



May 2006

Asking Price Index

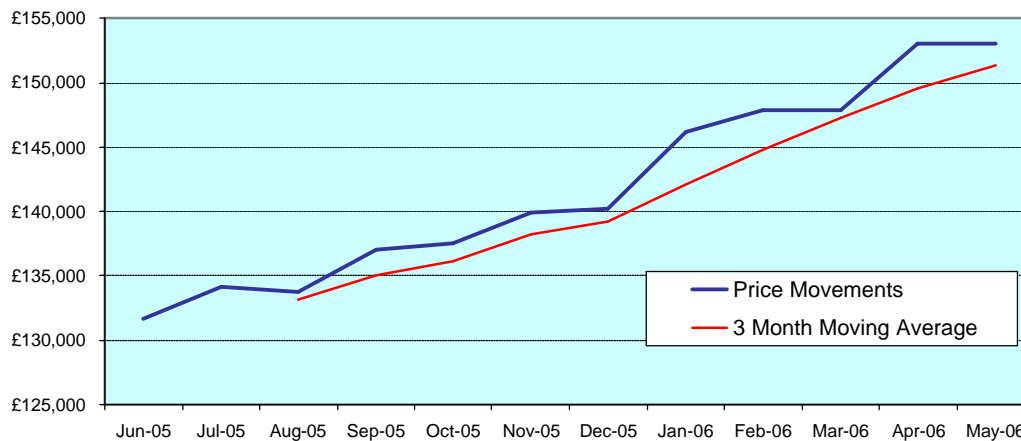
The UK's Independent Forward Market Indicator

Release date: 12th May 2006

Scotland Booms While English Prices Fall.

"There is something wonderful in seeing a wrong-headed majority assailed by truth." [J.K. Galbraith](#) (1908-2006)

Asking Price Trend for Scotland (last 12 months).



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

Summary

Scottish property boom continues unabated with 18.4% increase in asking prices over the last year.

The average asking price for residential property in England and Wales rose slightly by 0.1% this month to £226,667.

Asking prices slipped in all 8 English regions over the last 3 months.

Asking prices in England and Wales fell 2.4% over last 12 months (4.3% below the rate of inflation).

London market shows erratic signs of recovery.

Released 12th May 2006

Page 1 of 5

Copyright © 2005, 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 is calculated by **Calnea Analytics Ltd**



May 2006

Asking Price Index

The UK's Independent Forward Market Indicator

Overview

This month's Home.co.uk Asking Price Index is dominated by the glaring disparity between the residential property markets in England and Scotland. Scottish asking prices are rising strongly whilst in England prices continue to lose ground, contrary to seasonal expectations.

Regional Markets

The regional average asking prices for May 06 showing gains and losses since Feb 06.

Scotland*	£153,062	+4.5%
Wales	£182,611	+0.1%
Midlands	£192,919	-0.6%
South West	£242,284	-0.6%
North East	£166,604	-1.1%
East	£212,535	-1.2%
South	£258,768	-1.5%
London*	£331,655	-2.0%
North West	£182,311	-2.1%
Home Counties	£276,314	-2.2%

*See graph

This table clearly indicates the poor overall performance of the English housing market over recent months. Further attention is paid to price movements in the Scottish and London property markets in the following sections of this report.

Released 12th May 2006

Page 2 of 5

Copyright © 2005, 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 is calculated by **Calnea Analytics Ltd**



Asking Price Index

The UK's Independent Forward Market Indicator

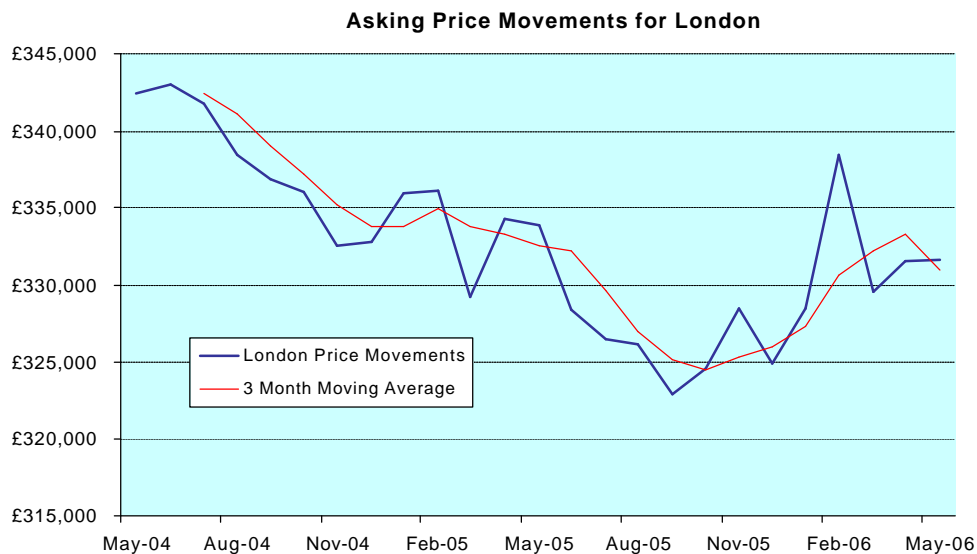
Scotland

Asking prices in Scotland continue to soar despite a similar economic outlook to England and Wales. The leading figure in this report shows a steady, continuous rise in asking prices, amounting to +18.4%, over the last 12 months. Moreover, the figures show no indication of the market 'over-heating' as seen in most English regions as early as May 2004. It is interesting to note that the figures show little or no seasonality.

Properties in Scotland are normally advertised as 'fixed price' or 'offers over'. In the latter case, the Asking Price serves to illicit buyers' interest and may be much lower than the successful bid. As a consequence price cutting whilst on the market is relatively rare. Such differences in the marketing of properties in Scotland, together with the Devolution process and Scottish property's relatively low average value, may explain the extraordinary difference in price movements north of the border. NB. The data for Scotland, for demographic reasons, is heavily biased toward the 'central belt' and may not be representative of outlying areas.

London

London asking prices are noteworthy in that over recent months they have indicated a strengthening of the housing market in the capital.



London's stronger performance may be attributed in part to continued growth in the financial sector. It remains to be seen whether City spenders will further help

Released 12th May 2006

Page 3 of 5

Copyright © 2005, HomeCo Internet Property Ltd

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

Press Office: 0845 373 3580



Asking Price Index

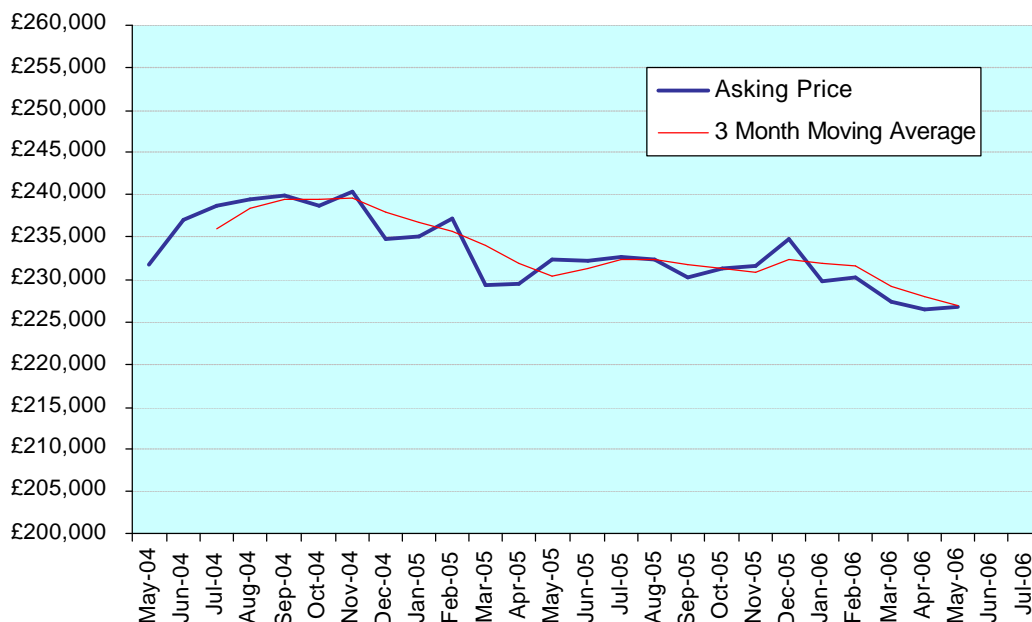
The UK's Independent Forward Market Indicator

stimulate this leading housing market, which history has shown capable of inducing stronger market performance in neighbouring regions.

Comment

A weaker market in England and Wales has forced sellers to price their properties more realistically. As a consequence speculative selling, as observed during the boom in House Prices, is notably absent. Tight consumer spending and high energy-prices are likely to restrain upward price movements for the remainder of 2006.

Asking Price Movements for England and Wales



[Laspeyres](#) Index based on Weighted Arithmetic Mean of Weighted Arithmetic Mean of Regional House Prices. [ca. 6,000,000 records]

Released 12th May 2006

Page 4 of 5

Copyright © 2005, HomeCo Internet Property Ltd

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

Press Office: 0845 373 3580



May 2006

Asking Price Index

The UK's Independent Forward Market Indicator

Notes

The Home.co.uk Asking Price Index is the UK's only independent forward market indicator. The published figures represent current and historic confidence of buyers and sellers of UK property on the open market. The Home.co.uk Asking Price Index is calculated every month using 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. Properties above £1m and below £20k are excluded from the calculations. The Home.co.uk Index 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.

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 data please visit:

<http://www.calnea.com/asking-price-index/>

Future release dates:

Monday 12th June 06

Wednesday 12th July 06

Friday 11th August 06



Released 12th May 2006

Page 5 of 5

Copyright © 2005, 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 is calculated by **Calnea Analytics Ltd**