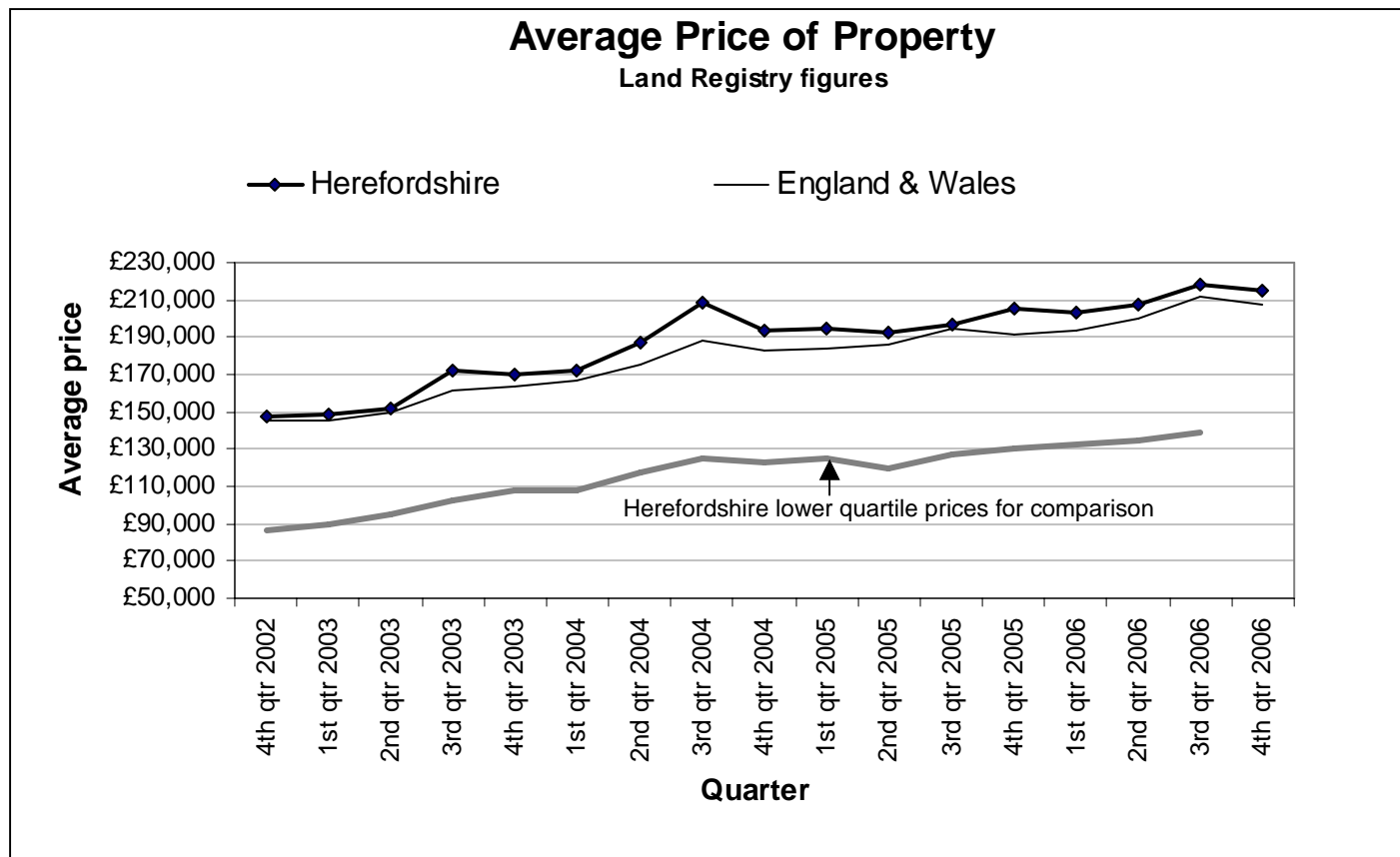


PROPERTY PRICES

*Technical note: in this article, where the word **average** appears, this refers to the **mean**.*

HM Land Registry collects data on house prices from all house sales in England and Wales and the data is published quarterly - the most recent figures were released on 8th February, and cover **October to December 2006**¹. The graph below shows how Herefordshire house prices have changed over the last four years, with a second line showing the average for England and Wales as a comparison. Lower quartile prices for Herefordshire (see definition on the next page) are also shown on this graph.



Note: the lower quartile price for the 3rd qtr of 2006 is provisional & that for the 4th qtr is not yet available

In the 4th quarter of 2006, the average price of a property in Herefordshire was **£215,208** – this is the average calculated from the 892 individual sales that took place. The overall average property price for England and Wales was £207,573 and that for the West Midlands region was £172,152.

Herefordshire's average price has risen by **5%** over the year compared to 8% for England & Wales and 7% for the West Midlands region.

The number of sales continues to show an increase as compared to the previous year – 17% more sales in Herefordshire than the same period in 2005, and 16% more sales across England and Wales.

¹ Note: these figures are subject to slight change with the next release in May 2007 as not all the data is available for the February release, but the amount of change has typically been no more than 1%.

The table below gives Herefordshire prices broken down by property type compared to England and Wales.

Average prices of different types of property in Herefordshire, England & Wales

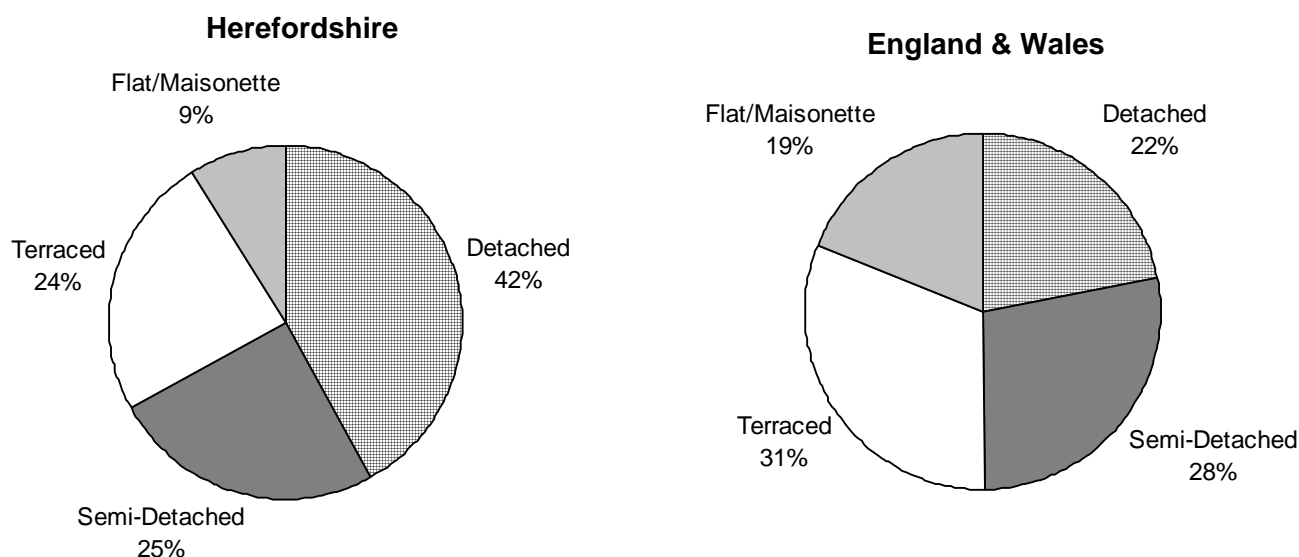
					Overall average price
Hfds Oct - Dec 2005	£292,014	£168,968	£145,311	£134,905	£204,875
Hfds July - Sep 2006	£299,652	£179,331	£150,892	£124,498	£217,892
Hfds Oct -Dec 2006²	£294,931	£188,730	£153,279	£127,235	£215,208
% Change over the year	1%	12%	5%	- 6%	5%
Average for England & Wales Oct -Dec 2006²	£313,144	£187,717	£163,749	£189,695	£207,573
England & Wales % change over the year	7%	7%	8%	8%	8%

- This table shows that in Herefordshire, all property types except flats / maisonettes have shown some price increase over the past year, ranging from 1% to 12%. The average price of flats / maisonettes in the county shows a decrease but this is not of great significance as flats / maisonettes show more fluctuation than other property types due to the relatively low number of sales - see the pie charts on the next page.
- Prices for semi-detached houses in Herefordshire have shown a particularly large increase since a year ago and the price for these is currently slightly higher than the average for England and Wales.
- Herefordshire prices for the other individual property types are lower than nationally, though the price difference is fairly small for detached houses and terraced houses.

The pie charts below show that Herefordshire has a high proportion of detached properties which is the reason that Herefordshire's overall average price is higher than that for England and Wales, while prices for individual property types are lower in most cases.

² Figures subject to slight change when updated in May

**Volume of sales by property type, July to September 2006³
Herefordshire compared to England & Wales**



Lower quartile prices

The lower quartile price is the figure a quarter of the way along the price spectrum, such that three quarters of prices are higher than this reference point and a quarter of the prices are lower than this. As it represents the lower end of the housing market, it is a useful figure to use when looking at affordability. Lower quartile prices are derived from Land Registry data and are available after a time lag compared to average prices (means) as quoted above. The table below shows the latest available lower quartile prices. The lower quartile price in Herefordshire is 12% higher than that for England & Wales, whereas Herefordshire earnings are lower than the national average, making affordability of housing a key issue for the county.

Lower quartile property prices

		July - Sep 2006 (provisional figure)
Herefordshire	£135,000	£139,000
England & Wales	£119,950	£124,000

Source: CLG (Communities & Local Govt) web site: www.communities.gov.uk

Bank base rate

On the 11th January, the Bank of England base rate rose a quarter percent from 5.00% to 5.25%. Coming on top of rate rises in August and November 2006, this will mean another increase in the monthly mortgage repayment amounts for home buyers.

For further information on the data in this article, please contact the Research Team on 01432 260464, or email researchteam@herefordshire.gov.uk

³ In this case, because we are counting number of sales, the Land Registry's fully updated figures are used, the most recently available being for the 3rd quarter of 2006