

# Press Release

MONDAY 11 DECEMBER



BANK OF  
SCOTLAND

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2017

## SCOTTISH HOMEOWNERS STRUGGLE TO MOVE AND MANY ARE OPTING TO IMPROVE INSTEAD

- **One in five homeowners want to move home within the next five years but the lack of suitable properties is making it hard to move**
- **Increasing house prices and the cost of moving are also reasons for a lack of movement, but recent base rate rise has no effect**
- **Half of those not looking to move plan to improve their existing home instead**

**One in five (20%) Scottish homeowners plan to take their next step on the property ladder within the next five years but face a number of barriers.** A fifth (21%) of homeowners say that the inability to find the right property within budget is the key blocker for buying their next home, according to research from Bank of Scotland.

High stamp duty and the overall cost of moving are causing the number of people thinking of moving house to fall. The report found that increasing house prices (19%), the cost of moving (19%) and stamp duty costs (16%) are all cited as issues that stand in the way of homeowners making that next move. And broader financial pressures may also be constraining market activity, with one in three (35%) also stating that they would need a significant pay rise to help make the jump.

Aside from financial factors, the whole house moving process is also causing more people to hang on to their properties instead of selling. Two fifths (43%) of homeowners across Scotland also said that the process of finding a suitable home discouraged them from looking to move. Alongside, being uprooted from their local community (27%), dealing with estate agents (18%), and the uncertain economic outlook (15%) was also blamed.

The research revealed that two thirds (63%) feel that moving house has become more difficult over the past 10 years and a similar proportion (65%) believe that people are now moving less frequently.

Fewer people are moving home and the homemover market is slowing. So far this year there were around 367,000 homemovers in the UK, edging down from 371,900 over the same period a year earlier, a fall of 1%. Since hitting a market low of 275,000 in the same 12 month period in 2009, the number of homemovers has grown by 33%. However, the current numbers still remain at just under half (48%) compared to 705,900 seen a decade earlier in 2007.<sup>1</sup>

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**Graham Blair Mortgages Director at Bank of Scotland said:**

"There are a number of factors that seem to be making Scottish homeowners want to stay put, from the cost of moving, to a lack of the 'right type' of homes coming onto the market and we have seen more homeowners putting off the move and looking to add value to their homes instead.

"Whilst this isn't great news for the housing market where sales have remained flat or fallen over the past few months, encouragingly some homeowners are still motivated and want to move and with little concern over recent base rate rises we may start to see more movement early next year."

**Staying put and making improvements**

The biggest reasons motivating Scottish homeowners to move are to downsize to a smaller property (33%). However, many people are opting to stay put and renovate rather than move. Of the 46% of homeowners not looking to move, half (53%) say that they'll make improvements to their home instead.

**Three in four not concerned by increase in base rate**

The survey also revealed that the majority of homeowners are not concerned (75%) by the Bank of England base rate increase announced in November and eight in 10 (85%) say that the interest rate rise has had no effect on their desire to move home. In addition, 69% stated that a further interest rate rise is likely next year.

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**NOTES TO EDITORS:**

The research was undertaken in conjunction with YouGov  
A survey was conducted during November 2017, with a nationally representative sample of 2,000 UK adults aged 18 and above.

<sup>1</sup> Bought with mortgage finance. Source: UK Finance

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