



CALA Homes at Jordanhill Park

Building on Demand

The Scottish New Build market is a crucial component of the wider housing market, contributing 10% to 13% of sales across Scotland and in excess of a third of sales in some council areas. Over the past few years, the New Build market has delivered increasing supply, with 2018 recording the highest level of new build sales in a decade.

This confidence to green light projects has been the result of rising market conditions and demand for new housing after a number of years of low supply. This undersupply has driven strong price growth, especially in popular urban neighbourhoods. Edinburgh City Centre has

notably experienced this price inflation, now averaging over £550/sqft. In Glasgow, regeneration and gentrification through development are materially changing many neighbourhoods and this trend looks set to continue, especially in the City Centre.



Andrew Meehan
Associate Director

Key Findings

- The new build market accounts for around 10-13% of sales in the Scottish market every year.
- The average new build price is around 48% higher than the average 2nd hand home.
- New build apartments command the highest premium over 2nd hand stock, with premiums increasing to c.75% across Scotland in 2018.
- The number of new build sales reached their highest point in a decade in 2018, with sales in Q3 2019 ahead of the same period last year.
- The average new build house price across the Edinburgh and Glasgow housing market areas is £282,000; achieving £240/sqft.
- Developments in the Edinburgh and Glasgow housing market areas have averaged 4.4 sales per month over the past year.

Scottish New Build Market

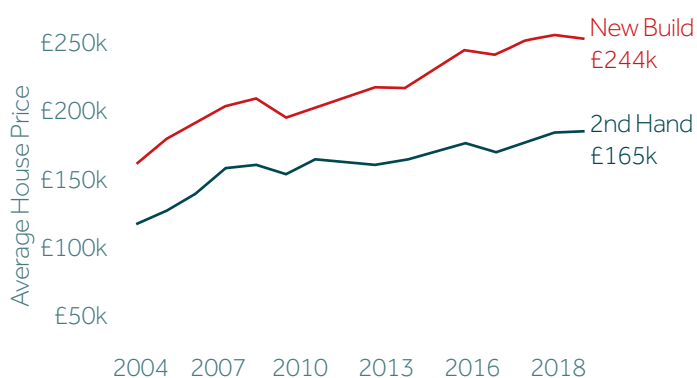
The Scottish New Build market usually accounts for around 10% to 13% of all residential sales in Scotland in a year, making it a significant element of the housing market. In certain areas of the country, new house building can contribute a far higher percentage; in East Lothian, in 2019, over 1/3rd of house sales were new homes.

In 2018, the number of new build sales reached its highest level in the past decade after a strong close to the year. In the year to date, new build sales have outperformed the previous year. However, anecdotal evidence and preliminary market analysis suggests housebuilders are seeing a slowdown in visits to sites and a more mixed Autumn market.

This weakening sentiment in the late Summer / Autumn market has seen price growth slow and some developers introduce greater incentivisation to maintain sales rates. However, this is not uniform across the market, with traditionally desirable and more affordable locations continuing to find sustained demand.

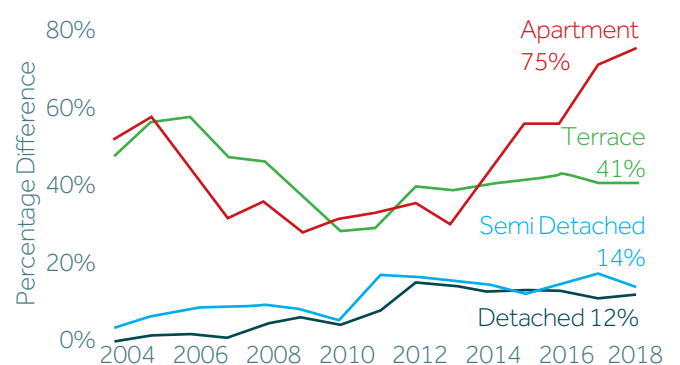
Price growth has slowed in 2019

Average New Build Price versus Average Price of All Sales



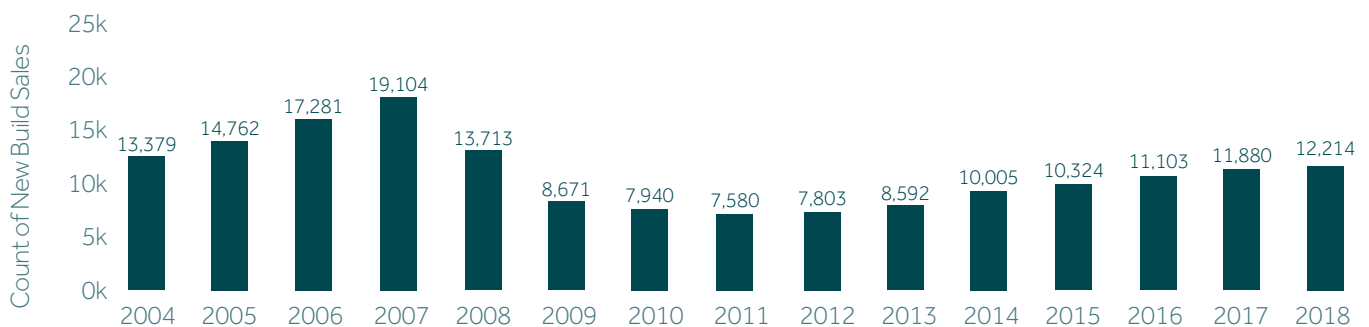
Apartments command the strongest new build premium

Average New Build Price versus Average Price by Type



Sales Volumes peaked at their highest level in a decade in 2018

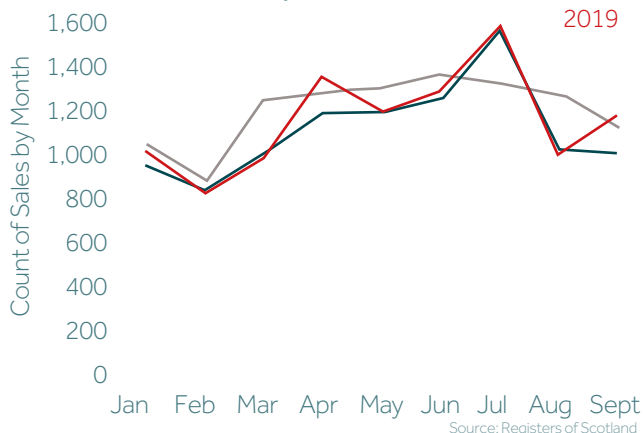
Count of New Build Sales



Source: Registers of Scotland

2019 had an active April and September

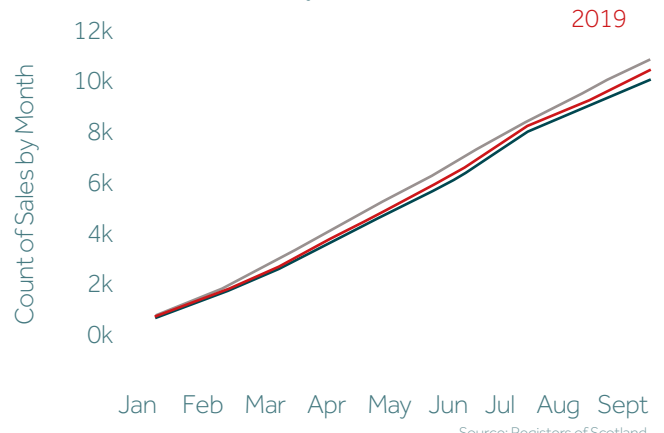
Count of New Build Sales by Month



Source: Registers of Scotland

2019 sales levels are above 2018

Cumulative Sales Volumes by Year



Source: Registers of Scotland

Edinburgh & Glasgow New Build Market Areas

The New Build housing market of Scotland's two largest cities and their commuter belts account for over 70% of new build value sold in Scotland each year.

Across this region, around 75% of all new build homes are family orientated, with the remaining quarter comprising flats. Over 2018/19, the average house price has been around £280,000 and £240/sqft.

The strong demand in family commuter locations within the hinterlands of the two cities has supported an average sales rate of around 4.4 homes a month over 2018/19.

While the majority of sales are concentrated under £250k and £250/sqft, there is wider range in values across the region. Edinburgh currently leads the market, with sales averaging over £300/sqft and rising to over £700/sqft for prime apartments. Edinburgh City Centre now averages over £550/sqft. Glasgow City, with its more diverse range of new build housing, has averaged over £230/sqft, with prime sales achieving over £400/sqft. Elsewhere in the region, there is a clear hierarchy in the commuter belts where accessibility, local amenity and schooling are central to driving average values.

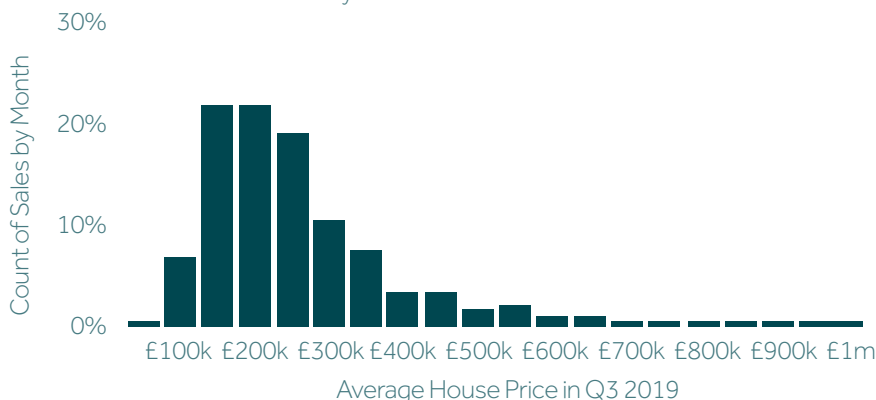
£282k
average new build sales price 2018/19

1,188sqft
average unit size in 2018/19

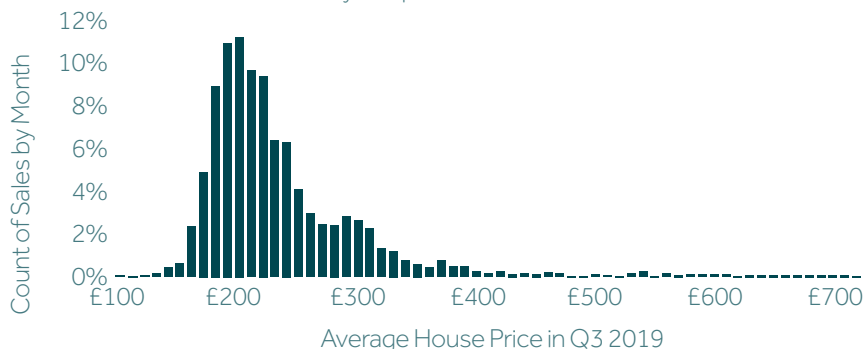
£240/sqft
average £ per sqft in 2018/19

4.4 sales
average development sales rate per month

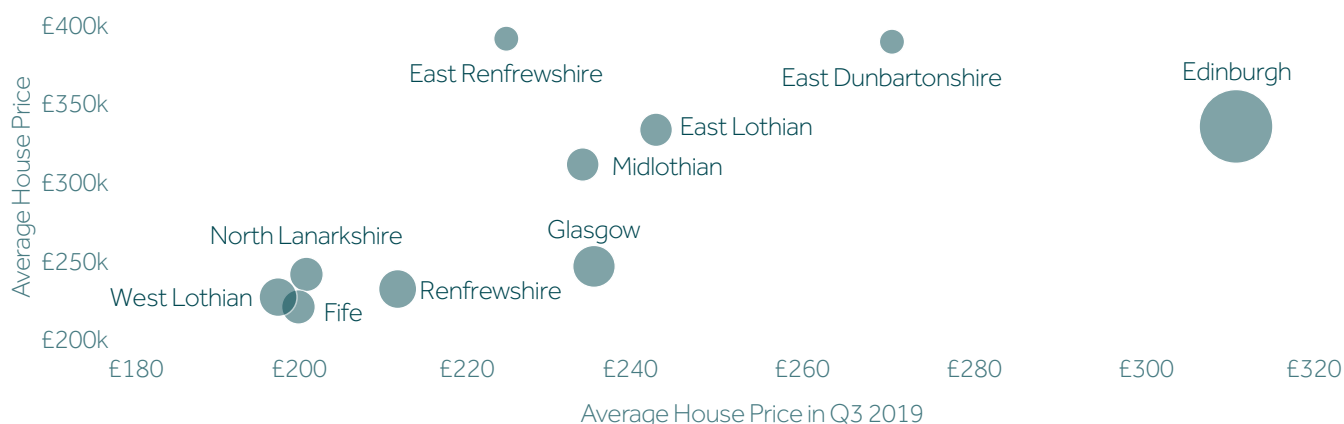
Edinburgh is the main market commanding sales over £300/sqft
Distribution of New Build Sales by Price Bracket



The majority of sales in Central Scotland occur under £250/sqft
Distribution of New Build Sales by €/sqft Rate



There is a clear hierarchy in the commuter belts of Scotland's two main cities
Average House Price vs Average €/sqft by Region





Jordanhill Park, Glasgow
CALA Homes

Enjoy wonderful greenery and scenic parkland at every turn in one of Glasgow's most desirable locations. This stunning 31-acre CALA development, of a range of luxurious contemporary homes from one bedroom apartments to detached five bedroom family homes, is the perfect place for growing families and professionals to call home.



Donaldson's, Edinburgh
City & Country

The Playfair at Donaldson's is an outstanding building of palatial elegance. City & Country has designed each apartment to optimise natural light, making the most of the period windows and impressive proportions of the historic building, whilst retaining and restoring original features where possible.



Craighouse, Edinburgh
Qmile Group

This new development is the latest by multi-award winning developer Quartermile Developments and will offer a broad range of both new build and refurbished properties, finished to an exacting standard.



The Engine Yard, Edinburgh
Places for People

On the site of Edinburgh's historic tram depot will soon lie 377 fantastic apartments, duplexes and penthouses. The design and development of The Engine Yard reflects a strong sense of history and place.



The Ropeworks, Edinburgh
The Teague Group

The Ropeworks offers a fantastic base for anyone looking to get the most out of life in the city. From shopping to bar-hopping, fine dining to quality entertainment, you'll be perfectly placed to enjoy the vibrant lifestyle of city centre living.



Edinburgh Quay 2, Edinburgh
Fountain Court Apartments

Edinburgh Quay 2, a development of 1, 2 and 3 bedroom apartments, is located within a short walk of the commercial centre of the West End and the retail areas of Princes Street and George Street.

Your New Homes Experts



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