



New Homes Index

West of England new home search enjoys 'the holiday effect'

£329,313

Average new home asking price

107,641

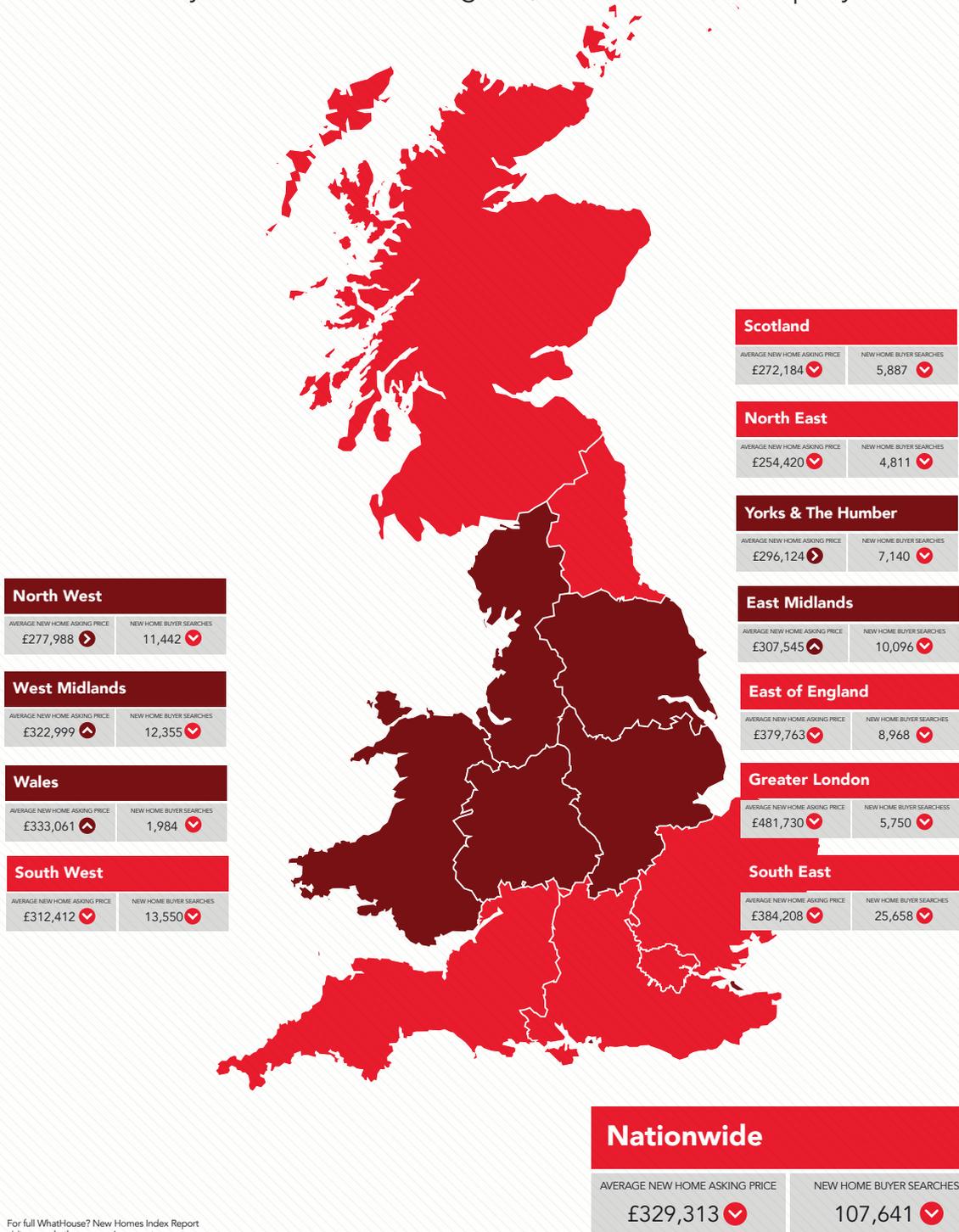
New home buyer searches

Executive Summary

- The national average price of new home property coming to market stayed virtually static at £329,313. This is £5,488 (-2%) lower than the previous data recorded in August, a sign that new home prices are now stabilising.
- Top three new home search areas during September:
 - 1. South East of England** has held onto pole position for the third consecutive month, achieving 25,658 new home buyer searches during September 2021.
 - 2. South West of England** features in the top three new home search areas for the first time, achieving 13,550 new home buyer searches during September 2021.
 - 3. The West Midlands** has held onto its top three spot for the third consecutive month (dropping from second position in August) with 12,355 new home buyer searches during September 2021.
- Overall, September saw a -28% decrease in new home search, recording a total of 107,641 new home buyer searches, compared to 149,521 during August 2021.
- Search for new homes is outstripping supply across the UK. The regions most heavily affected are -
 - 1. South East of England**
 - Search outstripping supply by 24%
 - 2. South West of England**
 - Search outstripping supply by 13%
 - 3. North West of England**
 - Search outstripping supply by 11%
- The South West of England is experiencing the most regional search for new retirement properties, accounting for 19% of total retirement search during September 2021.
- Nationwide search for luxury homes increased by 13% during September, heavily boosted by buoyant buyer interest in Scotland (78% increase) and Wales (57% increased).

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



Region	Price Cap	Average Help to Buy New Build Price
East Midlands	£261,900	£224,463
East of England	£407,400	£328,316
London	£600,000	£442,503
North East of England	£186,100	£157,926
North West of England	£224,400	£185,058
South East of England	£437,600	£355,938
South West of England	£349,000	£288,331
West Midlands	£255,600	£219,323
Yorkshire & The Humber	£228,100	£160,517

Overview

This month the average price of new build property coming to market continued to stabilise. Regions across England and Wales bounced at around the -1% / +1% mark. Scotland, which had experienced a sustained period of very strong growth since the pandemic, is levelling off fastest, experiencing a -9% new home price decrease during September 2021.

Overall new home search has been slow to pick back up following the usual August lull, however this is no surprise when we consider that many people delayed August holidays resulting in a

surge of 4.1m people taking holidays abroad during September.

The supply of new homes remains tight, especially in sought after post-pandemic relocation regions, South East of England, South West of England and North West of England. We expect demand to increase as we enter the traditionally busy autumn period, particularly as people continue to look for homes with more inside and outdoor space and as renters are encouraged to buy their first home through the government's Help to Buy scheme.

Top 3 Demand Growth Regions – September 2021

South East of England	South West of England	West Midlands
25,658 New home buyer searches	13,550 New home buyer searches	12,355 New home buyer searches

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A small red horizontal bar.

Daniel Hill, Managing Director,
WhatHouse? comments:



“The decrease in the number of buyers searching for new homes during September is only an initial snapshot, swayed heavily by the delayed ‘summer’ getaway season as travel restrictions were lifted towards the end of August. Autumn is traditionally a busy period, and we expect buyers who have hesitated during 2021 to see the coming months before Christmas as an opportunity to act on desires to secure more inside and outdoor space or get their first foot on the property ladder.

With so much interest in post-pandemic relocation, search outstripping supply continues to be a challenge. However, early indications point to this situation improving, as nationwide we report a 1% increase in new home inventory. It is imperative that housebuilders take note of the soaring levels of interest in regions including South East of England, South West of England and North West of England and ensure new build properties, that cater for first-time buyers and aspirational second-steppers, are in ample supply via the WhatHouse? platform.”

Housebuilder’s View

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Sharon Spinelli,
Sales and Marketing Director at Robertson Homes comments:



“The dramatic increase in search for luxury homes in Scotland is definitely something we are seeing across the regions; we have sold every plot up until the end of March 2022 and are continuing to see exceptional demand for our product and growth in achieved price.

Clients’ needs are evolving, certainly at the luxury end and people have been especially responsive to our signature garden room; everyone seems to want one. This has had an influence on future development product selection where we are specifying most homes for inclusion of a garden room to meet the changing demands of buyers.

In terms of the search for new build decreasing, I feel it is due to the lack of immediate availability and the timescales for completion pushing way into next year and beyond for many builders. If we released more homes to the market, we do have buyers waiting for future plots. We try at Robertson to keep within a window for forward reservations in order that the build programme dates can be projected more accurately which helps with communication and benefits the customer.”

Housebuilder's View

Jacqui Egan,

Sales and Marketing Director South West, Places for People comments:



"The What House? New Homes Index is a clear indicator of the underlying desire that customers have for home ownership. It is clear that people are thinking about their next property move and we have seen a surge in the popularity of buying homes both in rural and semi-rural locations - which offer the best of country and city living.

This year, at Places for People, we have seen high demand across all of our tenures through our regional businesses which covers the South West and South East of England all the way up to Scotland.

We have seen a soar in demand for new homes which has been fuelled by the impact of lockdowns, with many people realising they need more from their home and opting for new build properties. Our homes are being designed with that in mind, offering everything they require – from a private garden to flexible space in their homes to adapt to their new ways of living and home working.

As a place maker, our focus is on creating friendly and sustainable communities that work for everyone. It's why we offer a range of house types in varying locations – so that customers of all ages and incomes can benefit from our thoughtfully-designed and high-quality homes, close to a wealth of local amenities."

Andy Addison,

Operations Director at Cavanna Homes comments:



"We're not at all surprised by these latest figures for the South West - our home region for almost 100 years.

We have seen a significant spike in new home enquiries through our website, as well as in reservations from people looking to relocate to the Westcountry, particularly close to the coast following a rise in 'staycations' to the area. For example, all the new homes in the first phase of our Bellevue development in the Cornish seaside town of Bude are now reserved, and demand is already building for phase two.

We still have a strong level of buyers looking to move to a new home within 5 miles of their previous address, but the number of people relocating has soared in the past few months with more buyers desiring a new build home over a second-hand property.

Buyers are continuing to look for new properties that offer a better quality of life with more indoor space for home working, and easy access to open green areas to walk, play or cycle and enjoy healthier lifestyles."

Housebuilder's View

Mark Quinn,
CEO, Quinn Homes



"It was interesting to read the WhatHouse? commentary, which very much aligns with our experiences on our key sites across Kent. Enquiries for our new-build properties continue to out-pace the rate at which we can build. The success of our sales team over the past 12 months, particularly with off-plan sales, has ensured that we have not felt the immediate effects of the new home buyer searches falling as reported by WhatHouse? data, albeit we operate predominantly in the South-East which we note has performed strongly for the third consecutive month. This has resulted in strong price growth over the last six months across our five active sites in spite of prices elsewhere seemingly stabilising.

Regardless of this, the holiday effect has certainly been noticeable. Many of our existing buyers have chosen to take delayed summer holidays, along with solicitors and agents, meaning the progress of existing sales has slowed momentarily. This has undoubtedly led to the belief that the speed of the sales market has 'cooled', even if at present the rate of enquiries remains consistent in our area. An interesting sub-plot in the commentary was the 13% national increase in luxury homes searches. We pride ourselves on offering a high-quality specification on all of our sites, and also provide opportunities for luxury self-build and custom-build projects. Our current waiting list for the self-build opportunities by far outstrips our supply, continuing to grow week on week, and we are excited to be bringing forward more of these sites over the next 12 months to meet this demand."

Contact

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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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