

Swindon, Colchester and Luton offer greatest choice to FTBs looking beyond London

36.5% of Swindon's homes are affordable to First Time Buyers versus 5% in London

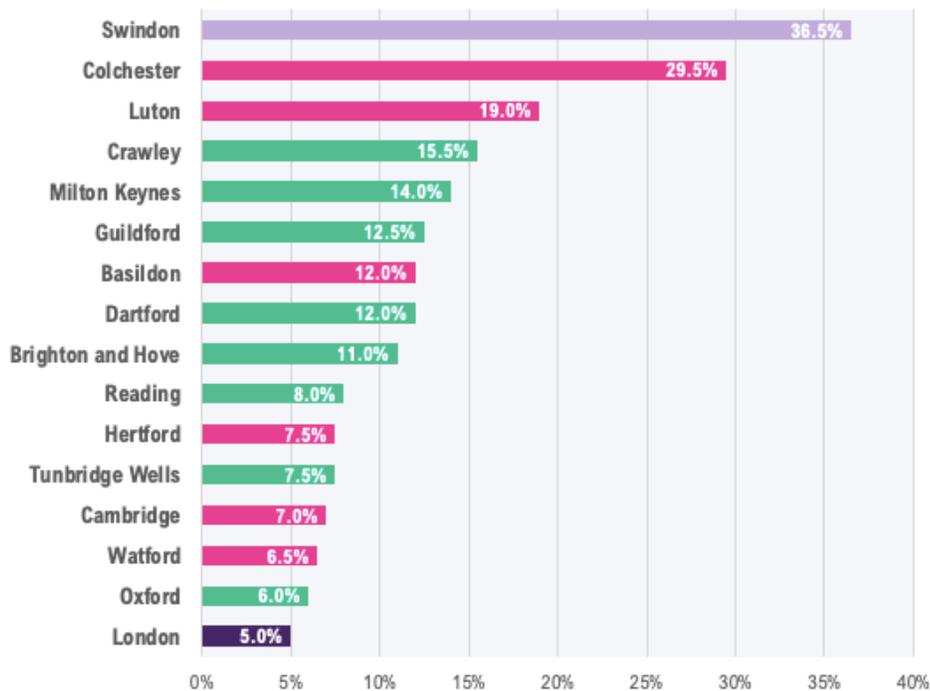
24 May 2021: First Time Buyers freed from the constraints of the London nine to five are enjoying far greater choice in terms of location and the proportion of properties they can afford to buy, according to new research from reallymoving. While the volume of First Time Buyers in the market has increased across the country, London's First Time Buyer share has fallen from a peak of 20.6% in February 2020 to 16.8% - a decline of almost one fifth.

Despite a recent pattern of rising house prices in the suburbs, a First Time Buyer with a £25,000 deposit and an income of £40,000 could afford to buy 36.5% of properties in Swindon, 29.5% in Colchester and 19% in Luton, giving them significant choice compared to in London where just 5% of properties would be within reach.

Analysing reallymoving's data to reveal the most popular destinations for First Time Buyers within an hour's commute of the capital, the research shows how changing working trends post-pandemic and the rise in businesses shifting permanently to more remote working patterns, has significantly increased the options available to new homebuyers in the south of England.

Affordable Properties by City

Affordability of **East**, **South East** and **South West** alternatives to **London**
 Estimated % of properties affordable with a £25,000 deposit and £40,000 income



Working from home broadens horizons

With half of London's firms declaring they plan to continue remote working permanently in some capacity, according to a recent survey by the London Chamber of Commerce and Industry, London's First Time Buyers are able to access locations further from the capital where they benefit from greater affordability.

Of the 15 most popular First Time Buyer locations within an hour's train ride from London, Swindon is the most affordable with over a third of properties (36.5%) within reach of the typical First Time Buyer, followed by Colchester and Luton in the East with 29.5% and 19% of the property market affordable to buyers with a £25,000 deposit and a £40,000 income. In popular commuter towns such as Guildford and Brighton, the proportion of affordable properties stands at 12.5% and 11% respectively, while in Oxford and Cambridge buyers are restricted to just 6% and 7% of the market.

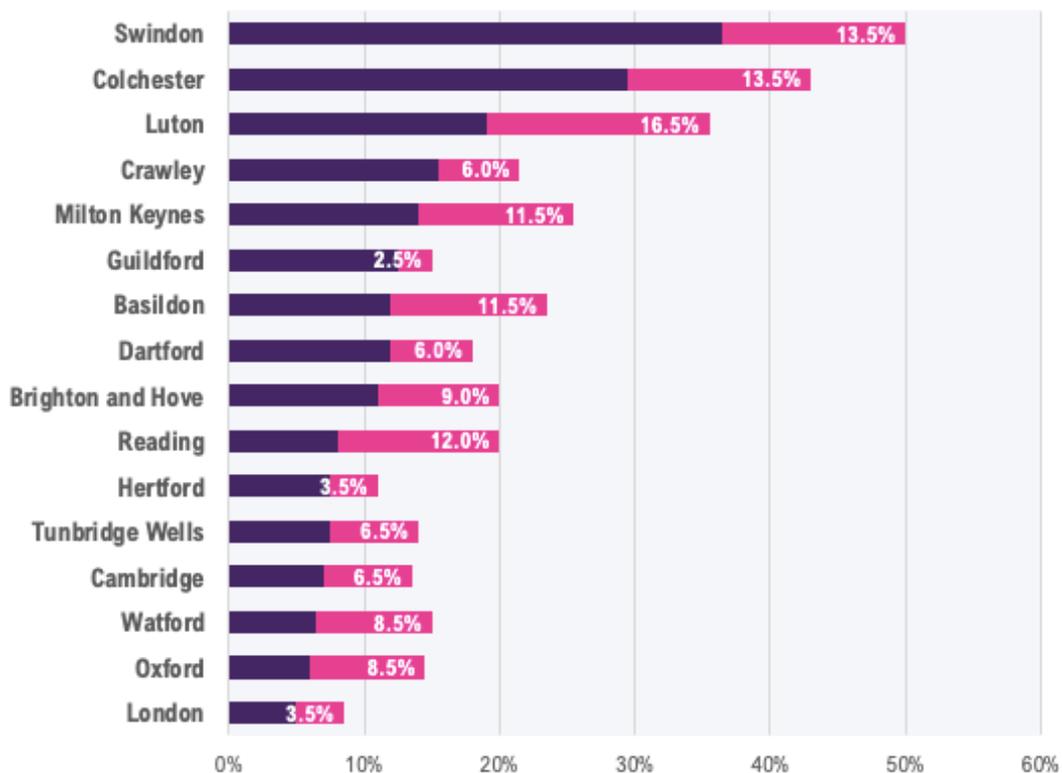
Increase in income multiples makes a big difference

News last month that Nationwide is boosting its income multiples allowing First Time Buyers to borrow up to 5.5 times their annual earnings, up from 4.5 times previously, has had a significant impact on affordability in First Time Buyer hotspots. In Swindon, the proportion of homes available to First Time Buyers has increased by 13.5% to half the market (50%), compared to London where the proportion of homes within reach has risen from 5% to just 8.5%.

Impact of Loan to Income Ratio on Affordability

Estimated % of properties affordable with a £25,000 deposit and £40,000 income Assuming Loan to Income ratio of:

a) **4.5 x income** and b) extra affordable properties from **5.5 x income**



Rob Houghton, founder and CEO of reallymoving, said: *“With more London employers every day announcing they will be implementing flexible working permanently in some capacity, First Time Buyers are seeing greater options opening up to them in terms of where they can live.*

“No longer tied to living in the capital or crippled by daily commuting costs, First Time Buyers might be surprised to find that they can access a sizable proportion of the market in several popular locations within an hour of the capital – and are more likely to be able to afford a garden and larger living space.

“Anyone taking out a large mortgage should consider the risks carefully, but for many young professionals with good prospects – and with lender affordability checks being applied diligently – larger loans make sense and are particularly helpful to those buying on their own.

“The bright lights of London will always be a draw but with house prices so high and continuing to rise, and with saving for a deposit a huge challenge, having the freedom to access a greater choice of location will make a big difference to those trying to get on the housing ladder.”

-- ENDS --

Notes to Editors

About reallymoving

Launched in 1999, reallymoving has become the UK's leading provider of free instant quotes for home-moving services, serving over 2 million customers since its inception. It is an independent and privately financed company, majority owned by its management and directors.

During 2020 reallymoving received 280,000 registrations and generated almost a million quotes on behalf of its UK-wide network of partners, representing approximately £220 million worth of work in 12 months. Reallymoving believes approximately 9% of the UK's home movers receive quotes from the site.

Reallymoving provides instant quotes for Conveyancing, Surveys, Removals, Valuations, Home Reports (in Scotland) and Energy Performance Certificates.

Reallymoving also owns The Law Superstore, the comparison site for legal services.

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