Issue 9
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CAMBRIDGE HOUSING SUB-REGION

Housing market bulletin

The housing market at March 2011

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

Hitting the news!

We were very happy to see our previous bulletin covered in the Cambridge News in May 2011, and in the editorial column. This is our first piece of media coverage and great publicity for the Bulletin and for some of the issues for our housing market area. Click here to find the story.

This edition includes new information comparing the costs of different size and tenure homes. 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 underlined text. This should take you to the information or the page you are seeking.

Bulletin highlights...

- Following a rally in the number of sales to September 2010, the number of sales has dropped back in March 2011 to around the March 2009 level across our housing sub-region. This reflects regional and national trends.
- There has been a levelling in the average sale price achieved September 2010 and March 2011 across our housing sub-region, region and England.
- The average time taken to sell increased in four of seven districts in our housing sub-region, but the increase is smaller for us than for the East of England and for England. In March 2011 it took an average of nine weeks to sell in our area.
- There has been an overall drop in the percentage of the asking price achieved for our housing sub-region on average (except in Fenland and Forest Heath), though it's a smaller drop here than for the region and for England.
- Between February and March the number of viewings per sale has decreased across our region, and for some districts in our sub-region. The average now ranges from 9.0 in Forest Heath to 12.6 in St Edmundsbury.
- Average affordability ratios vary across the housing sub-region and remain steady, ranging from 4.9 in Fenland to 9.2 in Cambridge. Lower quartile ratios remain similar to December 2010.

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.

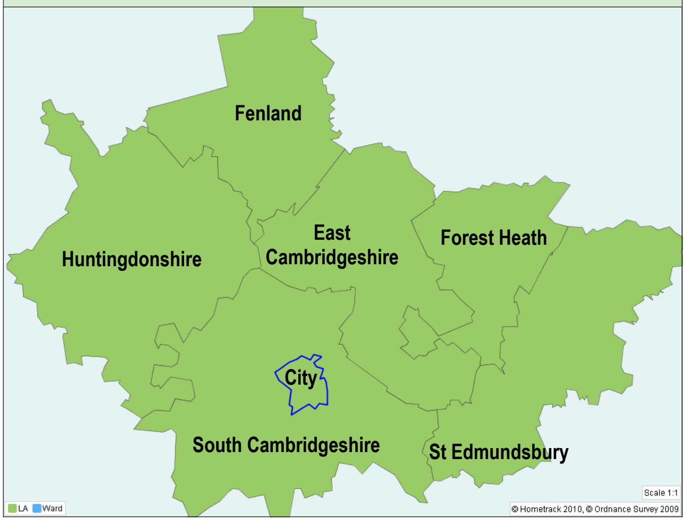
Map 2 shows the boundaries of each of the seven districts in the Cambridge housing sub-region, which are:

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

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

Map 1: **The East of England**

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



About Hometrack data

Hometrack's monthly survey

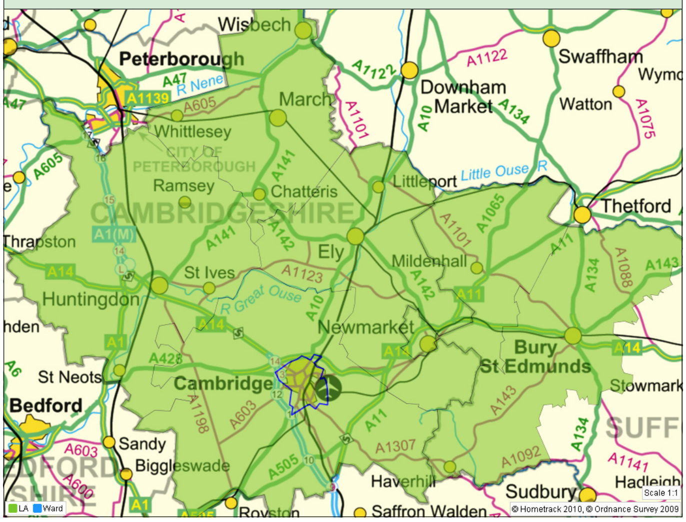
For the last eleven years Hometrack has been collecting data from estate agents and surveyors to monitor market trends, and publishes the results monthly in their national house price survey. The building blocks of the survey are responses to a standard questionnaire by over 5,000 estate agents and valuers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

Hometrack house price data

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

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

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



National trends from Hometrack:
Reversal in housing market conditions set for 2011

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

House prices were unchanged this month. This is the first time for nine months (since June 2010) that the survey has recorded no price fall.

An increase in demand which was up 22% over the first 4 months of the year coupled with a strong growth in the number of sales agreed over the first quarter of 2011 (up 46%) has provided a boost to market confidence and eased the downward pressure on prices over recent months.

London continues to put a gloss on the headline figures. Prices here rose by 0.3% over April offsetting small falls of up to -0.3% across all other regions.

The average time on the market has moved lower and now stands at 9.6 weeks.

Pricing levels across the housing market remain finely balanced especially given the relative strength of the London market. Just under a quarter of the country posted small price falls in April.

The bounce back in buyer interest over the last quarter is largely down to pent-up demand feeding back into the market after a weak final half of 2010. While the supply/demand dynamics may have been responsible in driving a modest improvement in market conditions, these are set to reverse over the remainder of the year.

There have been three distinct phases of the recent downturn. The second half of 2011 looks set to be the start of another phase where rising supply constrains any further improvement in pricing levels.

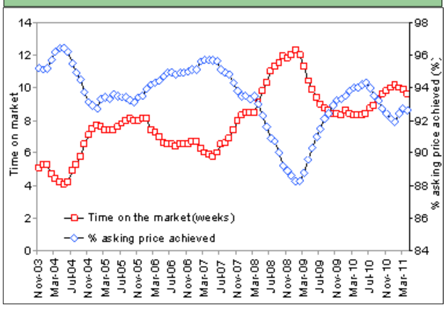
The increase in demand for housing is unlikely to be sustained over the rest of the year as consumer confidence weakens and household incomes remain under pressure. Together with rising supply this will put house prices under renewed downward pressure.

The early signs of a change in market dynamics can be seen in the proportion of the asking price being achieved. The proportion of asking price achieved increased over February and March as levels of demand grew, but over April this measure has fallen back slightly to 92.6%.

Table 1: **Summary**	Feb-11	Mar-11	Apr-11
Monthly price change (%)	-0.2	-0.1	0.0
% change in new buyers registering with agents	14.7	4.2	2.8
% change in volume of property listings	7.5	5.2	5.5
% change in sales agreed	25.4	12.6	8.0
Average time on the market (weeks)	10.0	9.9	9.6
% of the asking price being achieved	92.4	92.7	92.6
% postcode districts with price **increase** over month	4.8	7.8	7.7
% postcode districts with price **decrease** over month	26.0	27.0	24.0

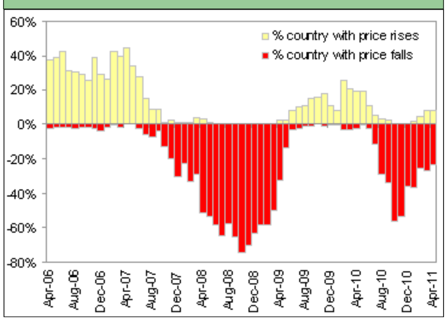
The average house price now stands at £153,100.

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



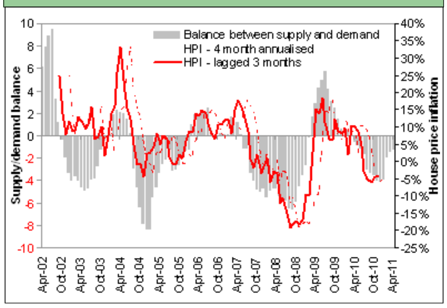
Graph 1 shows that the proportion of the asking price achieved has bounced back in the last 3 months and currently stands at to 92.6%. Time on the market also registered a small fall to 9.6 weeks, which is the third time this measure has declined in six months.

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



Graph 2 shows the proportion of postcodes registering higher and lower prices over time. The balance of change swung into negative territory over the autumn of 2010 but the extent of price changes has slowed as supply has tightened. Prices were down across 27% of postcodes in April 2011.

Graph 3: **Supply/demand balance**



Graph 3 shows a close relationship between the changing balance of supply and demand and price changes which tend to lag by 3 months. The graph plots a rolling 6 month balance between supply and demand against changes in house prices expressed on a rolling 3 month annualised basis.

By Richard Donnell, Director of Research, **Hometrack**

02 May 2011

Source: http://www.hometrack.co.uk/commentary-and-analysis/house-price-survey/20110502.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 September 2007 and March 2011 in six monthly chunks to highlight the change in numbers for each district, for the housing sub-region, for the East of England and for England.

Comment

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

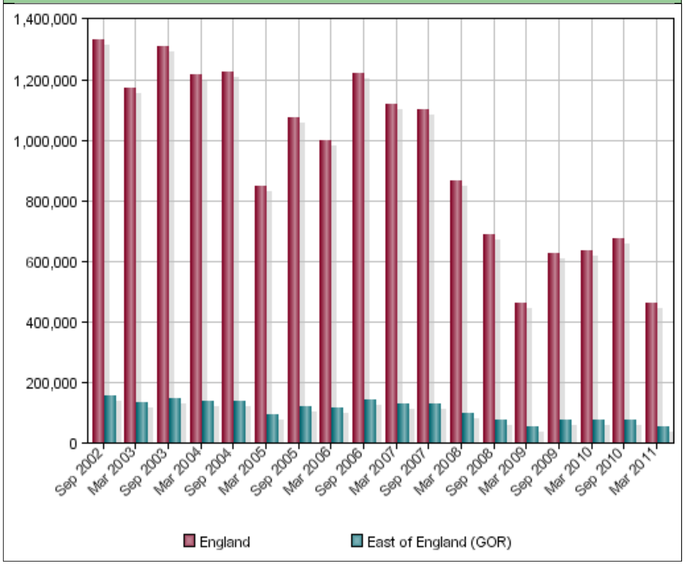
Graphs 4 and 5 shows a similar pattern for national, regional and local numbers of sales. Page 6 provides further detail behind the figures in Table 2.

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

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

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

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



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

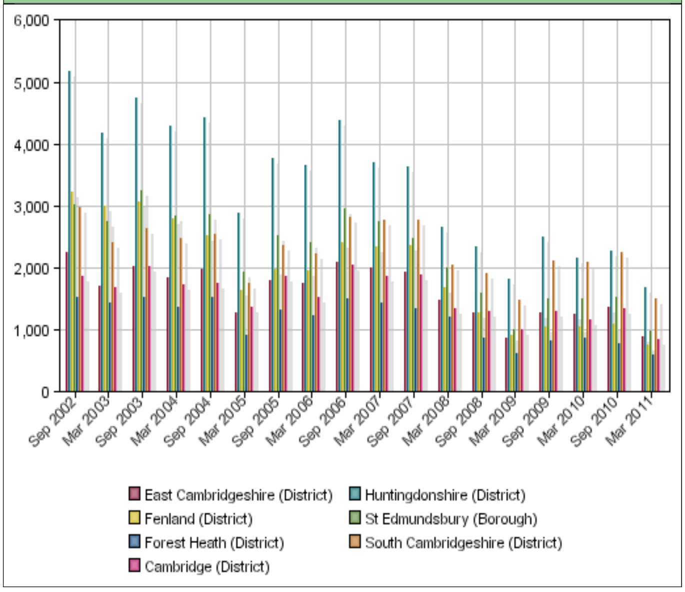


Table 2: **Number of sales and valuations**

	Sep-07	Mar-08	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11
Cambridge	1,884	1,342	1,304	1,001	1,305	1,166	1,341	841
East Cambridgeshire	1,942	1,487	1,274	862	1,284	1,248	1,361	897
Fenland	2,377	1,698	1,271	925	1,045	1,046	1,100	753
Huntingdonshire	3,625	2,653	2,350	1,830	2,506	2,169	2,279	1,698
South Cambridgeshire	2,777	2,060	1,918	1,491	2,112	2,095	2,257	1,510
Forest Heath	1,345	1,218	881	629	826	869	773	591
St Edmundsbury	2,469	2,012	1,586	1,011	1,513	1,499	1,529	993
Cambridge sub-region	16,419	12,470	10,584	7,749	10,591	10,092	10,640	7,283
East of England	128,755	98,644	78,521	54,716	77,408	76,322	79,483	55,336
England	1,101,728	866,272	689,362	463,193	628,809	633,749	674,307	462,130

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 September 2007 and March 2011, for each district in the Cambridge housing sub-region, in the East of England and in England.

Comment

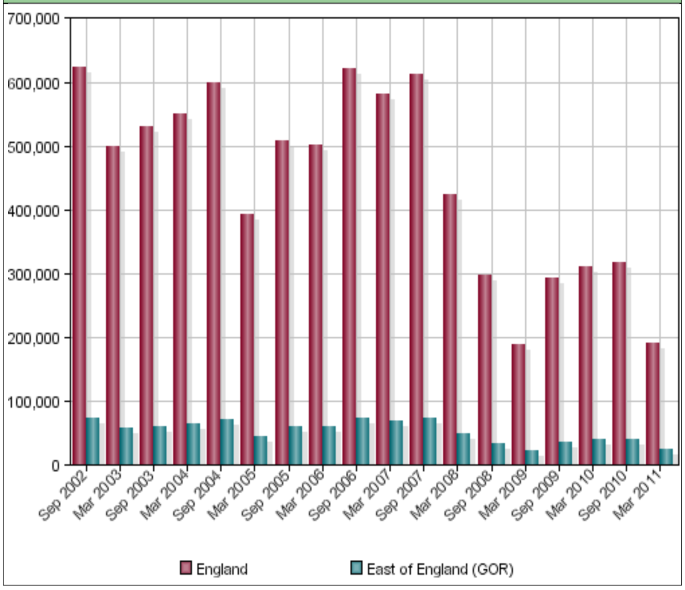
This information shows a significant reduction in the number of sales at all geographical levels up to March 2009, rallying from September 2009 to September 2010, but then declining to March 2011. Graphs 6 and 7 shows a similar pattern for national, regional and local numbers of sales. However, there are real differences between districts. In March 2011 Huntingdonshire and South Cambridgeshire show a higher number of sales compared to other districts, and Forest Heath the lowest numbers.

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 March 2011 the number of sales completing varied from 40% to 50% 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, March 2011 transactions, including Land Registry data.

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



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

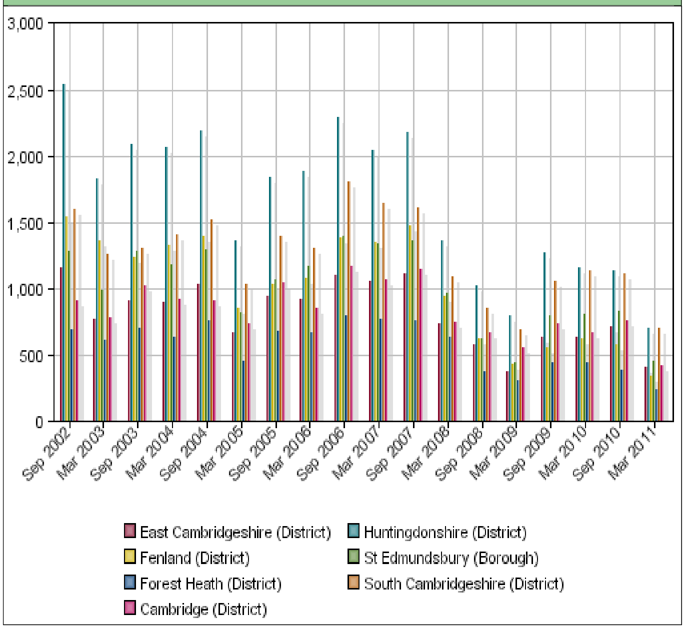


Table 3: **Number of actual sales completed**

	Sep-07	Mar-08	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Sales completing as a % of sales and valuations (Mar-11)
Cambridge	1,153	753	668	555	747	675	769	424	50%
East Cambridgeshire	1,113	736	583	374	641	643	716	414	46%
Fenland	1,479	947	628	432	564	623	584	347	46%
Huntingdonshire	2,175	1,364	1,022	797	1,272	1,157	1,139	712	42%
South Cambridgeshire	1,608	1,089	857	691	1,053	1,140	1,118	705	47%
Forest Heath	761	640	381	313	444	446	394	238	40%
St Edmundsbury	1,364	973	631	447	799	808	831	461	46%
Cambridge sub-region	9,653	6,502	4,770	3,609	5,520	5,492	5,551	3,301	45%
East of England	73,179	50,121	34,889	23,061	37,562	40,179	39,927	24,434	44%
England	613,143	423,120	298,960	189,400	293,268	310,279	317,591	191,742	41%

Percentage turnover

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

While the number of sales relates to the year selected (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 relatively high number of sales completing on page 5, but this could be simply because Huntingdonshire contains a larger number of homes than our other districts. This page enables a like-for-like comparison, as it looks at the number of sales completing compared to the housing stock.

Map 4 shows the turnover of homes as a percentage of private stock, by district. Map 5 shows the same data at ward level. Wards are shaded in grey if there is no data.

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

Comment

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

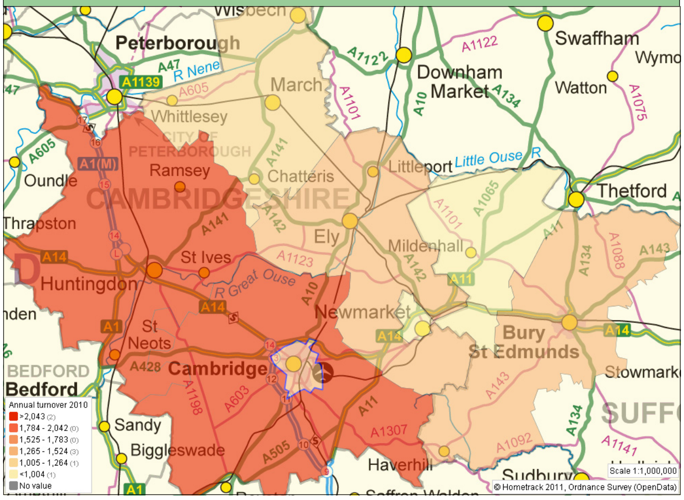
Overall a similar, very low percentage turnover is seen in all districts of our housing sub-region, showing only 0.2 or 0.3% between April 2010 and March 2011 (see last column of Table 4). This varies significantly from previous years where turnover rate were around 3% or 4%.

These figures are reflected across the East of England at 0.2%, down from 3.2% in 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. The grey areas show how low turnover rates are in some wards.

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

Map 4: **Turnover of homes** (actual number, by district)



Map 5: **Turnover of homes** (actual number, by ward)

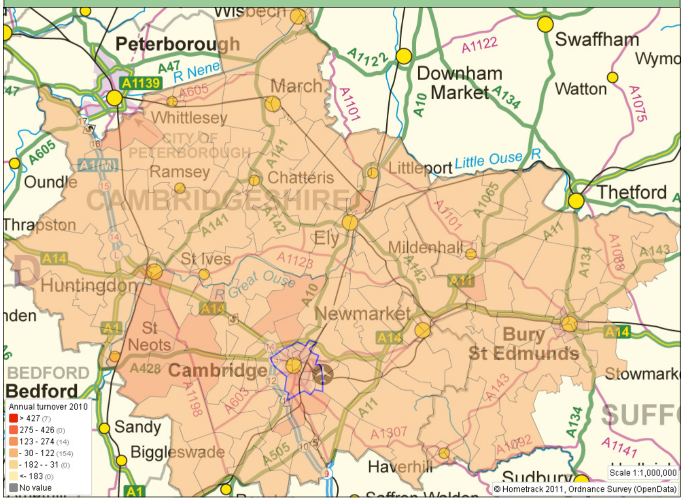


Table 4: **Turnover of homes** (rounded to 1 decimal place)

	2007	2008	2009	2010	2011
Cambridge	4.7%	3.0%	3.0%	3.2%	0.2%
East Cambridgeshire	6.6%	3.5%	4.0%	4.1%	0.3%
Fenland	7.4%	3.3%	3.2%	2.9%	0.3%
Huntingdonshire	6.0%	3.1%	3.6%	3.3%	0.2%
South Cambridgeshire	5.6%	3.1%	3.8%	4.0%	0.3%
Forest Heath	6.1%	3.4%	3.5%	3.1%	0.2%
St Edmundsbury	6.0%	2.9%	3.6%	3.5%	0.3%
Cambridge sub-region (average)	6.1%	3.2%	3.5%	3.4%	0.3%
East of England	5.8%	2.9%	3.1%	3.2%	0.2%

Number of sales by type and district

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

For each district, Tables 5 to 11 show the number of sales and valuations broken down into 1 bed flat, 2 bed flat, 2 bed house, 3 bed house and 4 bed house, between September 2008 and March 2011. Table 12 shows the total across the East of England.

Graph 9 shows the number of homes selling by type across the whole housing sub-region 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

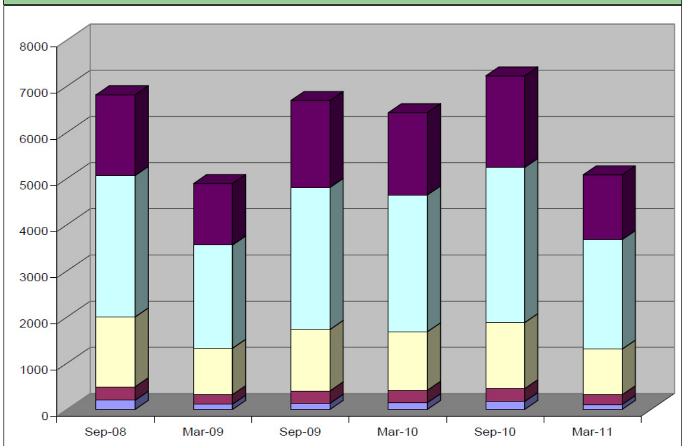
Graph 9 reflects the trend shown on page 4 with the overall number of sales completing across the housing sub-region rising to September 2010, dropping significantly to March 2011. Graph 10 presents the percentage of sales by property type. As in previous Bulletins, this shows a continuing spread of the types of homes selling, with little change in the overall proportions by type over the months shown.

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

Key to graphs

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

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



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

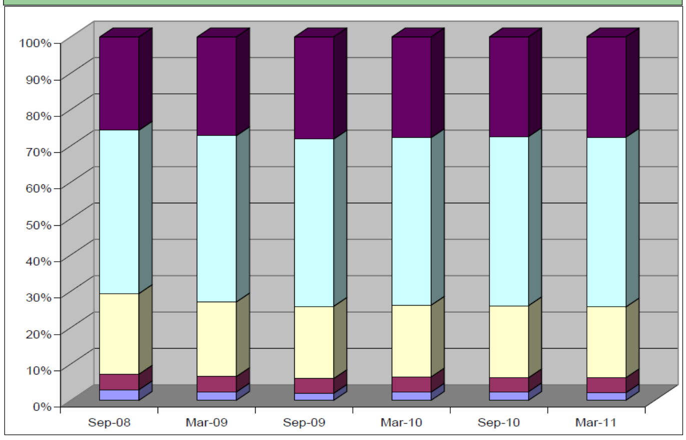


Table 5: **Cambridge City**

	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11
1 bed flat	76	42	61	54	84	31
2 bed flat	120	85	118	93	106	88
2 bed house	132	101	128	119	159	93
3 bed house	330	240	337	338	378	274
4 bed house	134	105	132	129	142	84

Table 6: **East Cambridgeshire**

	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11
1 bed flat	16	10	7	11	9	5
2 bed flat	26	16	24	27	20	17
2 bed house	193	125	141	176	181	128
3 bed house	356	245	403	376	456	293
4 bed house	218	163	234	230	268	181

Table 7: **Fenland**

	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11
1 bed flat	10	5	6	2	3	9
2 bed flat	12	4	2	6	3	5
2 bed house	215	146	154	153	144	125
3 bed house	392	268	326	284	362	258
4 bed house	178	128	132	139	161	111

Table 8: **Huntingdonshire**

	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11
1 bed flat	28	18	22	27	21	22
2 bed flat	39	50	53	42	55	29
2 bed house	309	197	277	221	278	187
3 bed house	704	589	713	680	702	592
4 bed house	477	369	579	470	544	404

Table 9: **South Cambridgeshire**

	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11
1 bed flat	23	20	16	23	21	18
2 bed flat	30	23	26	47	52	33
2 bed house	230	162	269	240	265	176
3 bed house	469	403	569	536	665	444
4 bed house	401	291	448	420	533	340

Table 10: **Forest Heath**

	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11
1 bed flat	13	7	8	5	8	8
2 bed flat	21	12	26	27	18	24
2 bed house	204	133	160	173	185	146
3 bed house	251	163	228	235	223	165
4 bed house	98	99	105	114	83	94

Table 11: **St Edmundsbury**

	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11
1 bed flat	33	11	10	23	25	14
2 bed flat	43	17	22	26	24	13
2 bed house	229	140	200	186	219	133
3 bed house	561	329	501	513	573	346
4 bed house	244	176	252	280	251	188

Table 12: **East of England**

	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11
1 bed flat	2,559	1,311	1,633	1,800	1,940	1,355
2 bed flat	4,157	2,500	3,159	3,503	3,520	2,479
2 bed house	10,440	6,724	9,979	9,546	10,405	7,282
3 bed house	24,071	16,962	24,564	23,882	26,090	18,652
4 bed house	11,610	8,622	11,905	11,824	12,834	9,301
Total	**52,837**	**36,119**	**51,240**	**50,555**	**54,789**	**39,069**

Average property prices

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

Graph 11 shows average prices for each district between September 2002 and March 2011. Graph 12 shows the average property price for all types of housing across England (red line) and for the East of England (blue line), for the same time period, for comparison. Table 13 shows average property prices between September 2007 and March 2011 for England, the East of England, the Cambridge housing sub-region and our seven individual districts.

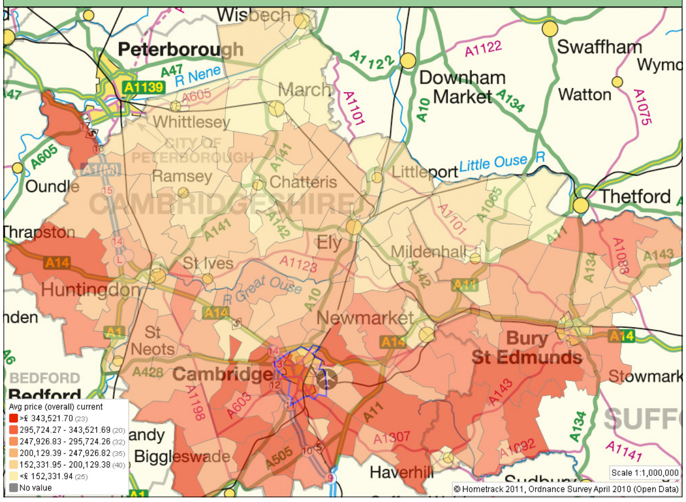
Comment

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 6. Graphs 11 and 12 show average prices steadily rising to around September 2008, followed by a drop to March 2009 and varying degrees of recovery since then leading up to March 2011. This trend is largely true for the country, the region and the housing sub-region.

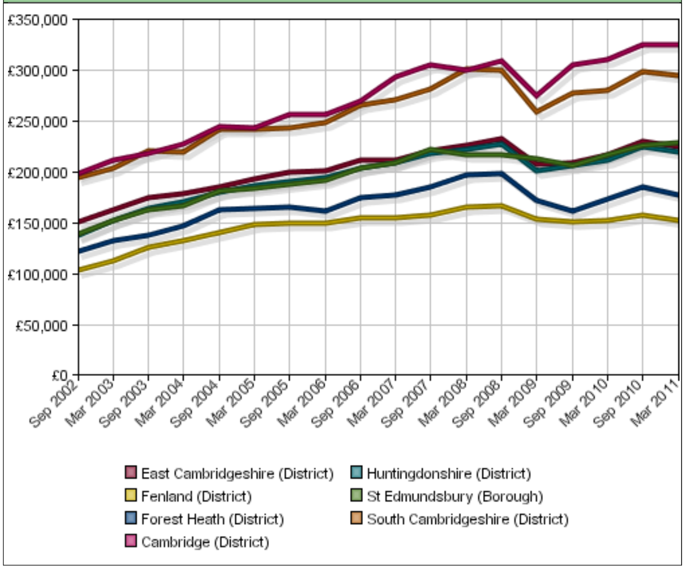
Looking at individual districts, comparing March 2010 and March 2011 prices there has been some recovery in all districts. The biggest increase was seen in South Cambridgeshire, followed by Cambridge. Fenland showed the lowest increase, at £746.

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

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



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



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

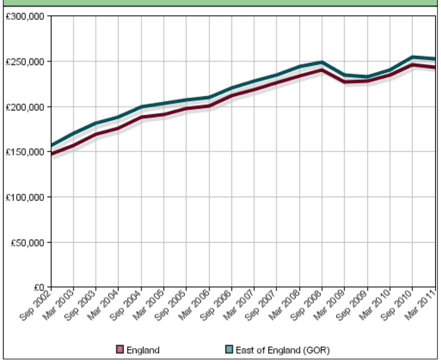


Table 13: **Average prices from sales (£)**

	Sep-07	Mar-08	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Change Mar-10 to Mar-11
Cambridge	305,282	300,359	309,602	275,363	306,176	311,640	325,988	325,836	+ 14,196
East Cambridgeshire	221,849	226,208	233,706	207,402	209,267	217,782	230,428	224,579	+ 6,797
Fenland	158,299	165,121	167,420	154,397	151,653	152,442	158,489	153,188	+ 746
Huntingdonshire	219,029	223,139	227,939	201,686	207,243	212,008	224,681	220,236	+ 8,228
South Cambridgeshire	281,552	301,827	300,911	259,804	277,801	280,246	299,140	295,687	+ 15,441
Forest Heath	185,982	196,861	198,234	172,138	162,225	173,139	185,885	178,016	+ 4,877
St Edmundsbury	222,557	217,769	217,142	213,849	206,996	217,870	226,679	229,590	+ 11,720
Average for sub-region	227,793	233,041	236,422	212,091	217,337	223,590	235,899	232,447	+ 8,858
East of England	234,933	244,009	249,160	234,811	233,093	240,690	254,817	252,949	+ 12,259
England	226,048	234,192	240,755	227,435	228,704	234,808	246,272	243,879	+ 9,071

Average prices by type and district

This page provides more detailed graphs for each district, comparing sale prices between September 2005 and March 2011, for:

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

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

Comment

- When comparing these graphs it is worth pointing out that each district reaches a different "maximum" average property value. So the City's left-hand axis scale stretches up to £500,000 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.
- Overall there appears to be a steadying in average prices achieved in the last three months leading to March 2011.
- Forest Heath shows some erratic patterns with average 4 bed house prices dropping significantly in March 2009, then recovering.
- Fenland also saw some interesting variation in average prices for 1 and 2 bedroom homes between September 2009 and September 2010, returning to a more "normal" pattern to March 2011.
- 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.

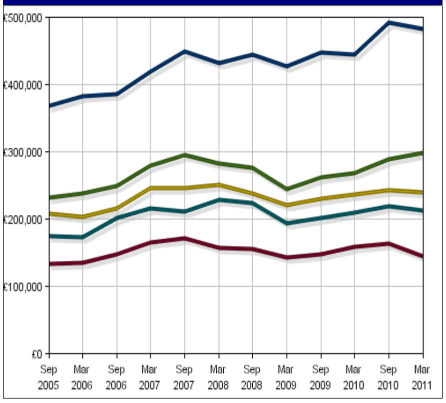
Source: Hometrack's Automated Valuation Model, March 2011.

Key:

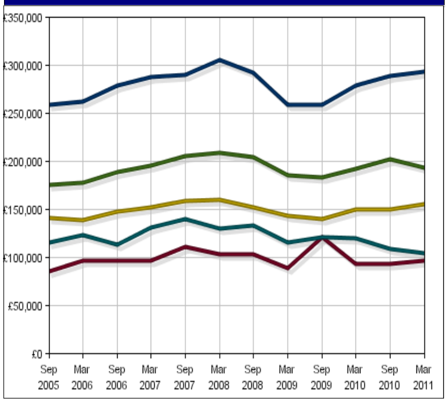
1 bed Prices (Flat) | 2 bed Prices (Flat) | 2 bed Prices (House)

3 bed Prices (House) | 4 bed Prices (House)

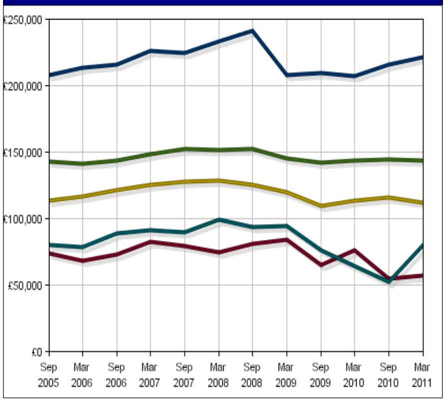
Graph 14: **Cambridge City**



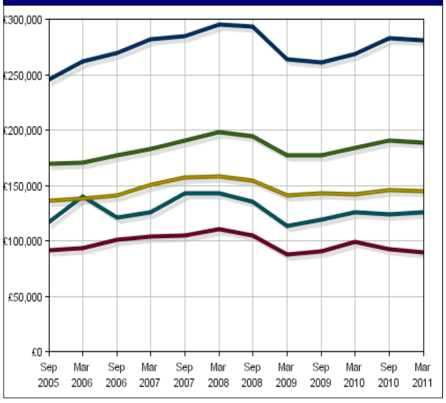
Graph 15: **East Cambridgeshire**



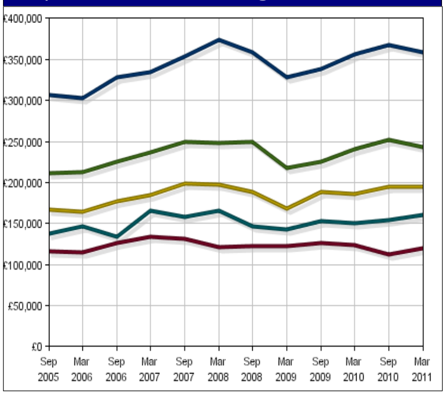
Graph 16: **Fenland**



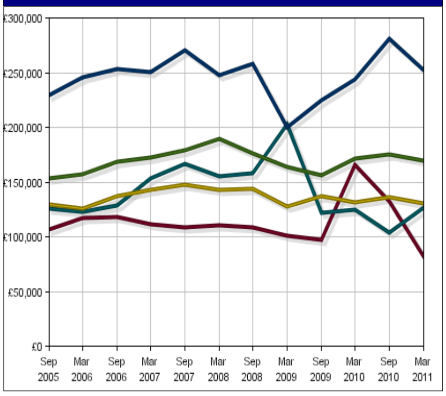
Graph 17: **Huntingdonshire**



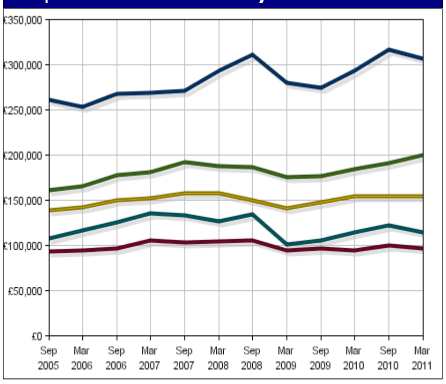
Graph 18: **South Cambridgeshire**



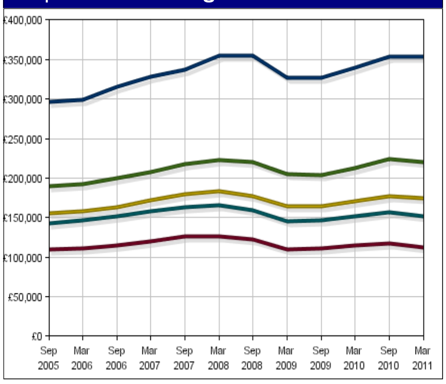
Graph 19: **Forest Heath**



Graph 20: **St Edmundsbury**



Graph 21: **East of England**



Average price per metre square (m²)

Map 7 shows average price per metre square (m²) of all properties selling, at ward level. This is based on sales and valuation data. As there may not be enough transactions to ensure robust data within these small areas, the average prices achieved between April 2010 to March 2011 are used to ensure a robust sample.

Graph 22 shows changes in average price per m² across our seven districts between September 2002 and March 2011.

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

Table 14 shows the change in average prices per metre² between September 2007 and March 2011.

Comment

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

Graph 22 sees each district following a similar trend in price per m² over time, dropping to March 2009, recovering since then and steadying between September 2010 and March 2011. 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 m² for March 2010 and March 2011. All districts show some increase in price per m². Cambridge and St Edmundsbury saw the biggest increases at +£176 and +£102 respectively. Fenland saw the lowest increase, at +£14.

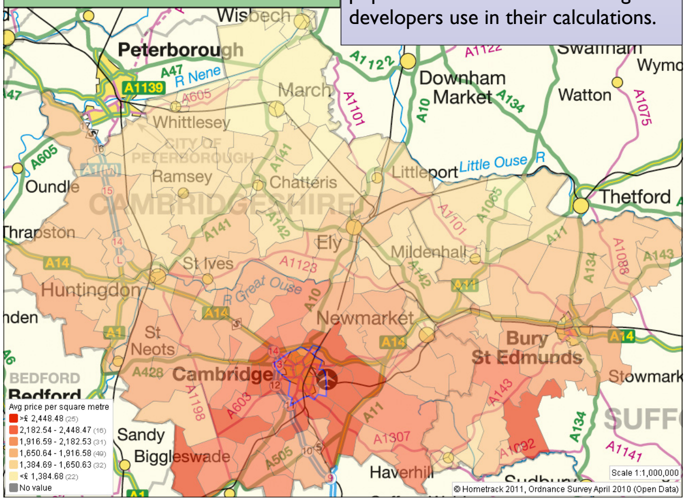
Over this 12 month period, our sub-region experienced an average increase of £71/m²: higher than the increase for both the East of England (+£42) and for England (+£31).

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

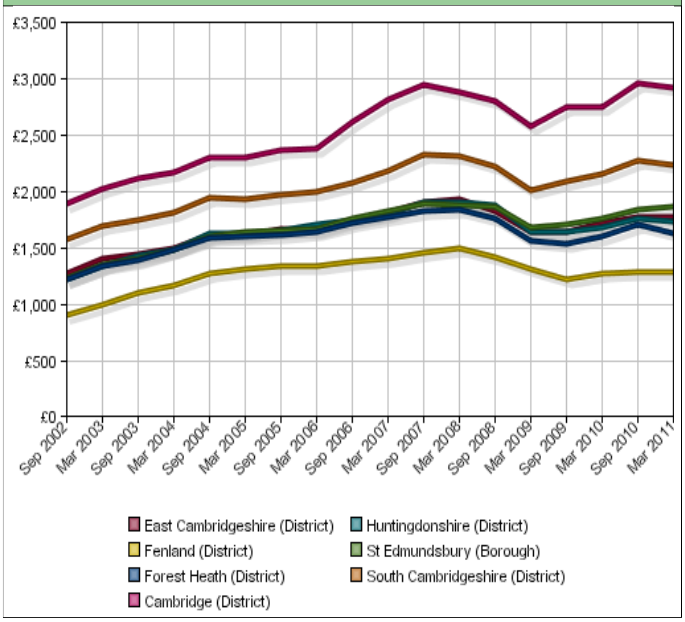
Using price per metre²

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

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



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



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

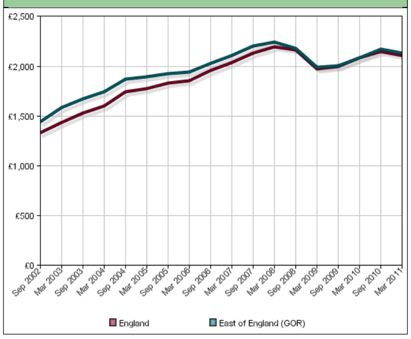


Table 14: **Average price per m² (£)**

	Sep-07	Mar-08	Sep-08	Mar-09	Sep-09	Mar-10	Sep-10	Mar-11	Change Mar-10 to Mar-11
Cambridge	2,955	2,892	2,810	2,578	2,748	2,753	2,968	2,929	+ 176
East Cambridgeshire	1,904	1,929	1,828	1,643	1,641	1,717	1,772	1,770	+ 53
Fenland	1,461	1,499	1,425	1,309	1,221	1,273	1,290	1,287	+ 14
Huntingdonshire	1,904	1,910	1,878	1,644	1,643	1,690	1,763	1,741	+ 51
South Cambridgeshire	2,333	2,323	2,232	2,009	2,091	2,160	2,276	2,242	+ 82
Forest Heath	1,834	1,840	1,767	1,559	1,545	1,609	1,706	1,627	+ 18
St Edmundsbury	1,901	1,878	1,864	1,686	1,711	1,767	1,838	1,869	+ 102
Average for sub-region	2,042	2,039	1,972	1,775	1,800	1,853	1,945	1,924	+ 71
East of England	2,204	2,246	2,180	1,987	2,005	2,088	2,170	2,130	+ 42
England	2,129	2,195	2,167	1,974	1,998	2,081	2,150	2,112	+ 31

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 April 2009 and March 2011. Graph 25 shows the same for England and the East of England. Table 15 shows the average time taken to sell, at three monthly intervals, to help compare district, region and country averages.

Comment

Map 8 highlights that it took longer to sell a home on average in Huntingdonshire to March 2011.

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 February and March 2011.

Graph 25 shows an overall steadying in average selling times for both the region and the country between January and March 2011.

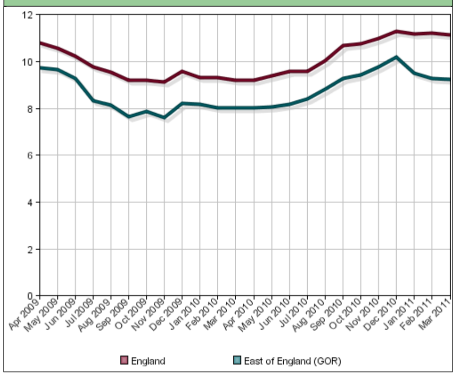
Table 15 shows how our seven districts compare to England and the East of England.

Between March 2010 and March 2011 Cambridge, East Cambridgeshire and Forest Heath experienced a decrease in time to sell, while Fenland, South Cambridgeshire and St Edmundsbury saw a slow down, to varying degrees.

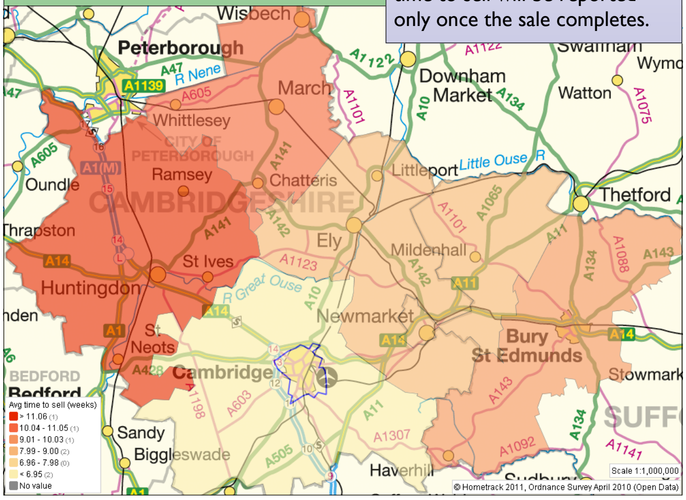
Nationally and regionally the average time to sell increased more than our sub-region, with increases of +2, +1.3 and +0.4 weeks respectively.

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

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



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



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

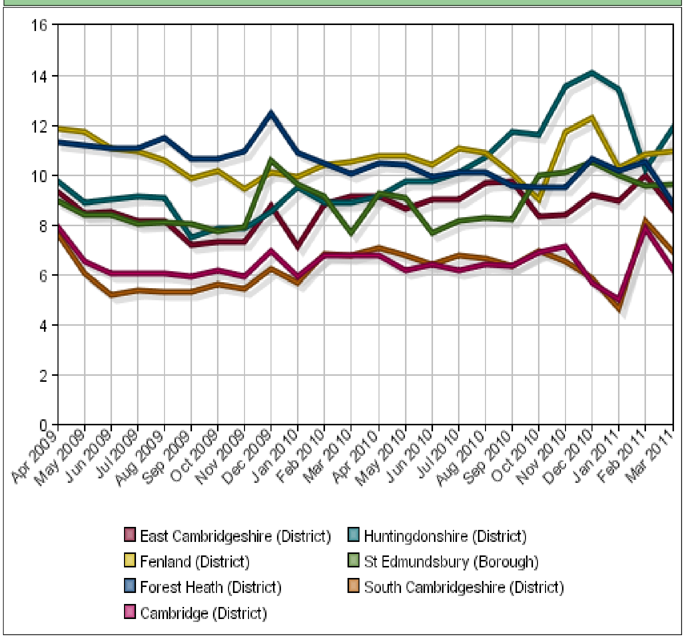


Table 15: **Average time taken to sell** (in weeks)

	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Change Mar-10 to Mar-11
Cambridge City	6.0	5.9	7.0	6.8	6.5	6.4	5.7	6.2	- 0.6
East Cambridgeshire	8.5	7.2	8.8	9.1	9.0	9.8	9.2	8.6	- 0.5
Fenland	11.1	9.9	10.1	10.6	10.4	10.1	12.3	11.0	+ 0.4
Huntingdonshire	9.0	7.5	8.6	8.9	9.7	11.7	14.1	11.9	+ 3.0
South Cambridgeshire	5.2	5.3	6.2	6.8	6.4	6.4	5.9	6.9	+ 0.1
Forest Heath	11.1	10.6	12.5	10.0	10.0	9.6	10.7	8.8	- 1.2
St Edmundsbury	8.4	8.1	10.6	7.7	7.7	8.2	10.6	9.6	+ 1.9
Average for sub-region	8.5	7.8	9.1	8.6	8.5	8.9	9.8	9.0	+ 0.4
East of England	9.3	7.6	8.2	8.0	8.2	9.3	10.2	9.3	+ 1.3
England	10.2	9.2	9.6	9.2	9.6	10.7	11.3	11.2	+ 2.0

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 April 2009 and March 2011. 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 March 2010 to March 2011.

Comment

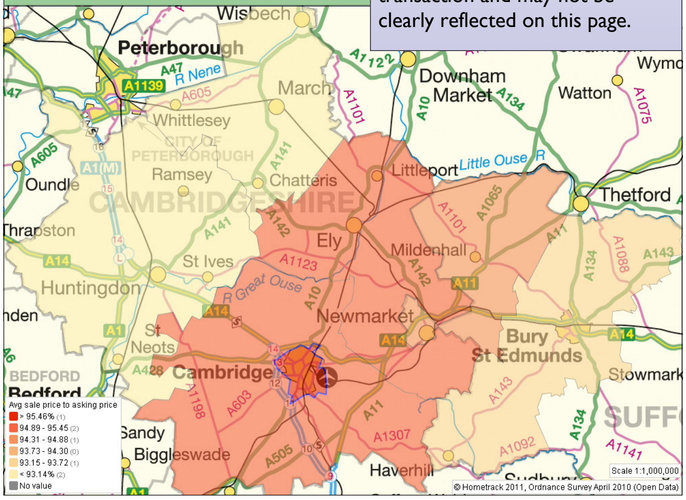
In March 2011 the highest proportion of the asking price achieved is seen in Cambridge, at 95.6%, closely followed by South Cambridgeshire at 95.4%.

Districts showing lower levels of the asking price achieved include Huntingdonshire at 92.7%, Fenland at 93.1% and St Edmundsbury at 93.7%.

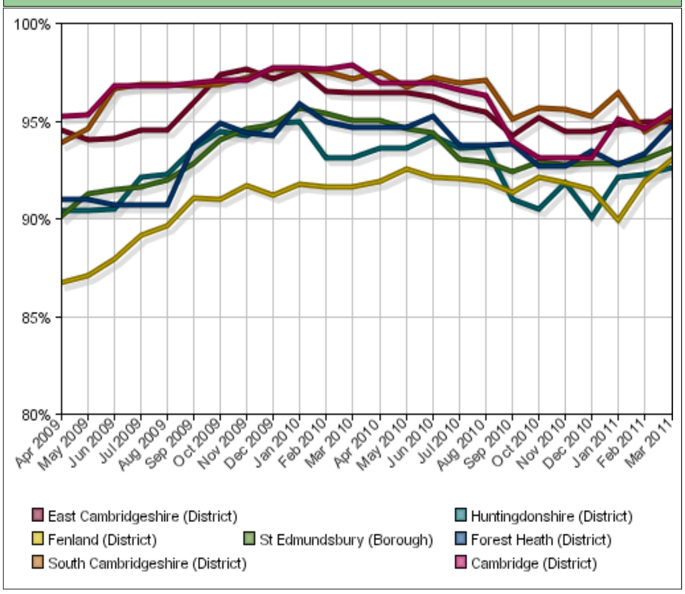
The biggest change between March 2010 and March 2011 was seen in Cambridge, falling by 2.4%, and South Cambridgeshire, falling by 1.9%.

The level of change over these 12 months varied across our sub-region, with a 0.9% average drop, the East of England with a drop of 1.4% and England at a 1.6% drop. However there is some similarity in the trends, when looking at Graphs 26 and 27 side by side.

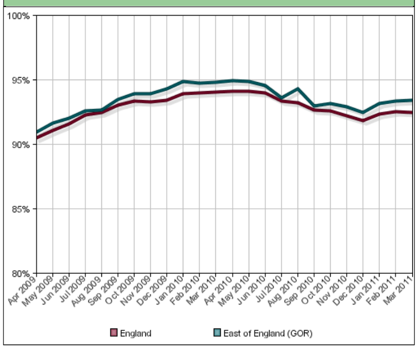
Map 9: **Percentage of asking price achieved**, Cambridge housing sub-region by district



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



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



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

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

	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Change Mar-10 to Mar-11
Cambridge City	96.9%	97.0%	97.8%	97.9%	97.0%	94.0%	93.1%	95.6%	- 2.4%
East Cambridgeshire	94.2%	96.0%	97.2%	96.5%	96.3%	94.3%	94.5%	95.0%	- 1.5%
Fenland	88.0%	91.1%	91.2%	91.6%	92.1%	91.4%	91.5%	93.1%	+ 1.4%
Huntingdonshire	90.6%	93.7%	94.9%	93.2%	94.3%	91.0%	90.1%	92.7%	- 0.5%
South Cambridgeshire	96.7%	96.8%	97.7%	97.2%	97.3%	95.2%	95.3%	95.4%	- 1.9%
Forest Heath	90.8%	93.8%	94.3%	94.7%	95.3%	93.9%	93.5%	94.9%	+ 0.2%
St Edmundsbury	91.5%	92.9%	94.9%	95.1%	94.4%	92.4%	92.9%	93.7%	- 1.4%
Average for sub-region	92.7%	94.5%	95.4%	95.2%	95.2%	93.2%	93.0%	94.3%	- 0.9%
East of England	92.1%	93.5%	94.3%	94.8%	94.6%	93.0%	92.5%	93.5%	- 1.4%
England	91.6%	93.0%	93.4%	94.1%	94.0%	92.7%	91.8%	92.5%	- 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 March 2011. This is a useful indicator of the health of the housing market, assuming that in a healthy market, less viewings are needed before a sale is achieved, and reflects the overall 'enthusiasm' of the market.

Graph 28 shows the number of viewings per sale for each of our seven districts, and changes between April 2009 and March 2011. 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 June 2009 and March 2011, and the change between march 2010 and March 2011.

Comment

To March 2011 St Edmundsbury saw the highest number of viewings per sale at 12.6, possibly due to new developments coming forward, attracting viewings but possibly not sales in many cases. Huntingdonshire follows at 11.7 views per sale.

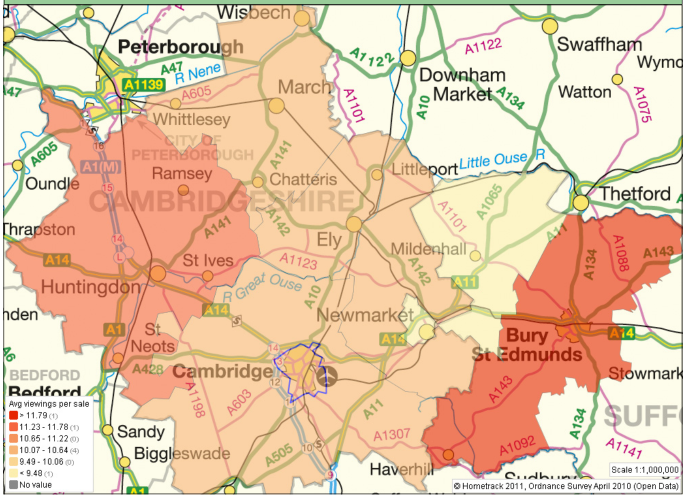
The overall pattern is fairly erratic, looking at Graph 28, but a general trend to reduced viewings per sale from February to March 2011 could be a positive sign.

At March 2011 across the housing sub-region an average of 10.6 viewings were needed per sale, slightly higher than the East of England average at 10.5 and lower than the whole of England at 11.8.

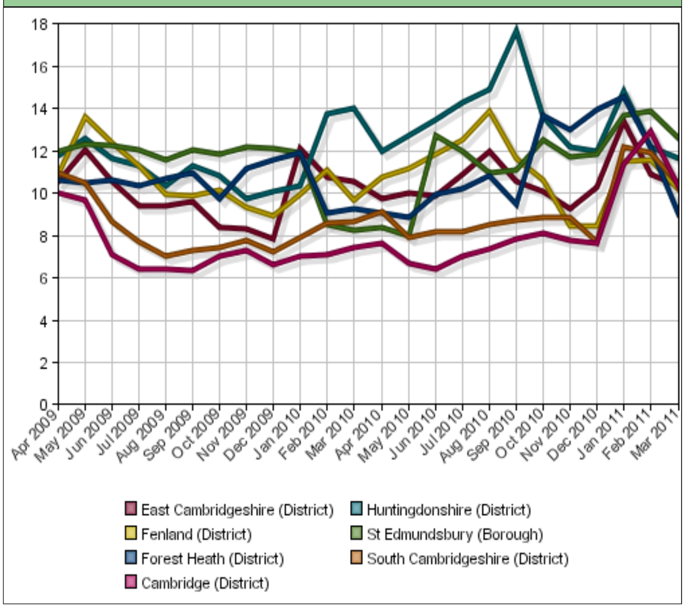
Comparing change between March 2010 and 2011, the sub-region saw an average increase of one view per sale, while the region saw +0.4 and England +0.8.

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

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



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



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

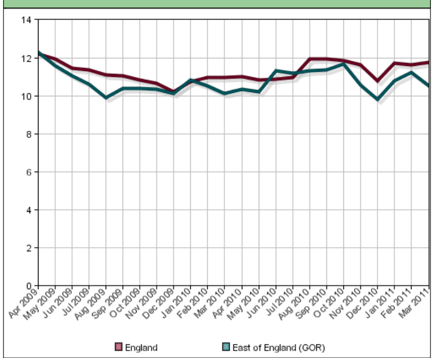


Table 17: **Average number of viewings per sale**

	Jun-09	Sep-09	Dec-09	Mar-10	Jun-10	Sep-10	Dec-10	Mar-11	Change Mar-10 to Mar-11
Cambridge City	7.1	6.4	6.6	7.4	6.4	7.9	7.6	10.3	+ 2.9
East Cambridgeshire	10.6	9.6	7.8	10.6	9.9	10.6	10.3	10.4	- 0.2
Fenland	12.4	9.9	8.9	9.6	11.9	11.6	8.4	10.1	+ 0.5
Huntingdonshire	11.7	11.3	10.1	14	13.5	17.7	12.0	11.7	- 2.3
South Cambridgeshire	8.7	7.3	7.3	8.7	8.2	8.8	7.7	10.4	+ 1.7
Forest Heath	10.6	11.0	11.6	9.2	9.9	9.5	13.9	9.0	- 0.2
St Edmundsbury	12.3	12.0	12.1	8.2	12.7	11.1	11.9	12.6	+ 4.4
Average for sub-region	10.5	9.6	9.2	9.7	10.4	11.0	10.3	10.6	+ 1.0
East of England	11.1	10.4	10.1	10.1	11.3	11.4	9.8	10.5	+ 0.4
England	11.5	11.1	10.2	11.0	10.9	11.9	10.8	11.8	+ 0.8

Affordability ratios

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

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

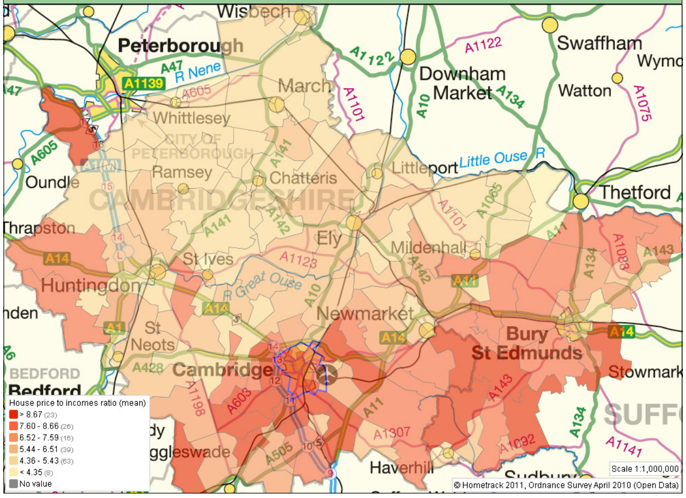
Table 18 shows the ratio of lower quartile incomes to lower quartile house prices, reflecting the lower end of the market. Table 19 shows the average ratios for the seven districts in the sub-region between February 2009 and March 2011, and the average for the seven dates shown. These averages are all calculated using data for the previous 12 months, so for example the February 2009 column relies on data gathered between March 2008 and February 2009.

Comment

Generally homes are less affordable in the south of our housing sub-region, as shown on both maps. Although the average affordability multiplier for the housing sub-region was 6.4 at March 2011, this masks a wide variety of affordability ratios for each district: from 9.2 in Cambridge down to 4.9 in Fenland. For each district, the multiplier has remained fairly steady from December 2010 to March 2011, with the average remaining the same overall. Across the East of England the average house price to income ratio remained at 6.85 at March 2011 (the same as at December 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. Again these affordability ratios have held very steady between December 2010 and March 2011.

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

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



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

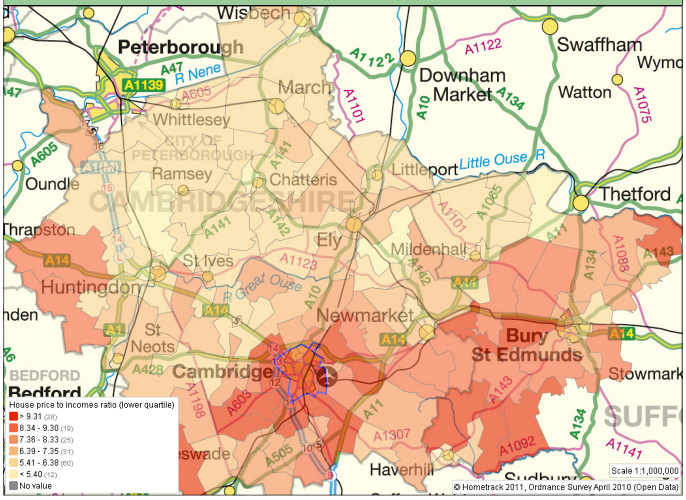


Table 18: **Lower quartile house price to income ratio** (rounded)	Sept-10	Dec-10	Mar-11
Cambridge City	9.3	9.6	9.6
East Cambridgeshire	6.5	6.7	6.6
Fenland	5.8	5.7	5.7
Huntingdonshire	6.1	6.0	6.0
South Cambridgeshire	5.9	7.5	7.5
Forest Heath	7.4	6.1	6.1
St Edmundsbury	6.6	6.7	6.8

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	Mar-11
Cambridge City	8.8	7.9	8.1	8.7	8.7	8.8	8.9	9.2	9.2
East Cambridgeshire	6.3	5.7	5.5	5.7	5.7	5.8	5.9	6.1	6.0
Fenland	5.3	4.9	4.8	4.7	4.7	4.8	4.9	4.9	4.9
Huntingdonshire	5.8	5.2	5.1	5.2	5.2	5.3	5.4	5.5	5.5
South Cambridgeshire	7.4	6.6	6.5	6.9	6.9	7.0	7.0	7.1	7.2
Forest Heath	5.9	5.3	5.0	5.0	5.0	5.0	5.3	5.4	5.4
St Edmundsbury	6.2	5.8	5.8	6.0	6.1	6.1	6.2	6.4	6.5
Average for sub-region	6.5	5.9	5.8	6.0	6.0	6.1	6.2	6.4	6.4

Affordability: comparing tenures

This set of data compares the weekly cost of property by size across different tenures, and has been included in the Bulletin as this new data has been added to Hometrack and presented in these tables to help compare costs by property size and tenure.

Most of the data is gathered over a year, from April 2010 to March 2011 with the exception of local authority and housing association rents, which are gathered from April 2009 to March 2010.

Data sources

- Local authority rent: The data comes from TSA CORE, and relates to April 2009 to March 2010. This **only** applies to Cambridge and South Cambridgeshire where the local authority continues to manage homes.
- Housing Association rent: Data is based on the RSR data from the Homes and Communities Agency.
- Intermediate Rent: This weekly cost represents 80% of the median rent for advertised private rented properties in the local area.
- Private rent; The weekly cost of private renting is the median rent for advertised properties in the local area.
- Buying: Where data is shown for the cost of buying with a mortgage, the figure is based on the capital and interest cost of servicing a mortgage for 85% of the median value of a property in the area, based on a 25 year mortgage term and the average prevailing mortgage rate.
- HomeBuy: The weekly cost of buying a 40% share through HomeBuy is derived from median house prices and does not include ground rent or service charges. RSL rents are assumed at 2.75% and mortgages payments are derived from average building society rates. Loan-to-value is assumed at 85% in all cases i.e. it is assumed that the buyer has made a 15% deposit on the portion of the property they have bought.
- A "new build" sale or valuation is one that takes place where the property was sold or valued in the same year it was built.

Comment

This page has been added to see if readers welcome a comparison of the cost of different tenures, by size and district.

Values are not always available, depending on the number homes being sold or rented within each tenure and district. For example of there were no new build homes for sale in Fenland in March 2011, no value appears in the table.

Due to the number of variables, for this "trial run" the data is simply presented in table form. As always, comments and feedback are welcome on the whole Bulletin, and particularly about this new table.

In our next edition we plan to present the results of the County Council survey of new homes built in our area.

Source: Data sources specified above. Latest data released March 2011.

Table 20: Comparing weekly cost by tenure, district and size (rounded to the nearest whole pound £)

	Local Authority rent	Housing Association rent	Intermediate rent	Private rent	Buying a lower quartile resale	Buying an average resale	Buying 40% share through HomeBuy	Buying a lower quartile new build	Buying an average new build
Weekly cost of a 1 bed									
Cambridge	60	76	134	167	144	167	115	165	194
East Cambridgeshire	-	79	91	114	98	112	77	-	-
Fenland	-	69	74	92	52	69	48	-	-
Huntingdonshire	-	73	86	107	77	100	70	122	135
South Cambridgeshire	66	80	115	144	122	133	91	123	128
Forest Heath	-	68	91	114	83	107	75	111	117
St Edmundsbury	-	71	97	121	92	106	74	100	133
Weekly cost of a 2 bed									
Cambridge	73	88	166	207	189	211	148	197	253
East Cambridgeshire	-	90	110	137	110	128	84	79	122
Fenland	-	75	97	121	65	74	51	-	-
Huntingdonshire	-	76	106	132	115	128	91	139	150
South Cambridgeshire	76	85	137	171	147	166	122	189	203
Forest Heath	-	79	110	138	109	121	83	99	111
St Edmundsbury	-	77	114	143	114	133	91	124	144
Weekly cost of a 3 bed									
Cambridge	87	112	194	242	259	304	207	266	278
East Cambridgeshire	-	98	129	161	178	204	141	200	222
Fenland	-	81	115	144	129	155	107	147	166
Huntingdonshire	-	88	124	155	169	195	135	181	214
South Cambridgeshire	82	-	157	196	216	250	171	230	256
Forest Heath	-	78	157	196	153	175	121	172	197
St Edmundsbury	-	85	144	180	169	200	137	196	213

Contact us, care of:

Sue Beecroft
Housing Co-ordinator
Cambridgeshire Horizons

Tel
01223 714044

Fax
01223 714041

E-mail
sue.beecroft@cambridgeshirehorizons.co.uk

Website
www.cambridgeshirehorizons.co.uk

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.

For more information please contact:

Selina Clark
Hometrack Data Systems Ltd
Tel: 0845 013 2395 E-mail: sclark@hometrack.co.uk

Edition 9... and beyond

This is the ninth 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

The Bulletin aims to show market changes, particularly for our sub-region and how it compares to the rest of the East of England, and to England as a whole.

The Bulletin acts as a supplement to our Strategic Housing Market Assessment (SHMA) which is available at:
www.cambridgeshirehorizons.co.uk/shma

As always, your views on the Bulletin are very welcome and if you have any suggestions to improve it, please get in touch using the contact details on the left. We are always keen to hear your ideas and suggestions as we want to make sure the Bulletin helps you get the information you most need!

Looking to the future

Readers may be aware that Cambridgeshire Horizons will cease operations at the end of September 2011.

The Horizons website will still be accessible as a "library" for two years, so you will still be able to access the SHMA and back editions of the Bulletin at:
www.cambridgeshirehorizons.co.uk.

Cambridge City Council will act as "host" to sub-regional housing work and to the housing co-ordinator post.

New bulletins, new SHMA chapters and other sub-regional housing information will have to "migrate" elsewhere. Our September Bulletin will set out where this will be.

Data relates to...	Hometrack release...	Bulletin edition & planned publication...
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 13 July 2012
End June 2012	August 2012	Edition 14 September 2012

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