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## Self Build Housing Market - UK 2009-2013

New AMA report provides a major review of the UK Self Build Housing Market

“While short term prospects for the sector are likely to be difficult, self build is unlikely to experience the same level of decline as the commercial housebuilding market. As a result, our forecasts are for a small downturn in volumes in the sector in 2009, before experiencing modest recovery, but restrictions in plot availability will remain the limiting factor to long term growth.”

A brief summary of the report is included on the following page.

Priced at £650, the report is currently available from AMA Research Ltd, Telephone 01242 235724 or e-mail at [sales@amaresearch.com](mailto:sales@amaresearch.com).

### **Editors Note:**

Attached is a summary of the report. Please use brief extracts if you wish, **but we would request that references to company market shares are not published without our prior permission.**

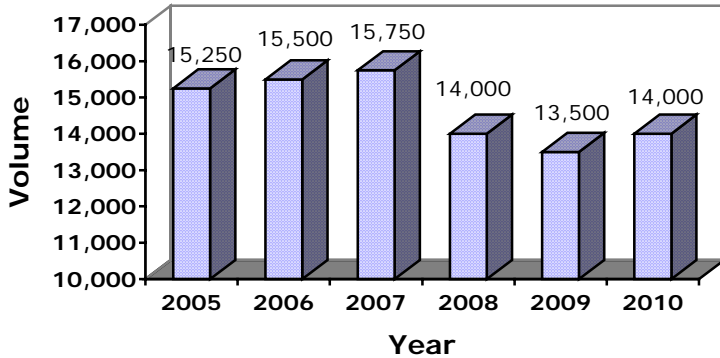
If you would like to receive an editorial review copy or would like to speak to an author of this report, please contact Chris Moore or Andrew Hartley on (01242) 235724.

Please include our web address and telephone number on any review printed, it would also be appreciated if a copy of the review could be forwarded to AMA Research. Thank you.

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## SELF BUILD HOUSING MARKET - UK 2009-2013

Self-build Market – Completions by Volume  
2005-2010



2008 has proved to be a traumatic year for the housebuilding industry in general, with overall completions in the UK over 30% down on 2007 and set to get even worse in 2009.

Inevitably, the underlying reasons for the housebuilding recession have affected the self build market and, whilst self builders may generally be in a stronger financial position than most homebuyers, many have been reluctant or unable to generate funds in order to finance a self build project.

However, our view of the self build sector in 2008 is that the downturn in volume has not been as severe as in the volume housebuilding market, though estimated volumes of self build completions in the UK have declined as shown in the chart **to an estimated 14,000 dwellings**.

It is difficult to be precise in volume terms of self build homes owing to the highly individual nature and definition of self build, and there are no official statistics. While some estimates indicate a market size of over 20,000 units, we believe the actual figure is much lower when assessing the market in terms of the property owner having a significant influence in the design / build process.

Self build now accounts for around 8% of all new homes built in the UK and, in recent government commissioned reports, much has been made of the sector's importance and significance as a proportion of total housebuilding. However, self build volumes are lower in the UK than most similar markets – a situation due to supply barriers rather than any lack of demand.

Notwithstanding the current economic and property market uncertainties, the major difficulty facing those who wish to self build continues to be the lack of available building plots. There appears to be a strong underlying demand for self build and, with land values at their lowest for some time, the sector could see significant growth if the availability of plots improves.

At present, volume developers have virtually withdrawn from land buying, but there are no indications to date that this has freed up the availability of land for self builders.

In terms of value, the self build market is worth around £3.5 billion, with material costs generally well above reflecting higher build specifications. Material and labour prices are likely to fall in 2009 as more skilled trades people become available following the major reduction in staff by the housebuilders and sub-contractors – while pressures up the supply chain are likely to see material prices fall.

While short-term prospects for the sector are likely to be difficult, self build is unlikely to experience the same level of decline as the commercial housebuilding market. As a result, our forecasts are for a small downturn in volumes in the sector in 2009, before experiencing modest recovery, but restrictions in plot availability will remain the limiting factor to long-term growth.

AMA Research's report "**Self Build Housing Market – UK 2009-2013**" is available in hard copy or electronic format for £650 and can be ordered online at [www.amaresearch.co.uk](http://www.amaresearch.co.uk) or by calling 01242 235724.