



HousingOptions

No.1 for Affordable Homes in London

HOUSING OPTIONS RESEARCH FINDINGS

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Executive summary

This report is based on research carried out by Society Media and commissioned by Housing Options – the one-stop shop for first time buyers to register their interest in and apply for low cost home ownership products. It captures attitudes towards low cost home ownership and considers its impact on people's lives.

It looked at the demand for low cost home ownership and captured the views of 393 out of the 2,200 people who attended the Housing Options Affordable New Homes Show in London on Friday 12 October 2007 to find out more about affordable homes.

The report shows that of those surveyed:

- Almost nine out of ten (**89%**) key workers and (**92%**) non-key workers felt their salary did not enable them to afford to buy a property in London without assistance.
- Only one in ten (**11%**) key workers and (**8%**) non-key workers felt that their salary did enable them to buy a property in London without assistance.
- Almost half (**48%**) of key workers had considered leaving London because they felt their salary did not enable them to afford to buy a property in London without assistance.
- It was not only key workers who felt this way. Exactly half (**50%**) of non-key workers had considered leaving London because they felt their salary did not enable them to afford to buy a property in London without assistance.
- Some **88%** of respondents either strongly agreed (**62%**) or agreed (**26%**) that without low cost home ownership schemes, such as part buy, part rent, they would have no chance of being able to buy a property in London or the South East.
- Some **83%** of respondents chose price, **74%** chose location and **66%** chose transport links among their top three factors when deciding to buy their own home.

Methodology

Housing Options commissioned Society Media to survey attendees of the Housing Options Affordable New Homes Show at The New Connaught Rooms in London on Friday 12 October 2007.

The findings are based on the answers given in structured interviews with 393 of the 2,200 people who attended the show.

The sample comprised 133 key workers (such as teachers, nurses and emergency services staff) and 260 non-key workers looking to buy a home they can afford in the capital.

The sample base was representative of the very people affected by a lack of affordable homes and those actively searching for affordable housing options.

What is Housing Options?

Housing Options is the one-stop shop for first time buyers to register their interest in low cost home ownership products. Through the service, Londoners can apply for affordable new build and equity loan home ownership products. The online service www.housingoptions.co.uk lists details of hundreds of low cost home ownership properties available in London from almost 50 participating housing providers.

Potential buyers can scan a list of new developments, select homes by property size and location, and check earnings required and eligibility criteria. They can then either register their interest direct via email or by using housing association contact numbers to kick-start their search for an affordable home.

For further information about affordable home ownership opportunities across the capital, visit www.housingoptions.co.uk or call 0845 230 8099.

The Housing Options service is run by the Government-appointed HomeBuy Agents for London. Metropolitan Home Ownership (MHO) is the HomeBuy Agent for East, North and West London and Tower Homes is the HomeBuy Agent for South East and South West London.

The Housing Options Affordable New Homes Show brought together more than 30 London housing associations and other providers of affordable homes in London under one roof. With a single visit, thousands of Londoners and those wanting to live and work in the capital were able to find out what affordable housing options are available in each borough and receive the professional guidance on how to buy.

Housing associations provide part buy, part rent schemes, which enable key workers or people on low to moderate incomes to buy shares from 25 per cent in a brand new home and pay a subsidised rent on the remaining 75 per cent share. Homeowners can increase their stake in the property when they can afford it.

Survey results

Buying a property in London without assistance

Our research showed that nine out of ten key workers and non-key workers felt their salary did not enable them to afford to buy a property in London without assistance.

Society Media first established whether or not each interviewee was a key worker.

Table 1

Do you feel your salary enables you to afford to buy a property in London without assistance? (n - 393, 133 key workers, 260 non-key workers)

Response	All respondents	%	Key workers	%	Non-key workers	%
Yes	35	9%	14	11%	21	8%
No	356	91%	118	89%	238	92%

Table 1 shows that **91%** of all respondents felt their salary did not enable them to afford to afford to buy a property in London without assistance.

When broken down, the table shows that **89%** of key worker respondents and **92%** of non-key worker respondents felt their salary did not enable them to afford to buy a property in London without assistance.

Considering leaving London because property prices are too high

Our research showed that almost half of key workers and non-key workers had considered leaving London because they felt their salary did not enable them to afford to buy a property in the capital without assistance.

Society Media first established whether or not each interviewee was a key worker. We asked everyone who felt their salary did not enable them to afford to buy a property in the capital without assistance, if they had considered moving out of London for this reason?

Table 2

Have you considered moving out of London for this reason? (n - 356, 118 key workers, 238 non-key workers)

Response	All respondents	%	Key workers	%	Non-key workers	%
Yes (move)	176	49%	57	48%	119	50%
No (stay)	177	50%	61	52%	116	49%
No response	3	1%	0	0%	3	1%

Table 2 shows that **49%** of respondents had considered leaving London because they felt their salary did not enable them to afford to buy a property in London without assistance.

When broken down, the table shows that **48%** of key worker respondents and **50%** of non-key worker respondents had considered leaving London because they felt their salary did not enable them to afford to buy a property in London without assistance.

Affordable homes giving people a chance to buy

Our research showed that nine out of ten key workers and non-key workers agreed that they would have no chance of buying a property in London or the South East without low cost home ownership schemes such as part buy, part rent.

Table 3

Do you agree with the following statement? “Without low cost home ownership schemes, such as part buy, part rent, I would have no chance of being able to buy a property in London or the South East?” (n - 393)

Response	All respondents	Percentage
Strongly agree	243	62%
Agree	103	26%
Neither agree nor disagree	25	6%
Disagree	15	4%
Strongly disagree	3	1%
Don't know	3	1%

Table 3 shows that **88%** either strongly agreed (**62%**) or agreed (**26%**) that they would have no chance of being able to buy a property in London or the South East without low cost home ownership schemes, such as part buy, part rent.

Most important factors when buying a home

Our research showed that price, location and transport links were the three most important factors in peoples' decision to buy their own home.

Table 4

What are the most important factors in your decision to buy a home?

Respondents were asked to tick up to three of the following factors (n - 393)

Response	All respondents	Percentage
Price	326	83%
Location	289	74%
Transport links	260	66%
Size	92	23%
Nearby shops	41	10%
Nearby green spaces	38	10%
Parking	33	8%
Nearby schools	28	7%
Other	21	5%
Fixtures & fittings	16	4%
Eco-friendly	13	3%

Table 4 shows that **83%** of respondents chose price, **74%** chose location and **66%** chose transport links among their top three factors when deciding to buy their own home. These are followed by size (23%), nearby shops (10%), nearby green spaces (10%), parking (8%), nearby schools (7%), other * (5%), fixtures & fittings (4%) and eco-friendly (3%).

* Other answers included safety, neighbourhood environment, nearby entertainment or friends and family, bike racks, disabled facilities, garden, nearby health services and converted old property.