

# The HomeOwner Survey 2018

Issues, trends and how we feel about our homes



## A HomeOwners Alliance Report, July 2018

*in partnership with BLP Insurance & IMMO*



**Contents**

- About the HomeOwners Alliance .....3
- Introduction..... 4
- Methodology .....5
- Key Findings..... 6
  - The state of the housing market ..... 6
  - Housing ladder broken at every step ..... 7
  - The ‘pain points’ of selling ..... 7
  - Initiatives to improve the homebuying & homeselling process ..... 7
- Housing Concerns – top issues, trends, regional concerns ..... 8
  - Housing Concerns - top issues ..... 8
  - Housing Concerns - long-term trends ..... 8
  - Housing Concerns - year on year changes (2018 vs 2017) ..... 9
  - Issues for Aspiring Homeowners ..... 9
  - Regional Look at Housing Concerns .....10
- Housing Ladder Broken at Every Step ..... 12
- Selling Pain-Points ..... 15
- Initiatives to Improve Home Buying & Selling Process ..... 17
- Annex – Calculation Methodology ..... 18
  - Calculation Notes .....18
- Annex - What the papers say – a selection of our media coverage ..... 19

## About the HomeOwners Alliance

The HomeOwners Alliance champions the interests of Britain's homeowners and aspiring homeowners.

We are a consumer group providing helpful advice and services and acting as the voice of the homeowner in the media, lobbying for their interests in government, and campaigning against bad practices in industry.

We directly engage with government and the media by conducting independent research and publishing reports that promote and champion the interests of homeowners.

At [hoa.org.uk](http://hoa.org.uk), we provide independent advice for the key moments in owning a home, supported by legal and industry experts.

We are one of Britain's most popular property advice websites, staying true to our mission to help homeowners facing some of the biggest and most complex decisions of their lives. In the last year alone, over 2.5 million homeowners and aspiring homeowners visited our website, viewing almost 6 million pages – [hoa.org.uk](http://hoa.org.uk)

This report was made possible through our sponsors, BLP Insurance, leading provider of housing warranty insurance and IMMO.co.uk, the UK's online homebuyer.

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## Introduction

Every year we undertake a nationwide survey to find out how people feel about their most obsessed about possession – their homes. Our Homeowner Survey 2018, now in its sixth year and polled by YouGov, gives a state of the nation report on the biggest concerns and latest trends affecting homeowners and those who are keen to own.

This year's report looks at people's experiences and interactions with in the housing market, and in particular how the housing ladder is functioning – getting on, moving up and moving down the ladder. We found that **millions are failing to realise their dream of homeownership or are stuck in houses that are unsuitable for their needs as a result of affordability issues and lack of properties**, 7.5 million are locked out of homeownership, 1.2 million second-steppers want to move but cannot and 1 million older homeowners have nowhere to move to.

We review how **housing concerns have shifted**. The shortage of homes and affordability problems have escalated and the housing crisis is deepening. **UK adults are more concerned about property prices and availability today than at any point in the last five years**. Today 83% of people say house prices are a serious problem (up from 77% five years ago) and 77% of UK adults now say availability of homes is a serious problem (up from 69% five years ago).

In further evidence of the worsening crisis, the survey found the **quality of homes is a growing issue** with 57% of adults saying it is a serious problem up from 52% in 2014.

The results reveal a **worsening picture for those wanting to get a foot on the property ladder**. Among aspiring first time buyers, the proportion saying house prices (86%) and saving for a deposit (87%) is a serious problem is up over the past year.

These same factors top the list of housing issues for UK adults generally: the ability of first-time buyers to get on the housing ladder (86%), saving for a deposit (84%) and house prices (83%).

The case for leasehold reform mounts as **the leasehold/ freehold system is the fastest rising issue for 2 years running**. Up 6% in 2017 and 8% in 2018, 56% of UK adults say the leasehold/ freehold system including service charges, ground rent and other fees is a serious problem.

Against a backdrop of calls for reform to the home buying and selling process, we take a look, in particular, at the pressures homesellers face. Results reveal that **more than 300,000 property transactions collapse every year due to broken chains and buyers changing their mind, costing affected sellers on average £2.7K with a total cost to sellers of £400 million**.

Earlier this year the Government announced a programme of work to improve the home buying and selling process to make it quicker, cheaper, less stressful, more certain, faster and less costly. To support this work, we asked homeowners and sellers what they thought of the proposals. **The survey results fully support plans to professionalise the estate agent market through licensing of estate agents and the pilot of voluntary reservation agreements**. 82% of UK adults support the idea of a government-backed license requiring estate agents to pass standardised tests before being able to practice. Nearly two thirds (65%) of UK adults support the idea of a reservation agreement requiring buyers and sellers to put down a non-refundable deposit to commit both sides earlier in the process and increase the certainty that the sale will go through and at the price agreed. Additionally, 80% of UK adults are in favour of buyers being required to prove they have the necessary funds before putting in an offer to buy a property.

## Methodology

This is the sixth annual Homeowner Survey, a state of the nation report covering UK housing issues, released in four parts and made possible through sponsorship by BLP Insurance, leading provider of housing warranty insurance and IMMO.co.uk, UK online house buyer.

- Part 1 of the survey, a review of Housing Concerns trends sees [Serious Housing Problems Hit a 5 Year High](#). UK adults are more concerned about property prices and availability today than at any point in the last five years
- Part 2 of the survey '[Housing Ladder Broken at Every Step](#)' looks at the extent of the housing crisis with 7.5 million locked out of homeownership, 1.2 million second-steppers wanting to move up the ladder and 1 million older homeowners with nowhere to move to – the challenges faced by First-time Buyers, Second-Steppers and Last-time Buyers
- Part 3 of the survey is '[Selling Pain Points](#)'. More than 300,000 property transactions collapse every year due to broken chains and buyers changing their mind, costing affected sellers on average £2.4K, with at total cost to sellers of £400 million.
- Part 4 of the survey looks at possible ways of addressing problems within the home buying and selling process including some of the ideas proposed by Government. '[Response to Proposed Initiatives to Improve the Home Buying & Selling Process](#)'

We also publish a separate Infographic summarising the Key Findings of this year's survey.

YouGov Plc conducted the fieldwork for HomeOwners Alliance.

In 2018, the total sample size was 2,110 adults of which 1,285 were Homeowners. Fieldwork was undertaken 5<sup>th</sup>-6<sup>th</sup> April, 2018. Trend data is also reported details as follows:

- a. In 2017, total sample size was 2,081 adults of which 1301 Homeowners. Fieldwork 9<sup>th</sup> March.
- b. In 2016, total sample size was 2,095 adults of which 1,293 Homeowners. Fieldwork 4-5<sup>th</sup> April.
- c. In 2015, total sample size was 2,214 adults of which 1,390 Homeowners. Fieldwork 4-5<sup>th</sup> March.
- d. In 2014, total sample size was 2,527 adults of which 1,606 Homeowners. Fieldwork 20<sup>th</sup> March.
- e. In 2013, total sample size was 2056 adults of which 1,393 Homeowners. Fieldwork 18<sup>th</sup>-21<sup>st</sup> Jan.

Surveys carried out online. Figures weighted and are representative of all UK adults (aged 18+).

## Key Findings

### The state of the housing market

#### Serious housing problems hit highest rate in five years.

- UK adults are more concerned about property prices and availability today than at any point in the last five years.
- 83% believe house prices are a 'serious' problem, up from 77% five years ago.
- 77% of UK adults say availability of housing is now a major concern, up from 69% in 2014.
- The quality of homes is a growing issue with 57% of UK adults saying it is a serious problem up from 52% in 2014.

#### Across the country, the number one concern among Britons remains the difficulty of getting on the property ladder in the first place.

- Consistently the top housing concern, 86% of UK adults say the ability to get on the housing ladder is a serious problem.

#### Results reveal a worsening picture for those wanting to get a foot on the property ladder.

- Among aspiring first time buyers, the proportion saying house prices (86%) and saving for a deposit (87%) is a serious problem is up over the past year.

#### The leasehold/ freehold system is the fastest growing housing issue two years running.

- Up 6% in 2017 and up 8% in 2018, 56% of UK adults say the leasehold/ freehold system including service charges, ground rent and other fees is a serious problem.

#### The proportion who say getting a mortgage or remortgaging is a problem is down.

- Down 5% over the past year, 65% of UK adults say the ability to get a mortgage/ remortgage is a problem (and down from 72% in 2015).

#### Stamp duty has receded as an issue.

- Likely as a result of first-time buyer relief, the proportion registering this as a problem is down 3% over the past year to 50% (and down from 64% in 2014).

#### Those in London are feeling the impact of the crisis harder than most.

- House prices, the availability and quality of homes, the leasehold/ freehold system, being able to move up the ladder, stamp duty, the home buying/ selling process and gazumping all register higher levels of concern in London than they do nationally.
  - 90% of Londoners up from 84% in 2014 say house prices are a serious problem.
  - 84% in London up from 78% in 2014 say housing availability is a serious problem.
  - 66% of Londoners up from 56% in 2014 say quality of housing is a serious problem.

*“The housing sector in the UK is on its knees. There’s a shortage of building, a constant stream of stories surrounding poor quality and unfair deals for homeowners, a lack of social housing, rising homelessness and a leasehold system that is dangerously broken. As our survey shows, these problems have escalated over the last five years and the crisis is deepening.*

*People are just as keen as in previous years to own a home but the system is failing them, despite the introduction of flagship schemes like Help to Buy. Although Brits have reacted positively to government’s changes to stamp duty, house prices and availability continue to be major concerns year on year. It’s telling that leasehold issues have been by far the fastest growing concern for the last 2 years - government needs to hurry up with their plans for leasehold reform and be more ambitious.”*

*Paula Higgins, Chief Executive  
HomeOwners Alliance*

## Housing ladder broken at every step

Almost three in four non-homeowners (74%), want to own their home but cannot afford to do so; equating to 7.5 million aspiring homeowners<sup>1</sup>.

- The main reasons cited for not being able to buy include: property prices are too high (66%), difficulty saving for a deposit (58%) and difficulty getting a new mortgage (31%).

Nearly a quarter (23%) of homeowners age 18-54 considered a move in the past two years but did not do so; equating to 1.2 million homeowners<sup>2</sup>

- Affordability is also the biggest barrier for second steppers (58%).
- Half of second-steppers (50%) were moving to find a bigger property, suggesting these homeowners may be in homes too small for their needs.
- Stamp duty is a bigger concern for second-steppers than for any other segment of the market (24%).

1 million older homeowners nowhere to move to.

- One in five (20%) homeowners aged 55 or over considered a move in the past two years but have not done so; with lack of suitable housing (46%) the main barrier for not following through with their plans; equating to 1 million homeowners<sup>3</sup>.

*“A comprehensively integrated approach is needed to cure the ills of the housing market. Government policies such as the abolition of stamp duty for first time buyers may have created positive headlines but it ignores the needs of large swathes of potential buyers. By recognising the interconnected nature of the housing market and implementing policies that will positively affect all, real progress can be made.*

*One of the biggest challenges facing the sector is incentivising elderly individuals living in large, former family homes to downsize. Constructing an adequate stock of purposely-built homes for last time buyers, that meets their specific needs, has the potential to free up housing stock for first and second time buyers and inject much needed impetus into the whole market.”*

*Kim Vernau, Chief Executive  
BLP Insurance*

## The ‘pain points’ of selling

More than 300K property transactions<sup>1</sup> collapse every year due to broken chains and buyers changing their mind, costing affected sellers on average £2.7K and in total £400 million.

- One in five home sellers (20%) have had a sale falling through.
- 69% of collapsed sales are due to buyer related reasons, including the buyer changing his mind/ finding another property (39%) and the buyer’s finances not being in order (28%).
- Sales falling through further up in a chain accounted for 20% of collapsed sales.
- 51% of those whose property sale failed incurred an average of £2.7K in costs
- Nearly one in ten (8%) sellers with a failed sale was a victim of ‘gazundering’ – the buyer lowering their offer just before exchange of contracts.

*“The current system has created a fundamental power imbalance between the seller and the buyer, with the seller often at the buyer’s mercy during what is often the largest financial decision of their lives. Sellers should be able to proceed with the sale of their property knowing what price they will receive and feeling assured that the sale will go through.”*

*Samantha Kempe, Co-Founder  
IMMO.co.uk*

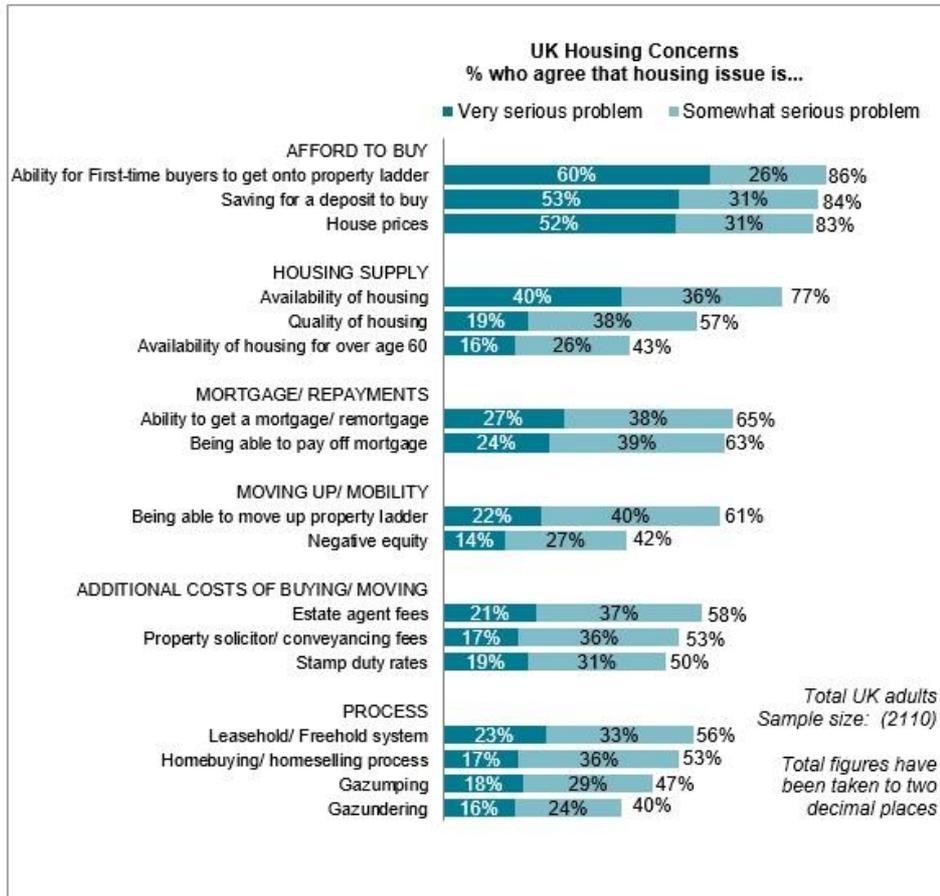
## Initiatives to improve the homebuying & homeselling process

Strong support for initiatives to improve the process including licensing of estate agents (82%), homebuyers being required to show proof of funds before making an offer to buy (80%) and reservation agreements (65%) requiring both sides to put down a non-refundable deposit.

## Housing Concerns – top issues, trends, regional concerns

### Housing Concerns - top issues

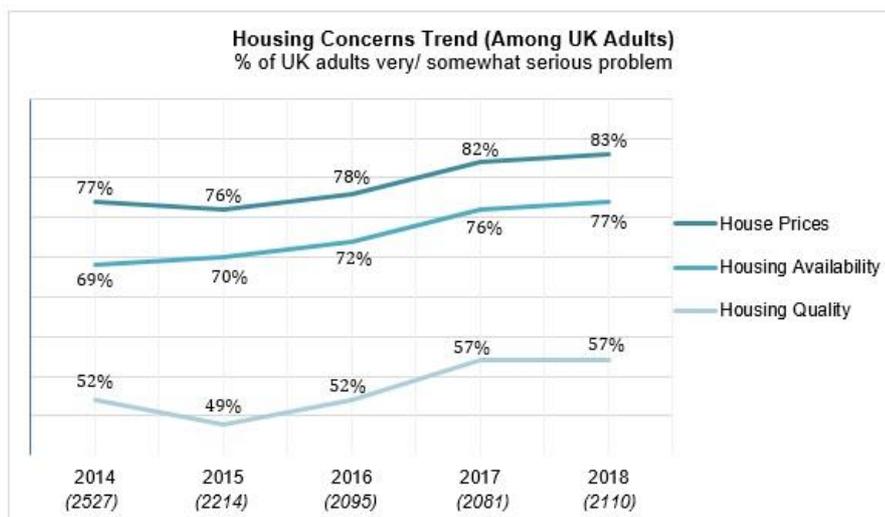
Across the country, **the number one housing issue is the difficulty of first-time buyers getting on the property ladder.**



### Housing Concerns - long-term trends

**UK adults are more concerned about property prices and availability today than at any point in the last five years.**

- 83% of people believe house prices are a 'serious' problem, up from 77% five years ago.
- 77% of UK adults say availability of housing is now a major concern, up from 69% in 2014.



**The quality of homes is a growing issue** with 57% of UK adults saying it is a serious problem up from 52% in 2014.

## Housing Concerns - year on year changes (2018 vs 2017)

**The fastest rising housing issue over the past year is the leasehold/ freehold system.** Up 6% in 2017 and up 8% in 2018, 56% say the leasehold/ freehold system including service charges, ground rent and other fees is a serious problem.

**The proportion who say getting a mortgage or remortgaging is a problem is down.** Down 5% over the past year, 65% of UK adults say the ability to get a mortgage/ remortgage is a problem (and down from 72% in 2015).

**Stamp duty has receded as an issue.** Likely as a result of first-time buyer relief, the proportion registering this as a problem is down 3% over the past year to 50% (and down from 64% in 2014).

### Housing Concerns Trend among UK Adults (2014-2018 Homeowner Survey)

Housing Concerns	% very/ somewhat serious problem					2018 vs 2017
	2014	2015	2016	2017	2018	
Leasehold/ freehold system	n/a	42	42	50	56	+6
Being able to move up property ladder	65	61	62	58	61	+3
Saving for a deposit to buy	86	83	80	83	84	+1
House prices	77	76	78	82	83	+1
Availability of housing	69	70	72	76	77	+1
Ability for First-time buyers to get on the property ladder	87	83	82	86	86	0
Being able to pay off the mortgage	70	65	64	63	63	0
Quality of housing	52	49	52	57	57	0
Homebuying/ homeselling process	58	51	50	53	53	0
Negative equity	64	49	44	42	42	0
Gazundering	*	*	40	*	40	0*
Estate agent fees	64	57	54	59	58	-1
Property/ solicitor fees	61	53	50	55	53	-2
Stamp duty rates	64	51	52	53	50	-3
Gazumping	52	49	45	51	47	-4
Availability of housing for over 60s	n/a	n/a	n/a	47	43	-4
Ability to get mortgage/ remortgage	n/a	72	68	70	65	-5
Sample size (total UK adults):	2527	2214	2095	2081	2110	

\*Gazundering change compares 2018 vs 2016

## Issues for Aspiring Homeowners

**Results reveal a worsening picture for those wanting to get a foot on the property ladder.** Among aspiring first time buyers, the proportion saying house prices (86%) and saving for a deposit (87%) is a serious problem is up over the past year.

### Housing Concerns Trend among Aspiring Homeowners (2014-2018 Homeowner Survey)

Housing Concerns	% very/ somewhat serious problem among aspiring homeowners					2018 vs 2017
	2014	2015	2016	2017	2018	
Ability for First-time buyers to get on the property ladder	87	85	84	89	89	0
House prices	84	84	83	86	88	+2
Saving for a deposit to buy	87	86	84	85	87	+2
Availability of housing	72	72	78	80	81	+1
Ability to get a mortgage/ remortgage	n/a	78	72	75	71	-4
Being able to pay off the mortgage	74	71	72	69	68	-1
Being able to move up property ladder	67	63	65	63	63	0
Quality of housing	59	57	60	64	63	-1
Estate agent fees	63	57	56	61	59	-2
Leasehold/ freehold system	n/a	42	45	52	53	+1
Property/ solicitor fees	60	52	51	55	52	-3
Homebuying/ homeselling process	58	51	52	54	51	-3
Gazumping	50	47	41	48	46	-2
Availability of housing for over 60s	n/a	n/a	n/a	45	40	-5
Stamp duty rates	58	46	44	42	38	-4
Negative equity	59	47	42	40	36	-4
Gazundering	n/a	n/a	38	n/a	34	-4*
Sample size (aspiring homeowners):	677	573	573	553	600	

\*Gazundering change compares 2018 vs 2016

**Less serious issues for aspiring homeowners include stamp duty and the ability to get a mortgage or remortgage.**

- Down 4% in the past year, 71% of aspiring homeowners say getting a mortgage is a problem (down from 78% in 2015).
- Stamp duty has also receded as an issue for aspiring first-time buyers; down 4% over the past year. Now 38% of aspiring homeowners say stamp duty is a serious problem down from 42% in 2017 and down significantly over the past five years from 59% in 2014.
- Other issues less of a concern than a year ago among aspiring first-time buyers include: availability of housing for over 60s (-5%), gazundering (-4%), negative equity (-4%), homebuying/ selling process (-3%), property/ solicitor fees (-3%).

**Regional Look at Housing Concerns**

Those in **London** are feeling the impact of the crisis harder than most.

- House prices, the availability and quality of homes, the leasehold/ freehold system, being able to move up the ladder, stamp duty, the home buying/ selling process and gazumping all register higher levels of concern in London than they do nationally.
  - 90% of Londoners up from 84% in 2014 say house prices are a serious problem.
  - 84% in London up from 78% in 2014 say housing availability is a serious problem.
  - 66% of Londoners up from 56% in 2014 say quality of housing is a serious problem.

**Negative equity concern is higher in Northern Ireland (66%), the North East (49%), the North West (48%) and Scotland (48%) than UK level overall.**

**Availability of housing for those over age 60 is a bigger issue in Northern Ireland (58%) than UK overall (43%) and less so in South West (37%) and Scotland (38%).**

**Leasehold/ freehold system is of greater concern to Londoners (69%) and is less likely to be seen as a serious issue in Scotland (38%) and Northern Ireland (41%).**

Housing Concerns	% very/ somewhat serious problem													
	Total UK	N. East	N. West	York. /Hum.	E. Midl	W. Midl	E. Engl	Lon-don	S. East	S. West	Wales	Scot-land	N. Irel	
House prices	83	85	82	80	83	76	83	90	86	83	81	80	67	
Negative equity	42	49	48	44	34	35	38	40	37	40	40	49	66	
Availability of housing	77	73	77	72	79	75	76	84	76	77	68	79	69	
Quality of housing	57	61	58	54	57	53	62	66	52	54	50	56	55	
Ability of first-time buyers to get on property ladder	86	89	91	85	84	83	88	87	86	87	83	81	79	
Being able to move up property ladder	61	67	64	55	63	58	62	67	64	57	57	60	59	
Saving for a deposit	84	83	86	79	87	85	85	88	87	82	79	80	83	
Ability to get mortgage/ remortgage	65	68	69	62	66	64	63	64	65	68	72	58	68	
Being able to pay off mortgage	63	65	66	57	62	67	68	67	64	61	57	59	66	
Home buying/ selling process	53	49	51	47	53	44	62	61	57	52	48	49	50	
Leasehold/ Freehold system	56	55	60	47	60	55	60	69	61	56	53	38	41	
Stamp duty rates	50	44	43	42	52	45	59	57	54	53	49	47	49	
Estate agent fees	58	52	61	58	55	52	60	61	62	62	48	55	50	
Solicitor/ conveyancing fees	53	53	54	49	59	51	54	52	51	52	55	51	51	
Gazumping	47	37	49	45	46	45	52	53	51	44	48	42	47	
Availability of housing for over 60s	43	44	47	45	47	42	43	41	40	37	45	38	58	
Gazundering	40	29	40	37	41	47	40	41	43	38	33	39	44	
Sample size	2110	88	213	199	180	163	193	234	279	209	106	184	62	

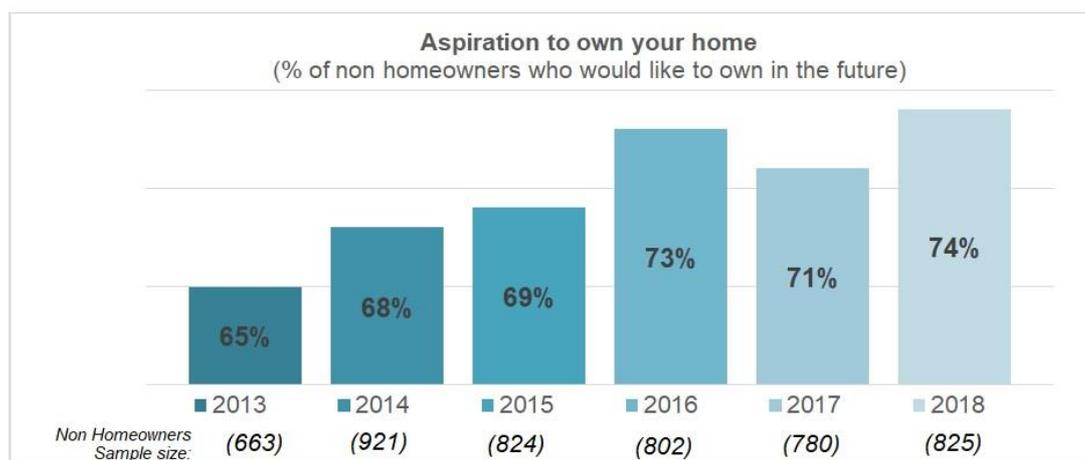
Housing Concerns	% very/ somewhat serious problem												
	Total UK	N. East	N. West	York. /Hum.	E. Midl	W. Midl	E. Engl	Lon-don	S. East	S. West	Wales	Scot-land	N. Irel
House prices													
2018	83%	85%	82%	80%	83%	76%	83%	90%	86%	83%	81%	80%	67%
2017	82%	66%	78%	78%	81%	84%	85%	87%	84%	82%	87%	76%	81%
2016	78%	76%	72%	79%	74%	78%	84%	88%	80%	76%	75%	68%	57%
2015	76%	61%	72%	79%	70%	69%	72%	87%	77%	82%	82%	74%	78%
2014	77%	83%	77%	76%	73%	75%	76%	84%	81%	76%	75%	74%	72%
Availability of housing													
2018	77%	73%	77%	72%	79%	75%	76%	84%	76%	77%	68%	79%	69%
2017	76%	63%	71%	71%	73%	75%	76%	81%	78%	82%	79%	76%	77%
2016	72%	74%	60%	69%	71%	72%	78%	86%	69%	70%	68%	70%	66%
2015	70%	73%	60%	67%	67%	63%	74%	80%	73%	74%	70%	67%	64%
2014	69%	69%	70%	68%	59%	68%	69%	78%	71%	69%	60%	76%	64%
Quality of housing													
2018	57%	61%	58%	54%	57%	53%	62%	66%	52%	54%	50%	56%	55%
2017	57%	57%	60%	57%	54%	61%	51%	61%	57%	52%	58%	57%	50%
2016	52%	62%	45%	51%	59%	50%	51%	60%	49%	47%	50%	43%	62%
2015	49%	49%	44%	45%	47%	45%	52%	55%	45%	52%	55%	48%	50%
2014	52%	52%	53%	56%	44%	52%	54%	56%	48%	52%	50%	55%	60%
Negative equity													
2018	42%	49%	48%	44%	34%	35%	38%	40%	37%	40%	40%	49%	66%
2017	42%	54%	44%	44%	42%	43%	38%	32%	38%	36%	46%	53%	61%
2016	44%	52%	42%	49%	40%	51%	43%	43%	37%	39%	45%	42%	66%
2015	49%	47%	56%	55%	55%	47%	50%	39%	40%	45%	56%	53%	68%
2014	64%	81%	71%	68%	65%	63%	63%	59%	59%	57%	65%	64%	76%

## Housing Ladder Broken at Every Step

The UK's housing market is broken at every level with everyone from first timer buyers, second-steppers to downsizers struggling. Millions of UK adults are failing to realise their dream of homeownership or are stuck in houses that are unsuitable for their needs as a result of affordability issues and lack of properties.

**Almost three in four non-homeowners (74%), want to own their home but cannot afford to do so; equating to 7.5 million aspiring homeowners<sup>1</sup>.**

- The main reasons cited for not being able to buy their first home include: property prices are too high (66%), difficulty saving for a deposit (58%) and difficulty getting a new mortgage (31%).



**Affordability is also the biggest barrier for second steppers. Nearly a quarter (23%) of second-steppers (homeowners age 18-54) considered a move in the past two years but did not do so; equating to 1.2 million homeowners<sup>2</sup>.**

- The biggest reason for considering a move but not moving among homeowners age 18-54 are house prices/ being able to afford to move (58%).
- Of the 1.2 million homeowners age 18-54 (second-steppers), who have considered a move in the last two years but did not do so, **50% were moving to find a bigger property, suggesting these homeowners may be in homes too small for their needs.**
- Worryingly, considering how little they are considered in the Stamp Duty debate, **second-steppers (homeowners age 18-54) are more likely than others to say stamp duty is a barrier (24%)**. This means Stamp Duty is a bigger concern for second-steppers than for any other segment of the market.

**For last time buyers, one in five (20%) homeowners aged 55 or over considered a move in the past two years but have not done so; with lack of suitable housing (46%) the main barrier for not following through with their plans; equating to 1 million homeowners<sup>3</sup>.**

- In terms of property needs for last-time buyers, the property characteristics that are relatively more important for homeowners age 55+ than for second-steppers and aspiring first-time buyers include: a garden/ outside space (80%), a property in good condition/ no major improvements needed (79%), parking (76%), low running costs/ maintenance (74%), good transport links (61%), proximity to friends/ family (47%), proximity to shops/ restaurants (40%) and living on one level (38%).

### Incidence of Moving/ Considering A Move

Incidence of moving/ considering a move in last 2 years...	% of homeowners		
	Total Homeowners	Homeowners 18-54	Homeowners 55+
Have moved	20%	25%	15%
Considered moving but not done so	21%	23%	20%
Have not moved or considered moving	40%	35%	43%
None of these	19%	16%	22%
Don't know	1%	1%	0%
<i>Sample size:</i>	<i>1285</i>	<i>561</i>	<i>724</i>

### Reasons for Considering a Move

Reasons for considering a move	% of homeowners who considered a move but have not done so		
	Total Homeowners	Homeowners 18-54	Homeowners 55+
Downsize/ move to a smaller property	29%	10%	47%
Move to a bigger property	27%	50%	6%
Change locations	32%	33%	31%
Other reason	12%	7%	17%
<i>Sample size:</i>	<i>267</i>	<i>126</i>	<i>141</i>

### Barriers to Moving/ Owning First Home

Barriers to moving/ owning	% of homeowners who considered a move but have not done so			% Aspiring Homeowners
	Total Homeowners	Homeowners 18-54	Homeowners 55+	
Property prices too high/ cannot afford to move	40%	58%	23%	66%
Lack of suitable housing	35%	23%	46%	23%
Moving costs too high (removals, legal fees, estate agent fees etc.)	27%	28%	26%	24%
Stress/ upheaval of moving	26%	25%	28%	9%
Current home meets needs	21%	16%	26%	18%
Stamp duty is too expensive	19%	24%	14%	11%
Do not want to move away from friends/ neighbours/ community	16%	10%	23%	8%
Concern about any impact Brexit could have on the housing market	11%	13%	10%	10%
Difficult to increase value of current mortgage	10%	18%	2%	-
Difficult to get a new mortgage	9%	12%	5%	31%
Can't save enough for a deposit	6%	12%	1%	58%
Other	20%	19%	21%	15%
Don't Know	1%	1%	1%	3%
<i>Sample size:</i>	<i>267</i>	<i>126</i>	<i>141</i>	<i>600</i>

## Important Property Characteristics

Important Characteristics In Property to Buy	% of homeowners			% Aspiring Homeowners
	Total Homeowners	Homeowners 18-54	Homeowners 55+	
Garden/ outside space	77%	73%	80%	63%
Property in good condition (no major improvements needed)	73%	64%	79%	68%
Availability of parking	70%	64%	76%	50%
Spaciousness/ good sized rooms	69%	71%	67%	62%
Low running costs (low utility bills, little ongoing maintenance)	63%	50%	74%	62%
Good transport links	55%	47%	61%	52%
Has several bedrooms	50%	54%	47%	38%
Being near parks/ green spaces	46%	44%	48%	43%
Being near family/ friends	43%	39%	47%	41%
Being near restaurants/ shops	34%	26%	40%	30%
Living space on one level/ minimal stairs	26%	11%	38%	11%
Being near to work	21%	36%	9%	46%
Good local schools	18%	33%	5%	23%
None of these	1%	1%	1%	1%
Don't know	1%	1%	1%	2%
<i>Sample size:</i>	<i>1285</i>	<i>561</i>	<i>724</i>	<i>600</i>

How easy or difficult was it to find a property that had the characteristics that were important to you?	% of homeowners who considered a move but have not done so		
	Total Homeowners	Homeowners 18-54	Homeowners 55+
Very/ fairly easy	16%	23%	10%
Very/ fairly difficult	59%	54%	64%
Not applicable/ don't know	25%	22%	27%
<i>Sample size:</i>	<i>267</i>	<i>126</i>	<i>141</i>

## Selling Pain-Points

More than **300,000** property transactions<sup>4</sup> are falling through every year, in large part, due to buyers pulling out of the deal, costing sellers a total of **£400 million**<sup>5</sup>.

**One in five (20%) home sellers experienced a sale collapse; equating to more than 300,000 property transactions<sup>4</sup>.**

% of sellers who have had sale fall through before completion	%	Sample size
Total UK sellers	20%	(1180)
Sold home within past 2 years	20%	(126)
Sold home more than 2-5 years ago	23%	(140)
Sold home 5-10 years ago	24%	(182)
Sold home more than 10 years ago	19%	(708)

**Half of sellers (51%) with a collapsed sale incurred costs averaging £2,727 equating to a total cost to sellers of £400 million<sup>5</sup>.**

- Of sellers who have had a breakdown in their sale, 51% incurred costs related to the transaction falling through.
- The kinds of costs include: legal/ conveyancing fees (23%) legal search costs (13%) lower offer on property (21%), survey costs on purchase property (15%).

Costs Incurred From Failed Sale	
Costs incurred	51%
No costs incurred	39%
Don't know/ can't recall	10%
<b>Nature of costs incurred:</b>	
Legal/ conveyancing fees	23%
I accepted a lower price on the property	21%
Survey costs on purchase property	15%
Legal search costs	13%
Other:	4%
Estate agent fees, estate agent photos, re-advertising, interest on financing, penalty on not completing on purchase property, lost home, had to let out again, cost of extending the lease	
Sample size: (UK Sellers who had home sale fail)	232

- One in ten (12%) of those who incurred costs estimate these to be more than £5000.
- Those who incurred costs due to a failed sale estimate these to be on average £2,727.

Estimated costs incurred from failed sale		
Less than £250	4%	21%
£250-£500	16%	
£501-£1000	16%	26%
£1001-£2000	10%	
£2001-£3000	5%	
£3001-£5000	6%	23%
More than £5000	12%	
Don't know/ can't recall	28%	
Prefer not to say	3%	
<b>Average cost incurred</b>	<b>£2,727</b>	
Sample size (UK Sellers who incurred cost as a result of sale failing):	139	

**Among sellers with a breakdown in their sale, 69% say buyer related reasons are the cause.**

- Reasons include: buyer changing his mind/ finding another property (39%), buyer's finances not in order (28%), gazundering (8%), buyer pulling out after survey results (6%).

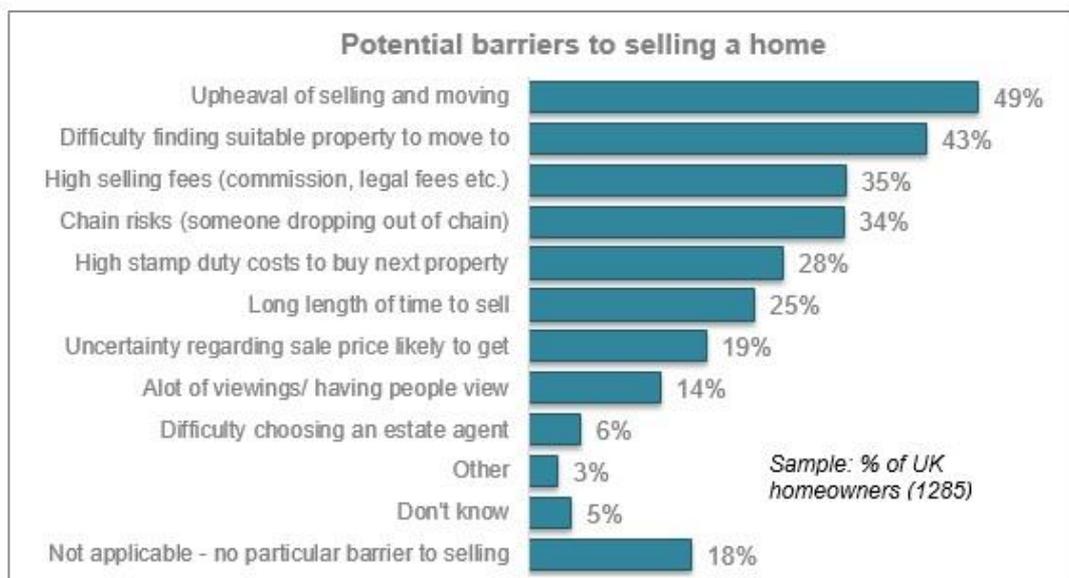
**Sales falling through further up in a chain accounted for 20% of collapsed sales.**

**Nearly one in ten sellers (8%) with a failed sale have experienced gazundering;** where the buyer lowered their offer just before the exchange of contracts.

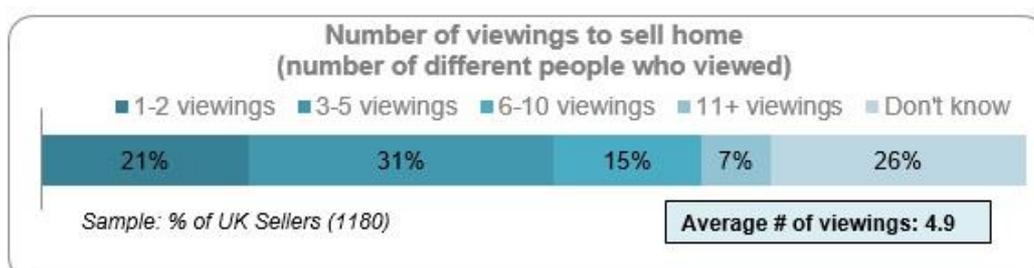
Reasons for Failed Sale (among sellers who experienced failed sale)	
<b>Net buyer related reasons:</b>	<b>69%</b>
Buyer decided not to buy/ found other home	39%
Buyer finances were not in order	28%
Sale further up the chain fell through	20%
Gazundering (buyer lowered offer just before exchange of contracts)	8%
Estate agent couldn't find a buyer	6%
Buyer pulled out after survey results	6%
Issues arose during conveyancing process	6%
Other	7%
Don't know	5%
<i>Sample size: UK Sellers who had home sale fall through (232)</i>	

**Uncertainty may actually put people off selling.**

- One in three (34%) homeowners say risks of property chains breaking down and nearly one in five (19%) homeowners say uncertainty regarding the sale price they may get for their property might prevent them from selling.



**Nearly one in four (22%) home sellers say they had 6 or more different people view their home before selling.** The average number of viewings is just under five.



# Initiatives to Improve Home Buying & Selling Process

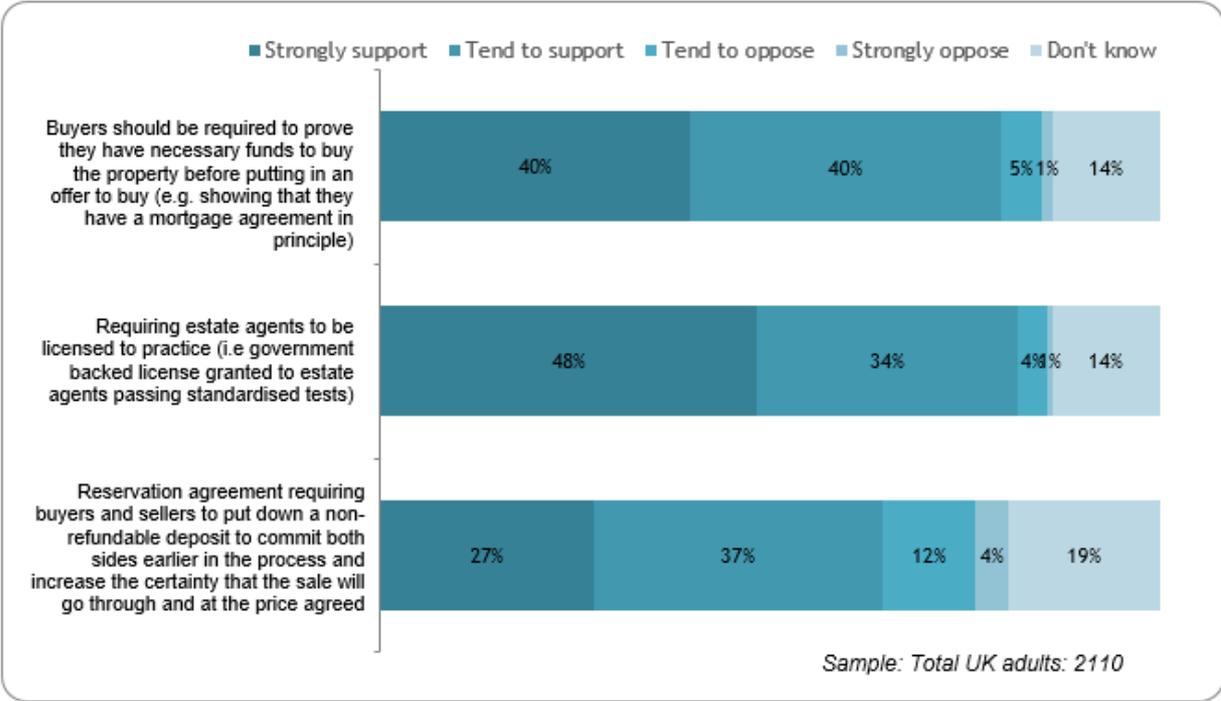
The survey results fully support the government's announcement on 8<sup>th</sup> April to professionalise the estate agent market through licensing of estate agents and the pilot of voluntary reservation agreements.

**82% of UK adults support the idea of a government-backed license requiring estate agents to pass standardised tests before being able to practice.**

**80% of UK adults are in favour of buyers being required to prove they have the necessary funds before putting in an offer to buy a property.**

**Nearly two thirds (65%) of UK adults support the idea of a reservation agreement which requires buyers and sellers to put down a non-refundable deposit to commit both sides earlier in the process and increase the certainty that the sale will go through and at the price agreed.**

## Response to Proposals to Improve Home Buying/ Selling Process



## Annex – Calculation Methodology

### Calculation Notes

1. Number of Aspiring UK Homeowners: Source: DCLG live tables on dwelling stock Great Britain table 102 by tenure (last updated May 2018) Total UK Dwellings 27,713,000 - 17,345,000 owner occupied dwellings = 10,368,000 non-homeowners x 74.3% non-homeowners who would like to own their home one day = 7,703,424, approximately **7.5 million aspiring homeowners**
2. Number of homeowners age 18-54 who considered a move in past 2 years but did not proceed: Total homeowners (17,345,000) – Homeowners 55+ (11,900,000)= 5,445,000 homeowners 18-54 x 22.78% considered a move but did not in past 2 years = 1,240,371, **1.2 million homeowners age 18-54 (second-steppers) considered a move but did not do so.**
3. Number of homeowners age 55+ who considered a move in past 2 years but did not go through with a move: Source Legal & General & CEBR Last Time Buyer report 3.1 million downsizers/ representing 26% of homeowners age 55+ = 11.9 million Homeowners age 55+ x 19.6% homeowners 55+ who considered a move but did not = 2,332,400, more than 2 million homeowners 55+ considered a move in past 2 years but did not move. Of these, 45.82% did not move because of lack of suitable housing: 2,332,400 x 45.82% = 1,068,706, **over 1 million homeowners age 55+ wanted to move but did not because of lack of suitable housing**
4. Failed transactions: 1,223,060 UK completed residential property transactions (HMRC). Total completed & failed transactions = 1,223,060/ 80%= 1,528,825 total transactions x 19.72% of sellers experience sale failing to go through to completion = **301,484 failed sales.**
5. Cost to sellers of failed transactions: 51.26% of sellers incurred costs, costing on average £2,727 = 301,484 x 51.26% x £2727 = **£421 million total cost to sellers of collapsed sales.**

# Annex - What the papers say – a selection of our media coverage

## Press mentions – Housing Concerns

**Sunday Times & Sunday Times Home**

**Metro**

<https://www.metro.news/prices-a-real-worry>

**Refurb & Developer**

<https://developer-update.co.uk/2018/04/27/serious-housing-problems-hit-highest-rate-in-five-years-2-75-million-more-people-now-say-house-prices-a-serious-problem/>



**HR Director** <https://www.thehrdirector.com/business-news/housing/housing-problems-rate-five-years/>

**Property News (Berkshire)**

High house prices a 'serious problem'

## Press mentions – Broken Housing Ladder

**Sunday Times** <https://www.thetimes.co.uk/article/should-we-be-spending-money-on-holidays-and-restaurants-rather-than-homes-hgzdbh52b>

**Daily Star** <https://www.dailystar.co.uk/news/latest-news/708717/British-housing-crisis-affects-7-million>

**Mortgage Introducer**

<https://www.mortgageintroducer.com/housing-market-broken-every-level-homeowners-survey-finds/> - .Wx54gfZFw2



**What Mortgage**

<https://www.whatmortgage.co.uk/news/housing-market-tipping-point/>

**Planning & Building Control Today**

<https://www.pbctoday.co.uk/news/planning-construction-news/housing-ladder-is-broken-at-every-step-exp/42141/>

**Show House** <https://www.showhouse.co.uk/news/housing-shortage-traps-millions-of-brits-into-unsuitable-homes/>

**Property Reporter** <http://www.propertyreporter.co.uk/property/broken-housing-market-sees-75-million-locked-out-of-homeownership.html>



## Press mentions – ‘Selling Pain Points’

**Times** <https://www.thetimes.co.uk/article/20-suffer-house-sale-collapse>

**BBC News** <http://www.bbc.co.uk/news/business-44109968>

**What mortgage** <https://www.whatmortgage.co.uk/news/gazundering-time-wasting-detering-homeowners-selling/>

**Xinhuanet** [http://www.xinhuanet.com/english/2018-05/14/c\\_137178270.htm](http://www.xinhuanet.com/english/2018-05/14/c_137178270.htm)

**City AM** <http://www.cityam.com/285685/broken-property-transactions-cost-sellers-more-than-gbp400m>



### **Mortgage Finance Gazette**

<https://www.mortgagefinancegazette.com/market-news/housing/300k-property-sales-fall-costing-sellers-400-million-14-05-2018/>

### **Estate agent today**

<https://www.estateagenttoday.co.uk/breaking-news/2018/5/20-of-sellers-suffer-fall-throughs-costing-them-thousands>

### **Financial Reporter**

<http://www.financialreporter.co.uk/finance-news/home-sellers-call-for-reforms-as-20-see-collapsed-sales.html>

### **Moneywise**

<https://www.moneywise.co.uk/news/2018-05-14/one-five-sellers-sees-property-deal-fall-through>

### **Today's Conveyancer**

<https://www.todayconveyancer.co.uk/main-news/20-home-sellers-sale-falling/>

**The Negotiator** <https://thenegotiator.co.uk/failed-sales-property-transactions-yougov/>

## Press mentions – Response to Ideas for Improving Home Buying/ Selling Process

**Property Wire** Poll backs decision by UK Ministers to regulate estate agents

**Inside Conveyancing** 82% of UK adults support government plans for estate agent regulation

**pbctoday.co.uk** <https://www.pbctoday.co.uk/news/planning-construction-news/homeowner-survey-reveals-adults-support-estate-agent-regulation/40237/>

### **propertyreporter.co.uk**

<http://www.propertyreporter.co.uk/business/government-plans-for-estate-agent-regulation-backed-by-82.html>

**Property Wire** Introduction of reservation agreements for buyers and sellers gaining support

**Estate Agent Today** Introduction of reservation agreements for buyers and sellers gaining support



# HomeOwners Alliance toolbox

## Choice tools to help you make wise choices

Here are our best tools and explanations at the HomeOwners Alliance. They'll help you understand issues, find and connect with knowledgeable people who can help, and keep you up to date with offers in the market.

## HOA Membership

### [Click and Join Us](#)

The one thing you shouldn't be without! Members of the HomeOwners Alliance receive a 10% discount off conveyancing fees, access to our home helpline, expert advice and legal service.

## HOA General House Buying and Selling Tools

### Comparisons

#### [Compare Conveyancing Quotes](#)

Conveyancers from a quality assured panel of over 150 regulated conveyancing firms, a straightforward top 3 ranking, and a special offer for HomeOwner Alliance members.

#### [Compare Online Estate Agents](#)

Thinking of using an online agent? Our tool lets you compare online estate agents on price, tells you what is and isn't included in their packages, and gives our verdict and customer rating.

#### [Compare Local Estate Agents](#)

Want to find the right local agent? Our tool compares agents in your local area by the fees they charge, average time to sell a property like yours, how close they might get to achieving an asking price and how successful they are at selling similar homes.

#### [Compare House Removal Companies](#)

Up to 5 competitive quotes from Local and national Ombudsman regulated house removals companies, in seconds, all through our partnership with reallymoving.com.

#### [Find a Local Surveyor](#)

Need a building survey or structural survey? We'll provide a list of local surveyors who can carry out your survey together with a price for the job and their contact details. Contact them when you are ready.

## Leasehold Calculator

### [Leasehold Extension Calculator](#)

Looking to extend your lease? Our calculator can help estimate how much it will cost to purchase more years.



HomeOwners  
Alliance

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**HomeOwners HelpLine (members only):** 033 0088 2050

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