Issue 6
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CAMBRIDGE HOUSING SUB-REGION

Housing market bulletin

The housing market, at June 2010

This edition of the Cambridge sub-region's housing market Bulletin updates you on many aspects of the housing market locally, regionally and nationally.

Following announcement of the government's Comprehensive Spending Review in October 2010 we have added an article (page 13) giving some information on the private rented sector across the sub-region, focussing mainly on present levels of private renting and the average and lower quartile rents being charged as at January 2010.

Your thoughts and suggestions are always welcome, and we will do our best to respond and add new information to the Bulletin, to make it as useful as possible to you.

To find out more about our Strategic Housing Market Assessment (or SHMA) and to keep up to date with current consultations, please go to:

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.

Bulletin highlights...

In this bulletin you can find out about...

- A fall in the number of sales in our housing sub-region in June 2010, reflecting national and regional trends.
- A recovery in average sale prices between June 2009 and June 2010, though the degree of recovery varies between districts.
- Similarly, the average price per m2 has followed a similar trend line for England, the East of England, and our housing sub-region. Price per m2 has increased in all districts of the sub-region, though levels of increase vary.
- Time taken to sell has reduced in some districts, but on average across the sub-region held steady between June 2009 and June 2010.
- When comparing sales price to asking price, the sub-region, region and England show remarkably similar trends, with around a 2.5% increase for all between June 2009 and June 2010.
- Number of viewings per sale varies between districts, from 6.4 in Cambridge to 13.5 in Huntingdonshire. The sub-regional average was 10.4 in June, an increase on December's 9.2.
- Average house price to income ratios vary across the sub-region, from 4.8 in Fenland to 8.8 in Cambridge.
- Focus on private rents shows comparative rents across our housing sub-region, of interest following the October 2010 comprehensive spending review.

Click here to find...

Maps

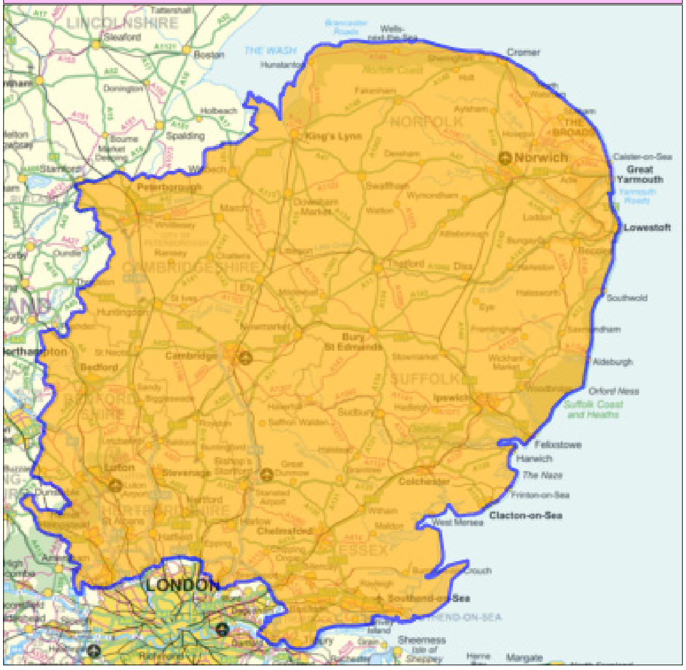
The East of England

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

Recent government changes mean that some "regional level" organisations mentioned in our previous bulletin, including the East of England Local Government Association (EELGA) formerly known as the East of England Regional Assembly (EERA), plus the East of England Development Agency (EEDA) and the Government Office for the East of England (Go-East) are all now in the process of being wound up.

However, despite these organisational changes, the East of England is still a large geographical area which it's useful to compare our housing sub-region with. So we have decided to continue producing information for each of our districts, for the housing sub-region, for the region and for England in this Bulletin.

Map 1: **The East of England region**



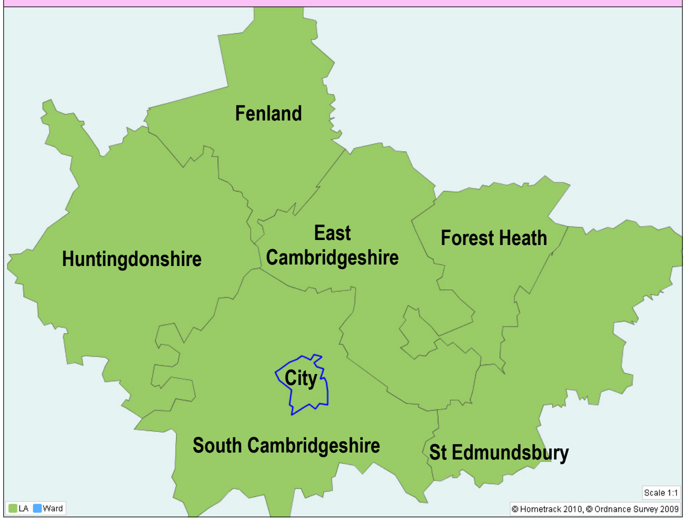
Our housing sub-region

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

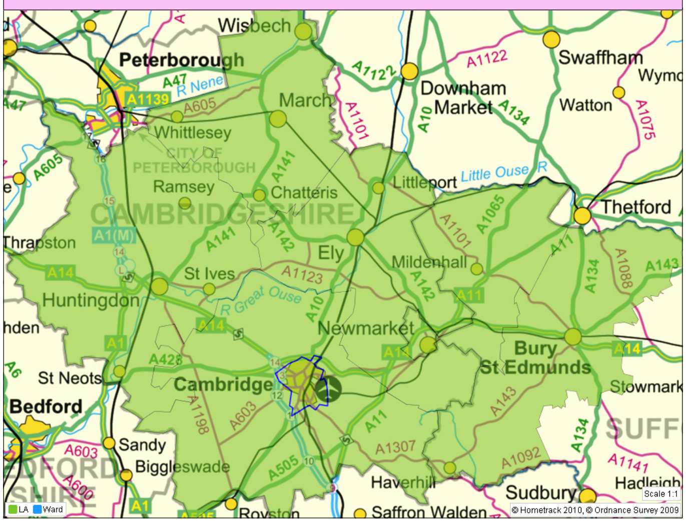
The first five districts on this list fall within the county of Cambridgeshire, while Forest Heath and St Edmundsbury fall within Suffolk.

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



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

Map 3: **Geography of the Cambridge housing sub-region**



These seven districts has been working together for a number of years, alongside Cambridgeshire County Council and others, to share good practice, commission research, produce our Strategic Housing Market Assessment and support our Local Strategic Partnerships. Once a month the partners meet with the Homes and Communities Agency (HCA), housing associations and others to progress work and learn about new initiatives. If you would like to find out more about the Cambridge sub-regional housing board (CRHB) please visit www.cambridgeshirehorizons.co.uk/our_challenge/housing/crhb.aspx.

Papers for the meetings are on this web page, as are publications and reports commissioned by the group.

National trends from Hometrack: House prices fall for first time in 15 months. Falling demand and rising supply push prices down

The July 2010 survey of house prices by Hometrack was based on 5,712 responses from 1,507 agents and surveyors across all 2,300 postcodes in England and Wales.

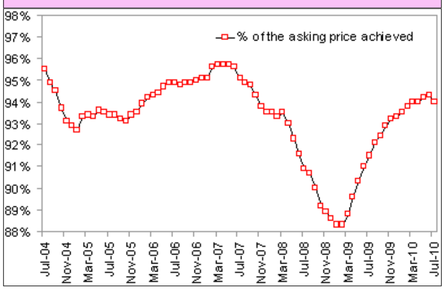
Results:

- This latest monthly survey of over 5,100 agents and surveyors shows that demand for housing in July dropped by -1.3% triggering the first fall in prices for 15 months.
- Prices fell 0.1% in July, the last month on month price fall was in April 2009 when prices fell by -0.3%.
- The decline in demand is in part seasonal, but the underlying trend for the last 5 months has been downwards.
- Concerns over the economy and talk of impending spending cuts have taken their toll on market confidence and levels of demand.
- In contrast, the supply of homes for sale continues to increase, rising by 3.6% in July. The abolition of Home Information Packs (HIPS) and firmer pricing has encouraged many would-be sellers to dip their toe into the property market.
- The change in market conditions has seen the average time on the market rise to 8.7 weeks, up from 8.4 weeks in June. The average time on the market has returned to August 2009 levels.
- The proportion of the asking price being achieved has dropped to 94% from 94.3% in June and looks set to decline further as pricing comes under pressure.
- The one positive from the survey is that the volume of sales agreed increased by 3.7%. Despite this agents are marking prices lower as they see rising supply and faltering demand putting prices under downward pressure over the remainder of 2010.
- Prices declined across 12% of the country in July compared to just 2.6% last month. Price rises were limited to just 5% of the market.

Table 1: **Summary**	**May-10**	**Jun-10**	**Jul-10**
Monthly price change (%)	0.2	0.1	-0.1
12 month price change (%)	2.0	2.1	2.0
% change in new buyers registering with agents	0.5	0.1	-1.3
% change in volume of property listings	1.8	2.9	3.6
% change in sales agreed	2.0	2.8	3.7
Average time on the market (weeks)	8.3	8.4	8.7
% of the asking price being achieved	94.2	94.3	94.0
% postcode districts with price increase over month	18.6	11.4	5.2
% postcode districts with price decrease over month	0.8	2.6	12.0

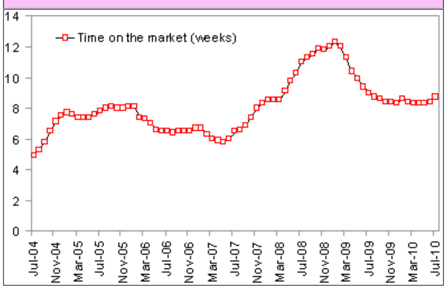
- Prices fell across 5 regions and were static in the remaining 5 with London posting the largest monthly decline. Prices in London fell by -0.2% on the back of a 2.7% drop in demand and 4.5% growth in supply.

Graph 1: **Asking price being achieved**



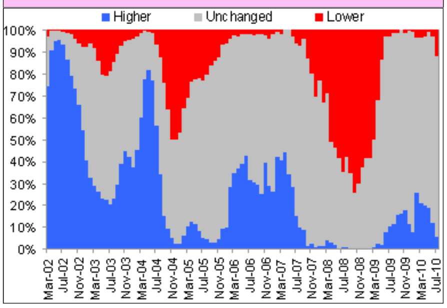
Graph 1: The proportion of the asking price has bounced back over the last 12 months from a low of 88% in February 2009 to over 94%. However in July the measure fell slightly. The figure stood at 94% this month compared to 94.3% in June.

Graph 2: **Viewings per sale**



Graph 2: The time on the market has risen for the first time in 6 months and stands at 8.7 weeks.

Graph 3: **% postcodes with higher prices**



Graph 3: In July prices were down across 12% of the country. This is an increase on recent months but still well down on the extent of price falls seen in 2008. There were localised price falls in previous years but the absolute level of monthly price falls was much smaller than in 2008.

Richard Donnell, Director of Research, Hometrack

26 July 2010

Source: http://www.hometrack.co.uk/commentary-and-analysis/house-price-survey/20100726.cfm

Number of sales

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

Graph 4 shows the number of sales across England (red) and the East of England region (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 between December 2006 and June 2010 in 6 monthly time periods, to highlight the change in numbers of sales, for each district, across the housing sub-region, across the East of England and for England.

Comment

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

Both Graphs 4 and 5 shows a similar pattern for national, regional and local numbers of sales. On both graphs December 2009 looking particularly positive before dropping back in June 2010.

Page 5 provides further detail around the figures in Table 2.

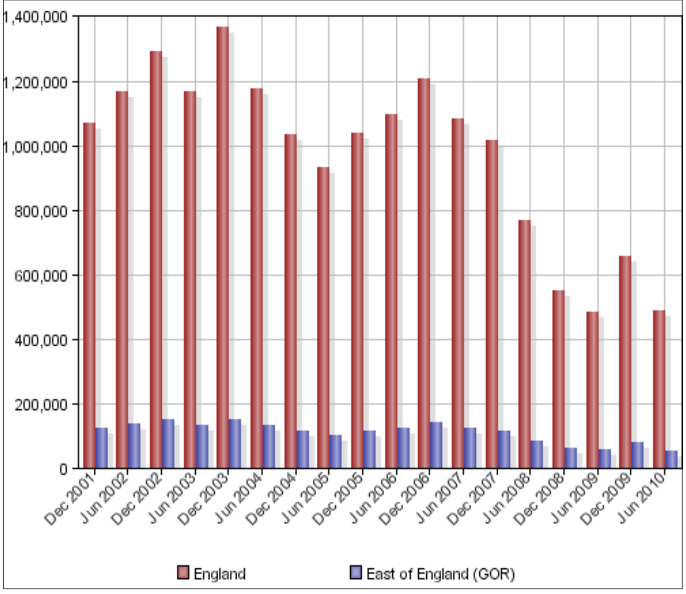
Average prices quoted later in this Bulletin are affected by the types of homes selling.

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 more smaller homes or lower value sales are completing, average prices will appear lower.

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

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

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



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

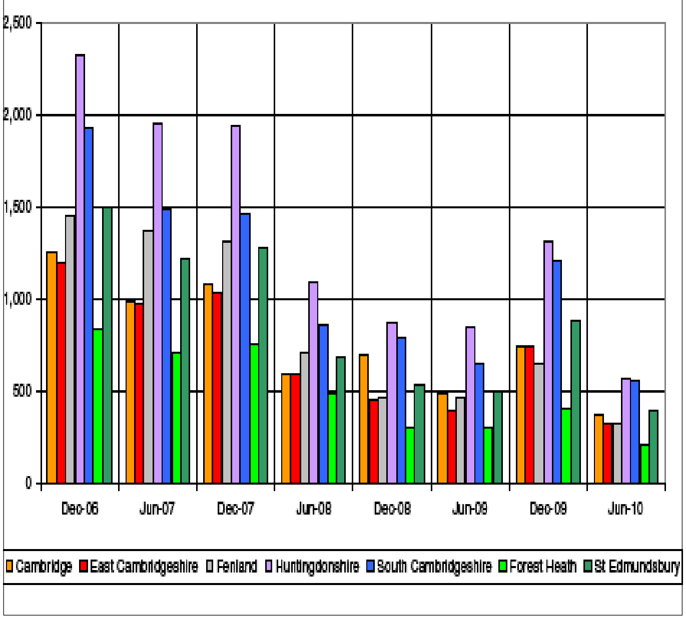


Table 2: **Number of sales completed**

	Dec-06	Jun-07	Dec-07	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10
Cambridge	1,255	988	1,081	596	704	495	750	376
East Cambridgeshire	1,198	980	1,044	598	457	400	754	333
Fenland	1,458	1,380	1,315	714	469	470	657	325
Huntingdonshire	2,331	1,957	1,943	1,098	879	848	1,318	569
South Cambridgeshire	1,934	1,496	1,469	861	790	658	1,218	562
Forest Heath	842	712	761	497	304	311	410	211
St Edmundsbury	1,502	1,224	1,278	693	545	501	894	394
Cambridge sub-region	10,520	8,737	8,891	5,057	4,148	3,683	6,001	2,770
East of England	77,940	66,315	68,532	38,247	28,052	24,719	44,502	20,151
England	648,688	557,362	573,193	330,485	236,078	200,030	340,492	161,924

Number of sales by type and district

This page shows the number of sales completing, which is the sample that drives average property prices 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, between December 2007 and June 2010. Table 10 shows the total across all seven districts in our housing sub-region.

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 our housing sub-region. This reflects the trend shown on page 4 in the number of sales completing.

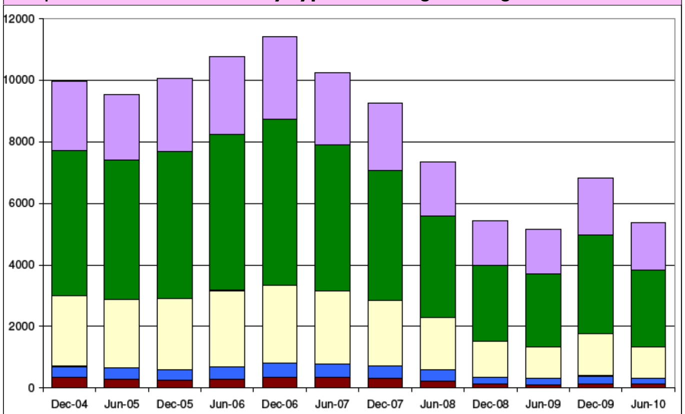
Graph 7 presents the percentage of sales by property type. This shows a continuing spread of the types of homes selling, with little change in the proportions between December 2009 and June 2010. Over time however there seems to be an increase in the proportion of larger homes selling, as shown by the lilac part of the bar chart.

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

Key:

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

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



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

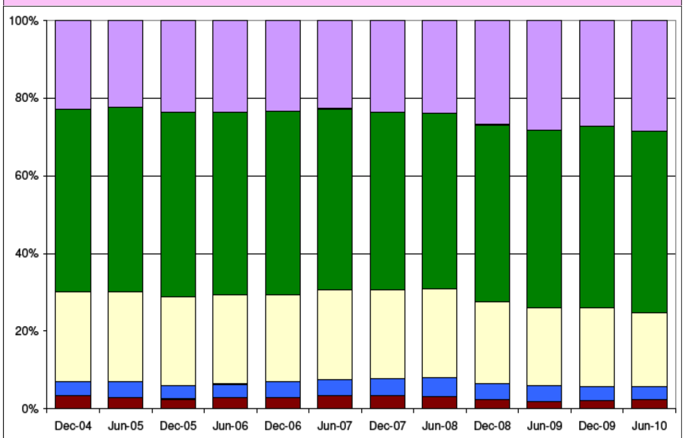


Table 3: **Cambridge City**

	Dec 07	Jun 08	Dec 08	Jun 09	Dec 09	Jun 10
1 bed flat	107	87	47	47	51	58
2 bed flat	132	130	104	84	105	61
2 bed house	189	118	128	89	143	106
3 bed house	401	315	276	249	361	270
4 bed house	148	128	113	109	134	108

Table 4: **East Cambridgeshire**

	Dec 07	Jun 08	Dec 08	Jun 09	Dec 09	Jun 10
1 bed flat	30	21	15	7	9	7
2 bed flat	32	25	23	12	28	16
2 bed house	280	215	142	123	172	126
3 bed house	534	398	264	289	424	309
4 bed house	254	227	184	173	240	212

Table 5: **Fenland**

	Dec 07	Jun 08	Dec 08	Jun 09	Dec 09	Jun 10
1 bed flat	18	10	7	6	5	
2 bed flat	10	18	4	3		7
2 bed house	347	265	167	139	158	130
3 bed house	621	459	308	275	343	266
4 bed house	247	172	145	133	134	129

Table 6: **Huntingdonshire**

	Dec 07	Jun 08	Dec 08	Jun 09	Dec 09	Jun 10
1 bed flat	49	37	14	15	29	21
2 bed flat	83	52	33	47	43	35
2 bed house	380	322	244	202	261	195
3 bed house	921	748	614	596	710	541
4 bed house	549	455	408	451	509	419

Table 7: **South Cambridgeshire**

	Dec 07	Jun 08	Dec 08	Jun 09	Dec 09	Jun 10
1 bed flat	30	27	20	11	21	16
2 bed flat	63	34	25	25	27	29
2 bed house	291	241	180	185	267	188
3 bed house	600	498	412	439	560	489
4 bed house	466	411	325	298	471	376

Table 8: **Forest Heath**

	Dec 07	Jun 08	Dec 08	Jun 09	Dec 09	Jun 10
1 bed flat	23	16	8	6	8	3
2 bed flat	35	41	14	12	25	21
2 bed house	287	260	134	132	154	146
3 bed house	379	270	181	156	252	199
4 bed house	143	104	86	98	86	70

Table 9: **St Edmundsbury**

	Dec 07	Jun 08	Dec 08	Jun 09	Dec 09	Jun 10
1 bed flat	57	35	19	8	14	15
2 bed flat	46	54	16	21	28	17
2 bed house	346	272	162	170	221	135
3 bed house	781	630	427	369	548	428
4 bed house	391	263	199	192	276	216

Table 10: **Cambridge sub-region**

	Dec 07	Jun 08	Dec 08	Jun 09	Dec 09	Jun 10
1 bed flat	314	233	130	100	137	120
2 bed flat	401	354	219	204	256	186
2 bed house	2120	1693	1157	1040	1376	1026
3 bed house	4237	3318	2482	2373	3198	2502
4 bed house	2198	1760	1460	1454	1850	1530
Total	9270	7358	5448	5171	6817	5364

Average property prices

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

Graph 8 shows average prices for each district between December 2001 and June 2010. Graph 9 shows the average property price for all types of housing across England (red line) and for the East of England (blue line), for comparison purposes.

Table 11 shows average prices by district between December 2006 and June 2010, for England, the region, the housing sub-region and all seven individual districts.

Comment

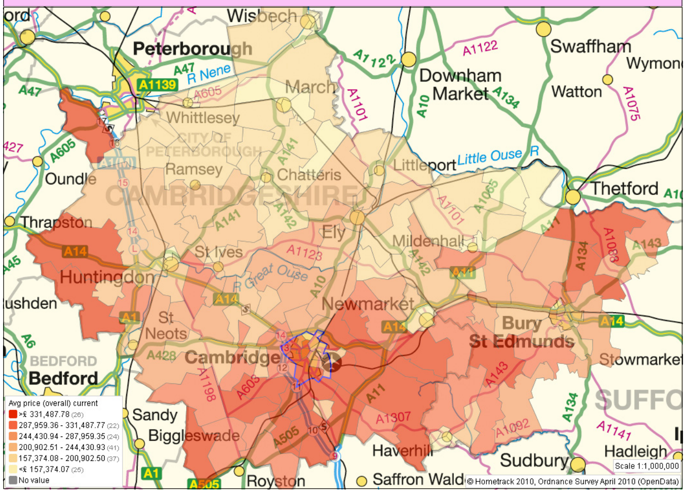
As seen in previous editions of this Bulletin, average prices are generally higher to the south of the housing sub-region than to the north, as seen on Map 4.

Graphs 8 and 9 show average prices peaking around June 2008, then dropped back to June 2009, followed by varying degrees of recovery to June 2010. This trend is true for the country, the region and the housing sub-region.

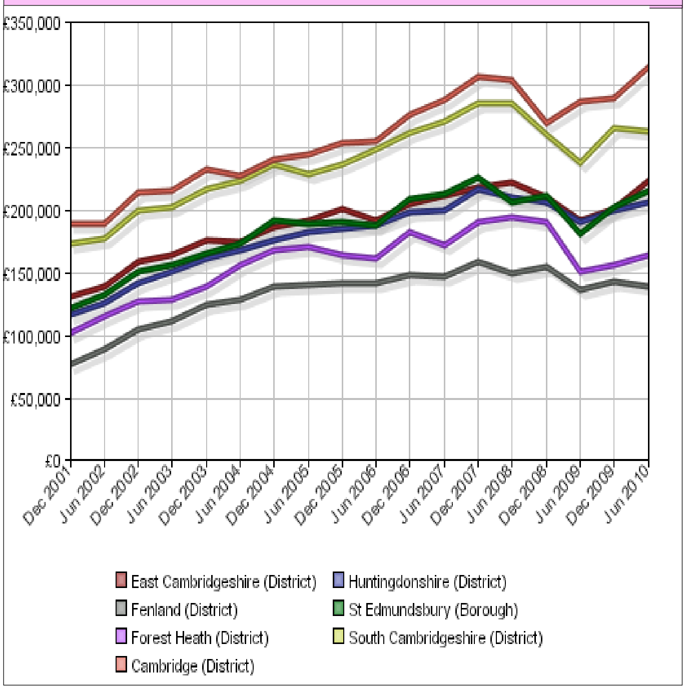
Looking at individual districts, comparing June 2009 and June 2010 prices there has been some recovery in all areas, though the degree of this recovery varies. The biggest increases were seen in St Edmundsbury (£34K) , East Cambridgeshire (£31K), Cambridge (£28K) and South Cambridgeshire (£25K). Fenland showed the lowest increase, at just below £3K. But all showed in increase in average price.

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

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



Graph 8: **Average prices**, Cambridge sub-region



Graph 9: **Average prices**, England & East of England

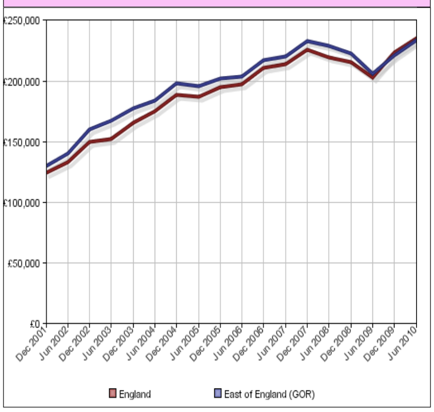


Table 11: **Average prices from sales**									
	Dec-06	Jun-07	Dec-07	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Change Jun-09 to Jun-10
Cambridge	£276,631	£288,710	£307,653	£303,923	£269,851	£287,110	£290,216	£315,187	+£28,077
East Cambridgeshire	£205,118	£211,636	£218,058	£222,754	£211,156	£192,754	£200,833	£224,275	+£31,521
Fenland	£148,580	£146,649	£158,575	£150,272	£155,691	£137,126	£142,978	£139,956	+£2,830
Huntingdonshire	£199,026	£200,218	£216,659	£211,307	£206,938	£191,161	£199,583	£206,541	+£15,380
South Cambridgeshire	£261,899	£271,686	£286,403	£285,604	£261,172	£238,570	£266,576	£263,853	+£25,283
Forest Heath	£182,496	£172,966	£191,475	£195,391	£191,242	£151,413	£156,989	£164,445	+£13,032
St Edmundsbury	£209,435	£213,335	£226,924	£206,411	£211,919	£181,304	£203,293	£215,353	+£34,049
Cambridge sub-region	£211,884	£215,029	£229,392	£225,095	£215,424	£197,063	£208,638	£218,516	+£21,453
East of England	£217,163	£220,587	£233,166	£229,250	£222,362	£205,872	£221,257	£233,400	+£27,528
England	£210,508	£214,062	£226,224	£219,717	£215,931	£202,711	£223,480	£235,596	+£32,885

Average prices by type and district

This page provides more detailed graphs for each district, comparing sale prices between December 2004 and June 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 £250,000.
- Graph 12 for Fenland shows broken lines for 1 and 2 bed flats, as shown in Table 5 on page 5. Forest Heath shows a rather erratic pattern by property type, with 2 bed flat prices peaking dramatically in December 2008.
- Graph 17 shows the same data for the East of England, for comparison. This shows vastly similar trends, though "smoothed" due to the large number of sales across the whole region.
- All these graphs show similar patterns as to those previously displayed in this Bulletin, with decreases in June 2009, apart for some exceptions in both East and South Cambridgeshire, before varying degrees of recovery in June 2010.
- For all these graphs it is important to compare average prices to the information provided on page 5 which highlights the numbers of sales involved. This provides valuable context for these average prices.

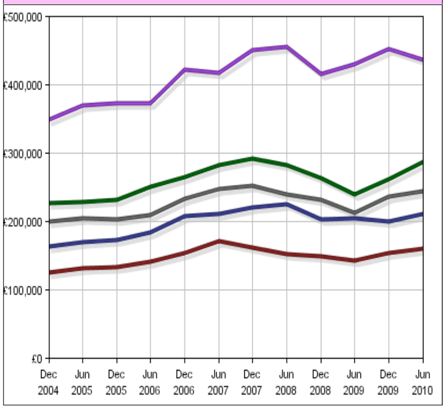
Source

Based on data from Hometrack's Automated Valuation Model, updated 2010, latest data correct for June 2010.

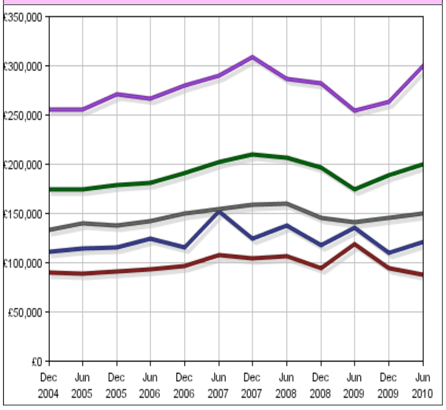
Key:

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

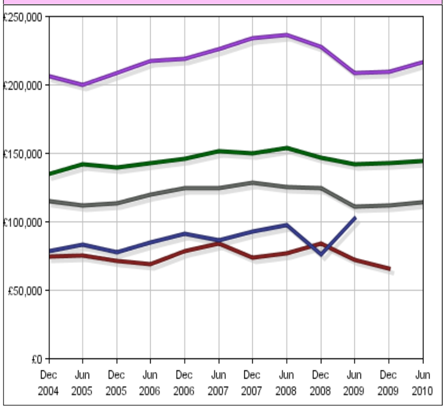
Graph 10: **Cambridge City**



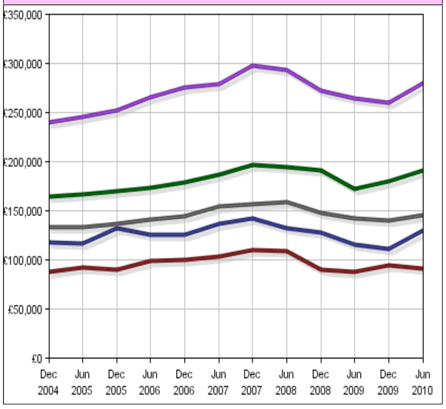
Graph 11: **East Cambridgeshire**



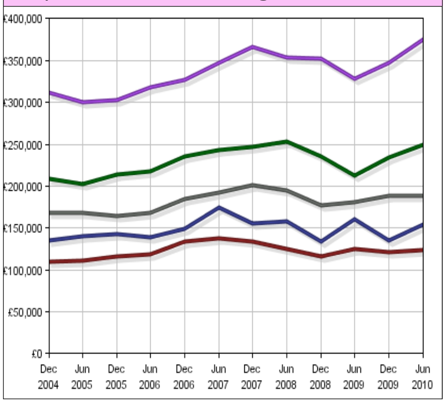
Graph 12: **Fenland**



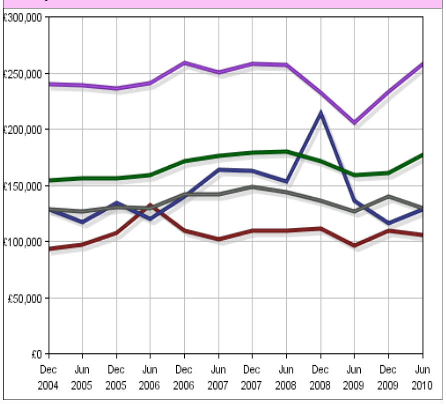
Graph 13: **Huntingdonshire**



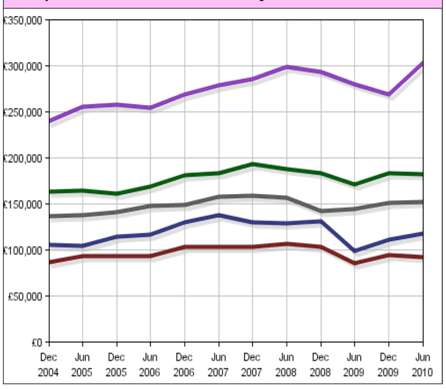
Graph 14: **South Cambridgeshire**



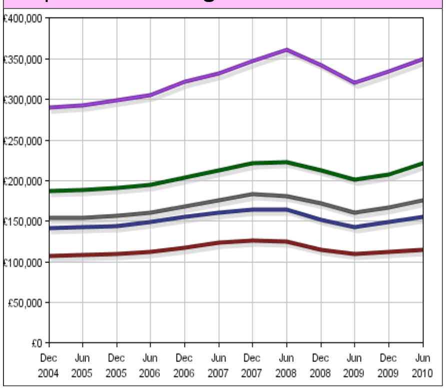
Graph 15: **Forest Heath**



Graph 16: **St Edmundsbury**



Graph 17: **East of England**



Average price per metre square (m^2)

Using price per metre²
By comparing prices per unit of floor area, we can make benchmarking and comparison easier. It's a bit like comparing price per kg of different vegetables. Price per metre square and price per square foot are popular measures which housing developers use in their calculations.

Map 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 December 2009 and June 2010 are used, to ensure a robust sample.

Graph 18 shows changes in average price per metre² across our seven districts between December 2001 and June 2010. Graph 19 shows the same data for England and the East of England. Table 12 shows the change in average prices per metre² between December 2006 and June 2010 for each individual 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 each district following a similar trend in price per m² over time.

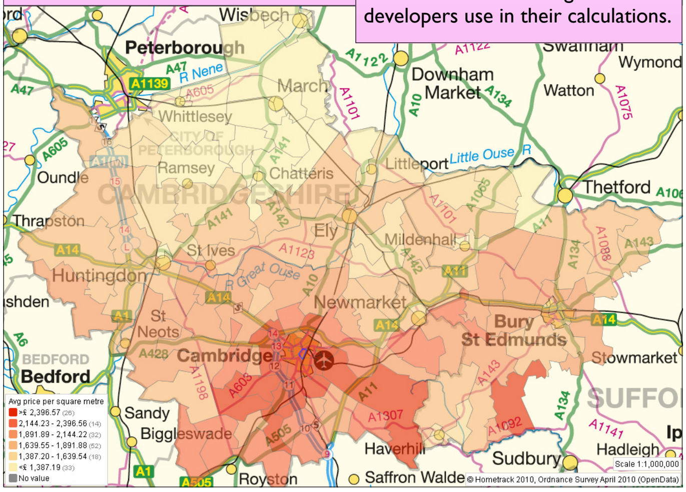
Graph 19 shows a very close alignment between the England and the East of England averages.

Table 12 compares the averages for June 2009 and June 2010. In this 12 month period, Cambridge and South Cambridgeshire show the biggest increases at +£300 and +£221 respectively. East Cambridgeshire, Huntingdonshire and Forest Heath show an increase, but to a lesser extent. St Edmundsbury and Fenland saw much lower increases, at +£19 and +£95.

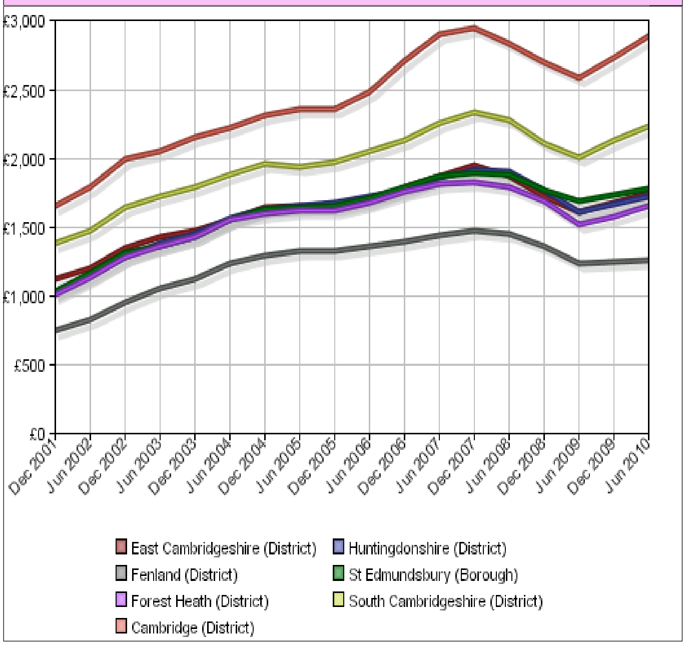
Over this 12 month period, the Cambridge sub-region experienced a smaller overall increase of £146 than the region (+£177) and the country (+£179).

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

Map 5: **Average price per m² for each district, shown by ward**



Graph 18: **Average price per m², Cambridge sub-region**



Graph 19: **Average price per m², England and East of England**

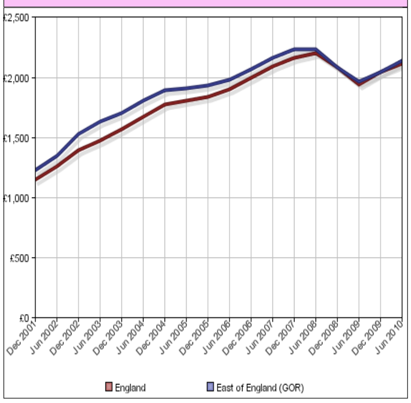


Table 12: **Average price per m²**

	Dec-06	Jun-07	Dec-07	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Change Jun-09 to Jun-10
Cambridge	£2,716	£2,903	£2,947	£2,839	£2,695	£2,588	£2,738	£2,888	+£300
East Cambridgeshire	£1,791	£1,876	£1,957	£1,870	£1,732	£1,617	£1,680	£1,754	+£137
Fenland	£1,401	£1,443	£1,479	£1,460	£1,365	£1,245	£1,248	£1,264	+£19
Huntingdonshire	£1,777	£1,864	£1,917	£1,902	£1,770	£1,613	£1,670	£1,732	+£119
South Cambridgeshire	£2,134	£2,264	£2,339	£2,285	£2,116	£2,010	£2,139	£2,231	+£221
Forest Heath	£1,758	£1,817	£1,832	£1,790	£1,693	£1,523	£1,576	£1,655	+£132
St Edmundsbury	£1,796	£1,877	£1,900	£1,885	£1,768	£1,692	£1,738	£1,787	+£95
Cambridge sub-region	£1,910	£2,006	£2,053	£2,004	£1,877	£1,755	£1,827	£1,902	+£146
East of England	£2,069	£2,163	£2,238	£2,232	£2,088	£1,966	£2,045	£2,143	+£177
England	£1,995	£2,095	£2,164	£2,204	£2,083	£1,940	£2,048	£2,119	+£179

Time taken to sell

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 completes.

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

Graph 20 shows the change in average time to sell for each of the seven individual districts, between July 2008 and June 2010. Graph 21 shows the same for England and the East of England.

Table 13 shows the average time taken to sell, at December 2008, June 2009, December 2009 and June 2010 to help compare our districts.

Comment

Map 6 highlights that on average, it takes longer to sell homes in Fenland. Homes in City and South Cambridgeshire sell the quickest.

Graph 20 presents the same picture, with homes in Fenland and Forest Heath taking the longest to sell. Cambridge City and South Cambridgeshire show selling much more quickly.

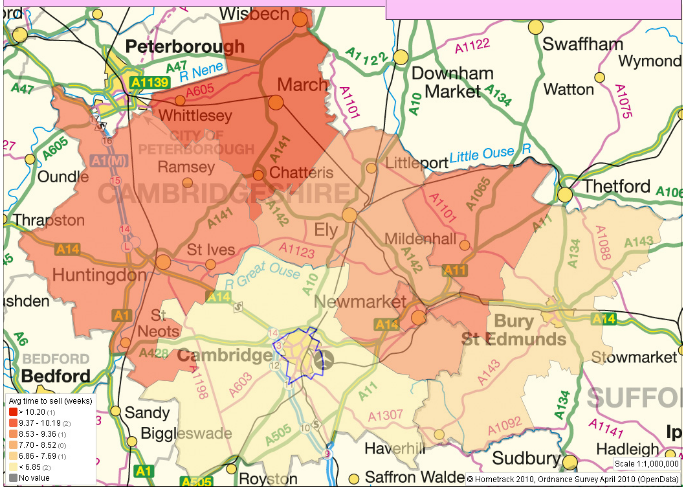
Graph 21 is provided for comparison.

Table 13 shows how our seven districts compare to England and the East of England. While some districts experienced a decrease in time to sell between June 2009 and June 2010, others saw a slow down, for example in the City, East Cambridgeshire, Huntingdonshire and South Cambridgeshire.

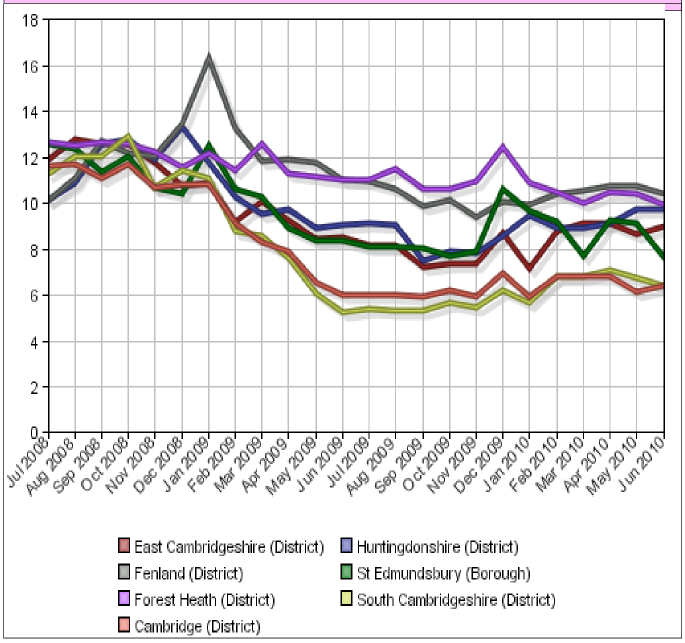
Homes take the longest to sell in Fenland (average 10.4 weeks) with the quickest rates in Cambridge (6.5) and South Cambridgeshire (6.4). Regionally and nationally the time to sell dropped, where across our sub-region the average time to sell remained steady.

Source: Hometrack's monthly survey of estate agents. Latest update Jun-10.

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



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



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

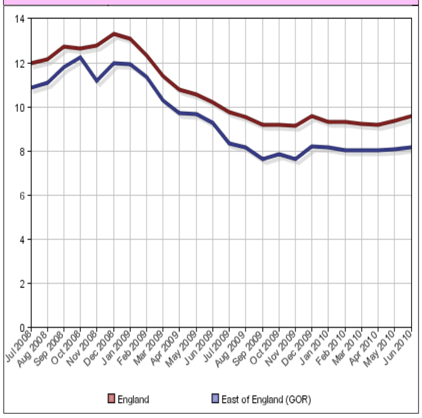


Table 13: **Average time taken to sell** (in weeks)

	Dec-08	Jun-09	Dec-09	Jun-10	Change Jun-09 to Jun-10
Cambridge City	10.8	6	7	6.5	0.5
East Cambridgeshire	10.8	8.5	8.8	9	0.5
Fenland	13.4	11.1	10.1	10.4	- 0.7
Huntingdonshire	13.3	9	8.6	9.7	0.7
South Cambridgeshire	11.4	5.2	6.2	6.4	1.2
Forest Heath	11.5	11.1	12.5	10	- 1.1
St Edmundsbury	10.4	8.4	10.6	7.7	- 0.7
Cambridge sub-region	11.7	8.5	9.1	8.5	0.0
East of England	12	9.3	8.2	8.2	- 1.1
England	13.3	10.2	9.6	9.6	- 0.6

Comparing sales price to asking price

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 higher proportion of the asking price is achieved.

Graph 22 shows the same percentage comparison for each district, between July 2008 and June 2010.

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

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

Comment

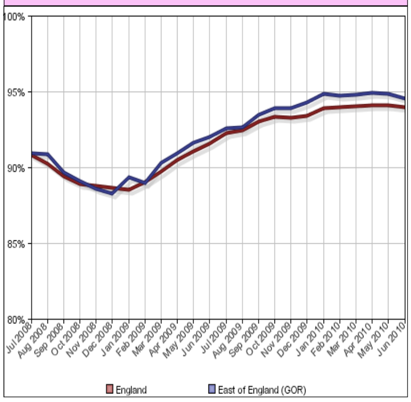
The highest proportion of the asking price achieved is seen in South Cambridgeshire, at 97.3%, closely followed by Cambridge at 97%.

Districts showing lower levels of achieved prices include Fenland at 92.1%, St Edmundsbury at 94.4% and Huntingdonshire at 94.3%

The biggest changes seen were in Fenland and Forest Heath, where the % of asking price achieved increased by 4.2% and 4.6% respectively, a big increase compared to June 2009.

The level of change over these 12 months was remarkably similar when comparing the housing sub-region at 2.6%, the East of England at 2.4% and England at 2.5%. This similarity is reflected when studying graphs 22 and 23.

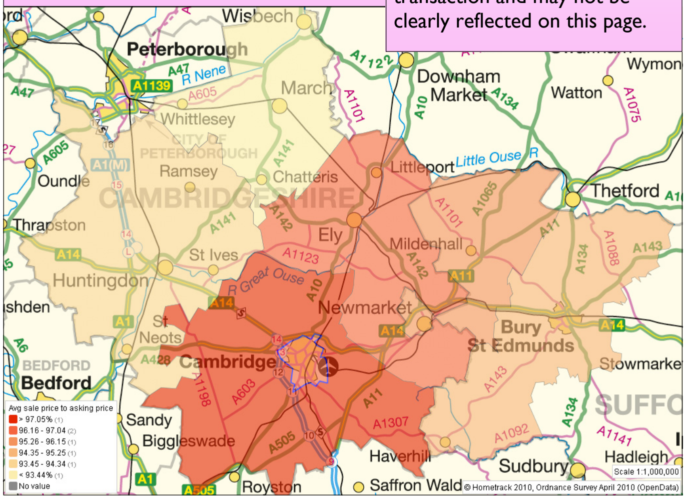
Graph 23: **Change in % asking price achieved**, England and East of England



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

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



Graph 22: **Change in % asking price achieved**, Cambridge sub-region

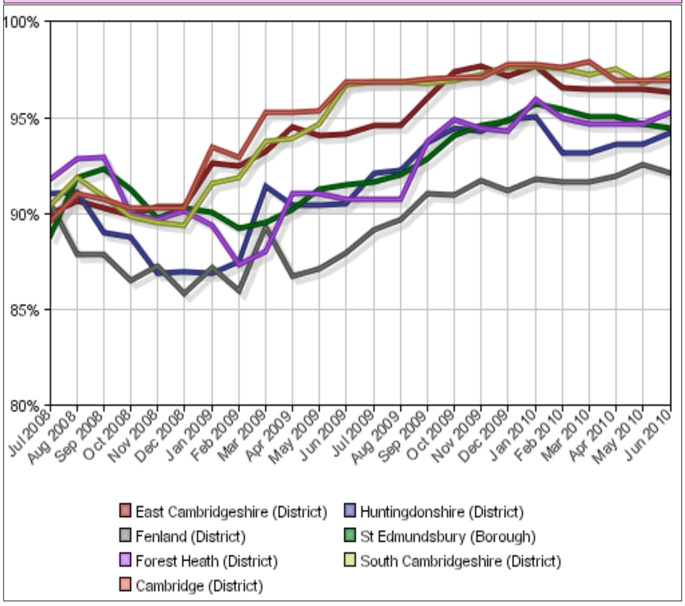


Table 14: **Percentage of asking price achieved at sale** (rounded)

	Dec-08	Jun-09	Dec-09	Jun-10	Change Jun-09 to Jun-10
Cambridge City	90.3%	96.9%	97.8%	97.0%	0.1%
East Cambridgeshire	90.4%	94.2%	97.2%	96.3%	2.1%
Fenland	85.8%	88.0%	91.2%	92.1%	4.2%
Huntingdonshire	87.0%	91.0%	94.9%	94.3%	3.7%
South Cambridgeshire	89.4%	96.7%	97.7%	97.3%	0.6%
Forest Heath	90.2%	90.8%	94.3%	95.3%	4.6%
St Edmundsbury	90.3%	91.5%	94.9%	94.4%	2.9%
Cambridge sub-region	89.1%	92.7%	95.4%	95.3%	2.6%
East of England	88.7%	91.6%	93.4%	94.1%	2.4%
England	88.3%	92.1%	94.3%	94.6%	2.5%

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 June 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 July 2008 and June 2010. Graph 25 shows the comparison for England and the East of England, for the same time period.

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

Comment

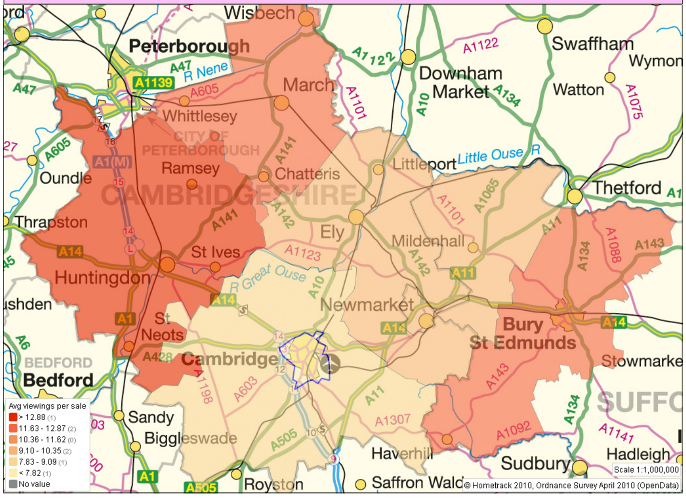
Huntingdonshire sees the highest number of viewings per sale, followed by Fenland and St Edmundsbury.

The overall pattern over time is a reduction in the number of views needed per sale up to May 2010, followed by an increase for both the East of England (Graph 25) and specifically Huntingdonshire and St Edmundsbury (Graph 24). The graphs show a broadly similar pattern for the country, region and our sub-region.

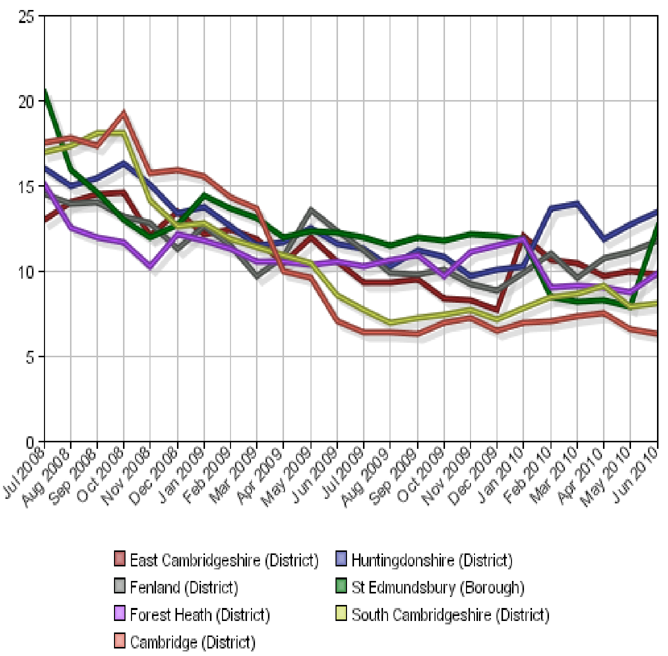
At June 2010 across the housing sub-region an average of 10.4 views are needed per sale, which compares well to the East of England (at 11.3) and England (at 10.9). The number of viewings needed varies a good deal between districts with only 6.4 needed in Cambridge and 13.5 in Huntingdonshire.

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

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



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



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

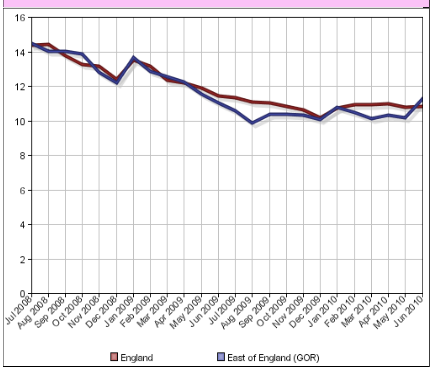


Table 15: **Average number of viewings per sale**

	Dec-08	Jun-09	Dec-09	Jun-10	Change Jun-09 to Jun-10
Cambridge City	16	7.1	6.6	6.4	-0.7
East Cambridgeshire	13.6	10.6	7.8	9.9	-0.7
Fenland	11.4	12.4	8.9	11.9	-0.5
Huntingdonshire	13.5	11.7	10.1	13.5	1.8
South Cambridgeshire	12.7	8.7	7.3	8.2	-0.5
Forest Heath	12.2	10.6	11.6	9.9	-0.7
St Edmundsbury	12.8	12.3	12.1	12.7	0.4
Cambridge sub-region	13.2	10.5	9.2	10.4	-0.1
East of England	12.2	11.1	10.1	11.3	0.2
England	12.4	11.5	10.2	10.9	-0.6

House price to income ratio

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

The ratio shows, on average, how many "times" someone's income the average house price represents. 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.

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 February 2009 and June 2010, and the average for the six dates shown.

Comment

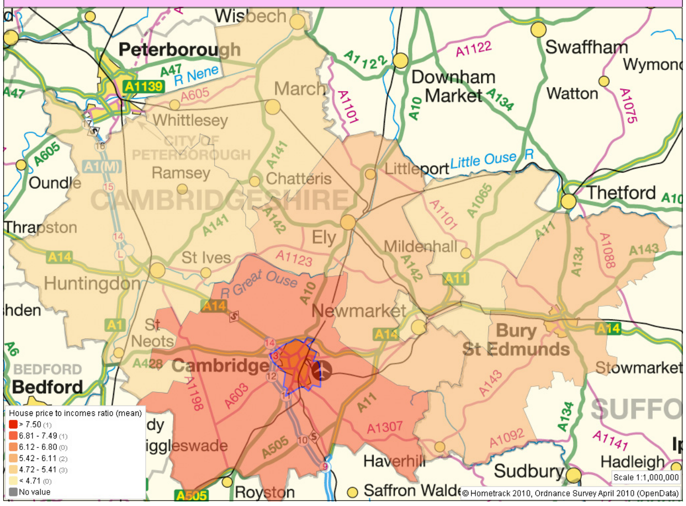
Homes are evidently much less affordable in the south of our housing sub-region, as shown on both maps.

Although the average multiplier for the housing sub-region was 6.1 at June 2010, this masks the wide variety of affordability ratios for each district. These vary from 8.8 in Cambridge down to 4.8 in Fenland. Although 4.8 is the lowest ratio in our sub-region, that still means a mortgage applicant need to find nearly 5 times their income to fund purchasing a home.

It is interesting to note, and a worrying trend, that since February 2010 the multipliers have increased, even if slightly, in almost all districts.

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

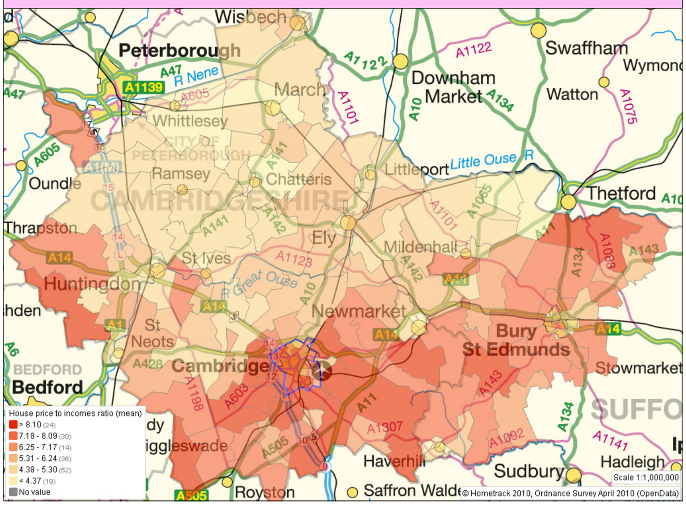


Table 16: **Average house price to income ratio** (rounded)

	Feb 2009	June 2009	Sept 2009	Feb 2010	Mar 2010	June 2010	Average of 6 dates shown
Cambridge City	8.8	7.9	8.1	8.7	8.7	8.8	8.5
East Cambridgeshire	6.3	5.7	5.5	5.7	5.7	5.8	5.8
Fenland	5.3	4.9	4.8	4.7	4.7	4.8	4.9
Huntingdonshire	5.8	5.2	5.1	5.2	5.2	5.3	5.3
South Cambridgeshire	7.4	6.6	6.5	6.9	6.9	7.0	6.9
Forest Heath	5.9	5.3	5.0	5.0	5.0	5.0	5.2
St Edmundsbury	6.2	5.8	5.8	6.0	6.1	6.1	6.0
Cambridge sub-region	6.5	5.9	5.8	6.0	6.0	6.1	6.1

Focus on private rents

In the Comprehensive Spending Review of October 2010, much has been said about basing new affordable rent levels on 80% of our private rent levels. For this edition of the housing market bulletin, we are therefore using a page to look at private rent levels for the districts in the Cambridge housing sub-region, from a variety of information sources.

Data on this page is not all correct at June 2010, as it is not all provided by Hometrack. Please take note of the dates quoted by each data source, so as to be clear of when the data was last produced.

Map 11 shows the percentage of homes which were rented privately. Table 19 shows the tenure breakdown, in numbers and percentage terms, for each district in the housing sub-region. Both are based on the 2001 Census.

Table 17 shows average private rent levels, as gathered by Cambridgeshire County Council in January of each year, as part of our Strategic Housing Market Assessment. This is a survey of all the private rented homes advertised in the local press across the sub-region during the course of January each year. There were a total of 1,782 adverts sampled within the 2010 survey, from across the housing sub-region.

Table 18 shows the lower quartile (i.e. bottom 25%) of private rents taken form the same County survey. This shows how much is charged in rent, at the lower end of the market.

Comment

There very clearly more private renting in Cambridge than in any other district in the sub-region, with 17% of the housing stock rented from a private landlord or lettings agency. Forest Heath comes next at 13%. Other districts show 8% private rented, with South Cambridgeshire showing only 6%.

Rents charged in each district vary widely, with the average rent charged in the City at £974 pcm; with Fenland (the lowest) averaging £529 pcm.

The rent charged by number of bedrooms also varies widely, as shown in Table 17.

Lower quartile rents follow a similar pattern, with City and South Cambridgeshire commanding the highest LQ rents (at £750 and £695 respectively). Again, the LQ rents vary with property size, with the lowest rents across all sizes found in Fenland.

Map 11: % **private rented by landlord or letting agency**, Cambridge sub-region shown by district *Source: ONS, April 2001*

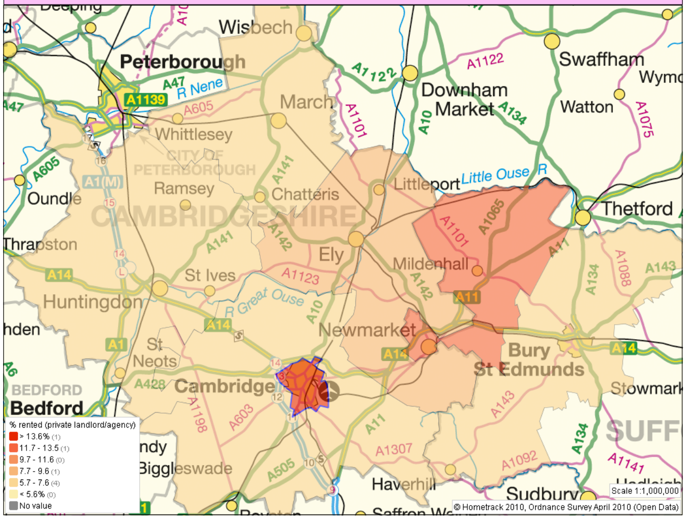


Table 17: **Average rent by property size** and district pcm

	1 bed	2 bed	3 bed	4 bed	All
Cambridge City	£748	£894	£1,081	£1,370	£974
East Cambridgeshire	£478	£600	£684	£985	£665
Fenland	£402	£494	£615	£794	£529
Huntingdonshire	£450	£573	£680	£981	£629
South Cambridgeshire	£589	£695	£815	£1,192	£855
Forest Heath	£452	£665	£833	£1,097	£797
St Edmundsbury	£503	£597	£782	£917	£695
Cambridge sub-region	£521	£634	£778	£1,067	£727

Table 18: **Lower quartile rent by property size** and district pcm

	1 bed	2 bed	3 bed	4 bed	All
Cambridge City	£668	£753	£895	£1,250	£750
East Cambridgeshire	£395	£550	£629	£850	£550
Fenland	£368	£465	£575	£656	£449
Huntingdonshire	£425	£510	£600	£798	£495
South Cambridgeshire	£550	£653	£750	£950	£695
Forest Heath	£396	£525	£650	£850	£550
St Edmundsbury	£456	£550	£650	£718	£550
Cambridge sub-region	£425	£525	£639	£850	£550

Source: CCCRG Review of rents in press, Jan 2010

Table 19: **Tenure breakdown for private rented** (number and % of district housing stock) *from ONS, 2001*

	Private rented - landlord or letting agency		Private rented - employer		Private rented - friend or relative		Living rent free		Total number
	Number	%	Number	%	Number	%	Number	%	
Cambridge City	7,291	17%	299	1%	298	1%	1,004	2%	42,719
East Cambridgeshire	2,368	8%	72	0%	168	1%	1,111	4%	29,742
Fenland	2,636	8%	57	0%	264	1%	891	3%	35,191
Huntingdonshire	4,751	8%	386	1%	387	1%	1,051	2%	63,147
South Cambridgeshire	3,348	6%	348	1%	253	1%	1,154	2%	52,132
Forest Heath	3,009	13%	269	1%	161	1%	1,724	8%	22,971
St Edmundsbury	3,035	8%	264	1%	219	1%	1,006	3%	40,544
Cambridge sub-region	26,438	70%	1,695	4%	1,750	5%	7,941	21%	37,824

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With thanks once again to Stewart Slaymaker for his help producing this (his last) Bulletin.

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.

Hometrack also supplies information and consultancy services to the land and property sector including national and local government, housing associations, developers and institutional investors where data records exceed half a trillion updates per month.

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About Edition 6

This is the sixth edition of the Cambridge sub-region's housing market bulletin. Previous editions can be found at:

http://www.cambridgeshirehorizons.co.uk/our_challenge/housing/housing_market_bulletin.aspx

As always, your views on the Bulletin are very welcome and if you have any suggestions to improve it, please do get in touch, using the contact details on the left.

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, which is available at: www.cambridgeshirehorizons.co.uk/shma

Plans for future editions

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

Data relates to...	Hometrack release...	Bulletin publication...
End September 2010	Early November 2010	December 2010
End December 2010	Early February 2011	March 2011
End March 2011	Early May 2011	July 2011
End June 2011	Early August 2011	September 2011

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!

Cambridgeshire Horizons
driving forward sustainable communities

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