

HELP FOR YOUNG FAMILIES

The Official Newsletter of Help For Young Families



CAN YOUNG PEOPLE BUY A HOME

Is it harder now than before

The Resolution Foundation has called for 25-year-olds to be paid £10,000 to help them afford homes, saying the 'generational contract' between young and old has broken down. But is it really harder for young people to buy a home now than it was 30 years ago?

House prices were booming in the first half of 1988, when a typical first-time buyer home could cost £50,000. That same property now, according to the Halifax UK House Price Index, would cost £234,850. Since 1988, the Retail Prices Index has increased 2.7 times, according to the ONS, so, in real terms, £50,000 in 1988 is now worth £135,000 – making it harder to afford a deposit. Help For Young Families has been looking at assisting this group of the society for over a year.

WHAT'S INSIDE THIS ISSUE:

Can young people buy -1
Getting over the hurdle - 3
Launching OWN iiT - 5

GETTING OVER THE HURDLE

by Israel Abraham

Today, it is possible to obtain a two year fixed-rate mortgage at 1.5 per cent, reverting to a variable rate of four per cent after two years. Annual repayments on a £234,850 mortgage are, respectively, £3522 and £9394.

In other words, it is harder for 25 year olds to save up a deposit and persuade a bank to advance them a mortgage, but if they can get over that hurdle they will find the mortgage repayments much cheaper than their parents did. Help For Young Families has looked at research recommendation and asked its donor to consider young graduates as an at risk sector of the society.

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It is harder for 25 year olds to save up a deposit and persuade a bank to advance them a mortgage, but if they can get over that hurdle they will find the mortgage repayments much cheaper than their parents did. Help For Young Families and other wealth distribution focused groups feel that young people can afford payments. its getting on the property ladder that is the issue.

Moreover, they can now defend themselves against soaring mortgage rates – something which their parents were unable to do. While today’s 25-year-olds won’t remember it, the 1980s property boom went on to collapse in spectacular fashion, dumping millions in negative equity and leading many to lose their homes. It was certainly no enviable time to be buying a home..

LAUNCHING THE OWN IIT PROJECT

A Grant Fund For Graduates

Help For Young Families are creating a Grant Fund to help Graduates. A 5% deposit grant so they can buy property without having to put money down.

Soaring property prices mean just one in five 25-year-olds own a property, compared to nearly half two decades ago, according to one recent study. But as the government unveils its Housing White Paper, there are some young people who have managed to buck the trend - without help from the bank of mum and dad.

OWN
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WHY

by Timothy Cortes

Why buy a property?

Here a young homeowner who bought property in 2016 - reveal just how it was possible. We were sick of living at home with each of our parents and wanted our own space. I'd rather live in a house than just a bedroom. We discussed moving out and renting, but we both agreed it was dead money.

How did you do it?

There was a lot of budgeting. I literally know where every penny goes. I had to drill it into Laura a little bit, but she got used to it after a while. Like her make-up - she had to go for a cheaper brand. We were both working at McDonald's when we were saving and if there were extra shifts, we would take them.



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UNIVERSITY OF NOTTINGHAM

TALENT SHOW

Trophies, medals, gift certificates and cash prizes await! So what are you waiting for? Show us your talents and battle it down to win awesome prizes.

**REGISTRATION PERIOD:
FEB 21-23, 2021 7AM-12PM**

Register now! Contact Sharon Kipper at
sharonk@owniit.org
07798975445

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