

NEW HOMES INDEX

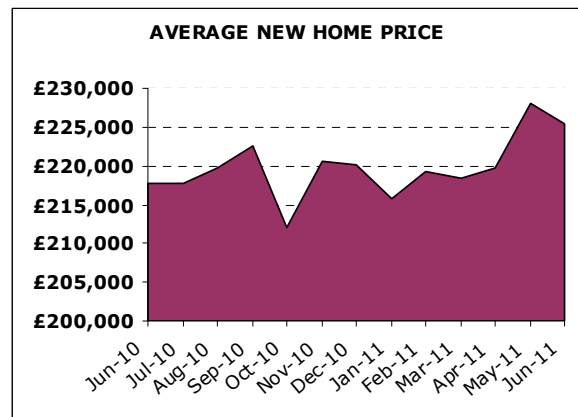
July 2011



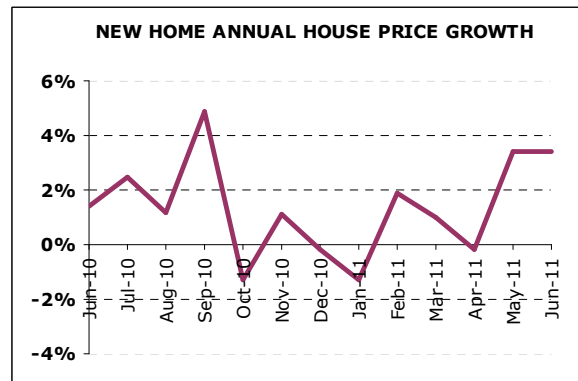
SUMMER DIP IN NEW HOME PRICES BRINGS GREATER VALUE TO BUYERS

	Jun 2011	May 2011
Average price	£225,317	£228,041
Monthly % change	-1.2%	+3.8%
Three monthly % change	+3.2%	+4.0%
Annual % change	+3.4%	+3.4%

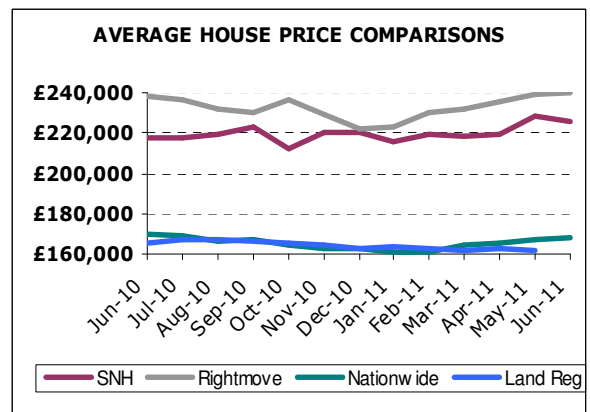
The average price of a new home fell by 1.2% (£2,724) in June to £225,317, the first fall in values since January this year. Positive growth was recorded on a three-month and annual basis, up 3.2% and 3.4% respectively.



Despite a monthly dip in values, prices remain 3.4% higher than in June 2010, suggesting that the new homes market is recovering year on year and remains resilient in the face of continued economic uncertainty.



Values in the wider property market are fluctuating, with Rightmove and Nationwide showing rises in June, while Land Registry recorded a drop in prices in May. Asking prices for new homes remain consistently below Rightmove's asking prices in the wider market, as developers continue to value homes more realistically than other sellers.



REGIONAL BREAKDOWN

SCOTLAND	£222,030
% change 1 month	0.0%
% change 3 months	+1.1%
% change 12 months	-9.2%
EDINBURGH	£222,652
GLASGOW	£226,143

NORTH	£182,107
% change 1 month	+4.6%
% change 3 months	+2.5%
% change 12 months	+1.8%
NEWCASTLE	£240,795

NORTH WEST	£196,872
% change 1 month	+1.9%
% change 3 months	+0.5%
% change 12 months	+10.6%
LIVERPOOL	£147,629
MANCHESTER	£164,124

YORKS AND HUMBER	£181,508
% change 1 month	+6.2%
% change 3 months	+8.0%
% change 12 months	+3.8%
LEEDS	£165,562

WEST MIDLANDS	£180,764
% change 1 month	+2.2%
% change 3 months	+9.2%
% change 12 months	+13.3%
BIRMINGHAM	£179,412

EAST MIDLANDS	£196,804
% change 1 month	+4.3%
% change 3 months	+7.2%
% change 12 months	+8.7%
NOTTINGHAM	£194,554

WALES	£175,347
% change 1 month	-2.7%
% change 3 months	-7.9%
% change 12 months	-3%
CARDIFF	£188,050

EAST ANGLIA	£214,378
% change 1 month	+2.3%
% change 3 months	+0.6%
% change 12 months	-9.1%
CAMBRIDGE	£280,908

GREATER LONDON	£326,897
% change 1 month	+2.4%
% change 3 months	+4.1%
% change 12 months	-18.5%
LONDON	£324,750

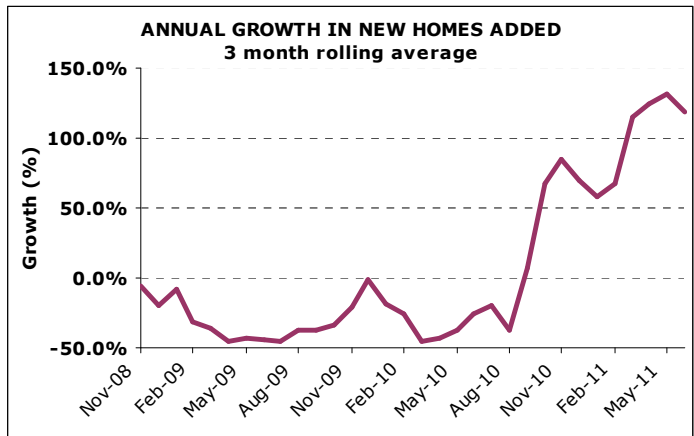
SOUTH WEST	£225,879
% change 1 month	-4.3%
% change 3 months	-5.4%
% change 12 months	+1.3%
BRISTOL	£205,079
EXETER	£212,446

SOUTH EAST	£265,081
% change 1 month	-1.5%
% change 3 months	+7.1%
% change 12 months	+1.9%
BRIGHTON	£322,736

The strongest price growth in July was seen in the North, Yorkshire & Humber and the East Midlands, which saw price rises of 4.6%, 6.2% and 4.3% respectively. The Welsh housing market is still struggling, with new home prices falling 2.7% in June and -3% annually. The Greater London market is showing signs of recovery with a further monthly rise in June, which is helping reduce the annual price fall.

NEW HOMES COMING ONTO SMARTNEWHOMES

Conditions are still extremely challenging for developers, with the CML announcing a 14% drop in gross mortgage lending in June and construction insight company Glenigan reporting a 31% reduction in private housing starts in the three months to June. Some developers are cautiously progressing new sites while wider economic conditions remain weak and mortgage finance continues to be restricted.



Commenting on the data, Steve Lees, Director of SmartNewHomes said:

"Most developers are pricing competitively according to local markets, as part of a strategy to sell quickly and focus on the next project. New homes are currently offering excellent value for money, with asking prices consistently beneath those of second hand homes. We are now heading into the summer holiday season when many people put their homebuying plans on hold, so I would expect the market to slow a little throughout July and August before picking up again in September.

"The regional picture is looking noticeably brighter than it was earlier in the year, with only three of the eleven regions showing monthly price falls in June. This suggests that the worst of the price falls may be behind us in the regions, although it may be some time before we see prices in areas such as the North and East Anglia showing a consistent pattern of growth."

-ENDS-

Notes to Editors

More about the New Homes Index

The SmartNewHomes New Homes Index is a monthly monitor of all new homes promoted on the site. The index is based on both properties and enquiries on the SmartNewHomes website, and records the price of new homes for sale by region and type of property and is mix adjusted, as well as tracking consumer demand for properties on a monthly basis.

SmartNewHomes is the UK's leading new homes website, representing 85% of all new homes for sale in England, Wales and Scotland. Along with its sister sites **email4property**, **Zoomf** and **homesoverseas**, it forms part of Trinity Mirror Digital Property.

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