



Clavering: Superb house with all the extras - tennis court, swimming pool, double cart lodge – sold for £1,200,000



Steeple Bumpstead: A charming three bedroom period cottage needing modernisation. Sold in two weeks achieving the asking price of £229,950



Wixoe: A most impressive and spacious four bedroom detached residence sold for £449,950

CAN THE HOUSING Momentum be Maintained?

By Martin Walshe FNAEA

All five of Cheffins residential offices have reported a strong market this Spring. Despite the political turmoil of the past few months, demand for good quality homes has increased. In most cases city homes have fared better than those in the villages in terms of price increases, and good quality period homes have had the edge on more modern properties.

One of the clearest indicators are the prices being paid for properties which were sold up to four years ago and have come back on the market. In Cambridge city we are seeing those properties exceeding their 2007 highs. Elsewhere, prices are probably 10 per cent below their previous highs but the gap is closing due to the continued imbalance between supply and demand.



Newnham property which sold well over its guide price

Littlebury:
60 viewings in two
and half weeks -
sold in excess of
the asking price
of £525,000



The big question must be: “Can this momentum be maintained?” With a Con-Lib government we are entering unknown territory. The reaction of the financial markets will play a role in terms of confidence but Cambridge, in particular, has a dynamism that should support the current housing market trend at the middle and upper ends.

Within the Cambridge city catchment area, demand is fuelled by the flow of people taking up jobs in the major institutions like the University and Addenbrooke’s, where planned expansion will continue to draw in new employees. A strong feature of this market has also been Londoners selling up to achieve a better quality of life, a much bigger property and access to top class education facilities.

Clearly the historically low interest rates play a significant part in affordability but the level of demand for quality properties leads to a lot of competition among buyers.

Taking three different properties as recent examples, in Luard Road a large Edwardian property on the market at £1.45 million went quickly to best and final offers with three bids exceeding the guide price by a significant margin. Likewise in Newnham, a 1970s family home went on the market at £575,000 and was agreed, again with three bids over the guide price.

The third example was in St Margaret’s Square, Cambridge. On the market at

£295,000, it attracted an astonishing 87 viewings in less than three weeks, attracted lots of offers and sold through best and final offers at considerably over the guide price.

Cheffins has been enjoying an increasing market share in all its areas. When the economic crisis first emerged, our strategy was to expand our activity not cut back. We increased our marketing spend, extended our opening hours, avoided the heavy staff reductions of other agents and set out, even, to search for the location of a new office to add to the existing network

This positive attitude has been reflected in our business levels – with individual offices recording some of their best selling months ever in the first half of this year. In Cambridge in the week following Easter we agreed terms on some 27 properties, and Mark Peck, Director in our Ely office, reports that March resulted in our best sales for three years and figures for April were almost equal. Period properties in Ely command the best prices with demand partly driven by the quality of schools, such as The King’s, and proximity to a main line railway station with fast services to London.

Schools also play a part in the villages around Ely. Little Thetford, Soham and Stretham are examples of locations where good education facilities boost the housing market. The most popular villages are Haddenham, Wilburton, Little Downham and Witchford.



High Street, Burwell: typical in demand property

Newmarket Market

Neil Harris FRICS, Director in our Newmarket office, says that Newmarket is very buoyant, and has been unaffected by the run up to the General Election. He adds that there has been an increase in properties coming to the market - strongest demand being for non-estate, individual properties. There is, however, still a limited number of first time buyers who are still frustrated by relatively high deposit requirements and strict lending criteria.

In general, values are about 10 per cent below their 2007 highs, both in the town and villages.

What is evident is renewed interest from buy to let investors with the Newmarket area benefiting from a ripple effect from Cambridge.

Neil says that the outlook for residential sales looks very encouraging for the immediate future.



Church Lane, Isleham: another quality property in the Newmarket area which sold well



Luard Road: large Edwardian property on the market at £1.45 million went quickly to best and final offers

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Saffron Walden a Big Draw

Bruce King reports prices near to 2007 highs in the best locations with sales generally very buoyant at all price levels, including properties in excess of £1 million. He says that Saffron Walden is one of the most popular towns in the region for house hunters – good state schools, easy access to London and Cambridge and a pleasant market town. Cheffins' market share is growing steadily.

On the rental side, our office is enjoying good levels of interest from buy to let investors due to high demand of tenants and good growth in property values. Bruce says: "Our Letting department is going from strength to strength with a pro-active professional team offering higher levels of marketing and service to landlords and tenants."

Haverhill New Investment

Jamie Warner reports that within Haverhill we have seen a steady recovery back from the bottom of the market, notably the strongest recovery has been with three bedroom semi and detached properties. We are still around 8-9 per cent down from the peak within this area.

Village individual properties are still holding value and bucking market trends, although we have not seen the same quantity coming to the market within the last 18 months.

At present there is great investment going into Haverhill and the surrounding area, with the completion of the recent Cineworld complex and the new football stadium. Plans are being drawn up for a new retail village on the former Project Furniture site and the long awaited Gurteen's project making in-roads should help to further increase the profile of the area.

Conclusion

There are many reasons for being positive about the future progress of the regional housing market. The recession did not wreak the damage suffered in other regions and the diversity of employment, particularly in mid-Anglia, and the proximity to London are forces for stability. Choosing your agent, though, will play a greater part in the price you achieve for your home than the party you voted for in the general election.



Stretham: Good local schools ensured this property sold well