

Homeowners and Aspiring First Time Buyers Stresses & Trust Survey



About HomeOwners Alliance

The HomeOwners Alliance is Britain's only group championing the interests of 17 million homeowners and 5 million aspiring homeowners

We are a member-led organisation, representing homeowners in the media, lobbying for their interests in government, providing quality services and campaigning against bad practices in industry.

The former Housing Minister Grant Shapps MP said that *“The HomeOwners Alliance is good news for homeowners and for homeownership.”*

Sunday Times wrote *“With the launch of the HomeOwners Alliance, British property owners finally have an ally.”*

Background

- Results of national survey via UK You Gov online panel
 - Total sample size was 2056 adults
 - Data weighted and representative of all UK adults (aged 18+)
 - Fieldwork was undertaken between 18th-21st January 2013
- Research issues include:
 - Incidence of home ownership / aspiring ownership
 - profile of home owners and aspiring home owners
 - Stress points of home buying and homeownership experiences
 - Trust of professional services related to home buying/ owning

Incidence of Homeownership & Aspiration to Own in Future

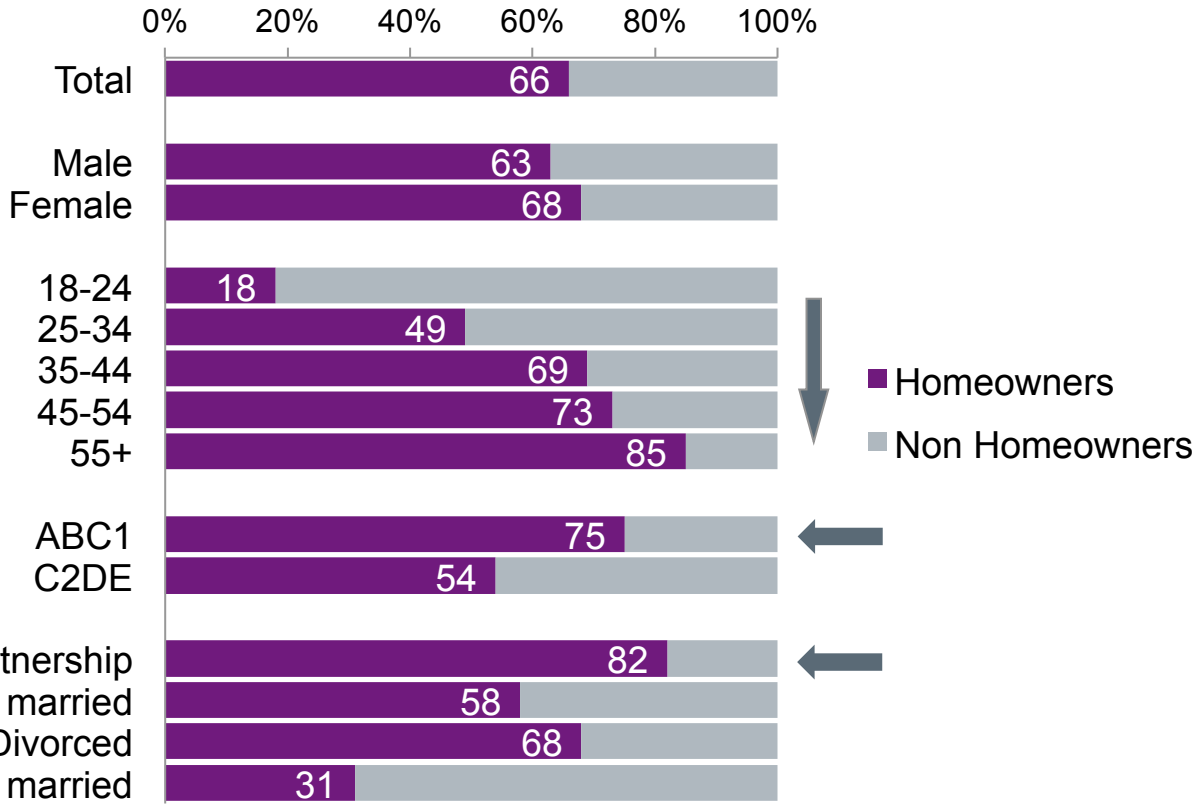
Homeownership remains the dream for many

- Most UK households own or aspire to own their home
 - 66% of UK adults own their home
 - 65% of non owners would like to own in the future
- Homeownership is higher among:
 - Married people/ civil partnerships (82% own)
 - ABC1 individuals (75% own)
 - rises with age (85% 55+ own)
- Aspiration to own tends to be higher among:
 - under 35s (82%)
 - ABC1 individuals (73%)
 - those living as married (81%)/ never married (76%)



Two thirds (66%) of UK adults own their home

- Homeownership is higher among married adults, those in higher social grades and rises correspondingly with age



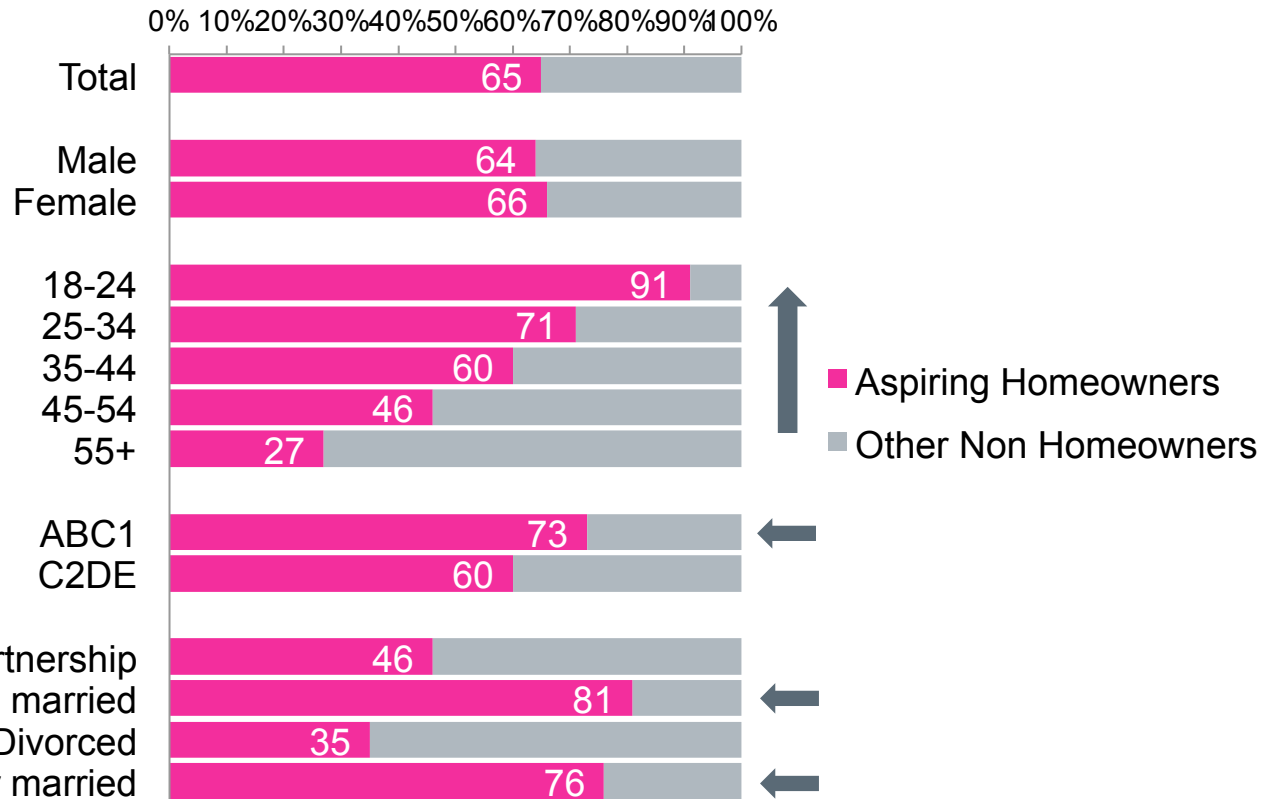
*Widowed sample size too small to report

(among total sample; sample size: 2056)



And a further two thirds, (65%) of non owners would like to own their home in the future

- Aspiration to own is higher amongst under 25s, ABC1 adults and those living together or never married



*Widowed sample size too small to report

(among non homeowners sample size: 663)

Homebuying Stresses

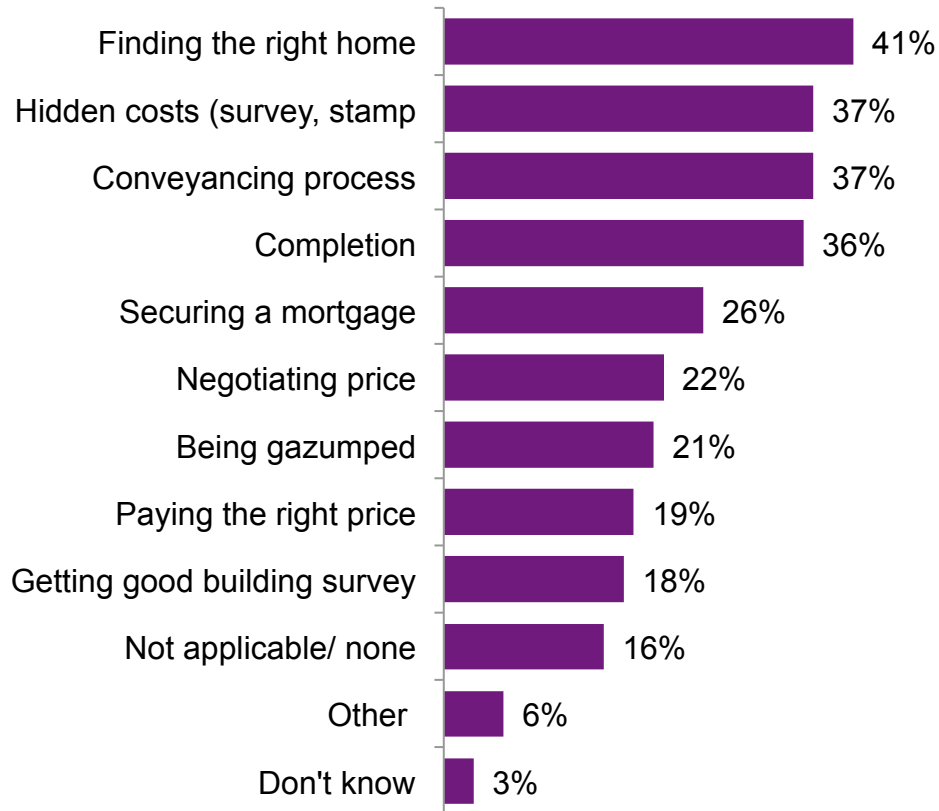
However, the process of buying a home often has a number of associated stresses

- Alongside, *finding the right home*, homebuying top stresses relate to financial and legal factors
- Affordability is paramount for aspiring owners:
 - Top stresses: *securing a mortgage, hidden extra costs*
 - Other unprompted aspects: *saving for a deposit, getting on property ladder, house prices, repaying mortgage*
 - *Paying right price, negotiating price and conveyancing* also key
- For homeowners: *Finding the right home, hidden costs, conveyancing and completion* top homebuying stresses
- Unprompted stresses among homeowners also suggest property chain issues are key:
 - *Property chain/ buyer/ seller issues (delays, pulling out after survey, vendor changing mind, selling home at same time, waiting for seller to find property, chain collapsing)*



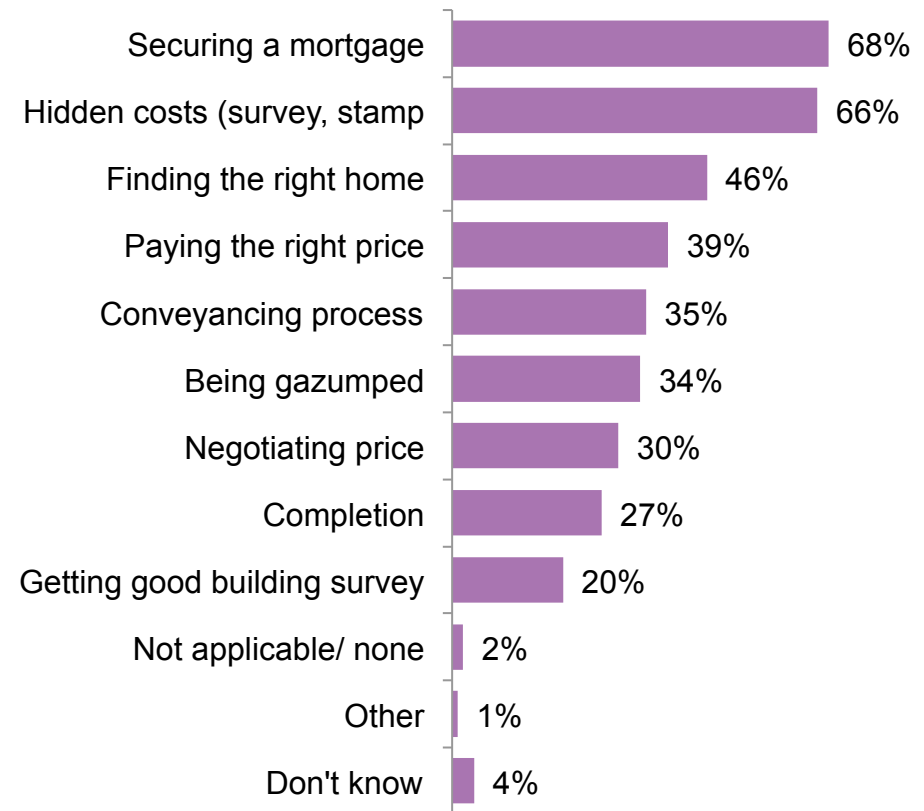
Beyond finding the right home, financial and legal concerns top stresses

5 aspects of homebuying most stressful (experienced by homeowners)



(among homeowners sample size: 1393)

5 aspects of homebuying most stressful (expected by aspiring homeowners)



(among aspiring homeowners sample size: 442)

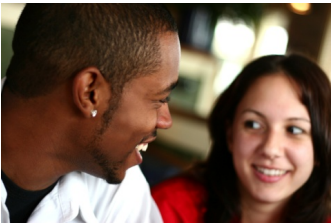
Homebuying stresses vary slightly by demographic group



Women more concerned about: *'Being gazumped'*

(one of top 5 stressful homebuying aspects)

- Among non homeowners (41% of women vs 35% of men)
- Among homeowners (23% of women vs 18% of men)



Younger adults (under 45s) more concerned about:

'Securing a mortgage'

(one of top 5 stressful homebuying aspects)

- Among non homeowners (68% of under 45s vs 59% of age 45+)
- Among homeowners (32% of under 45s vs 23% of age 45+)



ABC1 individuals more concerned about:

'Finding the right home'

(one of top 5 stressful homebuying aspects)

- Among non homeowners (46% of ABC1s vs. 34% of C2DEs)
- Among homeowners (44% of ABC1s vs. 36% of C2DEs)

'Other' buying stresses raised by non homeowners relate to the deposit and getting on the property ladder

'Other' stresses raised by aspiring owners include (unprompted mentions):

- *Saving for the deposit*
- *Getting on the property ladder*
- *House prices/ overpriced property*
- *Repaying the mortgage*



Property chain and buyer/ seller issues feature prominently among 'other' stresses raised by homeowners

- Property chain, issues ('other' unprompted mentions)
 - *“Delays caused by purchaser of old house”*
 - *“Getting good price for house I was selling”*
 - *“Difficulty selling our previous property”*
 - *“The chain of house buyer collapsing”*
 - *“Waiting for seller to find suitable property”*
- Issues with buyer/ seller ('other unprompted mentions')
 - *“Buyer pulling out and bad surveys on prospective purchases”*
 - *“Offer on property accepted and seller deciding not to move”*
 - *“Buyer pulling out after considerable time, having to put property on market again”*
 - *“Agreeing fixtures/ fittings”*
 - *“Waiting for responses from seller”*
 - *“Buyer unreasonable demands close to exchange of contracts”*



Additional ‘other’ stresses by homeowners relate to general move upheaval, financial, legal, estate agent difficulties

Further ‘other’ stresses raised by homeowners (unprompted):

- Exchanging contracts/ completion/ legal issues
 - *“Coordinating sale and purchase to ensure they coincided”*
 - *“Lease not properly registered with Land Registry”*
- Financial/ mortgage/ bridging financing issues
 - *“Understanding implications of different types of mortgages”*
 - *“Self build so finance difficult to obtain”*
 - *“Getting bridging loan as other property had not sold”*
 - *“Terrible financial advisor”*
- Estate agent difficulties
- Solicitor difficulties
- General stress of moving
- Inheritance/ moving to partner’s home/ shared ownership
- Buying new build/ developer/ builder issues
- Survey issues



Homeownership Stresses

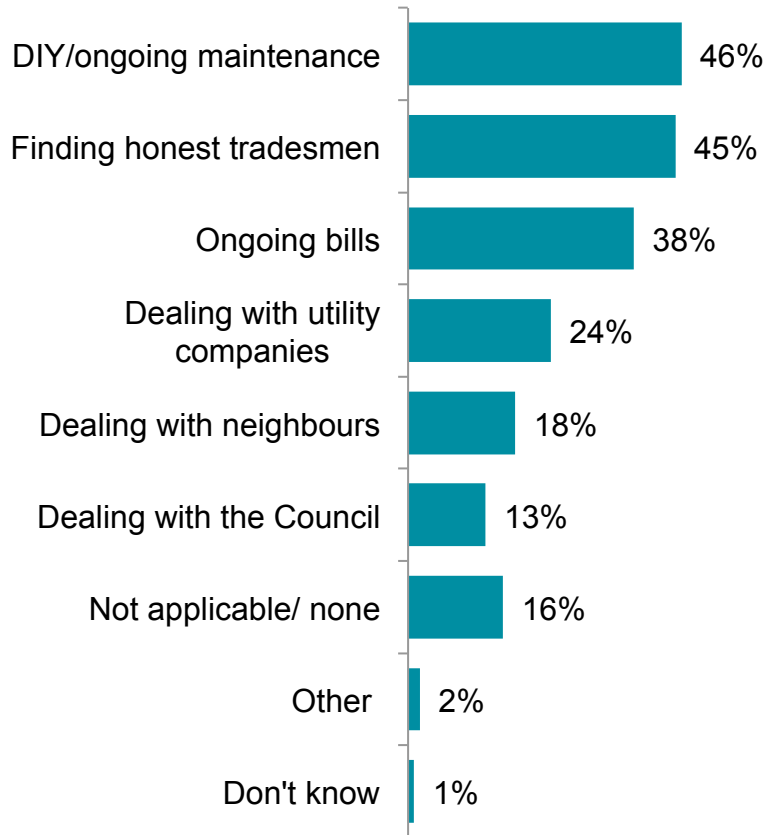
Primary homeownership stresses relate to ongoing maintenance, trusted tradesmen and associated costs

- Both homeowners and aspiring owners primary homeownership stresses:
 - *DIY/ongoing maintenance, finding honest tradesmen and ongoing bills (mortgage/ utilities)*
- Aspiring owners are particularly concerned about *ongoing homeownership bills*
 - This is the top expected stress for aspiring homeowners
 - 58% of aspiring homeowners vs 38% of existing homeowners include ‘*ongoing bills*’ (mortgage/ utilities) as one of their top 5 expected stresses
- *Planning/ development, leasehold/ management company, Builder/ tradesman and financial worries* arise as other unprompted issues



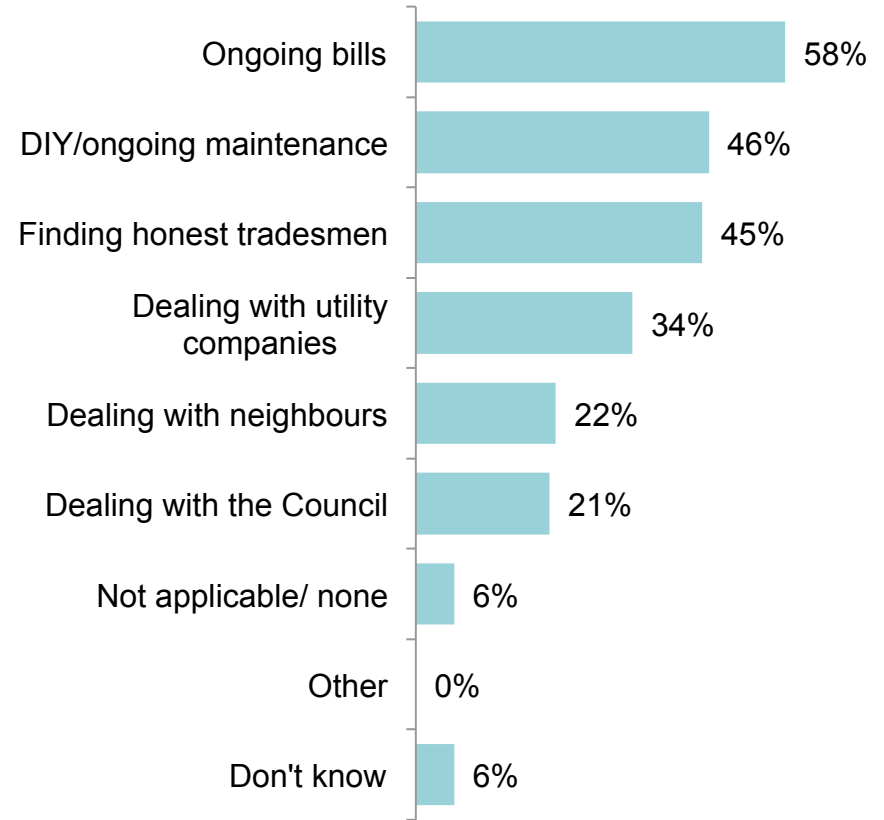
Ongoing maintenance, finding honest tradesmen and ongoing bills are top homeownership stresses

Aspects of homeownership most stressful
(experienced by homeowners)



(among homeowners sample size: 1393)

Aspects of homeownership most stressful
(expected by aspiring homeowners)



(among aspiring homeowners sample size: 442)

Homeownership stresses vary slightly by demographic group



Women more concerned about:

(one of top 5 homeownership stresses)

DIY/ ongoing maintenance

- Among non homeowners (49% of women vs 39% of men)
- Among homeowners (51% of women vs 41% of men)

Finding an honest tradesman

- Among non homeowners (47% of women vs 40% of men)
- Among homeowners (47% of women vs 42% of men)



C2DE individuals are more concerned about:

Ongoing bills (mortgage payments/ utilities)

(one of top 5 homeownership stresses)

- Among non homeowners, 62% of C2DEs vs. 50% of ABC1s
- Among homeowners, 43% of C2DEs vs 35% of ABC1s

'Other' homeowner stresses relate to new build issues, lease/ tenants, planning, financial concerns

- New build builder issues/ Tradesmen/ Utilities
 - *“Dealing with house builder (new build)/ Faults/ snagging on new home”*
 - *“Finding tradesman willing to do small jobs”*
 - *“Dealing with broadband provider”*
- Leasehold/ management company/ tenants/ neighbours
 - *“Leasehold/ lots of restrictions/ lack of freedom” “management company”*
 - *“Buy to let tenants”*
 - *“Noise problems/ kids entering yard / vandalism/ neighbourhood security”*
- *Planning Decisions & Developments*
 - *“Bad planning decisions/ developers ruining area*
- *Financial Difficulties*
 - *Negative equity*
 - *Rising prices/ costs*
 - *Rising interest rates*
 - *Poor advice from financial advisor*



Trust in Home Service Professions

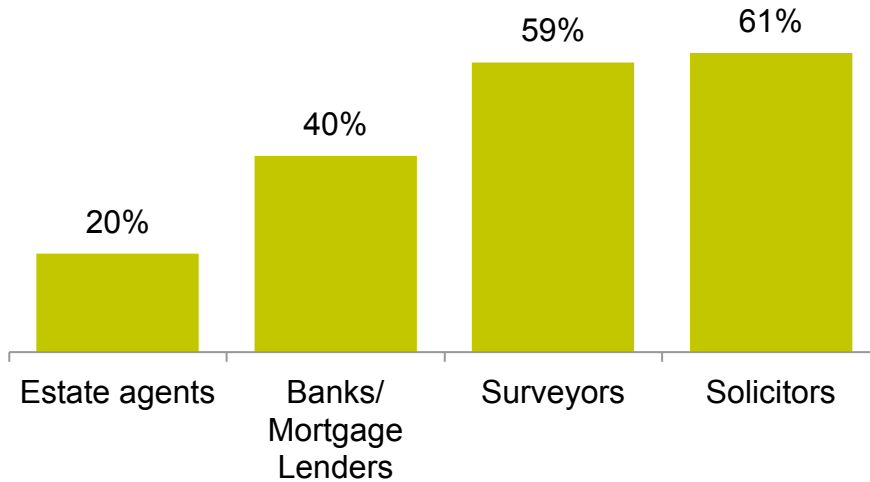
Trust of professions related to purchase and maintenance of home is generally low

- Trust for professions related to home purchase:
 - Highest for surveyors and solicitors
 - Lowest for estate agents and banks
- Trust for professions related to homeownership
 - Highest for architects
 - Lowest for builders, utilities and insurance providers



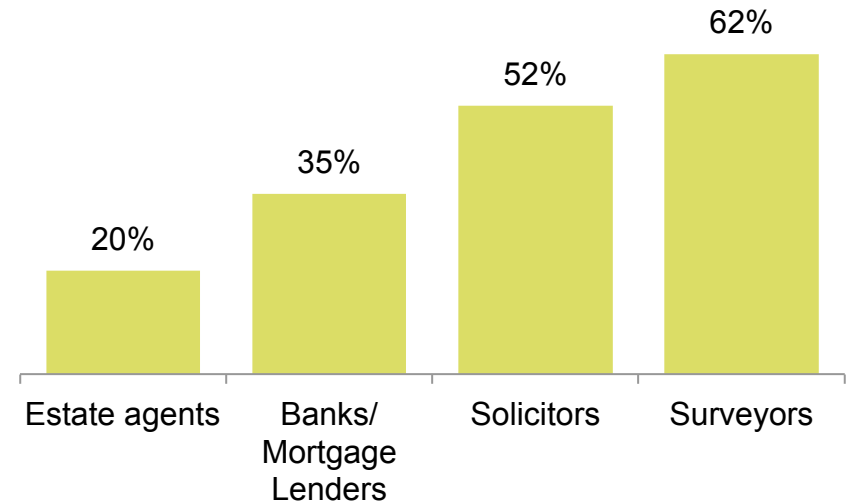
Trust for homebuying professional services lowest for estate agents and banks

Trust profession a great deal/ a fair amount (among homeowners)



(among homeowners sample size: 1393)

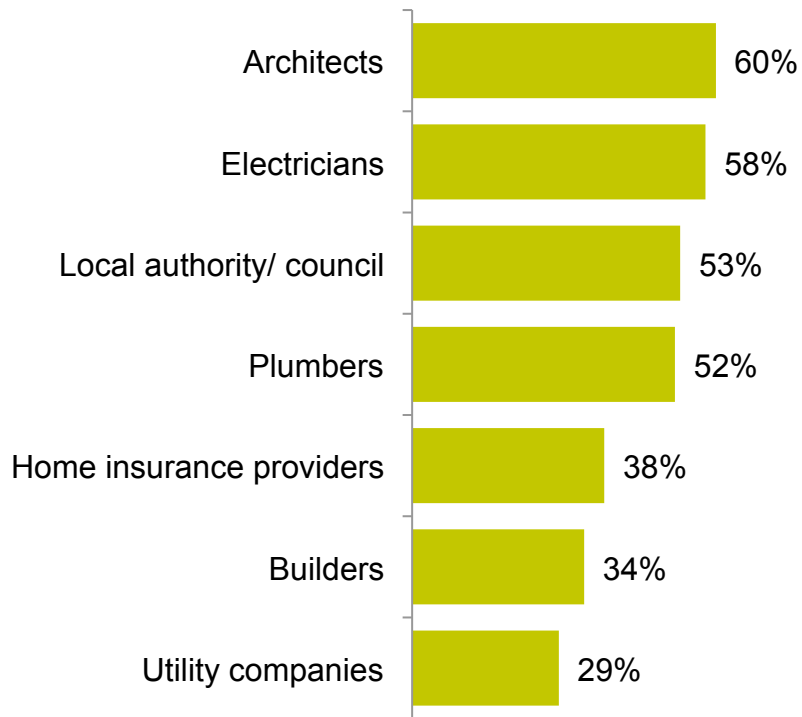
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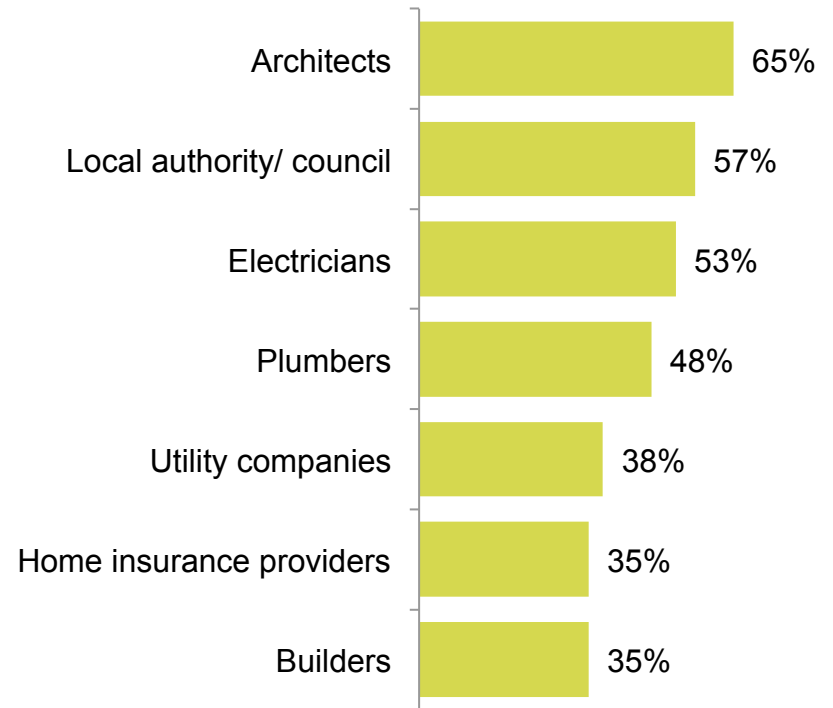
Trust of homeownership related professions is lowest for builders, utilities and home insurance providers

Trust profession a great deal/ a fair amount (among homeowners)



(among homeowners sample size: 1393)

Trust profession a great deal/ a fair amount (among aspiring homeowners)



(among aspiring homeowners sample size: 442)

HomeOwners Alliance 'On Your Side'

We want to help homebuyers and homeowners by giving you as much free independent advice and services you can trust. At www.hoa.org.uk you can find

1. Advice at all stages of homebuying, selling and owning. Popular guides include – clever questions to ask an estate agent, using on-line agents, dealing with noisy neighbours
2. Monthly newsletter delivered to your in-box, full of tips, advice, latest news to help you buy, sell, improve and manage your home
3. Campaigns to ensure that homeowners get a better deal – reducing VAT on building work, transparent estate agent fees, reversing the decline in homeownership
4. As a member – free legal advice, discounted conveyancing, ask an expert and much much more