



Edition four

Welcome to the fourth edition of the Cambridge sub-region's housing market bulletin. The first edition, published in November 2008 can be found at:

http://www.cambridgeshirehorizons.co.uk/documents/publications/horizons/november_2008_bulletin_1.pdf

The second edition, published in October 2009 can be found at:

http://www.cambridgeshirehorizons.co.uk/documents/crhb/publications/summer_edition.pdf

The third edition, published April 2010 can be found at:

http://www.cambridgeshirehorizons.co.uk/documents/crhb/publications/housing_bulletin_3_spring_2010.pdf

This fourth edition uses Hometrack data correct at February 2010, which was published in April 2010.

As always, your views on the Bulletin are very welcome and if you have any suggestions to improve it, please do get in touch. Contact details are provided on the back page. The Bulletin aims to show market changes, particularly for our sub-region and how it compares to the rest of the East of England region, and to England as a whole.

The Bulletin acts as a supplement to our Strategic Housing Market Assessment, which is available from:

www.cambridgeshirehorizons.co.uk/shma

Tip: To follow links in this bulletin, hold down the "Ctrl" button and click on the blue underlined text. Hopefully this should take you to the information or the page you are seeking.

Highlights...

In this bulletin you can find out about...

- A significant drop in the number of sales up to February 2009, rallying and then declining to February 2010 - for the country, the region and the Cambridge housing sub-region.
- Average property prices peaked around August 2008, dropping back in August 2009, followed by varying degrees of recovery by February 2010 in each individual district.
- Each district showed an increase in the percentage of the asking price being achieved at 96.5%, compared to 94.7% for the region and 94% for England.
- Our sub-region averages 3.15 viewings per sale, compared to a regional average of 8.9 viewings per sale.
- Cambridge City remains significantly less affordable than other districts, with 8.7 times income needed to buy an averagely priced home.
- Comparing new build to resale prices across our sub-region, the average new build premium for flats was 21%, and for houses 16% (though this masks wide variations between each district). This compares a 15% premium for newly built flats across the region, and 8% for houses.

Click here to find...

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Maps

Our region

Map 1 shows the East of England Region, shaded in orange and boundaried with a blue line. The Region covers a wide variety of housing markets and settlements.

The East of England region is the second largest of nine English regions covering Cambridgeshire, Essex, Hertfordshire, Norfolk and Suffolk and the Unitary Authorities of Luton, Peterborough, Southend-on-Sea, Bedford, Central Bedfordshire and Thurrock. The region's population is around 5.6 million.

Since our last Bulletin, the East of England Local Government Association has come into being. This is a new voluntary association set up by the 52 local authorities in the region, following the abolition of the East of England Regional Assembly (EERA).

The East of England LGA will concentrate its work in areas where, by working together, value can be added for the 52 member councils and it will speak up for the people and communities it represents, ensuring that local government has an effective voice in its dealings with our government office (GO-East), the East of England Development Agency (EEDA), Westminster, Whitehall and other organisations.

The East of England LGA exists to champion local authorities and to work on behalf of their communities. In so doing, they aim to tackle real issues which matter to people: whether it be the level of funding coming to the region, health, crime and community safety, housing or economic development.

To find out more, please visit
www.eelga.gov.uk



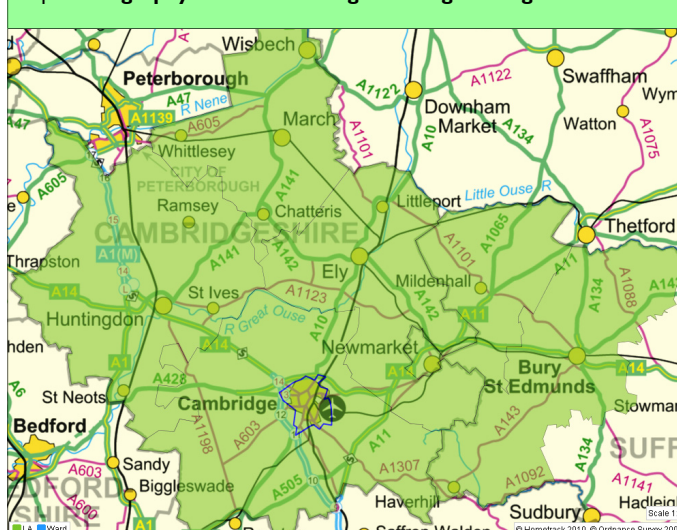
Map 1: The East of England region



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



Map 3: Geography of the Cambridge housing sub-region



Our sub-region

Map 2 shows the boundaries of each district in our housing sub-region, covered in this Bulletin, namely:

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

Map 3 shows the same areas as Map 2, but includes Ordnance Survey background including rivers, roads and settlements to help highlight the geographical areas covered by the districts.

National trends from Hometrack: Accelerating supply of homes for sale marks move back to normal market conditions

The March 2010 survey was based on 5,315 responses from 1,529 agents and surveyors across all 2,300 postcodes in England and Wales.

House prices rise but headline figures mask evidence of changing market conditions...

House prices rose by 0.3% in March and the year-on-year rate of growth now stands at 1.3%. However these headline figures mask growing evidence of change.

The housing market recovery of the last twelve months has been built on a scarcity of housing for sale. During 2009 the stock of housing for sale increased by just 7%, in contrast to the first 2 months of 2010 when the supply of homes for sale increased by 10.2%. Over March the growth in the number of homes coming to the market exceeded new buyers registering with agents.

Buyers registering with agents may be falling, but sales agreed are up...

Despite the number of buyers registering with agents falling (from 8.3% in February to 3.3% in March) there was an increase in the volume of sales agreed over the month (up 13% from 0.4% in February).

But buyers' market not on the horizon...

The increase in supply is not some precursor to the re-emergence of a buyers' market. Instead it represents a rebuilding of the depleted stock of housing for sale which many agents faced at the start of the year. Over the last six months of 2009 the supply of homes for sale grew by just 1% while sales volumes grew by 20%.

Rather we're seeing a return to normal market conditions...

Talk of improved market conditions and prices returning to near peak levels in some markets is encouraging a growing number of households to sell their properties. Many registered buyers are also sellers, and as they gain the confidence to move so they need to put their homes on the market. Overall we're moving from a sellers' market back towards something more akin to normal conditions with supply and demand broadly in balance.

Table 1: Summary	Jan-10	Feb-10	Mar-10
Monthly price change (%)	0.1	0.3	0.3
12 month price change (%)	-1.0	0.4	1.3
% change in new buyers registering with agents	-2.7	8.3	3.3
% change in volume of property listings	-1.3	4.6	5.6
% change in sales agreed	-4.2	9.6	13.0
Average time on the market (weeks)	8.6	8.4	8.3
% of the asking price being achieved	93.5	93.8	94.0
% postcode districts with price increase over month	7.6	25.5	21.0
% postcode districts with price decrease over month	0.5	3.3	3.6

And across the country...

The March survey found prices higher across 21% of the country down from 26% in February. At the other end of the spectrum price falls were reported across 3.6% of the country.

London and southern England continue to be the engines for house price growth with prices during March rising by 0.6% in London and 0.3% in the South East. In contrast prices remained static in both the North East and East Midlands and fell by 0.1% in Yorkshire and Humberside.

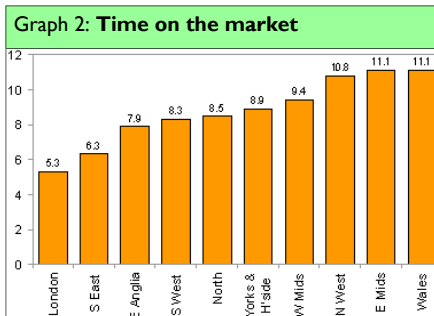
In London and the South East the time on the market currently stands at 5.3 and 6.3 weeks respectively compared to a national average of 8.3 weeks.

The strongest level of pricing is recorded in the South East where sales are moving ahead at over 95% of the asking price. In the North East, Wales and East Midlands sales are at less than 93% of the asking price.

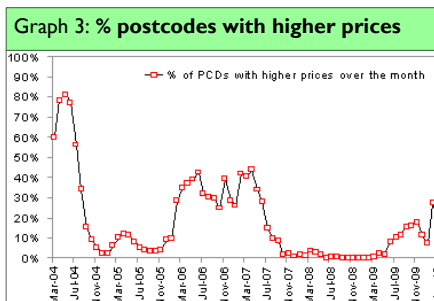
Graph 1: The proportion of the asking price has bounced back over the last 12 months from a low of 88% in February 2009 to a current level of 94%. On a regional basis pricing is strongest in the South East and London with the weakest pricing in Wales.



Graph 2: The time on the market has been falling since early 2009 from a high of 12.3 weeks seen in January 2009 to a current level of 8.3 weeks. On a regional basis the time to sell is just 5.3 weeks in London yet over 11 weeks in Wales and the East Midlands.



Graph 3: A decline in sales and new buyer registrations, together with firmer pricing has resulted in a fall in the proportion of areas registering high prices over the last few months. In January price rises were registered across just 7% of the market rising to 26% in February but falling back to 21% in March.



By Richard Donnell, Director of Research, Hometrack

23 March 2010

Source: <http://www.hometrack.co.uk/commentary-and-analysis/house-price-survey/20100323.cfm>

Number of sales

This page shows the number of sales completing, which is the sample used to drive average property prices, as shown on page 6.

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

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

Table 2 shows the number of sales occurring in past years, from August 2006 to February 2010, to highlight the change in numbers of sales, for each district, the housing sub-region, the East of England region and for England.

Comment

This information helps set other information in this Bulletin into context, showing a significant reduction in the number of sales at all geographical levels up till February 2009, rallying then declining a little to February 2010.

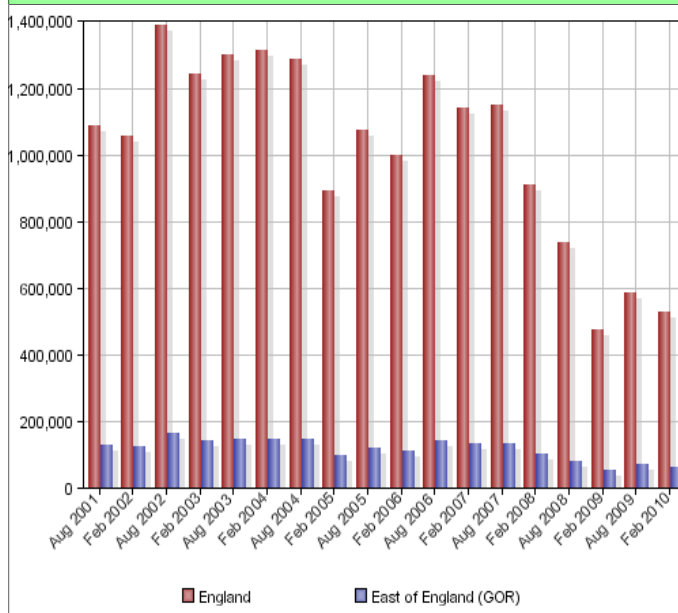
The number of sales follows a similar pattern at local and national levels, with August 2009 looking particularly positive before dropping back in February 2010.

Interestingly, only Cambridge City and Fenland suffered a drop in the number of sales between February 2009 and February 2010 (with 104 and 39 sales less, respectively). Huntingdonshire and Forest Heath both saw little change, while East Cambridgeshire, South Cambridgeshire, and St Edmundsbury all saw an increase.

Average prices quoted later in this Bulletin are affected by the types of homes selling. 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 all the smaller homes or lower value sales are successfully completing, average prices will appear lower. So the number and value of sales achieved has a huge effect on average prices, particularly when fewer sales are completing.

Source: Hometrack's Automated Valuation Model based on February 2010 transactions.

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



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

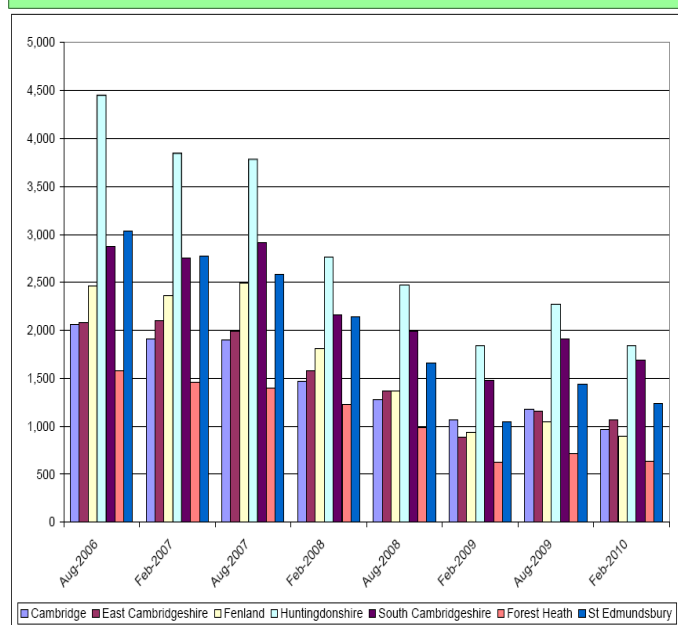


Table 2: Number of sales completed

	Aug-06	Feb-07	Aug-07	Feb-08	Aug-08	Feb-09	Aug-09	Feb-10
Cambridge	2,061	1,912	1,898	1,469	1,279	1,066	1,177	962
East Cambridgeshire	2,084	2,097	1,991	1,581	1,367	881	1,156	1,064
Fenland	2,463	2,363	2,492	1,813	1,370	934	1,042	895
Huntingdonshire	4,451	3,845	3,785	2,765	2,478	1,836	2,270	1,842
South Cambridgeshire	2,876	2,758	2,919	2,159	1,994	1,481	1,909	1,690
Forest Heath	1,580	1,457	1,400	1,222	990	622	716	632
St Edmundsbury	3,040	2,778	2,587	2,141	1,661	1,044	1,440	1,238
Cambridge sub-region	18,555	17,210	17,072	13,150	11,139	7,864	9,710	8,323
East of England	144,260	134,614	134,196	103,761	83,917	55,670	71,914	64,077
England	1,239,834	1,140,090	1,149,429	910,597	736,735	476,502	588,214	527,462

Number of sales by type and district

This page shows the number of sales completing, which is the sample that drives average property prices, as shown on page 7. For each district, tables 3 to 9 show the number of sales completing, broken down into 1 bed flat, 2 bed flat, 2 bed house, 3 bed house and 4 bed house, from August 2007 to February 2010. Table 10 shows the total across our housing sub-region (all seven districts).

Graph 6 shows the number of homes selling by type, across the whole sub-region. Graph 7 shows the same information but using proportions rather than numbers, to try to highlight any significant change in the types of homes selling.

Comment

Graph 6 shows the number of sales by property type across the whole sub-region. This reflects the trend shown on page 4 in the number of sales completing across the sub-region.

Graph 7 presents the percentage of sales by property type. This shows a continuing spread of the types of homes selling, with little change in the proportions between August 2009 and February 2010.

Source: Hometrack's automated valuation model, data at Feb 2010.

Table 3: Cambridge City						
	Aug 07	Feb 08	Aug 08	Feb 09	Aug 09	Feb 10
1 bed flat	145	88	78	34	56	42
2 bed flat	151	128	124	87	100	84
2 bed house	215	149	135	111	120	102
3 bed house	459	352	332	233	305	281
4 bed house	149	126	130	108	125	113

Table 4: East Cambridgeshire						
	Aug 07	Feb 08	Aug 08	Feb 09	Aug 09	Feb 10
1 bed flat	22	28	18	10	9	7
2 bed flat	35	30	23	15	16	25
2 bed house	337	244	210	119	131	158
3 bed house	577	454	380	253	367	317
4 bed house	273	229	245	153	220	200

Table 5: Fenland						
	Aug 07	Feb 08	Aug 08	Feb 09	Aug 09	Feb 10
1 bed flat	23	17	10	5	5	3
2 bed flat	33	7	14	4	2	3
2 bed house	404	313	253	140	158	134
3 bed house	727	561	423	277	318	270
4 bed house	260	224	186	124	134	117

Table 6: Huntingdonshire						
	Aug 07	Feb 08	Aug 08	Feb 09	Aug 09	Feb 10
1 bed flat	75	38	35	17	21	17
2 bed flat	86	75	45	33	51	31
2 bed house	417	336	323	205	246	195
3 bed house	1,115	802	736	578	664	588
4 bed house	630	481	468	373	538	419

Table 7: South Cambridgeshire						
	Aug 07	Feb 08	Aug 08	Feb 09	Aug 09	Feb 10
1 bed flat	37	21	25	18	16	15
2 bed flat	66	46	33	19	22	27
2 bed house	361	249	237	168	236	186
3 bed house	741	514	507	371	508	457
4 bed house	539	410	418	283	407	362

Table 8: Forest Heath						
	Aug 07	Feb 08	Aug 08	Feb 09	Aug 09	Feb 10
1 bed flat	22	22	11	10	6	5
2 bed flat	25	47	29	10	19	22
2 bed house	341	270	225	131	146	122
3 bed house	402	318	280	167	197	209
4 bed house	129	122	100	91	95	86

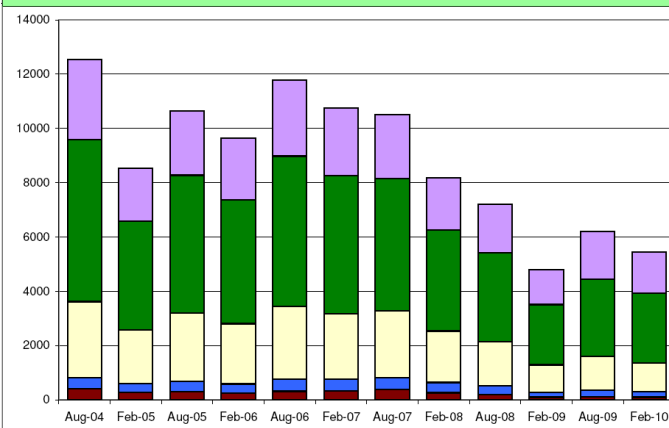
Table 9: St Edmundsbury						
	Aug 07	Feb 08	Aug 08	Feb 09	Aug 09	Feb 10
1 bed flat	54	53	30	11	8	15
2 bed flat	51	46	46	12	24	19
2 bed house	379	334	249	136	212	158
3 bed house	847	715	603	340	487	432
4 bed house	394	339	248	169	243	230

Table 10: Cambridge sub-region						
	Aug 07	Feb 08	Aug 08	Feb 09	Aug 09	Feb 10
1 bed flat	378	267	207	105	121	104
2 bed flat	447	379	314	180	234	211
2 bed house	2,454	1,895	1,632	1,010	1,249	1,055
3 bed house	4,868	3,716	3,261	2,219	2,846	2,554
4 bed house	2,374	1,931	1,795	1,301	1,762	1,527
Total	10,521	8,188	7,209	4,815	6,212	5,451

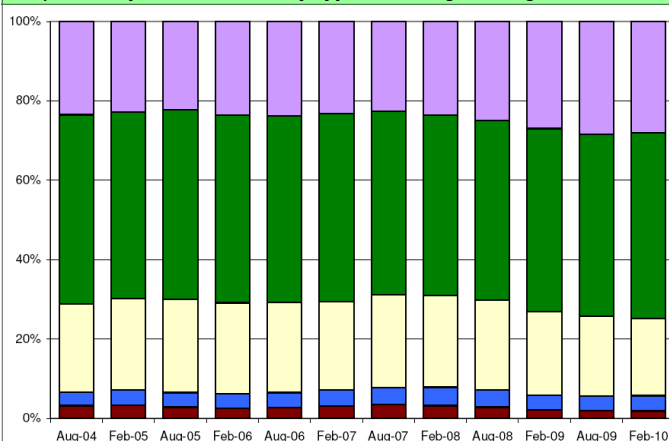
Key:

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

Graph 6: Number of sales by type, Cambridge sub-region



Graph 7: Proportion of sales by type, Cambridge sub-region



Average property prices

Map 4 shows overall average prices for all types of property across the sub-region at ward level. The averages are based on a combination of sales prices and valuation data.

Graph 9 shows average prices for each district in the sub-region, between August 2001 and February 2010. Graph 8 shows the average property price for all types of housing across England (red line) and for the East of England Region (blue line), for comparison purposes.

Table 11 shows average prices by district from August 2006 to February 2010, for England, the region, the housing sub-region and all seven individual 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 seen on Map 4.

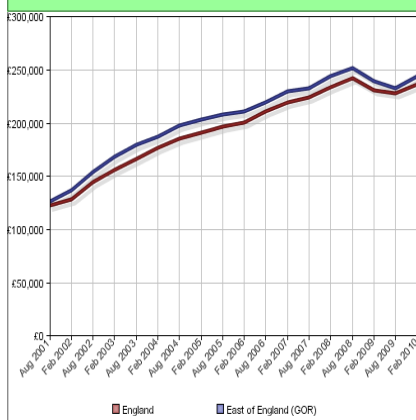
Generally, prices peaked around August 2008, then dropped back in August 2009, followed by varying degrees of recovery by February 2010. This trend is true for the country, the region and the housing sub-region.

Looking at the individual districts, there is more variation when comparing February 2009 and February 2010: City and South Cambridgeshire made a good recovery; East Cambridgeshire, Huntingdonshire and St Edmundsbury made a fair recovery, while Fenland and Forest Heath did not follow the same trend.

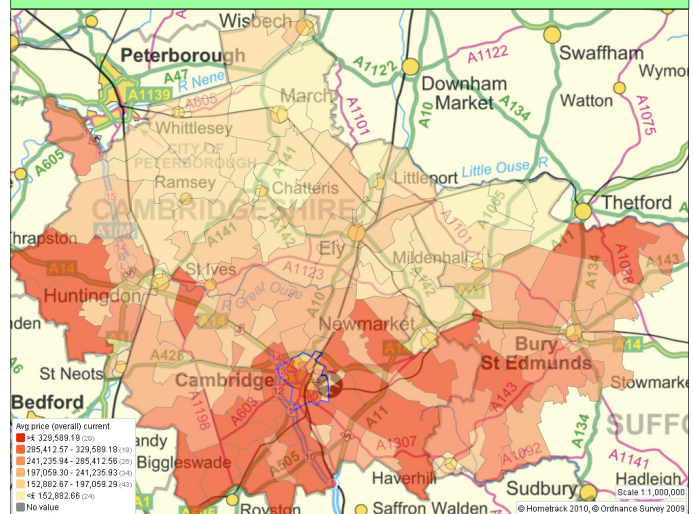
However between August 2009 and February 2010 each district saw an increase in average property prices: more so than the regional and England average increase.

Source: Hometrack's Automated Valuation Model, latest data Feb 2010.

Graph 9: Average prices, England and East of England



Map 4: Average prices, Cambridge sub-region shown by ward



Graph 8: Average prices, Cambridge sub-region

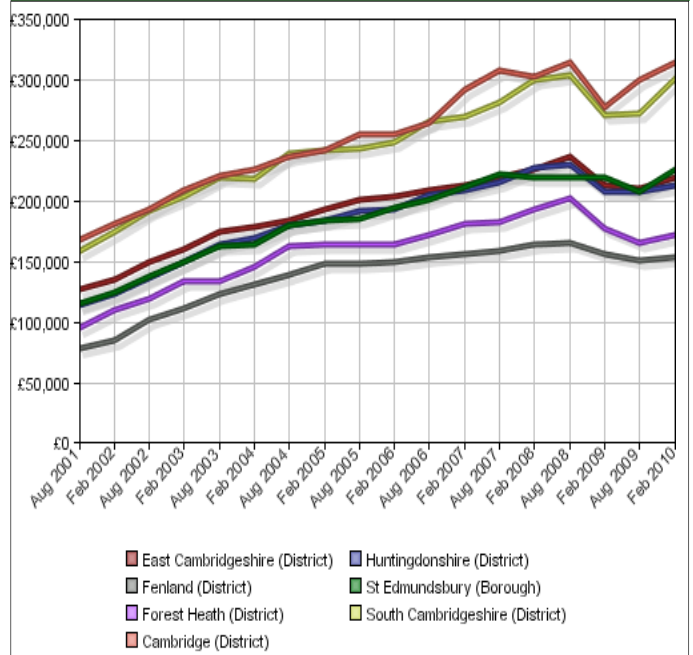


Table 11: Average prices from sales and valuations

	Aug-06	Feb-07	Aug-07	Feb-08	Aug-08	Feb-09	Aug-09	Feb-10	Change Feb-
Cambridge	£265,308	£293,073	£307,742	£302,781	£314,561	£278,031	£300,017	£315,026	+ £36,995
East Cambridgeshire	£208,796	£213,121	£220,202	£227,159	£236,447	£213,727	£210,205	£220,418	+ £6,691
Fenland	£154,234	£157,083	£159,051	£164,486	£165,855	£157,080	£150,575	£153,344	- £3,736
Huntingdonshire	£205,088	£209,008	£216,125	£227,172	£230,680	£207,404	£208,088	£213,309	+ £5,905
South Cambridgeshire	£266,463	£270,152	£281,639	£299,990	£303,797	£271,329	£272,117	£301,485	+ £30,156
Forest Heath	£172,638	£181,977	£182,695	£193,881	£202,313	£178,053	£166,264	£172,888	- £5,165
St Edmundsbury	£201,724	£211,494	£223,006	£220,512	£220,208	£219,744	£208,189	£226,996	+ £7,252
Cambridge sub-region	£233,516	£252,284	£265,374	£261,647	£267,385	£248,888	£254,103	£271,011	+ £22,124
East of England	£219,639	£229,807	£233,530	£244,143	£252,333	£239,417	£233,543	£244,528	+ £5,111
England	£210,847	£219,393	£224,450	£234,033	£242,954	£231,029	£228,023	£237,274	+ £6,245

Average prices by type and district

This page provides more detailed graphs for each district, comparing the prices between August 2004 and February 2010, for:

- 1 bed flats (red line)
- 2 bed flats (blue line)
- 2 bed houses (grey line)
- 3 bed houses (green line)
- 4 bed houses (lilac line).

Comment

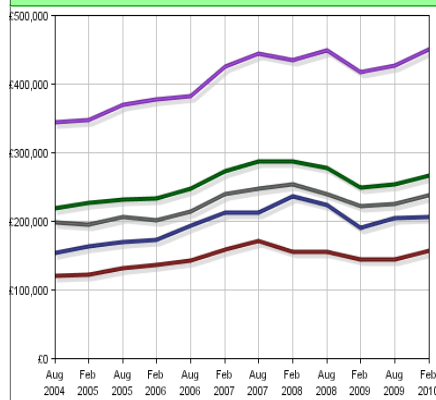
- First, when comparing these graphs it's worth pointing out that each district reaches a different "maximum" average property value. So the City's left-hand axis scale stretches up to £500,000 while Fenland only reaches £350,000.
- For East Cambridgeshire and Fenland, it is interesting to see the similarity in prices between 1 bed and 2 bed flats, with the value lines "touching" in February 2009 for both districts, and coming close together again in February 2010.
- Forest Heath shows a more erratic pattern by property type than most other districts, with 2 bed flat prices peaking dramatically in February 2010, and 1 bed flats jumping between August 2009 and February 2010, overtaking 2 bed houses and flats.
- Graph 17 shows the same data, for the East of England, for comparison. This shows vastly similar trends, though "smoothed" due to the number of sales across the whole region.
- For all these graphs it is important to compare the average prices, to the information provided on page 5 showing the number of sales involved. This provides useful context for average prices.

Source: Based on data from Hometrack's Automated Valuation Model, updated April 2010, latest data correct for February 2010.

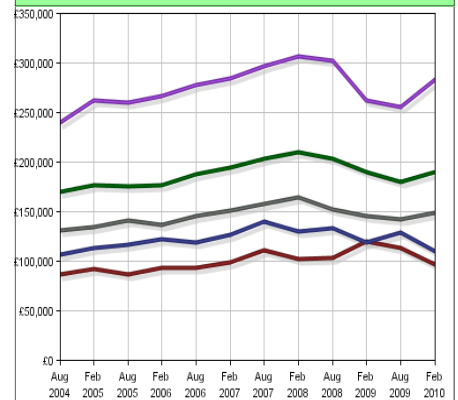
Key:

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

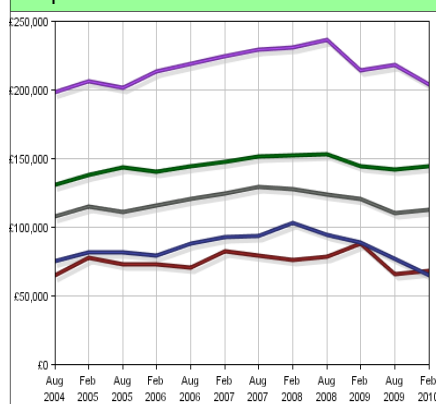
Graph 10: Cambridge City



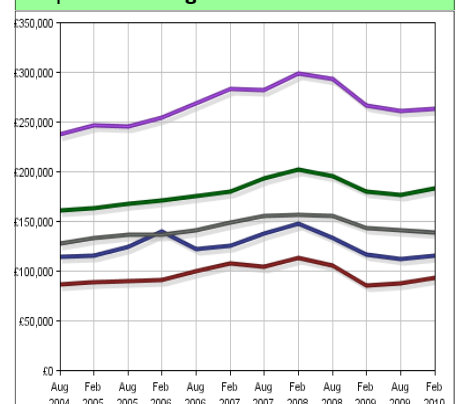
Graph 11: East Cambridgeshire



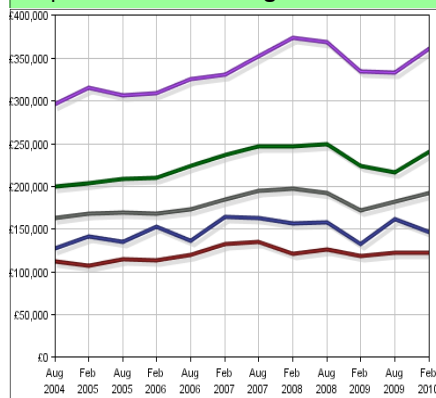
Graph 12: Fenland



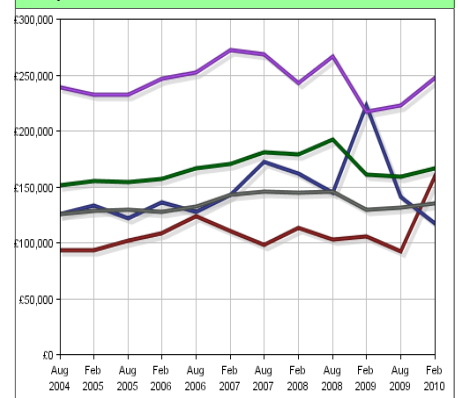
Graph 13: Huntingdonshire



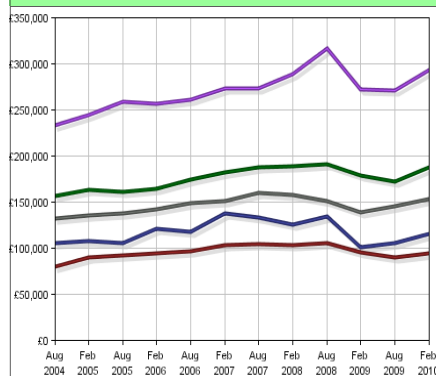
Graph 14: South Cambridgeshire



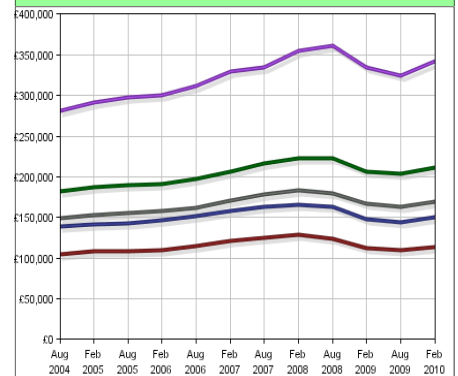
Graph 15: Forest Heath



Graph 16: St Edmundsbury



Graph 17: East of England



Average price per metre square (m²)

Map 5 shows average price per metre² of all properties selling, at ward level. As there may not be enough transactions to ensure robust data within these small areas, the average prices achieved between August 2009 and February 2010 are used, to ensure a robust sample.

Graph 18 shows changes in average price per metre² across England and our Region from August 2001 to February 2010. Graph 19 shows the same data for our seven districts. Table 12 shows the change in average prices per metre² between February 2006 and February 2010 for each district.

Comment

Price per metre² varies across the sub-region, with a broad pattern of higher prices to the south and lower prices to the north.

Graph 18 shows a close alignment between the England and the regional average. Graph 19 shows different prices per metre² for each district, each following a similar trend over time.

Table 12 shows the change in average prices per metre² for each district, between February 2009 and February 2010. Cambridge and South Cambridgeshire show the biggest increases, followed by St Edmundsbury. Huntingdonshire's average stays exactly the same, which Fenland and Forest Heath show a small reduction.

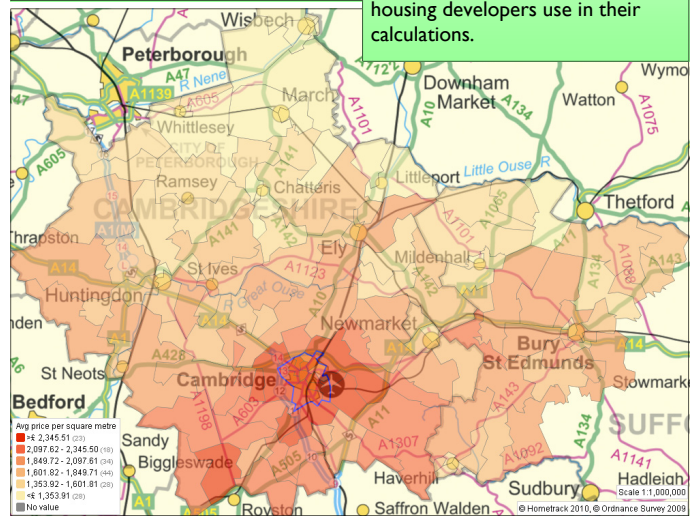
The sub-region shows a higher increase than the region and the country, with a "whole sub-region" increase of £135/m², compared to £53/m² for the East of England and £63/m² for England, between February 2009 and February 2010.

Source: Hometrack's Automated Valuation Model, latest data February

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 metre² and price per foot² are popular measures which housing developers use in their calculations.

Map 5: Average price per m², Cambridge sub-region shown by ward



Time taken to sell

Map 6 shows the average time taken to sell a property in weeks, by district, across our housing sub-region.

Graph 20 shows the change in the average time to sell a property for each of the seven individual districts, in weeks, between March 2008 to February 2010. Graph 21 shows the same for England and the East of England.

Table 13 shows the average time taken to sell, at August 2008, February 2009, August 2009 and February 2010 to help compare between districts.

Comment

Map 6 highlights that it takes longer to sell homes in Fenland and St Edmundsbury.

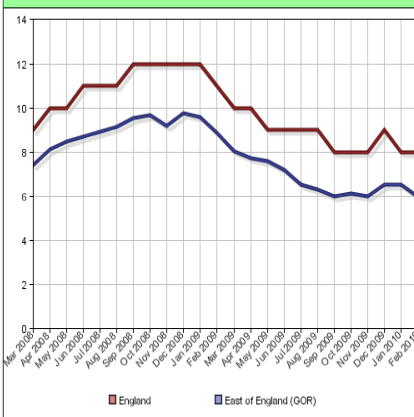
Graph 20 presents the same picture, with homes in Fenland and St Edmundsbury taking longer to sell, followed by Huntingdonshire. The other four districts take less than 3 weeks to sell, on average. Graph 21 is provided for regional and national comparison

Table 13 shows how our seven districts compare to England and the East of England. While the drop in time to sell appears lower in our districts, the length of time taken to sell across England and across our region was significantly higher in February 2009. It was taking an average of almost nine weeks to sell across the East of England, and eleven weeks across England. For the Cambridge sub-region even our slowest average was only 4.9 weeks.

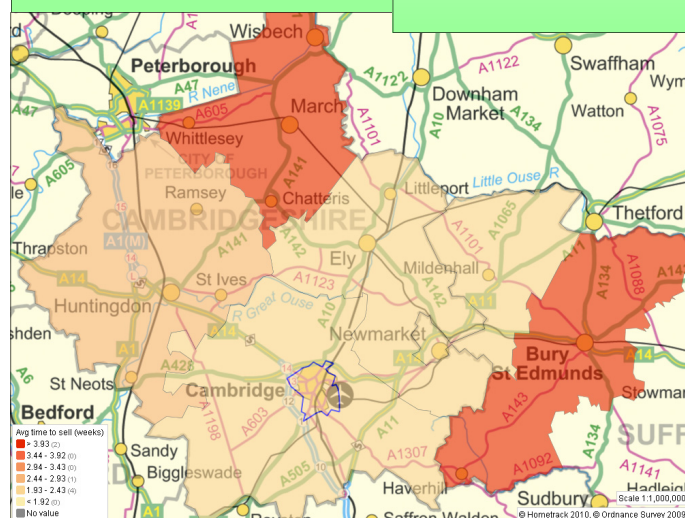
This helps us see how local, regional and national trends differ. As one of the signs of market "health" this helps us see how our sub-region may have avoided some of the worst ravages of the recession.

Source: Hometrack's monthly survey of estate agents. Latest Feb 2010.

Graph 21: Change in time taken to sell, England and East of England



Map 6: Time properties take to sell, Cambridge sub-region shown by district



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

Graph 20: Change in time taken to sell, Cambridge sub-region

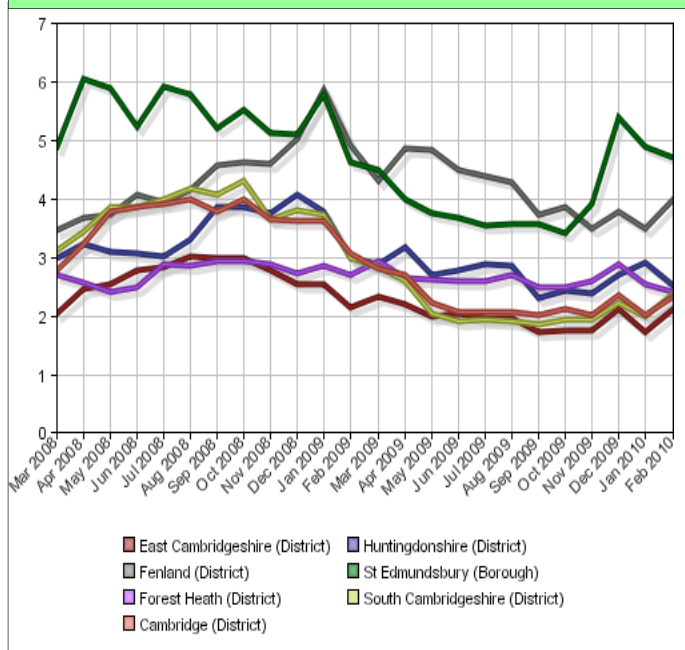


Table 13: Average time taken to sell (in weeks)

	Aug-08	Feb-09	Aug-09	Feb-10	Change Feb-09 to Feb-10
Cambridge City	4	3.1	2.1	2.3	- 0.8
East Cambridgeshire	3	2.2	2	2.1	- 0.1
Fenland	4.2	4.9	4.3	4	- 0.9
Huntingdonshire	3.3	3	2.9	2.5	- 0.5
South Cambridgeshire	4.2	3	1.9	2.4	- 0.6
Forest Heath	2.9	2.7	2.7	2.4	- 0.3
St Edmundsbury	5.8	4.6	3.6	4.7	+ 0.1
Cambridge sub-region	3.9	3.4	2.8	2.9	- 0.4
East of England	9.2	8.9	6.3	6	- 2.9
England	11	11	9	8	- 3

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.

Map 7 shows the percentage of asking prices actually achieved when the sale completes. This gives a measure of the health of the housing market, assuming that in a well-balanced housing market, a high proportion of the asking price is achieved.

Graph 22 shows the same percentage comparison for each district, from March 2008 to February 2010.

Graph 23 shows the trend for England and the East of England, for comparison.

Table 14 shows the average percentage achieved in August 2008, February 2009, August 2009 and February 2010, and the change between February 2009 and February 2010.

Comment

Map 7 shows that a higher proportion of the asking price is achieved in City and South Cambridgeshire, followed by East Cambridgeshire.

Graph 22 shows the change over time for each district. From July 2009 onwards, City and South Cambridgeshire follow almost exactly the same trend, hence the purple and blue lines merge into one.

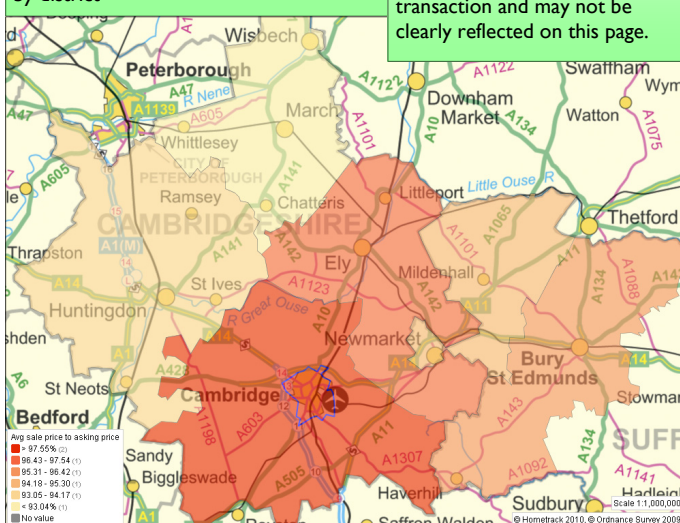
Graph 23 shows the England and Regional trend, which highlights a much bigger dip around January and February 2009, than is seen on the sub-regional graph.

Table 14 shows this in more detail. Each district shows an increase in the percentage of the asking price achieved.

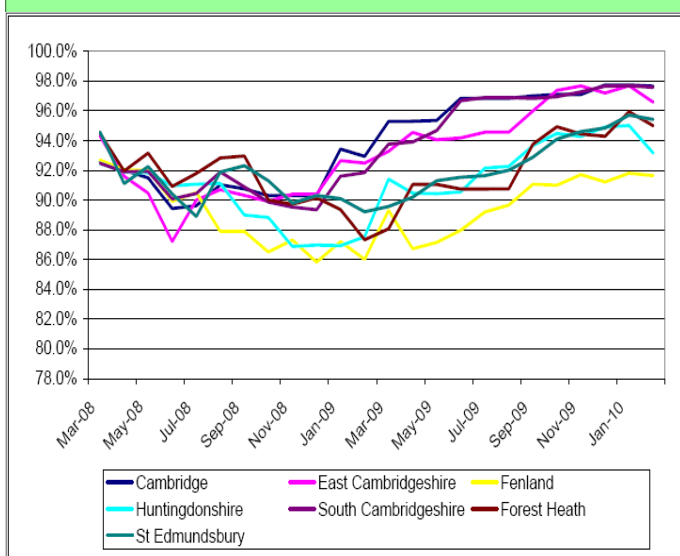
Although the increase varies between districts, the total effect across the sub-region (96.5%) compares well to the region (94.7%) and to England (94.0%).

Source: Hometrack's monthly survey of estate agents, February 2010.

Map 7: Percentage of asking price achieved, Cambridge sub-region shown by district



Graph 22: Change in percentage of asking price achieved, Cambridge sub-region



Graph 23: Change in percentage of asking price achieved, England and East of England

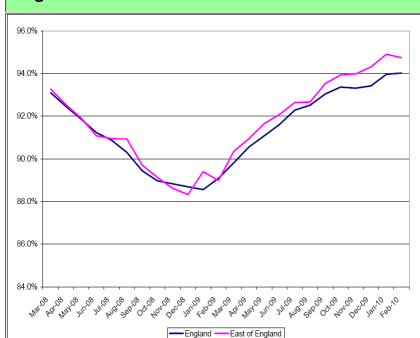


Table 14: Percentage of asking price achieved at sale (rounded)

	Aug-08	Feb-09	Aug-09	Feb-10	Change Feb-09 to Feb-10
Cambridge City	91.0%	93.0%	96.9%	97.7%	+ 4.7%
East Cambridgeshire	90.7%	92.5%	94.6%	96.6%	+ 4.1%
Fenland	87.9%	86.0%	89.7%	91.7%	+ 5.6%
Huntingdonshire	91.1%	87.5%	92.3%	93.2%	+ 5.6%
South Cambridgeshire	91.9%	91.9%	96.9%	97.6%	+ 5.7%
Forest Heath	92.8%	87.3%	90.8%	95.0%	+ 7.7%
St Edmundsbury	91.9%	89.2%	92.0%	95.4%	+ 6.2%
Cambridge sub-region	91.5%	91.1%	94.4%	96.5%	+ 5.5%
East of England	90.9%	89.0%	92.7%	94.7%	+ 5.8%
England	90.3%	89.1%	92.5%	94.0%	+ 4.9%

Number of viewings per sale

Map 8 shows the average number of viewings between a property in the district going onto the market, and going “under offer”, as at February 2010. 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 24 shows the number of viewings per sale for each of our seven districts and changes between March 2008 and February 2010.

Graph 25 shows the comparison for England and the East of England, from April 2008 to March 2010.

Table 15 shows the average number of viewings per sale in August 2008, February 2009, August 2009 and February 2010, and the change between February 2009 and February 2010.

Comment

Map 8 shows that a higher level of viewings were needed in Huntingdonshire and Fenland, followed by St Edmundsbury.

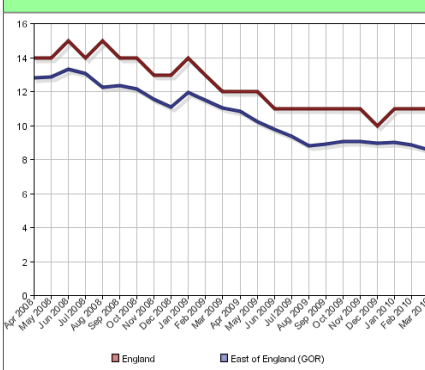
Graph 24 shows the change over time, which highlights a huge drop in viewings per sale in St Edmundsbury particularly.

Graph 25 shows the national and regional trend, which is steady between June 2009 and March 2010, with a noticeable drop in December which is a normal seasonal thing. It is worth noting that the Cambridge sub-region numbers are, overall, much lower than the regional and national trend.

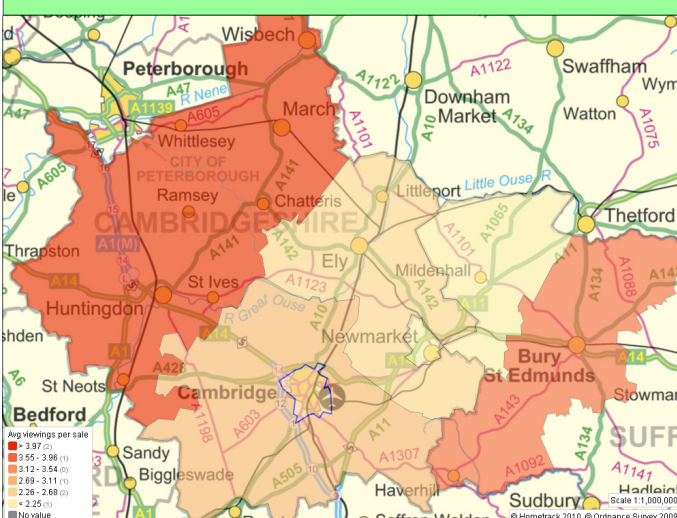
Table 15 shows this clearly, with the sub-regional average at 3.15 viewings per sale against the regional average of 8.9 and national average of 11 viewings per sale.

Source: Hometrack's monthly survey of estate agents. Latest data February 2010.

Graph 25: Change in viewings per sale, England and East of England



Map 8: Average viewings per sale, Cambridge sub-region shown by district



Graph 24: Change in viewings per sale, Cambridge sub-region

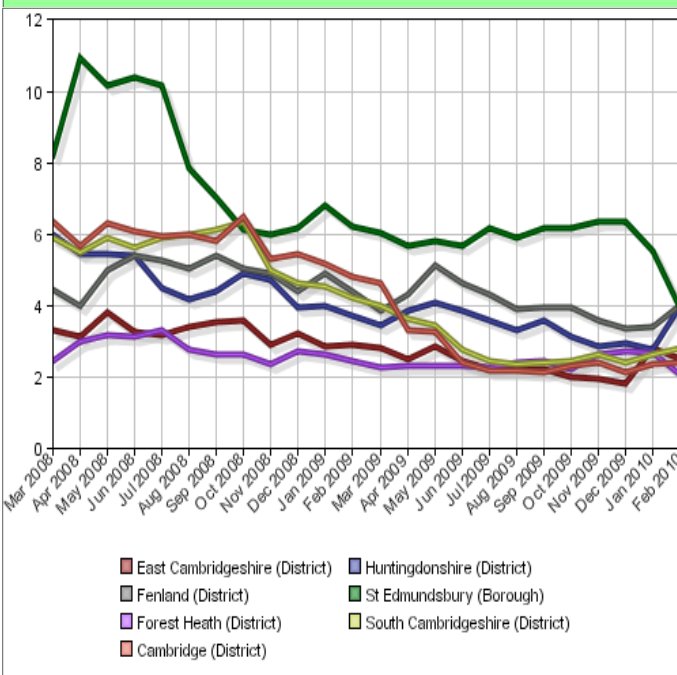


Table 15: Average number of viewings per sale

	Aug-08	Feb-09	Aug-09	Feb-10	Change Feb-09 to Feb-10
Cambridge City	6	4.8	2.2	2.4	2.4
East Cambridgeshire	3.4	2.9	2.2	2.5	0.4
Fenland	5	4.4	3.9	4.1	0.3
Huntingdonshire	4.2	3.7	3.3	4.1	-0.4
South Cambridgeshire	6	4.2	2.4	2.8	1.4
Forest Heath	2.8	2.5	2.4	2	0.5
St Edmundsbury	7.8	6.2	5.9	3.9	2.3
Cambridge sub-region	6.9	5.5	4.05	3.15	2.4
East of England	12.3	11.5	8.8	8.9	2.6
England	15	13	11	11	2

House price to income ratio

Maps 9 and 10 show relative affordability using the ratio of mean house prices to mean incomes. The maps use data averaged between March 2009 and February 2010.

The ratio shows, on average, how many “times” someone’s income the average house price is. One common rule of thumb is that house prices of 3 to 3.5 times income are affordable. On the maps, the higher the ratio, the darker the shading, and the less affordable the area.

The ratios are expressed as one number. This number means that an average home in that district costs (for example) 6.9 times the average income. Incomes differ from earnings by including non-earned incomes such as benefits. These maps use different calculations from the SHMA, however they do help us compare trends across the sub-region and over time.

Table 16 shows the ratios for the seven districts in the sub-region between May 2008 and February 2010.

Comment

Map 9 shows a district-wide pattern of less affordable homes in Cambridge City and South Cambridgeshire, followed by St Edmundsbury. East Cambridgeshire comes next, with the most affordable homes (on average) being found in Huntingdonshire, Forest Heath and Fenland.

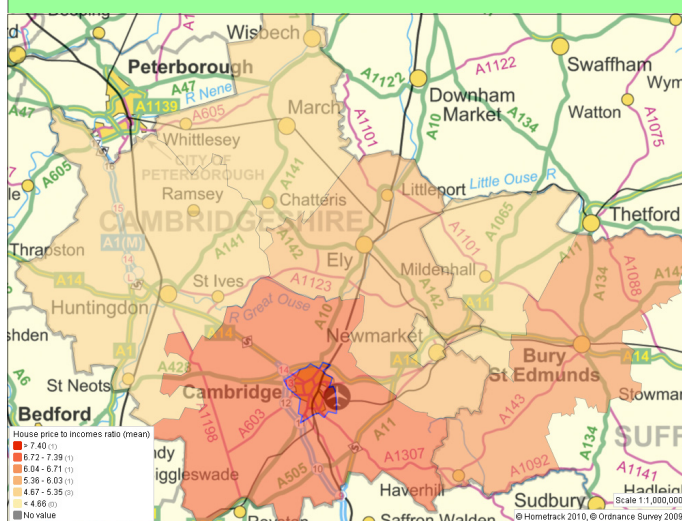
Map 10 shows a more subtle pattern, with less affordability tending towards the south of the sub-region and more affordability to the north, in general.

Table 16 shows the multipliers, with the City markedly less affordable with the average property price 8.7 times average income. Even our most affordable district, Fenland, requires 4.7 times average income to afford an average-priced home.

For comparison, the average ratio for our housing sub-region was 6.0 at February 2010, and for the East of England region was 6.44.

Source: House prices from Hometrack automated valuation model, incomes from CACI paycheck. Latest data released February 2010.

Map 9: House price to income ratio, Cambridge sub-region shown by district



Map 10: House price to income ratio, Cambridge sub-region shown by ward

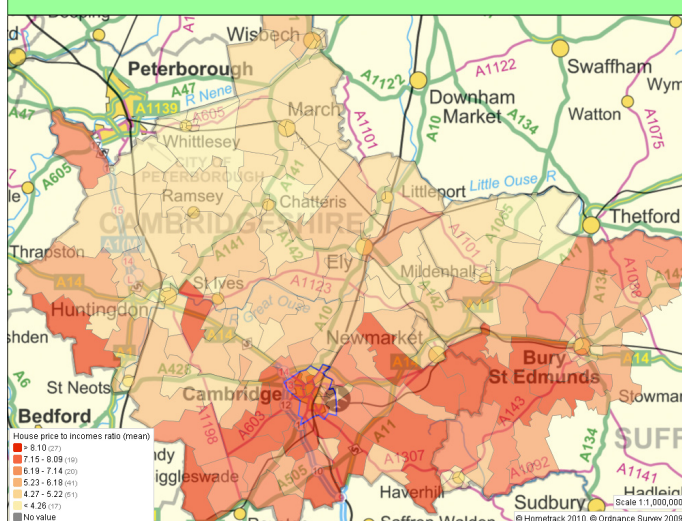


Table 16: Average house price to income ratio (rounded)

	May 2008	August 2008	Feb 2009	June 2009	September 2009	February 2010	Average of the 6 dates shown
Cambridge	8.9	9.1	8.8	7.9	8.1	8.7	8.8
East Cambridgeshire	6.3	6.5	6.3	5.7	5.5	5.7	6.0
Fenland	5.3	5.3	5.3	4.9	4.8	4.7	5.0
Huntingdonshire	5.9	6.1	5.8	5.2	5.1	5.2	5.6
South Cambridgeshire	7.5	7.9	7.4	6.6	6.5	6.9	7.2
Forest Heath	6	6.1	5.9	5.3	5.0	5.0	5.5
St Edmundsbury	6.6	6.4	6.2	5.8	5.8	6.0	6.3
Cambridge sub-region	6.6	6.8	6.5	5.9	5.8	6.0	6.3

New build compared to resale prices

This page has been devised to show how the price of new build homes compares to the price of second hand homes across our sub-region. Data for 2010 was not available for each district, perhaps partly because not enough newly built homes had sold by February 2010 to be considered reliable. We have presented data for 2009, therefore, to introduce the subject, to help comparison across the various levels of geography, and to compare our local picture to the region and the country.

Graph 26 compares the second hand and new build prices of flats, for each district. Graph 27 shows the same information, for houses.

Table 17 shows 2009 figures for newly built and second hand flats and houses, adding a percentage value known as the "new build premium". This presents the percentage difference between prices achieved for new build and re-sale properties. This is shown for each district, the housing sub-region, for the East of England and for England.

Comment

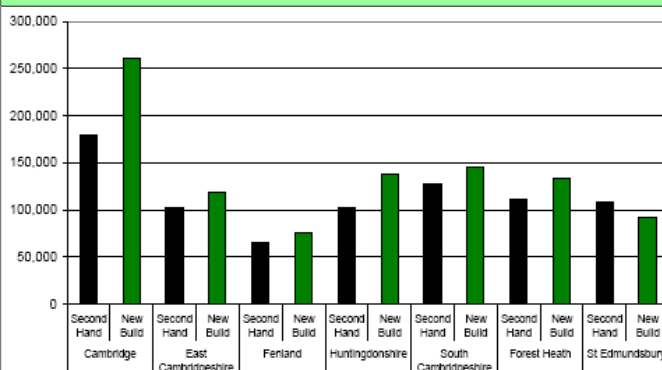
Graph 26 shows how the difference in prices varies between districts, with Cambridge City showing the biggest new build premium and St Edmundsbury showing new build prices lower than second hand prices for flats.

Graph 27 shows a very similar pattern, but with a lower price being achieved for newly built houses in both South Cambridgeshire and St Edmundsbury.

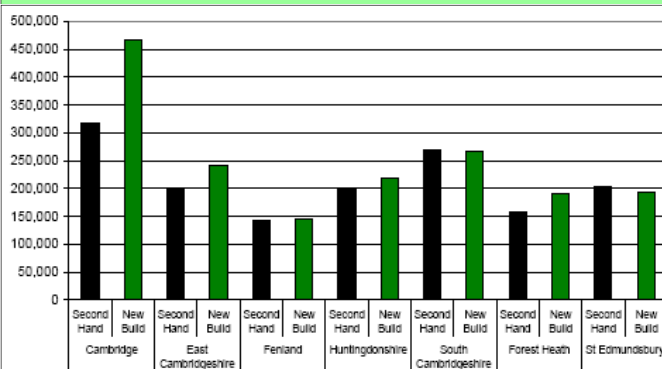
Table 17 enables us to compare our sub-region to the region and to England. The average new build premium for flats in our sub-region was 21%, and for houses 16% (though this masks wide variations between each district). This compares a 15% premium for newly built flats across the region, and 8% for houses. Across the whole of England, the premium for flats was -17% (so new build flats fetch lower prices than second hand flats) and for newly-built houses the premium was 2%.

Source: Hometrack's monthly survey of estate agents, based at postcode district level e.g. CB1, PE15). Latest data for 2009 only.

Graph 26: Comparing new build and second hand prices for flats, Cambridge sub-region



Graph 27: Comparing new build and second hand prices for houses, Cambridge sub-region



Is this information useful?

We'd love to hear your thoughts on whether this page is useful or not. If it is, we can repeat it in future. If not, we will replace it with something else in our next housing market bulletin.

Hometrack focuses on information about housing market transactions, it cannot provide data on build costs, so this is the closest proxy we could find when one reader asked about changes in build costs (i.e. materials, labour etc).

Do get in touch if you want to keep this article in future editions, or if you have other views to share... (see page 14 for contact information).

Table 17: Comparing second hand and new build prices

	Flats			Houses		
	Second Hand Prices	New Build Prices	New build premium	Second Hand Prices	New Build Prices	New build premium
Cambridge	£179,712	£261,212	45%	£316,775	£467,757	48%
East Cambridgeshire	£102,735	£118,502	15%	£197,506	£242,910	23%
Fenland	£65,906	£76,092	15%	£143,290	£144,804	1%
Huntingdonshire	£102,356	£137,982	35%	£201,893	£219,087	9%
South Cambridgeshire	£127,897	£145,456	14%	£269,365	£266,304	- 1%
Forest Heath	£110,893	£133,463	20%	£157,009	£190,011	21%
St Edmundsbury	£108,145	£92,001	- 15%	£203,731	£194,673	- 4%
Cambridge sub-region	£113,949	£137,815	21%	£212,796	£246,507	16%
East of England	£134,788	£154,800	15%	£225,950	£244,565	8%
England	£202,340	£168,066	- 17%	£219,898	£223,338	2%



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WITH SPECIAL THANKS TO STEWART SLAYMAKER, OUR GRADUATE
TRAINEE FOR HIS HELP PRODUCING THIS BULLETIN.

Bulletin well received

From Alex Plant's blog, 4th May 2010:

"Last week I met Richard Donnell, Director of Hometrack... at an event in London. After the ritual business card exchange, he commented that our Housing Market Bulletin, which Horizons produces quarterly for partners, was one of the best examples he'd seen of utilising the data that Hometrack produces in a way that makes it meaningful for key audiences. He went on to say that he cites it as a best practice example in discussions with his contacts across the country."



Richard Donnell

Source: http://www.cambridgeshirehorizons.co.uk/about_horizons/who_we_are/blog.aspx

If you would like to add your name to the contact list for this Bulletin, please get in touch and encourage colleagues and partners to do the same. Simply e-mail Sue (details on the left).

Plans for 2010

We have a new plan to produce the Bulletin every three months, which will include:

- National context
- Numbers of sales, and sales by type
- Average prices, and prices by type
- Market "health" including time taken to sell, actual compared to asking price and the number of views per sale
- Affordability ratios
- PLUS one other - in this edition it's comparing new build to re-sale prices, but in future editions we can vary it, to provide a selection of information from Hometrack.

Yearly time plan:

Data relates to...	Hometrack release...	Bulletin publication...
End March	Early May	Late June or early July
End June	Early August	Late September
End September	Early November	Late December
End December	Early February	Late March

Please get in touch with any feedback about these Bulletins, or suggestions for future editions.

We are always keen to hear ideas and suggestions and are most happy when we know the Bulletin is helping you get the information you need!

About Hometrack

Hometrack provides information solutions to the UK housing and mortgage industries.

For local authorities and regional government we supply the all-important evidence base for the production of regular Strategic Housing Market Assessments and the development of planning policies based on local market dynamics. For more information please contact:

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