsible for the production of the official [Land Registry House Price Index](#).

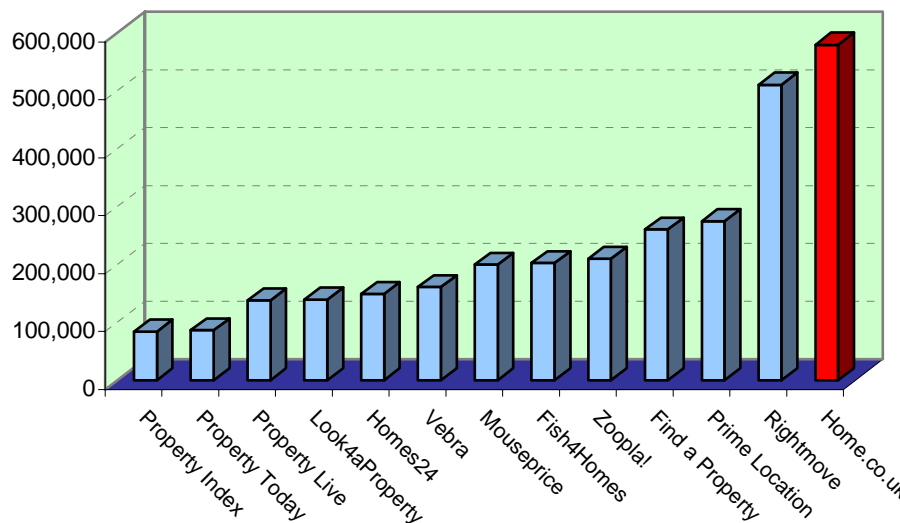
The Home.co.uk Asking Price Index (HAPI) is calculated using a weighting system based on the DCLG (formerly ODPM) [Survey of English Housing Stock](#) (published March 2006). This allows for enhanced regional delineation and conforms to the current geographical orthodoxy as set out by the [Office of National Statistics](#).

The HAPI is the UK's only independent forward market indicator. The published figures reflect current and historic confidence of buyers and sellers of UK property on the open market. The HAPI is calculated every month using around 600,000 UK property house prices found in the Home.co.uk Property Search Index. This figure represents the majority of the property for sale on the open market in the UK at any given time.

The HAPI is based on *asking price* data which means the index can provide insights into price movements around 5 months ahead of mortgage completion and actual sales data - thus making it the most forward looking of all house price indices. Properties above £1m and below £20k are excluded from the calculations.

Searchable UK Properties for Sale by Website.

Source: Home.co.uk February 2010



Released 12th March 2010

Page 9 of 10

Copyright © 2010, HomeCo Internet Property Ltd

For media enquiries and interviews please contact: rachael.bonfield@home.co.uk

Press Office: 0845 373 3580



March 2010

Asking Price Index

The UK's Independent Forward Market Indicator

Contact Details

For media enquiries and interviews please contact: rachael.bonfield@home.co.uk

To learn more about Home.co.uk please visit:
<http://www.home.co.uk/company/about.htm>

For details on the methodology used in the calculation of the HAPI please visit:
http://www.home.co.uk/asking_price_index/Mix-Adj_Methodology.pdf

Future release dates:

Monday 12th April

Wednesday 12th May

Monday 14th June



Released 12th March 2010

Page 10 of 10

Copyright © 2010, HomeCo Internet Property Ltd

For media enquiries and interviews please contact: rachael.bonfield@home.co.uk

Press Office: 0845 373 3580

The Home.co.uk Asking Price Index was originally devised in association with Calnea Analytics Ltd