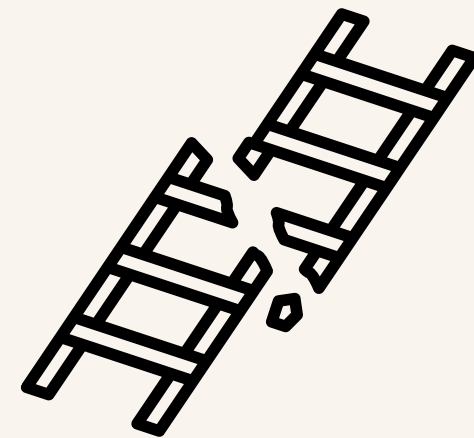


Broken ladder

Assessing the affordability gap



1.5 million

homeowners missing
from the market



Homeownership in England
has fallen from 71% in 2003 to
64.8% in 2024.

Representing 1.5 million fewer homeowners than
if 2003 ownership rates had been maintained

Assessing the affordability gap for first-time buyers

- Average first home costs
10× annual earnings
- Average first-time buyer has to
save **50% of discretionary
earnings** for **9 years** to achieve
a 10% deposit
- Monthly mortgage costs for
the average first-time buyer
are **67% of net salary**

£70,000

is the average gap between
borrowing power and home price

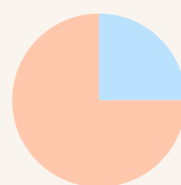
In London, the affordability
gap is over **double the national
average** at **£275,000** for **22-29
year olds** and **£220,000**
for **30-39 year olds**.

Planning
permissions
have hit a
**15 year
low**

Weak purchasing power has
seen housing supply plummet
208,000 new homes
completed in 2024/25
Down 16% from the 2020 peak

The end of Help to Buy has left a significant gap

69% of the public believe Help
to Buy should've continued
The same % would support a new equity loan scheme.



Without a replacement, **25%** of the
population who were previously able to
buy a home are now unable to.

We're calling for a new equity loan scheme

Here's how it would work:

- Government provides an equity loan of up to 20%,
interest-free for 5 years.
- Developers pay a fee for their buyers to access the
scheme, for example 1% on the first 250 completions;
2% up to 1,000; 3% thereafter.

This tiered approach ensures SME builders can participate
and larger builders pay a blended rate closer to 3%