

NHBC ANNUAL NEW HOME STATISTICS REVIEW 2014

INDEPENDENT EXPERT

NHBC is an independent expert authority on the housing industry, and the most established standard setting and home warranty provider.

- STANDARDS
12,000 builders on our Register

- CONSUMER
1.6 million homes with Buildmark home warranty

- ENVIRONMENT
Leading provider of EcoHomes and energy ratings

- SKILLS
Deliver over 3,000 days of training each year

- HEALTH & SAFETY
Leading provider of services to the industry

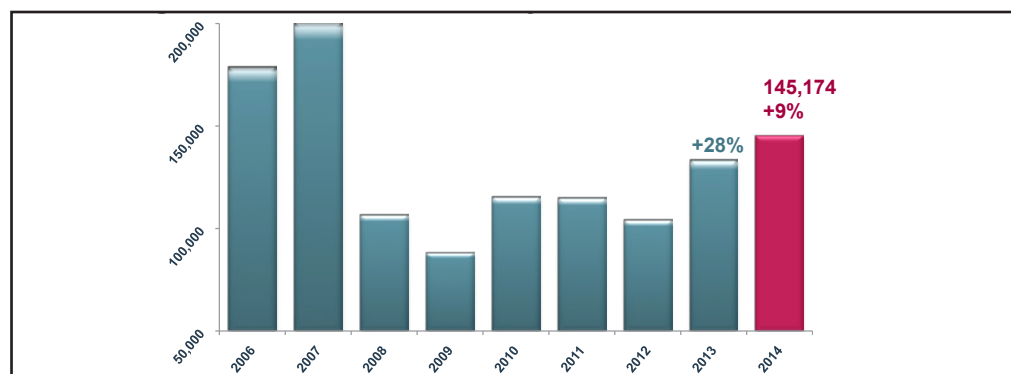
- BUILDING CONTROL
Largest building control body in the UK

NHBC statistics are a unique source of detailed up-to-date information on new home construction and the house-building industry. The figures relate to new homes registered with NHBC for its ten-year warranty, which covers around 80 per cent of all new homes built in the UK.

HEADLINE RESULTS - CALENDAR YEAR 2014

- NHBC registered 145,174 new homes in 2014, up 9% on 2013.
- The private sector recorded a 13% increase on last year with 110,403 new homes registered compared to 97,399 in 2013.
- 2014 saw a 24% increase in the numbers of detached houses registered with NHBC from 30,849 in 2013 to 38,113 in 2014.
- The regions experienced particularly strong growth (11 out of 12 regions).

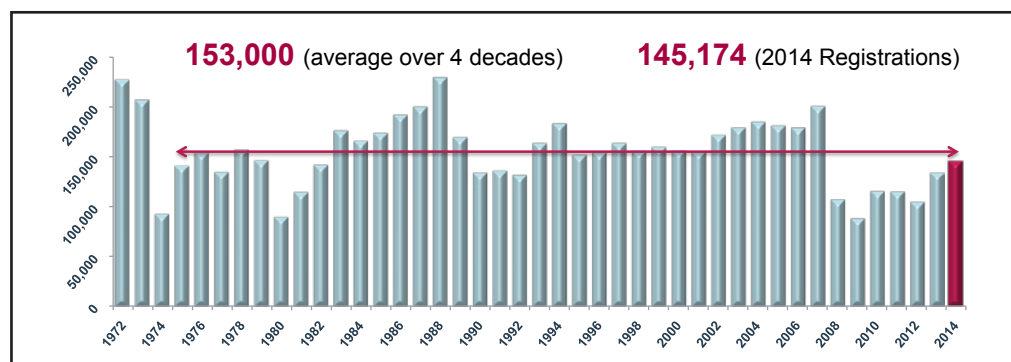
REGISTRATION - RECENT HISTORY



- Overall house-building levels grew by 9% in 2014 - building on the strong volumes registered in 2013

Source: NHBC (Appendix table 1)

LONG-TERM REGISTRATION HISTORY



- Registrations to build new homes in 2014 reached 145,174, the highest levels seen since 2007. The average annual registrations over the past four decades is 153,000. These are however still below the levels seen before the economic downturn.

Source: NHBC (Appendix table 1)

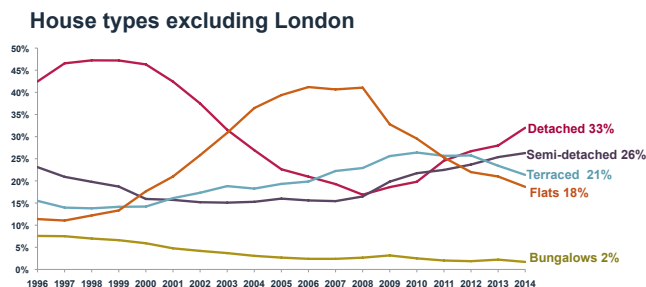
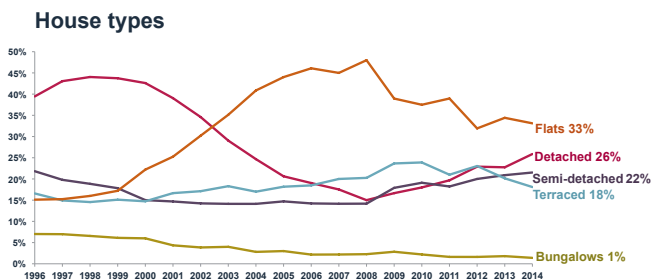
Note: Figures are derived from actual 'New-Build' registrations for NHBC's ten-year warranty.



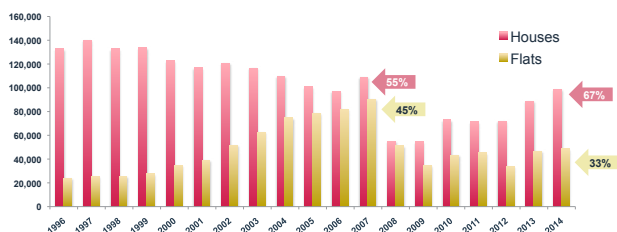
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HOUSE TYPES

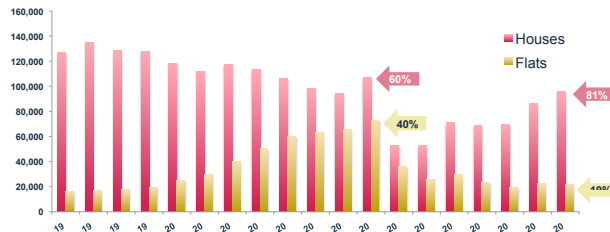
- In 2014 detached houses accounted for 26% of all new home registrations - a 24% increase on 2013.
- The number of semi-detached homes increased by 12% compared with 2013 levels.
- The number of flats increased by just 5% last year - just over half the number registered in 2007.
- The increase in detached homes was particularly marked in regions outside of London.



Houses vs. Flats – UK wide

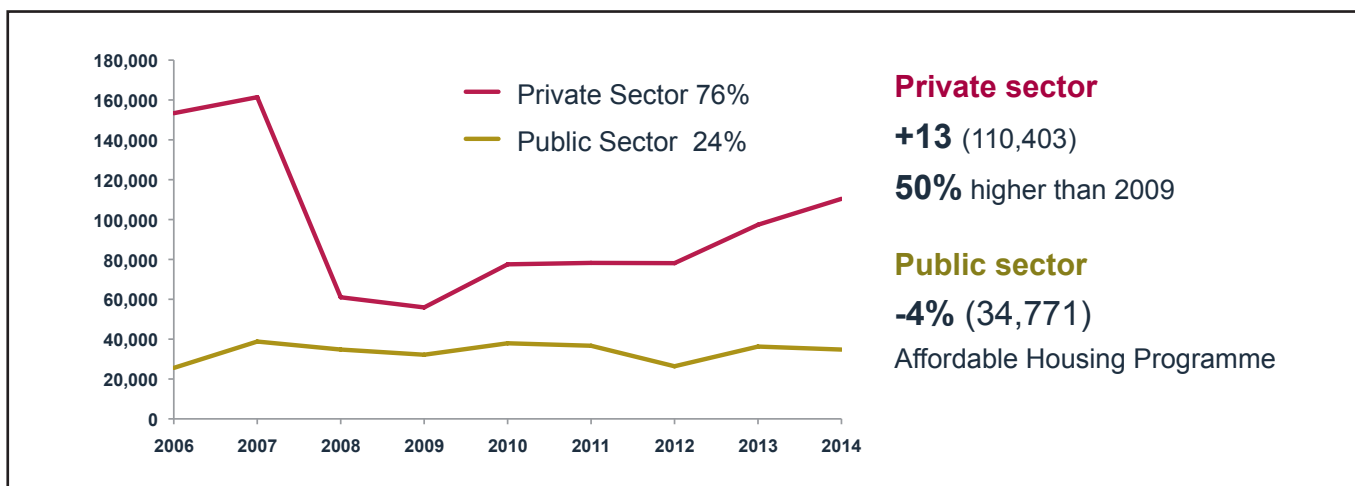


Houses vs. Flats (excluding London)



Source: NHBC (Appendix table 4)

NEW BUILD REGISTRATIONS - PRIVATE AND PUBLIC SECTOR

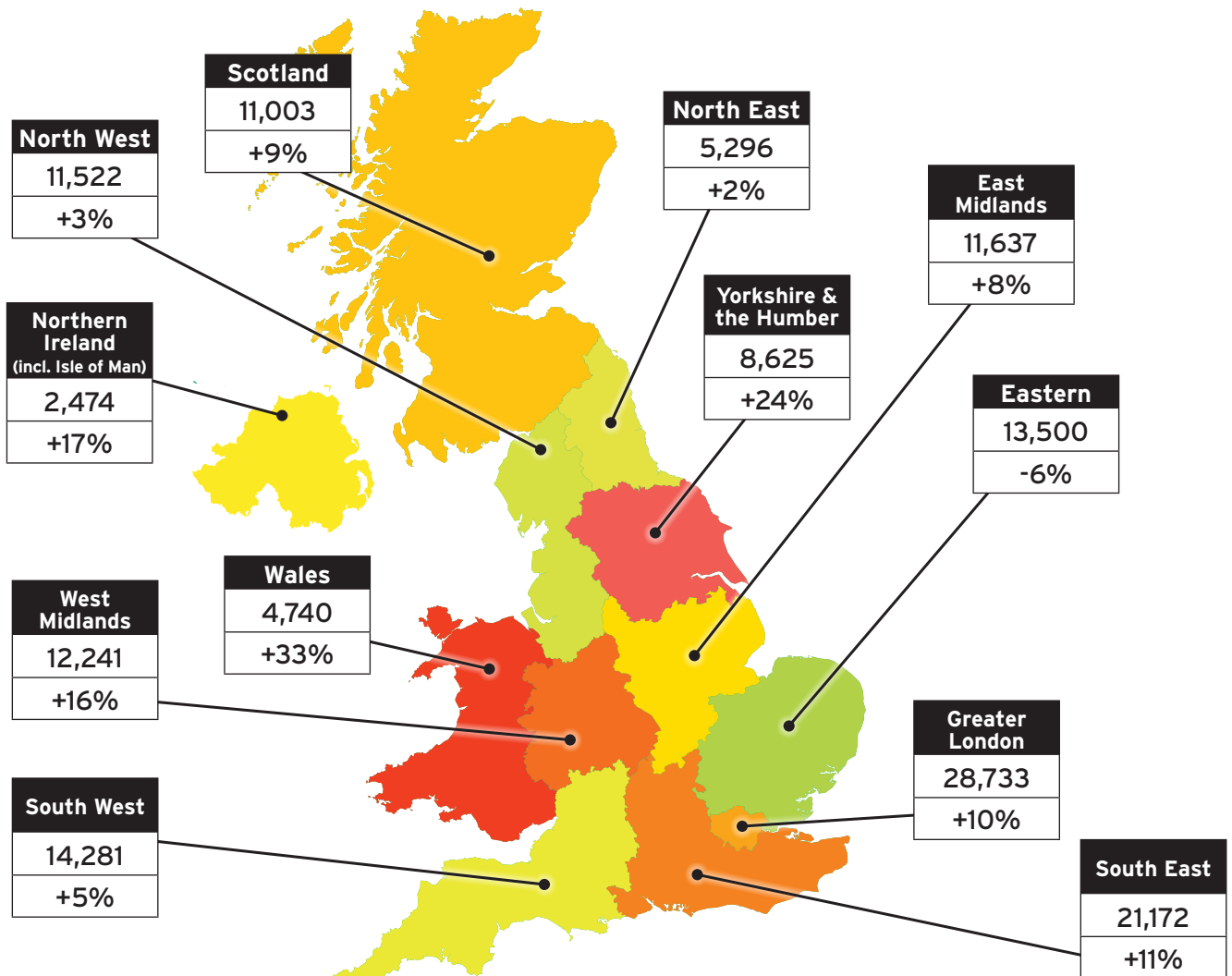


“The UK social housing numbers were slightly down by 4% for 2014 compared to 2013. The change in funding for the Affordable Homes Programme (AHP), mechanism from a one stage, to a two stage model for 2015-2018 has contributed to this dip on public sector registrations. However, we expect numbers to begin to pick up during the first few months of 2015 and the recent announcement that the AHP will now be extended to 2020 will hopefully provide a further boost for the sector”

MEHBAN CHOWDERY, HEAD OF SOCIAL HOUSING AT NHBC

Source: NHBC (Appendix table 2)

REGIONAL OVERVIEW



Source: NHBC (Appendix table 3)

**DAVID LITTLE,
NHBC DIRECTOR,
NORTHERN IRELAND**

Despite figures still low by historic standards, Northern Ireland can report a second consecutive year of increases in registrations. Following the 16% rise we saw in 2013 year-on-year. After a number of difficult years this is clearly encouraging for the sector but the rate of house building needs to increase at a greater rate. Confidence has clearly returned for home buyers, with the demand for homes pushing up property prices in some areas, particularly in the Belfast commuter areas.

**MALCOLM MACLEOD,
NHBC DIRECTOR, SCOTLAND**

Scotland has enjoyed a successful year with registration figures up again on 2013's strong growth. This growth in the number of new homes in Scotland is being delivered by both the private and public sectors and has undoubtedly been assisted by the Help to Buy scheme. NHBC welcomes the additional Help to Buy funding recently announced by Government and will continue to work with the house building industry to raise construction standards as the sector attempts to meet the demand for more new, high quality homes in Scotland.

**PETER WATTON,
NHBC DIRECTOR, WALES**

The housebuilding sector in Wales enjoyed a fruitful 2014, with overall registrations up a third on the 2013 totals. Promisingly, both the public and private sectors showed a noticeable improvement which we can attribute to a returning confidence to the market and the fact that Help to Buy - Wales is now properly established and providing homeowners with the opportunity to make buying a house with a small cash deposit that much easier.

**STEVE CATT,
NHBC DIRECTOR, ENGLAND**

New home registrations increased by 8% for England in 2014, building on the 30% increase year-on-year 12 months earlier. As in previous years the main engine of growth has been the private sector with another strong year showing growth across virtually all parts of the country. Interestingly 2014 saw new pockets of growth in regions such as the West Midlands and a steady off in London and the South-East.

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.

APPENDICES

TABLE 1: HISTORICAL NEW BUILD REGISTRATIONS

QUARTER ENDING	PRIVATE & PUBLIC SECTORS	QUARTER ENDING	PRIVATE & PUBLIC SECTORS	QUARTER ENDING	PRIVATE & PUBLIC SECTORS	QUARTER ENDING	PRIVATE & PUBLIC SECTORS
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	200,200
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	114,900
1979	146,000	1990	133,700	2001	154,600	2012	104,500
1980	89,500	1991	135,600	2002	171,500	2013	133,700
1981	114,200	1992	131,400	2003	178,900	2014	145,200
1982	141,600	1993	163,300	2004	184,600		

TABLE 2: 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	Q3-10	20,594	9,031	29,625
Q2 - 06	42,323	7,004	49,327	Q4-10	18,551	8,711	27,262
Q3 - 06	35,044	6,478	41,522	Q1-11	19,092	10,920	30,012
Q4 - 06	30,147	5,586	35,733	Q2-11	21,608	12,212	33,820
Q1 - 07	43,436	10,068	53,504	Q3-11	21,770	8,268	30,038
Q2 - 07	41,985	10,842	52,827	Q4-11	15,780	5,280	21,060
Q3 - 07	40,268	9,715	49,983	Q1-12	20,310	5,688	25,998
Q4 - 07	35,704	8,167	43,871	Q2-12	19,526	6,272	25,798
Q1 - 08	29,137	8,702	37,839	Q3-12	20,328	7,823	28,151
Q2 - 08	20,973	9,018	29,991	Q4-12	17,961	6,606	24,567
Q3 - 08	13,358	9,827	23,185	Q1-13	23,608	8,131	31,739
Q4 - 08	8,646	7,233	15,879	Q2-13	25,209	10,474	35,683
Q1-09	8,613	7,619	16,232	Q3-13	24,984	8,589	33,573
Q2-09	13,328	8,309	21,637	Q4-13	23,598	9,077	32,675
Q3-09	15,577	8,559	24,136	Q1-14	24,414	9,402	33,816
Q4-09	18,393	7,685	26,078	Q2-14	27,527	9,331	36,858
Q1-10	18,412	9,562	27,974	Q3-14	28,468	7,875	36,343
Q2-10	19,977	10,620	30,597	Q4-14	29,994	8,163	38,157

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.

APPENDICES (CONTINUED)

TABLE 3: REGIONAL REGISTRATION FIGURES - ALL SECTORS

	2007	2008	2009	2010	2011	2012	2013	2014
North East	8,574	2,845	2,758	4,548	3,227	3,996	5,178	5,296
North West	17,844	8,252	6,471	8,318	8,103	8,620	11,181	11,522
Yorkshire & the Humber	14,002	6,601	4,727	7,339	5,891	5,914	6,931	8,625
West Midlands	16,013	7,627	5,782	8,780	7,890	7,701	10,535	12,241
East Midlands	15,539	8,071	7,042	8,984	7,657	7,784	10,784	11,637
Eastern	22,617	12,755	11,686	13,337	13,343	11,270	14,387	13,500
South West	18,190	10,647	10,744	13,073	11,376	11,730	13,606	14,281
Greater London	20,002	16,015	10,304	16,169	24,592	16,364	26,230	28,733
South East	30,766	17,555	15,356	19,306	18,303	16,966	19,137	21,172
England	163,547	90,368	74,870	99,854	114,930	90,345	117,969	127,007
Scotland	20,923	9,752	6,814	8,209	8,986	8,327	10,052	11,003
Wales	8,764	3,640	2,872	4,193	3,495	4,065	3,577	4,740
Northern Ireland (incl. Isle of Man)	7,463	3,134	3,527	3,202	2,067	1,777	2,072	2,424
United Kingdom (incl. Isle of Man)	200,697	106,894	88,083	115,458	114,893	104,514	133,670	145,174

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APPENDICES (CONTINUED)

TABLE 4: PRIVATE AND PUBLIC SECTOR PERCENTAGE OF HOUSE TYPES IN TOTAL REGISTRATIONS - UK

YEAR	DETACHED HOUSES	BUNGALOWS	SEMI-DETACHED HOUSES	TERRACED HOUSES	FLATS AND MAISONETTES
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%	6%	15%	15%	22%
2001	39%	4%	15%	17%	25%
2002	35%	4%	14%	17%	30%
2003	29%	4%	14%	18%	35%
2004	25%	3%	14%	17%	41%
2005	21%	3%	15%	18%	44%
2006	19%	2%	14%	18%	46%
2007	18%	2%	14%	20%	45%
2008	15%	2%	14%	20%	49%
2009	17%	3%	18%	24%	39%
2010	18%	2%	19%	24%	37%
2011	20%	2%	18%	21%	39%
2012	23%	2%	20%	23%	32%
2013	23%	2%	21%	20%	34%
2014	26%	1%	22%	18%	33%

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