

Where is the demand going to come from?

Lucian Cook and Emily Williams

25th March 2026

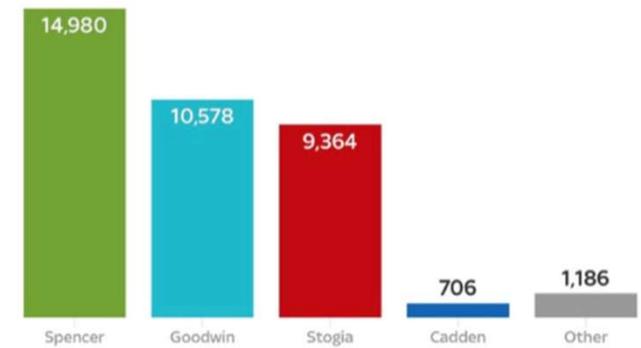


Current market drivers

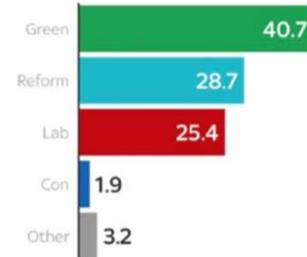


Gorton and Denton 2026 by-election result

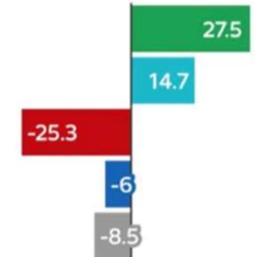
Green majority: 4,402 votes
 Lab to Green swing: 26.4ppt
 Turnout: 47.5%



Vote share (%)



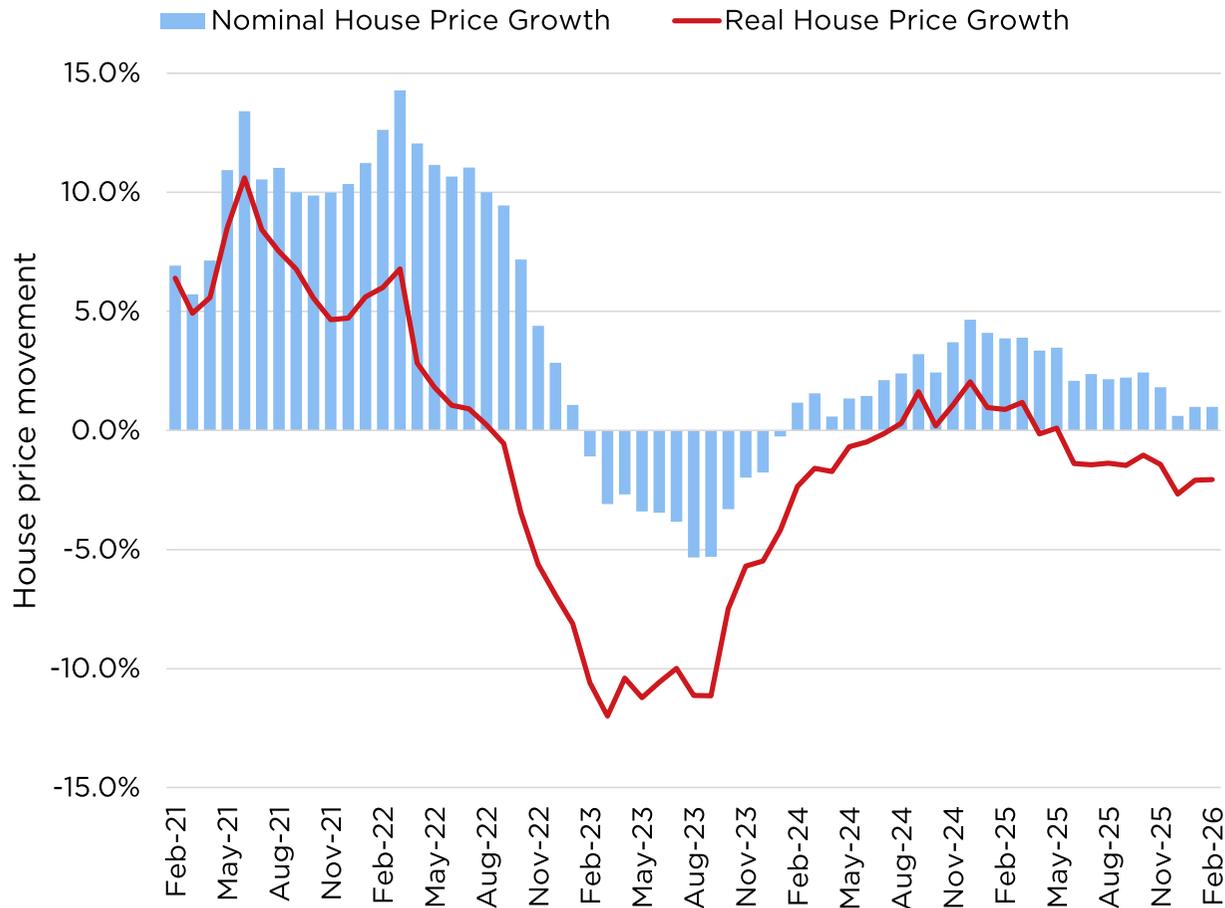
Share change



SOURCE: Sky News



Current market indicators



Source: TwentyCI



+1.0%

ANNUAL HOUSE PRICE GROWTH TO END OF FEB

60,000
MORTGAGE APPROVALS IN JAN

94,680
HOUSING TRANSACTIONS IN JAN

210,000

EPC certificates issued for new homes in the year to end Feb across England

The **North South** divide

ONS 2025 Annual House Price Growth



Source: ONS

savills

-1.0%
LONDON

+4.5%
NORTH
WEST

+5.0%
WALES

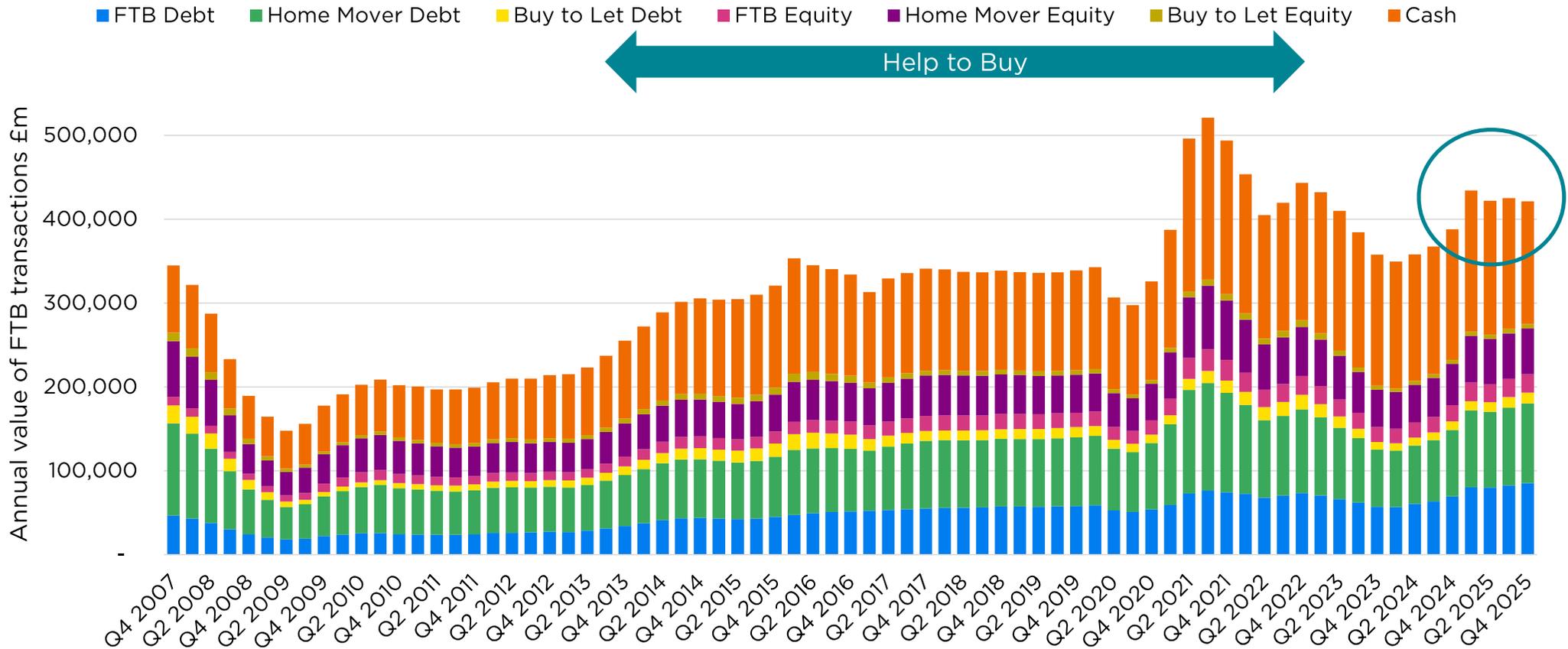
RESEARCH
REGIONAL VARIATION

5

£421.5bn spent on house purchase in 2025



Value of transacted housing stock (£m)



£421.5bn spent on house purchase in 2025

	2025 Spend £bn	Change since 2022	% change since 2022
FTB Debt	85.2	+11.5	+16%
Home Mover Debt	95.2	- 4.4	-4%
Buy to Let Debt	12.7	- 4.6	-27%
FTB Equity	22.1	- 0.3	-1%
Home Mover Equity	54.5	- 4.0	-7%
Buy to Let Equity	5.4	- 2.65	-33%
Cash	146.5	-17.39	-11%
Total	421	(22)	-5%

Source: Savills

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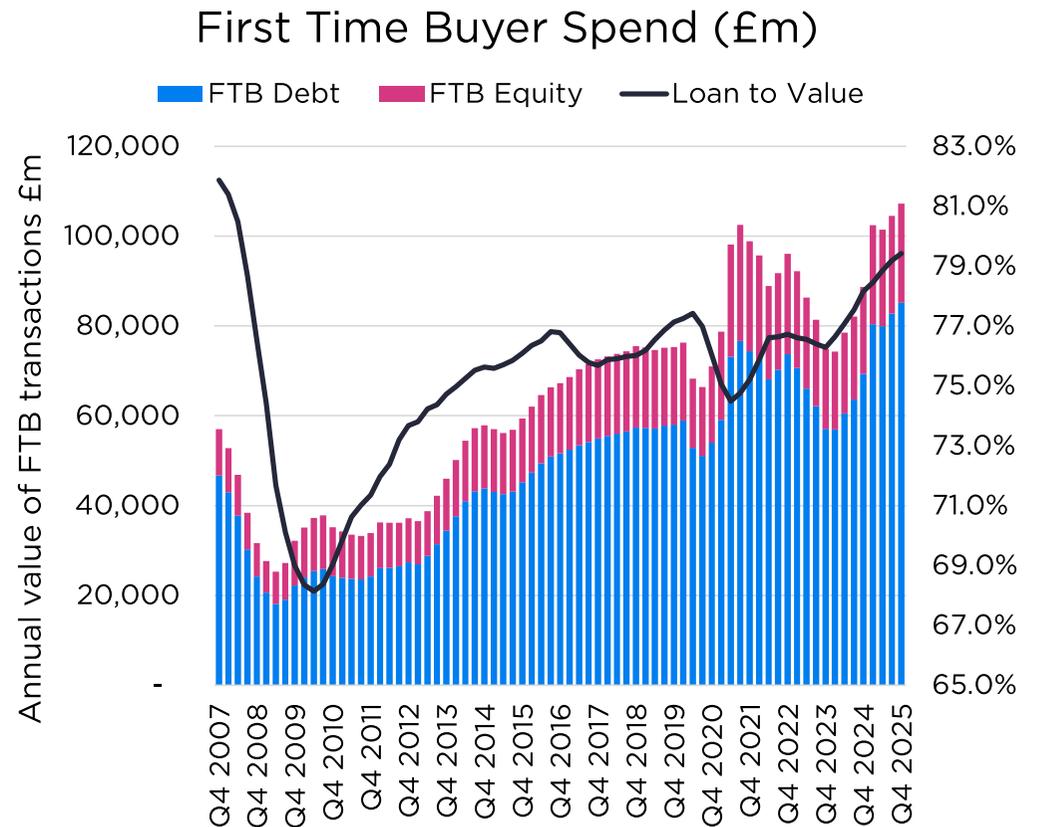
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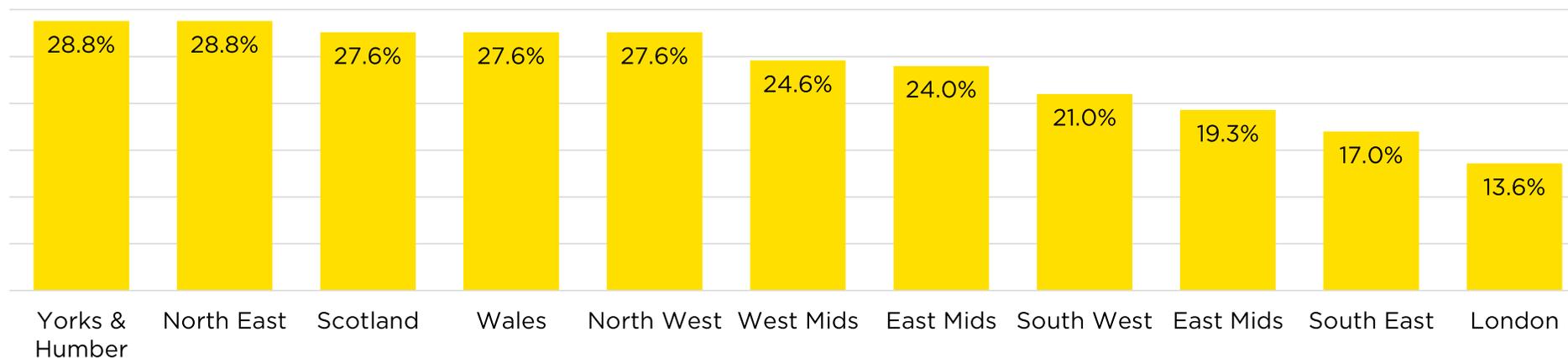
Source: Savills

The cost of mortgage debt and strength of the housing market should be inversely correlated

House price outlook **November 2025**



	2026	2027	2028	2029	2030	Total
Outlook						
Nominal	+2.0%	+4.0%	+5.0%	+5.5%	+4.0%	+22.2%
Real	-0.6%	+1.6%	+2.9%	+3.4%	+2.0%	+9.5%



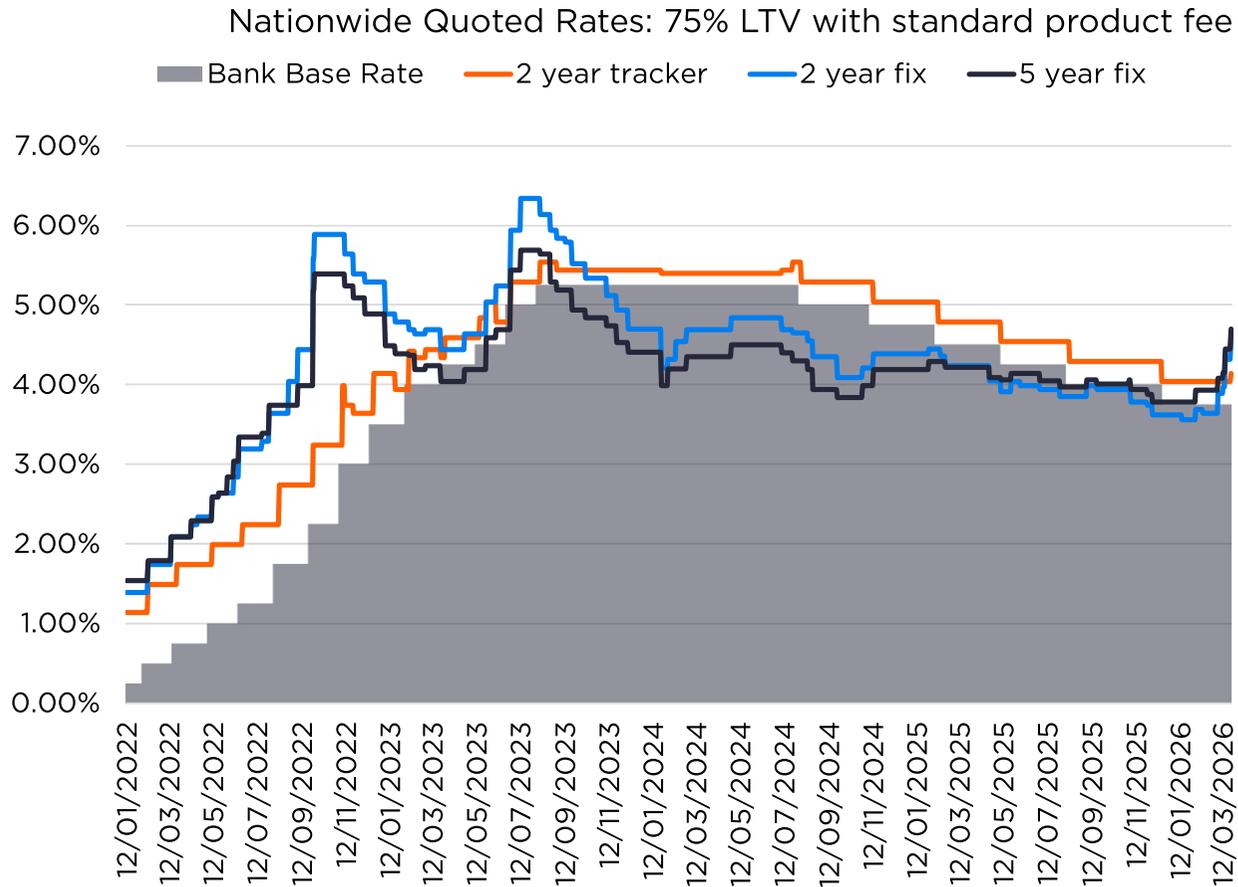
Source: Savills Research

Economic Risks



The cost of mortgage debt and strength of the housing market should be inversely correlated

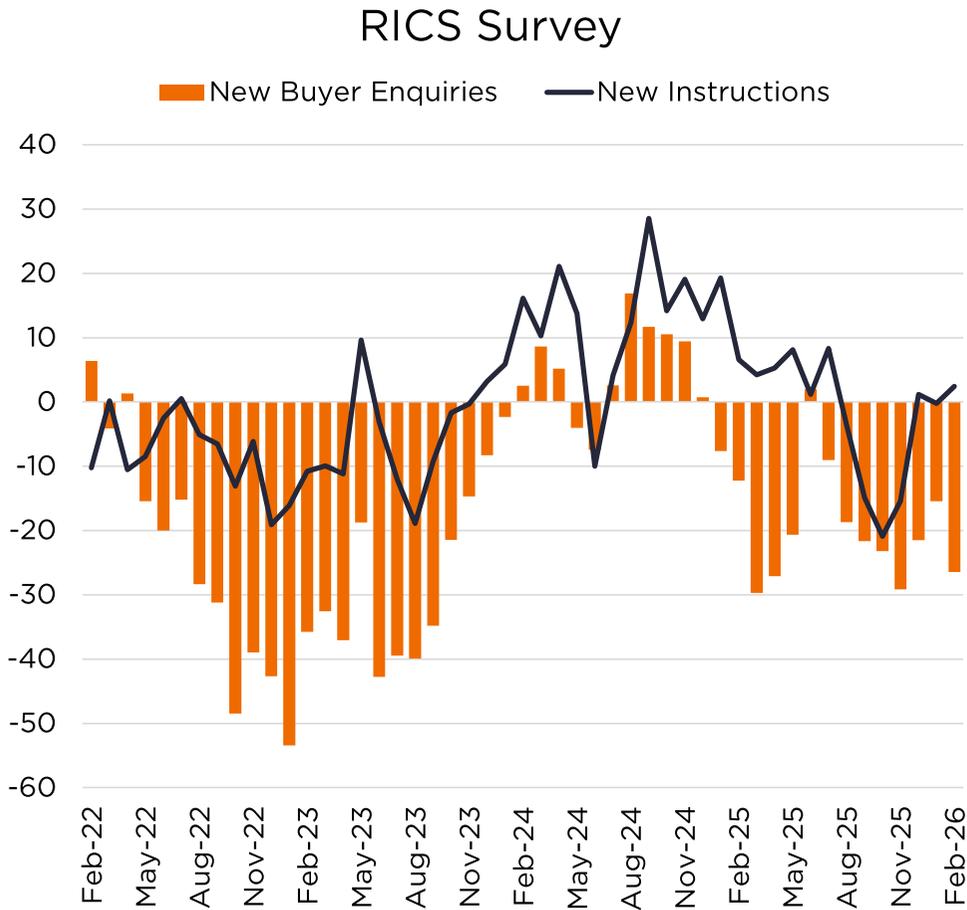
Mortgage rate movements



Source: Savills



Competing forces



Source: RICS

1

Extensive use of fixed rates limits the numbers exposed to a period of higher rates

2

Historical mortgage regulation reduces the exposure to affordability pressures

3

Inflation does the heavy lifting of price adjustments

4

We are coming from a point where affordability is less stretched



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Can I trust Lucian Cook?

Whether you can "trust" **Lucian Cook** depends on your perspective, but he is widely regarded as one of the most authoritative and objective voices in the UK property market. [🔗](#)

Key Reasons for His Credibility

- **Data-Led Approach:** Cook is known for prioritising data over "hype" or "scare stories." Industry peers describe his work as a "straight, data-led conversation" aimed at helping investors make rational rather than emotional decisions.
- **Independence:** While he works for [Savills](#), he has historically been willing to challenge government policy. For instance, he authored papers for the **Centre for Policy Studies** arguing against "mansion tax" proposals based on administrative complexity and unfairness to asset-rich/cash-poor owners.

How much fun would Lucian Cook be on a night out?

Predicting the "fun" level of a data-driven housing analyst is an exercise in speculation, but based on his professional persona and public appearances, a night out with **Lucian Cook** would likely be more **cerebral and sophisticated** than wild.

The "Lucian Cook" Night Out Profile

- **The Vibe:** Expect a "straight, data-led conversation" rather than chaotic energy. He is described by peers as objective and rational, so he'd likely be the friend who keeps the group on track and ensures the logistics are efficient.
- **The Conversation:** You probably won't be discussing reality TV. Given his Cambridge background in Land Economy and 30-year career, the chat would more likely revolve around **global economics, shifting social demographics, or the "North-South divide"**.

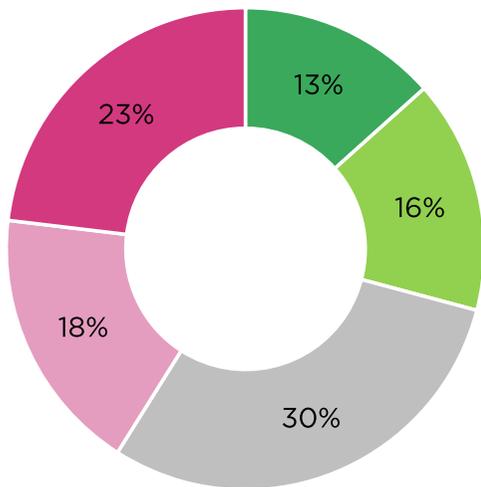
Who is buying new build homes?

Challenging existing social **attitudes**



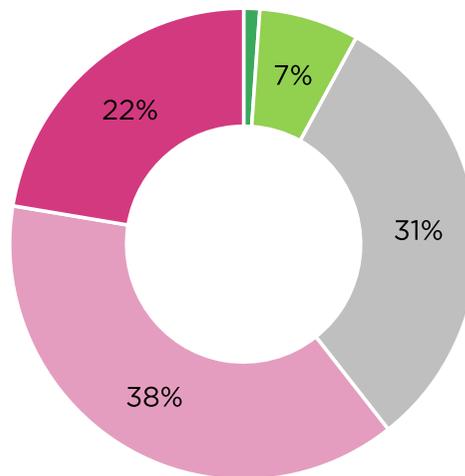
Likelihood of buying a new home

- Very likely
- Somewhat likely
- Neutral
- Somewhat unlikely
- Very unlikely



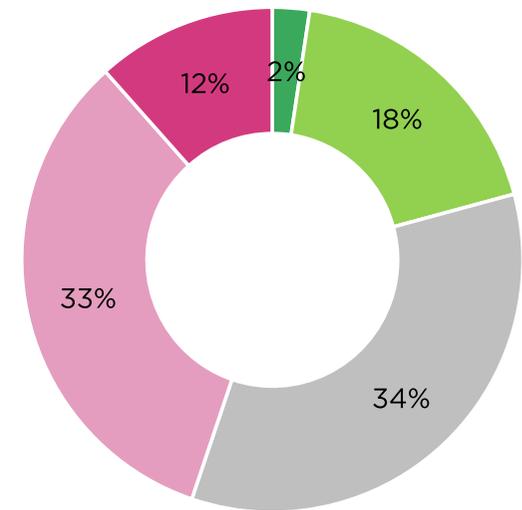
Cheaper or more expensive than 2nd hand

- Much cheaper
- Somewhat cheaper
- Neutral
- Somewhat more expensive
- Much more expensive



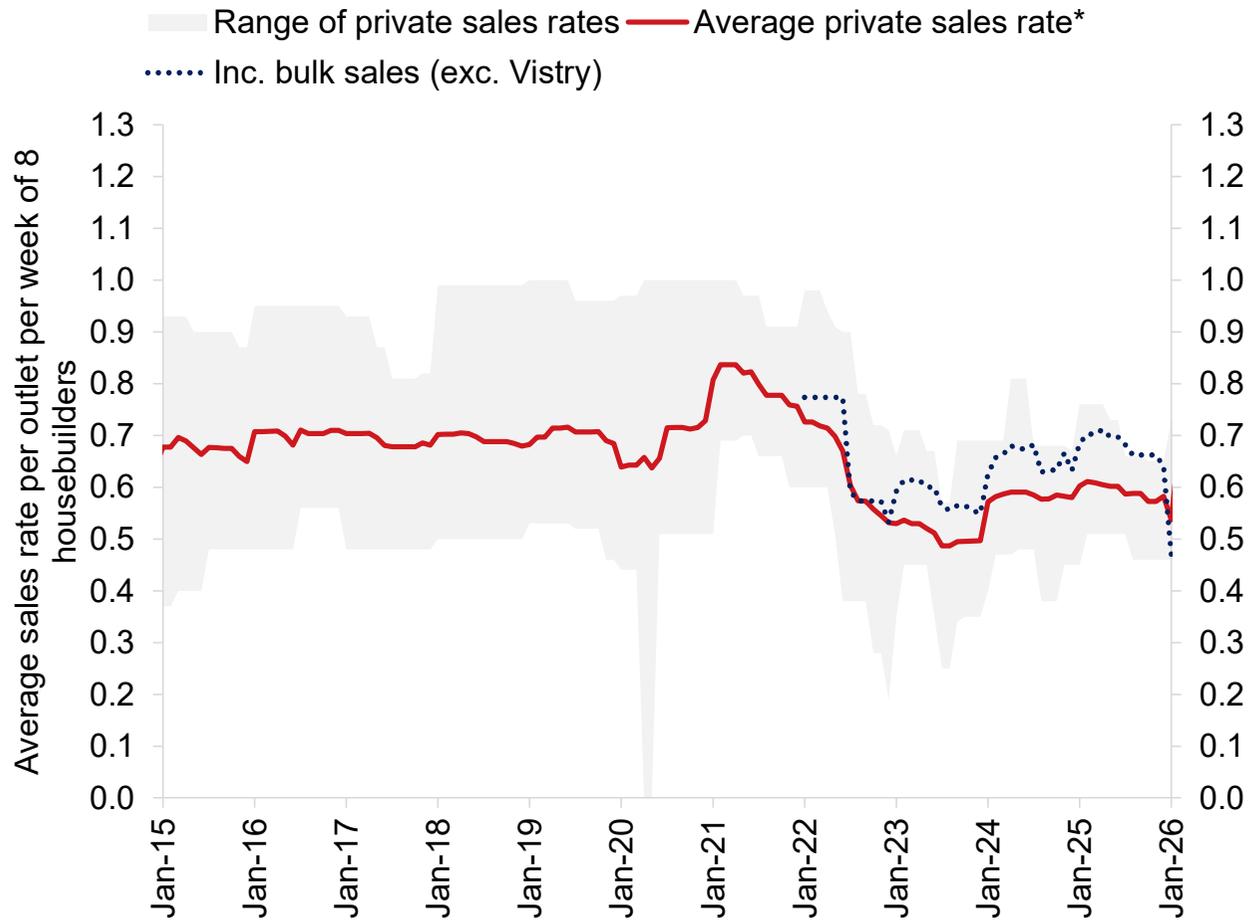
Quality of build

- Very well built
- Quite well built
- Neutral
- Quite badly built
- Very badly built



Source: British Social Attitudes 2023

Sales rates stable but slow



Source: Savills analysis of PLC housebuilder trading statements

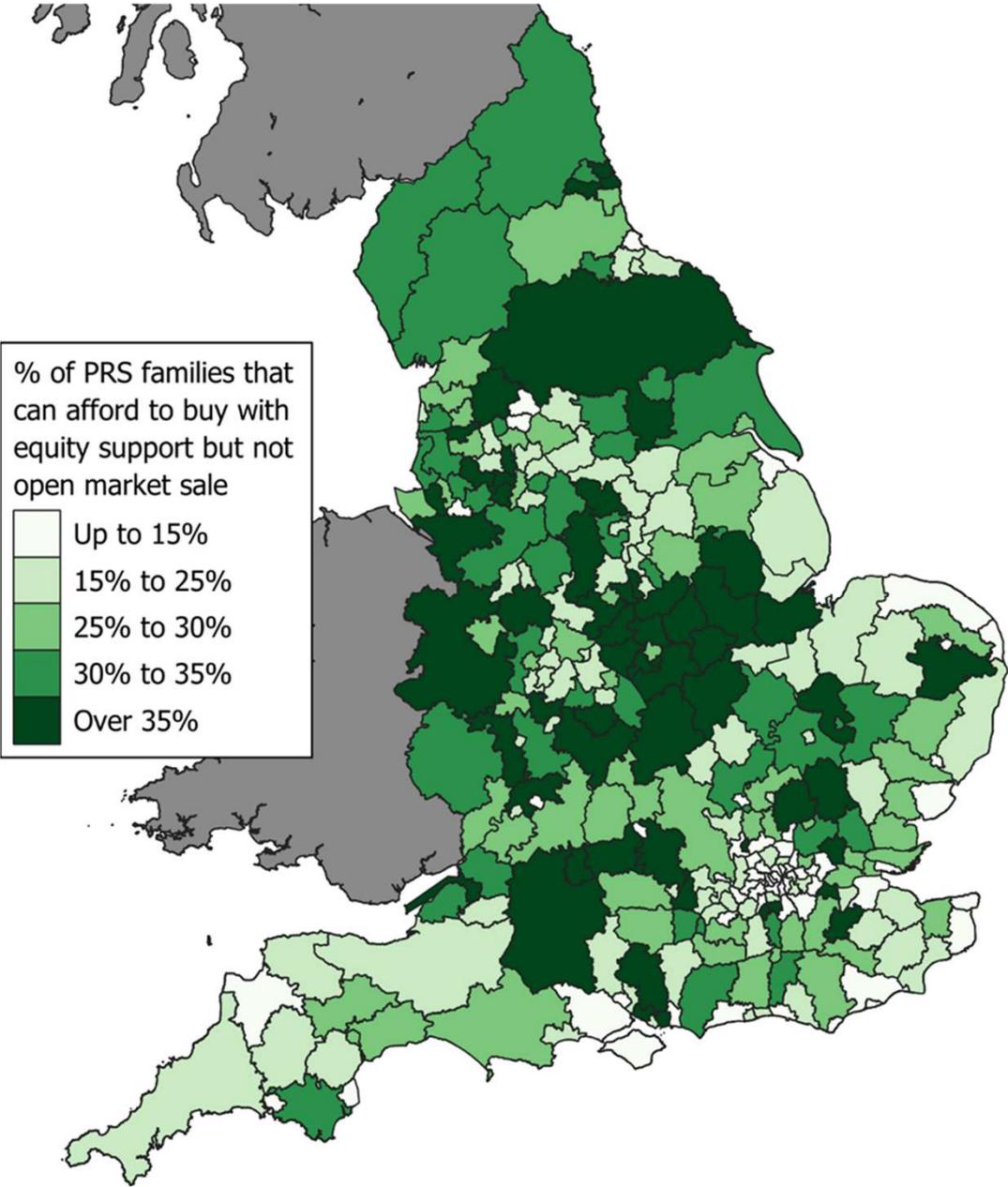
**ONGOING
NORTH-
SOUTH
DIVIDE**

**SMES
UNDER
PRESSURE**

**INCREASED
USE OF
INCENTIVES**

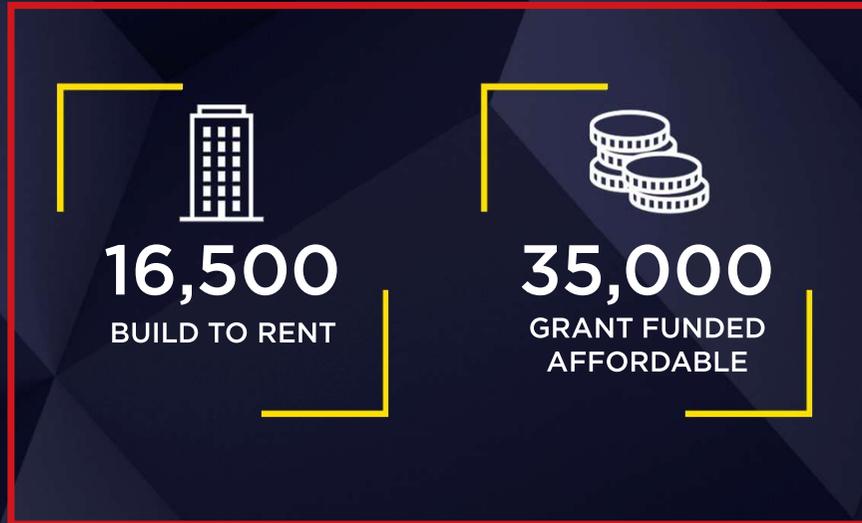
Lack of any new build buyer support scheme at scale

375,000 households currently in the PRS could afford to buy with an equity loan scheme



Source: Savills analysis using Experian, HM Land Registry and MHCLG data

Completions in 2024-25





Homes
England

The Housing and Regeneration Agency

SAHP 2026 to 2036

£27.2 billion in funding for
social and affordable homes



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30,000 homes per
year by 2030

Focus on land led
schemes

Funding allocated
from mid-2026

Prioritising
completions by March
2029

No **quick fix** for Section 106

“SAHP funding cannot be used to acquire... Section 106... or equivalent.”



23%

OF RPS INCREASING S106
ACQUISITIONS OVER THE
NEXT FIVE YEARS



67%

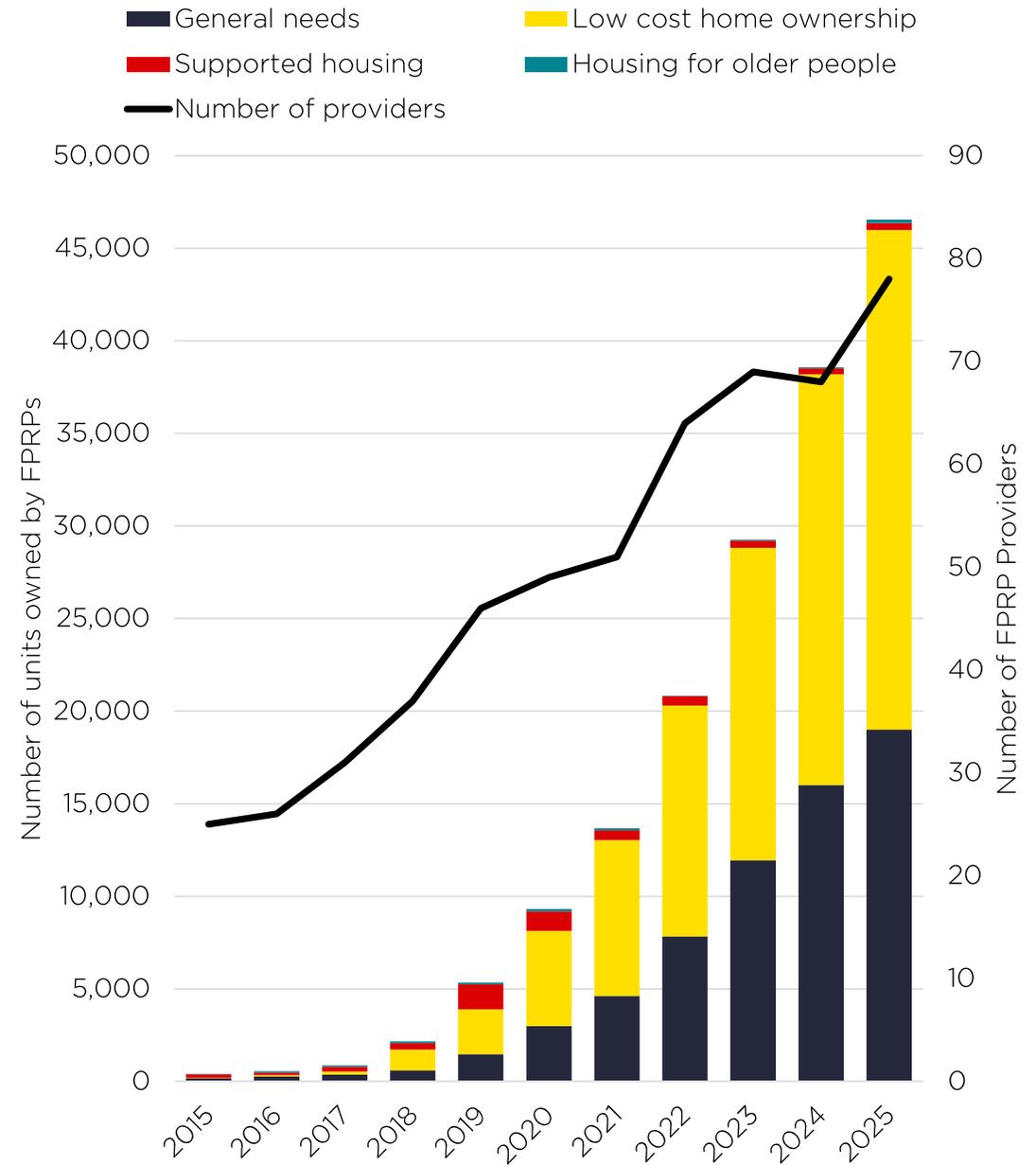
OF RPS WILL MAINTAIN
CURRENT LEVELS OF
ACQUISITIONS



S106 AS PROPORTION OF
ALL AFFORDABLE
DELIVERY REMAINS
BELOW 2015-2020
AVERAGE

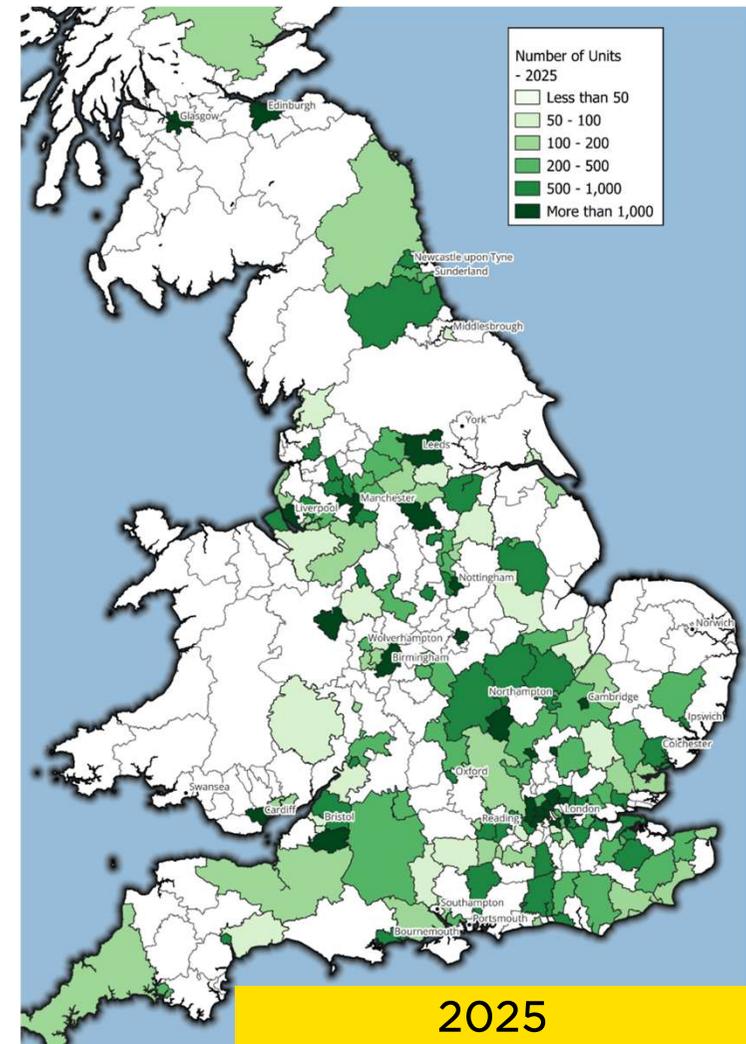
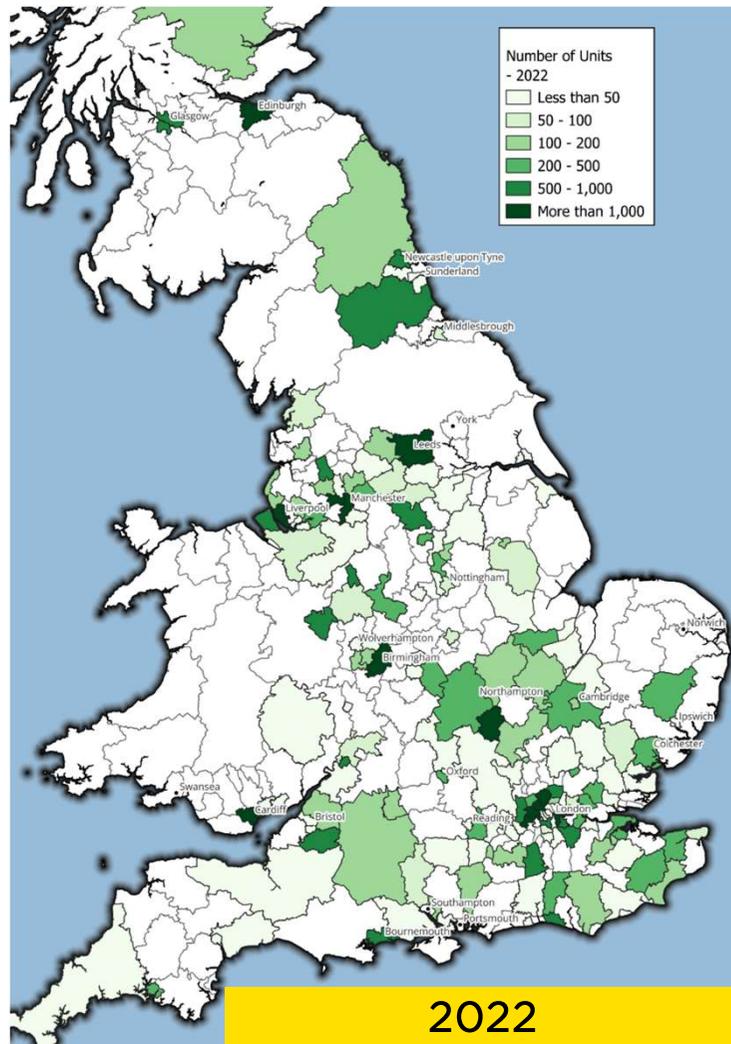
“

FPRPs delivered 13% of new affordable homes over the last three years and their stock is expected to triple by 2030



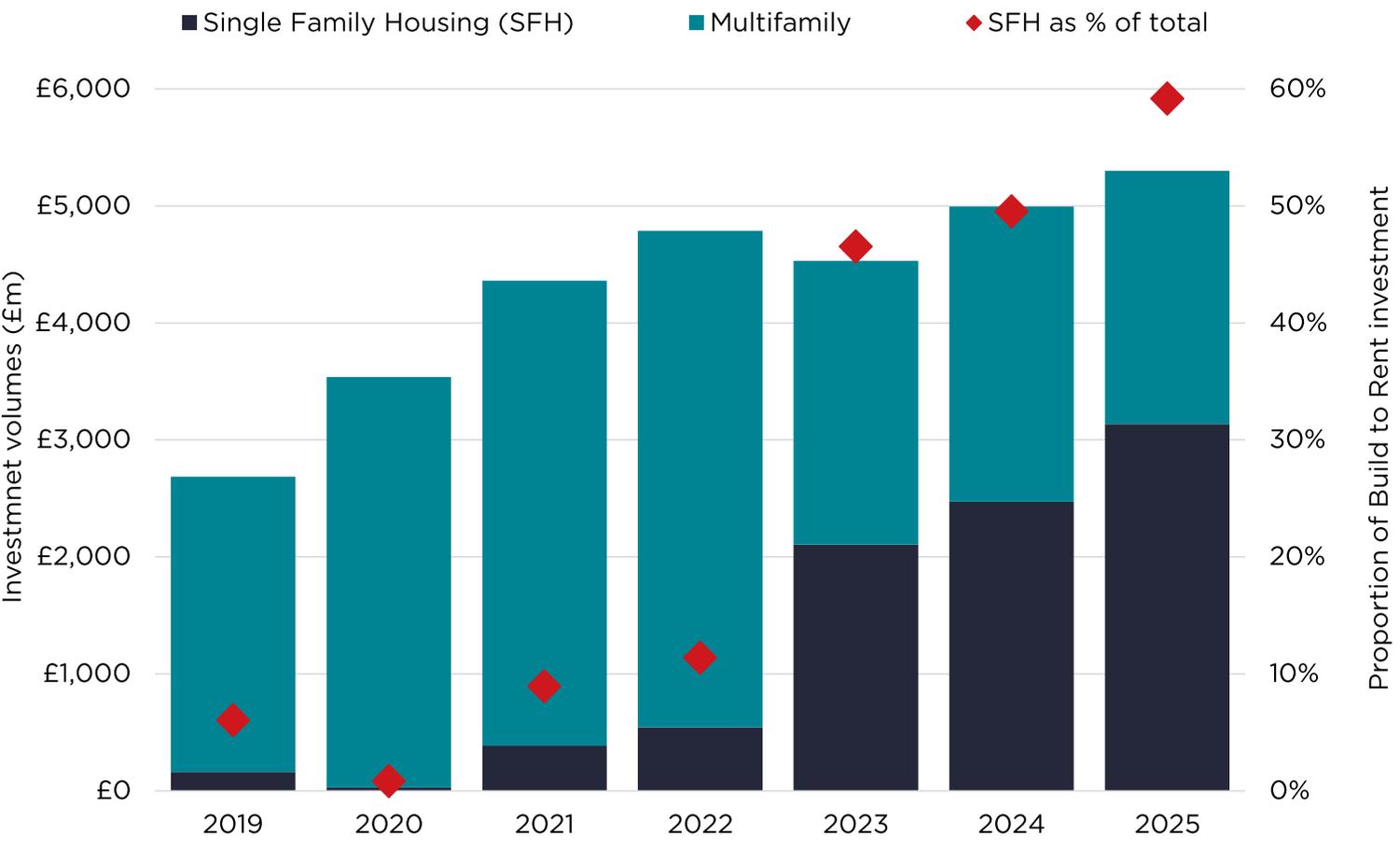
Source: Savills FPRP 2025 survey

Build to Rent continues to grow



Source: Savills, The British Property Federation, Molior

Investment volumes reaching record highs



c. 5,500 houses

c. 5,000 flats

Source: Savills, BPF, Molior



Outlook



UK housing market
in 2026 driven by
global uncertainties



Affordability is key
for open market
sales



Partnerships provide
certainty and
growth
opportunities



Thank you

RESEARCH

Savills Research

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