

April 2026

NEW BUILD SALES RATES REPORT



NEW BUILD SALES HIGHEST WHERE DEVELOPERS HAVE TARGETED A PRODUCT VACUUM WITH LARGER HOMES AT ATTAINABLE PRICES

The key to high housebuilder sales rates in the current challenging market involves a careful balance between supply saturation, price positioning, comparative housing quality and affordability. The top performing postcode areas in 2025 were defined by three criteria: **inventory discipline** (supply less

than 18% above 5-year average), **aspirational positioning** (pricing in the 80th percentile of the resale market to leverage the new build premium), and **attainable entry points** (sub £380,000 pricing where more than 15% of local buyers are priced in with a 20% deposit and a 4.5 LTI).

THE DRIVERS OF HIGH SALES RATES:

£380,000

average new build price

80th

percentile in terms of pricing compared to resale market

>15%

proportion of local population priced in with 20% deposit & 4.5 LTI

<18%

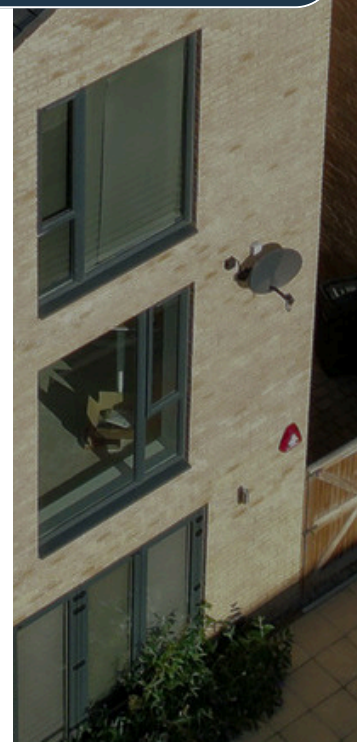
total supply higher than 5-year average

Crucially, this aspirational positioning is most effective where 4-bed houses drive a significant proportion of sales. In these higher performing markets, new build delivery has targeted a product vacuum, where local resale stock is predominantly older or smaller.

These findings arrive at a critical juncture as the spring selling season begins. The industry continues to navigate a perfect storm of high interest rates, the end of Help to Buy and stamp duty relief, and a structurally higher cost of construction that has compressed margins across all tenures. With house price inflation

remaining muted and affordability still constrained, there is little impetus for a broad market upswing in 2026. The current conflicts in the Middle East further dampen the outlook.

Given these conditions, housebuilders have no margin for error in site selection and product mix. Our data and analysis move beyond national averages to identify the hyper-local pockets of opportunity, where specific data-driven strategies, rather than general market momentum, are successfully unlocking sales and protecting developer return on capital.





Sales rates are recovering, but the picture is highly regional and local

The UK national average, excluding London, has stabilised in 2025 at **0.63 sales per outlet per week**, but recovery is not uniform. We are seeing a structural reset where affordability-driven northern markets are returning to 2021 levels, while previously hot markets in the South have cooled, having been driven by lifestyle choices post-Covid.

The North East (0.69), Scotland (0.68), and the North West (0.66) are the current top performing regions in the UK market (Figure 1). These regions have now bypassed the 2023-24 affordability slump, with sales rates now matching their 2021 peaks despite the current higher cost environment. There are notable outperformers within those regions too (Figure 2). In areas like Liverpool (0.83) and Motherwell (0.79), demand for new build homes is outstripping the national and regional averages significantly.

Meanwhile, the South West (0.59), East of England (0.60), and the South East (0.61) bring up the rear for performance. These have seen rates drop by at least 0.1 since the 2021 peak, highlighting the unwinding of the 'race for space' as buyers are now looking to be better connected to larger urban centres. This is why in the South West areas like Torquay (0.45) and Weymouth (0.46), places popular during the pandemic, have seen significantly below average sales rates. In the South East, Dartford (0.99) and Southend-on-Sea (0.76) have defied the wider region with higher-than-average sales rates, benefitting from their connectivity to London.

Yorkshire and the Humber (0.6) acts as a low-performing outlier in the North, with rates dragged down by areas where development has been concentrated including York (0.53), Hull (0.56), and Doncaster (0.57).

FIGURE 1: SALES RATE VS AVERAGE NEW BUILD PRICE BY REGION

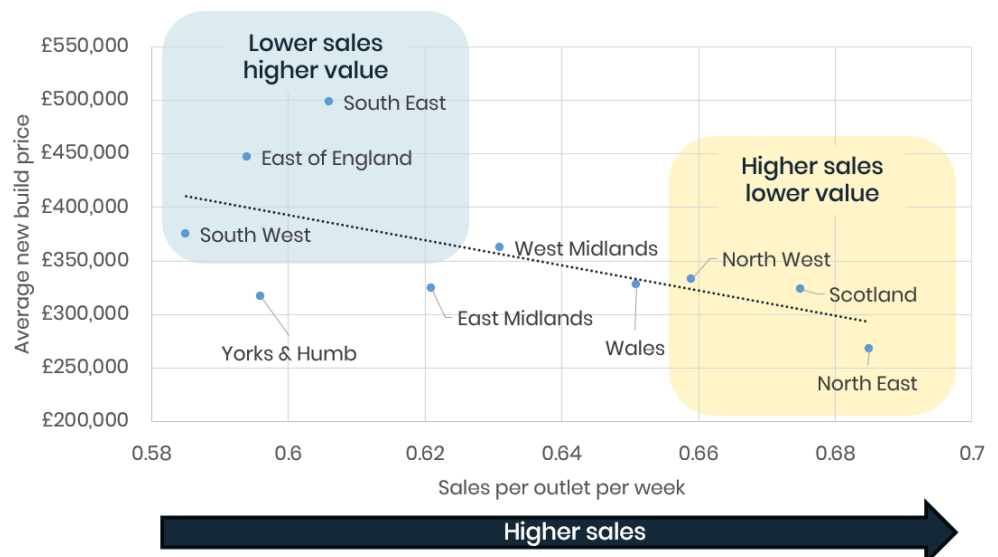
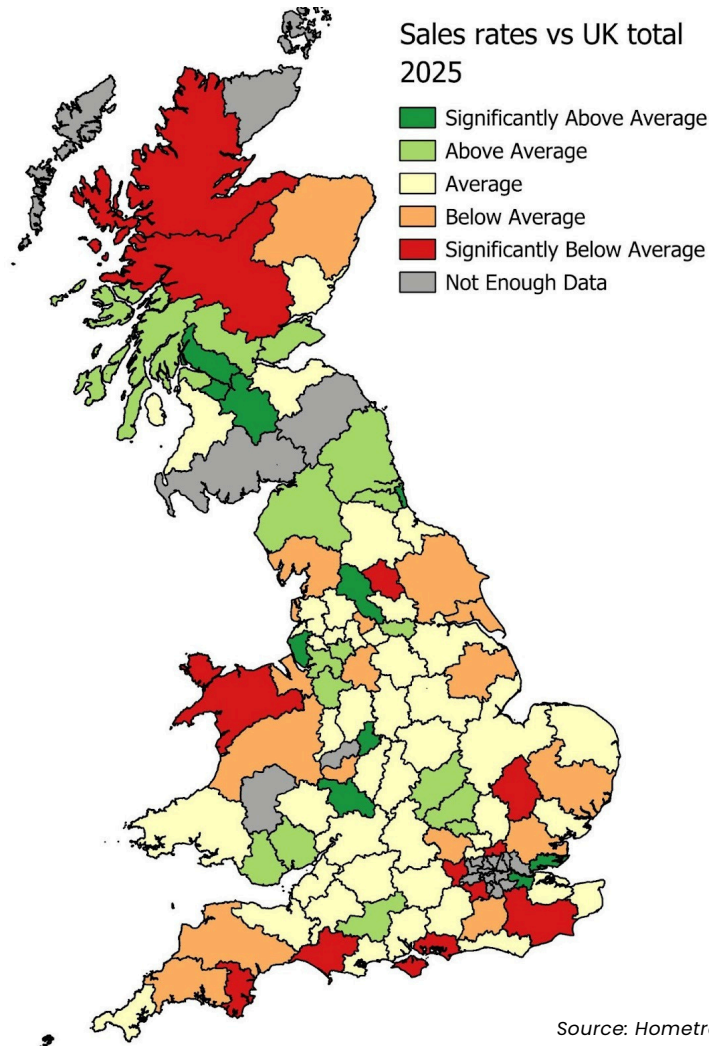




FIGURE 2: SALES RATES COMPARED TO UK AVERAGE BY POSTCODE AREA



Inventory discipline: higher sales where supply is tighter

There is a direct inverse correlation between the annual supply change and the ability to maintain a 0.6+ sales rate (Figure 3). Sales velocity is dictated by total market liquidity which captures not only the housebuilders' own impact on supply, but the resale substitute properties as well.

In the South West and South East, sales rates have stalled at 0.59-0.61

as those markets absorb an increase in supply. Property listings in the South West increased 12% on an annual basis and are 39% above the 5-year average.

The South East saw a 10% annual increase and is 25% above the 5-year average. High competition markets where there is an abundance of supply can not only hinder sales rates, they can make





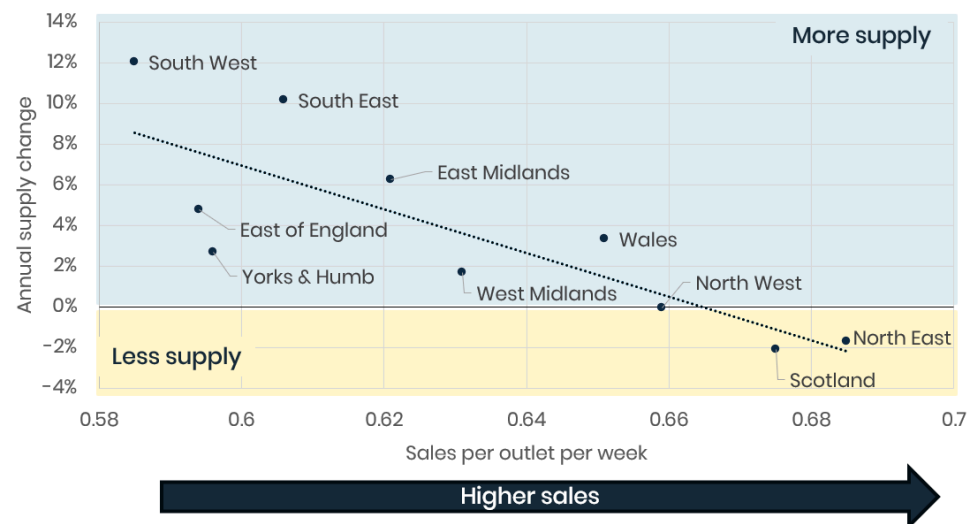
it even more challenging to maintain new home prices, with the second-hand home market typically offering cheaper, more affordable options.

The high sales rates in the North East (0.69) and Scotland (0.68) are recorded in conditions where supply has contracted by -2% annually and is just 13% above the 5-year average. With fewer quality, comparable options in the market, this supports stronger sales as well

as a better ability to sustain higher new build achieved prices.

New build properties are having to compete with a large number of resale properties in certain markets, providing buyers with more choice. Sellers are therefore having to price competitively to get sales over the line, leaving new build homes which need to sell for a minimum price at a significant disadvantage.

FIGURE 3: SALES RATES VS ANNUAL SUPPLY CHANGE BY REGION



Source: Hometrack, NHBC

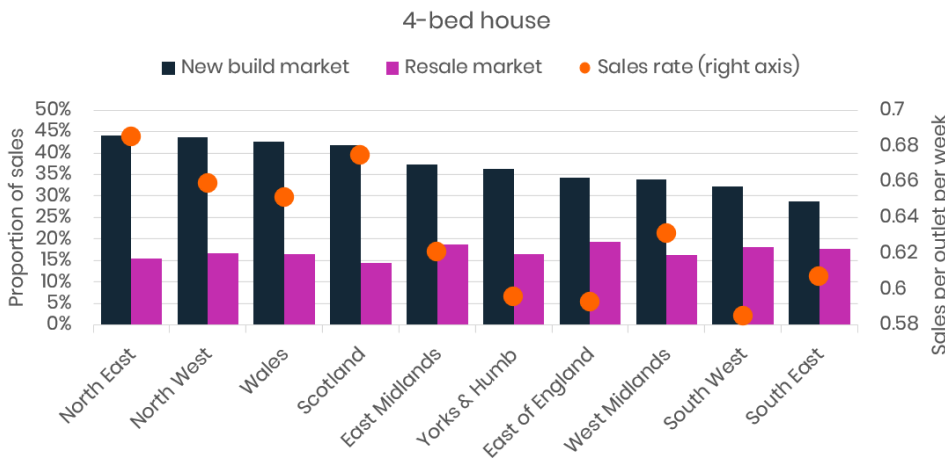
Aspirational positioning: larger homes are determining success

The highest performing sales areas in 2025 were achieved by developers able to target a product vacuum for certain property types. By delivering high-specification 4-bed homes in areas historically dominated by smaller, older stock, housebuilders are unlocking an aspirational demand that overcomes broader market affordability constraints.

Regions where 4-bed houses comprise more than 42% of the

new-build mix (North East, North West, Wales and Scotland) outperformed with sales rates over 0.65 (Figure 4). At a national level, 4-bed houses account for less than 20% of the resale market. In these higher performing markets, developers have identified critical structural undersupply. New homes are not simply preferential; they may be the only way for a local family to achieve the space and specification they desire without leaving their communities.

FIGURE 4: SALES RATES VS 4-BED HOUSE PROPORTION OF SALES BY REGION



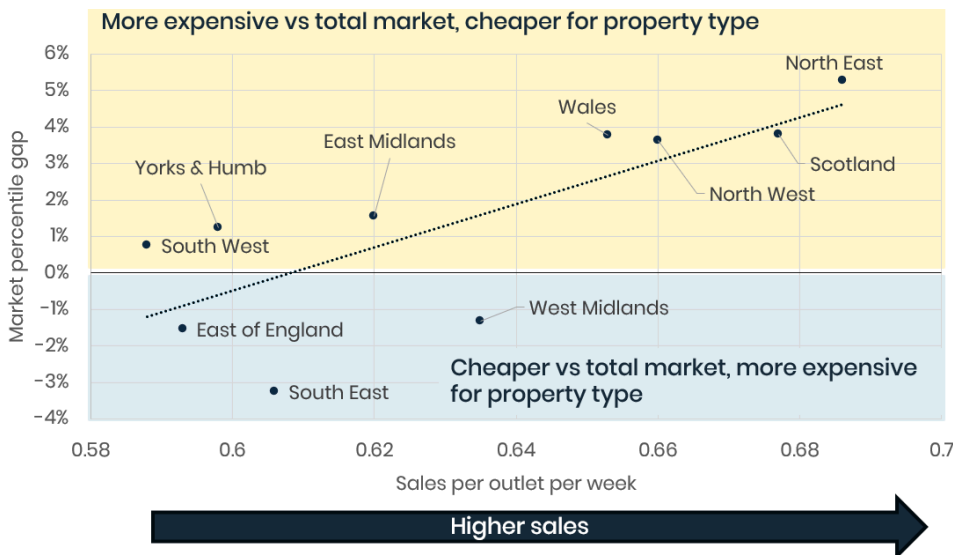
Source: Hometrack, NHBC

In the North East, another factor driving sales rate success is found in the pricing percentile gap. While the average new home price sits in the 80th percentile of resale values, they sit in the 75th percentile when compared specifically to other local homes of the same size and type, creating a gap of 5% (Figure 5). For buyers this is a powerful incentive driver. They are getting the best house in the area but at a more compelling price point versus the aging resale equivalents. This analysis reinforces that there is strong demand from aspirational buyers wishing to secure larger and more modern homes in areas which have fallen behind in

providing that product.

In contrast, regions have lower sales rates where the percentile gap is often small or even negative. In these markets, like the South West and South East, new build homes are priced even higher than their second-hand equivalents, relative to the higher performing markets. Instead of being that aspirational step up, they resemble a luxury tax that buyers are less willing to pay, particularly in the face of affordability pressures. In these places where affordability is more important, buyers are more likely to seek out cheaper alternatives.

FIGURE 5: SALES RATES VS NEW BUILD PERCENTILE GAP BY REGION



Source: Hometrack, NHBC





Affordable entry points: pricing in the locals

The other key factor in pricing is overall affordability. The average new build price in areas of high sales rates is generally significantly below those with low sales rates (Figure 1). High velocity markets, such as in the North and Scotland, are underpinned by a much deeper pool of qualified buyers compared to markets in the South, even when the prices of new homes sit in the higher percentiles of the market (Figure 6).

Sales rate success in 2026 will be correlated with the percentage of the local buyers who can clear the mortgage hurdle (assuming a 20% deposit and 4.5 LTI). The North East

and Scotland record average prices of £290,000 and £340,000 respectively, and these prices are attainable for 22% and 25% of the local population. Even with interest rate fluctuation, the buyer pool is deep enough that a developer can maintain strong sales rates.

On the other hand, in the more expensive South East (£474,000) and East of England (£440,000) just 11% of local buyers can afford these prices. A smaller potential buyer pool means housebuilders have to work harder for sales, driving up acquisition costs and significantly reducing resilience to interest rate fluctuation.

FIGURE 6: SALES RATES VS PRICING PERCENTILE AND AFFORDABILITY BY POSTCODE AREA

(AL = St Albans, DA = Dartford, ML = Motherwell, PH = Perth, SL = Slough, SR = Sunderland)



Source: Hometrack, NHBC, CACI



A market that disincentivises mainstream housebuilding

By synthesising data on inventory discipline, aspirational positioning, and local affordability, a clear pattern emerges: the market rewards selective precision over mass-market delivery. While this enables strong sales rates in the right conditions, the findings demonstrate a failure to incentivise large-scale construction, entrenching a missing mainstream that presents long-term risks to both industry stability and national housing targets.

For housebuilders & developers...

this data allows them to identify which sites are likely to struggle in 2026. By benchmarking their pricing and potential demand within their local market they can mitigate this sales risk and adjust marketing strategies. They can also understand key selling points for new homes in local markets, identify gaps in areas which have higher pricing and sales potential, and carefully engineer incentives to price in more buyers without overcompensating. The most concerning risk is their growing overreliance on a small subsection of more affluent buyers looking for larger homes in specific markets. Eventually this demand will fade and quick wins leveraging the most attractive sites will run out, leading to potential oversaturation of stock should they not react in time. Housebuilders must therefore closely monitor when these markets turn and seek to diversify their strategies by unlocking demand for smaller homes.

Current market dynamics mean that the incentives for housebuilders and aims of policymakers are at odds with one another. Only by aligning them can the scale of new home delivery the country so desperately needs be achieved.

For policymakers & the Government...

the data emphasises the current insufficient level of incentives for housebuilders to substantially increase delivery of smaller homes and homes in less affordable areas. This suggests that less affluent buyers are increasingly being left behind. They must therefore find ways to make these homes viable to build and sell once more, be it through subsidy, reduced regulatory compliance costs, buyer support, or other innovative market interventions. However, they must be wary of potential long-term impacts of such policies and how the market will respond when initiatives end. Continued investment in infrastructure is also critical, as high sales rates are consistently in areas well connected to employment hubs. New sites must continue to be part of wider strategic development objectives if they are to succeed.

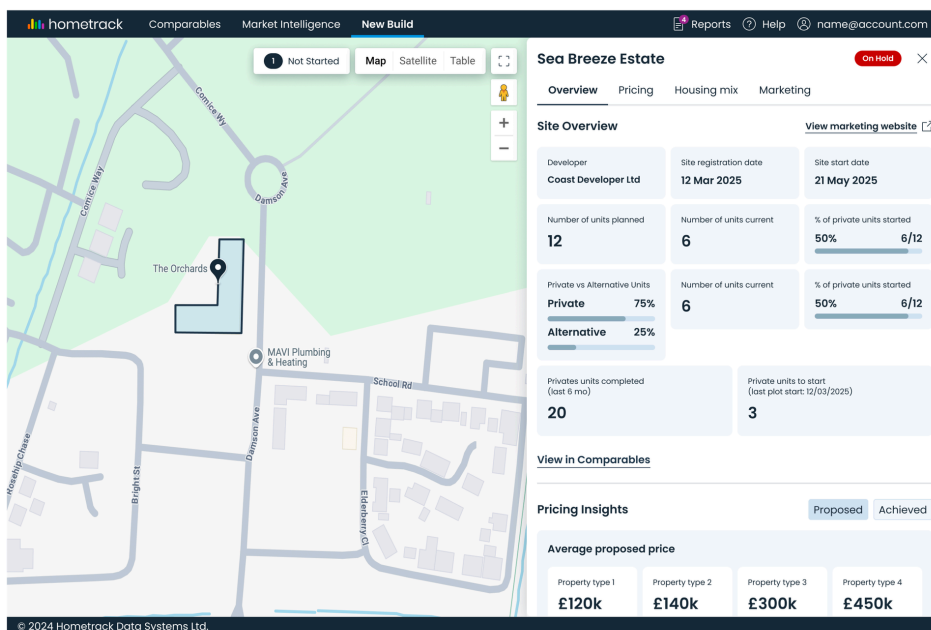




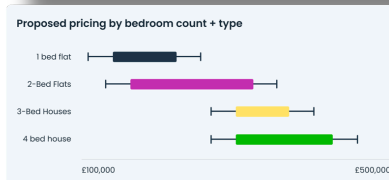
The data behind the analysis

This report utilises proprietary data from Hometrack, Zoopla, and the NHBC (National House Building Council) to calculate sales rates, pricing, and supply. Affordability calculations are provided through CACI paycheck data. All of this data is available to access in the Hometrack Data Hub. If you would like to find out more please contact enquiries@hometrack.com.

NEW BUILD MODULE IN DATA HUB CONTAINING NHBC DATA



- Overlaid onto an easy-to-use map-based interface
- A report builder to help you benchmark multiple sites
- View pricing, housing, and planning data - plus we've just added sales rates!



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