

NHBC ANNUAL NEW HOME STATISTICS REVIEW 2013

CONTENTS

2013 HEADLINES

1

REGIONAL OVERVIEW

2,3

HOUSE TYPES

4

PUBLIC VS. PRIVATE

4

AGE PROFILE OF NEW HOME BUYERS

5

APPENDIX

6

INTRODUCTION

The volume of new homes registered with NHBC in 2013 was the highest since the beginning of the economic downturn in 2007 and sustained growth was seen throughout the year across the vast majority of the UK.

Greater London enjoyed its highest ever annual total of new home registrations and a 60% increase on 2012. The recovery has been broad based with increases on 2012 volumes seen in every region in England, as well as Scotland and Northern Ireland. Government initiatives such as Help to Buy have clearly contributed to the recovery.

During the second half of 2013 builders have begun returning to the NHBC Register at an average rate of 50 firms per month. The vast majority of these are small businesses building 100 or fewer homes per year.

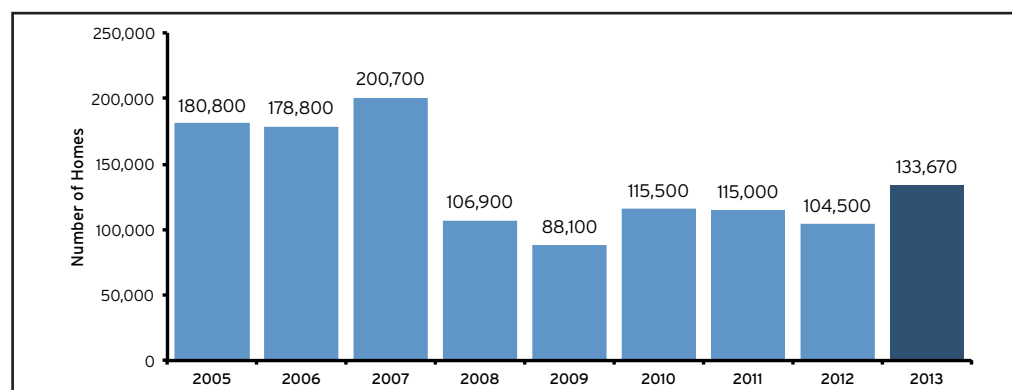
NEW HOME REGISTRATIONS - 2013 VS 2012



HEADLINE RESULTS FOR 2013

- Total UK new home registrations for 2013 (133,670) highest since 2007, 28% increase on 2012
- Broad base recovery, most UK regions up on 2012 registrations
- London figures for 2013 (26,230), highest since NHBC records began, 60% up on 2012
- UK private sector up 25% on 2012 (97,399 compared with 78,125)
- UK public sector up 37% on 2012 (36,271 compared with 26,389)

NEW HOME REGISTRATIONS - ALL SECTORS



Source: NHBC (Appendix table 1)

Note: Figures are derived from actual 'New-Build' registrations for NHBC's ten-year warranty.



If you would like an interview to discuss this in more detail or if you require any further information, please contact Nadia Bedra on 01908 746 734 or email nbedra@nhbc.co.uk.

NHBC ANNUAL NEW HOME STATISTICS REVIEW 2013

UK BREAKDOWN

DAVID LITTLE, NHBC DIRECTOR, NORTHERN IRELAND

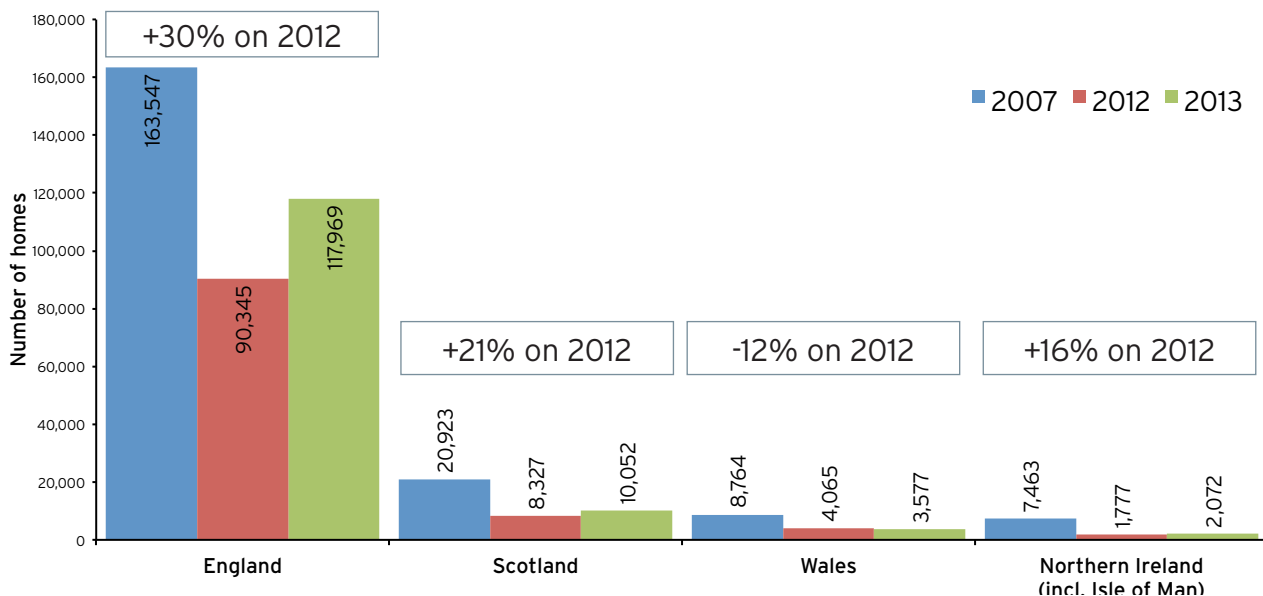
Overall figures for 2013 show that the industry in Northern Ireland enjoyed a better year, with a halt in the decline of activity and volumes again starting to increase. Completions continue to remain ahead of starts, which is an indication that builders are meeting the demand partly by completing homes where construction may have started in some cases several years ago. Confidence is now returning to the industry and to potential homebuyers, after a number of very difficult years, and this is being reflected in media coverage and market surveys.

MALCOLM MACLEOD, NHBC DIRECTOR, SCOTLAND

New homes registered with NHBC in 2013 increased by 21% when compared to 2012 and although we are just starting a New Year we are already seeing indications that 2014 will be another promising year. These figures are proof that more people are being given the opportunity to get on the housing ladder and buy their own, brand new home, which are becoming more accessible through initiatives such as Mi New Home and Help to Buy which was only launched in Scotland at the tail end of last year.

PETER WATTON, NHBC DIRECTOR, WALES

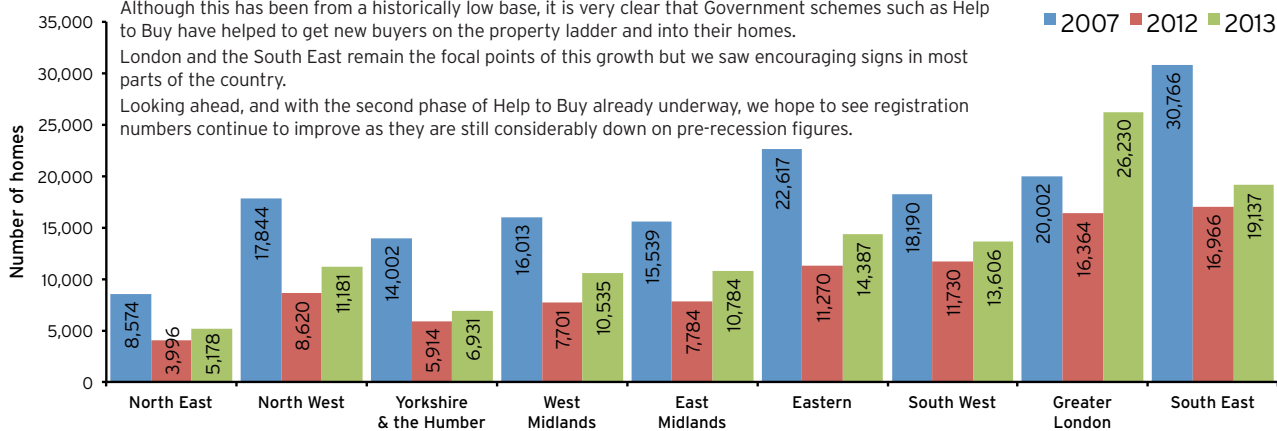
Although the overall registration figures are down compared to 2012, we did see some encouraging signs as we look ahead for the year. The industry is delighted that the Help to Buy - Wales shared equity loan scheme has been launched, as it will make home ownership easier for buyers of new homes who have small cash deposits. This backing from Government is crucial and will provide the Welsh housing market with new momentum and a positive outlook for 2014.



ENGLAND BREAKDOWN

STEVE CATT, NHBC DIRECTOR, ENGLAND

England enjoyed a positive year, as the housing market recovery continued. Although this has been from a historically low base, it is very clear that Government schemes such as Help to Buy have helped to get new buyers on the property ladder and into their homes. London and the South East remain the focal points of this growth but we saw encouraging signs in most parts of the country. Looking ahead, and with the second phase of Help to Buy already underway, we hope to see registration numbers continue to improve as they are still considerably down on pre-recession figures.

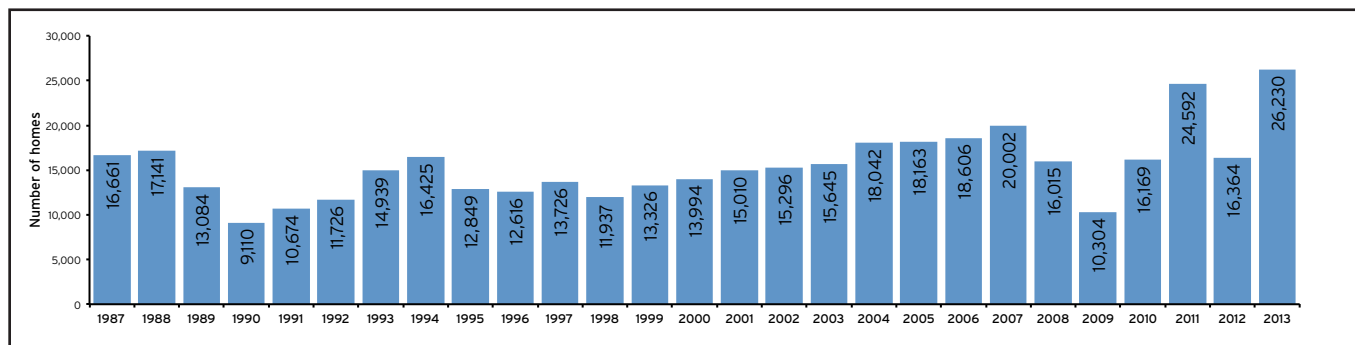


Note: The comparison is based on 'New-Build' registrations for NHBC's ten-year warranty. Figures are derived from actual 'New-Build' registrations for NHBC's ten-year warranty.

If you would like an interview to discuss this in more detail or if you require any further information, please contact Nadia Bedra on 01908 746 734 or email nbedra@nhbc.co.uk.

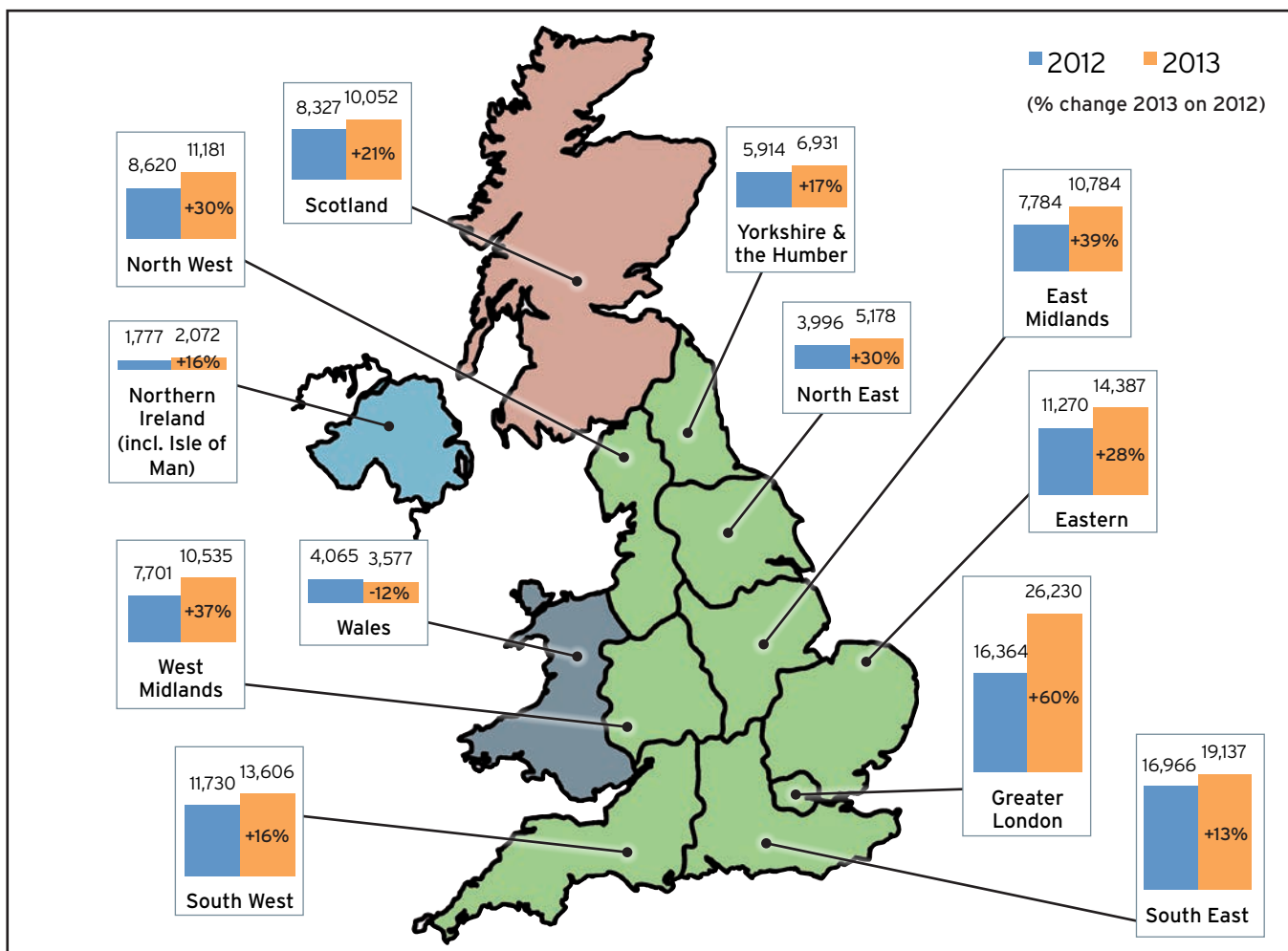
NHBC ANNUAL NEW HOME STATISTICS REVIEW 2013

HISTORIC LONDON VOLUMES



Source: NHBC (Appendix table 3)

REGIONAL OVERVIEW

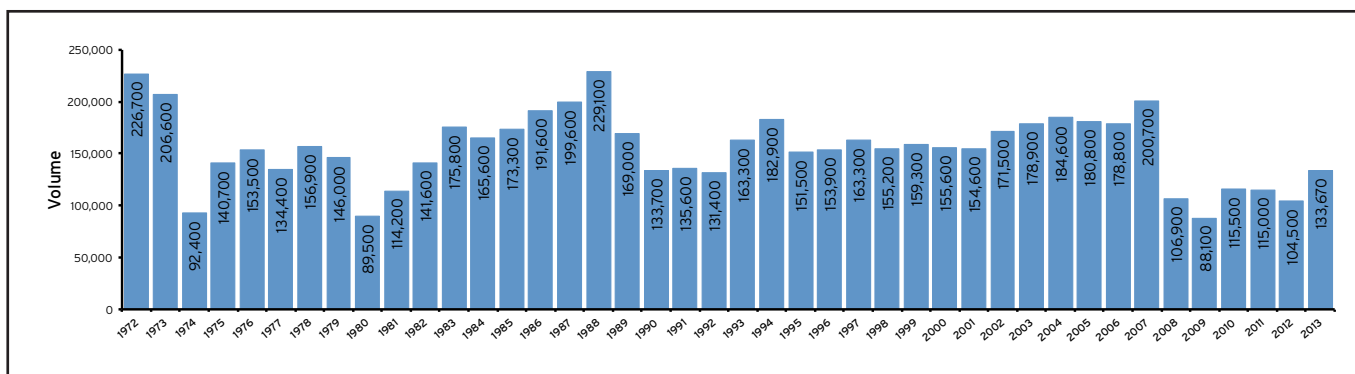


Source: NHBC (Appendix table 2)

Note: The comparison is based on 'New-Build' registrations for NHBC's ten-year warranty. Figures are derived from actual 'New-Build' registrations for NHBC's ten-year warranty.

NHBC ANNUAL NEW HOME STATISTICS REVIEW 2013

NEW HOMES REGISTERED SINCE 1972

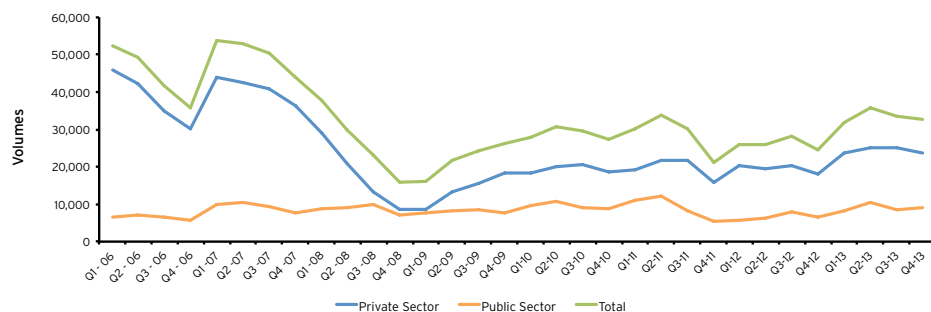


Source: NHBC (Appendix table 1)

NEW BUILD REGISTRATIONS - PRIVATE/PUBLIC SPLIT

MEHBAN CHOWDERY, HEAD OF SOCIAL HOUSING AT NHBC

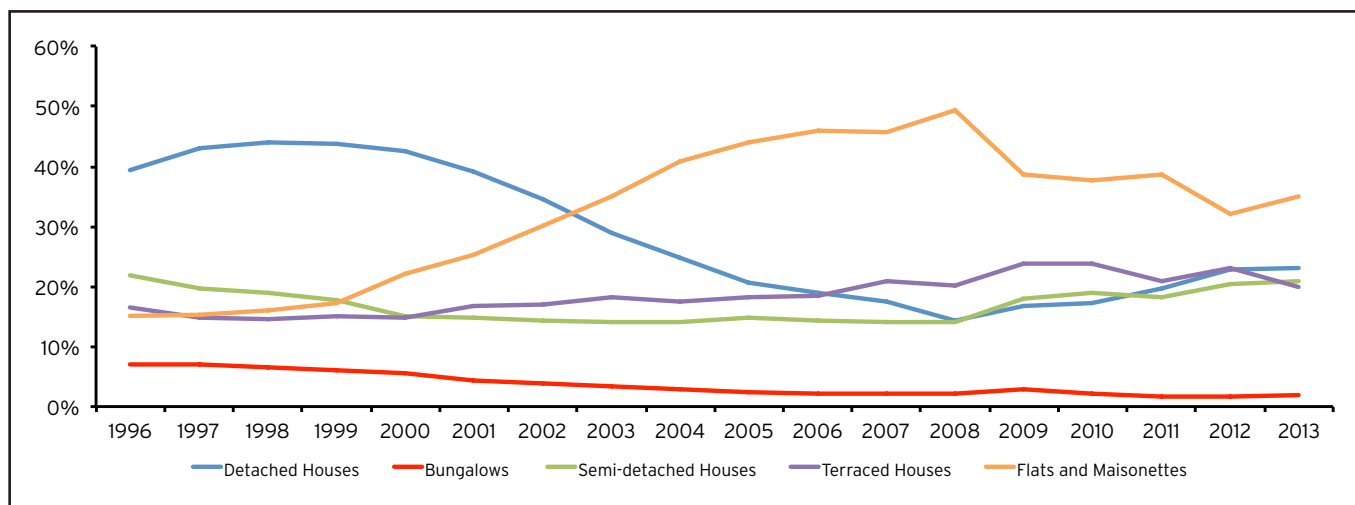
The public sector has enjoyed an extremely positive year, as we predicted in early 2013, due to the resolution of the much-delayed National Affordable Housing Programme (NAHP) 2012 - 2015.



Registrations noticeably increased during the year, with work beginning on numerous sites that had previously been stalled. The re-activation of these sites have made a significant contribution to the 37% increase in registrations within the public sector in the UK compared to the previous year. We expect registration levels to remain consistent before reaching their peak in Spring. A subsequent increase in completions is also likely to follow as builders aim to reach the NAHP target date of March 2015.

Source: NHBC (Appendix table 4)

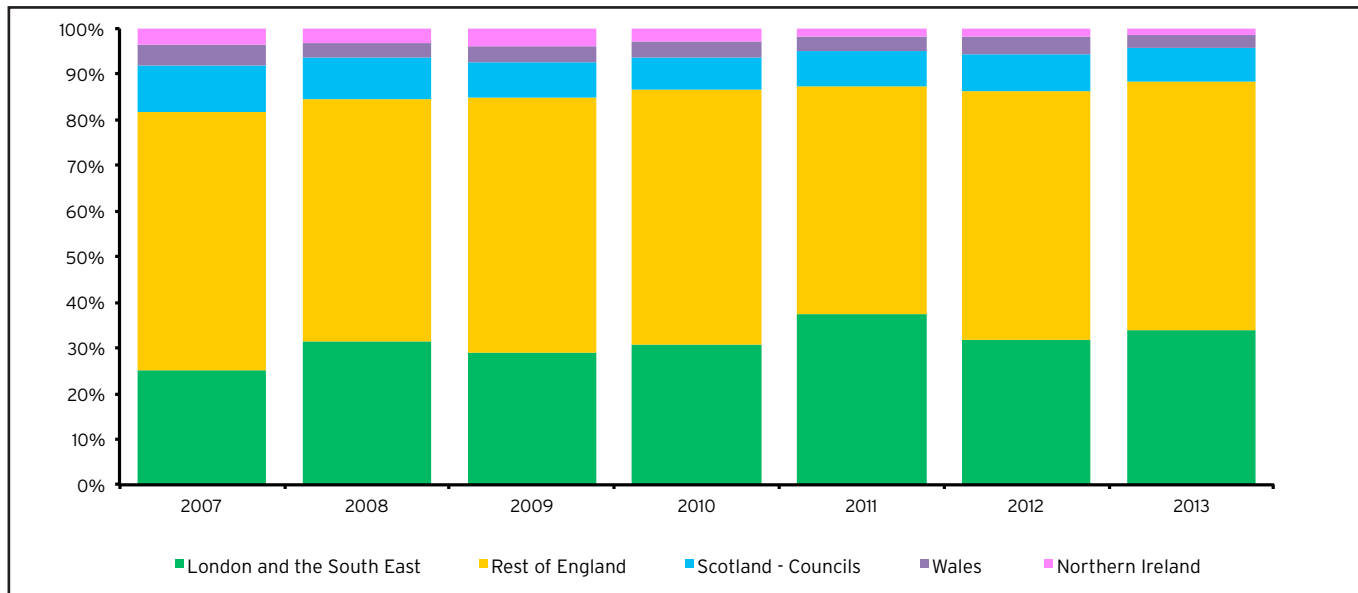
PERCENTAGE OF UK HOUSE TYPES - ALL SECTORS



Source: NHBC (Appendix table 5)

NHBC ANNUAL NEW HOME STATISTICS REVIEW 2013

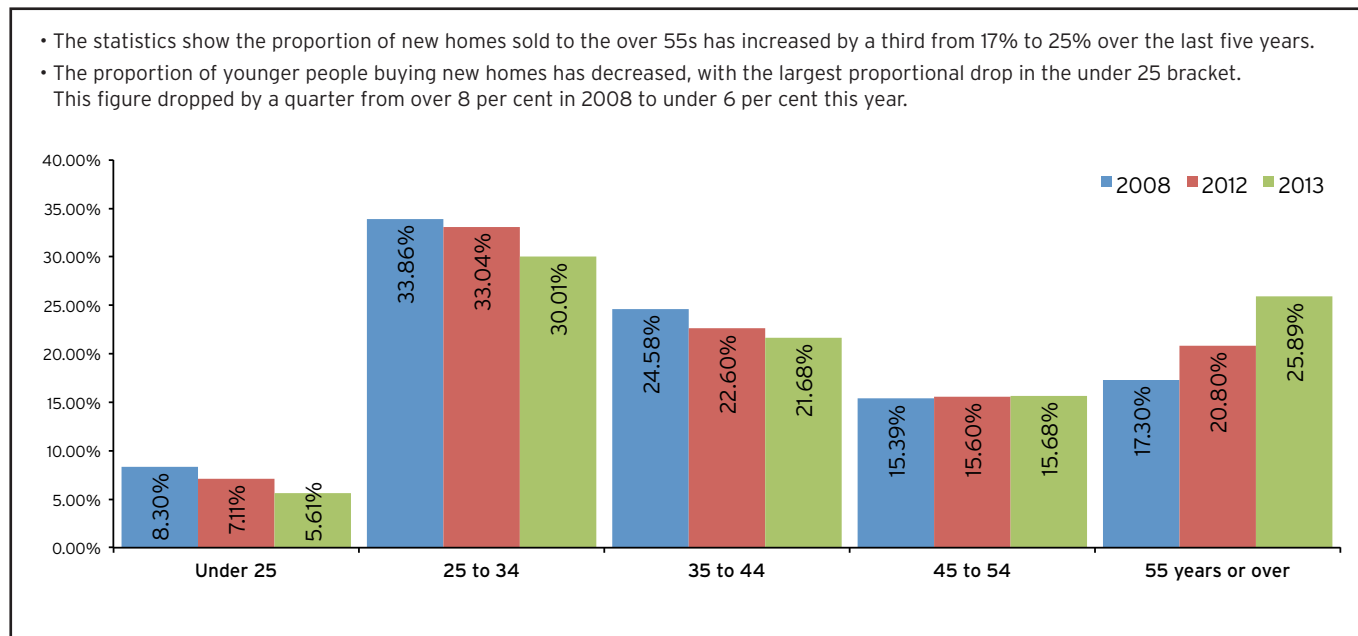
PROPORTION OF UK REGISTRATIONS BY REGIONS - ALL SECTORS



Source: NHBC (Appendix table 2)

Note: The comparison is based on 'New-Build' registrations for NHBC's ten-year warranty. Figures are derived from actual 'New-Build' registrations for NHBC's ten-year warranty.

AGE PROFILE OF NEW HOME BUYERS



Source: NHBC (Appendix table 6)

Note: These figures are based on NHBC's homeowner satisfaction survey carried out at eight weeks and nine months. Survey response from more than 100,000 surveys per year is approximately 55%.

NHBC ANNUAL NEW HOME STATISTICS REVIEW 2013

Appendices

TABLE 1: UK NEW BUILD REGISTRATIONS

YEAR	VOLUME	YEAR	VOLUME	YEAR	VOLUME	YEAR	VOLUME
1972	226,700	1983	175,800	1994	182,900	2005	180,800
1973	206,600	1984	165,600	1995	151,500	2006	178,800
1974	92,400	1985	173,300	1996	153,900	2007	200,700
1975	140,700	1986	191,600	1997	163,300	2008	106,900
1976	153,500	1987	199,600	1998	155,200	2009	88,100
1977	134,400	1988	229,100	1999	159,300	2010	115,500
1978	156,900	1989	169,000	2000	155,600	2011	115,000
1979	146,000	1990	133,700	2001	154,600	2012	104,500
1980	89,500	1991	135,600	2002	171,500	2013	133,670
1981	114,200	1992	131,400	2003	178,900		
1982	141,600	1993	163,300	2004	184,600		

NOTES

1. NHBC statistics are derived almost exclusively from its registered builders, who construct around 80% of the new homes built in the UK. As such, they represent a unique source of detailed, up-to-date information on new home construction and the house-building industry.
2. The number of 'Registrations' relate to homes registered, less a small percentage reduction to allow for likely cancellations. During an economic downturn the number of actual cancellations is likely to be higher.
3. The above figures relate to 'New-Build' registrations for NHBC's ten-year warranty in the UK, including the Isle of Man.
4. NHBC registration figures are obtained as follows: A builder is required to register a house with NHBC at least 21 days before building starts.

TABLE 2: REGIONAL REGISTRATION FIGURES - ALL SECTORS

	2007	2008	2009	2010	2011	2012	2013	YEAR ON YEAR % CHANGE 2012 vs 2013
North East	8,574	2,845	2,758	4,548	3,227	3,996	5,178	+30%
North West	17,844	8,252	6,471	8,318	8,103	8,620	11,181	+30%
Yorkshire & the Humber	14,002	6,601	4,727	7,339	5,891	5,914	6,931	+17%
West Midlands	16,013	7,627	5,782	8,780	7,890	7,701	10,535	+37%
East Midlands	15,539	8,071	7,042	8,984	7,657	7,784	10,784	+39%
Eastern	22,617	12,755	11,686	13,337	13,343	11,270	14,387	+28%
South West	18,190	10,647	10,744	13,073	11,376	11,730	13,606	+16%
Greater London	20,002	16,015	10,304	16,169	24,592	16,364	26,230	+60%
South East	30,766	17,555	15,356	19,306	18,303	16,966	19,137	+13%
England	163,547	90,368	74,870	99,854	100,382	90,345	117,969	+30%
Scotland	20,923	9,752	6,814	8,209	8,986	8,327	10,052	+21%
Wales	8,764	3,640	2,872	4,193	3,495	4,065	3,577	-12%
Northern Ireland (incl. Isle of Man)	7,463	3,134	3,527	3,202	2,067	1,777	2,072	+16%
United Kingdom (incl. Isle of Man)	200,697	106,894	88,083	115,458	114,930	104,514	133,670	+28%

NHBC ANNUAL NEW HOME STATISTICS REVIEW 2013

Appendices (continued)

TABLE 3: NEW HOMES REGISTERED IN LONDON

YEAR	VOLUME	YEAR	VOLUME	YEAR	VOLUME
1987	16,661	1996	12,616	2005	18,163
1988	17,141	1997	13,726	2006	18,606
1989	13,084	1998	11,937	2007	20,002
1990	9,110	1999	13,326	2008	16,015
1991	10,674	2000	13,994	2009	10,304
1992	11,726	2001	15,010	2010	16,169
1993	14,939	2002	15,296	2011	24,592
1994	16,425	2003	15,645	2012	16,364
1995	12,849	2004	18,042	2013	26,230

TABLE 4: NEW BUILD REGISTRATIONS

QUARTER ENDING	PRIVATE SECTOR	PUBLIC SECTOR	TOTAL	QUARTER ENDING	PRIVATE SECTOR	PUBLIC SECTOR	TOTAL
Q1-06	45,854	6,494	52,348	Q1-10	18,412	9,562	27,974
Q2-06	42,323	7,004	49,327	Q2-10	19,977	10,620	30,597
Q3-06	35,044	6,478	41,522	Q3-10	20,594	9,031	29,625
Q4-06	30,147	5,586	35,733	Q4-10	18,551	8,711	27,262
Q1-07	43,436	10,068	53,504	Q1-11	19,092	10,920	30,012
Q2-07	41,985	10,842	52,827	Q2-11	21,608	12,212	33,820
Q3-07	40,268	9,715	49,983	Q3-11	21,770	8,268	30,038
Q4-07	35,704	8,167	43,871	Q4-11	15,780	5,280	21,060
Q1-08	29,137	8,702	37,839	Q1-12	20,310	5,688	25,998
Q2-08	20,973	9,018	29,991	Q2-12	19,526	6,272	25,798
Q3-08	13,358	9,827	23,185	Q3-12	20,328	7,823	28,151
Q4-08	8,646	7,233	15,879	Q4-12	17,961	6,606	24,567
Q1-09	8,613	7,619	16,232	Q1-13	23,608	8,131	31,739
Q2-09	13,328	8,309	21,637	Q2-13	25,209	10,474	35,683
Q3-09	15,577	8,559	24,136	Q3-13	24,984	8,589	33,573
Q4-09	18,393	7,685	26,078	Q4-13	23,598	9,077	32,675

NOTES

- NHBC statistics are derived almost exclusively from its registered builders, who construct around 80% of the new homes built in the UK. As such, they represent a unique source of detailed, up-to-date information on new home construction and the house-building industry.
- The number of 'Registrations' relate to homes registered, less a small percentage reduction to allow for likely cancellations. During an economic downturn the number of actual cancellations is likely to be higher.
- The above figures relate to 'New-Build' registrations for NHBC's ten-year warranty in the UK, including the Isle of Man.
- NHBC registration figures are obtained as follows: A builder is required to register a house with NHBC at least 21 days before building starts.
- Figures prior to Q1 2008 were obtained using a slightly different basis, however they are broadly consistent.

NHBC ANNUAL NEW HOME STATISTICS REVIEW 2013

Appendices (continued)

TABLE 5: PERCENTAGE OF HOUSE TYPES IN TOTAL REGISTRATIONS - UK

YEAR	DETACHED HOUSES	BUNGALOWS	SEMI-DETACHED HOUSES	TERRACED HOUSES	FLATS AND MAISONNETTES
1996	39%	7%	22%	17%	15%
1997	43%	7%	20%	15%	15%
1998	44%	7%	19%	15%	16%
1999	44%	6%	18%	15%	17%
2000	43%	5%	15%	15%	22%
2001	39%	4%	15%	17%	25%
2002	35%	4%	14%	17%	30%
2003	29%	3%	14%	18%	35%
2004	25%	3%	14%	18%	41%
2005	21%	2%	15%	18%	44%
2006	19%	2%	14%	18%	46%
2007	18%	2%	14%	21%	46%
2008	14%	2%	14%	20%	49%
2009	17%	3%	18%	24%	39%
2010	17%	2%	19%	24%	37%
2011	20%	2%	18%	21%	39%
2012	23%	2%	20%	23%	32%
2013	23%	2%	21%	20%	34%

NOTES

1. The above table shows the percentages of different types of homes registered by house type.

NHBC ANNUAL NEW HOME STATISTICS REVIEW 2013

Appendices (continued)

TABLE 6: PROFILE OF NEW HOMES

YEAR	UNDER 25	25 TO 34	35 TO 44	45 TO 54	55 YEARS OR OVER	UNKNOWN
2008	8.30%	33.86%	24.58%	15.39%	17.30%	0.56%
2009	9.58%	36.49%	20.66%	13.19%	19.41%	0.68%
2010	8.56%	33.91%	23.00%	14.49%	18.06%	1.99%
2011	8.30%	33.23%	22.73%	15.22%	19.78%	0.74%
2012	7.11%	33.04%	22.60%	15.60%	20.80%	0.84%
2013*	5.61%	30.01%	21.68%	15.68%	25.89%	1.14%

NOTES

1. These figures are based on NHBC's homeowner satisfaction survey carried out at eight weeks and nine months. Survey response from more than 100,000 surveys per year is approximately 55%.
2. NHBC has been carrying out these surveys since 2003.
3. *2013 does not include December figures.

If you would like an interview to discuss this in more detail or if you require any further information, please contact Nadia Bedra on 01908 746 734 or email nbedra@nhbc.co.uk.



NHBC
 NHBC House, Davy Avenue, Knowlhill, Milton Keynes, Bucks MK5 8FP
 Tel: 0844 633 1000 Fax: 0844 633 0022 www.nhbc.co.uk