

# NEW HOMES INDEX

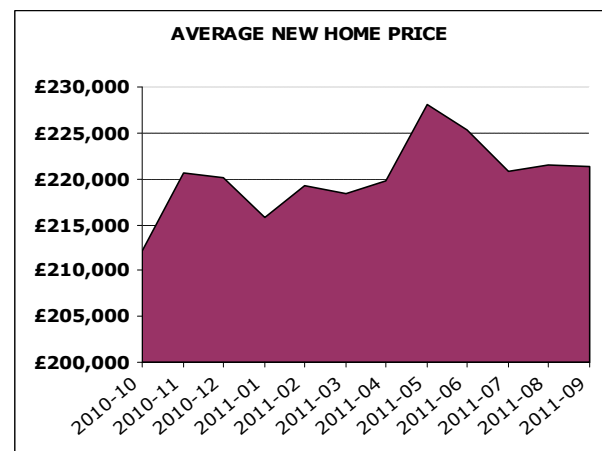
October 2011



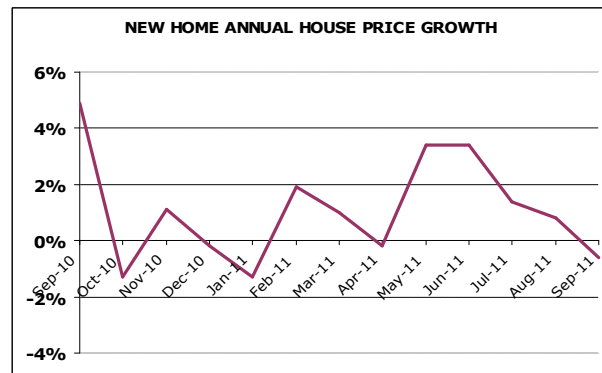
## NEW HOME SHORTAGE WORSENS

|                        | September 2011 | August 2011 |
|------------------------|----------------|-------------|
| Average price          | £221,276       | £221,418    |
| Monthly % change       | -0.1%          | +0.3%       |
| Three monthly % change | -1.8%          | -2.9%       |
| Annual % change        | -0.6%          | +0.8%       |

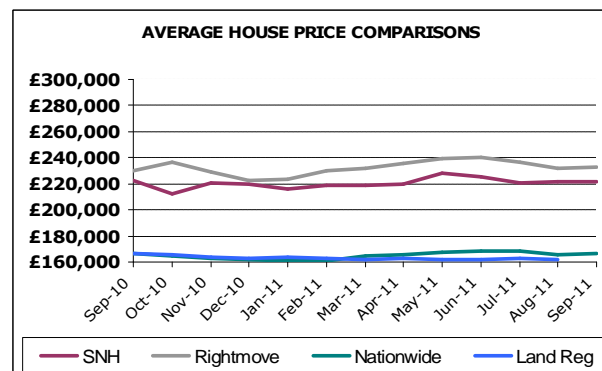
The average price of a new home fell by -0.1% in September to £221,276. In the third quarter of 2011 prices were down -1.8% and decreased -0.6% annually.



Prices in September were £1,285 less than the same time last year but have climbed £5,490 since the start of this year. First time buyer affordability is improving with nearly a quarter (23%) of all new homes for sale in September available with shared equity, which has increased since August.



The new homes market, as with the wider market, was relatively stable in the third quarter against a backdrop of increasing economic uncertainty. New homes are now £11,721 less than the average asking price on Rightmove as housebuilders continue to incentivise sales and price realistically.



**REGIONAL BREAKDOWN**

|                    |                 |
|--------------------|-----------------|
| <b>SCOTLAND</b>    | <b>£238,304</b> |
| % change 1 month   | +6.2%           |
| % change 3 months  | +7.3%           |
| % change 12 months | +3.6%           |
| <b>EDINBURGH</b>   | <b>£241,583</b> |
| <b>GLASGOW</b>     | <b>£231,729</b> |

|                    |                 |
|--------------------|-----------------|
| <b>NORTH</b>       | <b>£178,359</b> |
| % change 1 month   | 0.0%            |
| % change 3 months  | -2.1%           |
| % change 12 months | +1.6%           |
| <b>NEWCASTLE</b>   | <b>£240,991</b> |

|                    |                 |
|--------------------|-----------------|
| <b>NORTH WEST</b>  | <b>£181,401</b> |
| % change 1 month   | +0.1%           |
| % change 3 months  | -7.9%           |
| % change 12 months | +3.8%           |
| <b>LIVERPOOL</b>   | <b>£151,173</b> |
| <b>MANCHESTER</b>  | <b>£165,567</b> |

|                         |                 |
|-------------------------|-----------------|
| <b>YORKS AND HUMBER</b> | <b>£190,476</b> |
| % change 1 month        | +0.2%           |
| % change 3 months       | +4.9%           |
| % change 12 months      | +7.3%           |
| <b>LEEDS</b>            | <b>£170,361</b> |

|                      |                 |
|----------------------|-----------------|
| <b>WEST MIDLANDS</b> | <b>£178,935</b> |
| % change 1 month     | -0.5%           |
| % change 3 months    | -1.0%           |
| % change 12 months   | +13.2%          |
| <b>BIRMINGHAM</b>    | <b>£188,529</b> |

|                      |                 |
|----------------------|-----------------|
| <b>EAST MIDLANDS</b> | <b>£183,588</b> |
| % change 1 month     | -5.2%           |
| % change 3 months    | -6.7%           |
| % change 12 months   | +1.8%           |
| <b>NOTTINGHAM</b>    | <b>£190,603</b> |

|                    |                 |
|--------------------|-----------------|
| <b>WALES</b>       | <b>£176,867</b> |
| % change 1 month   | 0.0%            |
| % change 3 months  | +0.9%           |
| % change 12 months | +3.5%           |
| <b>CARDIFF</b>     | <b>£194,501</b> |

|                    |                 |
|--------------------|-----------------|
| <b>EAST ANGLIA</b> | <b>£218,837</b> |
| % change 1 month   | +0.2%           |
| % change 3 months  | +2.1%           |
| % change 12 months | -6.8%           |
| <b>CAMBRIDGE</b>   | <b>£272,910</b> |

|                    |                 |
|--------------------|-----------------|
| <b>SOUTH WEST</b>  | <b>£220,448</b> |
| % change 1 month   | -4.3%           |
| % change 3 months  | -2.4%           |
| % change 12 months | -2.9%           |
| <b>BRISTOL</b>     | <b>£200,153</b> |
| <b>EXETER</b>      | <b>£211,222</b> |

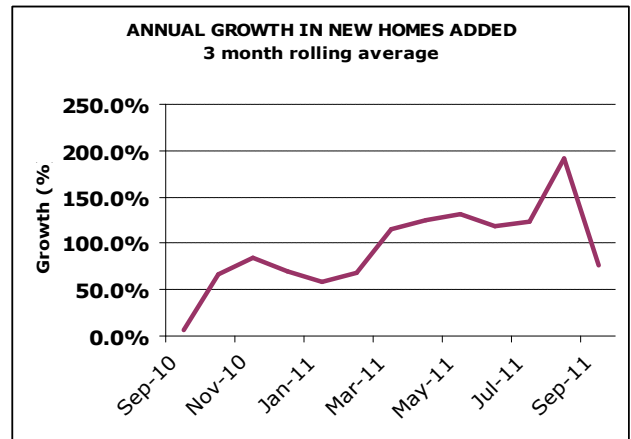
|                       |                 |
|-----------------------|-----------------|
| <b>GREATER LONDON</b> | <b>£316,315</b> |
| % change 1 month      | +0.4%           |
| % change 3 months     | -3.2%           |
| % change 12 months    | -15.5%          |
| <b>LONDON</b>         | <b>£326,504</b> |

|                    |                 |
|--------------------|-----------------|
| <b>SOUTH EAST</b>  | <b>£261,819</b> |
| % change 1 month   | -0.8%           |
| % change 3 months  | -1.2%           |
| % change 12 months | +0.2%           |
| <b>BRIGHTON</b>    | <b>£267,158</b> |

The strongest monthly house price growth was seen in Scotland where the average price of a new home was up 6.2% on August, contributing to the region's strong growth in the third quarter of 7.3%. The West Midlands saw prices fall back in September and over three months but annual growth still stood at 13.2%. The East Midlands saw prices stagnate in the third quarter, decreasing -6.7% over this period and -5.2% on a monthly basis. Price rises in greater London in September mean annual growth is now -15.5% as developers build to changing buyer demand and budget.

**NEW HOMES COMING ONTO SMARTNEWHOMES**

The number of new homes added to the website fell back in September as confusion in the planning system resulted in fewer developments being granted planning permission last year and fewer completions this year. At the same time, the Council of Mortgage Lenders (CML) has reported that mortgage finance is improving with gross mortgage lending in September up 4% on the same time last year.



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

"The new homes market was relatively stable in the third quarter as buyers delayed their move over the summer and housebuilders responded to economic conditions by continuing to incentivise sales. As buyer affordability improves, with increased levels of bank lending and a growing number of shared equity schemes coming on stream, a stock shortage threatens to become the biggest hurdle to home ownership. In some areas subdued levels of development could result in competition driving up prices for new homes. The National Planning Policy Framework (NPPF), currently being debated in parliament, has the power to reverse this trend but if it is finally enacted into law we are unlikely to see more new homes coming on to the market until at least 2013.+

**-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.

Trinity Mirror Digital Property is owned by Trinity Mirror plc, one of the UK’s largest newspaper publishers.

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