

RESEARCH REVEALS LOCKDOWN HAS HELPED FIRST-TIME BUYERS ONTO THE PROPERTY LADDER SOONER THAN THEY HAD PLANNED

New research ⁽¹⁾ from The Nottingham reveals the pandemic may have helped some of those saving up to buy their first home do this sooner than they had planned.

Some 23% of those planning to buy their first property say they have been able to save more during the lockdown. One in five also say they should be able to buy sooner because mortgage rates have fallen during the crisis, partly due to the Bank of England base rate dropping to 0.1% in March, its lowest rate ever. Of these people, 36% think lower mortgage rates could help them buy their first home six months earlier than they had originally planned, and 23% think it could speed up the process by over a year.

Even more encouraging for would-be first-time buyers is that 35% believe falling property prices caused by the Coronavirus will mean they will be able to buy sooner than planned. One in five (21%) expect the current situation to speed up the process by up to 12 months, and a further 14% by over a year.

How will falling property prices caused by Coronavirus speed up the time by which you buy your first property?	Percentage of people who are planning to buy their first property
By up to three months	3%
Between three and six months	7%
Between seven and 12 months	11%
Between 13 and 24 months	9%
Over two years	5%
It won't speed up the process	28%
Don't know	37%

Ben Osgood, Senior Mortgage Manager at The Nottingham commented; "There's no denying that Coronavirus has had a negative impact on many aspects of life. However, our research has shown that falling interest rates and property prices could mean that many people saving to get on to the property ladder could do this sooner than they originally thought possible.

"We also recognise that in the current environment, with finances impacted and some products have stricter criteria or being withdrawn, it could be harder to secure a mortgage.

This is why first-time buyers and those looking to remortgage should consider a whole-of-market broker service to find the mortgage that's right for them.”

Despite The Nottingham's research revealing that many people will buy their first homes sooner than they had planned, it also shows that 64% of those looking to get on the property ladder don't expect to do this until they are at least 30. Some 30% anticipate they will have to wait until at least their 40th birthday. Sadly, 8% don't think they will ever be able to afford to do this.

At what age do you expect to buy your first property?	Percentage of would-be first-time buyers
Under 25	10%
26 to 30	27%
31 to 36	20%
37 - 39	4%
Over 40	30%
Never	8%

As well as offering its own range of mortgages, The Nottingham also offers a broker service via Nottingham Mortgage Services that enables customers to search over 60 different lenders to get the right mortgage for them, with support through the application process from expert mortgage advisors. Customers are able to access this service over the phone or at their nearest branch using video technology that supports current social distancing guidelines.

ENDS

For further information please contact Phil Anderson at Perception A on 07767 491 519

Notes to editor

- (1) The Nottingham commissioned the market research company Consumer Intelligence to interview 1,023 people who represented the demographic profile on the UK. The interviews were conducted online between 29th and 31st May 2020.

If a mortgage is found, there may be a one-off fee payable when the mortgage application is submitted.

Whole of market mortgage advice is provided by Nottingham Mortgage Services Ltd (NMS); an appointed representative of Quilter Mortgage Planning Ltd, which is authorised and regulated by the Financial Conduct Authority; registered No. 440718. NMS is a wholly owned subsidiary of Nottingham Building Society and registered in England and Wales, No. 03089887; Nottingham House, 3 Fulforth Street, Nottingham NG1 3DL.

About The Nottingham

The Nottingham is a top ten building society and estate agency operating online and via a network of over 60 branches across nine counties. It offers a broad range of building society services such as mortgages and savings, as well as whole-of-market mortgage advice provided by Nottingham Mortgage Services.

Founded in 1849, The Nottingham is a mutual building society owned by its members with a long and proud history of doing the right thing and helping its surrounding communities prosper. www.thenottingham.com