# New-build demand steadies in Q2 2025 with Southampton and Portsmouth leading growth



New-build buyer demand across Britain showed a broadly steady pattern between the first and second quarters of 2025, with some major cities displaying robust activity despite the challenges posed by higher price points. According to data from Property Inspect’s Q2 New-Build Demand Index, the proportion of new-build homes marked as sold subject to contract (SSTC) remained largely unchanged nationally, standing at 18.2%. This represents a slight quarterly decline of 0.2% and a 1.7% drop compared to the same period in 2024. However, several southern coastal cities continued to lead the market, highlighting ongoing buyer interest in specific urban locations.

Among the key urban hotspots, Southampton topped the demand rankings with an impressive 35% of new-build homes under offer or sold. Portsmouth followed with 28%, while Sheffield, Glasgow, and Bristol recorded solid figures of 20.6%, 19.5%, and 19.1% respectively. In contrast, weaker demand was witnessed in Swansea, where only 1.1% of new-build listings were under offer, alongside Liverpool and Aberdeen, which posted 3% and 4.3%, respectively. These regional disparities illustrate a degree of divergence within the market, with some areas experiencing notable quarterly growth while others faced declines.

Portsmouth saw the most significant uplift in new-build demand compared to the previous quarter, rising by 16.2%. Glasgow (+6.6%), Cardiff (+6.3%), Southampton (+6.2%), and Birmingham (+2%) also reported increases. Conversely, Aberdeen experienced the steepest fall at -10%, with Bournemouth and Newport also facing declines. On an annual basis, Glasgow led with a 14% rise in demand compared to Q2 2024, closely followed by Portsmouth with a 13.7% increase. Meanwhile, cities such as Edinburgh, Aberdeen, and Newcastle saw modest gains year-on-year, indicating pockets of resilience amid wider market softness.

Industry voices note that despite broader economic caution and affordability challenges, buyers remain attracted to the unique benefits of new-build homes. Siân Hemming-Metcalfe, operations director at Property Inspect, emphasized the enduring appeal of modern, energy-efficient properties that offer lower maintenance and contemporary layouts. She suggested that buyers’ willingness to pay a premium for these homes reflects confidence in their long-term value, particularly in urban centres where demand for sustainable living spaces is strong. This discerning buyer mentality underscores a market that is not merely price-sensitive but motivated by quality and lifestyle considerations.

Further context reveals that the appeal of new-build properties has broadened significantly in recent years. Mortgage Advice Bureau data from 2024 shows a surge in demand across all age groups, with nearly half of homebuyers expressing an interest in new-build homes—a 21% increase since 2022. This rise is particularly pronounced among first-time buyers, whose interest has grown by 20%. Such demographic trends underpin the market's stability and provide a foundation for sustained demand in certain segments.

From a developer perspective, optimism appears to be growing. A recent survey found that 61% of property developers expect an improvement in the residential property market this year. Factors supporting this positive outlook include government housebuilding targets, planning reforms, and stamp duty relief measures. These policy drivers could enhance market capacity and buyer affordability, further buoying new-build activity.

It is worth noting that some reports have highlighted slight variations in the extent of demand growth. For instance, other industry sources reported a modest overall increase of 0.7% in new-build buyer demand for Q2 2025, with Southampton emerging as the hottest market, claiming 45% of new-build listings under offer or sold, followed closely by Bristol and Bournemouth. While these figures differ somewhat from Property Inspect's data, they corroborate the broader trend of sustained interest concentrated in specific urban areas.

In summary, while new-build demand across Britain has remained relatively flat on a quarterly basis, strong buyer engagement in key cities, especially along the south coast, signals resilience in the sector. The combination of demographic shifts, quality-driven purchaser preferences, and favorable developer sentiment paints a cautiously optimistic picture for the new-build housing market as it navigates economic uncertainties and evolving buyer expectations.

### 📌 Reference Map:

* Paragraph 1 – [[1]](https://www.propertyreporter.co.uk/strong-city-demand-offsets-weak-spots-in-new-build-market.html), [[2]](https://www.propertyreporter.co.uk/strong-city-demand-offsets-weak-spots-in-new-build-market.html)
* Paragraph 2 – [[1]](https://www.propertyreporter.co.uk/strong-city-demand-offsets-weak-spots-in-new-build-market.html)
* Paragraph 3 – [[1]](https://www.propertyreporter.co.uk/strong-city-demand-offsets-weak-spots-in-new-build-market.html)
* Paragraph 4 – [[1]](https://www.propertyreporter.co.uk/strong-city-demand-offsets-weak-spots-in-new-build-market.html)
* Paragraph 5 – [[4]](https://www.introducertoday.co.uk/breaking-news/2025/02/new-build-demand-surges-amongst-buyers-in-all-age-groups/)
* Paragraph 6 – [[5]](https://www.shawbrook.co.uk/property-finance/insights-hub/insights/uk-residential-property-market-2025-developer-confidence/)
* Paragraph 7 – [[3]](https://ifamagazine.com/new-build-buyer-demand-creeps-up-in-q2-southampton-ranks-as-the-hottest-spot-for-new-build-buyer-demand-in-britain/), [[6]](https://thedailybrit.co.uk/new-build-buyer-demand-creeps-up-in-q2/)

Source: [Noah Wire Services](https://www.noahwire.com)

## Bibliography

1. <https://www.propertyreporter.co.uk/strong-city-demand-offsets-weak-spots-in-new-build-market.html> - Please view link - unable to able to access data
2. <https://www.propertyreporter.co.uk/strong-city-demand-offsets-weak-spots-in-new-build-market.html> - An article from Property Reporter discusses the Q2 2025 New-Build Demand Index by Property Inspect, revealing that new-build buyer demand across Britain remained largely unchanged between Q1 and Q2 2025, standing at 18.2%. The article highlights strong performances in cities like Southampton, Portsmouth, Sheffield, Glasgow, and Bristol, while cities such as Swansea, Liverpool, and Aberdeen experienced weaker demand. The piece also notes regional divergences and annual demand trends, emphasizing the resilience of the new-build market in urban centres despite higher price points.
3. <https://ifamagazine.com/new-build-buyer-demand-creeps-up-in-q2-southampton-ranks-as-the-hottest-spot-for-new-build-buyer-demand-in-britain/> - IFA Magazine reports on a 0.7% increase in new-build buyer demand during Q2 2025, according to easyMoney's quarterly gauge. Southampton leads with 45% of new-build listings under offer or sold subject to contract, followed by Bristol (44%) and Bournemouth (42%). Bristol also saw the largest quarterly increase in demand, up 15% compared to Q1 2025. The article highlights the regional variations and the overall positive trend in new-build buyer demand across major cities.
4. <https://www.introducertoday.co.uk/breaking-news/2025/02/new-build-demand-surges-amongst-buyers-in-all-age-groups/> - Introducer Today reports a significant surge in demand for new-build properties across all age groups in 2024. Data from the Mortgage Advice Bureau indicates that 48% of homebuyers expressed a desire to purchase a new-build property, a 21% increase from 2022 and 2023. The article notes that first-time buyers, in particular, have shown a 20% increase in interest since 2022, highlighting the growing appeal of new-build homes among various demographics.
5. <https://www.shawbrook.co.uk/property-finance/insights-hub/insights/uk-residential-property-market-2025-developer-confidence/> - Shawbrook's insights hub presents a survey revealing that 61% of property developers anticipate an improvement in the residential property market in 2025. Factors contributing to this optimism include government housebuilding targets, planning reforms, and stamp duty relief. The article emphasizes the positive outlook among developers and the expected increase in market activity, particularly in the new-build sector.
6. <https://thedailybrit.co.uk/new-build-buyer-demand-creeps-up-in-q2/> - The Daily Brit reports on easyMoney's quarterly gauge showing a 0.7% increase in new-build buyer demand during Q2 2025. Southampton tops the list with 45% of new-build listings under offer or sold subject to contract, followed by Bristol (44%) and Bournemouth (42%). The article highlights the regional variations and the overall positive trend in new-build buyer demand across major cities.
7. <https://www.charliepanayi.com/k-property-market-update-april-2025> - Charlie Panayi's property market update discusses the impact of stamp duty changes on buyer behavior, particularly among first-time buyers. The article notes a significant increase in demand in the £300,000 - £625,000 price range as buyers aim to complete purchases before tax increases. It also provides regional house price performance data, highlighting areas with the strongest growth over the past year.