

27 January 2012

‘CAN’T BUY, WON’T SELL’ – UK GENERATION DIVIDE CAUSING HOUSING STAGNATION IN 2012

- *Only 12% of Britons plan to buy or sell in first six months of the year*
- *Young people cite financial concerns as reason for staying put*
- *HSBC making at least £3bn available to first time buyers in 2012*

The generational divide in the UK property market is likely to cause housing stagnation in 2012, with young people unable to buy and older homeowners unwilling to sell, according to a new survey by [mortgage](#) lender HSBC.

The **2012 HSBC Moving Home Survey**, which asked more than 2000 adults about their home buying and selling intentions over the next six months, revealed that only 12% are thinking about moving home or getting on the housing ladder.

Of those householders not looking to move, 61% of people aged 55+ said it was because they are happy with their current property compared to just 28% of those aged 34 and under.

While the contentment felt by older homeowners may continue to limit the amount of available housing stock, the stagnation in the market is likely to be prolonged by the perceived financial obstacles facing younger Britons.

Of those people aged 34 and under who are not planning to buy or sell a property, the main reasons include having an insufficient deposit (29%), concern about not getting a mortgage (15%) and fears about employment prospects (14%). While financial concerns were a factor for many young people staying put, 10% said they simply did not wish to own a home, suggesting a reverse in the home ownership aspirations of this age group.

Equity release and downsizing hope for younger buyers

The main reasons people aged 55+ are thinking of selling a property are to downsize (36%) and release some, or all, of the equity held within it (33%).

The key motivations for younger people (aged 34 and under) wanting to buy or sell include to get on the property ladder (31%) and the need for more space / upsize (27%).

According to region, selling homes will be especially popular in north-west England, where 8% of people are hoping to move home. Buying homes will be popular in Scotland (9%),

London (10%) and south-east England (9%). Purchasing buy-to-lets looks set to be more common in north-west England (4%), the West Midlands (3%) and London (4%).

But overall, the housing market looks set to be the most buoyant for Londoners, where 18% of people are thinking of buying and / or selling property of one sort or another in the next six months.

Peter Dockar, HSBC Head of Mortgages, said: 'Our research suggests that the current economic climate is of particular concern to younger people who either want to get on the housing ladder or move on to a larger property.'

'All this supports the prediction of the Council of Mortgage Lenders (CML) that lending will fall this year. However, HSBC has no intention of closing its doors to customers. We have already committed to make at least £15 billion available this year to mortgage customers, with £3 billion explicitly for first time buyers.'

'The majority will be new money into the mortgage market, effectively making the bank one of the largest providers of new mortgage funding in the UK. This commitment will help in the region of 150,000 homeowners and over 27,000 first time buyers.'

HSBC is currently offering a number of market-leading mortgage products including:

- A range of fee-free lifetime tracker products starting from a rate of 2.49% for those with a 35% deposit in the January sale
- The only sub-4% rate for FTBs with a 10% deposit - just 3.84% on a 2 year discount mortgage with no fee to pay

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Notes to Editors:

	Top reasons why people are not planning to buy or sell in the next six months	Top reasons people are thinking of buying or selling in the next six months
1.	Happy with current property (47%)	To release equity (21%)
2.	Do not have a large enough deposit to buy (13%)	Need more space (20%)
3.	Do not think they will be able to get a mortgage (10%)	To upsize (17%)
4.	Do not wish to own a home (8%)	To move to a better area (16%)
5.	Concerned about employment situation (8%)	To downsize (16%)
6.	Do not have enough equity in home to move (4%)	To get on the property ladder (15%)
7.	Think house prices will fall so want to wait to buy (3%)	As an investment (15%)
8.	Think house prices will rise so want to wait to sell (2%)	To move nearer to family members (12%)

Survey methodology: This research was commissioned by HSBC and presents quantitative research carried out with 2020 Great British adult consumers aged 18+ as part of an online omnibus survey. Fieldwork took place between 6th and 8th January 2012.

HSBC Bank plc: HSBC serves 16.1 million customers in the UK and employs approximately 52,000 people. In the UK, HSBC offers a complete range of personal, premier and private banking services including [bank accounts](#) and [mortgages](#). It also provides commercial banking for small to medium businesses and corporate and institutional banking services. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc.

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