

Uttlesford Housing Market Report – September 2018 (Q2)

Introduction

This report will give a snapshot of house price data and rental figures at ward level for the second quarter of 2018/19. This information is designed to provide information on the current housing market pressures within the District.

All information is taken from the web based analytics company, Hometrack. (Hometrack.co.uk) This information is based on sales data.

Context

Property prices in Uttlesford are higher than figures for the Region, (The East) due to the district's proximity to London and Cambridge. For example, a new build house is £396,300 for the Region compared to £493,900 for Uttlesford. The price of new builds for the Region has increased by £38,500 compared to new builds in Uttlesford have reduced by £79,100 since June 2018.

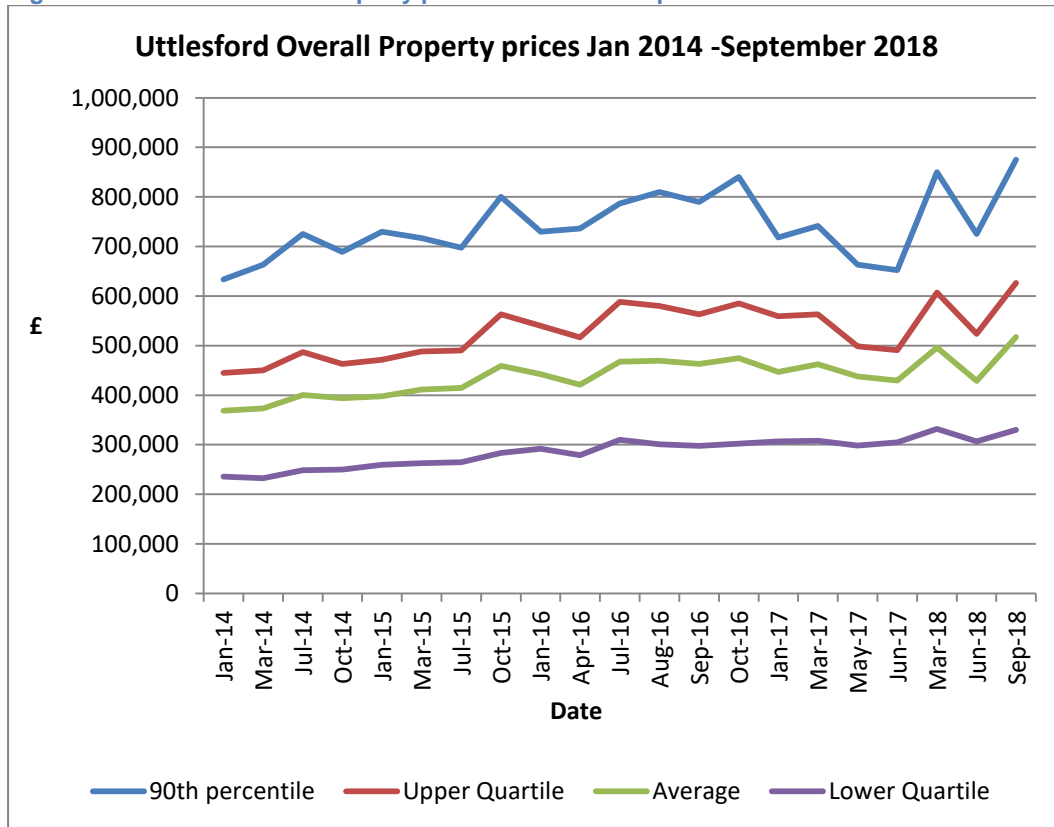
Uttlesford prices over time

Figure 1 provides information on the overall property prices in Uttlesford between January, 2014 to September 2018. The most expensive properties are within the 90th percentile compared to the lower quartile which provides information on the lowest 25% (prices) of properties.

The most expensive properties (90th percentile) have changed from £633,333 (Jan 2014) to £875,000 (September 2018) compared to the lowest properties which have changed from £253,833 (Jan 2014) to £330,000 (September 2018). This is an increase of 38% and 40% respectively over the period.

The most expensive homes have decreased by -34% since June 2017 and September 2018, compared to a decrease of -11% between June 2017 and September 2018 for the cheapest homes.

Figure 1 Uttlesford Overall Property prices Jan 2014 – September 2018

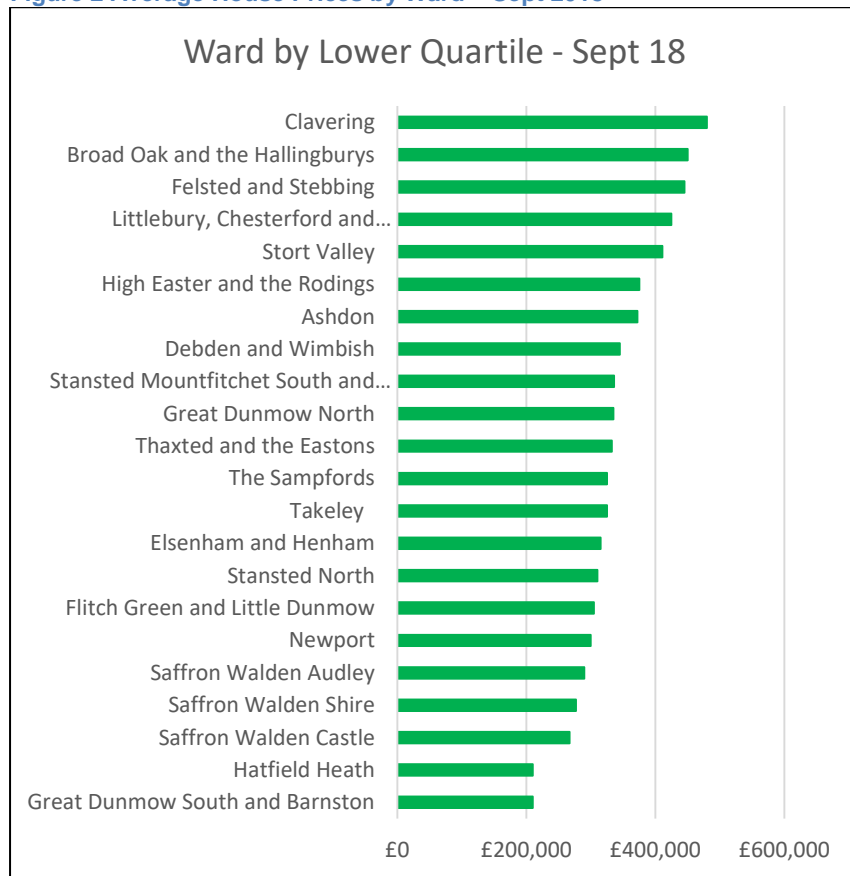


Source: Hometrack October 2018

Figure 2 shows the average property price for September 2018 at ward level. Please note, ward boundaries were changed in 2015, these were amended by Hometrack during the spring of 2016.

The highest average price was for £480,000 for Clavering compared to £210,000 for Great Dunmow South and Barnston. The same wards were the highest and lowest respectively for June 2018.

Figure 2 Average House Prices by Ward – Sept 2018



Source: *Hometrack October 2018*

Properties by bedroom size

This section will look at property prices by bedroom size at ward level.

Data for 1 & 2 bed flats is incomplete and therefore omitted.

Houses

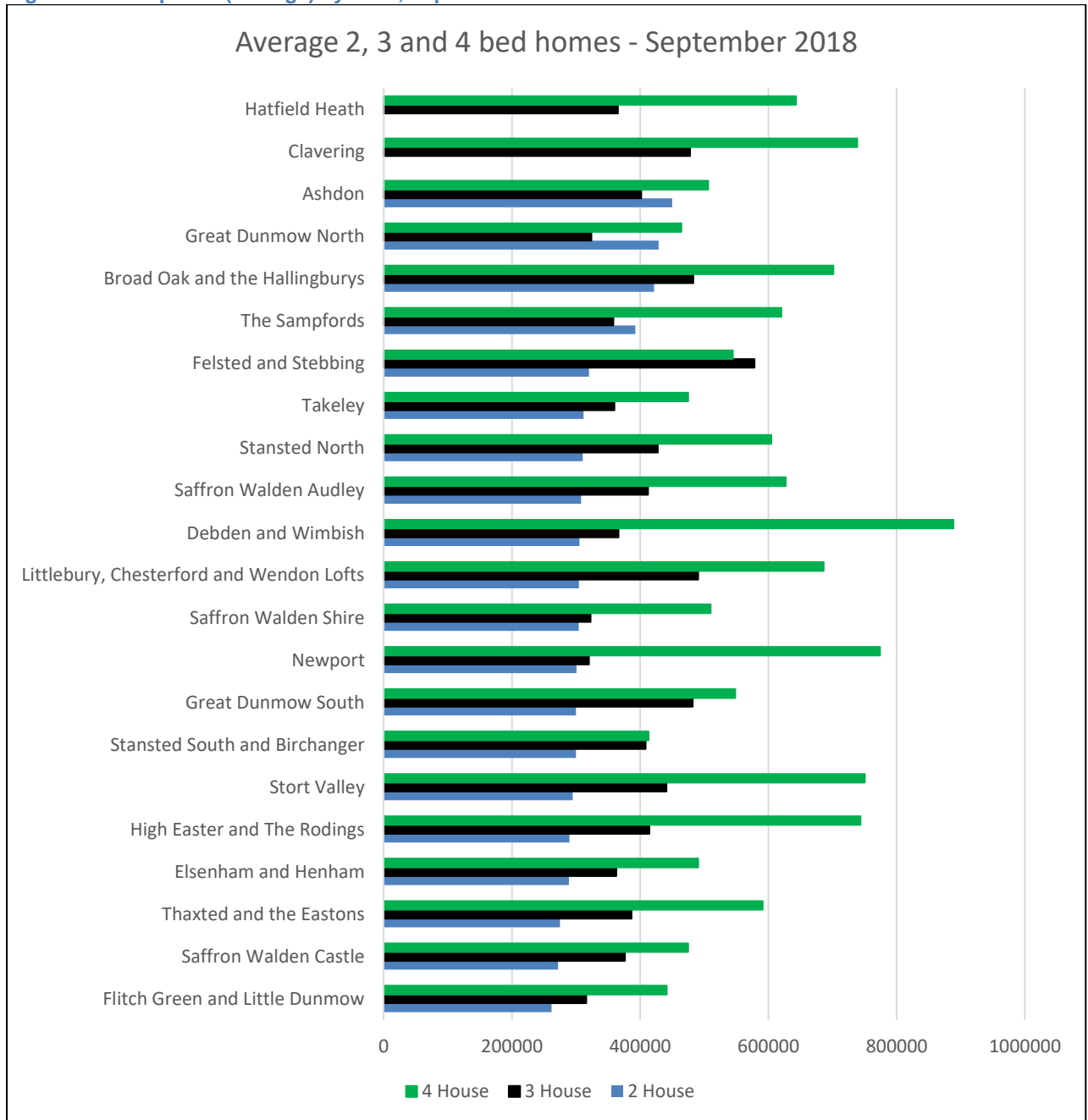
House price data by ward for September 2018 is given in Figure 3 showing the prices for 2, 3 and 4 bed properties. Please note, the chart is sorted to show the price of two bed houses.

The cheapest two bed house is £261,700 (Flitch Green and Little Dunmow) compared to £450,000 (Ashdon).

Three bed properties range from £315,833 (Flitch Green and Little Hallingbury) to £578,333 (Felsted and Stebbing).

Four bed properties were the cheapest in Stansted South and Birchanger at £413,000 compared to £888,571 for Debden and Wimbish.

Figure 3 House prices (average) by ward, September 2018



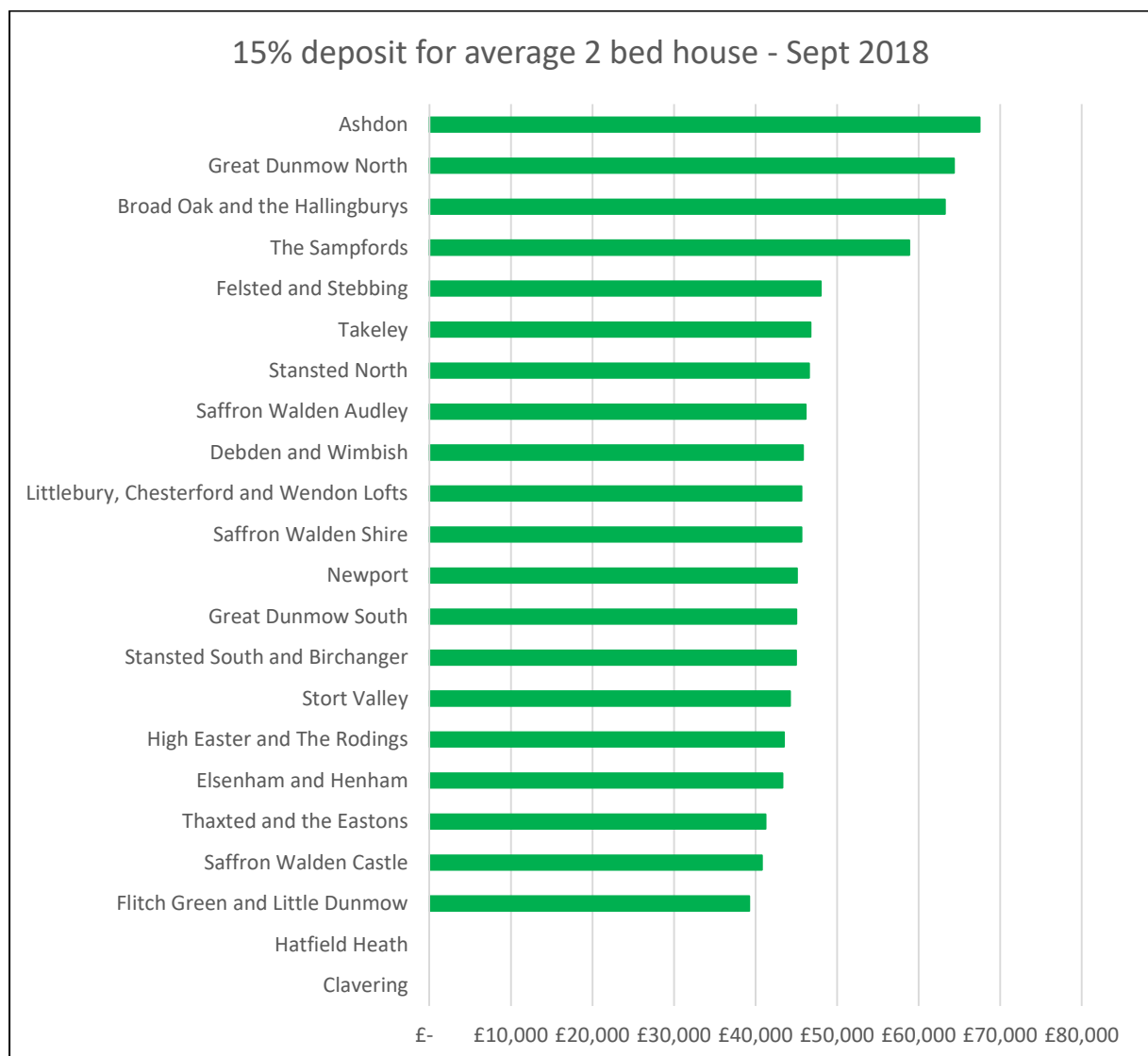
Source: *Hometrack October 2018*

Affordability

The chart in Figure 4 shows the amount of deposit required to purchase a 2 bed house on the open market by ward. The deposit is 15% as per the guidance and analysis from the Hometrack Housing Intelligence System is used.

The ward with the lowest deposit is for Flich Green and Little Dunmow (£39,255) compared to Ashdon which is the most expensive with a deposit of £67,500. House price inflation has led to the deposit requirements rising since June 2018.

Figure 4 Affordability



Source: Hometrack Sept 2018

Income

The District benefits from higher than average wages due to a large number of residents working within the technical and highly skilled professionals.

Sixty percent of residents earn below £34,000pa and 40% earn below £25,000. The overall average income for Uttlesford is £41,000 compared to the median (mid-range) of incomes amounting to £30,000.

To access the cheapest 2 bed property of £261,700 (Flich Green and Little Dunmow) on the open market at Sept 2018, residents would need a joint household income of £63,556.

To meet the housing needs of local residents, the Council requires 40% of development on schemes over 15 units to be delivered as affordable homes. This will include an element of sub market rent and ownership products.

Sub market ownership products include shared ownership or shared equity. The shared ownership product enables purchasers to buy a portion of the property and rent the remainder. A deposit of only 5% is required on this product. Shared equity or Starter Home model allows residents to buy around 80% of the property without any additional rental charges. The standard 15% deposit would be required.

Conclusion

This report has provided a brief overview of the current housing market in Uttlesford at ward level.

Affordability remains difficult but the provision of affordable homes helps meet the needs for Uttlesford residents.