

Issue 12

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CAMBRIDGE HOUSING SUB-REGION

# Housing market bulletin

## Our housing market at December 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 December 2011.

This edition repeats information on the affordability of housing across the sub-region as requested by readers, with cross-tenure price comparisons on [page 15](#).

This new page aims to help give context to the new Affordable Rent regime. It looks

into the average weekly cost 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](http://www.cambridgeshirehorizons.co.uk/shma)

This Bulletin, and previous editions, can now be found on a new web page at:

[www.cambridge.gov.uk/crhhb](http://www.cambridge.gov.uk/crhhb).

Please see [page 16](#) for further details.

**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 and valuations across our housing sub-region has dropped back again in December 2011 to just 8,398. Of these, only 4,210 actual sales completed, representing 2.9% of private housing stock. These figures reflect both regional and national trends.
- Some average property prices have rallied to December 2011, in Cambridge, South Cambridgeshire and St Edmundsbury; while other districts saw a drop. The average gain across our housing sub-region was £1,261.
- The average time taken to sell fell in four of our seven districts. In December 2011 it took an average of 10.2 weeks to sell across our sub-region, up from an average 8.4 weeks in September 2011. The time to sell increased by a similar amount for East of England and England between Dec 2010 and Dec 2011.
- There has been a slight increase in the percentage of asking price being achieved in six of our seven districts when comparing Dec 2010 to Dec 2011. Sub-regional increase was 0.9%.
- The number of viewings per sale now ranges from 7.2 in Forest Heath to 14.1 in Huntingdonshire.
- Average affordability ratios remain fairly steady, ranging from 4.7 in Fenland to 9.2 in Cambridge. In Cambridge, lower quartile prices are now 12.1 times lower quartile incomes.

### Click here to find...

National trends from Hometrack	<a href="#">Page 3</a>
Number of sales and valuations	<a href="#">Page 4</a>
Number of actual sales	<a href="#">Page 5</a>
Percentage turnover	<a href="#">Page 6</a>
Average property prices	<a href="#">Page 7</a>
Number of sales by type and district	<a href="#">Page 8</a>
Average prices by type and district	<a href="#">Page 9</a>
Average price per metre square	<a href="#">Page 10</a>
Time taken to sell	<a href="#">Page 11</a>
Comparing sales price to asking price	<a href="#">Page 12</a>
Number of viewings per sale	<a href="#">Page 13</a>
Affordability ratios	<a href="#">Page 14</a>
Affordability: comparing tenures	<a href="#">Page 15</a>
About Edition 12	<a href="#">Page 16</a>

# Maps

## Our housing market

Map 1 shows the East of England, shaded in orange, with a blue outline. East of England data is used in this Bulletin to provide a comparison to the Cambridge housing sub-region. The seven districts in our housing sub-region, shown on Map 2 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.

Graphs in this edition of the Bulletin adopts a uniform colour scheme, to help differentiate. The scheme throughout is:



## About Hometrack data

### Hometrack's monthly survey

Hometrack collects data every month from estate agents and surveyors to monitor market trends, and publishes the results in their national house price survey.

The survey asks a standard set of questions of over 5,000 estate agents and valuers across England and Wales.

The surveys seek a minimum of two returns for each postcode district, and provide a large amount of data which is used to calculate

- time to sell in weeks (page 11)
- sales to asking price (page 12)
- viewings per sale (page 13)

We do not use house price data collected by the survey within the Intelligence System.

### Hometrack house price data

Hometrack use data from two sources to generate house price data. These are: 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. This database is unique to Hometrack. It 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 data 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. See pages 4 and 5 to compare Hometrack data for sales only, compared to sales and valuations.

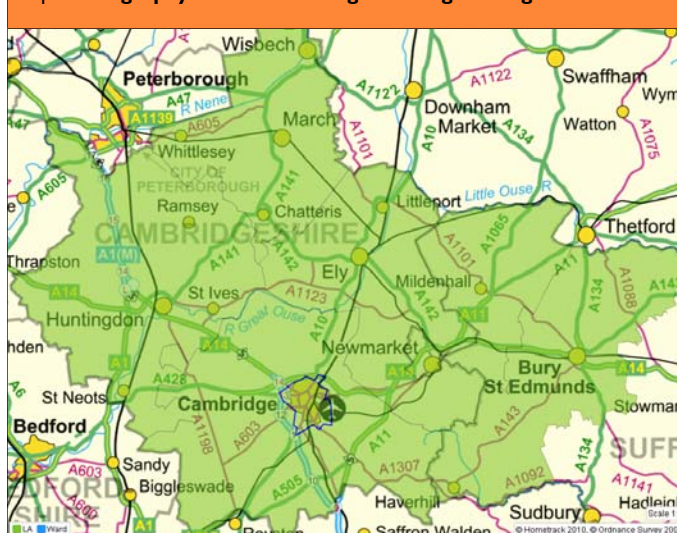
Map 1: The East of England



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



Map 3: Geography of the Cambridge housing sub-region



# National trends from Hometrack: Seasonal jump in demand but headline prices static

- February 2012 saw a marked improvement in housing market conditions off the back of a robust upturn in demand. Over February the number of buyers registering with agents grew by 18%, the strongest level of demand seen since the start of the downturn.
- Activity levels were boosted by first time buyers looking to beat the stamp duty holiday which ends 24 March. Regionally the greatest increase in number of buyers was reported in the south east, up 28% and south west, up 22%.
- The stock of housing for sale grew 10% in February. But with investors and first time buyers not having property to sell, the growth in demand out-paced the increase in supply across nearly all regions.
- Scarcity of supply remains a key feature of the market. Over the last six months there has been only a small (1.5%) increase in the supply of housing for sale.
- While this survey tracks trends across the re-sale market, the lack of supply provides a clear opportunity to the house building industry as they deliver much needed supply into the market.
- Overall pricing levels remain unchanged for the second month running. A small increase in London offset price falls across six regions and static prices across three.
- Agents have used the pick-up in demand to claw back some of the discount between asking and achieved prices. The % of the asking price being achieved jumped to 92.9% in February, up 0.4%.
- Higher demand and firmer underlying pricing levels have seen the average time on the market fall from 10.2 weeks in January to 9.9 weeks in February. There is a clear north south divide in time to sell.
- While the seasonal pick-up in demand is to be welcomed, the fundamentals facing the housing market remain largely unchanged.

Table 1: Summary	Dec-11	Jan-12	Feb-12
Monthly price change (%)	- 0.2	0.0	0.0
% change in new buyers registering with agents	- 6.3	- 10.5	+ 18.1
% change in volume of property listing	- 3.4	- 5.4	+ 15.0
% change in sales agreed	- 0.9	- 14.3	+ 35.7
Average time on the market (weeks)	10.1	10.2	9.9
% of the asking price being achieved	92.3	92.5	92.9
% postcode districts with price <b>increase</b> over month	2.0	3.4	7.7
% postcode districts with price <b>decrease</b> over month	33	19	19

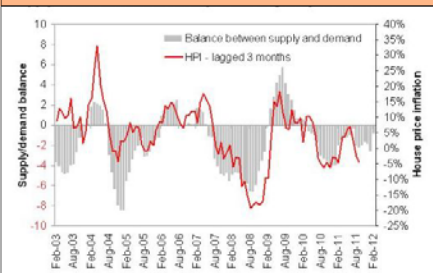
A lack of housing for sale is set to underpin prices in the short term and levels of market activity will be supported in advance of the ending of the stamp duty holiday for first time buyers.

**Graph 1: Time on market and % asking price achieved**



**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 decrease to 9.9 weeks with some major regional variations.

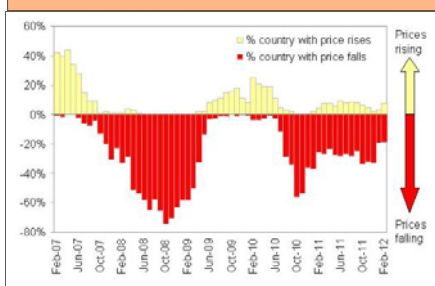
**Graph 2: Supply demand balance leads price changes by 3 months**



**Graph 2:** The balance between supply and demand leads underlying house price changes by three months. The improved balance over the first half of 2011 led an improvement in the underlying rate of growth. The balance is now in negative territory suggesting further price falls in the months ahead.

**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 19% of postcodes in February 2012.

**Graph 3: Proportion of country registering higher and lower prices**



by Richard Donnell

Director of Research, Hometrack  
Issued: 27 February 2012

Source: <http://www.hometrack.co.uk/our-insight/monthly-national-house-price-survey/seasonal-jump-in-demand-but-headline-prices-static>



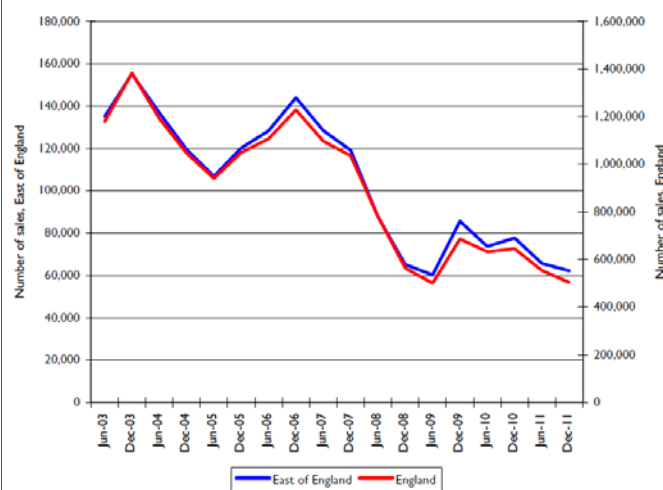
# Number of sales and valuations

This page shows the number of sales and valuations used to generate most of the other data in this Bulletin. This page shows the number of sales and valuations in six month "chunks".

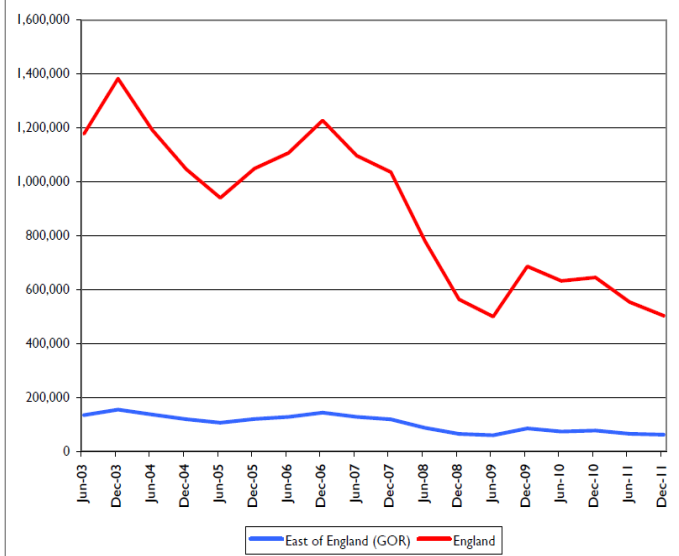
Graphs 4 and 5 show the number of sales and valuations across England and the East of England region. Graph 4 presents the number of sales and valuations for the region and the country on the same scale (from zero to 1.6m, as shown in previous Bulletins). For the first time, Graph 5 presents the same data on two separate axes to help compare the trend for the region and the country more easily. Feedback, as always, is most welcome as to whether this is useful. Graph 6 shows number 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 in six monthly chunks for each district, for the whole housing sub-region, for the East of England and for England.

**Source:** Hometrack's Automated Valuation Model, Dec 2011 sales and valuations.

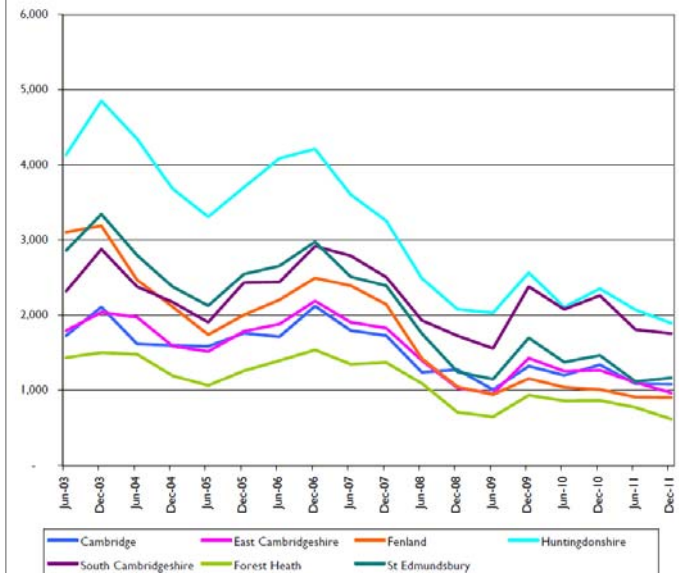
**Graph 5: Number of sales and valuations over time, England and East of England on separate axes, to aid comparison of trends**



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



**Graph 6: Number of sales and valuations over time, Cambridge housing sub-region**



**Table 2: Number of sales and valuations**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11
Cambridge	1,244	1,277	1,008	1,326	1,204	1,343	1,087	1,084
East Cambridgeshire	1,400	1,031	959	1,431	1,258	1,271	1,107	965
Fenland	1,425	1,046	944	1,159	1,040	1,011	911	907
Huntingdonshire	2,491	2,079	2,032	2,568	2,107	2,354	2,071	1,896
South Cambridgeshire	1,933	1,727	1,561	2,380	2,080	2,262	1,809	1,758
Forest Heath	1,094	709	648	936	860	866	773	619
St Edmundsbury	1,757	1,248	1,150	1,699	1,377	1,467	1,118	1,169
Cambridge sub-region	11,344	9,117	8,302	11,499	9,926	10,574	8,876	8,398
East of England	87,781	65,132	60,234	85,610	73,697	77,693	65,677	62,185
England	780,632	564,289	500,209	686,551	632,605	645,436	554,071	503,613

# Number of actual sales

This page shows the number of sales actually completing. It excludes valuation data which is shown on page 4. This data does not drive the averages in the rest of Bulletin, but is useful to an understanding of property sales and turnover in the housing market. Valuation data is usefully included elsewhere, enabling more detailed and reliable analysis of the issues.

Graph 7 shows the number of sales across England and the East of England region. Graph 8 shows this data on two axes, to help compare trends. Graph 9 shows numbers of sales for the seven districts in our sub-region.

Table 3 shows the number of sales completing between June 2008 and December 2011 for the housing sub-region, the East of England and across England.

## Comment

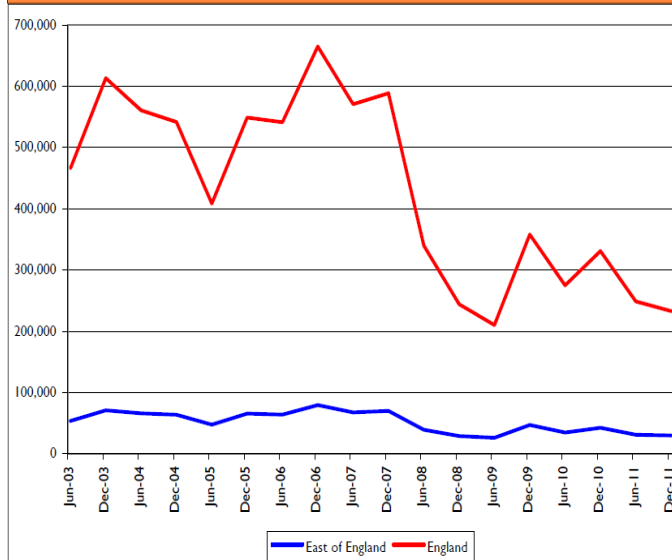
This information shows a significant reduction in the number of sales completing at all geographical levels to June 2009, rallying to December 2009, then going “up and down” till December 2011. Each graph shows a fairly similar pattern. Huntingdonshire and South Cambridgeshire continue to see the largest number of actual sales, and Forest Heath the lowest. Comparing sales to sales + valuations, the percentage across our sub-region has risen from 41% in July, to 45% in September, and is now 50% (December 2011) - higher than both the region and the country. **HOWEVER PLEASE NOTE** when comparing actual sales to sales + valuations that valuation data will include remortgages and mortgage valuations for homes that never make it to sale stage, so it's not a exact like-for-like comparison.

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

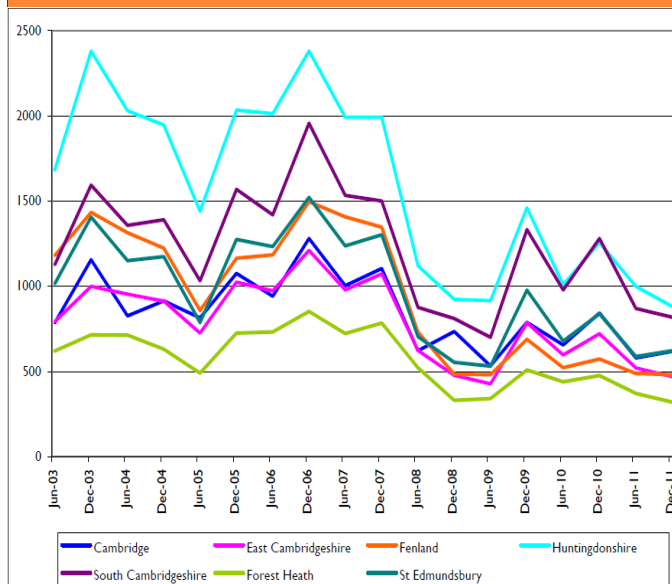
**Graph 8: Number of actual sales over time, England and East of England, on 2 axes**



**Graph 7: Number of actual sales over time, England and East of England**



**Graph 9: Number of actual sales over time, Cambridge housing sub-region**



**Table 3: Number of actual sales completing**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11	Sales completing as a % of sales + valuations
Cambridge	622	734	533	788	656	844	580	618	57%
East Cambridgeshire	623	478	428	786	597	721	521	470	49%
Fenland	730	484	481	688	522	573	488	481	53%
Huntingdonshire	1,120	924	916	1,461	1,009	1,256	999	881	46%
South Cambridgeshire	876	811	701	1,333	979	1,280	870	818	47%
Forest Heath	522	330	341	509	439	476	371	320	52%
St Edmundsbury	704	553	531	977	678	838	587	622	53%
Cambridge sub-region	5,197	4,314	3,931	6,542	4,880	5,988	4,416	4,210	50%
East of England	39,077	28,944	26,081	47,002	34,500	42,389	30,931	29,914	48%
England	340,099	244,318	210,282	358,042	275,020	331,003	248,821	233,053	46%

# Percentage stock turnover

This page shows the volume of residential sales across each district in our housing sub-region as a proportion of the total 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 will remain steady until updated with 2011 Census results.

This page helps put page 5 into context. For example, Huntingdonshire shows a high number of sales completing on page 5, but it is useful to compare that high number to the number of homes found in Huntingdonshire district. This page enables this like-for-like comparison between areas, by comparing the number of sales completing to housing stock.

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

Table 4 shows the proportion of privately owned housing turning over each year, expressed as a percentage of the number of private sector properties (that is, owner occupied and private rented homes) in that area.

## Comment

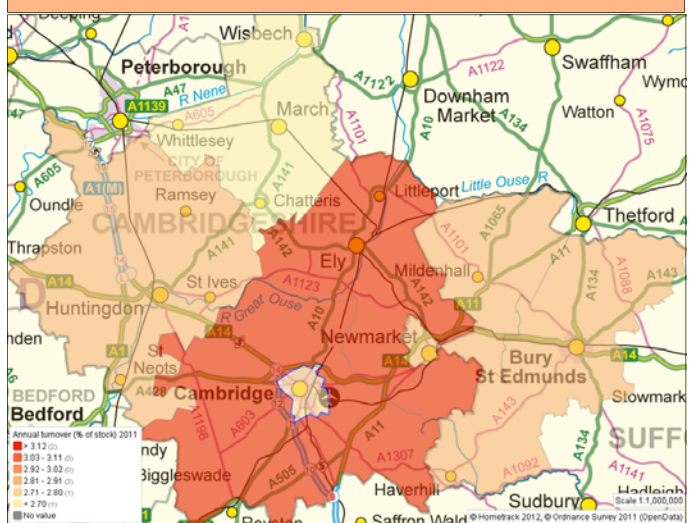
The percentage turnover has fallen, with a significantly lower turnover figure in 2011 than in 2010, and radically lower turnover than seen back in 2007.

However overall turnover rates have increased this quarter. In our last Bulletin looking at September 2011 district turnover ranged from 1.8% to 2.2%. This time, in December 2011 it ranges from 2.7% to 3.2% (see last column of Table 4). The sub regional average is currently 2.9% compared to 1.9% in September and 1.2% in July 2011. The December sub-regional average is a little higher than the East of England average of 2.6%. The regional average was previously 1.7% in September 2011 and 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)

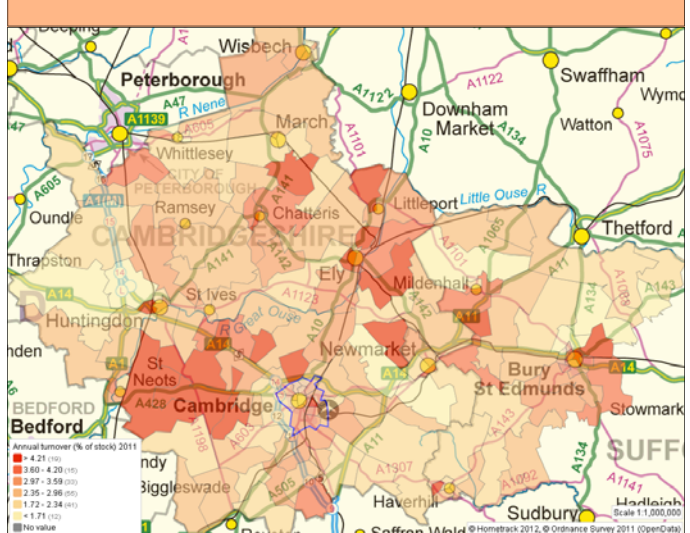


Table 4: Percentage turnover of homes (rounded to 1 decimal place)

	2007	2008	2009	2010	2011
Cambridge	4.8%	3.1%	3.0%	3.4%	2.7%
East Cambridgeshire	6.7%	3.6%	4.0%	4.3%	3.2%
Fenland	7.6%	3.3%	3.2%	3.0%	2.7%
Huntingdonshire	6.1%	3.1%	3.7%	3.5%	2.9%
South Cambridgeshire	5.7%	3.2%	3.8%	4.2%	3.2%
Forest Heath	6.2%	3.5%	3.5%	3.8%	2.8%
St Edmundsbury	6.0%	3.0%	3.6%	3.6%	2.9%
Cambridge sub-region (average)	6.2%	3.3%	3.5%	3.7%	2.9%
East of England	5.9%	2.9%	3.2%	3.3%	2.6%

# 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 12 shows average prices for each district between June 2003 and December 2011. Graph 13 shows the average property price for all types of housing across England (red line) and for the East of England (blue line), for comparison.

Table 13 shows average property prices between June 2008 and December 2011 for England, the East of England, and the Cambridge housing sub-region.

## 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, seen in Map 6. Graphs 12 and 13 show average prices steadily rising to around June 2008, followed by a drop to June 2009 and varying degrees of recovery since then leading to December 2011.

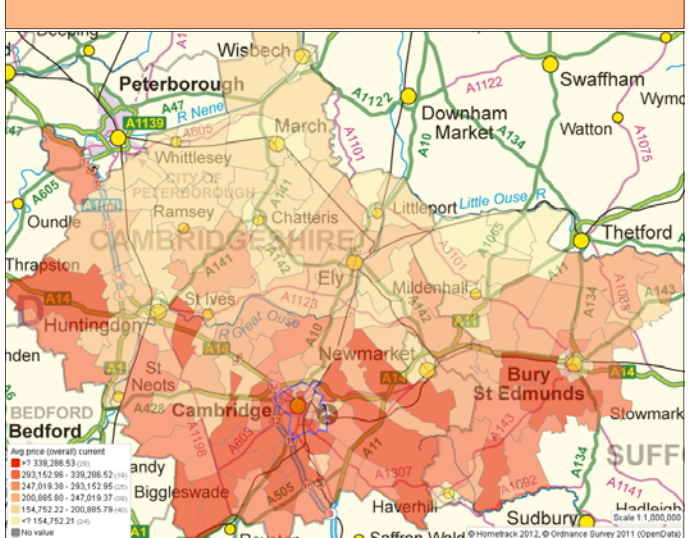
For individual districts comparing December 2010 to December 2011 prices, there is a wide variation in price change. In Cambridge, South Cambridgeshire and St Edmundsbury there was an increase in average prices of between +£14,277 and +£7,570. East Cambridgeshire, Fenland, Forest Heath and Huntingdonshire saw a drop in average prices of between -£1,476 and -£9,744. The sub-regional average price is lower than that for the region and for England.

**Source:** Hometrack's Automated Valuation Model, data Dec 2011.

Graph 13: Average prices, England & East of England



Map 6: Average prices, Cambridge housing sub-region shown by ward



Graph 12: Average prices, Cambridge housing sub-region

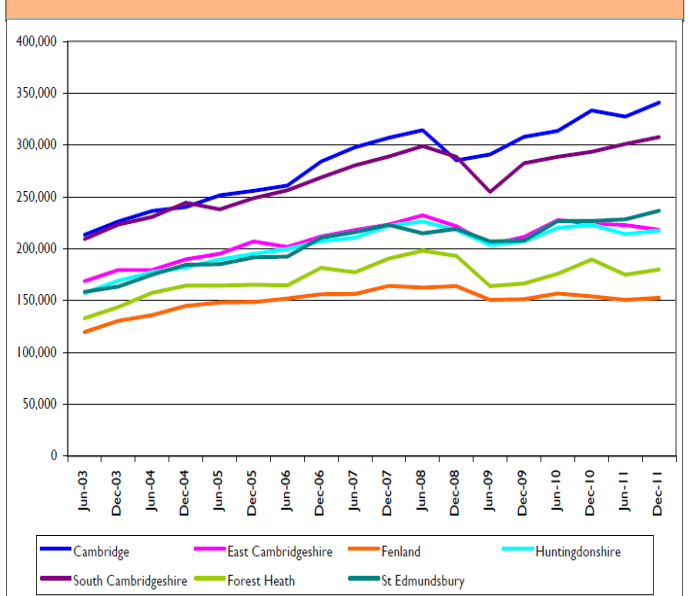


Table 13: Average prices from sales and valuations (£)

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11	Change Dec 10 to Dec 11
Cambridge	314,517	285,296	291,128	308,075	313,850	333,472	327,570	341,042	+ 7,570
East Cambridgeshire	232,346	221,791	204,033	211,497	227,641	224,228	222,851	218,459	- 5,769
Fenland	162,586	164,070	150,611	151,371	156,990	154,189	150,766	152,713	- 1,476
Huntingdonshire	226,439	218,025	203,578	206,919	220,211	223,278	214,133	217,463	- 5,815
South Cambridgeshire	298,978	288,851	254,902	282,522	288,655	293,543	301,070	307,820	+ 14,277
Forest Heath	198,197	193,180	164,086	166,527	176,026	189,730	174,889	179,986	- 9,744
St Edmundsbury	214,829	219,339	207,088	207,944	226,914	226,949	228,379	236,735	+ 9,786
Average for sub-region	235,413	227,222	210,775	219,265	230,041	235,056	231,380	236,317	+ 1,261
East of England	249,339	243,037	230,236	235,394	249,580	254,821	249,495	254,459	- 362
England	239,316	236,013	223,293	232,376	240,477	245,914	241,443	249,817	+ 3,903



# Number of sales by type and district

This page breaks down the sales and valuations data provided on page 4, by district and property type.

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 June 2009 and December 2011. Table 12 shows the same for the East of England, and an overall regional total for comparison.

Graph 10 shows the number of homes selling by type across the whole housing sub-region and Graph 11, proportions rather than numbers by type, to highlight any significant change in the types of homes selling over time.

## Comment

Graph 10 reflects the trend shown on page 4 with the overall number of sales completing across the housing sub-region falling to June 2009, rallying a bit to December 10 then falling away to December 2011.

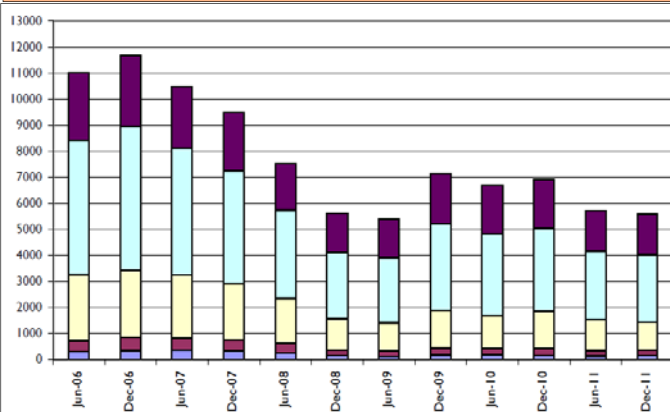
Graph 11 presents the percentage of sales by property type. As in previous Bulletins, this shows a continuing spread of the types of homes selling, however over time there appears a slight change in proportions, with more 3 and 4 bed homes than 1 and 2 bed homes being marketed (i.e counting both sales and valuations).

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

### Key to graphs

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

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



Graph 11: Proportion of sales by type, Cambridge housing sub-region

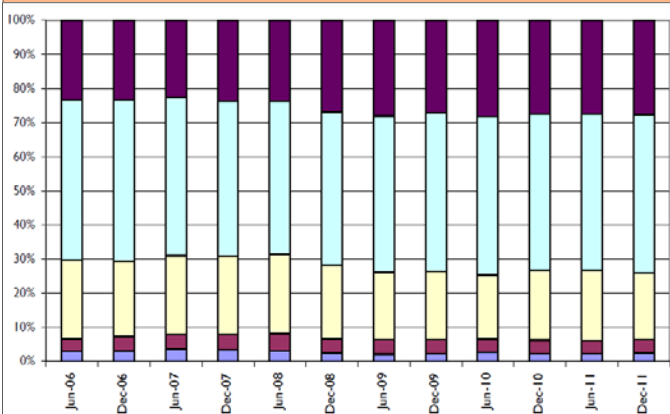


Table 5: Cambridge

	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11
1 bed flat	56	52	85	60	43	55
2 bed flat	97	115	89	127	98	88
2 bed house	88	148	134	136	122	117
3 bed house	254	373	328	388	295	289
4 bed house	109	139	136	130	110	109

Table 6: East Cambridgeshire

	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11
1 bed flat	7	9	8	10	4	8
2 bed flat	16	34	19	22	11	19
2 bed house	126	179	152	183	141	120
3 bed house	304	439	400	418	351	313
4 bed house	183	248	259	233	206	185

Table 7: Fenland

	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11
1 bed flat	5	5	3	3	7	2
2 bed flat	3	N/A	7	7	3	8
2 bed house	147	166	152	160	133	145
3 bed house	278	349	328	321	281	275
4 bed house	132	136	156	135	139	124

Table 8: Huntingdonshire

	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11
1 bed flat	16	33	27	17	29	25
2 bed flat	57	55	45	42	35	22
2 bed house	213	275	245	258	237	216
3 bed house	625	741	682	710	649	639
4 bed house	478	537	510	571	442	457

Table 9: South Cambridgeshire

	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11
1 bed flat	12	26	17	24	15	19
2 bed flat	29	36	57	51	41	50
2 bed house	191	278	223	268	206	210
3 bed house	469	590	614	632	475	496
4 bed house	304	495	478	478	381	412

Table 10: Forest Heath

	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11
1 bed flat	6	10	6	10	9	4
2 bed flat	14	30	23	23	28	19
2 bed house	136	168	171	204	175	137
3 bed house	167	273	240	207	213	193
4 bed house	110	108	100	115	106	81

Table 11: St Edmundsbury

	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11
1 bed flat	8	19	24	21	16	23
2 bed flat	21	28	27	17	15	20
2 bed house	170	221	175	205	149	136
3 bed house	376	548	524	503	370	382
4 bed house	206	282	254	238	186	183

Table 12: East of England

	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11
1 bed flat	1,320	1,896	1,874	1,817	1,552	1,373
2 bed flat	2,638	3,688	3,484	3,331	2,931	2,670
2 bed house	7,617	10,913	9,371	9,807	8,655	8,121
3 bed house	19,228	26,572	24,096	24,520	21,136	20,062
4 bed house	9,609	12,869	12,079	12,175	10,657	9,939
<b>Total</b>	<b>40,412</b>	<b>55,938</b>	<b>50,904</b>	<b>51,650</b>	<b>44,931</b>	<b>42,165</b>



# Average prices by type and district

This page provides more detailed graphs for each district, comparing sale prices between June 2006 and December 2011.

This page uses both sales and valuation data. Again, please see page 4 for more context.

## Comment

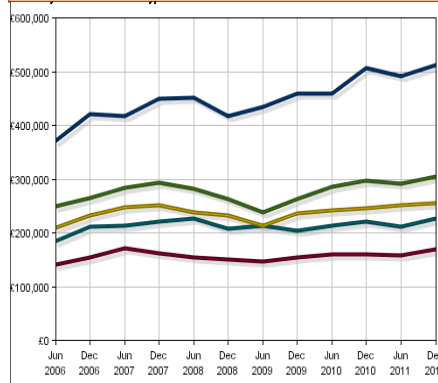
- When comparing these graphs it is worth pointing out that each district reaches a different "maximum" average property value. So the City's left-hand axis scale stretches up to £600,000 while Fenland only reaches £250,000.
- Graph 21 shows the data for the whole of the East of England, for comparison. This shows vastly similar trends as most districts, though "smoothed" due to the large number of sales across the whole region.
- Cambridge sees an continued rise in average process for 4 bed houses compared to other property types, as does South Cambridgeshire.
- Fenland saw a complete end to the supply of 2 bed flats in December 2009 shown by a 'break' in the line.
- Forest Heath saw 2 bed flats prices rising to December 2009, while 4 bed house prices dropped to almost the same average price. Both then recovered to more "normal" patterns by June 2010.
- St Edmundsbury continues to reflect the regional average pattern fairly closely.
- 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, December 2011.

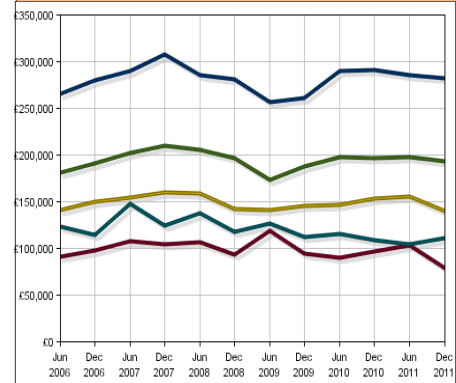
## Key:

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

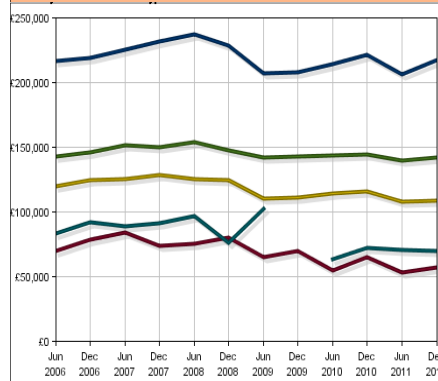
Graph 14: Cambridge City



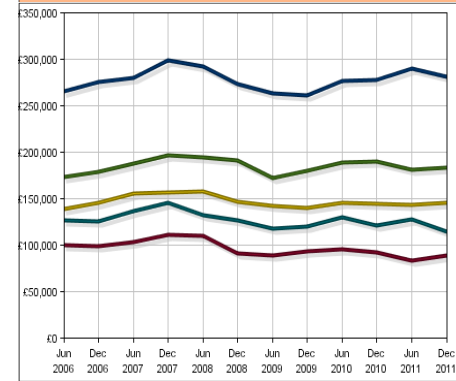
Graph 15: East Cambridgeshire



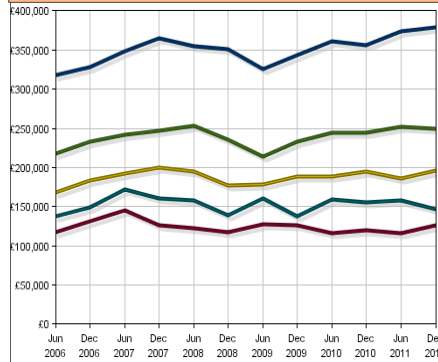
Graph 16: Fenland



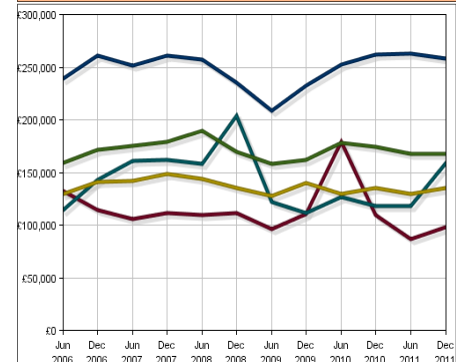
Graph 17: Huntingdonshire



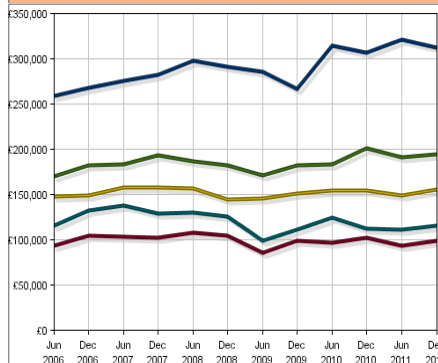
Graph 18: South Cambridgeshire



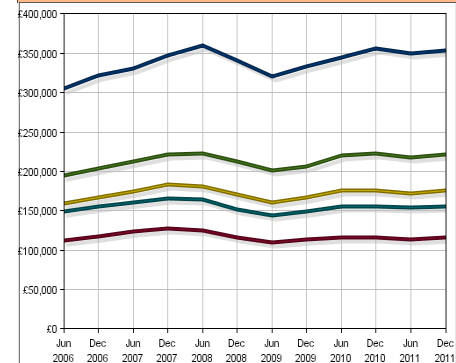
Graph 19: Forest Heath



Graph 20: St Edmundsbury



Graph 21: East of England



# Average price per metre square (m<sup>2</sup>)

## Using price per metre<sup>2</sup>

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 shows average price per metre square (m<sup>2</sup>) of all properties selling, at ward level. This is based on sales and valuation data. As there may not be a large number of transactions 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 m<sup>2</sup> across our seven districts between June 2003 and December 2011. Graph 23 shows the same data for England and the East of England. Table 14 shows the change in average prices per metre<sup>2</sup> between June 2008 and December 2011.

## Comment

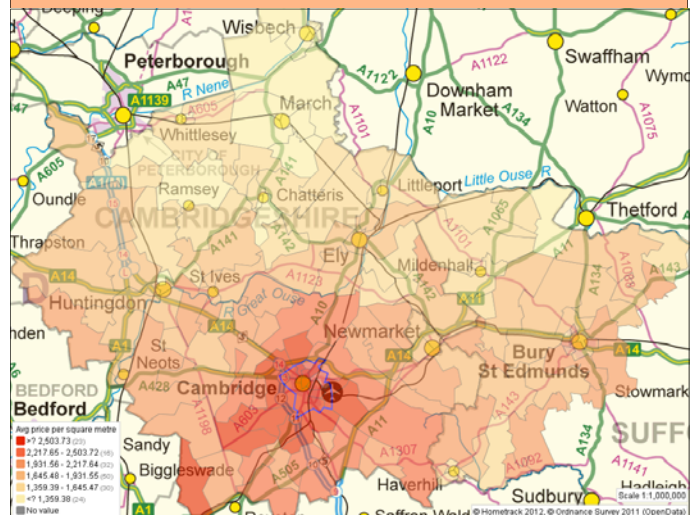
Price per m<sup>2</sup> varies across the sub-region, with a broad pattern of higher prices to the south and lower prices to the north, with the highest prices per m<sup>2</sup> around Cambridge. Graph 22 sees each district following a similar pattern in prices per m<sup>2</sup> over time, dropping to June 2009 and recovering since then to September 2011. Graph 23 shows a similar trend and close alignment between the England and the East of England trend lines.

The last column in Table 14 compares the average price per m<sup>2</sup> for December 2010 and December 2011. Four districts saw a decrease in price per m<sup>2</sup> while three show an increase in this period. The "gainers" are Cambridge at +£85 South Cambridgeshire at +£39 and Forest Heath at +£2. East Cambridgeshire saw the biggest decrease at -£51.

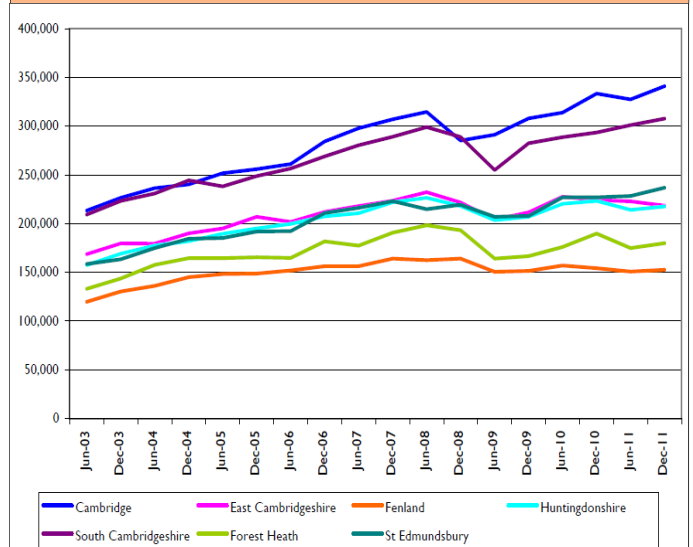
Over the same period our housing sub-region experienced an average decrease of just -£2 while England saw a gain of +£39 and the East of England saw a decrease of -£13.

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

Map 7: Average price per m<sup>2</sup> for each district, shown by ward



Graph 22: Average price per m<sup>2</sup>, Cambridge housing sub-region



Graph 23: Average price per m<sup>2</sup>, England and East of England



Table 14: Average price per m<sup>2</sup> (£)

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10	Jun-11	Dec-11	Change Dec 10 to Dec 11
Cambridge	2,837	2,708	2,617	2,747	2,912	2,985	2,951	3,070	+ 85
East Cambridgeshire	1,868	1,716	1,612	1,676	1,738	1,788	1,759	1,737	- 51
Fenland	1,460	1,372	1,244	1,243	1,271	1,310	1,274	1,280	- 30
Huntingdonshire	1,895	1,766	1,615	1,666	1,734	1,749	1,730	1,731	- 18
South Cambridgeshire	2,282	2,108	2,009	2,126	2,207	2,258	2,257	2,297	+ 39
Forest Heath	1,809	1,676	1,512	1,569	1,657	1,670	1,620	1,672	+ 2
St Edmundsbury	1,884	1,776	1,667	1,737	1,808	1,869	1,811	1,827	- 42
Average for sub-region	2,005	1,875	1,754	1,823	1,904	1,947	1,915	1,945	- 2
East of England	2,226	2,082	1,959	2,039	2,136	2,159	2,120	2,146	- 13
England	2,200	2,078	1,937	2,044	2,119	2,134	2,101	2,173	+ 39

# Time taken to sell

**Time to sell** measures the time from the home going on the market to an offer being accepted.

Please bear in mind this page only reports on completed sales. Homes which take a long time to sell will be reported only once the sale completes.

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, each month from January 2010 to December 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 homes in Huntingdonshire and Fenland in December 2011.

Graph 24 shows that Cambridge was seeing the quickest times to sell until September 2011, when the time to sell increased significantly. By a small margin, sales are now quickest in Forest Heath. Sales in Huntingdonshire continue to take longest, closely followed in December by Fenland.

Graph 25 shows a slightly steadier pattern over time than for individual districts. However both lines rise a bit between November and December 2011.

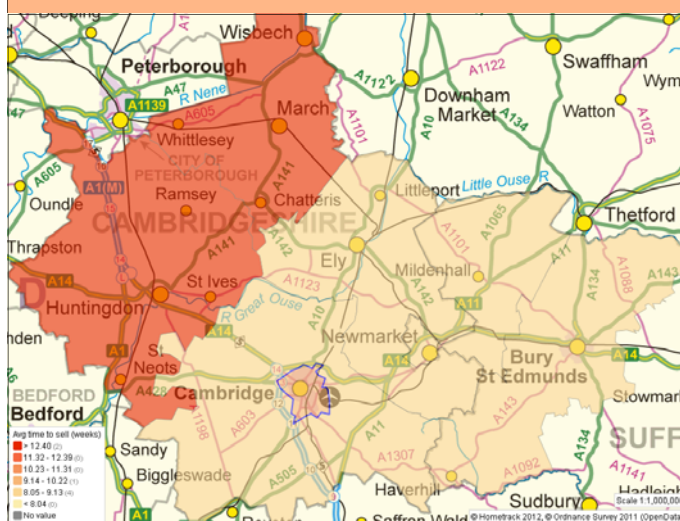
Between December 2010 and December 2011 Cambridge, Fenland and South Cambridgeshire saw an increase in the time taken to sell. Cambridge saw an increase of 4.5 weeks. East Cambridgeshire, Huntingdonshire, Forest Heath and St Edmundsbury all saw a slight fall in the time taken to sell.

The average time to sell across our sub-region rose by +0.4 weeks, much due to Cambridge.

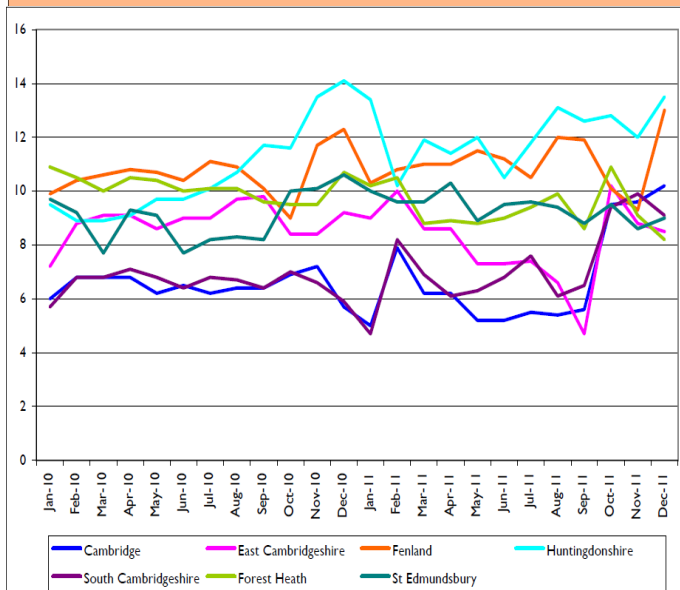
Average time to sell for England and the East was very similar, gaining +0.4 and +0.5 respectively.

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

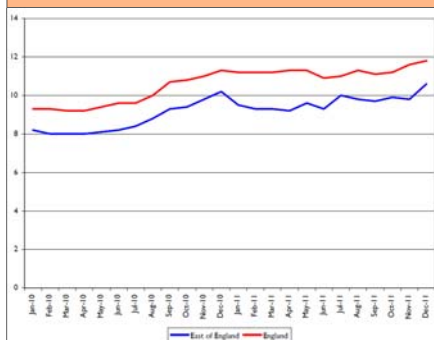
**Map 8: Time properties take to sell, Cambridge housing sub-region by district**



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



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



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

	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Jun-11	Sep-11	Dec-11	Change Dec 10 to Dec 11
Cambridge City	6.8	6.5	6.4	5.7	6.2	5.2	5.6	10.2	+ 4.5
East Cambridgeshire	9.1	9	9.8	9.2	8.6	7.3	4.7	8.5	- 0.7
Fenland	10.6	10.4	10.1	12.3	11	11.2	11.9	13	+ 0.7
Huntingdonshire	8.9	9.7	11.7	14.1	11.9	10.5	12.6	13.5	- 0.6
South Cambridgeshire	6.8	6.4	6.4	5.9	6.9	6.8	6.5	9.1	+ 3.2
Forest Heath	10	10	9.6	10.7	8.8	9	8.6	8.2	- 2.5
St Edmundsbury	7.7	7.7	8.2	10.6	9.6	9.5	8.8	9	- 1.6
Average for sub-region	8.6	8.5	8.9	9.8	9.0	8.5	8.4	10.2	+ 0.4
East of England	8	8.2	9.3	10.2	9.3	9.3	9.7	10.6	+ 0.4
England	9.2	9.6	10.7	11.3	11.2	10.9	11.1	11.8	+ 0.5



# 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 January 2010 and December 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 December 2011 the highest proportion of asking prices achieved were seen in East Cambridgeshire at 95.3%, followed by Cambridge at 94.7% and South Cambridgeshire at 94.4%. The two districts showing the lowest levels being achieved were Fenland at 92.8% and Huntingdonshire at 91.6%.

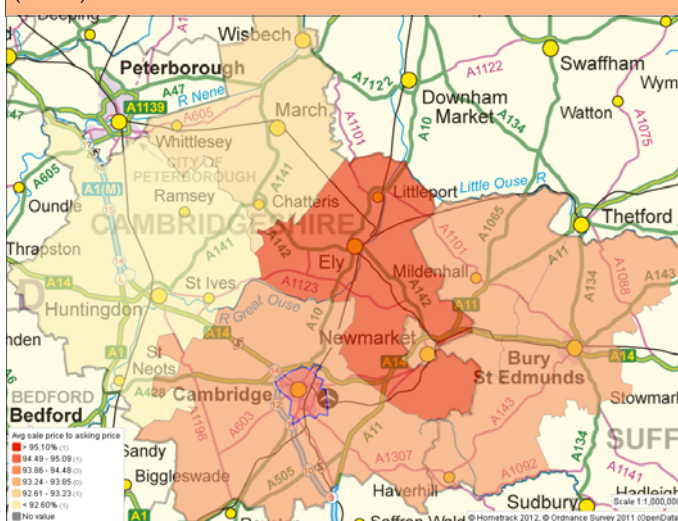
The only decrease when comparing December 2010 to December 2011 was seen in South Cambridgeshire at -1%. The biggest increases was seen in Cambridge and Huntingdonshire, both rising by +1.5%.

The level of change over these 12 months varied across the sub-region, with an average increase across the seven districts of 0.9%.

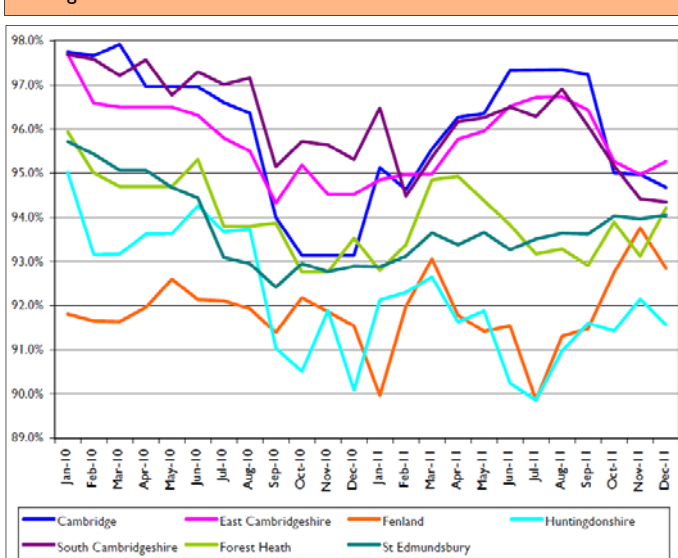
The East of England saw a rise of 0.5% while the % asking price being achieved rose by 0.4% on average across England.

**Source:** Hometrack's monthly survey of estate agents, December 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

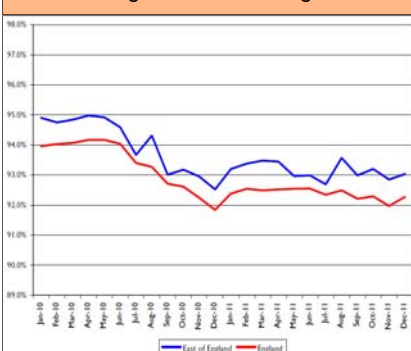


Table 16: Percentage of asking price achieved at sale (rounded to 1 decimal place)

	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Jun-11	Sep-11	Dec-11	Change Dec 10 to Dec 11
Cambridge City	97.9%	97.0%	94.0%	93.1%	95.6%	97.3%	97.2%	94.7%	+ 1.5%
East Cambridgeshire	96.5%	96.3%	94.3%	94.5%	95.0%	96.5%	96.4%	95.3%	+ 0.7%
Fenland	91.6%	92.1%	91.4%	91.5%	93.1%	91.5%	91.5%	92.8%	+ 1.3%
Huntingdonshire	93.2%	94.3%	91.0%	90.1%	92.7%	90.2%	91.6%	91.6%	+ 1.5%
South Cambridgeshire	97.2%	97.3%	95.2%	95.3%	95.4%	96.5%	96.1%	94.4%	- 1.0%
Forest Heath	94.7%	95.3%	93.9%	93.5%	94.9%	93.8%	92.9%	94.2%	+ 0.7%
St Edmundsbury	95.1%	94.4%	92.4%	92.9%	93.7%	93.3%	93.6%	94.1%	+ 1.2%
Average for sub-region	95.2%	95.2%	93.2%	93.0%	94.3%	94.2%	94.2%	93.9%	+ 0.9%
East of England	94.8%	94.6%	93.0%	92.5%	93.5%	93.0%	93.0%	93.0%	+ 0.5%
England	94.1%	94.0%	92.7%	91.8%	92.5%	92.6%	92.2%	92.3%	+ 0.4%

# 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 December 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 January 2010 and December 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 March 2010 and December 2011, along with the change from Dec 2010 and Dec 2011.

## Comment

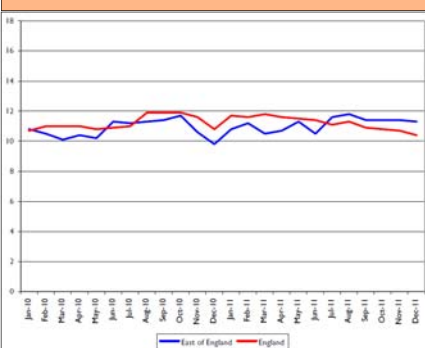
To December 2011 Huntingdonshire saw the highest number of viewings per sale at 14.1 followed by Fenland at 12.4 and South Cambridgeshire at 12.1. Forest Heath saw the lowest number of views per sale at 7.2. Graph 28 shows that over time, the pattern is quite erratic.

At December 2011 an average of 10.8 viewings were needed per sale (down from September's average of 12.3) across the housing sub-region. This is slightly lower than the East of England average (11.3) and slightly higher than the whole of England (10.4).

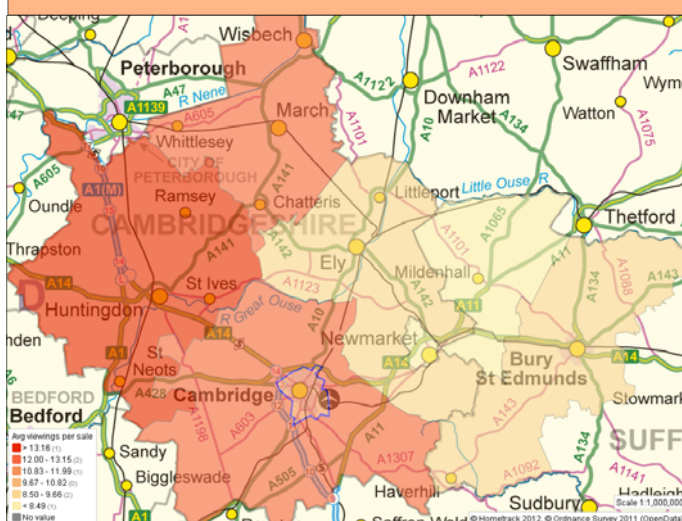
Comparing Dec 2010 and Dec 2011, the average number of views per sale increased by 0.6 for our sub-region while the region saw 1.5 more and England overall saw 0.4 less views per sale.

**Source:** Hometrack's monthly survey of estate agents, December 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

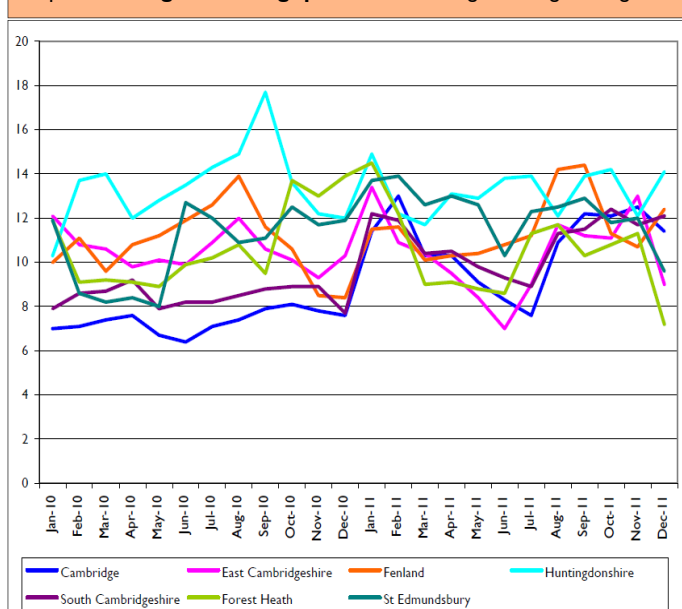


Table 17: Average number of viewings per sale

	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Jun-11	Sep-11	Dec-11	Change Dec 10 to Dec 11
Cambridge City	7.4	6.4	7.9	7.6	10.3	8.3	12.2	11.4	+ 3.8
East Cambridgeshire	10.6	9.9	10.6	10.3	10.4	7.0	11.2	9.0	- 1.3
Fenland	9.6	11.9	11.6	8.4	10.1	10.8	14.4	12.4	+ 4.0
Huntingdonshire	14.0	13.5	17.7	12.0	11.7	13.8	13.9	14.1	+ 2.1
South Cambridgeshire	8.7	8.2	8.8	7.7	10.4	9.3	11.5	12.1	+ 4.4
Forest Heath	9.2	9.9	9.5	13.9	9.0	8.6	10.3	7.2	- 6.7
St Edmundsbury	8.2	12.7	11.1	11.9	12.6	10.3	12.9	9.6	- 2.3
Average for sub-region	9.7	10.4	11.0	10.3	10.6	9.7	12.3	10.8	+ 0.6
East of England	10.1	11.3	11.4	9.8	10.5	10.5	11.4	11.3	+ 1.5
England	11.0	10.9	11.9	10.8	11.8	11.4	10.9	10.4	- 0.4

# 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 the 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. This page aims to help compare trends across the sub-region over time.

Map 11 shows relative affordability using the ratio of average (mean) house prices to average income. Map 12 shows affordability using the ratio of lower quartile house prices to lower quartile incomes. Both maps use data averaged from January 2010 to December 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 December 2011, and the average for the eleven 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 the maps. Although the average affordability multiplier for the housing sub-region was 6.2 at December 2011, this masks a wide variety of affordability ratios for each district: from 9.2 in Cambridge down to 4.7 in Fenland. For each district, the average multiplier has fallen a little between December 2010 to December 2011, except for Cambridge where it remained at the same level.

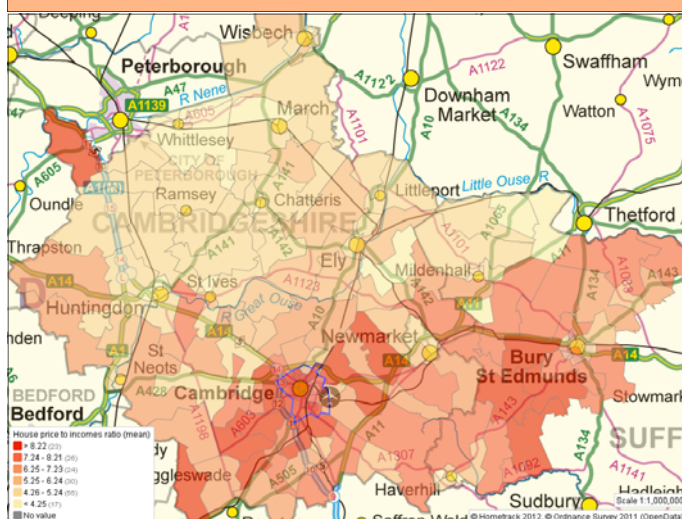
Table 18 shows that lower quartile house prices (which is used as an indicator of entry-level prices) take a significantly higher proportion of lower quartile incomes to afford.

So in Cambridge, a lower quartile home would cost on average 12.1 times a lower quartile income, a significant rise since September 2010 and a huge proportion of income.

The relatively most affordable entry-level prices are found in Fenland and Huntingdonshire, at 6.2 times income.

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

Map 11: Mean house price to income ratio, shown by ward



Map 12: Lower quartile house price to income ratio, shown by ward

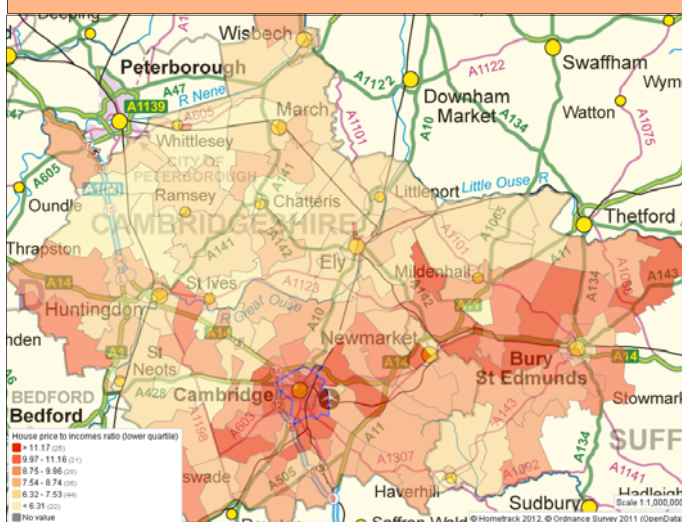


Table 18: Lower quartile price : income (rounded)

	Sept-10	Dec-10	Mar-11	Jul-11	Sept-11	Dec-11
Cambridge City	9.3	9.6	9.6	12.0	11.9	12.1
East Cambridgeshire	6.5	6.7	6.6	8.7	8.6	8.6
Fenland	5.8	5.7	5.7	6.1	6.1	6.2
Huntingdonshire	6.1	6.0	6.0	6.4	6.4	6.2
South Cambridgeshire	5.9	7.5	7.5	8.4	8.4	8.7
Forest Heath	7.4	6.1	6.1	7.1	7.1	7.0
St Edmundsbury	6.6	6.7	6.8	8.4	8.4	8.3

Table 19: Average house price : income (rounded)

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



# 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.

Maps 13, 14 and 15 show median private rents for each district, for 1, 2 and 3 beds, at ward level. Grey shading denotes not enough data to be reliable at ward level. The values are provided in Table 20, labelled “median private rent” at whole-district level.

Most of the data in Table 20 is gathered over a 12 month period. In this update the period covers January 2010 to December 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 1 bedroom homes for sale in East Cambridgeshire or Fenland for December 2011, so no value appears in the table.

## Comment

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

- In four out of 7 districts the median private rent for a one bedroom property shows the highest 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 1 and 2 beds. For one beds, 40% HomeBuy is cheaper than the median rent.

The new Affordable Rent regime uses a specific method to set rents, however the information on this page gives some context for the calculations. We hope this helps provide context to our Affordable Rent programme locally.

**Source:** Latest data released December 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	150	180	123	160	166
2 bed	73	88	175	219	182	221	152	205	304
3 bed	87	99	202	253	254	299	205	269	276
East Cambridgeshire									
1 bed	-	75	91	114	82	102	70	-	-
2 bed	-	90	110	138	111	122	88	138	140
3 bed	-	100	138	173	170	201	138	181	205
Fenland									
1 bed	-	65	74	93	44	61	42	-	-
2 bed	-	72	97	121	75	77	53	-	-
3 bed	-	78	115	144	130	149	103	168	177
Huntingdonshire									
1 bed	-	66	82	103	83	100	68	116	116
2 bed	-	77	110	137	115	133	91	150	172
3 bed	-	85	128	160	158	188	129	165	209
South Cambridgeshire									
1 bed	66	74	116	145	118	144	97	127	127
2 bed	76	89	138	173	149	163	114	177	192
3 bed	82	99	165	206	216	250	173	232	287
Forest Heath									
1 bed	-	63	91	114	92	95	68	100	100
2 bed	-	73	110	138	95	123	84	105	116
3 bed	-	82	158	198	144	174	122	177	193
St Edmundsbury									
1 bed	-	63	97	121	88	113	79	160	160
2 bed	-	74	115	144	109	127	87	182	182
3 bed	-	81	146	183	163	193	135	198	211

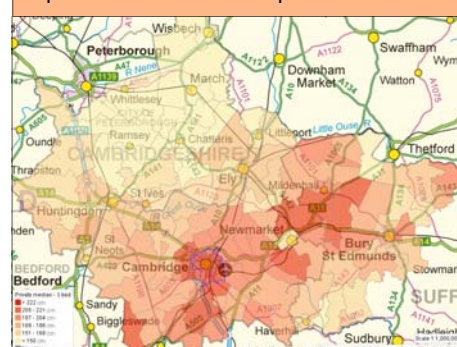
Map 13: One bed median private rents



Map 14: Two bed median private rents



Map 15: Three bed median private rents





## CONTACT US

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## About Edition 12

This is the twelfth edition of the Cambridge 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](http://www.cambridgeshirehorizons.co.uk/shma)

### How to find old and new Bulletins

From 1 October 2011 Bulletins are available at a new page on the Cambridge City Council website, accessible at

[www.cambridge.gov.uk/crhb](http://www.cambridge.gov.uk/crhb)

In the left side menu 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.

The other option (CRHB meetings and minutes) takes you to Sub-Regional Housing Board meeting papers, terms of reference and minutes.

Please do get in touch if you have any queries on this.

### Don't forget...

As always, 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 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
End March 2013	May 2013	Edition 17 July 2013

## About Hometrack

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

For the latest Hometrack commentary and analysis please go to <http://www.hometrack.co.uk/our-insight/commentary-and-analysis> or visit us at one of our events <http://www.hometrack.co.uk/our-insight/upcoming-events>

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