



# New Homes Index

Search for luxury new homes soars by 25%

£338,339

Average new home asking price

166,137

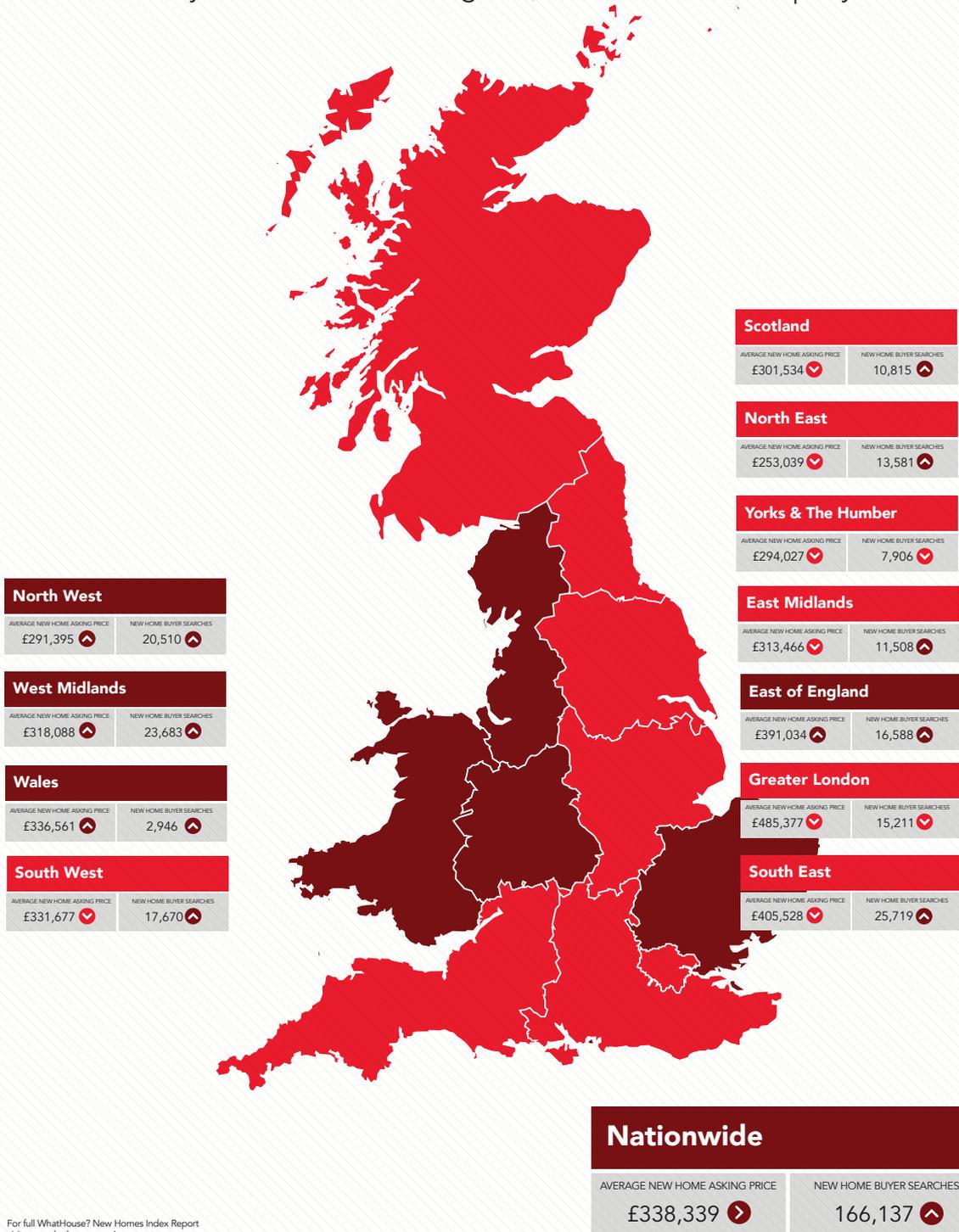
New home buyer searches

## Executive Summary

- The national average price of new home property coming to market has stayed static at £338,339 (£338,042 in June).
- Top three new home search areas during July:
  - 1. South East of England** has demonstrated the most buyer demand during July 2021, achieving 25,719 new home buyer searches.
  - 2. West Midlands** continued its climb for the second month in a row, jumping from third to second position, achieving 23,683 new home buyer searches during July 2021.
  - 3. North East** has secured its first top three search position with 13,581 new home buyer searches during July 2021, representing a 170% increase on June's figures.
- July has achieved a +32% increase in new home demand, recording a total of 166,137 new home buyer searches, compared to 126,199 during June 2021.
- Changing space requirements and lifestyle priorities have resulted in a sharp increase in demand for luxury new homes. Total luxury new home searches increased by 25% during July. The East Midlands, West Midlands, North West and Scotland were top performers - all reported a +45% luxury new home search increase since June.
- While average new home prices across many regions have levelled (-1%) since the sharp growth experienced at the start of 2021, areas including East of England, West Midlands and Wales continue to experience steady, incremental growth (+2%) due to people's changing lifestyle requirements.
- The supply VS demand gap across all regions continues to level out. London and the North West of England are now the only regions to record shortfalls in available new homes.

## New Homes Index – Regional summary

Note: The WhatHouse? New Homes Index is based on data sourced from the WhatHouse? New Homes audience platform. The Index uses data from approx. 400,000 new home buyer searches across England, Scotland and Wales per year.



For full WhatHouse? New Homes Index Report visit [www.whathouse.com/newscentre](http://www.whathouse.com/newscentre)



Region	Price Cap	Average Help to Buy New Build Price
East Midlands	£261,900	£224,166
East of England	£407,400	£324,681
London	£600,000	£448,279
North East of England	£186,100	£161,239
North West of England	£224,400	£196,883
South East of England	£437,600	£317,907
South West of England	£349,000	£250,054
West Midlands	£255,600	£226,406
Yorkshire & The Humber	£228,100	£181,920

## Overview

This month the average price of new build property coming to market continued to level, holding steady at a third of a million pounds (£338,339). July has achieved a +32% increase in new home demand, recording a total of 166,137 new home buyer searches, compared to 126,199 during June 2021. On the whole, supply VS demand gap across all regions continues to level out. London and the North West of England are now the only regions to record shortfalls in available new home homes.

The standout story during July is the continued interest in luxury new homes. Total luxury new home searches increased by 25%, with East Midlands, West Midlands, North West and Scotland all reporting a +45% luxury new home search increase. Looking ahead, we expect this growth to continue, as post-pandemic returns to normal and home buyers can make firm decisions based on new lifestyle requirements.

### Top 3 Demand Growth Regions – July 2021

South East of England	West Midlands	North East
<b>25,719</b> New home buyer searches	<b>23,683</b> New home buyer searches	<b>13,581</b> New home buyer searches



**Daniel Hill, Managing Director,**  
WhatHouse? comments:



“Changing lifestyle requirements continue to re shape the new home market, and nowhere is this demonstrated more clearly than in July’s WhatHouse? New Homes Index. London has been ousted from the top three new home search table, supplanted by West Midlands and North East, both experiencing spikes in search. It’s also interesting to note that total luxury new home searches increased by 25% during July. The East Midlands, West Midlands, North West and Scotland all top performers - reporting a +45% luxury new home search increase since June.

This all points to a large scale post-Covid re-evaluation amongst home buyers.

As employers firm up plans for flexible work-from-home expectations, home buyers are now able to confidently consider space requirements and lifestyle aspirations. What the WhatHouse? New Homes Index is demonstrating is a growing desire amongst buyers to consider luxury new homes in regions that may previously have been beyond their search comfort zone.”

## Home Builders Federation View



**David O’Leary,**  
Policy Director of HBF said;



“As the wider market settles into equilibrium, demand for new homes continues to be robust with many builders reporting strong forward order books. More than ever homebuyers, both first-time buyers and home movers, appear to be putting an emphasis on the low running costs and improved energy efficiency that new homes provide.”

## Housebuilder’s View



**Andy Wren,**  
Sales and Marketing Manager, Marden Homes said:



As we approach the end of covid restrictions we are continuing to see a shift in buyer requirements. The working from home element has and will continue to offer the workforce in some sectors the ability to be flexible in their working arrangements. This continues to filter through in their current searches for new homes with requirements for luxury, space and a general wellbeing feel are now key in their choices”

“This is further backed up as demonstrated in July’s what house index where the luxury homes sector is seeing continued growth in regions outside of the previous popular city locations. Quality builds, luxury finish, outside space and office space at home are key elements and although help to buy remains very strong, we are also seeing continued interest in properties outside of the HTB criteria.”



## Housebuilder's View

**Marcus Evans,**  
Sales and Marketing Director, Newland Homes said:



"We have experienced unprecedented sales success in the last 12 months and in this, our thirtieth year in business, we have sold a record number of new homes. A multitude of factors are at play here. Our development locations are carefully picked and designed so we can deliver on the lifestyle that people are searching for, with established communities, good schools and the countryside on their doorstep.

With a huge shift in culture due to the pandemic, home working and flexible living space is high on a purchaser's agenda. This, coupled with buyers having an appetite for more rural west county locations, has been the anchor of our success in North Somerset.

The environment is also front of mind. As an independent company, our new homes are already climate considerate and we have commenced construction on our first zero carbon homes, well ahead of the Government's timeframe for lowering carbon emissions within the industry.

People are waking up to the realisation that new builds aren't what they used to be."

**Jamie Barrington,**  
Sales Operations Manager of Beal Homes said:



"The WhatHouse? New Homes Index findings are reflected in sales across our developments in Hull, East Yorkshire and Lincolnshire. We're on target to achieve a new company record of completions this year and prices are rising strongly.

"We believe changes in buyers' priorities and aspirations, driven by the pandemic, are here to stay. Our higher specifications as standard appeal to the desire for luxury and there is now an even greater demand for space and flexibility, including for home working. That's a perfect fit for our business model offering every

customer the opportunity to personalise the layout and features of their new home through our Design Lounge service.

Having spent so much time cooped up, customers also want to make the most of their outdoor space and we've responded to that by offering features such as summer houses and garden offices.

Most of our developments are in semi-rural locations, which are now even more popular, post-pandemic. We're also seeing buyers relocating from the South East, seeking improved quality of life and great value for money, now that they can work remotely and no longer have to commute daily into London."

## Housebuilder's View

**Phil Dolan,**  
Managing Director, Anwyl Homes Cheshire and North Wales said:



"The shortfall in supply of new homes in the North West of England is very apparent, especially in rural and semi rural areas with access to good schools and strong communities. There are two factors at play.

There's a huge demand for homes in these areas since the pandemic and the advent of more flexible working, as people realise that they are not tied to living so near to their workplace. They can now look beyond the cities and traditional suburbs. However, there's a lack of available land with planning consent or allocated for housing in sought-after areas. The principle of 'brownfield first' is the right approach but local authorities also need to look at allocating more greenfield land for housing in those areas

which are under the most pressure. Delays in the Greater Manchester Spatial Framework haven't helped either.

People wanting more from their homes is definitely something we are seeing at our Cheshire and North Wales developments and I know that our Anwyl colleagues in Lancashire are experiencing the same. Having spent so much more time at home than usual during successive lockdowns, people have recognised how important it is to have the space they need, both inside and outside their home, together with those extra or 'luxury' features that make life in lockdown more bearable. Space to work from home, faster broadband, private gardens, extra bathrooms, high-end kitchens, etc, have now become must-have items rather than wished-for features."

**Gwyn Jones,**  
CEO, Castle Green Homes said:



"Like many developers, we're experiencing strong demand at our developments across the North West and North Wales and it's clear there is disparity between housing supply and the amount of new land in the pipeline. In order to sustain the growth needed to meet the housing crisis across the region, the Government and local councils needs to address the shortfall and increase housing allocations.

"We have also witnessed a soar in demand for larger, more luxurious new homes, fuelled largely by the pandemic and the impact of lockdown. Many homeowners have come to realise the shortcomings of their current homes. Instead of spending thousands getting an existing home up to standard, they are opting for a readymade new-build home that gives them everything they need, including more space, a private garden and the flexibility to work from home. We've witnessed this first-hand at our Queensbury Manor development in Meols on the Wirral peninsula. It is a small, intimate development of our Signature Collection homes, featuring bigger plots, larger garages and high-end, branded fixtures. It's sold incredibly fast and only two remain."

## Contact

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**If you have any questions about our research  
please get in touch.**

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## About the WhatHouse? New Homes Index

The WhatHouse? New Homes Index is based on data sourced from the WhatHouse? New Homes audience platform. The Index is compiled using a sample representing approx. 400,000 new home buyer searches across England, Scotland and Wales per year and its findings are reflective of WhatHouse? user experiences and geographic market share.

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