

## Property purchase: a summary

### Interest and relevance

- Owner occupation is the dominant tenure in the sub-region and the country as a whole.
- Information about house prices is used in the cross tenure affordability comparison which is in turn used in the calculation of affordable need.

### Headline messages

- The average house price for the sub-region as a whole is £217,659 (see Table 1).
- The lower quartile house price is around 6 to 9 times lower quartile income, depending on district. This suggests affordability is a particular issue for households trying to access the market (see Table 6).
- The number of sales (amount of market activity) is currently quite low, both in the sub-region and the country as a whole. This is in part due to more restrictive mortgage lending since the “credit crunch” (see Fig 3).
- A buyer would need access to a deposit of between £27,500 and £49,250 (depending on location) to buy a lower quartile priced property (see Table 7).
- Difficulties for first time buyers accessing the market means fewer chains of sales, which in turn makes it difficult for existing homeowners to move.

### Changes over time

- The average house price increased by 6% between Oct 2008-Mar 2009 and Oct 2009-Mar 2010. Cambridge has the largest increase in price in the period (13%). Fenland is the only area where the price decreased slightly (by 2%).
- The number of sales across all districts, especially of smaller homes, has decreased since the start of the credit crunch in 2007/8.

### Variation across the sub-region

- Cambridge is the most expensive area (average price £309,967), followed by South Cambridgeshire (£280,713).
- Fenland is the cheapest area (£151,742), followed by Forest Heath (£174,046).
- The house price to income ratio is highest in Cambridge (median property price to median income = 8.19) which is considerably higher than South Cambridgeshire at a ratio of 6.5. The median price to median income ratio in Fenland, the most affordable area, is 4.92.

### Future monitoring points

- The average loan to value ratio is starting to increase again, indicating a possible change in lender attitudes and loosening restrictions.
- The number of sales remains low compared to before the “credit crunch”. We will continue to monitor changes in house prices and the number of sales.

## Property purchase: contents

|       |  |    |
|-------|--|----|
| 5.1   | Introduction .....   | 3  |
| 5.2   | Facts and figures.....   | 4  |
| 5.2.1 | Price by size, type and age .....  | 4  |
|       | <b>Table 1.</b> Average price by size, Oct 2009 to Mar 2010 .....  | 4  |
|       | <b>Table 2.</b> Lower quartile price by size, Oct 2009 to Mar 2010 .....   | 4  |
|       | <b>Table 3.</b> Average price by property type, Oct 2009 to Mar 2010 .....   | 5  |
|       | <b>Fig 1</b> New build and second hand prices by district, 2010 .....  | 5  |
|       | <b>Table 4.</b> New build premium by district (houses and flats), 2006 to 2010 .....                               | 6  |
|       | <b>Map 1</b> House prices by ward – Cambridge sub-region, April 2010 to Sep 2010 .                                 | 7  |
| 5.2.2 | House price change over time.....  | 8  |
|       | <b>Table 5.</b> Average price 2009 and 2010, difference and % change .....   | 8  |
|       | <b>Fig 2</b> Average price 2000 to 2010; housing sub-regional districts, East of<br>England and England .....      | 8  |
|       | <b>Fig 3</b> Number of sales per year, 2000 to 2010 .....  | 9  |
|       | <b>Fig 4</b> Sales by size and type, 2004 to 2010, Cambridge housing sub-region ....                               | 10 |
| 5.2.3 | House prices and incomes .....   | 11 |
|       | <b>Table 6.</b> House price to income ratio, April-Sep 2010.....   | 11 |
| 5.2.4 | Focussing on the lower quartile.....   | 12 |
|       | <b>Fig 5</b> Lower quartile house price to lower quartile earnings ratio 2000 to 2010.                             | 12 |
|       | <b>Map 2</b> Lower quartile house price to lower quartile income ratio by ward .....                               | 13 |
|       | <b>Table 7.</b> Deposit required for lower quartile property purchase .....  | 13 |
| 5.2.5 | Loan to value ratios .....   | 14 |
|       | <b>Fig 6</b> National loan to value ratio for first time buyers and owner-occupiers, Apr<br>2009 to Mar 2011 ..... | 14 |
|       | <b>Table 8.</b> Loan to value ratios, national .....   | 14 |
| 5.3   | Analysis.....  | 16 |
| 5.3.1 | Current situation .....  | 16 |
| 5.3.2 | Changes over time .....  | 16 |
| 5.3.3 | Changes over area.....   | 16 |
| 5.3.4 | What does all this data, combined, tell us? .....  | 16 |
| 5.4   | Links and references.....  | 18 |
| 5.4.1 | Links to Cambridge sub-region’s Housing Market Bulletins for 2009/10:.....   | 18 |
| 5.5   | Definitions of terms .....   | 19 |
| 5.6   | Data issues .....  | 20 |
| 5.7   | Additional information.....  | 21 |
|       | <b>Table 9.</b> Average house price, number of sales and affordability by ward .....                               | 21 |
|       | <b>Fig 7</b> Sales by price band and district, 2009 .....  | 26 |
|       | <b>Fig 8</b> Sales by price band, Cambridge sub-region 2003-2009.....  | 26 |
|       | <b>Table 10.</b> Percentage of properties sold for less than £100,000; 2003-2009 ....                              | 27 |
|       | <b>Table 11.</b> Percentage of properties sold for more than £500,000; 2003-2009 ..                                | 27 |
|       | <b>Table 12.</b> Deposit required for average property purchase.....   | 27 |

## Section 5.1 Introduction

# Chapter 5: Property purchase

## 5.1 Introduction

In 2001, some 70% of homes in the sub-region were owner occupied (see Chapter 4, *Dwelling profile*). Understanding information about prices and sales is therefore important in understanding the dominant tenure in the area, and the overall way in which our local housing market functions.

This information is used in the affordability calculation set out in Chapter 10, *Incomes and affordability*, and through this in the affordable need calculation in Chapter 13, *Identifying affordable housing need*. Tables highlighted in yellow feed into the affordability calculation directly.

This paper provides information on average and lower quartile prices, and the number and type of properties sold over time.

Data used is for 2009/10 to be consistent with sources on cost and affordability of other tenures.

Analysis of current and past housing market trends including balance between supply and demand in different housing sectors and price/affordability is one of the core outputs identified in the 2007 CLG SHMA guidance.

This chapter replaces Chapter 13 *Current property prices* and Chapter 14 *Changes in property prices over time* found in previous versions of the Cambridge sub-region's SHMA.

During the course of each year, a quarterly housing market bulletin is produced, based on Hometrack data, for our housing sub-region. This enables trend tracking and comparison of our area with the region and the rest of England which are available at [www.cambridgeshireinsight.org.uk](http://www.cambridgeshireinsight.org.uk)

## Section 5.2 Facts and figures

## 5.2 Facts and figures

### 5.2.1 Price by size, type and age

Table 1 provides data on the average house price by size for each district.

**Table 1. Average price by size, Oct 2009 to Mar 2010**

|                             | 1 bed flat      | 2 bed flat      | 2 bed house     | 3 bed house     | 4 bed house     |
|-----------------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| Cambridge                   | £156,352        | £214,525        | £237,352        | £269,446        | £444,870        |
| East Cambridgeshire         | £94,181         | £120,210        | £150,301        | £192,323        | £280,370        |
| Fenland                     | £68,125         | £64,833         | £114,393        | £144,143        | £206,401        |
| Huntingdonshire             | £99,296         | £127,169        | £141,879        | £184,956        | £269,342        |
| South Cambridgeshire        | £123,648        | £149,090        | £186,995        | £240,689        | £357,830        |
| Forest Heath                | £166,110        | £126,192        | £131,519        | £171,881        | £246,298        |
| St Edmundsbury              | £93,367         | £115,330        | £154,928        | £184,982        | £292,627        |
| <b>Cambridge sub-region</b> | <b>£124,604</b> | <b>£158,140</b> | <b>£157,722</b> | <b>£200,732</b> | <b>£301,523</b> |

Source: Hometrack (Sales and Valuations) downloaded June 2010

Table 1 shows the average house price for 1 and 2 bed flats and 2 to 4 bed houses by district, which provides a general overview of the costs of buying a home. Cambridge is the most expensive area and Fenland is the cheapest. Forest Heath appears to be particularly expensive for one bedroom flats, but this is based on a low number of sales and may not be representative.

Table 2 shows the lower quartile house price by size and district.

**Table 2. Lower quartile price by size, Oct 2009 to Mar 2010**

|                      | 1 bed flat | 2 bed flat | 2 bed house | 3 bed house | 4 bed house |
|----------------------|------------|------------|-------------|-------------|-------------|
| Cambridge            | £128,500   | £167,500   | £187,000    | £215,000    | £310,000    |
| East Cambridgeshire  | £85,000    | £99,500    | £120,000    | £157,000    | £216,250    |
| Fenland              | £58,250    | £64,500    | £95,500     | £119,000    | £175,000    |
| Huntingdonshire      | £79,000    | £100,000   | £118,000    | £147,000    | £210,000    |
| South Cambridgeshire | £108,500   | £134,000   | £156,000    | £193,000    | £260,000    |
| Forest Heath         | £124,800   | £105,000   | £119,475    | £137,988    | £187,500    |
| St Edmundsbury       | £86,000    | £105,000   | £128,500    | £143,000    | £215,000    |

Source: Hometrack (Sales and Valuations) downloaded June 2010

Table 2 shows the lower quartile house price for 1 and 2 bed flats and 2 to 4 bed houses by district, and is used in the cross tenure affordability comparison in Chapter 10 *Incomes and affordability*.

The lower quartile level shows the lowest-priced 25% of the market, giving an indication of entry-level purchase prices.

Section 5.2 Facts and figures

Table 3 looks at average price data by property type.

**Table 3. Average price by property type, Oct 2009 to Mar 2010**

|                      | Flat/ Maisonette | Terraced | Semi Detached | Detached |
|----------------------|------------------|----------|---------------|----------|
| Cambridge            | £206,763         | £299,025 | £302,011      | £593,225 |
| East Cambridgeshire  | £113,308         | £159,711 | £175,990      | £282,036 |
| Fenland              | £61,983          | £112,665 | £124,035      | £186,724 |
| Huntingdonshire      | £119,516         | £153,883 | £173,651      | £280,057 |
| South Cambridgeshire | £138,785         | £188,866 | £235,404      | £386,675 |
| Forest Heath         | £124,406         | £144,281 | £154,997      | £224,743 |
| St Edmundsbury       | £117,930         | £157,818 | £192,673      | £294,035 |

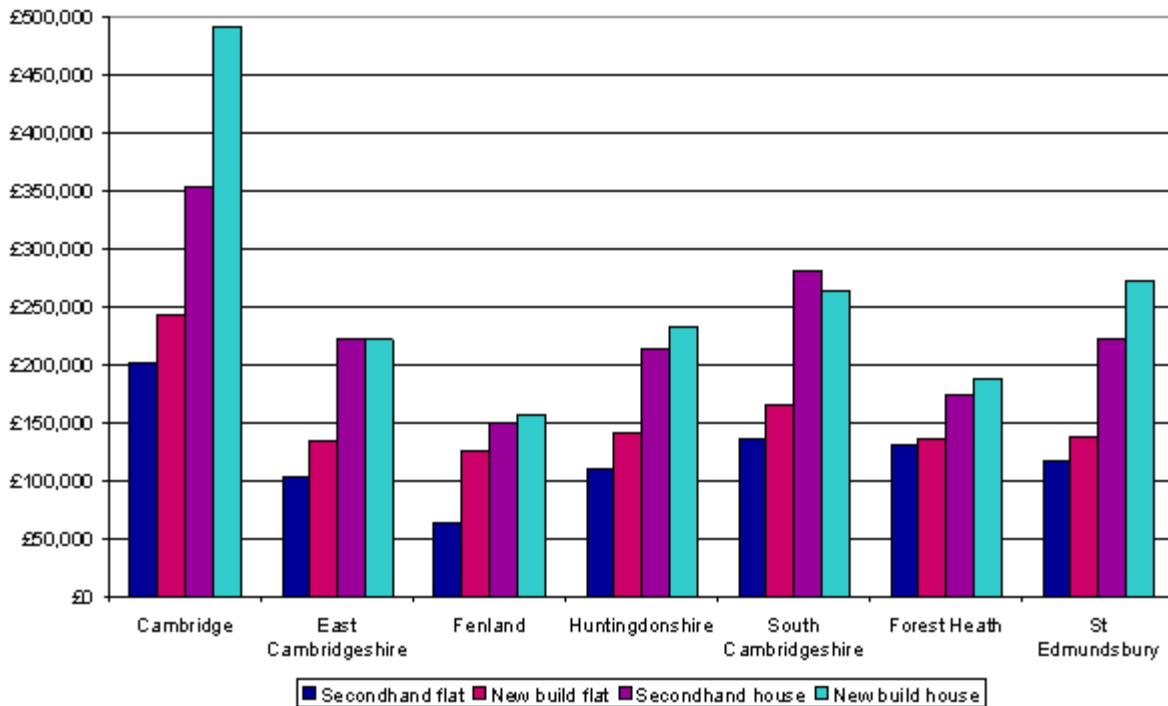
Source: Hometrack Sales and Valuations, downloaded June 2010

Table 3 shows that Cambridge is the most expensive area for all types of home, with detached homes much more expensive than elsewhere in the sub-region and much more expensive than other types of property in Cambridge. Fenland is the cheapest area, particularly for flats, where the average price is £61,983.

Table 3 shows that Forest Heath is the second cheapest area for houses, but the third most expensive for flats after Cambridge and South Cambridgeshire. As with Table 1 and Table 2 this may be due to a low number of sales and some very expensive outliers. There are some very cheap areas for flats within Forest Heath (e.g. Manor and Market wards around Mildenhall and Brandon East), but there are also some areas with expensive flats, specifically Newmarket and Red Lodge.

Fig 1 and Table 4 compare the price of new build and second hand properties by district and type.

**Fig 1 New build and second hand prices by district, 2010**



Source: Hometrack, Sales and Valuations, downloaded June 2010

## Section 5.2 Facts and figures

**Table 4. New build premium by district (houses and flats), 2006 to 2010**

|                      | 2006 | 2007 | 2008 | 2009 | 2010 | Average    |
|----------------------|------|------|------|------|------|------------|
| <b>Flats</b>         |      |      |      |      |      |            |
| Cambridge            | 33%  | 33%  | -1%  | 38%  | 21%  | <b>25%</b> |
| East Cambridgeshire  | 31%  | 23%  | 17%  | 7%   | 29%  | <b>21%</b> |
| Fenland              | 23%  | 15%  | 4%   | 16%  | 99%  | <b>31%</b> |
| Huntingdonshire      | 38%  | 49%  | 25%  | 30%  | 27%  | <b>34%</b> |
| South Cambridgeshire | 33%  | 22%  | 5%   | 15%  | 21%  | <b>19%</b> |
| Forest Heath         | 48%  | 35%  | -12% | 17%  | 4%   | <b>18%</b> |
| St Edmundsbury       | 18%  | 7%   | -2%  | 19%  | 17%  | <b>12%</b> |
| <b>Houses</b>        |      |      |      |      |      |            |
| Cambridge            | 68%  | 9%   | 38%  | 48%  | 39%  | <b>40%</b> |
| East Cambridgeshire  | -4%  | -3%  | 10%  | 21%  | -1%  | <b>5%</b>  |
| Fenland              | 6%   | 2%   | 6%   | 1%   | 4%   | <b>4%</b>  |
| Huntingdonshire      | 25%  | 17%  | 1%   | 4%   | 9%   | <b>11%</b> |
| South Cambridgeshire | 4%   | 3%   | 2%   | -8%  | -6%  | <b>-1%</b> |
| Forest Heath         | 16%  | 18%  | 13%  | 23%  | 8%   | <b>16%</b> |
| St Edmundsbury       | 4%   | 4%   | 2%   | -1%  | 23%  | <b>6%</b>  |

Source: Hometrack, Sales and Valuations, downloaded June 2010

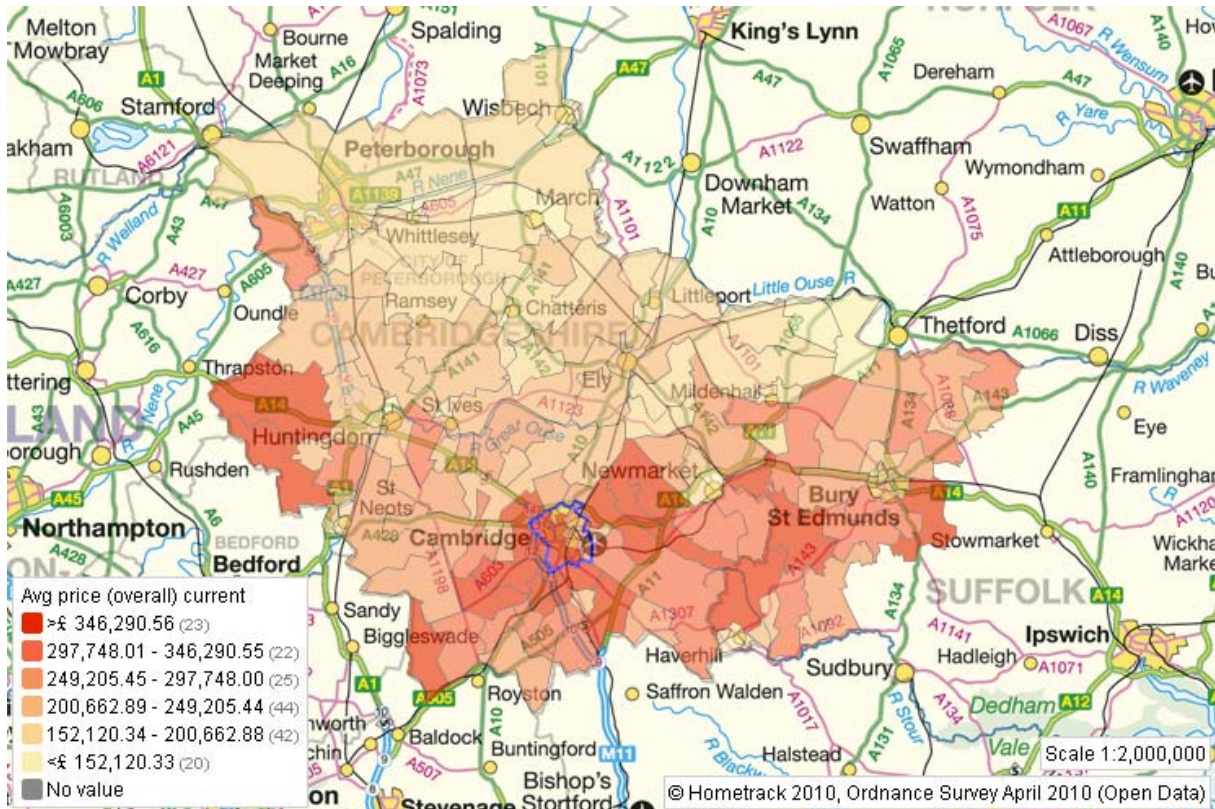
Fig 1 and Table 4 show that new build properties are generally more expensive than second hand properties. The difference between new build and second hand house price tends to be smaller than for flats. A new build flat is on average between 12% and 34% more expensive than an older flat depending on district. New build properties in most districts are on average 4% to 16% more expensive.

However in South Cambridgeshire, new build houses are on average 1% cheaper than older homes. This may be because of some larger older properties in the district (the 2006 Cambourne survey showed a higher proportion of smaller properties on this development compared to the district as a whole). In Cambridge, new build properties are on average 40% more expensive than older ones.

## Section 5.2 Facts and figures

Map 1 shows average house prices by ward.

**Map 1 House prices by ward – Cambridge sub-region, April 2010 to Sep 2010**



Source: Hometrack, downloaded Nov 2010

Map 1 shows that Newnham ward in Cambridge has the highest average price at £795,275. The average house price in this ward is more than double the district average.

While Cambridge has the highest average overall house price, six of the ten most expensive wards are found in South Cambridgeshire, mostly to the South West of Cambridge. It is worth noting this area has a higher proportion of larger properties (dwellings with 8 or more rooms) than elsewhere in the sub-region.

Waterlees in Fenland has the lowest average overall house price. This is the only ward where the average price is less than £100,000. Eight of the ten cheapest wards are found in Fenland. Brandon East in Forest Heath is the sixth cheapest ward at £127,007 and Huntingdon North is the seventh, at £129,677. For more detail, please see Table 10. Further data about house prices, number of sales and affordability by ward is also shown in Table 9.

## Section 5.2 Facts and figures

## 5.2.2 House price change over time

Table 5 shows the average price in 2009 and 2010, the change and the difference between the two years.

**Table 5. Average price 2009 and 2010, difference and % change**

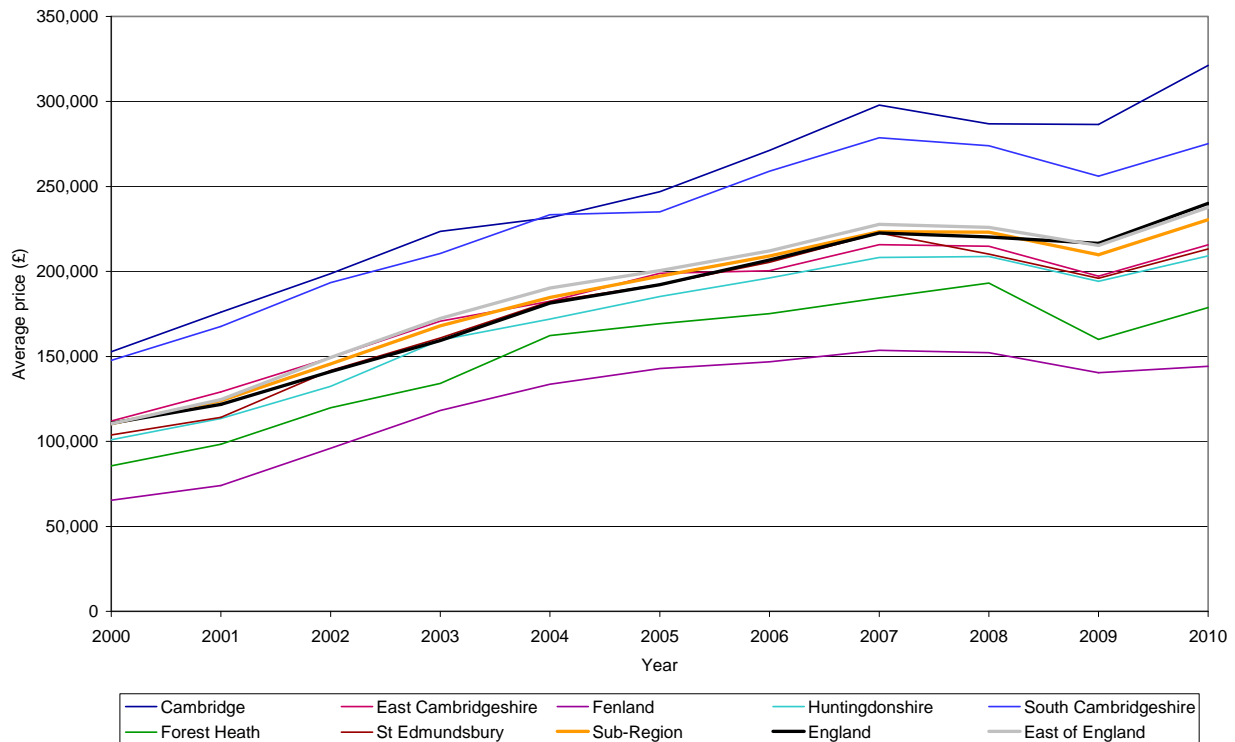
|                      | Oct-Mar 2009    | Oct-Mar 2010    | Difference     | Change    |
|----------------------|-----------------|-----------------|----------------|-----------|
| Cambridge            | £274,821        | £309,967        | £35,146        | 13%       |
| East Cambridgeshire  | £207,201        | £217,461        | £10,260        | 5%        |
| Fenland              | £154,990        | £151,742        | -£3,248        | -2%       |
| Huntingdonshire      | £201,260        | £211,994        | £10,734        | 5%        |
| South Cambridgeshire | £260,052        | £280,713        | £20,661        | 8%        |
| Forest Heath         | £170,697        | £174,046        | £3,349         | 2%        |
| St Edmundsbury       | £211,834        | £216,844        | £5,010         | 2%        |
| <b>Sub-Region</b>    | <b>£205,558</b> | <b>£217,659</b> | <b>£12,100</b> | <b>6%</b> |

Source: *Hometrack (Sales and Valuations) downloaded June 2010*

Table 5 shows that across the sub-region as a whole, prices increased by 6% between 2009 and 2010. Cambridge experienced the largest increase (13% or £35,146). There was a slight decrease in Fenland (2% or £3,248). Except in Fenland, price growth in Cambridgeshire has been higher than in the two Suffolk districts.

Fig 2 shows longer term trends in property prices.

**Fig 2 Average price 2000 to 2010; housing sub-regional districts, East of England and England**



Source: [CLG Table 585](#), downloaded June 2011



## Section 5.2 Facts and figures

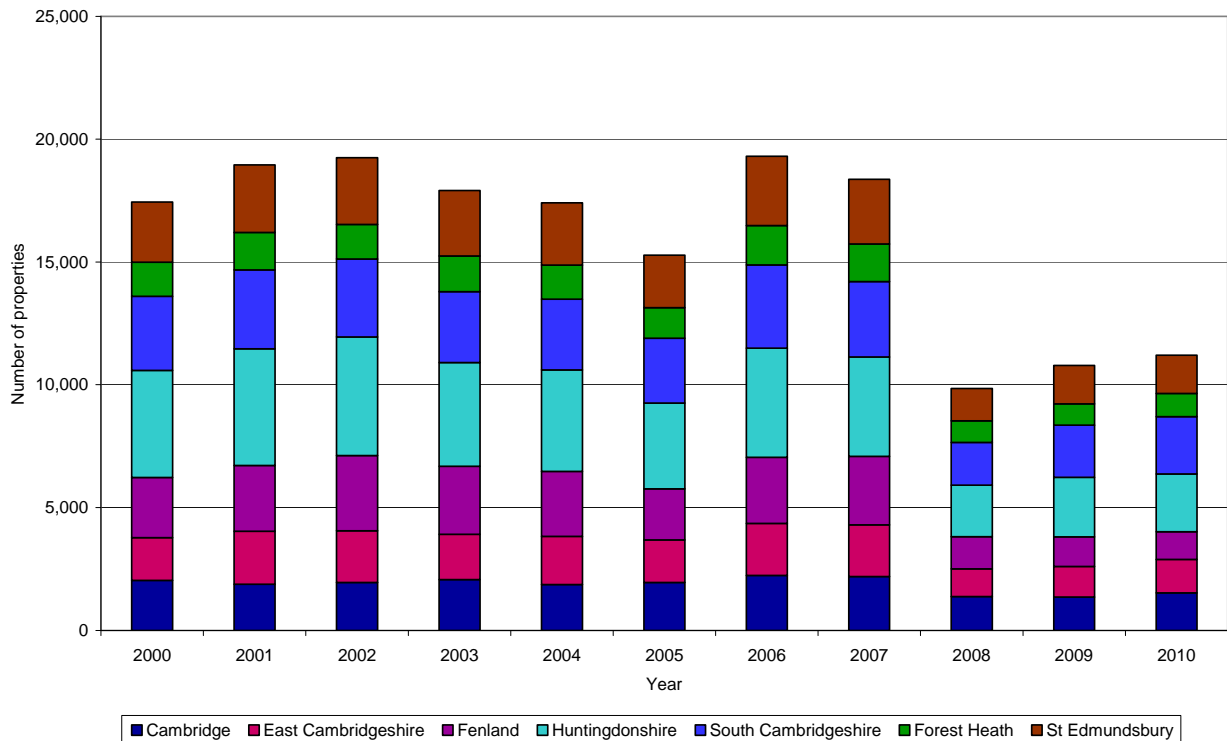
Fig 2 shows that in most areas prices have more than doubled when comparing 2000 to 2010. Relatively, South Cambridgeshire has experienced the smallest increase (86%) and Fenland the largest (121%).

Overall, prices in each district increased fairly steadily from 2000 to 2007. Prices then decreased between 2007 and 2009 in all areas. There has been an increase, even if small, in all districts since 2009. Recovery has been slowest in Fenland and the two Suffolk districts.

Prices in East Cambridgeshire, Huntingdonshire and St Edmundsbury are generally quite close to the sub-regional, regional and national averages. Cambridge and South Cambridgeshire are considerably more expensive. The average price for Fenland and Forest Heath is considerably lower.

In the same time period, the number of sales per year has changed considerably, as shown in Fig 3 below

**Fig 3 Number of sales per year, 2000 to 2010**



Source: [CLG Table 588](#), downloaded June 2011

Fig 3 shows changes in the number of sales each year between 2000 and 2010.

The overall number of sales decreased significantly between 2007 and 2008. From 2000 to 2007 there were between 15,000 and 19,000 sales per year across the Cambridge sub-region.

Since the recession in 2007, the number of sales per year has decreased to around 10,600.

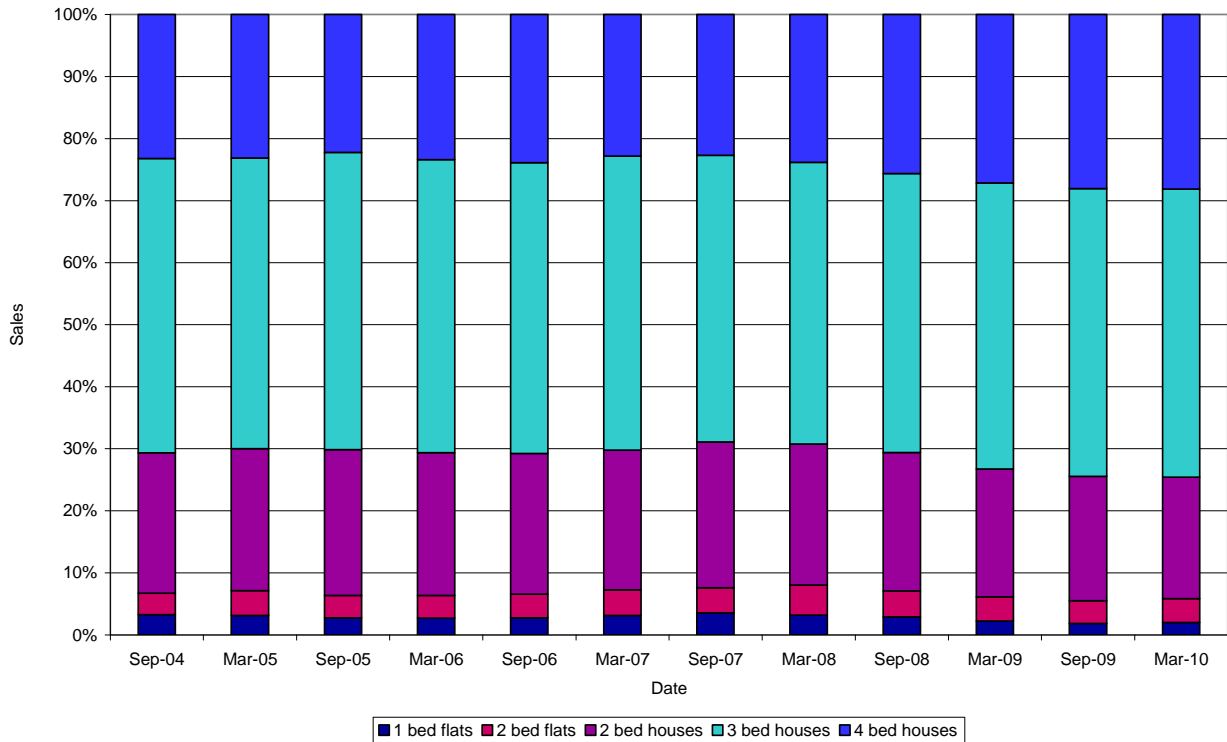
Sales fell to their lowest level in 2008 and there have been small increases since, but they are still considerably lower than before 2007 levels.

This is consistent with national trends and the English Housing Survey and other national sources suggest a decrease in owner occupation (CLG 2011, page 8 – please see section 5.4 for a link).

## Section 5.2 Facts and figures

Fig 4 shows the proportion of sales by size and type for each six month period between September 2004 and March 2010.

**Fig 4 Sales by size and type, 2004 to 2010, Cambridge housing sub-region**



Source: Hometrack Sales and Valuations

Fig 4 shows that since March 2008, the proportion of smaller properties sold decreased and the proportion of larger properties sold increased. The typical market for smaller properties (first time buyers and buy-to-let) has been particularly affected by credit rationing. Purchasers of larger properties (typically existing homeowners) generally have capital/ access to larger deposits and are perceived as lower risk customers so a larger proportion of bigger homes have been sold. However, fewer sales at the lower end of the market means difficulties in starting chains which affects the overall number of larger homes sold.

Table 10 and Table 11 provide more information on the number of properties sold by price band. Table 11 shows that the proportion of properties sold for more than £500,000 has increased in the last 6 years from 1% to 4% across the Cambridge sub-region. Table 10 shows that the proportion of properties sold for less than £100,000 decreased from 20% to 5% between 2003 and 2008, increasing slightly to 8% in 2009.

## Section 5.2 Facts and figures

### 5.2.3 House prices and incomes

Table 6 shows ratios of house prices to incomes; for lower quartile, median and mean prices and incomes. For a definition of terms used, please see Section 5.5.

**Table 6. House price to income ratio, April-Sep 2010**

|                      | Lower quartile house price:<br>lower quartile income | Median house price:<br>median income | Mean house price:<br>mean income |
|----------------------|--|--------------------------------------|----------------------------------|
| Cambridge            | 9.31   | 8.19                                 | 8.94                             |
| East Cambridgeshire  | 6.47   | 5.83                                 | 5.91                             |
| Fenland              | 5.79   | 4.92                                 | 4.86                             |
| Huntingdonshire      | 5.89   | 5.21                                 | 5.42                             |
| South Cambridgeshire | 7.37   | 6.50                                 | 6.98                             |
| Forest Heath         | 6.10   | 5.10                                 | 5.28                             |
| St. Edmundsbury      | 6.58   | 5.82                                 | 6.18                             |

*Source: Hometrack Sales and Valuations and CACI data downloaded Nov 2010*

Mortgage lenders typically lend between 3 and 4 times income.

The mean house price is between 5 and 7 times the mean income in most of the sub-region, but it is around 9 times for Cambridge. It is a similar picture for lower quartile house prices and incomes.

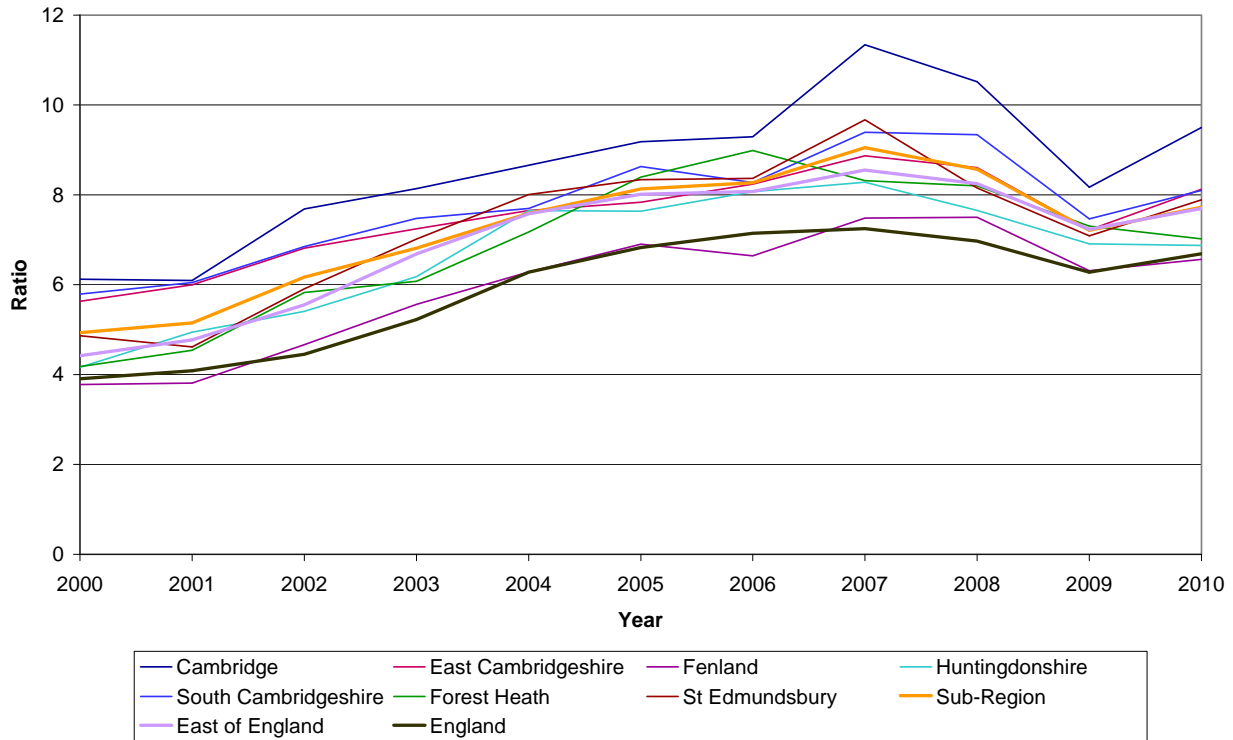
In all districts, the ratio between lower quartile incomes and lower quartile house prices is greater than the ratio between mean house prices and mean incomes. So it is harder for people on lower incomes to purchase cheaper properties than it is for people on moderate incomes to purchase average-priced homes.

## Section 5.2 Facts and figures

## 5.2.4 Focussing on the lower quartile

The longer term trend in lower quartile affordability is shown in Fig 5 for the sub-region's districts, the East of England and for England.

**Fig 5 Lower quartile house price to lower quartile earnings ratio 2000 to 2010**



Source: [CLG Table 576](#), downloaded August 2011

Fig 5 shows an increase in the affordability ratio all areas between 2000 and 2007, meaning house prices have become less affordable over time (as housing costs take up a greater proportion of the household's income).

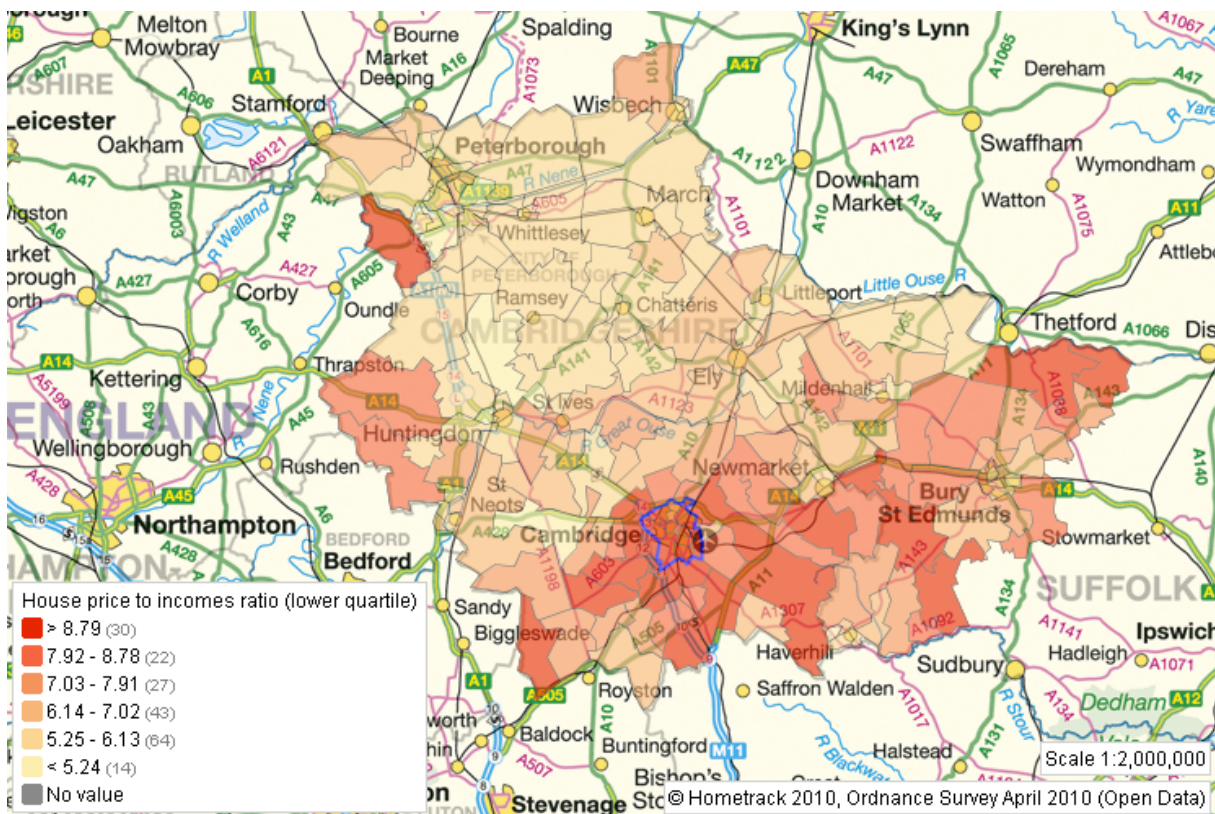
Between 2007 and 2009, the lower quartile house price to earnings ratio decreased, meaning homes were more affordable, in relation to incomes. However prices were still more than 6 times earnings in most areas. Ratios then increased again in most areas between 2009 and 2010.

The ratio for Fenland is similar to the ratio for England as a whole. For the rest of our sub-regional districts, and across the East of England, the ratio is higher. Cambridge is considerably less affordable than other areas (the ratio of house prices to earnings is much higher).

Map 2 shows the lower quartile to house price income ratio by ward.

## Section 5.2 Facts and figures

Map 2 Lower quartile house price to lower quartile income ratio by ward



Source: Hometrack, downloaded Nov 2010

Map 2 shows a pattern of lower quartile price to income ratios, by ward for the sub-region. Clearly affordability for the lower quartile of the market is much lower to the South of our sub-region, and follows a similar pattern to average prices as shown in Map 1.

However the most expensive areas are not always the least affordable – for example, Romsey is the 51<sup>st</sup> most expensive ward in the sub-region, but the fourth “least affordable” in terms of lower quartile price to lower quartile income (see Table 9 for further details).

As well as a high overall cost for purchase, there is a high initial cost required in funding a deposit. The level of deposit required is shown in Table 7.

Table 7. Deposit required for lower quartile property purchase

|                      | Deposit of 10% required             |                                       | Deposit of 25% required             |                                       |
|----------------------|-------------------------------------|---------------------------------------|-------------------------------------|---------------------------------------|
|                      | Deposit for lower quartile purchase | Deposit as % of lower quartile income | Deposit for lower quartile purchase | Deposit as % of lower quartile income |
| Cambridge            | £19,700                             | 104%                                  | £49,250                             | 259%                                  |
| East Cambridgeshire  | £15,000                             | 73%                                   | £37,500                             | 181%                                  |
| Fenland              | £11,000                             | 63%                                   | £27,500                             | 157%                                  |
| Huntingdonshire      | £14,050                             | 64%                                   | £35,125                             | 160%                                  |
| South Cambridgeshire | £18,000                             | 78%                                   | £45,000                             | 196%                                  |
| Forest Heath         | £12,350                             | 67%                                   | £30,875                             | 167%                                  |
| St Edmundsbury       | £14,100                             | 72%                                   | £35,250                             | 181%                                  |

Source: Hometrack, Sales & Valuations

## Section 5.2 Facts and figures

Table 7 shows the deposit level required to purchase a lower quartile property and compares this to lower quartile household income.

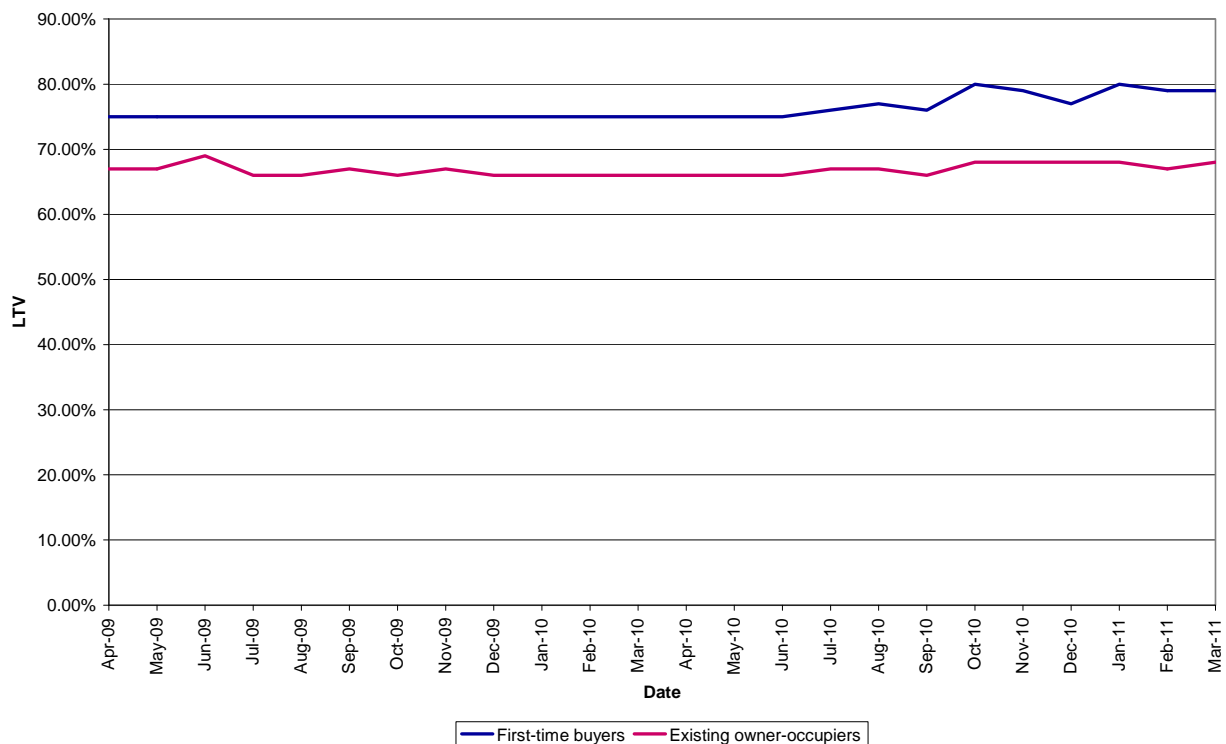
The deposit required to buy a home at 75% Loan to Value ratio is more than the lower quartile annual gross income in all districts of the sub-region. In Cambridge it is equivalent to more than double the lower quartile income. Nationally, 80% of first time buyers are reliant on parental assistance to buy a home<sup>1</sup>, and the size of deposit compared to income in the Cambridge sub-region suggests a high level of parental support is needed locally. In 2010, 84% of first time buyers under the age of 30 bought their home with assistance, e.g. from a family member, compared to 41% in 2006 (CML, 2011).

Table 12 shows the level of deposit required for average purchase as a percentage of average income. A smaller percentage of average income is required to purchase an average-priced home than is shown in Table 7.

### 5.2.5 Loan to value ratios

Fig 6 and Table 8 show national figures for the % of loans (mortgages) in relation to property value. The data comes via Hometrack from the Bank of England, and shows the median advance for first-time buyers and the median advance for (existing) owner-occupiers.

**Fig 6 National loan to value ratio for first time buyers and owner-occupiers, Apr 2009 to Mar 2011**



Source: Bank of England via Hometrack, downloaded November 2011

**Table 8. Loan to value ratios, national**

|        | Median advance for first-time buyers | Median advance for owner-occupiers |
|--------|--------------------------------------|------------------------------------|
| Apr-09 | 75%                                  | 67%                                |
| May-09 | 75%                                  | 67%                                |
| Jun-09 | 75%                                  | 69%                                |
| Jul-09 | 75%                                  | 66%                                |
| Aug-09 | 75%                                  | 66%                                |
| Sep-09 | 75%                                  | 67%                                |
| Oct-09 | 75%                                  | 66%                                |

<sup>1</sup> Housing Finance Group (2010), p.8

## Section 5.2 Facts and figures

|        | Median advance for first-time buyers | Median advance for owner-occupiers |
|--------|--------------------------------------|------------------------------------|
| Nov-09 | 75%                                  | 67%                                |
| Dec-09 | 75%                                  | 66%                                |
| Jan-10 | 75%                                  | 66%                                |
| Feb-10 | 75%                                  | 66%                                |
| Mar-10 | 75%                                  | 66%                                |
| Apr-10 | 75%                                  | 66%                                |
| May-10 | 75%                                  | 66%                                |
| Jun-10 | 75%                                  | 66%                                |
| Jul-10 | 76%                                  | 67%                                |
| Aug-10 | 77%                                  | 67%                                |
| Sep-10 | 76%                                  | 66%                                |
| Oct-10 | 80%                                  | 68%                                |
| Nov-10 | 79%                                  | 68%                                |
| Dec-10 | 77%                                  | 68%                                |
| Jan-11 | 80%                                  | 68%                                |
| Feb-11 | 79%                                  | 67%                                |
| Mar-11 | 79%                                  | 68%                                |

Source: Bank of England via Hometrack, downloaded November 2011

Fig 6 and Table 8 show that loan to value ratios for existing owner-occupiers has remained fairly steady over the years. The ratio for first time buyers is firstly, considerably higher than for existing owners and increased slightly in July 2010.

By March 2011, the average advance to first time buyers was 79%, and to existing owners was 68%.

## Section 5.3 Analysis

### 5.3 Analysis

#### 5.3.1 Current situation

---

Cambridge is the most expensive area to purchase a home in our housing sub-region, while Fenland is the cheapest. Forest Heath is the second cheapest area on average, though some sales there are expensive, particularly flats.

The average house price is between 5 and 7 times average income for most of the sub-region. For Cambridge, the average price is 9 times income. Mortgage lenders typically lend at 3 to 4 times income. For homes to be “affordable” (based on 3.5 times median income) would require a reduction in average house prices of between 13% and 47% in Cambridge.

In addition, many lenders require a deposit of at least 10% of the total purchase price, and the average loan to value (LTV) ratio for first time buyers is around 75% to 80%. This represents a large amount when compared to incomes, compounding difficulties for first time buyers in accessing the market, particularly without help from the family.

Affordability is analysed in more depth in Chapter 10, *Incomes and affordability*.

#### 5.3.2 Changes over time

---

In most districts in our sub-region prices have more than doubled in the last decade. Following the “credit crunch” in 2007/8 average prices decreased slightly, but have increased since. At the end of 2009/10 prices in Fenland and the two Suffolk districts were recovering at a slower rate than the rest of the sub-region.

Because of rising prices, affordability (in terms of house price to earnings ratios) has worsened in the last decade across all areas. While the house price to earnings ratio decreased between 2007 and 2009, it is still currently higher than it was in 2000.

While interest rates are low and lenders more risk-averse, lending is restricted compared to before the credit crunch and this has led to a dramatic decrease in the number of sales at a national and local level. This particularly affects the lower end of the market which makes it difficult to find a deposit or start a chain.

#### 5.3.3 Changes over area

---

Cambridge and South Cambridgeshire are more expensive areas to buy a home compared to elsewhere in the sub-region, the East of England and the country as a whole. Fenland and Forest Heath are relatively cheap by comparison.

Lower quartile house price to income ratios in the sub-region are generally similar to levels elsewhere in the East of England. The East of England has relatively high house price to incomes ratios compared to the country as a whole. The exceptions to this are Cambridge which has higher property price to income ratios (i.e. is far less affordable) than the sub-region and the East of England as a whole; and Fenland, which is closer to the national average.

#### 5.3.4 What does all this data, combined, tell us?

---

On average prices are generally recovering from the comparatively small decreases caused by the “credit crunch”. However the number of sales continues to be low compared to before 2007. The sales continuing to complete tend to be larger and higher value homes, so the drop in number of sales alongside higher values for sales which do complete, may account for some “masking” when we look at average prices only.



### Section 5.3 Analysis

The number of sales of smaller and lower priced homes dropped radically, and due to the mortgage lender attitudes may take a long time to recover.

Nationally, mortgage lending continues to remain restrictive. Although interest rates for borrowers are low at present, other macroeconomic factors make it difficult for households to access mortgage finance.

Restricting access to owner occupation increases demand for homes in other tenures (private rented, social rented and intermediate tenures). It may also mean households living in family homes for longer which can lead to overcrowding and possibly homelessness.

The lower quartile house price would need to decrease by between 34% and 60% to be “affordable” for lower quartile income households based on supporting a mortgage at 4 times income with a 10% deposit, or incomes would need to double (or treble in the case of Cambridge). Such changes are unlikely, so affordability is likely to continue to be a significant issue.

## Section 5.4 Links and references

### 5.4 Links and references

*Correct at January 2012*

CLG (2007) **Strategic Housing Market Assessments: Practice Guidance, version 2** accessed at <http://www.communities.gov.uk/publications/planningandbuilding/strategichousingmarket>

CLG (2011) **English Housing Survey 2009/10: Headline Report** accessed at <http://www.communities.gov.uk/publications/corporate/statistics/ehs200910headlinereport>

CML (2011) **News & views: Problems for first time buyers** accessed at <http://www.cml.org.uk/cml/publications/newsandviews/83/303>

Housing Finance Group (2010) **Meeting the challenge: market analysis – Findings from the Housing Finance Group** accessed at [www.homesandcommunities.co.uk/public/documents/HFG.pdf](http://www.homesandcommunities.co.uk/public/documents/HFG.pdf)

#### 5.4.1 Links to Cambridge sub-region's Housing Market Bulletins for 2009/10:

Edition 2: Published October 2009, based on data from June 2009  
<http://www.cambridgeshirehorizons.co.uk/documents/hsgbulletin/edition2.pdf>

Edition 3: Published April 2010, based on data from September 2009  
<http://www.cambridgeshirehorizons.co.uk/documents/hsgbulletin/edition3.pdf>

Edition 4: Published May 2010, based on data from February 2010  
<http://www.cambridgeshirehorizons.co.uk/documents/hsgbulletin/edition4.pdf>

Edition 5: Published September 2010, based on data from March 2010  
<http://www.cambridgeshirehorizons.co.uk/documents/hsgbulletin/edition5.pdf>

## Section 5.5 Definition of terms

**5.5 Definitions of terms**

| <b>Term used</b>    | <b>Abbreviation</b> | <b>Meaning</b>  |
|---------------------|---------------------|---|
| Lower quartile      | None                | The bottom 25% value, i.e. of all the properties sold, 25% were cheaper than this value and 75% were more expensive.<br>The lower quartile price is used as an entry level price and is the recommended level used to evaluate affordability. |
| Median              | None                | The middle value, i.e. of all the properties sold, half were cheaper and half were more expensive. This is sometimes used instead of the mean average as it is not subject to skew by very large or very small statistical outliers.          |
| Mean (average)      | None                | The sum of all values divided by the number of values. The more commonly used "average" measure as it does include all values rather than using the middle value as a representative (like the median does).                                  |
| Loan to value ratio | LTV                 | The size of the mortgage loan as a percentage of the purchase price, e.g. if someone buys a home for £200,000 and they have a £20,000 (10%) deposit, and take out a mortgage for the remaining £180,000, the LTV ratio is 90%.                |
| Affordability ratio | None                | Relationship between house price and incomes or earnings, e.g. income = £25,000, house price = £200,000.<br>House price: income ratio= $\text{£}200,000/\text{£}25,000=8$ , (the house price is 8 times income).                              |

## Section 5.6 Data issues

### **5.6 Data issues**

#### **Main sources of data**

Data about house prices is mostly taken from Hometrack. The data available from Hometrack takes account of sales and valuations and is available in a far more detailed way than is easily available from the Land Registry. It is updated monthly.

House price to income ratio data is also taken from Hometrack.

Longer term data on sales, prices and house price to earnings ratios is taken from the CLG website (links included under each table).

## Section 5.7 Additional information

## 5.7 Additional information

Table 9. Average house price, number of sales and affordability by ward

| Area name                  | Average         | Number of sales | House Price to Income Ratios |             |             |
|----------------------------|-----------------|-----------------|------------------------------|-------------|-------------|
|                            |                 |                 | LQ                           | Median      | Mean        |
| <b>Cambridge</b>           | <b>£323,656</b> | <b>814</b>      | <b>9.31</b>                  | <b>8.19</b> | <b>8.94</b> |
| Newnham Ward               | £795,275        | 23              | 19.34                        | 15.99       | 16.99       |
| Market Ward                | £525,369        | 22              | 13.33                        | 13.43       | 13.58       |
| Queen Edith's Ward         | £483,894        | 51              | 11.14                        | 10.79       | 11.3        |
| Trumpington Ward           | £416,851        | 101             | 10.49                        | 9.56        | 12.74       |
| West Chesterton Ward       | £374,906        | 65              | 8                            | 7.95        | 8.94        |
| Castle Ward                | £372,815        | 36              | 9.8                          | 8.84        | 8.96        |
| Petersfield Ward           | £277,853        | 64              | 8.39                         | 7.98        | 8.16        |
| Romsey Ward                | £276,898        | 102             | 11.11                        | 8.6         | 7.54        |
| Arbury Ward                | £276,431        | 46              | 8.97                         | 8.28        | 8           |
| Coleridge Ward             | £273,310        | 44              | 9.43                         | 8.04        | 7.32        |
| Cherry Hinton Ward         | £256,126        | 68              | 9.67                         | 7.79        | 7.13        |
| East Chesterton Ward       | £250,562        | 55              | 10.04                        | 8.25        | 7.83        |
| Abbey Ward                 | £245,205        | 72              | 10.02                        | 8.37        | 7.83        |
| King's Hedges Ward         | £195,660        | 65              | 8.38                         | 6.23        | 6.25        |
| <b>East Cambridgeshire</b> | <b>£233,209</b> | <b>722</b>      | <b>6.47</b>                  | <b>5.83</b> | <b>5.91</b> |
| Bottisham Ward             | £355,984        | 18              | 8.04                         | 8.49        | 8.05        |
| The Swaffhams Ward         | £352,339        | 14              | 8.02                         | 7.52        | 7.94        |
| Cheveley Ward              | £322,785        | 35              | 8.4                          | 7.82        | 8.14        |
| Dullingham Villages Ward   | £305,288        | 12              | 9.29                         | 7.75        | 8.1         |
| Isleham Ward               | £276,592        | 19              | 7.99                         | 6.65        | 6.09        |
| Burwell Ward               | £264,598        | 58              | 7.1                          | 6.31        | 6.52        |
| Fordham Villages Ward      | £251,493        | 18              | 6.44                         | 5.38        | 5.88        |
| Haddenham Ward             | £247,754        | 49              | 6.14                         | 5.98        | 5.96        |
| Downham Villages Ward      | £233,304        | 42              | 6.69                         | 5.58        | 5.66        |
| Ely East Ward              | £227,576        | 57              | 6.71                         | 5.78        | 6.17        |
| Ely South Ward             | £224,473        | 80              | 6.55                         | 5.13        | 4.92        |
| Ely West Ward              | £224,440        | 34              | 7.09                         | 5.64        | 5.69        |
| Stretham Ward              | £210,052        | 30              | 6.64                         | 5.12        | 5.43        |
| Ely North Ward             | £201,072        | 70              | 6.09                         | 5.46        | 4.88        |
| Soham South Ward           | £196,211        | 46              | 6.24                         | 5.36        | 5.52        |
| Sutton Ward (12UC)         | £184,466        | 28              | 5.55                         | 4.48        | 4.46        |
| Littleport West Ward       | £170,096        | 36              | 6.51                         | 5.55        | 4.99        |
| Littleport East Ward       | £169,312        | 32              | 6.06                         | 4.85        | 4.87        |
| Soham North Ward           | £164,591        | 43              | 5.56                         | 5.01        | 4.73        |

## Section 5.7 Additional information

| Area name                              | Average         | Number of sales | House Price to Income Ratios |             |             |
|--|-----------------|-----------------|------------------------------|-------------|-------------|
|  |                 |                 | LQ                           | Median      | Mean        |
| <b>Fenland (District)</b>              | <b>£160,457</b> | <b>651</b>      | <b>5.79</b>                  | <b>4.92</b> | <b>4.86</b> |
| Wimblington Ward                       | £219,094        | 18              | 6.87                         | 5.82        | 5.93        |
| Peckover Ward                          | £197,000        | 9               | 6.78                         | 5.48        | 5.6         |
| St. Andrews Ward (12UD)                | £182,839        | 16              | 6.12                         | 5.13        | 5.09        |
| Benwick, Coates and Eastrea Ward       | £180,926        | 26              | 5.49                         | 4.43        | 4.45        |
| March West Ward                        | £179,708        | 46              | 6.07                         | 5.24        | 5.18        |
| Parson Drove and Wisbech St. Mary Ward | £178,229        | 44              | 6.06                         | 5.17        | 4.95        |
| Roman Bank Ward                        | £177,042        | 49              | 7.3                          | 5.89        | 6.04        |
| Birch Ward                             | £176,732        | 19              | 5.64                         | 4.77        | 4.6         |
| Doddington Ward (12UD)                 | £174,811        | 26              | 5.55                         | 5.59        | 4.68        |
| Manea Ward                             | £174,274        | 24              | 5.64                         | 4.48        | 4.61        |
| Wenneye Ward                           | £170,096        | 19              | 5.93                         | 5.12        | 4.84        |
| Elm and Christchurch Ward              | £167,764        | 29              | 5.55                         | 4.64        | 4.94        |
| Slade Lode Ward                        | £159,036        | 25              | 5.35                         | 4.25        | 4.34        |
| March North Ward                       | £151,862        | 43              | 5.87                         | 4.73        | 4.44        |
| The Mills Ward                         | £151,532        | 35              | 5.27                         | 4.34        | 4.41        |
| Delph Ward                             | £149,285        | 8               | 5.62                         | 4.64        | 4.25        |
| Lattersey Ward                         | £149,188        | 10              | 6.62                         | 5.2         | 4.74        |
| Bassenhally Ward                       | £147,357        | 10              | 6.12                         | 4.48        | 3.98        |
| St. Marys Ward (12UD)                  | £142,773        | 18              | 4.99                         | 4.29        | 3.93        |
| Kirkgate Ward                          | £133,364        | 25              | 5.99                         | 4.71        | 4.59        |
| March East Ward                        | £132,293        | 42              | 5.73                         | 4.63        | 4.4         |
| Hill Ward (12UD)                       | £126,883        | 32              | 5.42                         | 4.99        | 4.46        |
| Medworth Ward                          | £126,352        | 21              | 5.51                         | 5.73        | 5.15        |
| Kingsmoor Ward                         | £123,367        | 13              | 5.37                         | 4.01        | 4.11        |
| Clarkson Ward                          | £116,206        | 20              | 5                            | 5.07        | 5.32        |
| Staithe Ward                           | £114,607        | 8               | 4.92                         | 4.42        | 4.16        |
| Waterlees Ward                         | £97,119         | 16              | 5.41                         | 4.04        | 3.61        |
| <b>Huntingdonshire (District)</b>      | <b>£225,286</b> | <b>1186</b>     | <b>5.89</b>                  | <b>5.21</b> | <b>5.42</b> |
| Ellington Ward                         | £397,905        | 12              | 8.16                         | 7.99        | 8.01        |
| Kimbolton and Staughton Ward           | £353,463        | 27              | 8.65                         | 8.33        | 8.69        |
| Elton and Folksworth Ward              | £334,530        | 18              | 9.12                         | 8.31        | 8.03        |
| Buckden Ward                           | £310,615        | 15              | 7.21                         | 6.44        | 7.23        |
| The Hemingfords Ward                   | £308,060        | 39              | 7.8                          | 6.57        | 7.72        |
| Gransden and The Offords Ward          | £292,361        | 78              | 6.56                         | 5.74        | 6.05        |
| St. Ives South Ward                    | £247,147        | 53              | 7.43                         | 5.89        | 5.98        |
| Earith Ward                            | £243,483        | 48              | 6.15                         | 5.39        | 5.54        |
| Somersham Ward                         | £239,415        | 33              | 5.37                         | 4.9         | 5.04        |

## Section 5.7 Additional information

| Area name                              | Average         | Number of sales | House Price to Income Ratios |            |             |
|--|-----------------|-----------------|------------------------------|------------|-------------|
|  |                 |                 | LQ                           | Median     | Mean        |
| Sawtry Ward                            | £237,950        | 35              | 5.72                         | 5.23       | 5.6         |
| Upwood and The Raveleys Ward           | £229,243        | 19              | 5.18                         | 3.84       | 4.83        |
| Godmanchester Ward                     | £227,631        | 62              | 6.02                         | 5.41       | 5.04        |
| Fenstanton Ward                        | £225,341        | 29              | 6.35                         | 5.27       | 5.6         |
| Stilton Ward                           | £223,542        | 11              | 5.86                         | 4.53       | 4.99        |
| Warboys and Bury Ward                  | £221,065        | 45              | 5.89                         | 5.55       | 5.21        |
| Alconbury and The Stukeleys Ward       | £220,587        | 16              | 5.63                         | 4.8        | 5.24        |
| St. Neots Eaton Ford Ward              | £220,391        | 64              | 5.56                         | 5.3        | 5.27        |
| Brampton Ward (12UE)                   | £215,788        | 46              | 5.89                         | 5.26       | 5.11        |
| Little Paxton Ward                     | £208,902        | 13              | 5.98                         | 4.65       | 4.71        |
| Huntingdon East Ward                   | £203,786        | 52              | 6.6                          | 5.16       | 5.05        |
| St. Neots Priory Park Ward             | £199,694        | 40              | 6.21                         | 5.22       | 5.14        |
| St. Neots Eaton Socon Ward             | £191,099        | 43              | 6.29                         | 5.52       | 5.36        |
| St. Ives West Ward                     | £186,774        | 15              | 7.11                         | 5.5        | 5.1         |
| Ramsey Ward                            | £186,357        | 55              | 5.84                         | 5.02       | 4.94        |
| Huntingdon West Ward                   | £183,067        | 70              | 4.72                         | 4.26       | 4.03        |
| St. Neots Eynesbury Ward               | £178,206        | 68              | 5.62                         | 4.87       | 4.49        |
| Yaxley and Farcet Ward                 | £177,730        | 81              | 5.44                         | 4.78       | 4.54        |
| St. Ives East Ward                     | £165,347        | 64              | 5.51                         | 4.46       | 4.25        |
| Huntingdon North Ward                  | £129,677        | 35              | 5.65                         | 4.34       | 4.14        |
| <b>South Cambridgeshire (District)</b> | <b>£301,966</b> | <b>1167</b>     | <b>7.37</b>                  | <b>6.5</b> | <b>6.98</b> |
| Barton Ward (12UG)                     | £582,363        | 16              | 9.65                         | 9.2        | 10.77       |
| The Shelfords and Stapleford Ward      | £480,532        | 71              | 9.08                         | 8.89       | 10.1        |
| The Abingtons Ward                     | £465,974        | 9               | 9.07                         | 10.81      | 9.65        |
| The Mordens Ward                       | £461,205        | 14              | 9.23                         | 9.73       | 8.99        |
| Haslingfield and The Eversdens Ward    | £429,767        | 14              | 9.44                         | 8.17       | 8.8         |
| Harston and Hauxton Ward               | £419,076        | 15              | 10.23                        | 9.7        | 9.2         |
| Orwell and Barrington Ward             | £413,346        | 17              | 10.45                        | 9.17       | 10.32       |
| Girton Ward                            | £388,735        | 23              | 9.33                         | 8.05       | 8.29        |
| The Wilbrahams Ward                    | £367,340        | 18              | 10.28                        | 8.88       | 9.99        |
| Duxford Ward                           | £340,465        | 23              | 9.38                         | 9.1        | 8.4         |
| Fowlmere and Foxton Ward               | £334,066        | 11              | 7.57                         | 6.39       | 7.44        |
| Balsham Ward                           | £332,909        | 26              | 9.14                         | 8.52       | 9.09        |
| Whittlesford Ward                      | £328,096        | 18              | 8.08                         | 7.33       | 8.21        |
| Caldecote Ward                         | £322,763        | 14              | 7.56                         | 6.43       | 6.68        |
| Bassingbourn Ward                      | £308,439        | 25              | 7.84                         | 7.5        | 7.77        |
| Meldreth Ward                          | £304,800        | 24              | 7.32                         | 6.29       | 7.71        |
| Fulbourn Ward                          | £301,820        | 41              | 8.71                         | 7.54       | 8.02        |
| Comberton Ward                         | £292,948        | 15              | 8.44                         | 6.67       | 7.09        |

## Section 5.7 Additional information

| Area name                       | Average         | Number of sales | House Price to Income Ratios |             |             |
|---------------------------------|-----------------|-----------------|------------------------------|-------------|-------------|
|                                 |                 |                 | LQ                           | Median      | Mean        |
| Melbourn Ward                   | £288,789        | 54              | 6.69                         | 6.21        | 6.4         |
| Linton Ward (12UG)              | £283,089        | 26              | 6.83                         | 6.19        | 6.34        |
| Histon and Impington Ward       | £266,001        | 109             | 8.27                         | 6.93        | 6.89        |
| Bourn Ward                      | £263,415        | 90              | 5.12                         | 4.58        | 4.67        |
| Gamlingay Ward                  | £263,266        | 35              | 7.54                         | 5.88        | 6.82        |
| Swavesey Ward                   | £259,880        | 15              | 5.7                          | 5.57        | 5.42        |
| Milton Ward (12UG)              | £257,154        | 36              | 8.03                         | 6.48        | 5.83        |
| Willingham and Over Ward        | £255,546        | 52              | 7.52                         | 6.11        | 6.01        |
| Papworth and Elsworth Ward      | £253,779        | 82              | 6.96                         | 6.15        | 6.02        |
| Bar Hill Ward                   | £247,680        | 40              | 6                            | 4.7         | 5.32        |
| Waterbeach Ward                 | £246,613        | 41              | 7.59                         | 6.37        | 6.56        |
| Hardwick Ward (12UG)            | £246,198        | 13              | 6.75                         | 5.65        | 5.39        |
| Cottenham Ward                  | £245,299        | 75              | 6.94                         | 6.08        | 5.91        |
| Teversham Ward                  | £241,928        | 17              | 6.96                         | 5.95        | 6.25        |
| Longstanton Ward                | £224,640        | 31              | 6.26                         | 5.17        | 5.18        |
| Sawston Ward                    | £223,195        | 58              | 8.55                         | 6.72        | 6.14        |
| <b>Forest Heath (District)</b>  | <b>£185,946</b> | <b>445</b>      | <b>6.1</b>                   | <b>5.1</b>  | <b>5.28</b> |
| South Ward (42UC)               | £366,897        | 10              | 8.95                         | 7.3         | 8.23        |
| Manor Ward (42UC)               | £340,237        | 12              | 7.41                         | 7.25        | 7.47        |
| Iceni Ward                      | £314,250        | 14              | 8.56                         | 8.13        | 7.73        |
| Exning Ward                     | £223,390        | 16              | 6.18                         | 4.8         | 5.98        |
| Eriswell and The Rows Ward      | £193,950        | 32              | 6.27                         | 5.19        | 4.93        |
| Red Lodge Ward                  | £181,725        | 60              | 6.51                         | 5.48        | 5.17        |
| All Saints Ward (42UC)          | £175,991        | 34              | 6.53                         | 5.58        | 5.14        |
| St. Mary's Ward (42UC)          | £168,373        | 35              | 6.86                         | 5.83        | 5.53        |
| Market Ward (42UC)              | £163,945        | 59              | 5.86                         | 4.85        | 4.77        |
| Great Heath Ward                | £163,012        | 25              | 5.48                         | 5.43        | 4.88        |
| Lakenheath Ward                 | £162,686        | 27              | 6.13                         | 4.95        | 4.89        |
| Severals Ward                   | £150,710        | 59              | 5.73                         | 4.38        | 4.3         |
| Brandon West Ward               | £137,048        | 24              | 5.8                          | 4.68        | 4.54        |
| Brandon East Ward               | £127,007        | 39              | 5.26                         | 4.46        | 4.24        |
| <b>St Edmundsbury (Borough)</b> | <b>£227,105</b> | <b>844</b>      | <b>6.58</b>                  | <b>5.82</b> | <b>6.18</b> |
| Withersfield Ward               | £397,833        | 14              | 7.11                         | 7.8         | 8.28        |
| Wickhambrook Ward               | £391,889        | 9               | 10.38                        | 10.44       | 10.11       |
| Rougham Ward                    | £388,843        | 14              | 8.42                         | 8.1         | 9.02        |
| Barningham Ward                 | £340,290        | 23              | 9.24                         | 8.3         | 8.23        |
| Chedburgh Ward                  | £328,167        | 12              | 6.6                          | 6.79        | 7.4         |
| Hundon Ward                     | £327,290        | 15              | 7.2                          | 6.77        | 7.9         |
| Pakenham Ward                   | £304,179        | 10              | 7.87                         | 7.27        | 7.47        |



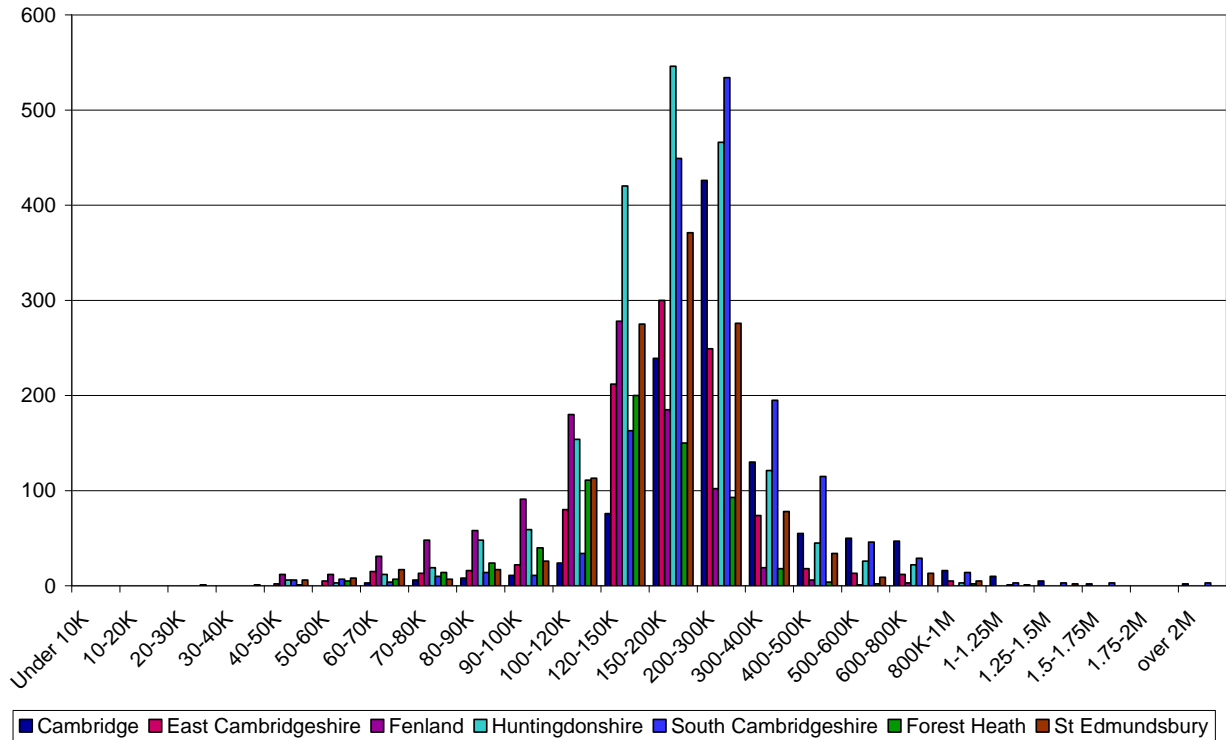
## Section 5.7 Additional information

| Area name                     | Average  | Number of sales | House Price to Income Ratios |        |      |
|-------------------------------|----------|-----------------|------------------------------|--------|------|
|                               |          |                 | LQ                           | Median | Mean |
| Horringer and Whelnetham Ward | £300,160 | 17              | 7.89                         | 7.31   | 7.75 |
| Bardwell Ward                 | £288,355 | 10              | 8.82                         | 7.92   | 8.79 |
| Risby Ward                    | £285,357 | 11              | 8.17                         | 7.57   | 8.13 |
| Cavendish Ward                | £266,038 | 18              | 9.18                         | 6.99   | 6.44 |
| Great Barton Ward             | £261,600 | 63              | 6.83                         | 5.71   | 5.71 |
| Barrow Ward                   | £259,884 | 14              | 8.24                         | 7.86   | 7.26 |
| Ixworth Ward                  | £244,000 | 17              | 8.21                         | 7.03   | 6.53 |
| Minden Ward                   | £243,291 | 26              | 8.52                         | 7.23   | 7.12 |
| Southgate Ward                | £219,668 | 48              | 6.86                         | 5.21   | 5.93 |
| Abbeygate Ward                | £218,347 | 59              | 6.85                         | 5.65   | 6.42 |
| Fornham Ward                  | £216,417 | 15              | 7.18                         | 6.94   | 6.76 |
| Clare Ward                    | £214,241 | 22              | 8.7                          | 7.23   | 7.44 |
| Kedington Ward                | £213,738 | 17              | 6.68                         | 5.35   | 5.6  |
| Eastgate Ward                 | £213,378 | 27              | 7.45                         | 5.58   | 6.25 |
| Moreton Hall Ward             | £213,307 | 54              | 5.77                         | 4.89   | 4.71 |
| Stanton Ward                  | £204,341 | 15              | 7.12                         | 5.53   | 5.51 |
| Westgate Ward                 | £197,877 | 33              | 7.19                         | 5.86   | 6.1  |
| Risbygate Ward                | £189,696 | 51              | 6.68                         | 5.84   | 5.66 |
| Haverhill West Ward           | £180,675 | 44              | 5.15                         | 4.61   | 4.21 |
| Northgate Ward                | £167,833 | 10              | 7.82                         | 5.86   | 5.94 |
| Haverhill North Ward          | £159,196 | 50              | 6.21                         | 5.26   | 4.92 |
| Haverhill East Ward           | £157,381 | 56              | 5.75                         | 4.56   | 4.41 |
| Haverhill South Ward          | £141,200 | 43              | 5.8                          | 4.56   | 4.68 |
| St. Olaves Ward               | £135,150 | 26              | 7.76                         | 5.46   | 4.94 |

Source: Hometrack Sales and Valuations and CACI downloaded Nov 2010

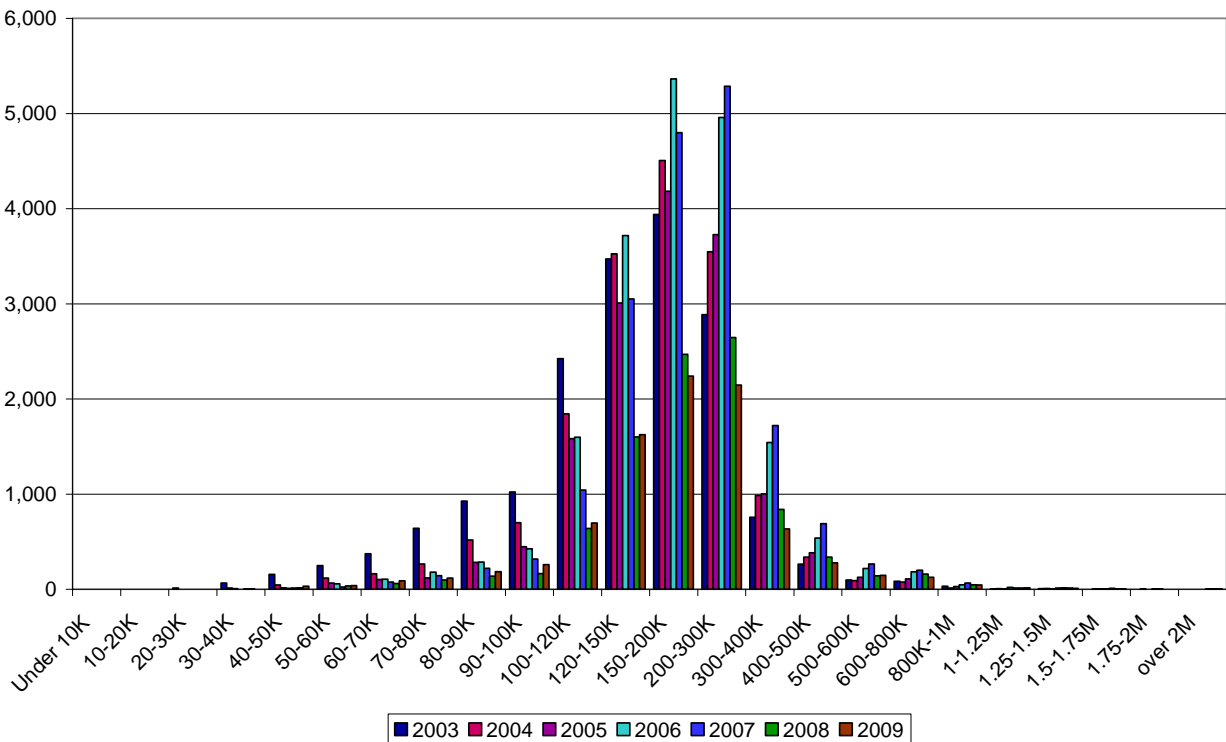
Section 5.7 Additional information

**Fig 7 Sales by price band and district, 2009**



Source: Land Registry (through Hometrack)

**Fig 8 Sales by price band, Cambridge sub-region 2003-2009**



Source: Land Registry (through Hometrack)

## Section 5.7 Additional information

**Table 10. Percentage of properties sold for less than £100,000; 2003-2009**

|      | Cambridge | East Cambs | Fenland | Hunting-donshire | South Cambs | Forest Heath | St Edmundsbury | Sub-Region |
|------|-----------|------------|---------|------------------|-------------|--------------|----------------|------------|
| 2003 | 4%        | 13%        | 43%     | 22%              | 5%          | 32%          | 19%            | 20%        |
| 2004 | 4%        | 8%         | 28%     | 10%              | 3%          | 15%          | 8%             | 11%        |
| 2005 | 3%        | 4%         | 20%     | 6%               | 1%          | 12%          | 5%             | 7%         |
| 2006 | 3%        | 4%         | 15%     | 5%               | 1%          | 10%          | 3%             | 6%         |
| 2007 | 2%        | 4%         | 11%     | 3%               | 2%          | 7%           | 3%             | 4%         |
| 2008 | 2%        | 5%         | 15%     | 4%               | 3%          | 7%           | 5%             | 5%         |
| 2009 | 3%        | 7%         | 25%     | 8%               | 3%          | 14%          | 7%             | 8%         |

Source: Land Registry (through Hometrack)

**Table 11. Percentage of properties sold for more than £500,000; 2003-2009**

|      | Cambridge | East Cambs | Fenland | Hunting-donshire | South Cambs | Forest Heath | St Edmundsbury | Sub-Region |
|------|-----------|------------|---------|------------------|-------------|--------------|----------------|------------|
| 2003 | 4%        | 1%         | 0%      | 1%               | 3%          | 0.5%         | 0.7%           | 1%         |
| 2004 | 3%        | 0.5%       | 0%      | 1%               | 3%          | 0.7%         | 1%             | 1%         |
| 2005 | 5%        | 1%         | 0.1%    | 1%               | 3%          | 0.9%         | 2%             | 2%         |
| 2006 | 7%        | 1%         | 0.2%    | 2%               | 5%          | 1%           | 1%             | 3%         |
| 2007 | 9%        | 2%         | 0.3%    | 2%               | 6%          | 1%           | 3%             | 3%         |
| 2008 | 11%       | 4%         | 0.4%    | 3%               | 6%          | 2%           | 3%             | 4%         |
| 2009 | 14%       | 3%         | 0.4%    | 3%               | 6%          | 0.6%         | 2%             | 4%         |

Source: Land Registry (through Hometrack)

**Table 12. Deposit required for average property purchase**

|                      | Deposit of 10% required      |                                | Deposit of 25% required      |                                |
|----------------------|------------------------------|--------------------------------|------------------------------|--------------------------------|
|                      | Deposit for average purchase | Deposit as % of average income | Deposit for average purchase | Deposit as % of average income |
| Cambridge            | <b>£30,997</b>               | <b>85%</b>                     | <b>£77,492</b>               | <b>213%</b>                    |
| East Cambridgeshire  | <b>£21,746</b>               | <b>55%</b>                     | <b>£54,365</b>               | <b>138%</b>                    |
| Fenland              | <b>£15,174</b>               | <b>47%</b>                     | <b>£37,936</b>               | <b>117%</b>                    |
| Huntingdonshire      | <b>£21,199</b>               | <b>50%</b>                     | <b>£52,999</b>               | <b>125%</b>                    |
| South Cambridgeshire | <b>£28,071</b>               | <b>64%</b>                     | <b>£70,178</b>               | <b>159%</b>                    |
| Forest Heath         | <b>£17,405</b>               | <b>51%</b>                     | <b>£43,512</b>               | <b>128%</b>                    |
| St Edmundsbury       | <b>£21,684</b>               | <b>59%</b>                     | <b>£54,211</b>               | <b>147%</b>                    |

Source: Hometrack, Sales &amp; Valuations