Issue 8
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CAMBRIDGE HOUSING SUB-REGION

Housing market bulletin

The housing market at December 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.

The data in this Bulletin relates to December 2010. This edition includes new information about the private rented market, an area of intense interest following plans to base the rents for the new social housing product called "affordable rent" on a proportion of the private rents in an area.

As always, your thoughts and suggestions are 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 (SHMA) and to keep up to date with current consultations, please go to: www.cambridgeshirehorizons.co.uk/shma

You can download previous editions of this Bulletin from: www.cambridgeshirehorizons.co.uk/our_challenge/housing/housing_market_bulletin.aspx

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...

- Following a rally in the number of sales to December 2009, the number of sales has dropped back to December 2010 across our sub-region. This reflects regional and national trends.
- There has been some recovery in average sale prices achieved between June 2009 and December 2010 across our sub-region, the region and England, though the degree of recovery varies.
- Similarly, the average price per meter square has followed a similar increasing trend for England, the East of England, and across our housing sub-region.
- The average time taken to sell increased in four out of seven districts in our sub-region, but this increase is smaller across our sub-region than for the region and for England.
- There has been an overall decrease in the percentage of the asking price actually achieved for our sub-region (excluding Fenland) for the region and for England.
- The number of viewings per sale has generally increased for our sub-region compared to December 2009, ranging from 7.6 in Cambridge to 13.9 in Forest Heath.
- Average affordability ratios vary across the sub-region, from 4.9 in Fenland to 9.2 in Cambridge.

Click here to find...

Maps

Our housing market

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

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

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

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

About Hometrack data

Hometrack's monthly survey

For the last decade Hometrack has been collecting data from estate agents and surveyors to monitor market trends, and publishes the results monthly in their national house price survey. The building blocks of the survey are responses to a standard questionnaire by over 5,000 estate agents and valuers across England and Wales.
The survey was first published in mid 2000. They look to obtain a minimum of two returns for each postcode district. The survey provides a large amount of data each month, which is used to calculate; change in supply & demand; time to sell in weeks; sales to asking price; viewings per sale. We do not use house price data collected by the survey within the Intelligence System. Pages 11, 12 and 13 use this data.

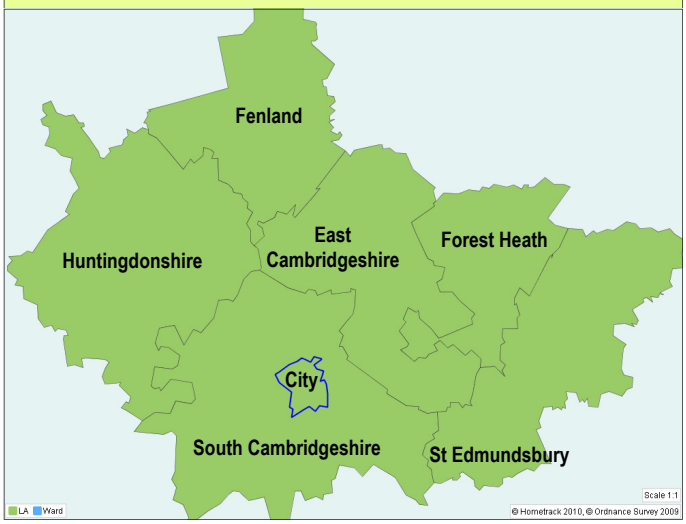
Hometrack house price data

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

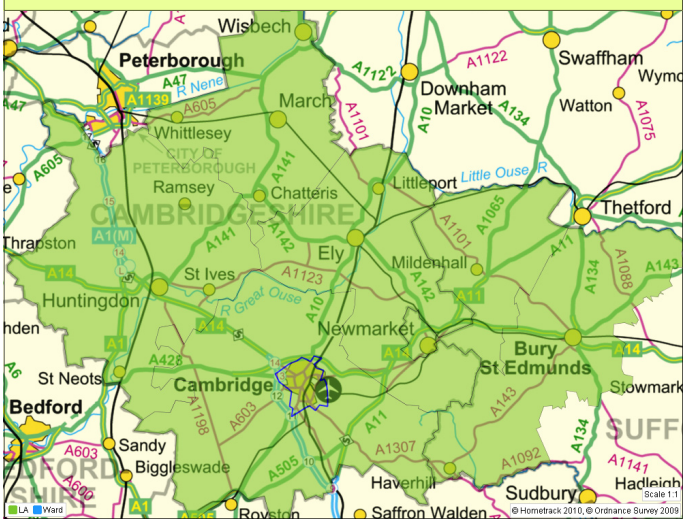
A much larger dataset can be created by joining these two data sources together and this is a database that is unique to Hometrack. This database includes information on property size (bedrooms and square feet) as well as property type. The volume of data enables us to present house price data by property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

Map 1: **The East of England**

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



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



National trends from Hometrack: Sluggish start for housing market in 2011

2011 began with a sluggish start. The latest survey of over 5,000 agents and surveyors showed a slowdown in both supply (-5.4%)(the largest monthly fall for 4 years) and demand (-9.5%). Falling demand in particular is likely to impact on pricing levels over the first half of 2011.

In January 2010 demand stood at -2.7%, a sharp contrast to today's figure of -9.5%. This suggests that the housing market is facing more fundamental underlying issues than the usual post-Christmas slowdown.

With recent rises in the cost of living, household budgets will only come under further strain if concerns over rising inflation translate into higher interest rates. Mounting concern over a possible interest rate rise will act as a further dampener on demand.

A considerable number of households will not be directly affected by interest rate rises. Two-fifths of house sales are driven by cash buyers and Hometrack estimate that over 45% of households who own their home do not have a mortgage. This said all owner occupiers will feel the impact of weaker consumer sentiment.

The supply of homes for sale is likely to dwindle further over the next two quarters. In the short term this will not be enough to offset the downward pressure on prices, but over the course of the year it will begin to act as a support to pricing.

Nationally, house prices fell by -0.5%. Price falls were recorded across 37% of the country, compared to 36% in December.

Wide variations in the relative health of the housing market can be explained by different underlying dynamics between supply and demand. The average time on the market in the North and Midlands is now close to 3 months, compared to just over 2 months in the South.

The percentage of the asking price being achieved is falling off a higher base in Southern England although the weakness in pricing is most pronounced in Northern regions.

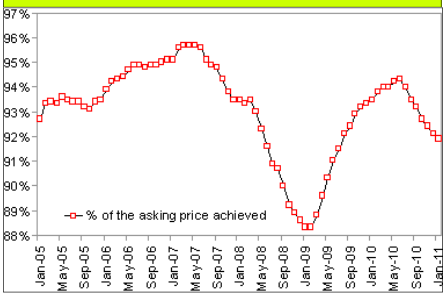
Table 1: Summary	Nov-10	Dec-10	Jan-11
Monthly price change (%)	-0.8	-0.4	-0.5
% change in new buyers registering with agents	-4.3	-4.8	-9.5
% change in volume of property listings	-0.4	-1.5	-5.4
% change in sales agreed	0.1	1.0	-13.2
Average time on the market (weeks)	9.8	10.0	10.2
% of the asking price being achieved	92.4	92.1	91.9
% postcode districts with price **increase** over month	0.1	0.8	1.8
% postcode districts with price **decrease** over month	54.0	36.0	37.0

Hometrack continues to track the performance of housing markets with high and low levels of public sector employment. It is too early to see evidence of spending cuts having a material impact on local markets but this may change over the course of 2011.

This month's survey was based upon responses from 5,100 agents and surveyors across all 2,300 postcodes in England and Wales.

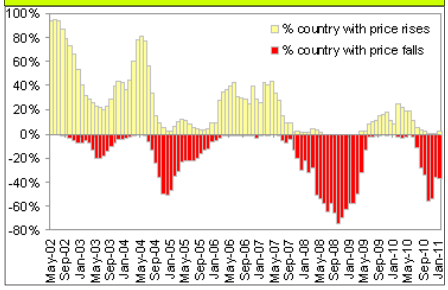
Graph 1 shows the percentage of the asking price; a key indicator of the underlying strength of pricing. The measure has been falling for seven months although the rate of decline is slowing somewhat and currently stands at 91.9%.

Graph 1: **% asking price being achieved**



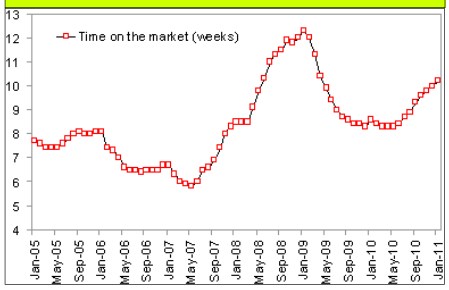
Graph 2 shows the proportion of postcodes registering higher and lower prices over time. The balance of change is swinging into negative territory with prices down across 37% of postcodes in January 2011.

Graph 2: **% country with higher & lower prices**



Graph 3 shows that as demand has weakened so the "time on the market" indicator has risen. Nine months ago the average time on the market was 8.3 weeks and this has increased by over two weeks to stand at 10.2 weeks as we start 2011.

Graph 3: **Time on market**



By Richard Donnell, Director of Research, Hometrack, 27 January 2011

Source: http://www.hometrack.co.uk/commentary-and-analysis/house-price-survey/20110127.cfm

Number of sales and valuations

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

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

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

Table 2 shows the number of sales and valuations between June 2007 and December 2010 in six monthly chunks to highlight the change in numbers for each district, for the housing sub-region, for the East of England and for England.

Comment

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

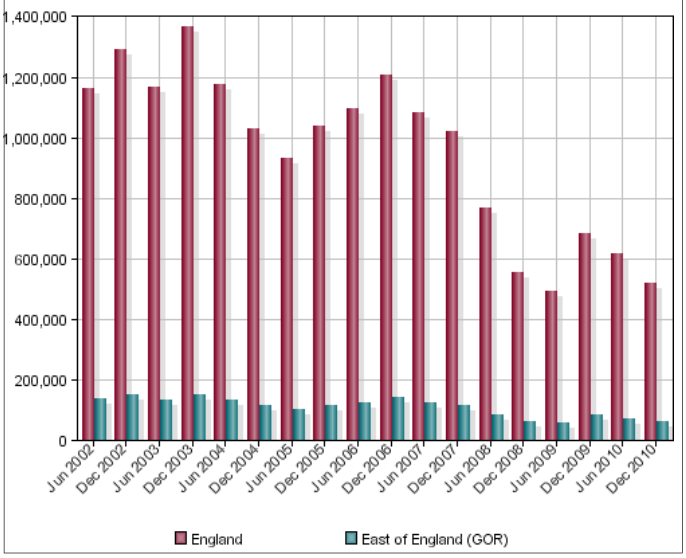
Graphs 4 and 5 shows a similar pattern for national, regional and local numbers of sales. Page 6 provides further detail behind the figures in Table 2.

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

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

Source: Hometrack's Automated Valuation Model based on December 2010 sales and valuations.

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



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

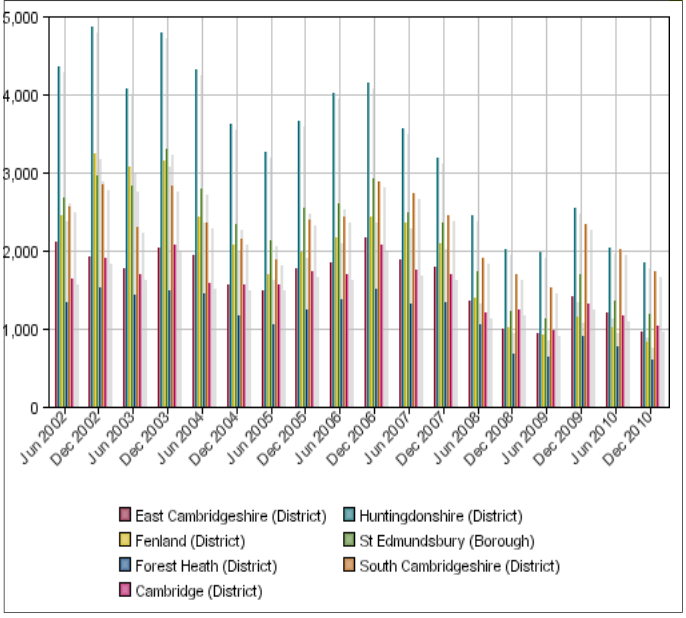


Table 2: **Number of sales and valuations**

	Jun-07	Dec-07	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10
Cambridge	1,768	1,705	1,209	1,251	999	1,323	1,177	1,038
East Cambridgeshire	1,895	1,802	1,371	1,000	951	1,419	1,221	975
Fenland	2,370	2,109	1,401	1,026	940	1,152	1,022	833
Huntingdonshire	3,571	3,197	2,462	2,033	1,986	2,548	2,046	1,855
South Cambridgeshire	2,751	2,465	1,909	1,699	1,539	2,356	2,019	1,746
Forest Heath	1,327	1,341	1,066	695	642	917	781	613
St Edmundsbury	2,494	2,372	1,738	1,235	1,140	1,699	1,370	1,197
Cambridge sub-region	16,176	14,991	11,156	8,939	8,197	11,414	9,636	8,257
East of England	126,980	117,637	86,784	64,223	59,529	85,148	72,051	62,218
England	1,081,755	1,019,276	769,804	555,719	494,386	682,418	617,995	522,689

Number of actual sales

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

Graph 6 shows the number of sales across England (red) and the East of England region (blue). Graph 7 shows numbers of sales for each of the seven districts in the Cambridge housing sub-region. Table 3 shows the number of sales completing between June 2007 and December 2010, for each district in the Cambridge sub-region, in the East of England and in England.

Comment

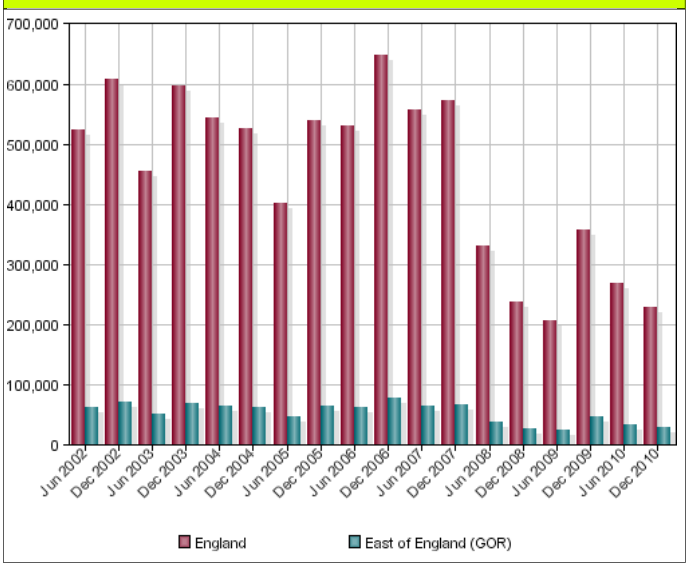
This information shows a significant reduction in the number of sales at all geographical levels up to June 2009, rallying in December 2009, but then declining to December 2010. Graphs 6 and 7 shows a similar pattern for national, regional and local numbers of sales. However, there are real differences between districts. Again, Huntingdonshire and South Cambridgeshire show a higher number of sales in comparison to other districts, and Forest Heath the lowest numbers, in December 2010.

This information is usefully compared to page 4, because the number of actual sales completing is smaller than the number of sales and valuations taken together. In December 2010 the number of sales completing varied from 44% to 54% of the sales and valuation totals shown in Table 2.

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

Source: Hometrack's Automated Valuation Model, December 2010 transactions, including Land Registry data.

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



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

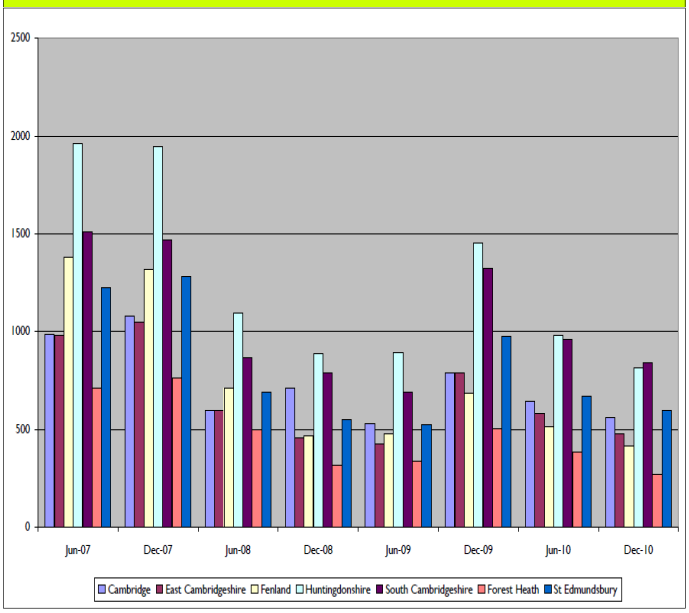


Table 3: **Number of actual sales completed**

	Jun-07	Dec-07	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10	Sales completing as a % of sales and valuations at Dec 2010
Cambridge	984	1,080	596	710	529	787	645	563	54%
East Cambridgeshire	978	1,047	598	455	426	786	580	478	49%
Fenland	1,380	1,317	710	469	479	684	515	418	50%
Huntingdonshire	1,961	1,947	1,095	889	893	1,451	980	813	44%
South Cambridgeshire	1,509	1,469	864	790	690	1,325	960	841	48%
Forest Heath	713	763	500	316	335	506	384	269	44%
St Edmundsbury	1,227	1,282	691	548	523	977	672	595	50%
Cambridge sub-region	8,752	8,905	5,054	4,177	3,875	6,516	4,736	3,977	48%
East of England	66,369	68,587	38,266	28,232	25,682	46,918	33,685	29,128	47%
England	557,486	573,665	331,119	237,578	207,060	357,122	269,017	229,617	44%

Percentage turnover

This page shows the volume of residential sales across each district in our sub-region, as a proportion of the private housing stock.

The data comes from the Land Registry and the Office for National Statistics.

While the number of sales relates to the year selected (2010) the stock figure comes from the Census 2001 and remains steady.

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

Map 4 shows the turnover of homes as a percentage of private stock, by district.

Map 5 shows the same data at ward level.

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

Comment

The percentage turnover has fallen year by year, with some variation between districts and specific wards.

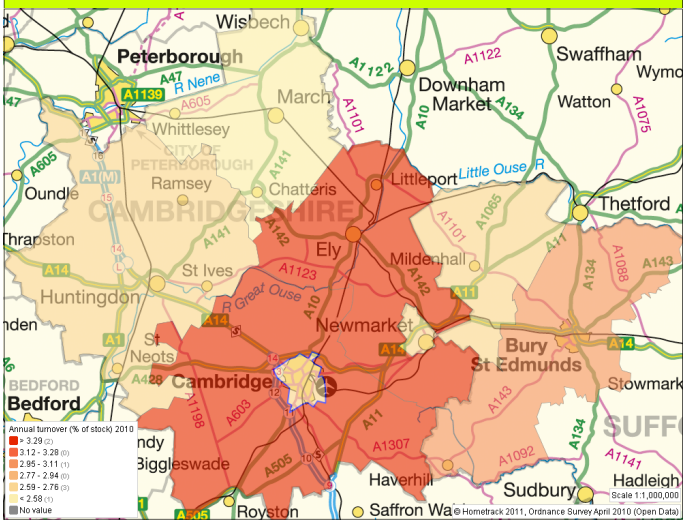
Overall a similar percentage turnover ranging from 2.6% in Fenland to 3.5% in East Cambridgeshire, between January 2009 and December 2010.

This is an increase in turnover compared to our previous Bulletin, which showed the percentage turnover ranging from 1.8% (Fenland) to 2.4% (East Cambridgeshire) for sales between October 2009 and September 2010.

Map 5 compares turnover rates in more detail, which again shows an interesting % turnover pattern and highlights the variation in turnover for individual wards.

Source: Census 2001 and HM Land Registry latest data relating to the each year, e.g. January 2009 to December 2010.

Map 4: **Turnover of homes as a % of private stock** (by district)



Map 5: **Turnover of homes as a % of private stock** (by ward)

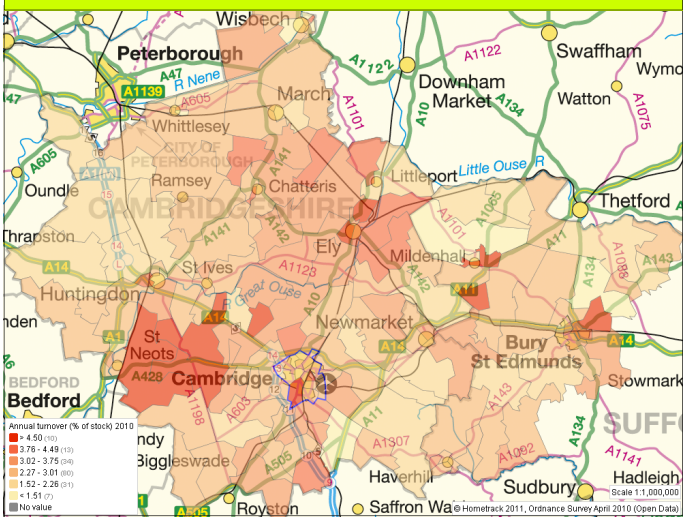


Table 4: **Turnover of homes**

	2006	2007	2008	2009	2010
Cambridge	5.0%	4.7%	3.0%	3.0%	2.7%
East Cambridgeshire	7.0%	6.6%	3.4%	4.0%	3.5%
Fenland	7.2%	7.4%	3.2%	3.2%	2.6%
Huntingdonshire	6.6%	6.0%	3.1%	3.6%	2.8%
South Cambridgeshire	6.2%	5.6%	3.1%	3.8%	3.4%
Forest Heath	6.4%	6.1%	3.4%	3.5%	2.7%
St Edmundsbury	6.4%	5.9%	2.9%	3.6%	3.0%
Cambridge sub-region (average)	6.4%	6.0%	3.2%	3.5%	2.9%
East of England	6.1%	5.8%	2.9%	3.1%	2.7%

Number of sales by type and district

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

For each district, tables 5 to 11 show the number of sales and valuations broken down into 1 bed flat, 2 bed flat, 2 bed house, 3 bed house and 4 bed house, between June 2008 and December 2010. Table 12 shows the total across the East of England.

Graph 9 shows the number of homes selling by type across the whole sub-region while graph 10 shows the same information using proportions rather than numbers, to try to highlight any significant change in the types of homes selling.

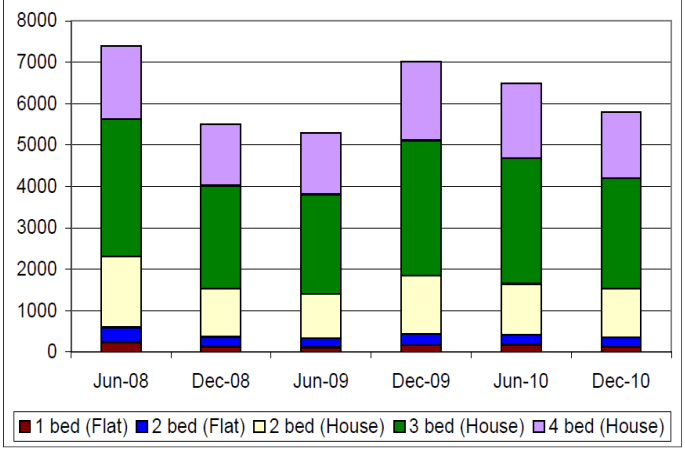
Comment

Graph 9 reflects the trend shown on page 4 with the overall number of sales completing across the sub-region rising in December 2009, then dropping back to December 2010.

Graph 10 presents the percentage of sales by property type. This shows a continuing spread of the types of homes selling, with little change in the overall proportions by type over the months shown.

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

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



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

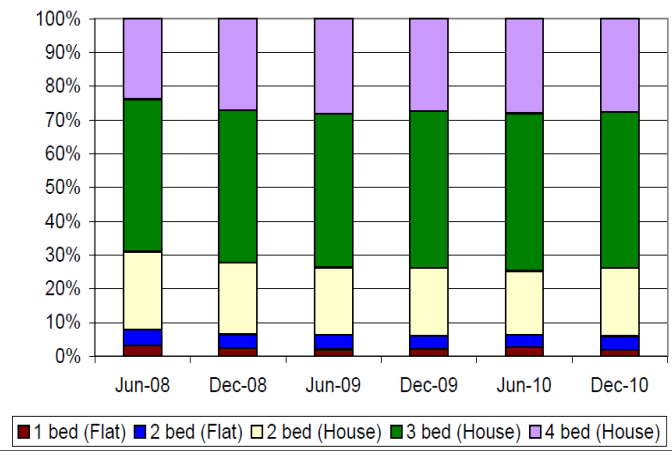


Table 5: **Cambridge City**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10
1 bed (Flat)	89	48	54	53	83	42
2 bed (Flat)	132	107	94	110	81	96
2 bed (House)	120	129	89	144	133	119
3 bed (House)	318	278	250	372	320	339
4 bed (House)	129	114	108	137	136	111

Table 6: **East Cambridgeshire**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10
1 bed (Flat)	20	14	7	9	7	8
2 bed (Flat)	26	23	16	33	17	20
2 bed (House)	216	143	123	173	150	138
3 bed (House)	407	259	296	434	389	333
4 bed (House)	228	186	179	243	250	197

Table 7: **Fenland**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10
1 bed (Flat)	10	7	6	5	4	2
2 bed (Flat)	18	4	3		7	6
2 bed (House)	267	167	140	158	148	133
3 bed (House)	457	309	279	347	319	278
4 bed (House)	172	145	132	136	148	121

Table 8: **Huntingdonshire**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10
1 bed (Flat)	38	14	15	32	27	16
2 bed (Flat)	52	39	54	51	45	36
2 bed (House)	323	246	208	271	240	217
3 bed (House)	754	619	608	730	661	600
4 bed (House)	453	412	459	527	492	474

Table 9: **South Cambridgeshire**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10
1 bed (Flat)	27	21	11	26	19	21
2 bed (Flat)	34	25	26	31	47	38
2 bed (House)	242	181	191	281	218	231
3 bed (House)	498	411	447	574	598	514
4 bed (House)	417	332	304	488	453	403

Table 10: **Forest Heath**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10
1 bed (Flat)	16	8	6	8	5	7
2 bed (Flat)	41	15	13	26	22	19
2 bed (House)	264	134	136	163	165	166
3 bed (House)	271	185	160	261	227	165
4 bed (House)	101	93	106	106	86	88

Table 11: **St Edmundsbury**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10
1 bed (Flat)	35	19	8	19	23	19
2 bed (Flat)	54	16	21	28	26	13
2 bed (House)	272	166	171	220	175	173
3 bed (House)	631	429	371	550	521	445
4 bed (House)	259	203	198	278	251	211

Table 12: **East of England**

	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10
1 bed (Flat)	3,307	1,682	1,278	1,856	1,833	1,459
2 bed (Flat)	5,086	3,096	2,537	3,598	3,352	2,742
2 bed (House)	12,025	8,020	7,528	10,791	9,249	8,255
3 bed (House)	27,205	19,570	18,993	26,230	23,675	20,897
4 bed (House)	12,241	9,737	9,409	12,637	11,792	10,419
Total	59,864	42,105	39,745	55,112	49,901	43,772

Average property prices

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

Graph 11 shows average prices for each district between June 2002 and December 2010. Graph 12 shows the average property price for all types of housing across England (red line) and for the East of England (blue line), for the same time period, for comparison. Table 13 shows average property prices between June 2007 and December 2010 for England, the East of England, the Cambridge housing sub-region and the seven individual districts within the sub-region.

Comment

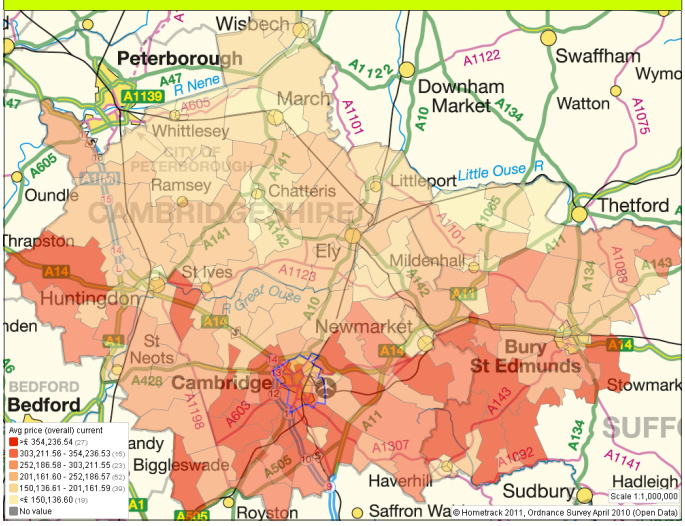
As seen in previous editions of this Bulletin, average prices are generally higher to the south of the housing sub-region than to the north, as seen on Map 6.

Graphs 11 and 12 show average prices steadily rising to around June 2008, followed by a significant drop to June 2009 and varying degrees of recovery since then leading up to December 2010. This trend is largely true for the country, the region and the housing sub-region.

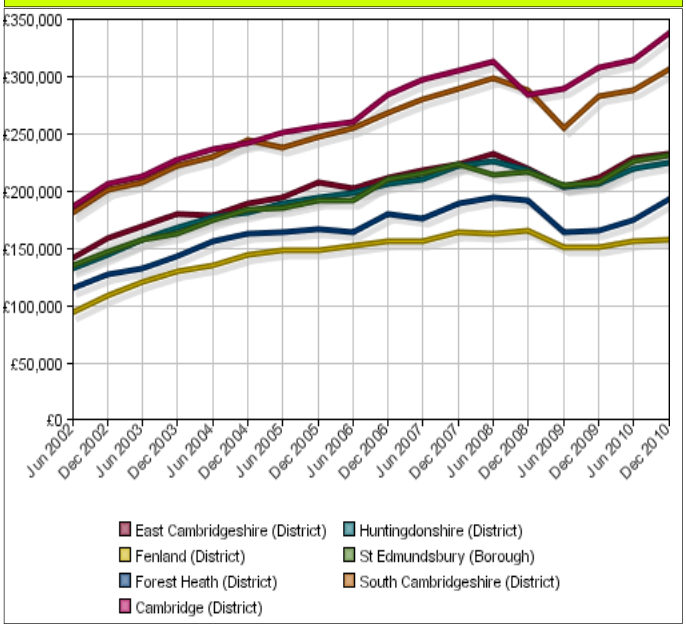
Looking at individual districts, comparing December 2009 and December 2010 prices there has been some recovery in all districts. The biggest increase was seen in Cambridge, followed by Forest Heath. Fenland showed the lowest increase, at £6.6K.

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

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



Graph 11: **Average prices**, Cambridge sub-region



Graph 12: **Average prices**, England & East of England

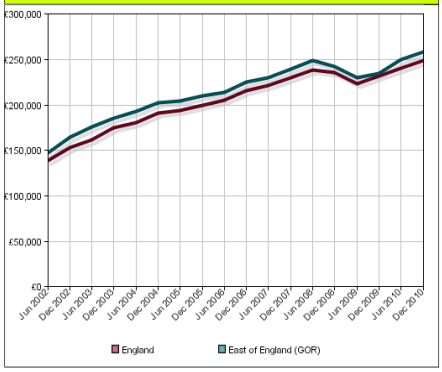


Table 13: **Average prices from sales (£)**

	Jun-07	Dec-07	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10	Change Dec-09 to Dec-10
Cambridge	297,660	305,552	314,207	285,279	290,093	308,873	314,472	339,300	+ 30,427
East Cambridgeshire	218,059	223,495	233,079	220,184	204,534	212,073	229,793	233,560	+ 21,487
Fenland	156,396	163,822	162,914	165,175	150,695	150,666	156,787	157,308	+ 6,642
Huntingdonshire	210,722	222,195	226,556	218,322	203,520	207,115	220,564	224,804	+ 17,689
South Cambridgeshire	280,637	289,583	298,893	288,521	255,325	282,958	288,832	306,751	+ 23,793
Forest Heath	176,559	189,693	195,317	191,987	164,045	165,717	174,912	192,918	+ 27,201
St Edmundsbury	215,723	223,261	215,052	217,854	205,196	208,133	226,542	231,538	+ 23,405
Average for sub-region	222,251	231,086	235,145	226,760	210,487	219,362	230,272	240,883	+ 21,521
East of England	230,445	239,740	249,324	242,744	230,187	235,210	249,890	258,877	+ 23,667
England	221,333	230,641	239,062	235,694	223,182	232,435	241,104	249,322	+ 16,887

Average prices by type and district

This page provides more detailed graphs for each district, comparing sale prices between June 2005 and December 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)

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

Comment

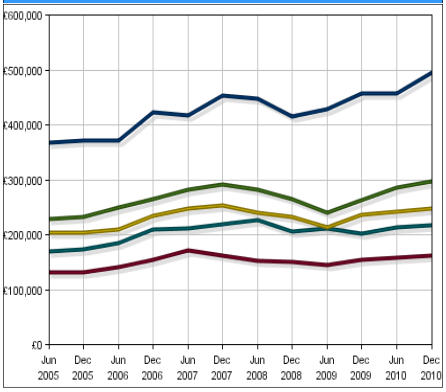
- When comparing these graphs it is worth pointing out that each district reaches a different "maximum" average property value. So the City's left-hand axis scale stretches up to £600,000 while Fenland only reaches £250,000.
- Graph 21 shows the data for the whole of the East of England, for comparison. This shows vastly similar trends as most districts, though "smoothed" due to the large number of sales across the whole region.
- Graph 21 highlights the increase in average prices for 3 and 4 bed houses, and a slower recovery in prices for 1 and 2 bed properties. Individual districts seem to reflect a similar trend, but not universally.
- Fenland and Forest Heath deserve a special mention as they show some "interesting" patterns. Between June 2009 and June 2010 Fenland saw a complete lack of 2 bed flats selling. In Forest Heath, one bed flats saw a surge in average prices, peaking in June 2010.
- For all these graphs it is important to compare average prices to the information provided on page 4 which highlights the numbers of sales involved.

Source: Hometrack's Automated Valuation Model, December 2010.

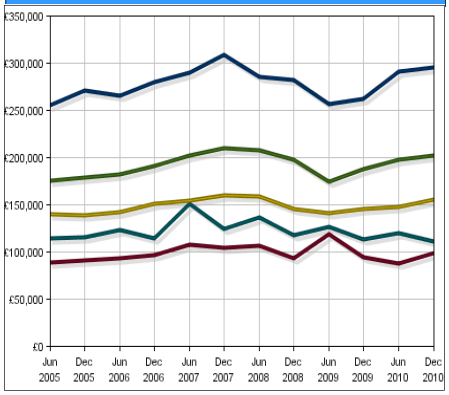
Key:

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

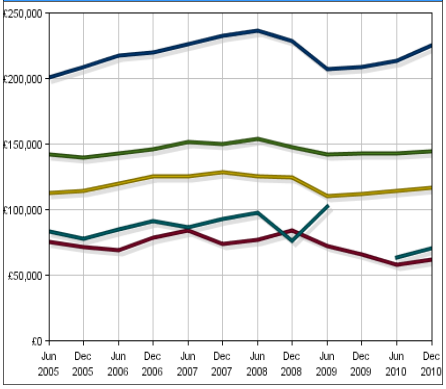
Graph 14: **Cambridge City**



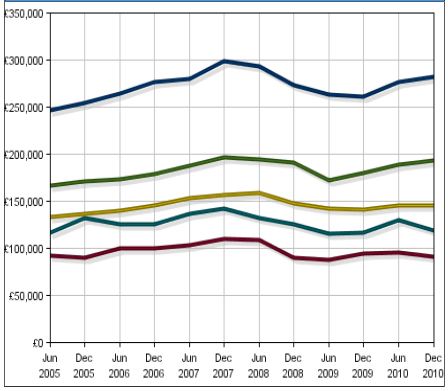
Graph 15: **East Cambridgeshire**



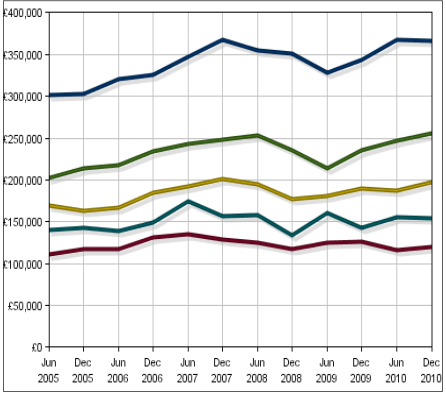
Graph 16: **Fenland**



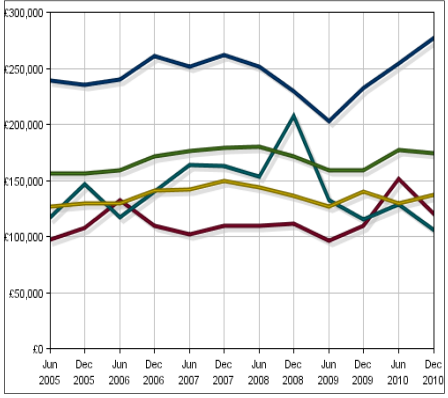
Graph 17: **Huntingdonshire**



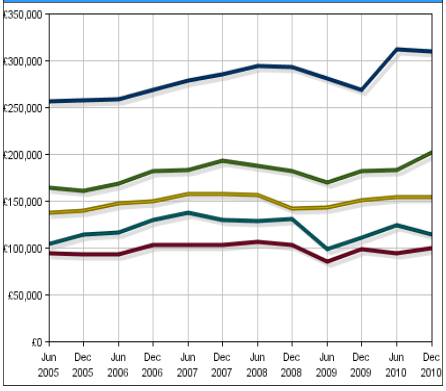
Graph 18: **South Cambridgeshire**



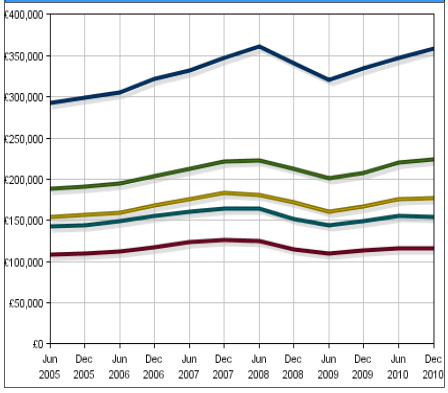
Graph 19: **Forest Heath**



Graph 20: **St Edmundsbury**



Graph 21: **East of England**



Average price per metre square (m^2)

Using price per metre^2

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^2) of all properties selling, at ward level. This is based on sales and valuation data. As there may not be enough transactions to ensure robust data within these small areas, the average prices achieved between June 2010 to December 2010 are used, to ensure a robust sample.

Graph 22 shows changes in average price per m^2 across our seven districts between June 2002 and December 2010.

Graph 23 shows the same data for England and the East of England.

Table 14 shows the change in average prices per metre^2 between June 2007 and December 2010.

Comment

Price per m^2 varies across the sub-region, with a broad pattern of higher prices to the south and lower prices to the north.

Graph 22 sees each district following a similar trend in price per m^2 over time, dropping to June 2009 and recovering since then. Graph 23 shows a very close alignment between the England and the East of England average trend.

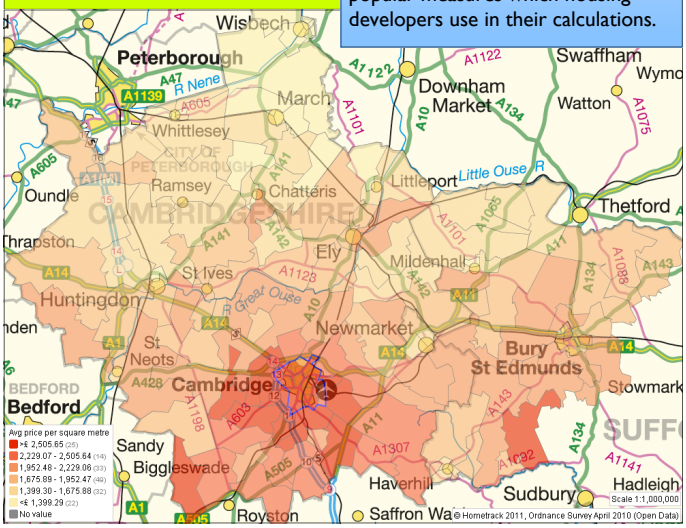
The last column in Table 14 compares the average price per square metre for December 2009 and December 2010. All districts show an increase in price per m^2.

Cambridge and Forest Heath saw the biggest increases at +£216 and +£180 respectively. Fenland saw the lowest increase, at +£81.

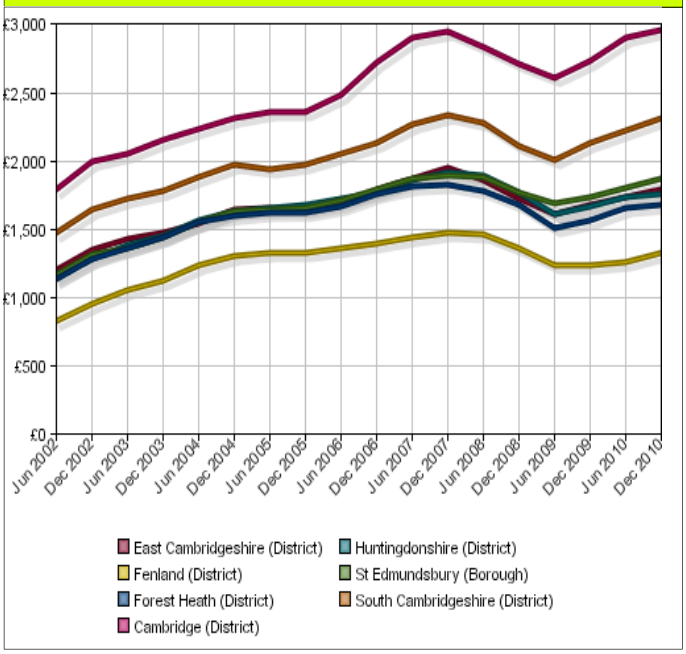
Over this 12 month period, our sub-region experienced an average increase of £133/m^2: higher than the increase for both the East of England (+£128) and for England (+£93).

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

Map 7: **Average price per m^2** for each district, shown by ward



Graph 22: **Average price per m^2**, Cambridge sub-region



Graph 23: **Average price per m^2**, England and East of England

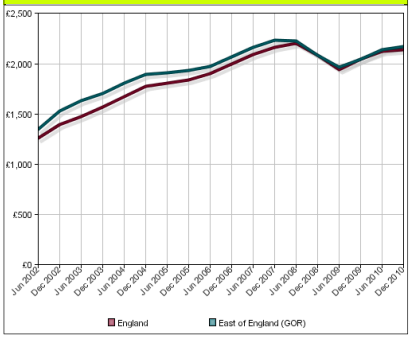


Table 14: **Average price per m^2 (£)**

	Jun-07	Dec-07	Jun-08	Dec-08	Jun-09	Dec-09	Jun-10	Dec-10	Change Dec-09 to Dec-10
Cambridge	2,901	2,946	2,838	2,709	2,615	2,739	2,909	2,955	+ 216
East Cambridgeshire	1,875	1,956	1,866	1,728	1,614	1,682	1,742	1,798	+ 116
Fenland	1,443	1,480	1,462	1,366	1,243	1,244	1,261	1,325	+ 81
Huntingdonshire	1,815	1,831	1,788	1,682	1,515	1,573	1,654	1,684	+ 111
South Cambridgeshire	1,864	1,917	1,901	1,768	1,614	1,668	1,734	1,762	+ 94
Forest Heath	2,266	2,336	2,284	2,114	2,012	2,137	2,221	2,317	+ 180
St Edmundsbury	1,876	1,898	1,880	1,767	1,687	1,735	1,805	1,868	+ 133
Average for sub-region	2,006	2,052	2,003	1,876	1,757	1,825	1,904	1,958	+ 133
East of England	2,162	2,237	2,230	2,087	1,964	2,043	2,141	2,171	+ 128
England	2,095	2,163	2,203	2,082	1,942	2,049	2,125	2,142	+ 93

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 for an offer to be accepted in weeks for each district in the Cambridge housing sub-region. Graph 24 shows the change in average time to sell for each of the seven individual districts, between January 2009 and December 2010. 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, region and country averages.

Comment

Map 8 highlights that it took longest to sell a home in Forest Heath, Huntingdonshire and St Edmundsbury, to December 2010.

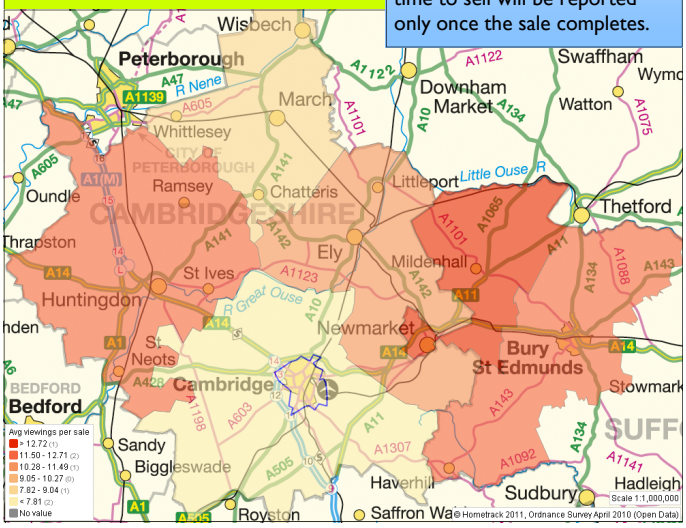
Graph 24 shows the change in time to sell for all districts. Cambridge and South Cambridgeshire show the quickest sales, and a reduction in time taken to sell between December 2009 and December 2010. Huntingdonshire shows the biggest increase in time to sell, with an increase of 5.5 weeks over the same time period.

Graph 25 shows an increase in average selling times for both the region and the country to October 2010, followed by a marked decrease to December 2010.

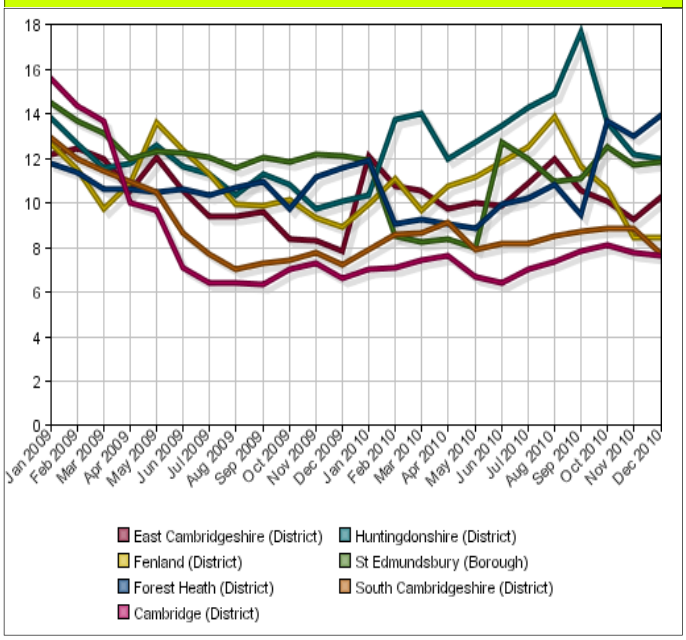
Table 15 shows how our seven districts compare to England and the East of England. City, South Cambridgeshire and Forest Heath experienced a decrease in time to sell, while St Edmundsbury saw no change. All other districts saw a slow down, to varying degrees. Regionally and nationally the average time to sell increased more than for our sub-region.

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

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



Graph 24: **Change in time taken to sell**, Cambridge sub-region



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

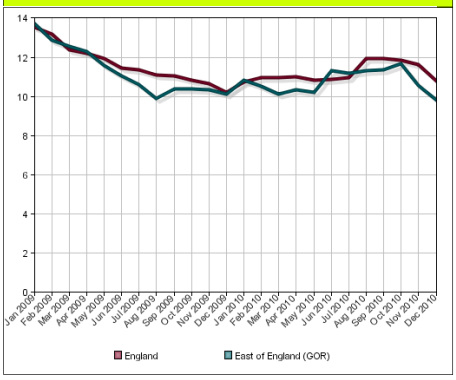


Table 15: **Average time taken to sell** (in weeks)

	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Change Dec-09 to Dec-10
Cambridge City	8.3	6	5.9	7	6.8	6.5	6.4	5.7	- 1.3
East Cambridgeshire	10.1	8.5	7.2	8.8	9.1	9	9.8	9.2	+ 0.4
Fenland	11.9	11.1	9.9	10.1	10.6	10.4	10.1	12.3	+ 2.2
Huntingdonshire	9.5	9	7.5	8.6	8.9	9.7	11.7	14.1	+ 5.5
South Cambridgeshire	8.6	5.2	5.3	6.2	6.8	6.4	6.4	5.9	- 0.3
Forest Heath	12.6	11.1	10.6	12.5	10	10	9.6	10.7	- 1.8
St Edmundsbury	10.3	8.4	8.1	10.6	7.7	7.7	8.2	10.6	0
Average for sub-region	10.2	8.5	7.8	9.1	8.6	8.5	8.9	9.8	+ 0.7
East of England	10.3	9.3	7.6	8.2	8	8.2	9.3	10.2	+ 2
England	11.4	10.2	9.2	9.6	9.2	9.6	10.7	11.3	+ 1.7

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 2009 and December 2010. Graph 27 shows the trend for England and the East of England, for comparison.

Table 16 shows the average percentage achieved every three months and the change from December 2009 to December 2010.

Comment

The highest proportion of the asking price achieved is seen in South Cambridgeshire, at 95.3%, closely followed by East Cambridgeshire at 94.5%.

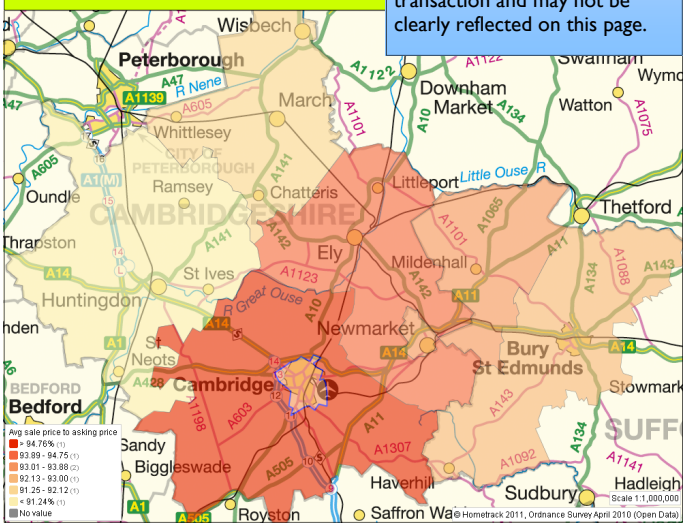
Districts showing lower levels of the asking price achieved include Huntingdonshire at 90.1%, Fenland at 91.5% and St Edmundsbury at 92.9%.

The biggest change between December 2009 and December 2010 were seen in Cambridge, falling by 4.6% and South Cambridgeshire, falling by 4.8%.

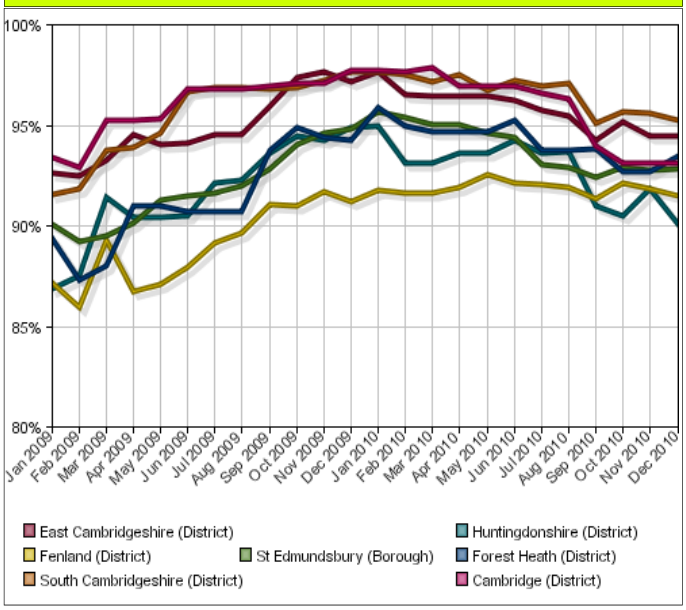
The level of change over these 12 months varied across our sub-region, with a 2.4% average drop, the East of England with a drop of 1.8% and England at a 1.6% drop. However there is some similarity in the trend, when looking at Graphs 26 and 27 side by side.

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

Map 9: **Percentage of asking price achieved**, Cambridge sub-region shown by district



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



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

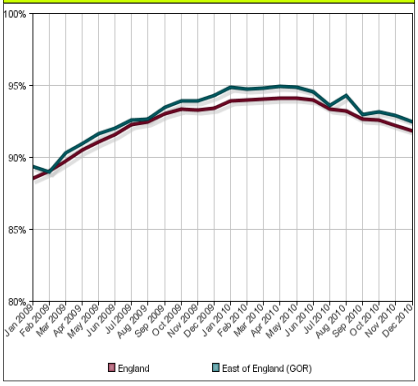


Table 16: **Percentage of asking price achieved at sale** (rounded)

	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Change Dec-09 to Dec-10
Cambridge City	95.3%	96.9%	97.0%	97.8%	97.9%	97.0%	94.0%	93.1%	- 4.6%
East Cambridgeshire	93.3%	94.2%	96.0%	97.2%	96.5%	96.3%	94.3%	94.5%	- 2.7%
Fenland	89.3%	88.0%	91.1%	91.2%	91.6%	92.1%	91.4%	91.5%	+ 0.3%
Huntingdonshire	91.4%	90.6%	93.7%	94.9%	93.2%	94.3%	91.0%	90.1%	- 4.8%
South Cambridgeshire	93.8%	96.7%	96.8%	97.7%	97.2%	97.3%	95.2%	95.3%	- 2.4%
Forest Heath	88.1%	90.8%	93.8%	94.3%	94.7%	95.3%	93.9%	93.5%	- 0.8%
St Edmundsbury	89.6%	91.5%	92.9%	94.9%	95.1%	94.4%	92.4%	92.9%	- 2.0%
Average for sub-region	91.5%	92.7%	94.5%	95.4%	95.2%	95.2%	93.2%	93.0%	- 2.4%
East of England	90.4%	92.1%	93.5%	94.3%	94.8%	94.6%	93.0%	92.5%	- 1.8%
England	89.8%	91.6%	93.0%	93.4%	94.1%	94.0%	92.7%	91.8%	- 1.6%

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 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 28 shows the number of viewings per sale for each of our seven districts, and changes between January 2009 and December 2010. Graph 29 shows the comparison for England and the East of England, for the same time period.

Table 17 shows the average number of viewings per sale between March 2009 and December 2010, and the change between December 2009 and December 2010.

Comment

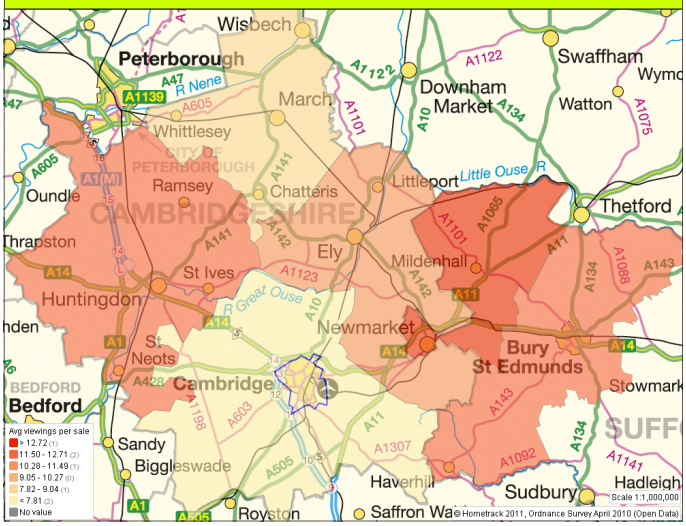
Forest Heath sees the highest number of viewings per sale, possibly down to a new development coming onto the market, attracting viewings but possibly not sales in many cases. East Cambridgeshire and St Edmundsbury follow.

The overall pattern is fairly erratic, looking at Graph 28. Graph 29 sees a reduction in viewings per sale between October and December 2010.

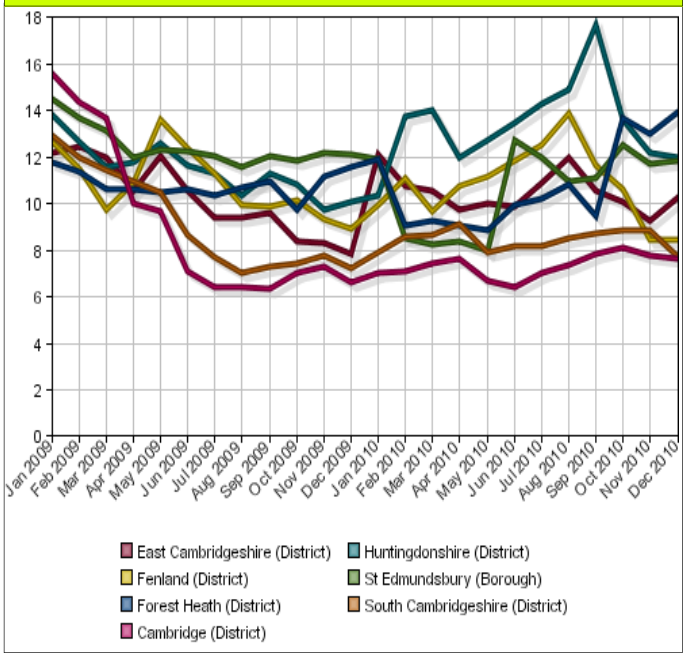
At December 2010 across the housing sub-region an average of 10 viewings were needed per sale, which compares well to the whole of England at 10.8 and is only a little higher than the East of England average at 9.8. Some districts we significantly quicker to sell than this average suggests, for example the City at 7.6 and South Cambridgeshire at 7.7 views per sale.

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

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



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



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

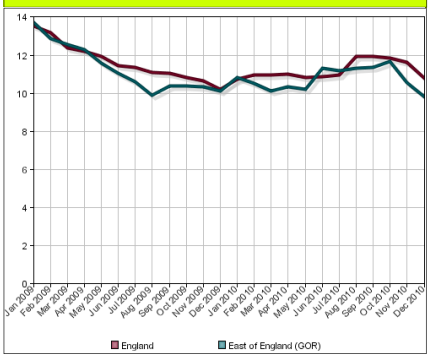


Table 17: **Average number of viewings per sale**

	Mar-09	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Change Dec-09 to Dec-10
Cambridge City	13.7	7.1	6.4	6.6	7.4	6.4	7.9	7.6	+ 1.0
East Cambridgeshire	12	10.6	9.6	7.8	10.6	9.9	10.6	10.3	+ 2.5
Fenland	9.7	12.4	9.9	8.9	9.6	11.9	11.6	8.4	- 0.5
Huntingdonshire	11.6	11.7	11.3	10.1	14	13.5	17.7	12	+ 1.9
South Cambridgeshire	11.5	8.7	7.3	7.3	8.7	8.2	8.8	7.7	+ 0.4
Forest Heath	10.6	10.6	11	11.6	9.2	9.9	9.5	13.9	+ 2.3
St Edmundsbury	13.1	12.3	12	12.1	8.2	12.7	11.1	11.9	- 0.2
Average for sub-region	11.7	10.5	9.6	9.2	9.7	10.4	11.0	10.3	+ 1.1
East of England	12.6	11.1	10.4	10.1	10.1	11.3	11.4	9.8	- 0.3
England	12.4	11.5	11.1	10.2	11	10.9	11.9	10.8	+ 0.6

Affordability ratios

This page is based on Hometrack's house price data (including sales and valuations) and CACI data on household incomes.

Map 11 shows relative affordability using the ratio of average house prices to average incomes. Map 12 shows affordability using the ratio of lower quartile house prices to lower quartile incomes. Both maps use data averaged between January 2009 to December 2010.

The ratios show, on average, how many "times" someone's income local house prices represent. One common rule of thumb is that house prices of 3 to 3.5 times income are considered affordable. On the maps, the higher the ratio, the darker the shading, and the less affordable the area.

These maps use different calculations from the SHMA, however they do help us compare trends across the sub-region and over time.

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 February 2009 and December 2010, and the average for the seven dates shown. These averages are all calculated using data for the previous 12 months, so for example the February 2009 column relies on data gathered between March 2008 and February 2009.

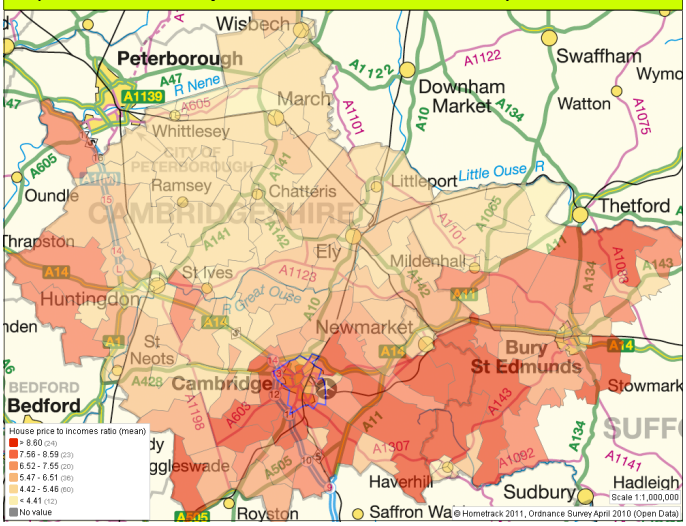
Comment

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 6.4 at December 2010, this masks the wide variety of affordability ratios for each district. These vary from 9.2 in Cambridge down to 4.9 in Fenland. For each district, the multiplier has increased between September and December 2010, except in Fenland where the multiplier remained steady at 4.9. Across the East of England the average house price to income ration was 6.85 at Dec 2010.

Table 18 shows that lower quartile house prices take a significantly higher proportion of lower quartile incomes to afford. So in Cambridge, a lower quartile home would cost on average 9.6 times a lower quartile income.

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

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



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

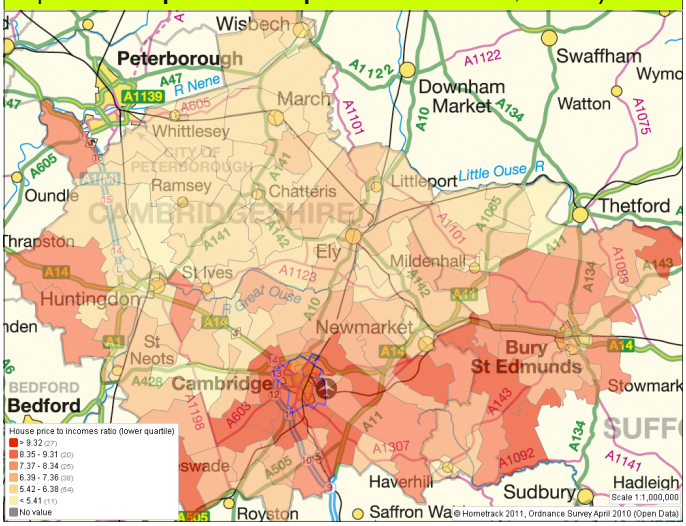


Table 18: **Lower quartile house price : income ratio**	Sept-10	Dec-10
Cambridge City	9.3	9.6
East Cambridgeshire	6.5	6.7
Fenland	5.8	5.7
Huntingdonshire	6.1	6.0
South Cambridgeshire	5.9	7.5
Forest Heath	7.4	6.1
St Edmundsbury	6.6	6.7

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

	Feb-09	Jun-09	Sept-09	Feb-10	Mar-10	Jun-10	Sept-10	Dec-10
Cambridge City	8.8	7.9	8.1	8.7	8.7	8.8	8.9	9.2
East Cambridgeshire	6.3	5.7	5.5	5.7	5.7	5.8	5.9	6.1
Fenland	5.3	4.9	4.8	4.7	4.7	4.8	4.9	4.9
Huntingdonshire	5.8	5.2	5.1	5.2	5.2	5.3	5.4	5.5
South Cambridgeshire	7.4	6.6	6.5	6.9	6.9	7.0	7.0	7.1
Forest Heath	5.9	5.3	5.0	5.0	5.0	5.0	5.3	5.4
St Edmundsbury	6.2	5.8	5.8	6.0	6.1	6.1	6.2	6.4
Cambridge sub-region	6.5	5.9	5.8	6.0	6.0	6.1	6.2	6.4

Private rental market

Hometrack has been extended to provide data on local rental levels - in response to recent demand following introduction of the new "affordable rent" model.

Graphs 30, 31 and 32 show the weekly average cost of:

- Housing association rent.
- The 30th percentile private rent.
- The 80% median private rent.
- The median private rent.
- The upper quartile private rent.

by district (see key below) for 1, 2 and 3 bedroom properties.

Maps 33, 34 and 35 show median private rents for 1, 2 and 3 bed homes, again by district area. Table 20 provides the relevant figures for each district, tenure and cost grouping.

Comment

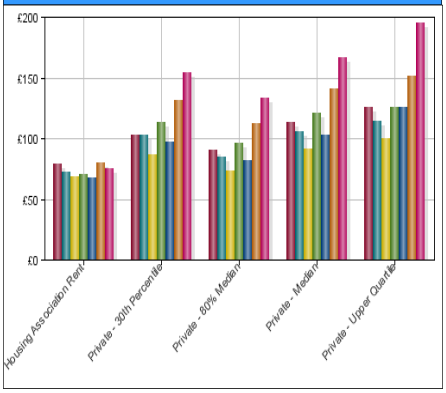
This page has been added to see if readers value a comparison of values of rent levels, by district. This data will mainly be updated monthly.

Source: Hometrack December 2010 and January 2011, and Dataspring (RSR) March 2010.

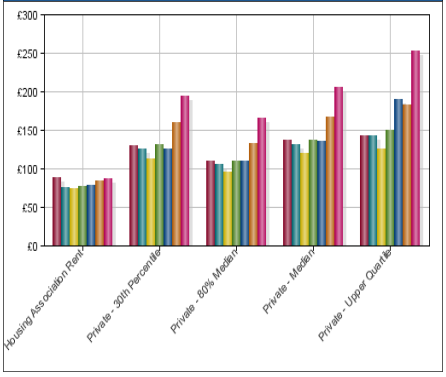
Key for bar charts:

- East Cambridgeshire (District)
- Fenland (District)
- Forest Heath (District)
- Cambridge (District)
- Huntingdonshire (District)
- St Edmundsbury (Borough)
- South Cambridgeshire (District)

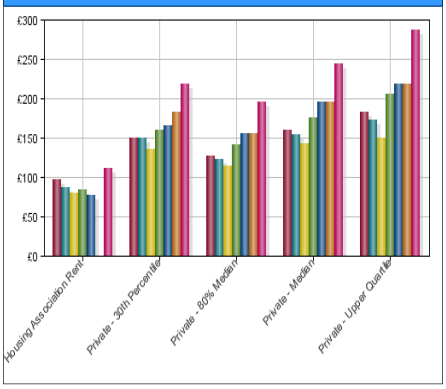
Graph 30: **Weekly cost of a 1 bed property**



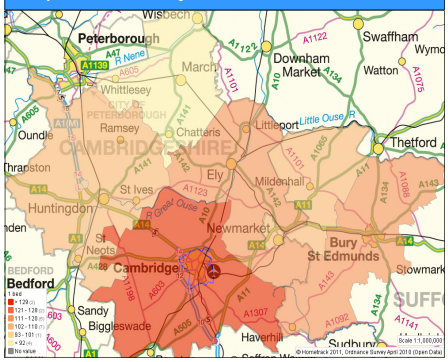
Graph 31: **Weekly cost of a 2 bed property**



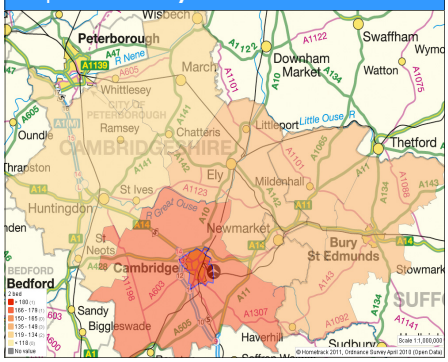
Graph 32: **Weekly cost of a 3 bed property**



Graph 33: **1 bed by ward**



Graph 34: **2 bed by ward**



Graph 35: **3 bed by ward**

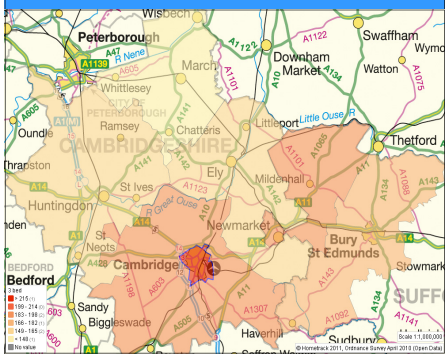


Table 20: **Rent levels by size and district** (rounded to nearest whole pound))

	1 bed					2 bed					3 bed				
	HA Rent	Private 30th Percentile	Private 80% Median	Private Median	Private Upper Quartile	HA Rent	Private 30th Percentile	Private 80% Median	Private Median	Private Upper Quartile	HA Rent	Private 30th Percentile	Private 80% Median	Private Median	Private Upper Quartile
Cambridge	£76	£155	£134	£167	£196	£89	£195	£166	£207	£253	£112	£219	£196	£245	£288
East Cambridgeshire	£79	£103	£91	£114	£126	£90	£130	£110	£138	£144	£98	£150	£128	£160	£184
Fenland	£69	£87	£74	£92	£100	£75	£114	£96	£120	£126	£81	£137	£115	£144	£150
Huntingdonshire	£73	£103	£85	£106	£115	£76	£126	£106	£132	£144	£88	£150	£124	£155	£173
South Cambridgeshire	£80	£132	£113	£141	£152	£85	£160	£134	£168	£183	-	£184	£157	£196	£219
Forest Heath	£68	£98	£82	£103	£126	£79	£126	£110	£137	£190	£78	£167	£157	£196	£219
St Edmundsbury	£71	£114	£97	£121	£126	£77	£132	£110	£138	£150	£85	£160	£142	£177	£206

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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 8

This is the eighth 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 edition & publication...
End March 2011	May 2011	Edition 9: July 2011
End June 2011	August 2011	Edition 10: September 2011
End September 2011	November 2011	Edition 11: December 2011
End December 2011	February 2012	Edition 12: March 2012
End March 2012	May 2012	Edition 9: July 2012

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
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