

Uttlesford Housing Market Report – December 2018 (Q3)

Introduction

This report will give a snapshot of house price data at ward level for the third 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 £402,400 for the Region compared to £514,200 for Uttlesford. The price of new builds for the Region has increased by £6,100 compared to new builds in Uttlesford has increased by £20,000 since Sept 2018.

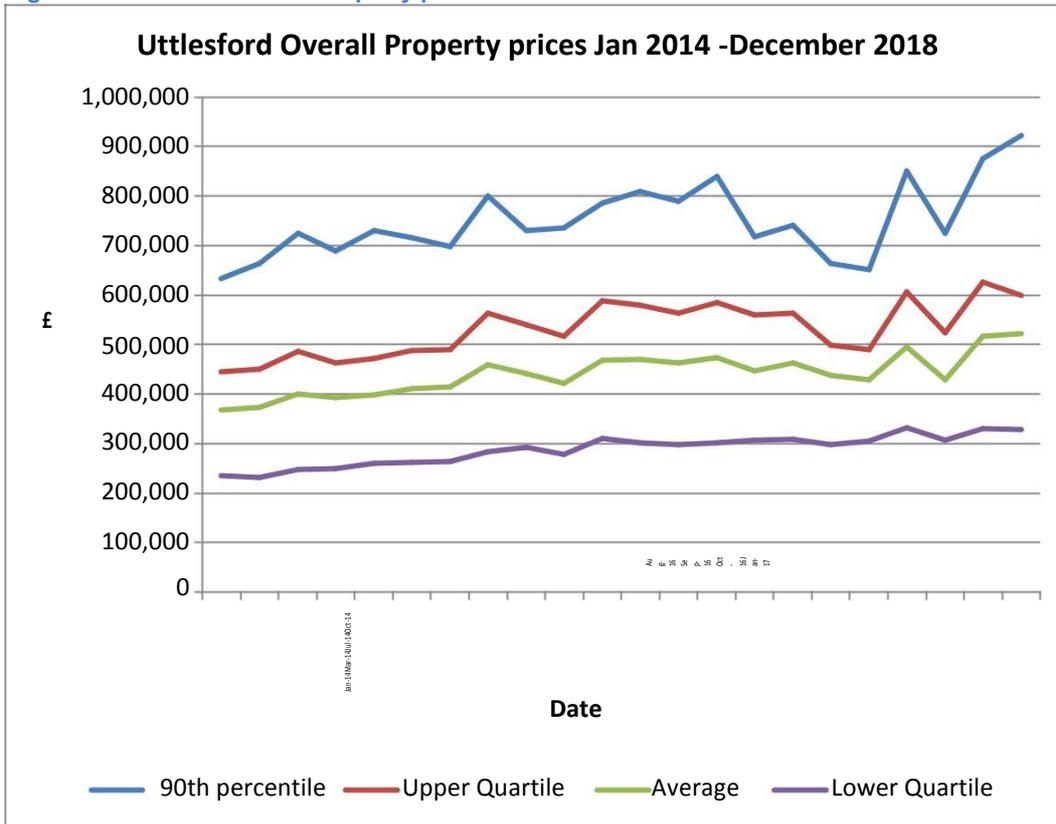
Uttlesford prices over time

Figure 1 provides information on the overall property prices in Uttlesford between January 2014 to December 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 £922,333 (December 2018) compared to the lowest properties which have changed from £253,833 (Jan 2014) to £328,333 (September 2018). This is an increase of 31% and 28% respectively over the period.

The year on year change shows the most expensive homes have increased by 22% since January 2017 and December 2018, compared to an increase of 7% between January 2017 and December 2018 for the cheapest homes.

Figure 1 Uttlesford Overall Property prices Jan 2014 – December 2018

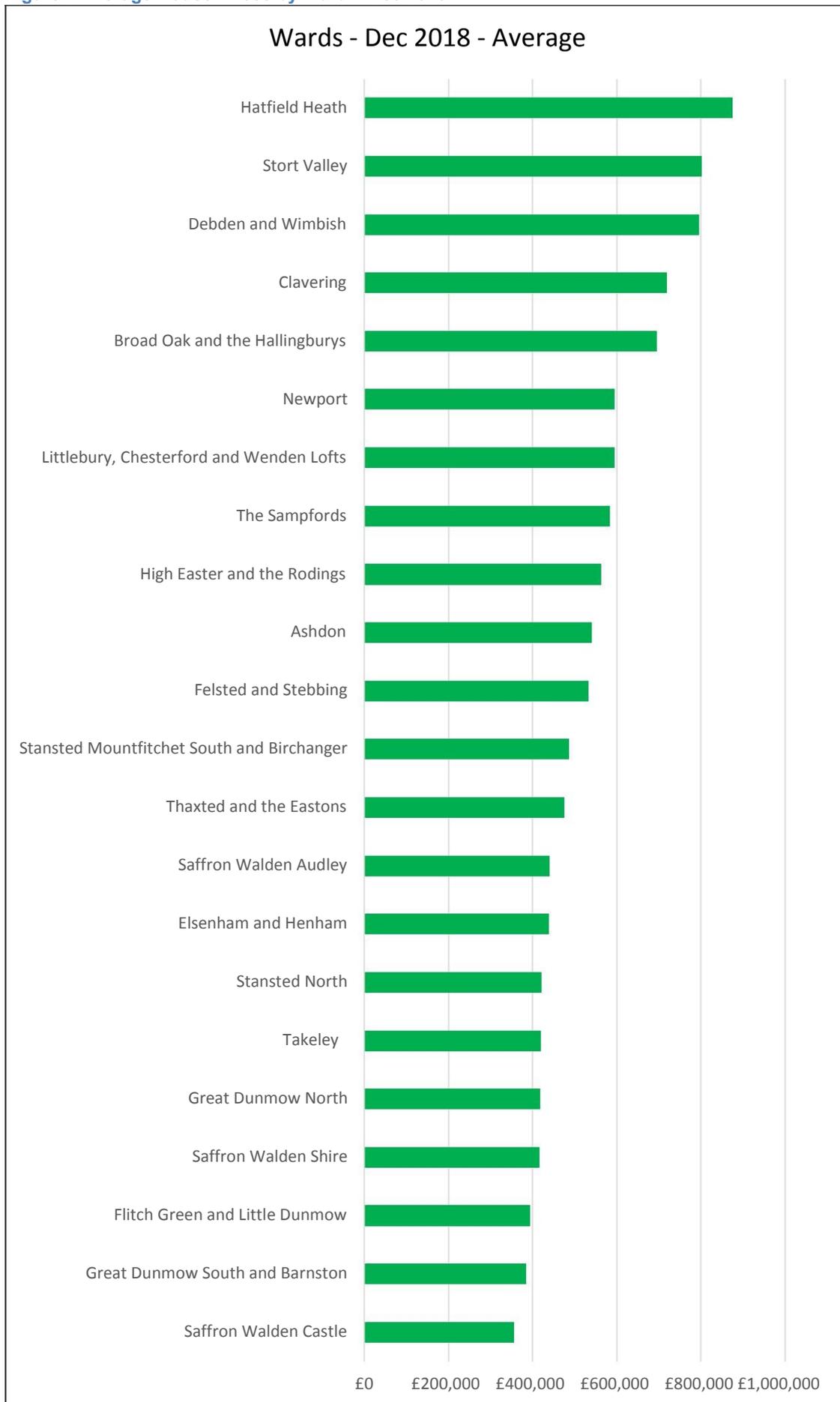


Source: Hometrack January 2019

Figure 2 shows the average property price for December 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 £876,525 for Hatfield Heath compared to £356, 945 for Saffron Walden Castle.

Figure 2 Average House Prices by Ward – Dec 2018



Source: Hometrack January 2019

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 December 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.

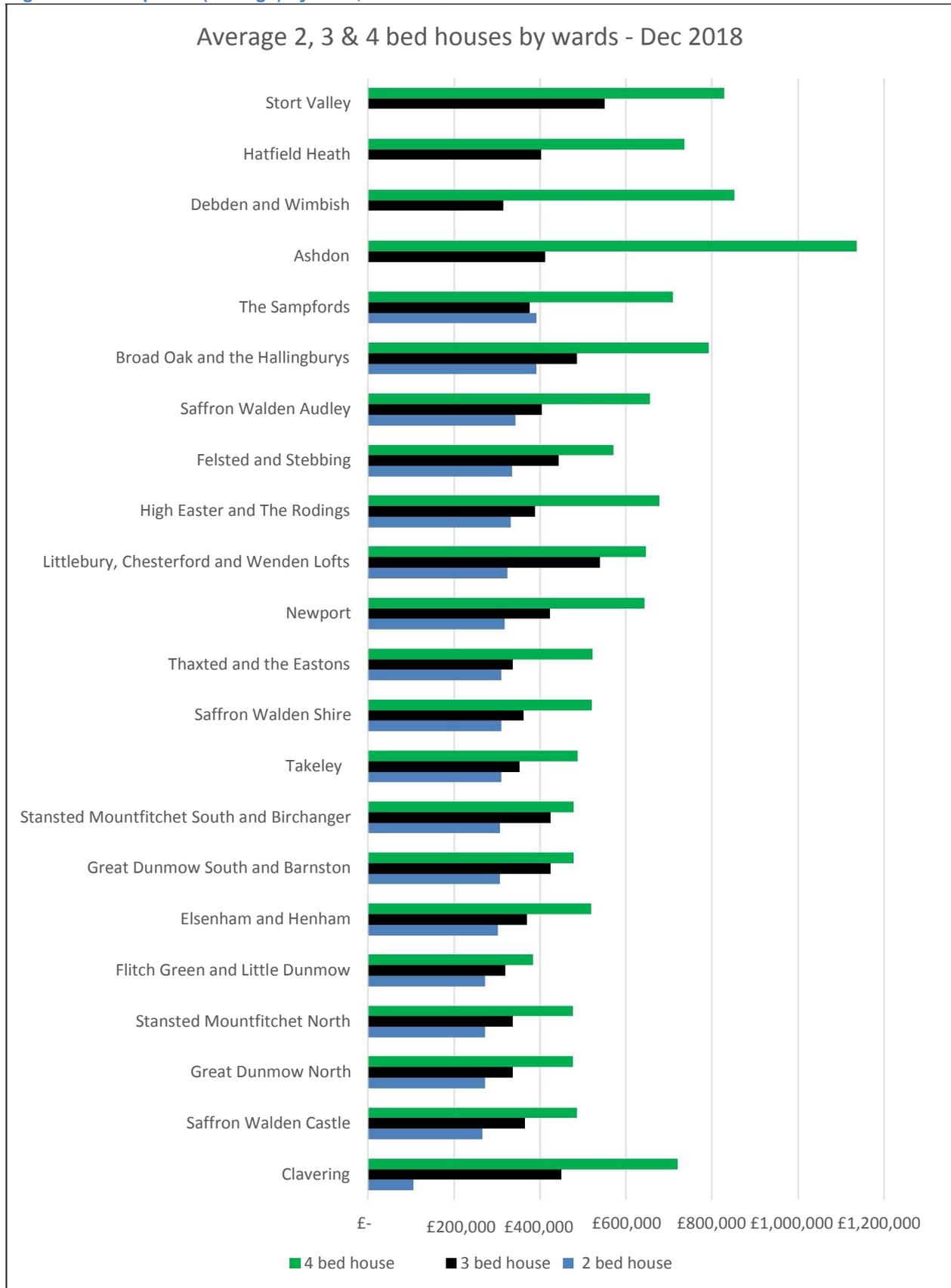
The cheapest two bed house is £106,750¹ (Clavering) compared to £392,500 (The Sampfords).

Three bed properties range from £315,000 (Debden and Wimbish) to £551,571 (Stort Valley).

Four bed properties were the cheapest in Flitch Green and Little Dunmow at £383,375 compared to £ 1,137,500 for Ashdon.

¹The unusually low figure may be the result of one or two shared ownership properties being sold.

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



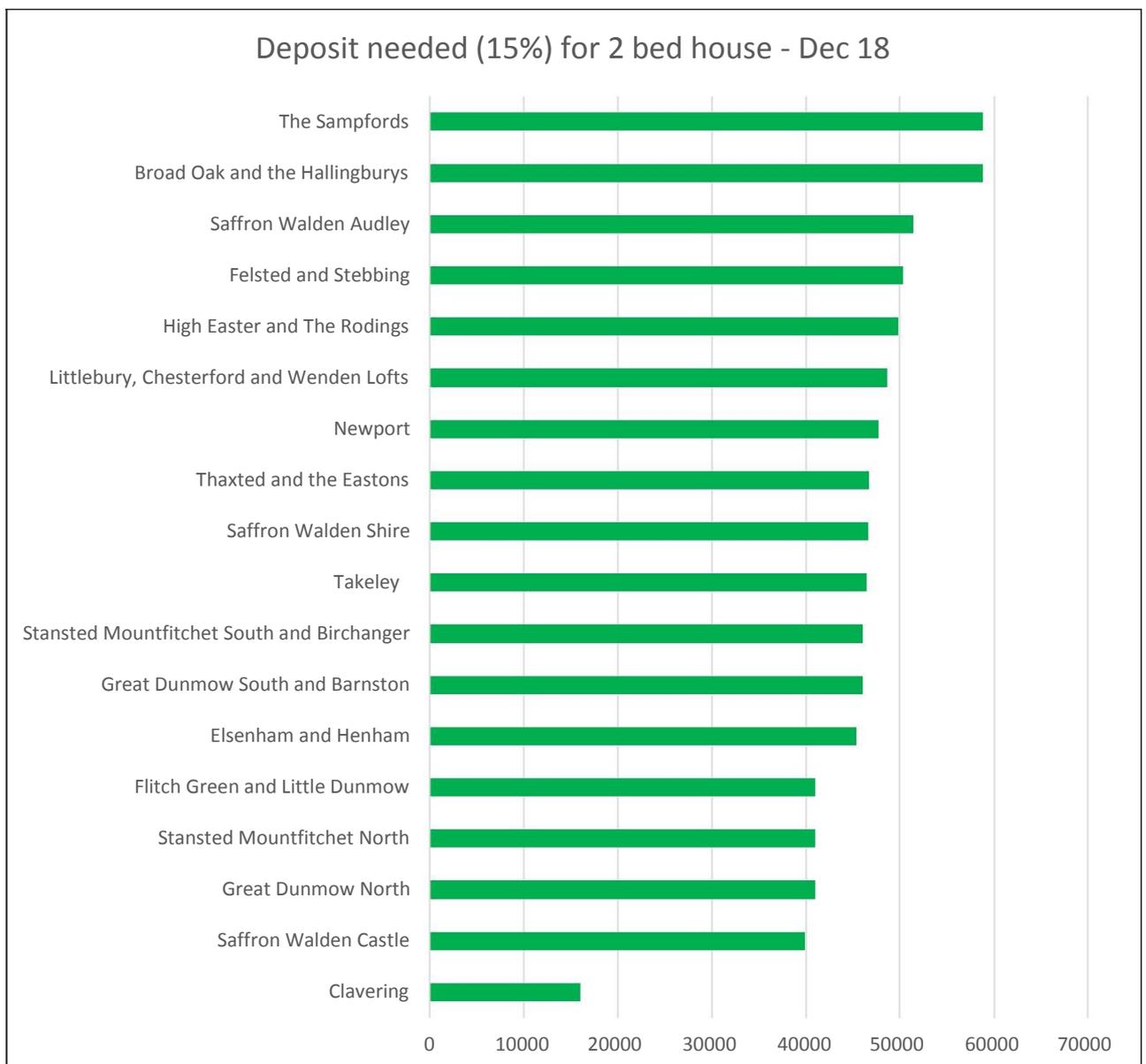
Source: Hometrack January 2019

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 Clavering (£16,013) compared to The Sampfords which is the most expensive with a deposit of £58,875. House price inflation has led to the deposit requirements rising since September 2018.

Figure 4 Affordability



Source: Hometrack January 2019

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 £106,750 (Clavering) on the open market at December 2018, residents would need a joint household income of £25,925. This unusually low cost property may be a shared ownership home and may required additional rental payments inclusive of the mortgage.

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.