FIRST WORLD PROPERTY PROBLEMS
ANDY HULME, CHIEF EXECUTIVE OFFICER AND HEAD OF HGP
<table>
<thead>
<tr>
<th></th>
<th>Overview of the Housing Growth partnership</th>
</tr>
</thead>
<tbody>
<tr>
<td>2</td>
<td>Five areas off focus to tackle the UK’s housing crisis</td>
</tr>
<tr>
<td>3</td>
<td>Stories, anecdotes and opinion</td>
</tr>
</tbody>
</table>
HOUSING GROWTH PARTNERSHIP

LLOYDS BANKING GROUP

+ Homes & Communities Agency

= HOUSING GROWTH partnership
PROUD TO BE BUILDING QUALITY HOMES…

STARTER HOMES

SUBURBAN STREETS

FAMILY HOMES

EXECUTIVE HOMES

VILLAGE HOMES

APARTMENT HOMES
A CATASTROPHIC SHORTAGE OF HOMES

AT LEAST 200K HOMES PER YEAR REQUIRED

Gross Advances (£m) per Quarter

Resi
BTL
New Build Completions

No. of New Build Completions per Quarter

Q1 Q2 Q3 Q4
0 5,000 10,000 15,000 20,000 25,000 30,000 35,000 40,000 45,000 50,000
WE NEED TO BUILD MORE HOMES

<table>
<thead>
<tr>
<th>Rank</th>
<th>Housebuilder</th>
<th>No. of Houses</th>
<th>Average Selling Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Barratt</td>
<td>17,319</td>
<td>£290,000</td>
</tr>
<tr>
<td>2</td>
<td>Persimmon</td>
<td>15,171</td>
<td>£206,700</td>
</tr>
<tr>
<td>3</td>
<td>Taylor Wimpey</td>
<td>13,219</td>
<td>£230,000</td>
</tr>
<tr>
<td>4</td>
<td>Bellway</td>
<td>8,721</td>
<td>£252,793</td>
</tr>
<tr>
<td>5</td>
<td>Redrow</td>
<td>4,716</td>
<td>£288,600</td>
</tr>
<tr>
<td>6</td>
<td>Bovis</td>
<td>3,934</td>
<td>£272,100</td>
</tr>
<tr>
<td>7</td>
<td>Berkeley</td>
<td>3,776</td>
<td>£515,000</td>
</tr>
<tr>
<td>8</td>
<td>Linden</td>
<td>3,078</td>
<td>£335,000</td>
</tr>
<tr>
<td>9</td>
<td>Crest</td>
<td>2,725</td>
<td>£309,000</td>
</tr>
<tr>
<td>10</td>
<td>Bloor</td>
<td>2,434</td>
<td>£251,000</td>
</tr>
<tr>
<td>11</td>
<td>Countryside</td>
<td>2,364</td>
<td>£385,000</td>
</tr>
<tr>
<td>12</td>
<td>Miller</td>
<td>2,153</td>
<td>£277,000</td>
</tr>
<tr>
<td>13</td>
<td>Keepmoat</td>
<td>2,133</td>
<td>£123,020</td>
</tr>
<tr>
<td>14</td>
<td>Avant</td>
<td>1,679</td>
<td>£224,000</td>
</tr>
<tr>
<td>15</td>
<td>Cala</td>
<td>1,151</td>
<td>£538,000</td>
</tr>
<tr>
<td>16</td>
<td>Housing Growth Partnership</td>
<td>1,056</td>
<td>£295,000</td>
</tr>
<tr>
<td>17</td>
<td>Morris</td>
<td>972</td>
<td>£211,600</td>
</tr>
</tbody>
</table>
1. BUILD MORE HOMES

- Build more homes
- The right homes
- With the right tenure
2. THE RESPONSIBILITY OF BUILDERS

LABOUR & SKILLS

THE FARMER REVIEW OF THE UK CONSTRUCTION LABOUR MODEL

MODERNISE OR DIE
Time to decide the industry’s future

Housebuilding Sector: Forecast Workforce vs Required Workforce

<table>
<thead>
<tr>
<th>Year</th>
<th>Estimate Number of Workers in Housebuilding</th>
<th>Required Workforce to deliver 250,000 homes</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2017</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2018</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2019</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2020</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2021</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2022</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2023</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2024</td>
<td>150,000</td>
<td>250,000</td>
</tr>
<tr>
<td>2025</td>
<td>150,000</td>
<td>250,000</td>
</tr>
</tbody>
</table>
2. THE RESPONSIBILITY OF BUILDERS

INNOVATION

Expenditure on R&D Performed in UK Businesses: Broad Product Groups (2010-2014, constant 2014 prices)
3. THE RESPONSIBILITY OF BUILDERS (ENVIRONMENTAL IMPACT)
3. THE RESPONSIBILITY OF BUILDERS (ENVIRONMENTAL IMPACT)

Players Close, Bristol

Brington, Cambridgeshire
3. THE ROLE OF BANKS & BUILDING SOCIETIES
4. THE NEED FOR FUNCTIONAL GOVERNMENT
4. THE NEED FOR FUNCTIONAL GOVERNMENT

Help to Buy

Confidential
4. THE NEED FOR FUNCTIONAL GOVERNMENT

NATIONAL

LOCAL

MINISTERIAL
4. THE NEED FOR FUNCTIONAL GOVERNMENT
POLITICAL REALITY

- 2013: Kris Hopkins, 140,000
- 2016: Gavin Barwell
- 2014: Brandon Lewis, 158,000
- 2017: Alok Sharma
4. THE NEED FOR FUNCTIONAL GOVERNMENT
POLITICAL REALITY

- 1997: Hilary Armstrong 185,000
- 2001: Lord Falconer 178,000
- 2003: Keith Hill 200,000
- 2008: Caroline Flint 187,000
- 2009: John Healey 147,000
- 2010: Grant Shapps 139,000
- 2013: Kris Hopkins 140,000
- 2016: Gavin Barwell

- 1999: Nick Raynsford 178,000
- 2002: Lord Rooker 186,000
- 2005: Yvette Cooper 206,000
- 2008: Margaret Beckett 157,000
- 2009: Nick Raynsford 178,000
- 2012: Mark Prisk 138,000
- 2014: Brandon Lewis 158,000
- 2017: Alok Sharma
5. THE ROLE OF CONSUMERS

UK HOUSE PRICE GROWTH 2007 - 2017
5. THE ROLE OF CONSUMERS
SUMMARY

- I’ve talked about the Housing Growth Partnership and our journey so far
- I’ve reflected on the state of the housing market and five tangible actions needed to stop the downward spiral of UK housing
- I’ve tried to share real life reflection and anecdotes about how small changes can have a large impact
- I’m proud that we’ve built an innovative business from scratch and I’m optimistic about how much more can be achieved if others step forwards with tangible, meaningful action – but more still needed
THANKS AND QUESTIONS

HOUSING GROWTH partnership

Andy Hulme
andrew.hulme@housinggrowth.com
Mobile: 07780698426