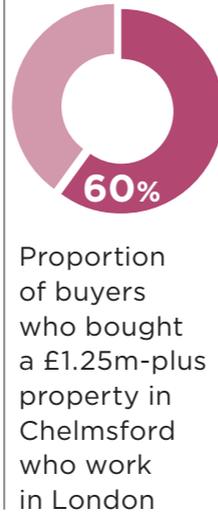
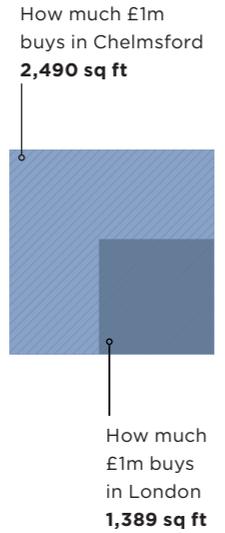


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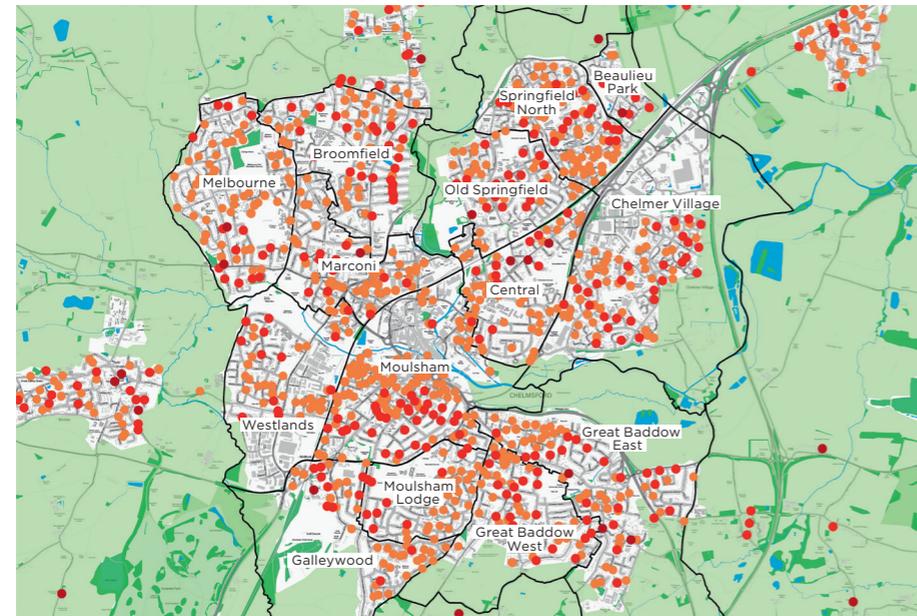
**40%**  
House price growth in Chelmsford in the 10 years to November 2017 (in the same period, the average for England and Wales was 21%)



There's a **72%** difference in the average house price in Chelmsford versus London

**Value variation** Chelmsford prices in the 12 months to November 2017

● Over £800k ● £400k-£800k ● Under £400k



Sources Savills Research using Land Registry

# Outlook

London leavers to remain a key market for Chelmsford

The UK housing market has undoubtedly had new challenges to face over the last three years, and the prime market has remained price sensitive in the wake of stamp duty changes and uncertainty stemming from the vote to leave the EU.

Despite progress in negotiations, we believe that uncertainty over the economic repercussions of Brexit is likely to suppress house price growth during 2018. But once we have a better understanding of our future relationship with the EU, this is likely to bring back a degree of confidence. By 2020, we expect modest price growth to return to the prime market.

Stamp duty has continued to subdue the top end, and with the Treasury reporting record levels

of stamp duty intake, there is little to support the view that this will be cut for high-value homes. As a result, sellers will need to remain realistic in the pricing of their property and ensure it reflects the current market conditions.

However, the price gap between London and the country remains an opportunity, and future growth in Chelmsford will be reliant on the continued movement of buyers from London bringing equity into the country markets.

The factors that are currently driving demand in Chelmsford, such as the fast transport links to the capital, good schools and green spaces, are likely to continue enticing people to the area.

**14.7%**  
Five-year forecast growth for prime markets within half an hour of London

**Savills Chelmsford** Based in Chelmsford since 1957, our team brings local expertise and the wider resources of the Savills network to meet your property needs



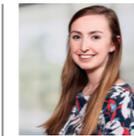
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Spotlight | 2018

# Chelmsford



## INTRODUCTION

Chelmsford presents the best of both worlds. It is close enough to London to be a commuter haven, and yet set within beautiful countryside and a stone's throw from the coast. Reasons why, perhaps, that the city has recently been named best place to live in the East of England in *The Sunday Times* 'Best Places To Live' list for 2018.

Chelmsford's longstanding popularity means there's a variety of housing – from Victorian terraces in central markets such as Moulsham, to family-sized semis in the area formerly home to Marconi and newer developments in Beaulieu Park and around the station.

Beyond the city centre, there are higher concentrations of detached properties in villages, such as Writtle and Danbury.

Since being awarded city status in 2012, there has been significant investment in the city centre. Chelmsford now boasts a riverside shopping, dining and leisure area, including brands such as John Lewis. This attracts people to the city, with demand ranging from young professionals enjoying the quick links to London, to families looking for space and the best schools.



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There's good demand for family housing in and around the city



## PROPERTY PRICES

# Living in Chelmsford

The city is increasingly popular with people leaving London in search of quality, value and space

With a variety of housing of all styles, Chelmsford appeals to many buyers, particularly those moving from London looking for significant value. In the year to November 2017, the average house in Chelmsford was 72% cheaper than London.

**Words** Gaby Day,  
Savills Research

## Market overview

Looking at the Chelmsford market in detail, the average sale price for a secondhand property in the 12 months to November 2017 was £361,000, according to Land Registry. This ranged from £202,000 for a flat to £542,000 for a detached property.

Across the wider Chelmsford area, there is, of course, a variation in value. The most expensive markets are the villages on the outskirts, such as Stock, Little Baddow and Danbury. Here, the average sale price for a secondhand detached property is over £700,000. For a semi-detached property in a more central market, such as the area of Marconi, the average is around £410,000.

Growth in value is being driven by demand for good quality family homes

For a flat within walking distance of the station, such as in Moulsham, the average secondhand sale price over the last year was just over £220,000.

Over the 10 years to November 2017, Chelmsford saw house price growth of 40% – almost double the average for England and Wales (21%) over the same period. London saw house prices increase by 64% over this period, but over the last year growth has slowed as affordability becomes more of a constraint. According to the Office for National Statistics, the median house price in the capital is currently 12.8 times higher than the median income.

As affordability in London becomes more stretched, demand is being pushed out to the commuter belt and more affordable markets such as Chelmsford, fuelling price growth. So, while house prices increased by 1.7% in London over the last year, Chelmsford saw growth of 4.7%.

## Prime market prospers

In the prime markets of Chelmsford, where the average value is around £1 million, prices grew by 3.8% over 2017. This compares with an average fall of 0.7% in similar markets within a 30-minute commute of London.

Successive changes to stamp duty, as well as uncertainty resulting from Brexit, has left the prime markets across the UK feeling price sensitive, with price falls in London and its suburbs. The prime Chelmsford market, however, has bucked the trend, with a 22.7% increase over the last five years – double the average across the prime country markets.

This growth in value is being driven by demand for good quality family homes, often from buyers moving from London looking to take advantage of the price difference.



## DEMAND

# Expanding horizons

Chelmsford appeals to buyers looking to upsize. Great schools and fast links to London add to the city's appeal

With rail journey times to the City taking a little more than 30 minutes, Chelmsford attracts many buyers who work in London's finance sector. Over the past three years, 24% of Savills buyers across the Chelmsford market worked in this sector.

And commuters are prevalent at the top end of the market, with 60% of buyers of property worth more than £1.25 million working in London.

Upsizing to a larger property is the most common reason why people consider Chelmsford, with more than half of Savills buyers doing so over the past three years. These are also likely to be the buyers, accounting for one-fifth in Chelmsford, who are moving from London.

And it's easy to see why. According to the census, almost one-third of

Chelmsford housing stock is made up of detached houses, compared with just 6% in London.

And whereas £1 million in London will buy you just under 1,400 sq ft (less than 1,000 sq ft in the most central markets), in Chelmsford it will buy 2,490 sq ft.

Schools are one of the main drivers of demand for family homes in Chelmsford, particularly King Edward VI Grammar School and Chelmsford County High School for Girls. As such, demand for larger properties within these central catchment areas is high.

Families are further attracted to Chelmsford by its green spaces and historical landmarks, with Hylands House and Park particularly popular.

Rail journey times to the City from Chelmsford are a little more than 30 minutes