A Third Of First Time Buyers Haven't Saved More Than £10,000

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A survey conducted by First Time Buyer Magazine reveals that one third of First Time Buyers In London don't have more than £10,000 saved to buy their first property. Despite this lack of savings, just over half of those surveyed still have plans to make it onto the property ladder this year.

The research which polled over 1,000 first timers also revealed that a further 29% of hopeful homebuyers don't have more than £20,000 put away. Finding it hard to save for the all-important housing deposit, the research is timely given the forthcoming introduction of the Help to Buy ISA.

Lynda Clark, editor of First Time Buyer Magazine comments: "When it comes down to it, the lack of deposit is the biggest barrier for most aspiring homebuyers today. Although we have recently seen a return of more 95% mortgages through mainstream lenders, a bigger deposit saved will mean access to lower interest rates, therefore making monthly repayments more affordable. First time buyers need to make proper plans to save as ultimately it is the only way they will be able to take these first steps onto the housing ladder."

The research also revealed that half of first time buyers hadn't looked further than the internet on their journey to buy their first home, yet alone spoken to a mortgage professional, and so were likely to be in for a rude awakening.

Lynda says: "For homebuyers in more affordable parts of the country a £10,000 or £20,000 deposit may be just enough to buy a small property but in London and the South East, this amount is a long way off what is required to get on the housing ladder where deposits of up to £72,000 are expected on the open market.

"Unless planning to tap into the bank of mum and dad, those with lower amounts saved will probably be looking to buy through one of the many purchasing schemes available such as Help to Buy or Shared Ownership. Theses helpful schemes require less upfront costs, allowing homebuyers to secure a home with a 5% deposit, and as a result are proving very popular with homebuyers."

Encouraging first time buyers to find out more about their options, the First Time Buyer Home Show will be held in London on October 10th at the Business Design Centre in Islington. There, first time buyers will be able to find out exactly what they can afford and what finances will be involved to get onto the ladder. The free to attend event is expected to welcome thousands of first time buyers, all keen to buy a home but who want to understand all of the options available to them.

Lynda adds: "The show is a useful event for first time buyers who want to find out all of the opportunities available to them in the current market. Depending on what budget they have, there will be some great properties available; from one bedroom apartments in central locations to family homes within commuting distance of the Capital. For many, just having access to free financial advice will be a good way to kick start the home buying process and set expectations at a more realistic level."

To register to attend the show and to be in with the chance of winning £5,000 towards the cost of getting onto the housing ladder visitwww.ftbhomeshow.com.

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