



Sep 05, 2019 12:16 BST

State of the FTB Market: 56% of UK properties are affordable for first-time buyer

- Post Office Money annual study reveals the hotspots and coldspots for first-time buyers looking to get on the ladder
- Post Office Money reveals the most affordable places in the UK with Blackpool, Southampton and Greater Manchester towns such as Wigan and Oldham topping the list
- First-time buyer coldspots revealed in the historic cities of Oxford, Cambridge and York
- The average house price (£282,713) still sits at 5.85 times the average first-time buyer income
- [Post Office launches online tool](#) that helps aspiring homeowners find the areas most affordable to them in their desired location and map their deposit-savings journey

Post Office Money today revealed that 56% of properties across the UK are in areas that are affordable for FTBs. The research, based on analysis of Office for National Statistics (ONS) data, examines the FTB affordability of over 80 locations across the UK¹.

While house price growth has continued, in the last year it has stagnated to an increase of just 0.9% across the UK, with the average home costing £282,713. At the same time first-time buyer household incomes across the UK increased by 1.2% to £48,289, meaning that, [the average house price still sits at 5.85 times the average first-time buyer income](#). However, the Post Office research has uncovered many affordable locations across the country for FTBs to explore.

Affordability hotspots

Affordability peaks in Blackpool where the average property price is £110,000, compared to the average FTB household income in the North West of £40,053, meaning 100 per cent of properties in the area are deemed affordable to new homeowners. Lincoln and Hull were also among the UK's 'affordable hotspots', both having 100% of properties in areas considered affordable to FTBs.

Top 10 most affordable areas for local first-time buyers

| | County | City | Average house price | 1-year change | FTB income | % of city affordable |
|---|----------------|--------------------|---------------------|---------------|------------|----------------------|
| 1 | Lancashire | Blackpool | £110,000 | -2% | £40,053 | 100% |
| 2 | Lincolnshire | Lincoln | £149,000 | +4% | £40,913 | 100% |
| 3 | East Yorkshire | Kingston upon Hull | £115,000 | +4% | £38,665 | 100% |
| 4 | Merseyside | Knowsley | £163,000 | +5% | £40,053 | 95% |
| 5 | Staffordshire | Stoke-on-Trent | £116,000 | +5% | £41,796 | 94% |
| 6 | Hampshire | Southampton | £215,000 | +2% | £57,557 | 94% |
| 7 | West Midlands | Sandwell | £148,000 | +8% | £41,796 | 92% |
| 8 | County Durham | Hartlepool | £124,950 | 0% | £36,674 | 92% |

| | | | | | | |
|----|--------------------|--------|----------|-----|---------|-----|
| 9 | Greater Manchester | Wigan | £137,500 | +4% | £40,053 | 90% |
| 10 | Greater Manchester | Oldham | £130,000 | +2% | £40,053 | 88% |

[Full data of over 80 locations in notes to eds]

Shifts in affordability

In the last year, Rotherham has seen the biggest shift in affordability for FTBs. While the number of affordable properties has shrunk by a fifth (18%), 79% of neighbourhoods in the city are still affordable for the average FTB's budget, which means it's still a good option for local aspiring homeowners. This has been driven by wage-growth in the area fuelling the number of potential FTBs and increasing demand. Meanwhile, prospective house hunters in Ipswich have seen the most opportunity over the course of the last year, with the biggest increase in the number of properties in areas affordable to FTBs; a 6% increase to 88%. This is a result of the trend for falling house prices in the South of England, the first time prices have fallen in the region since the last recession in 2009. This has been attributed to a number of economic factors including Brexit uncertainty.

For those lucky enough to purchase a property in Nuneaton and Bedworth in the West Midlands, in the last year they will have seen the best return on their investment, with average property prices increasing by 11% to £179,995. This increase has had an impact on the affordability for prospective buyers, who will have seen the average property price rise by £9,800 and £7,500, respectively, in just one year in the East and West Midlands.

Commuter towns

On the whole, popular commuter hubs in the South continue to make up the majority of least affordable locations for FTBs in the UK, with Cambridge, Woking and Surrey all seeing a lack of opportunity for local FTBs. Oxford ranks as the least affordable commuter location for new homeowners, with average property prices reaching £392,500 and with no properties currently in areas considered affordable to FTBs.

However, one of last year's least affordable locations, commuter hub Reading, has seen a 6% rise in the number of properties in the region which are affordable for FTBs. The area had no properties in areas considered affordable in the region in 2017, but rising wages in the South East coupled with lower house prices in certain areas has opened up part of the city to new homeowners. Similarly, locations within a short distance of Manchester – Wigan and Oldham – are some of the UK's most affordable areas for FTB

commuters at 90% and 88% affordability, respectively. This could be due to an increase in housing stock and affordable home schemes in both areas.

Ross Hunter, Post Office Money comments: “While we have seen house price growth slow in the last year, properties can still seem particularly unaffordable for first-time buyers. We know that saving for a deposit remains the most significant hurdle for young buyers to overcome in order to achieve their homeownership aspirations. It can take years of dedicated effort in order to gather the necessary funds. There are a number of ways that prospective homeowners can reduce their time spent saving, such as taking on a fixer-upper property or looking in a cheaper area close to where they might have previously considered. Post Office also offers two innovative products, Family Link and First Start, which can enable buyers to get on to the ladder with a lower deposit.”

“While we may be seeing the first indications of a ‘buyer’s market’, we still know that saving for and ultimately purchasing a home is a difficult process. Finding which areas are most affordable in cities local to you is key to making a personal plan of action. Post Office Money provides a tool that allows FTBs to hunt for their most affordable local areas and also figure out how long they it will take them to save for their deposit:

<https://www.postoffice.co.uk/mortgages/deposit-calculator> .”

ENDS

1Opinium Research was briefed by Post Office Money to conduct a study into the affordability of properties for first-time buyers in the UK, covering over 80 locations across the UK

The percentage of each city that is affordable to first time buyers was calculated by seeing what proportion of the middle layer super output areas (MSOA) in each local authority had a median house price lower than 4.5 times the average income of first-time buyers in each region.

Property price data sourced from the ONS House Price Statistics for Small Areas, quarterly statistics from the Registers of Scotland and the Northern Ireland Residential Property Price Index. Data on first time buyers’ salaries in each region sourced from the ONS House Price Index.

Affordability data across more than 80 locations:

| | County | City | Average house price | 1-year change | FTB income | % of city affordable |
|---|------------|-----------|---------------------|---------------|------------|----------------------|
| 1 | Lancashire | Blackpool | £110,000 | -2% | £40,053 | 100% |

| | | | | | | |
|----|--------------------|--------------------|----------|-----|---------|------|
| 2 | Lincolnshire | Lincoln | £149,000 | +4% | £40.913 | 100% |
| 3 | East Yorkshire | Kingston upon Hull | £115,000 | +4% | £38,665 | 100% |
| 4 | Merseyside | Knowsley | £163,000 | +5% | £40,053 | 95% |
| 5 | Staffordshire | Stoke-on-Trent | £116,000 | +5% | £41,796 | 100% |
| 6 | Hampshire | Southampton | £215,000 | +2% | £57,557 | 94% |
| 7 | West Midlands | Sandwell | £148,000 | +8% | £41,796 | 92% |
| 8 | County Durham | Hartlepool | £124,950 | 0% | £36,674 | 92% |
| 9 | Greater Manchester | Wigan | £137,500 | +4% | £40,053 | 90% |
| 10 | Greater Manchester | Oldham | £130,000 | +2% | £40,053 | 88% |
| 11 | West Midlands | Wolverhampton | £149,995 | +7% | £41,796 | 88% |
| 12 | Suffolk | Ipswich | £195,000 | +5% | £53,263 | 88% |
| 13 | South Yorkshire | Doncaster | £129,995 | +0% | £38,665 | 87% |
| 14 | Merseyside | St. Helens | £133,417 | +1% | £40,053 | 87% |
| 15 | Nottinghamshire | Nottingham | £137,500 | +6% | £40,913 | 87% |
| 16 | South Yorkshire | Barnsley | £130,000 | +4% | £38,665 | 87% |
| 17 | Tyne & Wear | Sunderland | £127,500 | +2% | £36,674 | 86% |

| | | | | | | |
|----|--------------------|-----------------------|----------|------|---------|-----|
| 18 | Greater Manchester | Rochdale | £132,500 | +2% | £40,053 | 84% |
| 19 | West Yorkshire | Bradford | £136,000 | +3% | £38,665 | 84% |
| 20 | Greater Manchester | Tameside | £140,750 | +2% | £40,053 | 83% |
| 21 | Tyne & Wear | South Tyneside | £139,000 | +3% | £36,674 | 83% |
| 22 | Cambridgeshire | Peterborough | £185,000 | +6% | £53,263 | 82% |
| 23 | West Yorkshire | Calderdale | £142,000 | +5% | £38,665 | 81% |
| 24 | Tyne & Wear | Gateshead | £139,995 | +6% | £36,674 | 81% |
| 25 | Merseyside | Liverpool | £125,000 | 0% | £40,053 | 80% |
| 26 | Hampshire | Portsmouth | £214,000 | +4% | £57,557 | 80% |
| 27 | Greater Manchester | Bolton | £135,000 | +5% | £40,053 | 80% |
| 28 | West Midlands | Walsall | £156,748 | +5% | £41,796 | 79% |
| 29 | South Yorkshire | Rotherham | £140,000 | +4% | £38,665 | 79% |
| 30 | Clwyd | Wrexham | £155,000 | +5% | £37,460 | 78% |
| 31 | Cumbria | Carlisle | £140,000 | +1% | £40,053 | 77% |
| 32 | Warwickshire | Nuneaton and Bedworth | £179,995 | +11% | £41,796 | 76% |
| 33 | County Durham | Stockton-on-Tees | £145,000 | +1% | £36,674 | 75% |

| | | | | | | |
|--------|-----------------------|------------------------|----------|------|-------------|-----|
| 3 4 | West Yorkshire | Wakefield | £153,000 | +5% | £38,66 5 | 73% |
| 3 5 | Greater Manchester | Salford | £161,000 | +2% | £40,05 3 | 73% |
| 3 6 | County Durham | Darlington | £140,750 | +2% | £36,67 4 | 73% |
| 3 7 | West Yorkshire | Kirklees | £150,000 | +4% | £38,66 5 | 73% |
| 3 8 | Devon | Plymouth | £178,000 | +5% | £45,54 7 | 72% |
| 3 9 | Norfolk | Norwich | £190,000 | +2% | £53,26 3 | 71% |
| 4 0 | Glamorga n | Swansea | £142,000 | +1% | £37,46 0 | 71% |
| 4 1 | Leicesters hire | Leicester | £172,000 | +10% | £40,91 3 | 70% |
| 4 2 | West Midlands | Dudley | £164,500 | +4% | £41,79 6 | 70% |
| 4 3 | Shropshire | Telford and Wrekin | £167,250 | +3% | £41,79 6 | 70% |
| 4 4 | Scotland | Glasgow | £130,669 | +3% | £39,68 6 | 70% |
| 4 5 | West Midlands | Coventry | £179,950 | +8% | £41,79 6 | 69% |
| 4 6 | Tyne & Wear | Newcastle upon Tyne | £161,995 | +5% | £36,67 4 | 69% |
| 4 7 | West Midlands | Birmingham | £175,000 | +6% | £41,79 6 | 69% |
| 4 8 | South Yorkshire | Sheffield | £159,995 | +7% | £38,66 5 | 67% |
| 4 9 | Gwent | Newport | £165,500 | +5% | £37,46 0 | 65% |
| 5 0 | Derbyshire | Derby | £155,000 | +5% | £40,91 3 | 65% |

| | | | | | | |
|----|--------------------|----------------|----------|------|---------|-----|
| 51 | Merseyside | Wirral | £160,000 | +2% | £40,053 | 64% |
| 52 | Greater Manchester | Manchester | £172,748 | +5% | £40,053 | 61% |
| 53 | Merseyside | Sefton | £169,950 | +4% | £40,053 | 61% |
| 54 | Cheshire | Warrington | £183,500 | +3% | £40,053 | 56% |
| 55 | Greater Manchester | Bury | £167,000 | +4% | £40,053 | 54% |
| 56 | Gloucestershire | Gloucester | £193,000 | +4% | £45,547 | 53% |
| 57 | West Yorkshire | Leeds | £177,000 | +4% | £38,665 | 50% |
| 58 | Worcestershire | Worcester | £197,500 | +4% | £41,796 | 50% |
| 59 | Tyne & Wear | North Tyneside | £169,995 | +1% | £36,674 | 47% |
| 60 | Wiltshire | Swindon | £230,000 | +5% | £45,547 | 41% |
| 61 | Buckinghamshire | Milton Keynes | £283,000 | +5% | £57,557 | 41% |
| 62 | Glamorgan | Cardiff | £202,000 | +9% | £37,460 | 31% |
| 63 | Greater Manchester | Stockport | £225,000 | +10% | £40,053 | 31% |
| 64 | Northamptonshire | Northampton | £205,000 | +5% | £40,913 | 29% |
| 65 | Bedfordshire | Luton | £245,000 | +2% | £53,263 | 24% |
| 66 | Dorset | Bournemouth | £250,000 | +4% | £45,547 | 22% |

| | | | | | | |
|--------|--------------------|----------------------|----------|-----|-------------|-----|
| 6 7 | Kent | Maidstone | £312,500 | +5% | £57,55 7 | 21% |
| 6 8 | London | London | £538,132 | 0% | £79,83 4 | 19% |
| 6 9 | Essex | Southend-on-Sea | £280,000 | +5% | £53,26 3 | 18% |
| 7 0 | West Midlands | Solihull | £273,000 | +3% | £41,79 6 | 17% |
| 7 1 | West Sussex | Worthing | £295,000 | +5% | £57,55 7 | 15% |
| 7 2 | Avon | Bristol, City of | £265,000 | +2% | £45,54 7 | 7% |
| 7 3 | Greater Manchester | Trafford | £264,000 | +6% | £40,05 3 | 7% |
| 7 4 | Scotland | Edinburgh | £261,812 | +8% | £39,68 6 | 6% |
| 7 5 | Berkshire | Reading | £308,000 | +1% | £57,55 7 | 6% |
| 7 6 | Somerset | Bath and NE Somerset | £327,500 | +3% | £45,54 7 | 4% |
| 7 7 | North Yorkshire | York | £237,500 | +3% | £38,66 5 | 0% |
| 7 8 | Cambridgeshire | Cambridge | £427,500 | -1% | £53,26 3 | 0% |
| 7 9 | East Sussex | Brighton and Hove | £352,500 | +1% | £57,55 7 | 0% |
| 8 0 | Hertfordshire | Watford | £365,000 | 0% | £53,26 3 | 0% |
| 8 1 | Oxfordshire | Oxford | £392,500 | -2% | £57,55 7 | 0% |
| 8 2 | Surrey | Woking | £390,000 | -4% | £57,55 7 | 0% |
| 8 3 | Surrey | Guildford | £450,000 | +5% | £57,55 7 | 0% |

| | | | | | | |
|----|--------------|---------|----------|-----|---------|----|
| 84 | Warwickshire | Warwick | £305,000 | +5% | £41,796 | 0% |
|----|--------------|---------|----------|-----|---------|----|

[Notes to Editors:](#)

For more information, please contact:

Lily Cunningham, PR & Campaigns Manager Post Office

Lily.Cunningham@postoffice.co.uk

[Twitter @postofficeneews](#)

Lansons

PostOffice@lansons.com

0207 566 9702

About Post Office:

- With 11,500 branches, the Post Office is among the larger retail networks in the UK.
- 97% of Post Office branches are run with retail partners on an agency or franchise basis.
- The Post Office provides services central to peoples' everyday lives; 99.7% of the population lives within 3 miles of a Post Office.
- We offer the UK's largest fee free cash withdrawal network through our 11,500 branches and an additional 2,500 cash machines and 99 per cent of UK bank customers can access their accounts at the Post Office.
- We sell 170 different products and services spanning financial services including savings, insurance, loans, mortgages and credit cards; Government services; telephony; foreign currency; travel insurance and mail services.
- Post Offices branches remain highly valued and trusted, and are the focal point of many communities. For more information; visit www.postoffice.co.uk and to find out about a Post Office business opportunities; visit www.runapostoffice.co.uk

Contacts

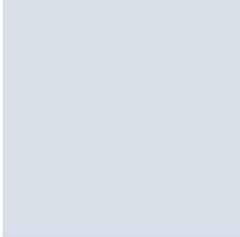


Post Office Press Office

Press Contact

pressoffice@postoffice.co.uk

0207 012 3456



Karim Aziz

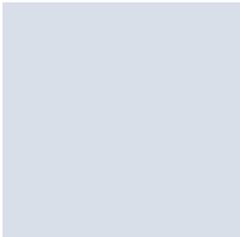
Press Contact

Newsdesk Manager

karim.aziz@postoffice.co.uk

07890534043

0207 012 3456



Suzette Rabout

Press Contact

Press Officer

suzette.rabout@postoffice.co.uk

0207 012 3456



Sheila Tapster

Press Contact

Press Officer

Network Transformation PR

sheila.tapster@postoffice.co.uk

07436038445



Valerie Antoine

Press Contact

Press Officer

Network Transformation PR

valerie.antoine@postoffice.co.uk

0207 012 3456



Michael Norman

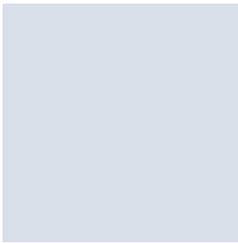
Press Contact

Press Officer

Network Transformation PR

michael.norman@postoffice.co.uk

07841785673



Joanne Leahy

Press Contact

Head of Corp Comms Campaigns and Consumer PR

Financial Services Travel Telephony

joanne.leahy@postoffice.co.uk

074 84051566



Emma Brown

Press Contact

Senior PR and Campaigns Manager

emma.brown@postoffice.co.uk



Kathryn Hollingsworth

Press Contact

Retail Engagement Manager

Trade Press

k.hollingsworth@postoffice.co.uk

07436 547206