



**Greater Norwich Housing Market  
Assessment**

**The Incidence of 'Buy to Let' on Housing  
Developments in the Sub-region**

**November 2006**

# 1 PRIVATE RENTED SECTOR

## 1.1 Summary

This report looks at the levels of private renting at four sites in the sub region.

- Riverside in Norwich – Norwich City
- White Woman Lane in Sprowston – Broadland District
- Cranes Meadow in Harleston – South Norfolk District
- Store Street in Roydon – South Norfolk District

We selected sites outside Norwich to see if the evidence of private renting on new developments in the City also occurs outside of the city. White Woman Lane is a medium density suburban site. Cranes Meadow and Store Street are medium and small sized developments in market towns.

For each site we looked at the land registry entry to identify those properties owned by companies (institutional investors). As part of this investigation we identified a number of properties owned by housing associations.

We compared the land registry details with the electoral register to identify properties occupied by people who are not the owners. By implication the owners rent these properties to the occupiers.<sup>1</sup>

Location	Owner Occupied	Let by individuals	Let by a company	Let by a housing association <sup>2</sup>
Riverside – Norwich	48 (38%)	68 (54%)	8 (6%)	1 (1%)
Cranes Meadow and Store St – South Norfolk	40 (78%)	5 (10%)	2 (4%)	4 (8%)
White Woman Lane – Broadland	65 (88%)	6 (8%)	0	3 (4%)

Detailed results appear in section 1.3.

<sup>1</sup> Where a property has sold since the last update of the electoral register we cannot be sure if the new owner is in occupation or letting the property. We assume the property is not let.

<sup>2</sup> In most cases it appears that the housing association properties are shared ownership.

## 1.2 Conclusions

This research confirms that properties bought to let form a significant part of the market on the Riverside development in Norwich. ‘Buy to let’ is far less important in our three comparison sites.

This research supports the anecdotal evidence of estate and letting agents that many new properties in Norwich are bought to let. However, we cannot be certain, without carrying out further research, that we would get similar results on other new estates in Norwich.

Properties bought to let are important to the housing market. We know from the ORS research that many households that rent in the private sector cannot afford to buy a home. With the implication that without the private rented sector the level of housing need would be higher.

The research also suggests that ‘buy to let’ is an important driver in the sale of new property in the city – if we assume that Riverside is typical of new developments in the city.

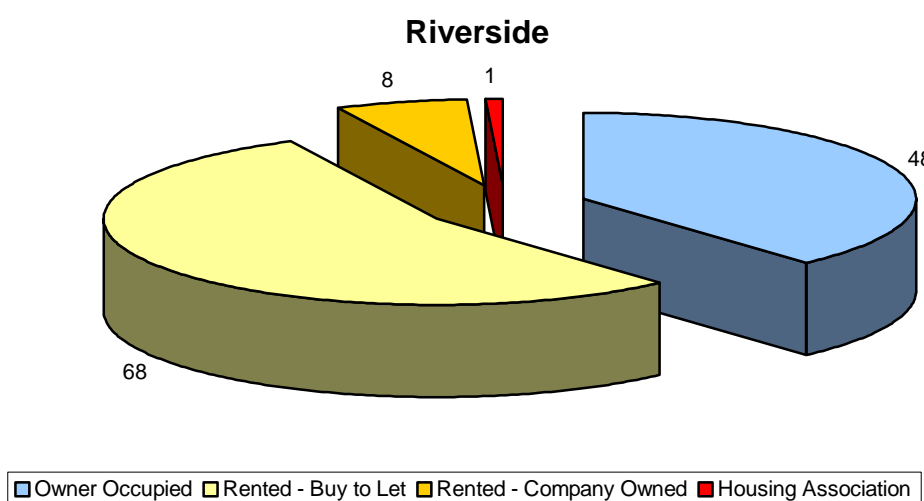
If investors move out of the ‘buy to let’ market there are two immediate implications...

1. Developers may find it difficult to sell new housing in the city. Developers may respond by slowing the pace of new development.
2. Reduced numbers of properties to let in the private rented market may push up rents and force ‘marginal’ tenants to seek affordable housing.

We need to consider how we can monitor trends in the buy to let market as part of regular monitoring of trends in the housing market.

## 1.3 Detailed Results

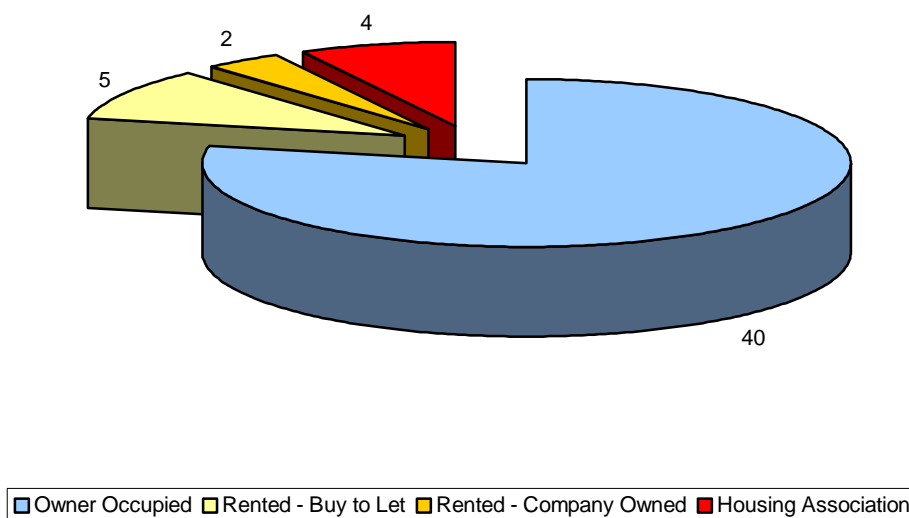
The chart shows the results for the Riverside development.



Many properties have no one recorded on the electoral register. For these properties we looked at the owners address. If this is different to the property address we conclude the property is let.

At Cranes Meadow/ Store Street the results are...

**Cranes Meadow and Store Street**



At White Woman Lane (Mountbatten Drive and Windsor Park Gardens) the results are...

**White Woman Lane**

