

The 5 biggest post-pandemic opportunities for housebuilders



Following the end of the first lockdown in May 2020, we saw households reassess the features they valued in a home.

Was the 'search for space' a temporary trend over the pandemic, and what are the future trends our experts expect to see in the new homes market in the coming years?

Summary of the contents

- 1 Working from home presents an opportunity to housebuilders
- 2 COVID-19 sees boosts in demand for larger, family homes
- 3 with parking across GB and how does this change in London?
- 4 Apartments should still have a place in builders' plans
- 5 How does the green agenda fit into home buyers' considerations?

1 **Working from home presents an opportunity to housebuilders**

According to a recent Zoopla survey, 41% of respondents adapted their homes to suit their changing needs over the pandemic.

4.5m new home offices have emerged across Britain. And over half of homeowners (58%) say they plan to permanently keep them.

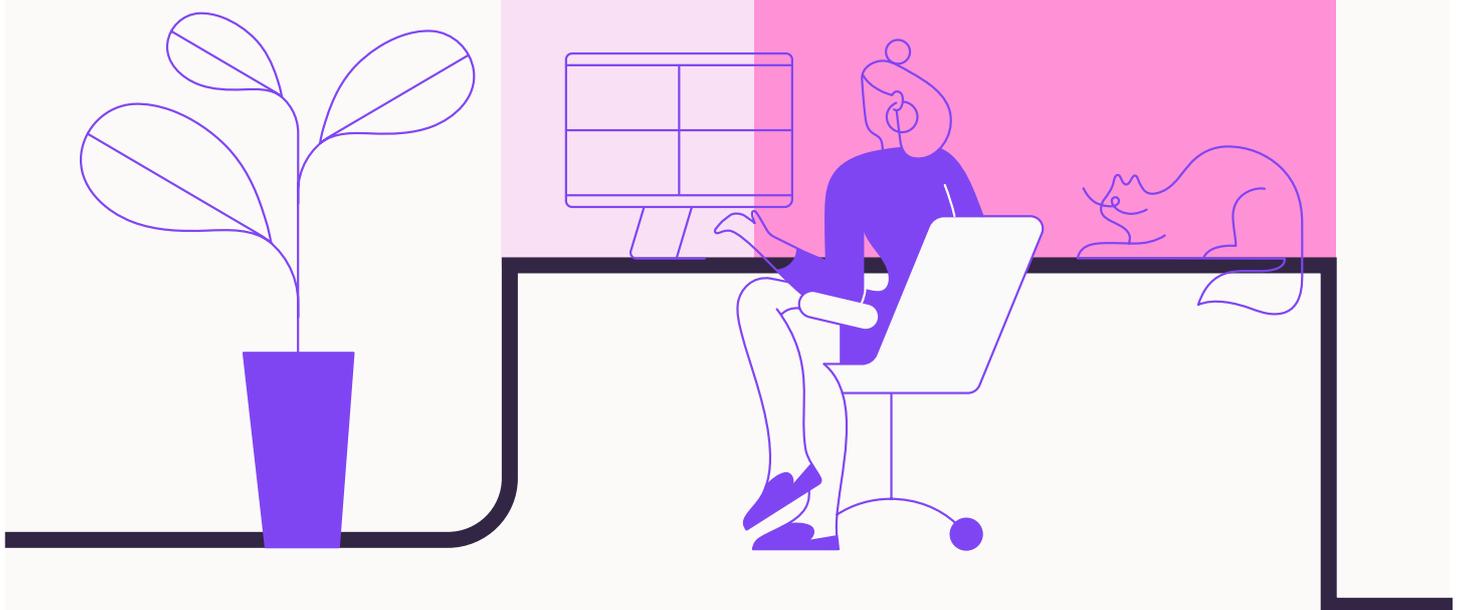
By understanding the changing needs of homebuyers, housebuilders can adapt their marketing to highlight the flexibility of new homes.

4.5m

new home offices have been emerged across Britain.

58%

of these new home offices are planned to remain as permanent within the home.

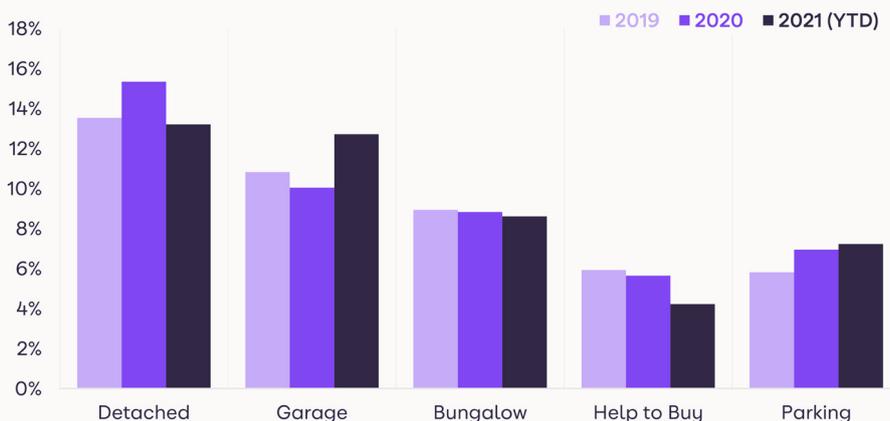


2 COVID-19 sees boosts in demand for larger, family homes with parking

Zoopla analysis of the share of keyword searches used by would-be new homes buyers before and after the pandemic shows that detached houses and off-road parking, such as garages and driveways, are the most common features desired by new home buyers.

These have been constant themes among potential home buyers but have been boosted by the pandemic and are unlikely to change as COVID restrictions come to an end.

New Homes - GB exc. London



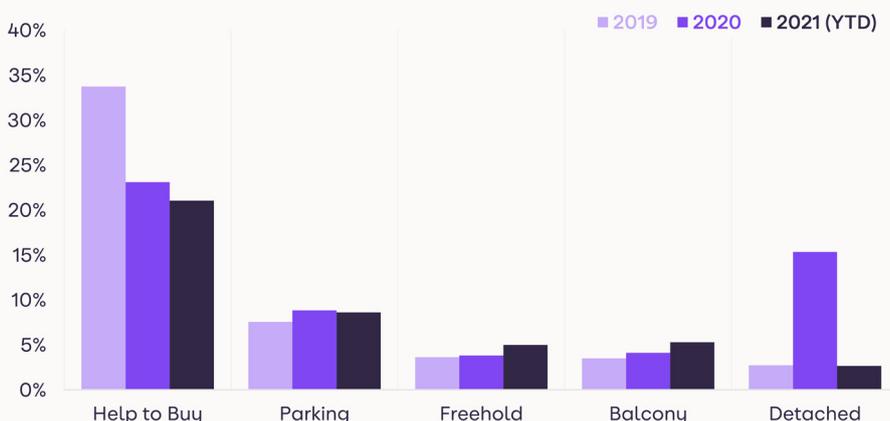
3 ... and how does this change in London?

In London, affordability plays a crucial part in buyers' decisions, as Help to Buy accounts for 1 in 5 searches made by new home buyers in 2021.

Interestingly, searches for new build detached houses rose sharply in 2020 as lockdown took its toll, and buyers explored whether owning a larger home with outdoor space was within their budget.

However, with the stock of new build houses built accounting for less than 5% of delivery in the capital and with demand high, we saw buyers reset their expectations, and the importance of apartments with balconies in buyers' searches grow as a result.

New Homes - London

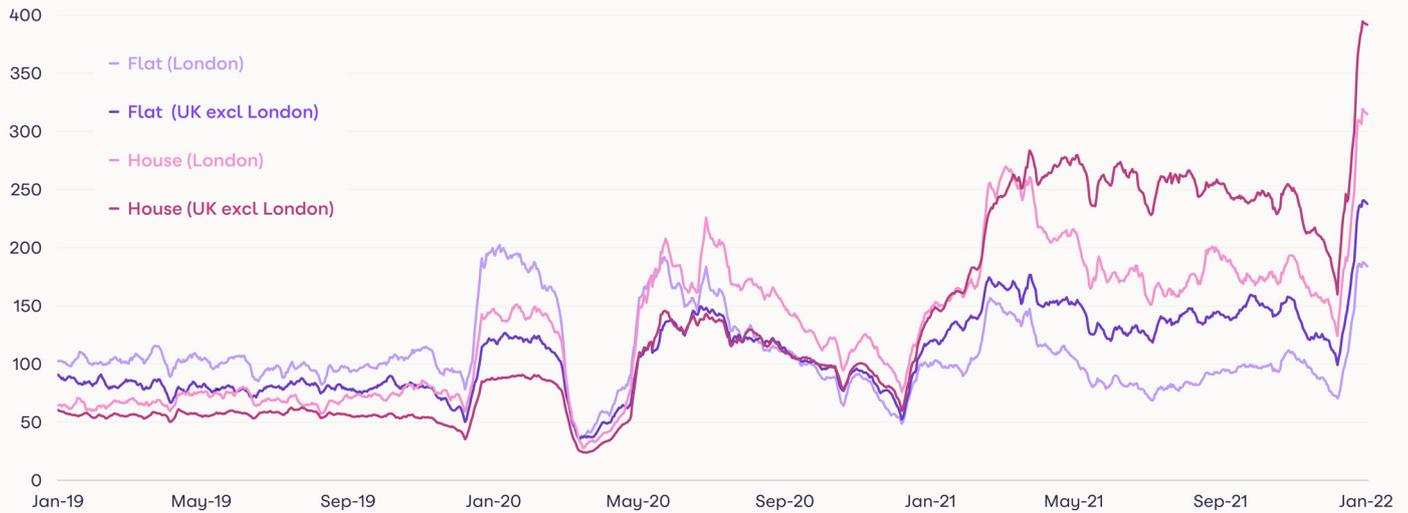


4 Apartments should still have a place in builders' plans

As we enter 2022, demand for apartments is at its highest level since April 2020 as offices reopen, and in the case of London, international buyers re-enter the market.

This highlights that there is still untapped demand for flats, especially in the cities.

Buyer demand rises sharply for both flats and houses



Source: Zoopla Research

Buyer demand indexed, 100 = 2017-2022 average

5 How does the green agenda fit into home buyers' considerations?

Zoopla research shows that while sustainability and energy-efficient measures feature in some buyers' priorities, they are not presently a deciding factor for most.

Right now, government policy is the primary driver for change in the sector, but as buyers become more familiar with electric boilers, air-source heat pumps, car charging points and other 'green' measures there will be an uptick in the adoption of this technology and expectation for these features to be part of the fabric of their future home.

