

Issue 11

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CAMBRIDGE HOUSING SUB-REGION

Housing market bulletin

Our housing market at September 2011

This edition of the Cambridge housing sub-region's Housing Market Bulletin updates you on many aspects of the housing market locally, regionally and nationally. The data in this Bulletin relates to September 2011.

This edition includes updated information on the affordability of housing across the sub-region with a repeat of the page first piloted in Edition 8, returning in response to reader feedback on [page 15](#).

This new page aims to help give context to the new Affordable Rent regime, and to look at the comparative weekly costs of various housing tenures by district and property size.

To find out more about our Strategic Housing Market Assessment (SHMA), please visit:

www.cambridgeshirehorizons.co.uk/shma

This Bulletin, and previous editions, can now be found on a new web page at: www.cambridge.gov.uk/crhb. Please see [page 16](#) for further details, where you can also catch up on our future plans for the Bulletin.

Tip: To follow links in this bulletin, you can click on the underlined text. This should take you to the information or the page you are seeking. If this does not work try holding down the "Ctrl" button and click.

Bulletin highlights...

- The number of sales in our housing sub-region has dropped back in September 2011 to a low level, just a little higher than March 2009 levels. This reflects regional and national trends.
- Some average property prices have rallied to September 2011, in Cambridge, South Cambridgeshire and St Edmundsbury, while others have seen a drop. The average gain across our housing sub-region was £1,980.
- The average time taken to sell fell in three of our seven districts. In September 2011 it took an average of 8.4 weeks to sell across our sub-region. Time to sell increased for East of England and England between September 2010 and September 2011.
- There has been a slight increase in the percentage of asking price being achieved in all our seven districts except Forest Heath, comparing September 2011 to September 2010.
- The number of viewings per sale has increased across our housing sub-region. The average now ranges from 10.3 in Forest Heath to 14.4 in Fenland.
- Average affordability ratios have remained fairly steady, ranging from 4.7 in Fenland to 9.1 in Cambridge.
- Lower quartile affordability ratios have decreased slightly compared to July 2011. The least affordable area is still Cambridge with LQ prices now 11.9 times LQ incomes. The ratio was previously 12.0 in July and 9.6 in March.

Click here to find...

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Maps

Our housing market

Map 1 shows the East of England, shaded in orange and boundaried with a blue line. Information on the East of England is a useful comparison for data about the Cambridge housing sub-region. This Bulletin compares information for each of the seven districts in our housing sub-region; for the East of England region and for the whole of England.

Map 2 shows the boundaries of each of the seven districts in the Cambridge housing sub-region, which are:

- Cambridge
- Fenland
- Huntingdonshire
- St Edmundsbury
- East Cambridgeshire
- Forest Heath
- South Cambridgeshire

Five districts on this list fall within Cambridgeshire, while Forest Heath and St Edmundsbury fall within Suffolk.

About Hometrack data

Hometrack's monthly survey

For the last eleven years Hometrack has been collecting data from estate agents and surveyors to monitor market trends, and publishes the results monthly in their national house price survey. The building blocks of the survey are responses to a standard questionnaire by over 5,000 estate agents and valuers across England and Wales.

The surveys look to obtain a minimum of two returns for each postcode district. The survey provides a large amount of data each month, which is used to calculate; change in supply & demand; time to sell in weeks; sales to asking price; viewings per sale. We do not use house price data collected by the survey within the Intelligence System. Pages 11, 12 and 13 use this data.

Hometrack house price data

Hometrack use data from two sources to generate house price data, actual property sales from Land Registry and data from valuations for mortgage applications.

A much larger dataset can be created by joining these two data sources together and this is a database that is unique to Hometrack. This database includes information on property size (bedrooms and square feet) as well as property type. The volume of data enables us to present house price data by property at a range of geographies from region down to ward level. We are able to segment this by type of property and bedroom size for a range of standard outputs including, lower quartile, average, 90th percentile and upper quartile. The key feature of the database is that it is a combination of property valued for mortgage lending purposes and actual sales. Hometrack displays price data for sales only as well as for sales and valuations data. See pages 4 and 5.

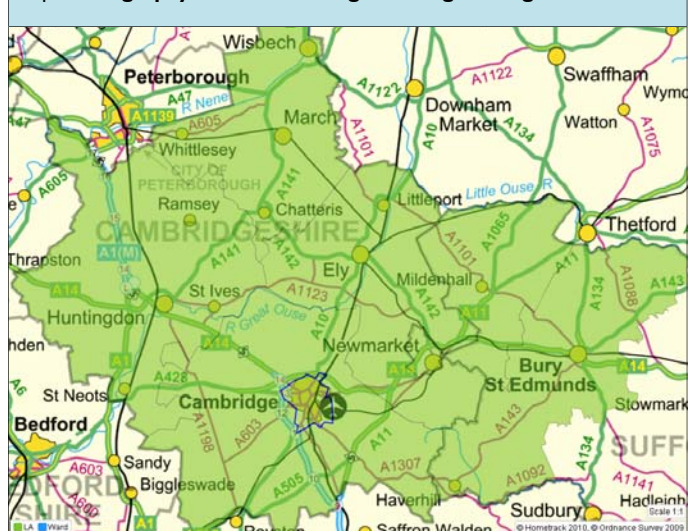
Map 1: The East of England



Map 2: The seven districts in our housing sub-region



Map 3: Geography of the Cambridge housing sub-region

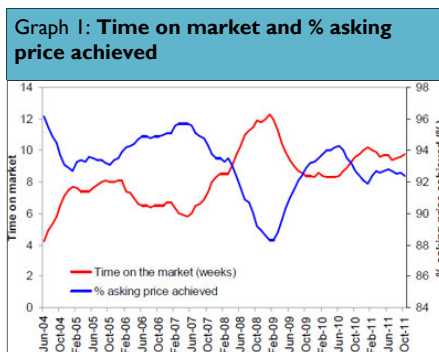


National trends from Hometrack:

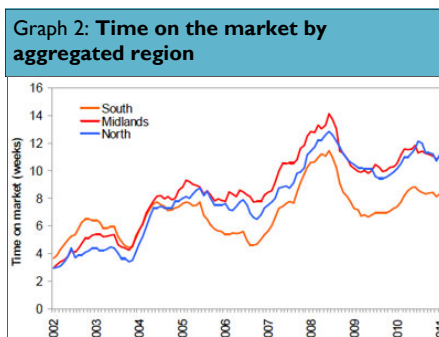
House price falls accelerate as demand drops back

- Average house prices fell by 0.2% in October 2011. This compared to falls of 0.1% over each of the previous five months. The year-on-year rate of growth currently stands at -2.8%.
- Above average price falls were registered in the West Midlands (-0.6%), East Midlands (-0.4%) and the North East (-0.4%).
- Prices in London remained static following consistent rises since March 2011.
- This turnaround in fortunes is important as above average price rises in London have flattered the headline rate of growth over recent months. A slowdown in London will impact the scale of price changes nationally in the months ahead.
- The number of areas registering price falls increased over October with over a third (34%) of postcodes seeing prices falls, compared to 25% in September.
- Demand for housing fell for the third consecutive month in a row (-0.2% in October) as concerns over the economy and household finances took their toll on "would-be" buyers.
- On the supply side, October registered a 1.3% increase in the number of properties listed with agents. Over the last six months supply has grown 11%.
- The balance between supply and demand is clearly shifting and points to an acceleration in price falls in the coming months.
- Weaker demand is starting to impact on the average time on the market. This has grown for the last three months and currently stands at 9.8 weeks.
- However, October did see a rise in the number of sales agreed (6.3%) as vendors look to agree sales and move before the end of the year.

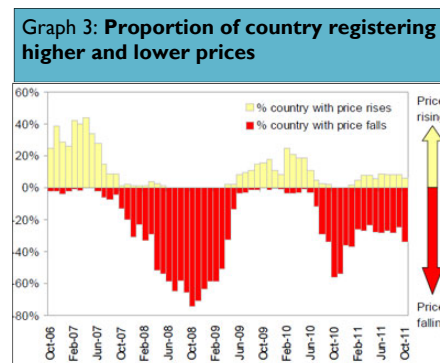
Table 1: Summary	Aug-11	Sep-11	Oct-11
Monthly price change (%)	-0.1	-0.1	-0.2
% change in new buyers registering with agents	-1.2	-2.6	-0.2
% change in volume of property listing	1.7	-0.6	1.3
% change in sales agreed	3.6	2.0	6.3
Average time on the market (weeks)	9.5	9.6	9.8
% of the asking price being achieved	92.5	92.6	92.4
% postcode districts with price increase over month	9%	8.2%	6.5%
% postcode districts with price decrease over month	28%	25%	34%



Graph 1: The proportion of the asking price achieved has started to slip back and stands at 92.5%. The further it falls the greater the decline in prices. The time on the market has registered a small increase to 9.8 weeks with some major regional variations.



Graph 2 shows the time on the market for aggregated regions and the clear differential between southern England the rest of the country.



Graph 3 shows the proportion of postcodes registering higher and lower prices over time. The balance of change swung into negative territory over the autumn of 2010 but the extent of price changes has slowed as supply has tightened. Prices were down across 34% of postcodes in October 2011.

by Richard Donnell
Director of Research
Hometrack

Issued: 31 October 2011

Source: <http://www.hometrack.co.uk/our-insight/monthly-national-house-price-survey/house-price-falls-accelerate-as-demand-drops-back>

Number of sales and valuations

This page shows the number of sales and valuations used by Hometrack to generate all the other data presented in this Bulletin, except for page 5 (number of actual sales). This page shows the number of sales and valuations over the past six months.

Graph 4 shows the number of sales and valuations across England (red) and the East of England region (blue).

Graph 5 shows numbers of sales and valuations for each of the seven districts in the Cambridge housing sub-region.

Table 2 shows the number of sales and valuations from March 2008 to September 2011 in six monthly chunks to highlight the change in numbers for each district, for the housing sub-region, for the East of England and for England.

Comment

This information helps set the other information in this Bulletin into context. It shows a significant reduction in the number of sales and valuations at all geographical levels up to March 2009, rallying to September 2010 then declining to September 2011.

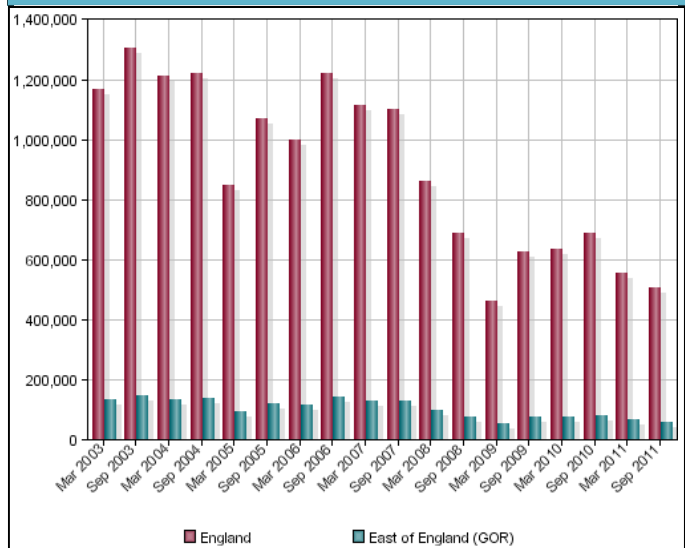
Graphs 4 and 5 shows a similar pattern for national, regional and local numbers of sales. Page 6 provides further detail behind the figures in Table 2.

The average prices quoted later in this Bulletin are affected by the number and types of homes selling, and all relate back to the data on this page showing both sales and valuations. In brief, where the number of sales drops a lot; if the sales completing tend to be more expensive properties, average prices will appear higher. Similarly, if more smaller homes or lower value sales are completing, average prices will appear lower.

So the number and value of sales achieved has a huge effect on average prices, particularly when the number of sales change significantly.

Source: Hometrack's Automated Valuation Model based on Sept 2011 sales and valuations.

Graph 4: Number of sales and valuations over time, England and East of England



Graph 5: Number of sales and valuations over time, Cambridge housing sub-region

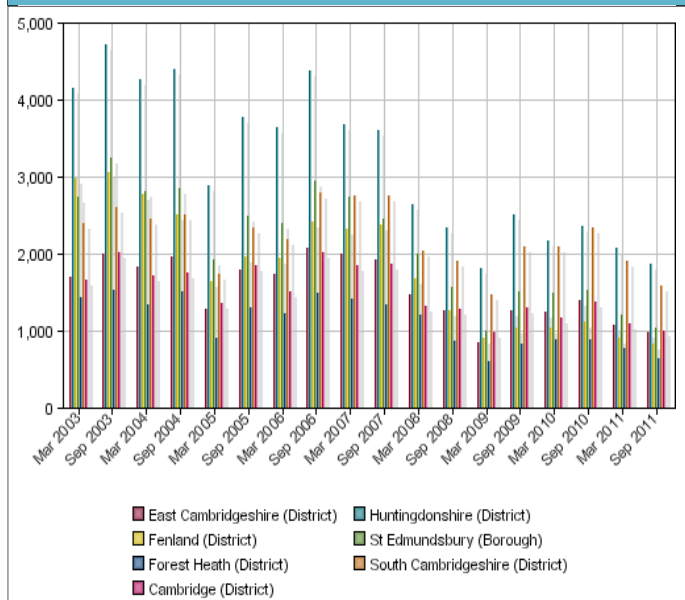


Table 2: Number of sales and valuations

	Mar-08	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11
Cambridge	1,328	1,300	999	1,304	1,171	1,390	1,096	1,008
East Cambridgeshire	1,481	1,270	861	1,281	1,253	1,414	1,089	995
Fenland	1,693	1,273	921	1,049	1,051	1,116	914	842
Huntingdonshire	2,648	2,346	1,827	2,510	2,187	2,362	2,090	1,882
South Cambridgeshire	2,045	1,921	1,488	2,111	2,098	2,344	1,918	1,603
Forest Heath	1,214	874	621	832	888	902	776	649
St Edmundsbury	2,000	1,581	1,008	1,513	1,500	1,540	1,213	1,038
Cambridge sub-region	12,409	10,565	7,725	10,600	10,148	11,068	9,096	8,017
East of England	98,305	78,355	54,575	77,392	76,603	81,730	66,931	60,238
England	863,442	687,885	461,964	628,442	635,715	690,122	555,066	508,069

Number of actual sales

This page shows the number of sales actually completing, excluding the valuation data presented on page 4. This data does not drive the other information in this Bulletin, but is useful context for the rest of the Bulletin. Valuations are usefully included for the other pages of the Bulletin to increase sample sizes to enable analysis at an increased level of detail, for example looking into the types of homes selling. However the actual number of sales completing in the last six months, not just being valued, is vital to our understanding of property sales in our local housing market.

Graph 6 shows the number of sales across England (red) and the East of England region (blue). Graph 7 shows numbers of sales for each of the seven districts in the Cambridge housing sub-region. Table 3 shows the number of sales completing between March 2008 and September 2011, for each district in the Cambridge housing sub-region, in the East of England and in England.

Comment

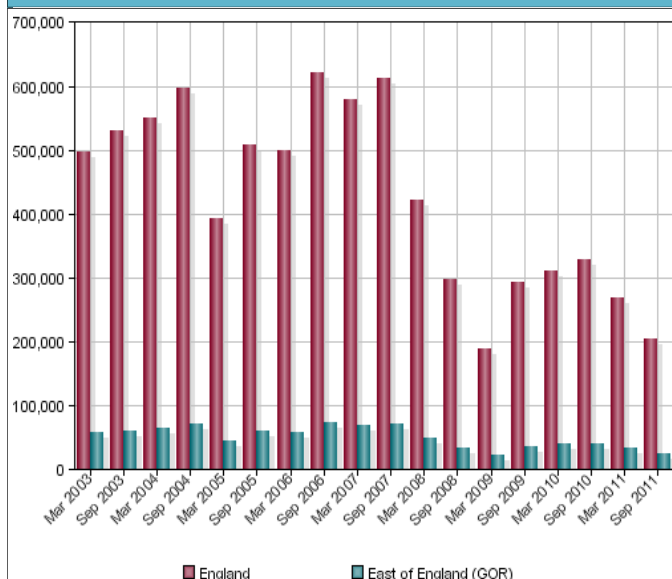
This information shows a significant reduction in the number of actual sales completing at all geographical levels up to March 2009, rallying to September 2010, but then declining to September 2011. Graphs 6 and 7 shows a similar pattern for national, regional and local numbers of sales.

Huntingdonshire and South Cambridgeshire continue to see the highest number of sales, and Forest Heath the lowest. This information is usefully compared to page 4, because the number of actual sales completing is smaller than the number of sales and valuations taken together. In September 2011 the proportion varied from 41% in South Cambridgeshire, to 51% in Fenland when compared to Table 2. The average across the housing sub-region was 45% in September, an increase on July's 41%.

PLEASE NOTE when looking at the percentage comparison in that final column, the valuation data includes both remortgages and mortgage valuations for homes that never make it to sale stage, so it's not an exact like-for-like comparison.

Source: Hometrack's Automated Valuation Model, September 2011 transactions, including Land Registry data.

Graph 6: Number of actual sales over time, England and East of England



Graph 7: Number of actual sales over time, Cambridge housing sub-region

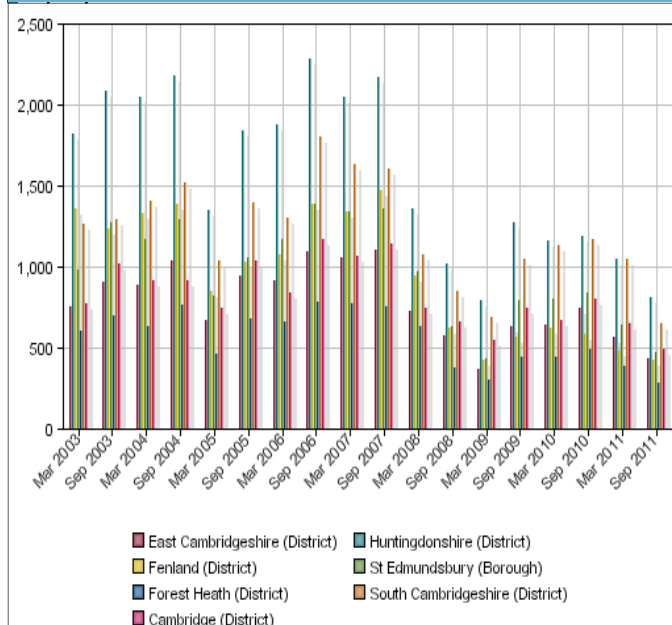


Table 3: Number of actual sales completed

	Mar-08	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11	Sales completing as a % of sales and valuations (Sept-11)
Cambridge	747	668	556	746	676	807	653	499	50%
East Cambridgeshire	735	582	373	639	644	751	571	439	44%
Fenland	947	628	429	568	626	591	485	431	51%
Huntingdonshire	1,367	1,024	797	1,274	1,169	1,192	1,048	815	43%
South Cambridgeshire	1,079	858	691	1,055	1,141	1,177	1,049	652	41%
Forest Heath	640	382	311	447	451	497	388	292	45%
St Edmundsbury	973	633	443	798	809	846	648	481	46%
Cambridge sub-region	6488	4775	3600	5527	5516	5861	4842	3609	45%
East of England	50,060	34,879	23,060	37,604	40,316	41,496	34,288	25,668	43%
England	422,735	298,866	189,308	293,419	311,416	328,282	268,559	205,072	40%

Percentage stock turnover

This page shows the volume of residential sales across each district in our housing sub-region, as a proportion of the private housing stock. The data comes from the Land Registry and the Office for National Statistics.

While the number of sales relates to the year selected (e.g. 2011), the stock figure comes from the Census 2001 and remains steady.

This page helps put page 5 into context. For example, Huntingdonshire shows a relatively high number of sales completing on page 5, but this could be simply because Huntingdonshire contains a larger number of homes than our other districts. This page enables a like-for-like comparison, as it looks at the number of sales completing compared to the housing stock.

Map 4 shows the turnover of homes as a percentage of private stock, by district. Map 5 shows the same data at ward level.

Table 4 shows the proportion of privately owned housing turning over each year, expressed as a percentage of private sector housing in the area. This includes owner occupied and private rented homes.

Comment

The percentage turnover has fallen, with a significantly lower percentage turnover figure presented in 2011 than 2010.

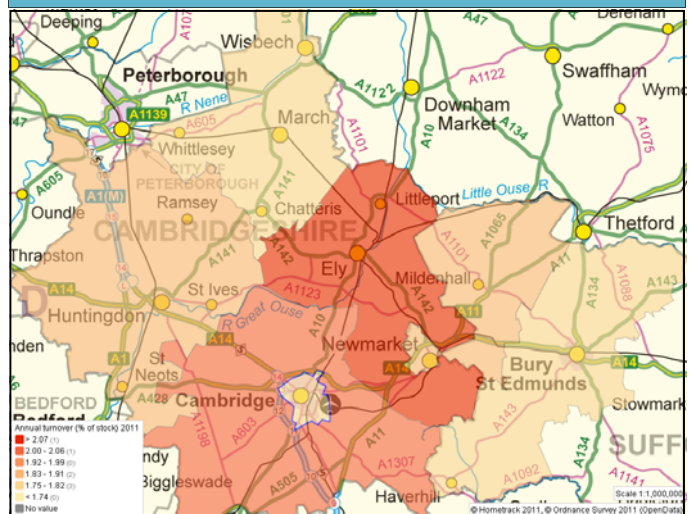
Overall a low percentage turnover is seen in all districts across our housing sub-region, showing from 1.8% to 2.2% in 2011 (see last column of Table 4); an average of 1.9%.

This varies significantly from previous years when turnover rates were around 3% to 4%. However percentage turnover is slightly higher in September 2011 than it was in July 2011, when it averaged 1.2%. The September figures are just a little higher than the East of England average at 1.7%, which is down from 3.3% in 2010; but up from 1.1% in July 2011.

Map 5 compares turnover rates in more detail, which shows an interesting % turnover pattern and highlights variations by ward.

Source: Census 2001 and HM Land Registry latest data relating to the each year, e.g. April 2010 to March 2011.

Map 4: Turnover of homes (percentage, by district)



Map 5: Turnover of homes (percentage, by ward)

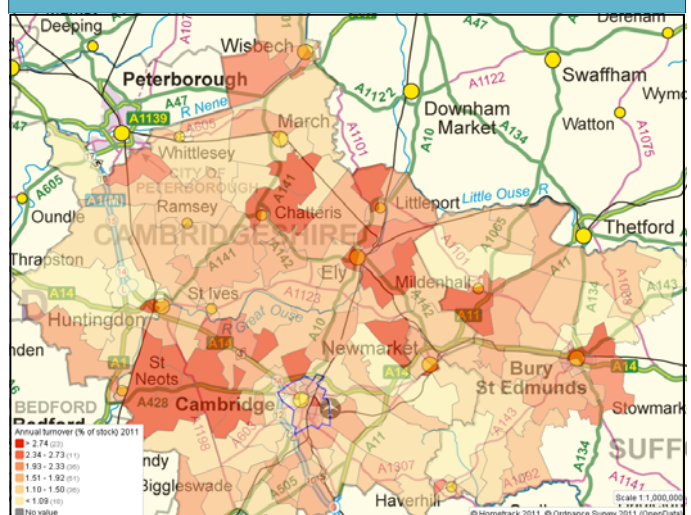


Table 4: Turnover of homes (rounded to 1 decimal place)

	2007	2008	2009	2010	2011
Cambridge	4.7%	3.0%	3.0%	3.4%	1.8%
East Cambridgeshire	6.6%	3.5%	4.0%	4.3%	2.2%
Fenland	7.4%	3.3%	3.2%	3.0%	1.8%
Huntingdonshire	6.0%	3.1%	3.6%	3.5%	1.9%
South Cambridgeshire	5.5%	3.1%	3.8%	4.2%	2.0%
Forest Heath	6.1%	3.4%	3.5%	3.7%	1.9%
St Edmundsbury	6.0%	2.9%	3.6%	3.6%	1.8%
Cambridge sub-region (average)	6.0%	3.2%	3.5%	3.7%	1.9%
East of England	5.8%	2.9%	3.2%	3.3%	1.7%

Number of sales by type and district

This page breaks down the number of sales shown on page 4, by district and property type. This is based on a combination of both sales and valuation data. For each district,

Tables 5 to 11 show the number of sales and valuations broken down into 1 bed flat, 2 bed flat, 2 bed house, 3 bed house and 4 bed house, between January 2009 and July 2011. Table 12 shows the total across the East of England.

Graph 9 shows the number of homes selling by type across the whole housing sub-region and Graph 10, proportions rather than numbers by type, to highlight any significant change in the types of homes selling over time.

Comment

Graph 9 reflects the trend shown on page 4 with the overall number of sales completing across the housing sub-region rising to September 2010, then dropping to September 2011. Graph 10 presents the percentage of sales by property type.

As in previous Bulletins, this shows a continuing spread of the types of homes selling, however over time there appears a change in proportions, with more 3 and 4 than 1 and 2 beds being marketed (i.e for sale and valuation).

Source: Hometrack's automated valuation model, data at September 2011.

Key to graphs

- 4 bed (House)
- 3 bed (House)
- 2 bed (House)
- 2 bed (Flat)
- 1 bed (Flat)

Table 5: Cambridge City

	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11
1 bed flat	42	61	55	86	45	52
2 bed flat	87	122	96	113	111	87
2 bed house	100	130	118	160	109	126
3 bed house	240	337	342	383	315	273
4 bed house	102	133	132	144	98	126

Table 6: East Cambridgeshire

	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11
1 bed flat	10	7	11	9	6	3
2 bed flat	16	24	28	20	16	17
2 bed house	126	142	180	184	150	120
3 bed house	246	407	378	471	336	324
4 bed house	165	233	231	278	200	189

Table 7: Fenland

	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11
1 bed flat	3	6	2	3	9	3
2 bed flat	4	2	6	3	6	6
2 bed house	146	161	153	151	144	121
3 bed house	266	326	287	369	292	266
4 bed house	128	136	140	163	128	134

Table 8: Huntingdonshire

	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11
1 bed flat	17	22	28	22	23	20
2 bed flat	50	54	42	57	30	28
2 bed house	200	277	219	278	224	221
3 bed house	589	721	688	714	666	598
4 bed house	373	581	478	569	468	466

Table 9: South Cambridgeshire

	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11
1 bed flat	20	16	22	20	20	12
2 bed flat	23	29	52	60	44	34
2 bed house	163	268	236	265	216	193
3 bed house	405	577	541	677	511	474
4 bed house	293	450	424	553	385	370

Table 10: Forest Heath

	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11
1 bed flat	7	8	5	10	9	5
2 bed flat	11	26	28	18	29	21
2 bed house	131	161	175	186	168	155
3 bed house	159	233	238	232	195	203
4 bed house	100	106	120	100	111	94

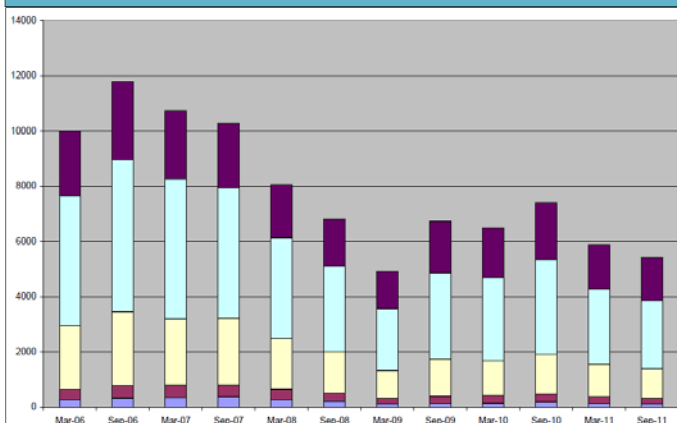
Table 11: St Edmundsbury

	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11
1 bed flat	11	10	23	26	17	14
2 bed flat	17	22	26	24	15	17
2 bed house	139	200	187	219	164	132
3 bed house	330	499	517	575	400	347
4 bed house	179	254	280	253	215	178

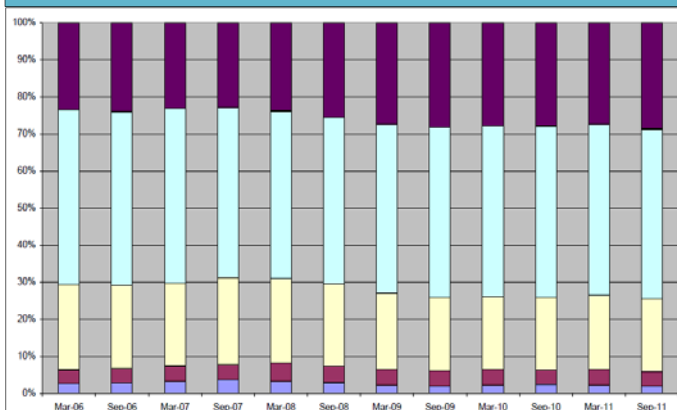
Table 12: East of England

	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11
1 bed flat	110,059	111,289	114,998	117,641	113,774	115,981
2 bed flat	145,253	146,511	151,681	158,158	153,121	155,557
2 bed house	164,615	164,166	170,061	177,062	173,380	174,886
3 bed house	204,657	204,156	212,747	223,422	218,841	220,065
4 bed house	327,278	326,259	338,905	352,142	351,218	354,408
Total	951,862	952,381	988,392	1,028,425	1,010,334	1,020,897

Graph 9: Number of sales by type, Cambridge housing sub-region



Graph 10: Proportion of sales by type, Cambridge housing sub-region



Average property prices

Map 6 shows average prices for homes across the Cambridge housing sub-region at ward level. The average prices on this page are based on a combination of sales prices and valuation data averaged over the past six months (see page 4).

Graph 11 shows average prices for each district between march 2003 and September 2011. Graph 12 shows the average property price for all types of housing across England (red line) and for the East of England (blue line), for the same time period.

Table 13 shows average property prices between March 2008 and September 2011 for England, the East of England, and the Cambridge housing sub-region's districts.

Comment

As seen in previous editions of this Bulletin, average prices are generally higher to the south of the housing sub-region than to the north, as shown on Map 6. Graphs 11 and 12 show average prices steadily rising to around September 2008, followed by a drop to March 2009 and varying degrees of recovery since then leading to September 2011. Some districts saw a drop in average prices to September 2011.

Looking at individual districts comparing Sept 2010 and Sept 2011 prices there has been an increase in average price in three of our seven districts; the biggest increase was seen in Cambridge (+£14,197) followed by St Edmundsbury (+£12,292). Huntingdonshire showed the largest drop in average prices (-£6,138) followed by Fenland (-£5,483).

Source: Hometrack's Automated Valuation Model, latest data September 2011.

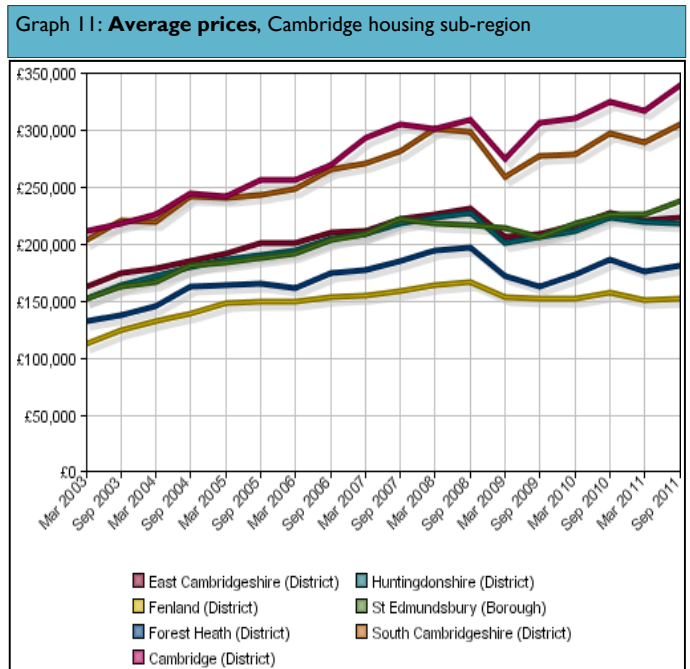
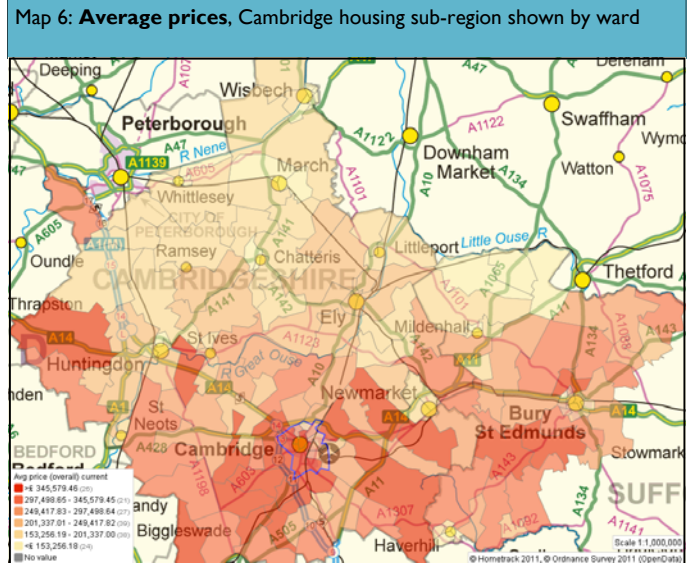
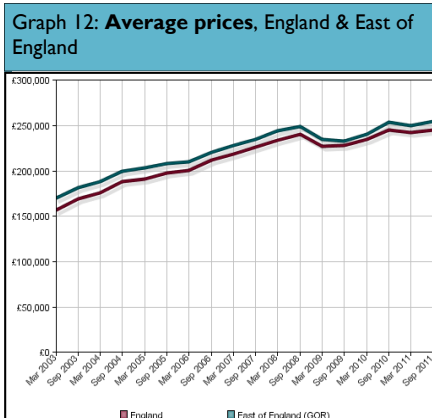


Table 13: Average prices from sales and valuations (£)

	Mar-08	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11	Change Sep-10 to Sep-11
Cambridge	301,838	310,236	275,422	306,625	311,177	325,486	318,301	339,683	+ 14,197
East Cambridgeshire	226,152	232,330	206,688	209,355	217,221	228,187	221,108	223,561	- 4,626
Fenland	164,764	167,132	154,158	152,050	152,601	157,830	151,378	152,347	- 5,483
Huntingdonshire	223,346	228,356	201,466	207,185	212,226	224,153	219,358	218,015	- 6,138
South Cambridgeshire	302,118	299,518	260,145	277,430	279,973	298,016	289,963	306,154	+ 8,138
Forest Heath	194,168	197,545	172,121	163,088	173,895	186,598	176,020	182,077	- 4,521
St Edmundsbury	218,660	217,605	214,456	207,040	217,949	226,375	226,591	238,667	+ 12,292
Average for sub-region	233,007	236,103	212,065	217,539	223,577	235,235	228,960	237,215	+ 1,980
East of England	244,166	249,458	234,804	233,153	240,720	254,340	249,687	254,652	+ 312
England	234,272	240,848	227,439	228,740	234,665	245,441	242,157	245,124	- 317

Average prices by type and district

This page provides more detailed graphs for each district, comparing sale prices between March 2006 and Sept 2011, for:

- 1 bed flats (red line)
- 2 bed flats (pale blue line)
- 2 bed houses (yellow line)
- 3 bed houses (green line)
- 4 bed houses (dark blue line)

This uses both sales and valuation data. Please see page 4 for more context.

Comment

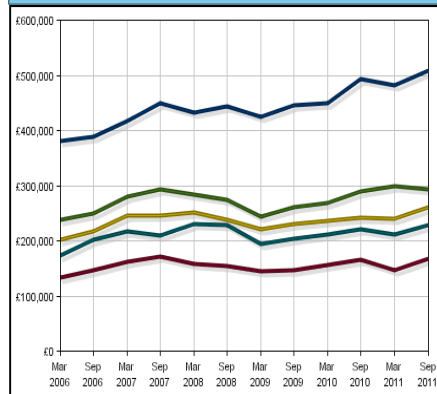
- When comparing these graphs it is worth pointing out that each district reaches a different “maximum” average property value. So the City’s left-hand axis scale stretches up to £600,000 while Fenland only reaches £250,000.
- Graph 21 shows the data for the whole of the East of England, for comparison. This shows vastly similar trends as most districts, though “smoothed” due to the large number of sales across the whole region.
- Cambridge sees an increasing rise in average process for 4 bed houses compared to other property types, as does South Cambridgeshire.
- Forest Heath saw 2 bed flats prices rising significantly to March 2009, while 4 bed house prices dropped to the same average price. This is where the two lines meet (shown by a red star). Both then recovered to more “normal” patterns by September 2011.
- St Edmundsbury largely reflects the regional average pattern.
- For all these graphs it is important to compare average prices to the information provided on page 4 which highlights the number of sales involved.

Source: Hometrack’s Automated Valuation Model, September 2011.

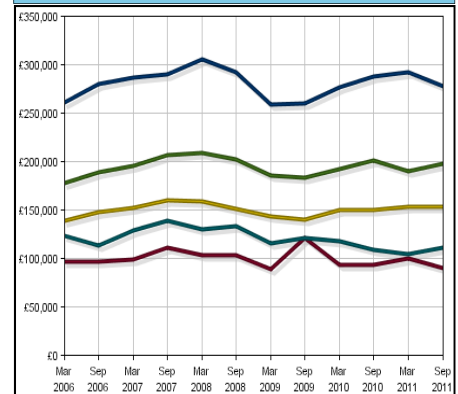
Key:

- 1 bed Prices (Flat)
- 2 bed Prices (Flat)
- 2 bed Prices (House)
- 3 bed Prices (House)
- 4 bed Prices (House)

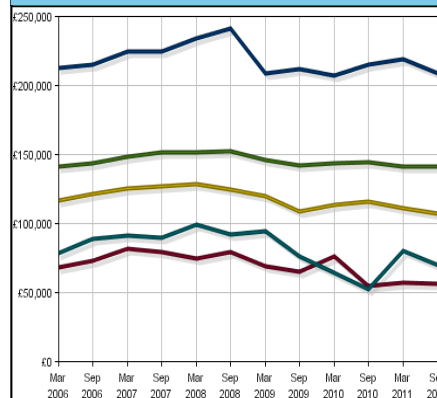
Graph 14: Cambridge City



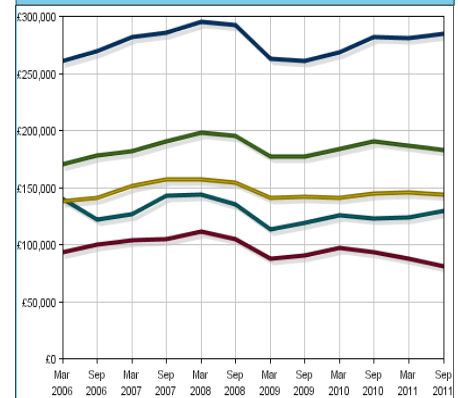
Graph 15: East Cambridgeshire



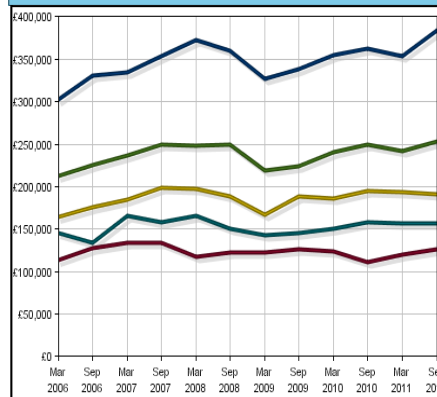
Graph 16: Fenland



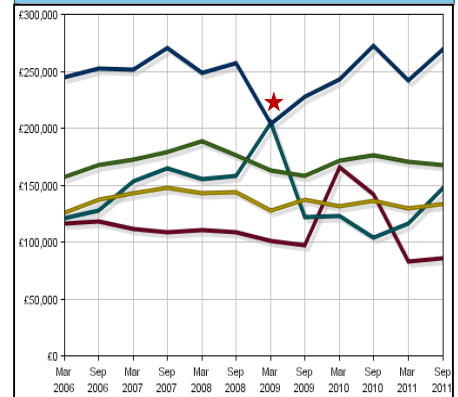
Graph 17: Huntingdonshire



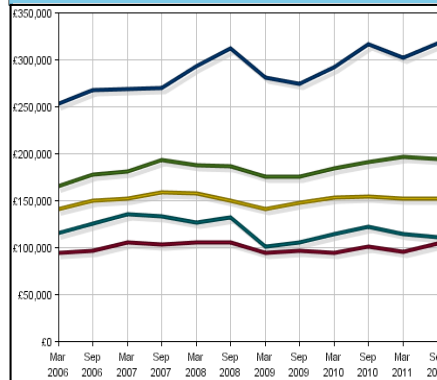
Graph 18: South Cambridgeshire



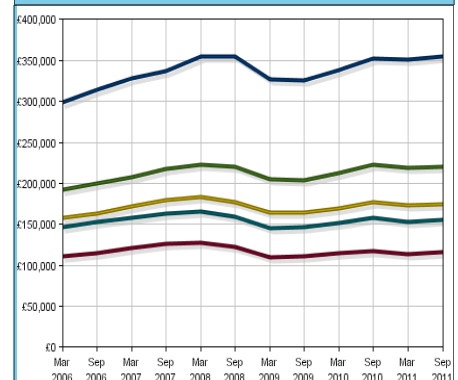
Graph 19: Forest Heath



Graph 20: St Edmundsbury



Graph 21: East of England



Average price per metre square (m²)

Map 7 shows average price per metre square (m²) of all properties selling, at ward level. This is based on sales and valuation data. As there may not be enough transactions to ensure robust data within these small areas, the average prices achieved between July 2011 and September 2011 are used to ensure a robust sample.

Graph 22 shows changes in average price per m² across our seven districts between March 2003 and September 2011. Graph 23 shows the same data for England and the East of England.

Table 14 shows the change in average prices per metre² between March 2008 and September 2011.

Comment

Price per m² varies across the sub-region, with a broad pattern of higher prices to the south and lower prices to the north, with the highest prices per m² around Cambridge.

Graph 22 sees each district following a similar trend in price per m² over time, dropping to March 2009, recovering since then to September 2011. Graph 23 shows a very close alignment between the England and the East of England trends.

The last column in Table 14 compares the average price per m² for September 2010 and September 2011. Most districts show a decrease in price per m² while only two show an increase: namely Cambridge at +£62 and South Cambridgeshire at +£6. Forest Heath saw the biggest decrease at -£46.

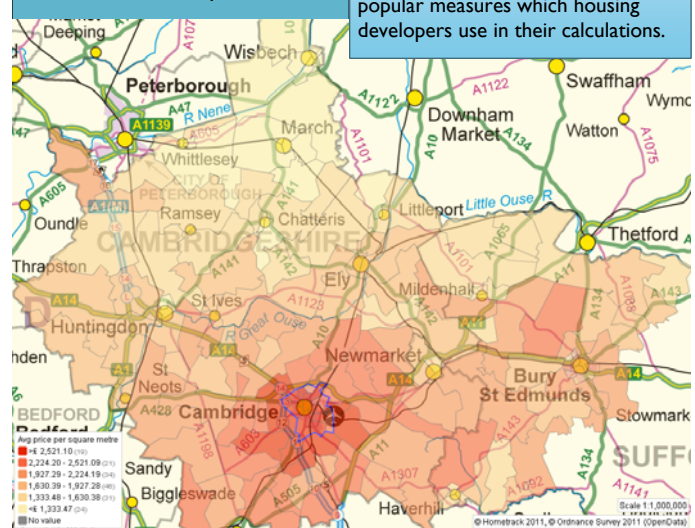
Over this 12 month period, our housing sub-region experienced an average decrease of -£8 while England and the East of England saw greater decreases: -£16 and -£23 respectively.

Source: Hometrack's Automated Valuation Model, latest data September 2011

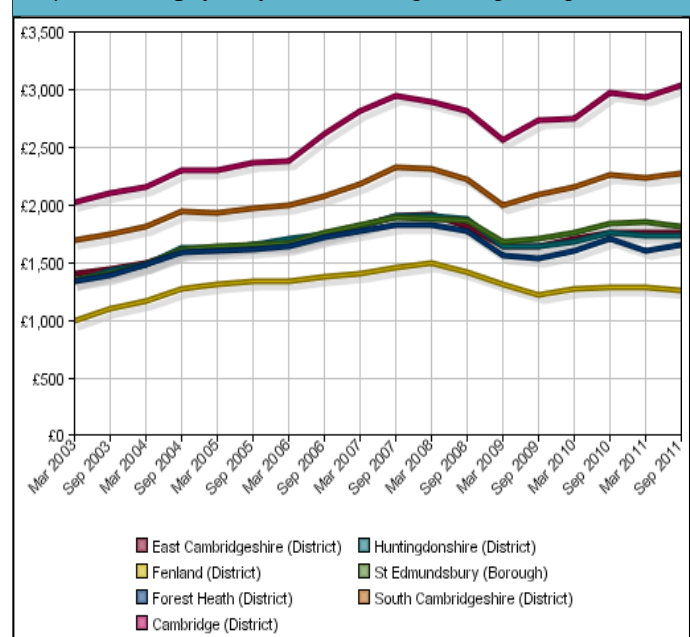
Using price per metre²

By comparing prices per unit of floor area, we can make benchmarking and comparison easier. It's a bit like comparing price per kg of different vegetables. Price per metre square and price per square foot are popular measures which housing developers use in their calculations.

Map 7: Average price per m² for each district, shown by ward



Graph 22: Average price per m², Cambridge housing sub-region



Graph 23: Average price per m², England and East of England

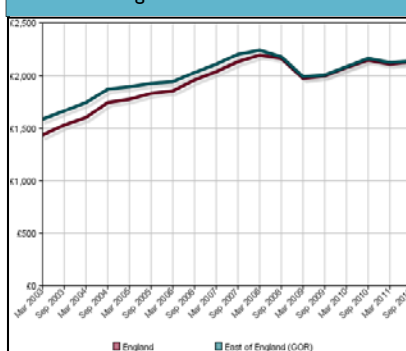


Table 14: Average price per m² (£)

	Mar-08	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sep-11	Change Sep-10 to Sep-11
Cambridge	2,900	2,818	2,575	2,747	2,753	2,976	2,934	3,038	+ 62
East Cambridgeshire	1,927	1,820	1,642	1,642	1,715	1,767	1,765	1,764	- 3
Fenland	1,499	1,423	1,309	1,222	1,272	1,287	1,289	1,265	- 22
Huntingdonshire	1,907	1,879	1,644	1,641	1,689	1,762	1,734	1,735	- 27
South Cambridgeshire	2,317	2,231	2,007	2,088	2,156	2,267	2,239	2,273	+ 6
Forest Heath	1,835	1,770	1,561	1,541	1,607	1,704	1,609	1,658	- 46
St Edmundsbury	1,879	1,869	1,686	1,711	1,765	1,838	1,851	1,813	- 25
Average for sub-region	2,038	1,973	1,775	1,799	1,851	1,943	1,917	1,935	- 8
East of England	2,245	2,180	1,986	2,002	2,085	2,166	2,124	2,143	- 23
England	2,194	2,165	1,973	1,996	2,079	2,147	2,107	2,131	- 16

Time taken to sell

Data on this page comes from Hometrack's monthly market survey (see page 2). Map 8 shows the average time between a home being put on the market and an offer being accepted in weeks for each district in our housing sub-region.

Graph 24 shows the change in average time to sell for each of our seven districts, between October 2009 and September 2011. Graph 25 shows the same for England and the East of England. Table 15 shows the average time taken to sell, at three monthly intervals, to help compare district, regional and country averages.

Comment

Map 8 highlights that it took the longest time to sell a home in Huntingdonshire, at September 2011.

Graph 24 shows the change in time to sell for all districts. Cambridge shows the quickest sales and Huntingdonshire the slowest. Trends over time vary by individual district.

Graph 25 saw an overall steadying in average selling times for both the region and the country to June 2011, but both dropping a little from July to September 2011.

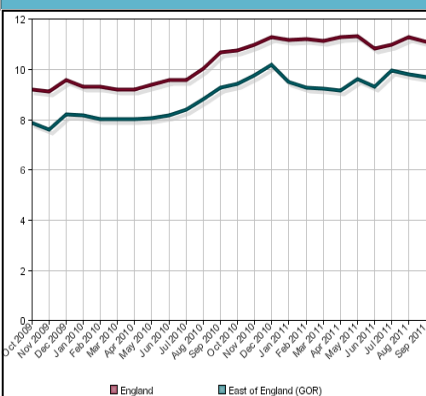
Between September 2010 and September 2011 Cambridge, East Cambridgeshire and Forest Heath saw a decrease in time taken to sell while Fenland, Huntingdonshire, South Cambridgeshire and St Edmundsbury saw a slowdown.

East Cambridgeshire showed a particularly noticeable drop of 5.1 weeks over the year.

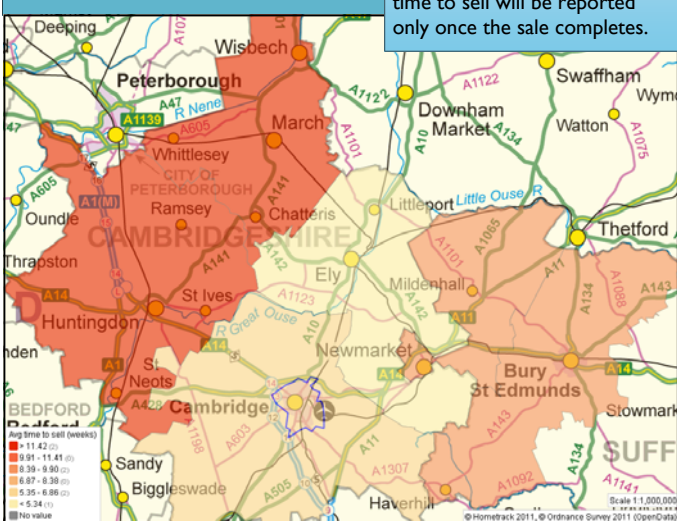
The average across our sub-region dropped by 0.5 weeks, while the average time to sell for England and the East increased, taking 0.4 weeks more in Sept 2011 than in Sept 2010.

Source: Hometrack's monthly survey of estate agents, September 2011.

Graph 25: Change in time taken to sell, England and East of England



Map 8: Time properties take to sell, Cambridge housing sub-region by district



Graph 24: Time taken to sell (weeks), Cambridge housing sub-region

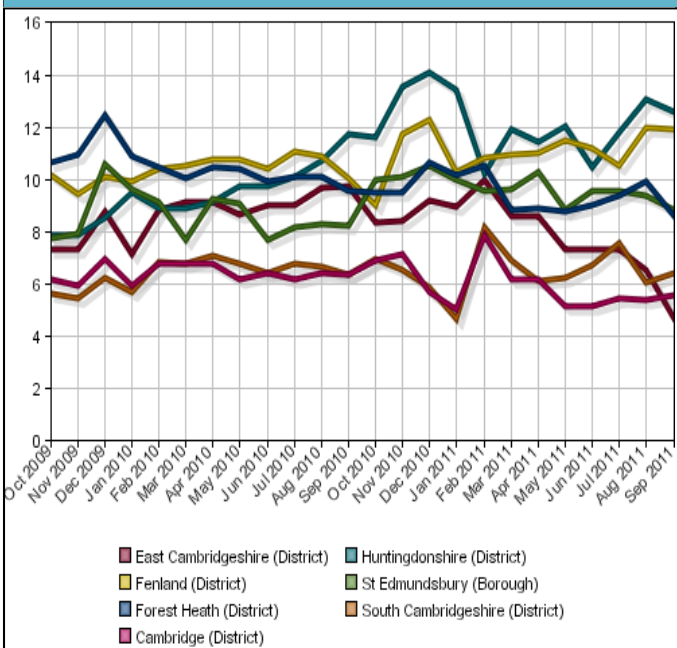


Table 15: Average time taken to sell (in weeks)

	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Jun-11	Sep-11	Change Sep-10 to Sep-11
Cambridge City	7	6.8	6.5	6.4	5.7	6.2	5.2	5.6	- 0.8
East Cambridgeshire	8.8	9.1	9	9.8	9.2	8.6	7.3	4.7	- 5.1
Fenland	10.1	10.6	10.4	10.1	12.3	11	11.2	11.9	+ 1.8
Huntingdonshire	8.6	8.9	9.7	11.7	14.1	11.9	10.5	12.6	+ 0.9
South Cambridgeshire	6.2	6.8	6.4	6.4	5.9	6.9	6.8	6.5	+ 0.1
Forest Heath	12.5	10	10	9.6	10.7	8.8	9	8.6	- 1
St Edmundsbury	10.6	7.7	7.7	8.2	10.6	9.6	9.5	8.8	+ 0.6
Average for sub-region	9.1	8.6	8.5	8.9	9.8	9.0	8.5	8.4	- 0.5
East of England	8.2	8	8.2	9.3	10.2	9.3	9.3	9.7	+ 0.4
England	9.6	9.2	9.6	10.7	11.3	11.2	10.9	11.1	+ 0.4

Comparing sales price to asking price

It is important to remember when considering these changes that they might partly be due to sellers setting more realistic asking prices, so they encourage offers closer to the lower asking price. Sometimes these negotiations occur late in a transaction and may not be clearly reflected on this page.

Data on this page comes from Hometrack's monthly market survey (see page 2).

Map 9 shows the percentage of asking prices actually achieved, when a sale completes. This gives a measure of the health of the housing market, assuming that in a well balanced housing market, a higher proportion of the asking price is achieved.

Graph 26 shows the same percentage comparison for each district, between October 2009 and September 2011. Graph 27 shows the trend for England and the East of England.

Table 16 shows the average percentage achieved at three monthly intervals, to help compare district, regional and country averages.

Comment

In September 2011 the highest proportion of asking prices achieved were seen in Cambridge at 97.2%, followed by East Cambridgeshire at 96.4% and South Cambridgeshire at 96.1%. The two districts showing the lowest levels being achieved were Fenland at 91.5% and Huntingdonshire at 91.6%.

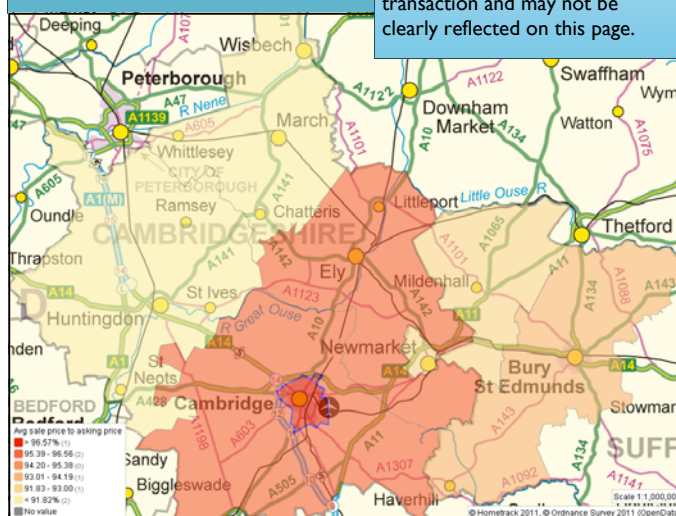
The only decrease when comparing September 2010 to September 2011 was seen in Forest Heath, at -1%. The biggest increase was seen in Cambridge at +3.2%.

The level of change over these 12 months varied across the sub-region, with an average increase of 1% across the seven districts.

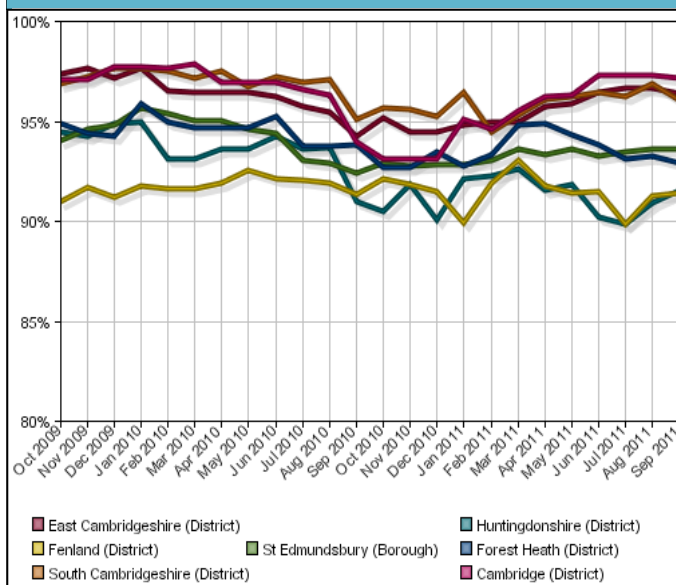
The East of England saw no change, while the % asking price being achieved fell by 0.5% on average across England.

Source: Hometrack's monthly survey of estate agents, September 2011.

Map 9: % of asking price achieved, Cambridge housing sub-region (district)



Graph 26: Change in % asking price achieved, Cambridge housing sub-region



Graph 27: Change in % asking price achieved, England and East of England

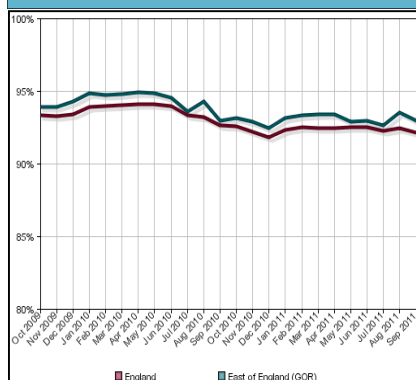


Table 16: Percentage of asking price achieved at sale (rounded to 1 decimal place)

	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Jun-11	Sep-11	Change Sep-10 to Sep-11
Cambridge City	97.8%	97.9%	97.0%	94.0%	93.1%	95.6%	97.3%	97.2%	+ 3.2%
East Cambridgeshire	97.2%	96.5%	96.3%	94.3%	94.5%	95.0%	96.5%	96.4%	+ 2.1%
Fenland	91.2%	91.6%	92.1%	91.4%	91.5%	93.1%	91.5%	91.5%	+ 0.1%
Huntingdonshire	94.9%	93.2%	94.3%	91.0%	90.1%	92.7%	90.2%	91.6%	+ 0.6%
South Cambridgeshire	97.7%	97.2%	97.3%	95.2%	95.3%	95.4%	96.5%	96.1%	+ 0.9%
Forest Heath	94.3%	94.7%	95.3%	93.9%	93.5%	94.9%	93.8%	92.9%	- 1.0%
St Edmundsbury	94.9%	95.1%	94.4%	92.4%	92.9%	93.7%	93.3%	93.6%	+ 1.2%
Average for sub-region	95.4%	95.2%	95.2%	93.2%	93.0%	94.3%	94.2%	94.2%	+ 1.0%
East of England	94.3%	94.8%	94.6%	93.0%	92.5%	93.5%	93.0%	93.0%	0.0%
England	93.4%	94.1%	94.0%	92.7%	91.8%	92.5%	92.6%	92.2%	- 0.5%

Number of viewings per sale

Data on this page comes from Hometrack's monthly market survey (see page 2). Map 10 shows the average number of viewings between a property in the district going onto the market and going "under offer", as at September 2011. This is a useful indicator of the health of the housing market, assuming that in a healthy market, less viewings are needed before a sale is achieved, and reflects the overall 'enthusiasm' of the market.

Graph 28 shows the number of viewings per sale for each of our seven districts, and changes between October 2009 and September 2011. Graph 29 shows the same for England and the East of England.

Table 17 shows the average number of viewings per sale every 3 months between December 2009 and September 2011, along with the change from Sept 2010 and Sept 2011.

Comment

To September 2011 Fenland saw the highest number of viewings per sale at 14.4 followed by Huntingdonshire at 13.9. Unusually, Forest Heath saw the lowest number of views per sale at 10.3.

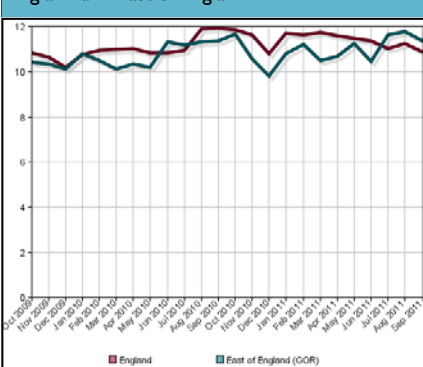
Graph 28 shows that overall the pattern is highly erratic.

At September 2011 across the housing sub-region, an average of 12.3 viewings were needed per sale, slightly higher than the East of England average (11.4) and than the whole of England (10.9).

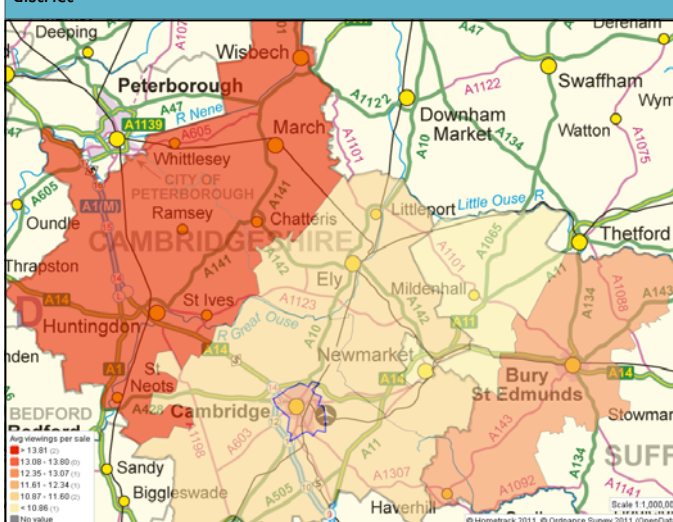
Comparing changes between September 2010 and September 2011, the sub-region saw an increase of 1.3 views per sale on average, while the region saw no change and across England, one less viewing was needed per sale.

Source: Hometrack's monthly survey of estate agents, September 2011.

Graph 29: Change in viewings per sale, England and East of England



Map 10: Average viewings per sale, Cambridge housing sub-region by district



Graph 28: Change in viewings per sale, Cambridge housing sub-region

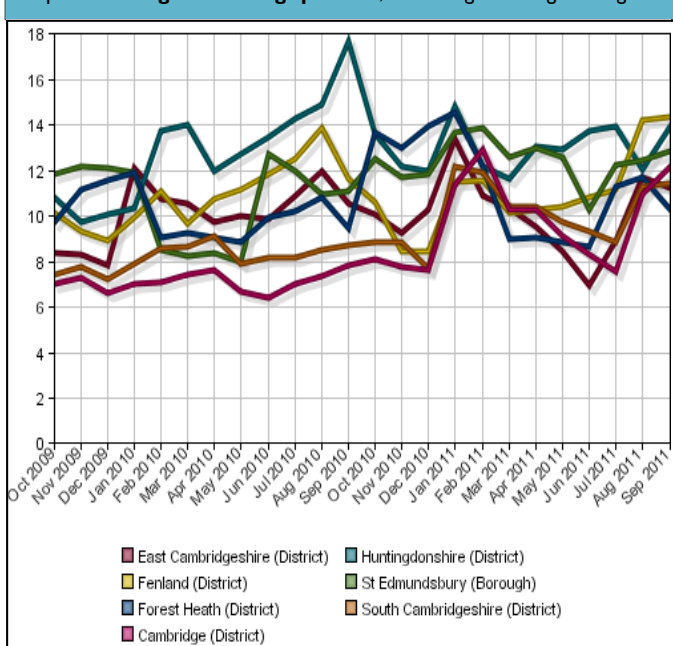


Table 17: Average number of viewings per sale

	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Jun-11	Sep-11	Change Sep-10 to Sep-11
Cambridge City	6.6	7.4	6.4	7.9	7.6	10.3	8.3	12.2	+ 4.3
East Cambridgeshire	7.8	10.6	9.9	10.6	10.3	10.4	7.0	11.2	+ 0.6
Fenland	8.9	9.6	11.9	11.6	8.4	10.1	10.8	14.4	+ 2.8
Huntingdonshire	10.1	14.0	13.5	17.7	12.0	11.7	13.8	13.9	- 3.8
South Cambridgeshire	7.3	8.7	8.2	8.8	7.7	10.4	9.3	11.5	+ 2.7
Forest Heath	11.6	9.2	9.9	9.5	13.9	9.0	8.6	10.3	+ 0.8
St Edmundsbury	12.1	8.2	12.7	11.1	11.9	12.6	10.3	12.9	+ 1.8
Average for sub-region	9.2	9.7	10.4	11.0	10.3	10.6	9.7	12.3	+ 1.3
East of England	10.1	10.1	11.3	11.4	9.8	10.5	10.5	11.4	0.0
England	10.2	11.0	10.9	11.9	10.8	11.8	11.4	10.9	- 1.0

Affordability ratios

This page is based on Hometrack's house price data (including sales and valuations) and CACI data on household incomes. The ratios show, on average, how many "times" someone's income local house prices represent. One common rule of thumb is that house prices of 3 to 3.5 times income are considered affordable. On the maps, the higher the ratio, the darker the shading, and the less affordable the area. These maps use different calculations from the SHMA, however they do help us compare trends across the sub-region and over time.

Map 11 shows relative affordability using the ratio of average house prices to average incomes. Map 12 shows affordability using the ratio of lower quartile house prices to lower quartile incomes. Both maps use data averaged from October 2010 to September 2011.

Table 18 shows the ratio of lower quartile incomes to lower quartile house prices, reflecting the lower end of the market. Table 19 shows the average ratios for the seven districts in the sub-region between June 2009 and September 2011, and the average for the seven dates shown. These averages are all calculated using data for the previous 12 months, so for example the February 2010 column relies on data gathered between March 2009 and February 2010.

Comment

Generally homes are less affordable in the south of our housing sub-region, as shown on both maps. Although the average affordability multiplier for the housing sub-region was 6.1 at September 2011, this masks a wide variety of affordability ratios for each district: from 9.1 in Cambridge down to 4.7 in Fenland. For each district, the average multiplier has fallen a little between December 2010 to September 2011, except for Cambridge where the multiplier has only fallen by 0.1. Across the East of England in 2011 the average house price to income ratio fell from 6.85 in March to 6.6 in July, then 6.55 in September.

Table 18 shows that lower quartile house prices take a significantly higher proportion of lower quartile incomes to afford. So in Cambridge, a lower quartile home would cost on average 11.9 times a lower quartile income, a significant rise since September 2010 and a huge proportion of income.

Source: House prices from Hometrack automated valuation model, incomes from CACI paycheck. Latest data September 2011.

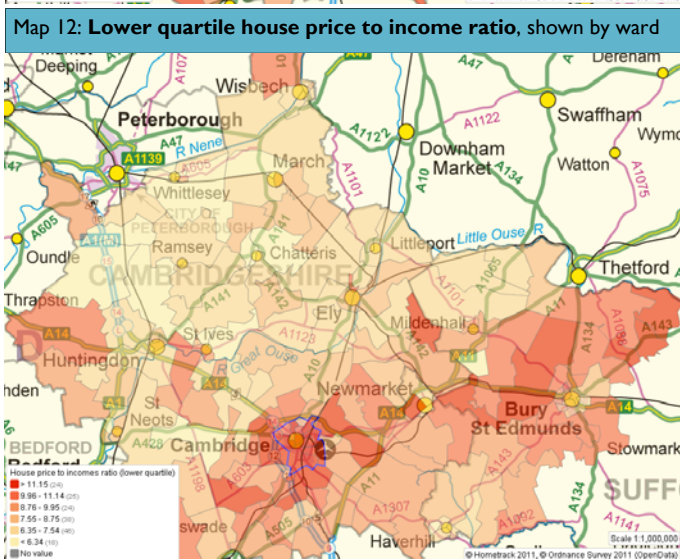
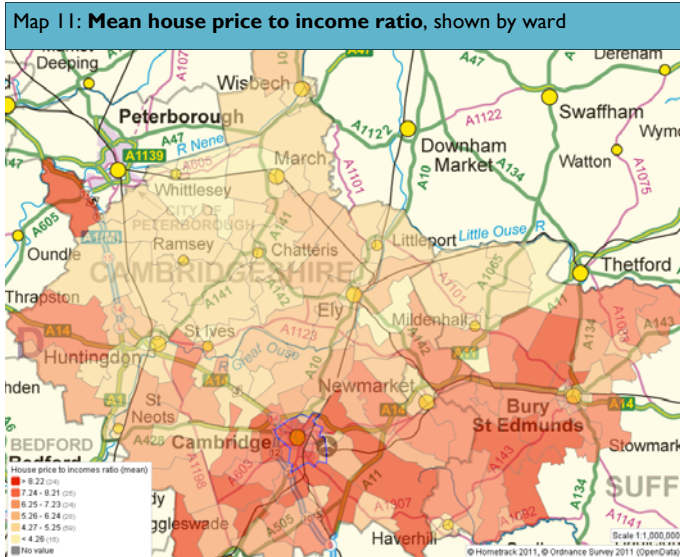


Table 18: Lower quartile house price to income ratio (rounded)	Sept-10	Dec-10	Mar-11	Jul-11	Sept-11
Cambridge City	9.3	9.6	9.6	12.0	11.9
East Cambridgeshire	6.5	6.7	6.6	8.7	8.6
Fenland	5.8	5.7	5.7	6.1	6.1
Huntingdonshire	6.1	6.0	6.0	6.4	6.4
South Cambridgeshire	5.9	7.5	7.5	8.4	8.4
Forest Heath	7.4	6.1	6.1	7.1	7.1
St Edmundsbury	6.6	6.7	6.8	8.4	8.4

Table 19: Average house price to income ratio (rounded)

	Jun-09	Sept-09	Feb-10	Mar-10	Jun-10	Sept-10	Dec-10	Mar-11	Jul-11	Sept-11
Cambridge City	7.9	8.1	8.7	8.7	8.8	8.9	9.2	9.2	9.1	9.1
East Cambridgeshire	5.7	5.5	5.7	5.7	5.8	5.9	6.1	6.0	5.7	5.6
Fenland	4.9	4.8	4.7	4.7	4.8	4.9	4.9	4.9	4.7	4.7
Huntingdonshire	5.2	5.1	5.2	5.2	5.3	5.4	5.5	5.5	5.2	5.2
South Cambridgeshire	6.6	6.5	6.9	6.9	7.0	7.0	7.1	7.2	6.8	6.8
Forest Heath	5.3	5.0	5.0	5.0	5.0	5.3	5.4	5.4	5.3	5.2
St Edmundsbury	5.8	5.8	6.0	6.1	6.1	6.2	6.4	6.5	6.2	6.3
Average for sub-region	5.9	5.8	6.0	6.0	6.1	6.2	6.4	6.4	6.1	6.1

Affordability: comparing tenures

Table 20 compares the weekly cost of property by size across different tenures, and has been included in the Bulletin as readers suggested this data was a useful page first tests in Edition 8.

Maps 13, 14 and 15 show median private rent levels for each district, by 1 2 and 3 beds. The values are provided in Table 20, labelled "median private rent".

Most of the data is gathered over a 12 month period. In this update the period covers October 2010 to September 2011. The exceptions are local authority and housing association rents, as notes under sources below. Values are not always available, depending on the number homes being sold or rented within each tenure and district. For example of there were no new build homes for sale in East Cambridgeshire or Fenland in September 2011, so no value appears in the table.

Comment

To aid comparison, in this table the product with the highest weekly cost is highlighted in pink, and the lowest in pale blue. This highlights some interesting comparisons:

- The median private rent for a 1 bedroom property is often the most expensive in terms of weekly cost.
- New build homes are often more expensive than resales.
- Housing association and local authority rents often provide the lowest weekly cost, where available.
- In East Cambridgeshire and Fenland, a 40% share through HomeBuy could be the cheapest housing option. For one beds, 40% HomeBuy is cheaper than the median rent.

The new "Affordable Rent" regime enables social housing providers to set rents at up to 80% of private market rents. Although the Affordable Rent regime uses a specific method to set rents, the information on this page gives some context for these calculations. We plan to continue to provide this information in future editions of this Bulletin to help provide context to the Affordable Rent programme.

Source: Latest data released September 2011. Source as follows: **Local authority rent** TSA CORE, April 2009 to March 2010. **Housing Association rent:** RSR data from HCA, Jan 2010 to Dec 2010.

Intermediate Rent: 80% of the median rent. **Private rent:** Weekly cost of median rent for advertised properties in the local area. **Buying:** Hometrack. **HomeBuy:** The weekly cost of buying a 40% share through HomeBuy derived from median house prices from Hometrack. Excludes ground rent/service charge. **New build from** Hometrack where the property was sold or valued in the same year it was built.

Table 20: Comparing weekly cost by tenure, district and size (rounded)

	Local Authority rent	Housing Association rent	Intermediate rent @ 80% median rent	Median private rent	Buying a lower quartile resale	Buying an average resale	Buying 40% share through HomeBuy	Buying a lower quartile new build	Buying an average new build
Cambridge									
1 bed	60	77	138	173	146	170	115	166	166
2 bed	73	88	175	219	185	216	150	205	276
3 bed	87	99	202	253	251	296	203	227	276
East Cambridgeshire									
1 bed	-	75	91	114	107	108	74	-	-
2 bed	-	90	110	138	109	122	87	137	139
3 bed	-	100	134	167	169	199	137	185	210
Fenland									
1 bed	-	65	75	94	52	65	45	-	-
2 bed	-	72	97	121	76	82	56	-	-
3 bed	-	78	115	144	127	150	104	151	170
Huntingdonshire									
1 bed	-	66	82	103	69	96	68	116	116
2 bed	-	77	110	137	121	130	92	148	168
3 bed	-	85	128	160	162	188	131	185	210
South Cambridgeshire									
1 bed	66	74	115	144	124	138	95	127	127
2 bed	76	89	138	173	154	166	120	177	192
3 bed	82	99	161	201	216	249	171	232	289
Forest Heath									
1 bed	-	63	91	114	79	92	66	104	108
2 bed	-	73	110	137	97	116	79	100	111
3 bed	-	82	158	198	149	172	122	173	188
St Edmundsbury									
1 bed	-	63	97	121	89	116	80	100	100
2 bed	-	74	115	144	109	127	87	-	-
3 bed	-	81	146	183	166	197	136	197	211

Map 13: One bed median private rents



Map 14: Two bed median private rents



Map 15: Three bed median private rents





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HOUSING CO-ORDINATOR
C/O CAMBRIDGE CITY COUNCIL

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About Edition 11

This is the eleventh edition of the Cambridgeshire sub-region's housing market bulletin.

The Bulletin aims to show market changes, particularly for our sub-region and how it compares to the rest of the East of England, and to England as a whole. The Bulletin acts as a supplement to our Strategic Housing Market Assessment (SHMA) which is available at:

www.cambridgeshirehorizons.co.uk/shma

New location for Bulletins

Readers may be aware that Cambridgeshire Horizons ceased operations from 1 October 2011. The website is still be accessible as a "library" so you can still access the SHMA there.

Cambridge City Council has now created a new web page for Sub-Regional Housing Board meeting papers and reports, including the Housing Market Bulletin.

This can be found at www.cambridge.gov.uk/crhb

On the left side of the page you can click on

- CRHB meetings and minutes, or
- CRHB publications and documents

If you click on "publications and documents" a list of all the Housing Market Bulletins will appear at the bottom of the page, including this one.

Don't forget...

We'd love to hear your views on the Bulletin. If you have any suggestions to make, please get in touch using Sue's contact details on the left.

Plan for future Bulletins

Data relates to...	Hometrack release...	Bulletin edition & planned publication...
End December 2011	February 2012	Edition 12 March 2012
End March 2012	May 2012	Edition 13 July 2012
End June 2012	August 2012	Edition 14 September 2012
End September 2012	November 2012	Edition 15 December 2012
End December 2012	February 2013	Edition 16 March 2013

About Hometrack

Hometrack is a privately owned property analytics business with offices in London and Sydney.

A combination of unique data, industry expertise and analytical precision has made Hometrack a trusted leader in the field. Many of the largest organisations in the UK and Australia rely on us to provide them with the high quality, tailored information they need to make informed investment decisions in property.

Hometrack Housing Intelligence System (HIS) is a unique online market intelligence system which enables instant access to a wide range of information and analysis from regional down to local area level.

It has been designed to provide the most comprehensive evidence base available to clients wanting unrivalled insight into the drivers of the housing market.

Clients rely on HIS to deliver a clear picture of the supply, demand and pricing and affordability dynamics of markets across tenures.

Constantly updated, HIS enables the tracking of key market movements and trends to inform decision-making and strategy.

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