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No escaping the cost of living headache, but first-time buyers put garden on top of new home wish list

- The rising cost of living and access to a mortgage are the biggest concerns for first-time buyers according to the Home Happiness Index 2022 - a new survey commissioned by Newcastle Building Society
- Top priority for aspiring first-time buyers is a garden (61%) followed by a safe neighbourhood (55%)
- Natural light (31%) is more sought-after than good transport links (26%)

Whether it's to make their green-fingered dreams come true or simply for entertaining friends and family outdoors, having a garden has been named as the top priority for aspiring first-time buyers.

Of those looking to buy a home in the next 18 months, 61 per cent include outside space on their new home wish list, research from Newcastle Building Society reveals.

The lender says this reflects a shift in first-time buyer needs following the pandemic including the move to continue remote or hybrid working. Natural light (31%) is now more sought-after than good transport links (26%), while closeness to friends and family (34%) is driving more buying decisions than being in the catchment area of a good school (22%).

The survey of 1,066 people, which explores first-time buyers' hopes and fears also found that getting a mortgage and the rising cost of living were the top causes for concern among aspiring home buyers.

In total, 44 per cent of respondents said they were worried about getting a mortgage. This increased to 56 per cent of those living in the South East where property prices are amongst the highest. Meanwhile 40 per cent said the rising cost of living was a worry, increasing to 51 per cent of those still living with family.

The survey also asked aspiring first-time buyers for their top reasons for buying a home. Nearly half (48%) said they wanted the security of owning their own home whilst 43 per cent said renting felt like a waste of money.

Half of respondents in the South East said a priority was getting a foot on the property ladder, compared to just 30 per cent in the West Midlands.

Ben Nicholson and partner Rosanna Duarte moved into their first home together in early 2022, after taking a First Homes mortgage with Newcastle Building Society. Ben, 24, said: “Having a nice garden was absolutely one of our top priorities when looking for our first home. We were really keen for a south facing garden and somewhere not too overlooked that would be nice space to entertain and socialise with friends and family.”

Accountant Ben and NHS physiotherapy assistant Rosanna bought their three-bedroom home in Newton Aycliffe, County Durham just a few months after graduating from Northumbria University. Having originally considered the Help to Buy scheme, they became among the first people to buy a home through the government’s new First Homes scheme which offers a discount of up to 50% on new build properties. Newcastle Building Society is one of the first lenders to support the innovative scheme as part of its drive to help first time and low-deposit borrowers across the UK.

Rosanna, 22, said: “We were definitely worried about the rising cost of living – especially because we’d never really had to pay bills before, but with fixed mortgage repayments for the next five years we’ve got a bit more certainty and we’re just being sensible with energy use to make sure we’re as efficient as possible.”

Stuart Miller, chief customer officer at Newcastle Building Society said: “It’s perhaps no surprise that after more than two years of dealing with the pandemic, first-time buyers are prioritising a garden more than anything else – but it is interesting that having a good broadband connection is more important than being close to work.

“The ongoing cost of living rises are clearly top of mind for first-time buyers, especially for those who’ve been living at home and not had to deal with bills. To provide greater certainty around their household budget, we’re seeing more and more people looking to fix mortgage repayments for the long term - up to 10 years in some cases.”

For more information on the Home Happiness Index visit <https://www.newcastle.co.uk/powering-communities/home-happiness-index-2022>

The research for Newcastle Building Society was carried out online by Opinion Matters between 23/02/2022 to 01/03/2022 amongst a panel resulting in 1,066 respondents wanting/planning to buy

their first property in the next 18 months. All research conducted adheres to the MRS Codes of Conduct (2010) in the UK and ICC/ESOMAR World Research Guidelines. Opinion Matters is registered with the Information Commissioner's Office and is fully compliant with the Data Protection Act (1998).

The top three reasons aspiring FTBs want to purchase their own home:

- They want the security of having their own home (48%)
- The feeling that rent is a waste of money (43%)
- The desire to get started on the property ladder, so they can move up it in the future (39%)

The top five things aspiring FTBs are prioritising in their first home:

- A garden (61% and perhaps heightened by the pandemic)
- It being in an area that feels safe area (55%)
- Off-road parking (40%)
- It's close to friends and family (34%)
- Its quiet (33%)

The top concerns for aspiring FTBs around buying their first home are:

- Getting a mortgage (44%)
- That the cost of living will go up (40%)
- Not being able to save due to the cost of living (39%)
- Keeping up with house price rises while they save for a deposit (36%)
- Noisy neighbours (31%)
- The cost of energy bills in the new property (30%)

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About Newcastle Building Society

Newcastle Building Society* is the biggest building society in the North East, with a network of 30 branches and assets of more than £4.9bn. We've been here for our members for over 150 years.

As a leading local employer, we're committed to growing our region's talent and being a great place to work where people can realise their potential. We hold Platinum IIP.

We help people to own their home, to save and to plan their finances through our range of products and services. We believe in the role of the high street at the heart of our communities and are proactive in making financial information and financial advice accessible across our region.

Our Financial Advice is provided through our Newcastle Financial Advisers Limited division**.

We're dedicated to helping our North East communities make positive changes; since 2016 the financial support through grants and donations from the Newcastle Building Society Community Fund at the Community Foundation to benefit local causes has surpassed £2.1m

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