

FIRST TIME BUYERS...

Who are they?

Who are the first time buyers in today's property market?

Since the Government Housing White Paper was released in March of this year, there has been an ever growing interest in the 'first time buyer' and who they are and what they look like as a demographic.



The white paper said that housing across the UK is becoming less affordable for those not already on the property ladder and that the average house costs 8 times more than average earnings.

They made the comparison between the baby boomers, half of which statistically owned their own home by the age of 30 and the millennials of which only a quarter will own their own home by the age of 30.

However, a recent survey by Zoopla found that the number of first time buyers has grown over the past five years. First time buyers of new and existing homes accounted for an estimated 36% of all housing sales in the UK in 2016 compared to 26% in 2011.

So what do first time buyers look like?

- Average age - **32**
- Working Full Time - **90%**
- **75%** are joint owners
- **66%** are in the 2 highest income bands

What are they buying?

- Across the UK the average price paid by a first time buyer is £212k
- However, in the Midlands most first time buyers expect to find a property more around the £165k mark
- Most first time homes are semi-detached 2-3 bedrooms
- 38% say they'd prefer a new build 26% an existing property, the others have no preference

See reverse to find out... 'WHAT MAKES THEM BUY'

I hope you enjoy reading our newsletter and find it both informative and useful.

These articles are designed for people who have an interest in the residential property market in and around the Alfreton and Ripley areas.

We are a local, family run letting agency, passionate about property and our local area.

If you have any questions regarding the information in this article, property investment, lettings or management please feel free to contact me. I am always happy to help.



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What gets first time buyers spending?

- Making a mark on their own place is the key reason
- Moving out of rented accommodation to live in the first home of their own
- Getting married and/or having children can often be the first incentive

The rental market however doesn't seem perturbed by the increase in the number of first time buyers and remains buoyant throughout the Alferton and Ripley areas. Between June and August approximately 200 properties were let in the DE55 and DE5 postcodes. Although some first time buyers may feel that renting limits their ability to save, it is still a vital alternative for some people for a variety of reasons. Many in the millennial generation may decide to rent to gain independence from their family home, they may need to move to a new area and rent while they get themselves settled or they may just prefer the security of renting and the knowledge that bills for a new boiler or a leaky tap will be met by the landlord.

And first place goes to...

THE EAST MIDLANDS

A new report by the Office of National Statistics (ONS) has shown that house prices across the UK have continued to rise at around 5% a year and that the East Midlands has become the new front runner while London trails behind.

Earlier this year UK property prices had begun to stall with growth being reported at only 3.8%, the lowest rate since October 2013 but a Summer boost has seen growth return to a healthy 5.1%. The majority of the growth has been seen outside of London with the East Midlands benefitting from the highest annual growth, with property prices increasing by 7.5% in the past year up to July 2017. These figures suggest a relatively stable market at a time when many were expecting more hesitation from buyer and sellers.

Rental figures are also on the rise across the UK, the average rental price paid to private landlords rose by 1.6% across the country and again the East Midlands region saw the fastest rise in England with an increase of 2.8%. The East Midlands was closely followed by the South East (2.6%) and the South West (2.1%).

