

First-time buyers pressing ahead as March Help to Buy deadline draws nearer

- Criteria searches for Help to Buy Equity Loan Scheme up by 10% in February
 - 'Visa' remains most used criteria, holding the top spot since 1st October

London, March 2023 - Data from Legal & General's SmartrFit tool has today revealed that first-time buyers are persisting with Help to Buy purchases, with the 31st March cut-off-point fast approaching.

First-time buyers press ahead as March Help to Buy deadline looms

Introduced in 2021, as a replacement for the original [Help to Buy scheme](#), the Help to Buy Equity Loan Scheme is set to end at the end of the month. The new scheme is only available to first-time buyers, and this is reflected in the data. Criteria searches for Help to Buy increased by 10% in February. Whilst in the same month, First Time Buyer searches rose by 12%.

Overseas interest in the UK market remains buoyant

For consecutive months, Visa has remained the most used criteria search for applicants. This consistency highlights the important role advisers play in securing foreign investment and the resilient nature of London's housing market. Foreign interest in the London area has grown in 2023 with criteria searches from Expat/EU Citizen in UK applicants rising by 9% in February.

Foreign investors see London as an ever-growing market and confidence is high with foreign income applicants increasing by 12%. The Capital, [forecasted as a future 'megacity'](#), is expected to lead the UK economy recovery, with the housing market playing a key role. London has always been viewed as a desirable city and further investment from foreign sources will lead to greater comparisons with cities like New York.

Cost-of-living remains a key concern

Finally, the February data confirms how rising living costs are still impacting mortgage applicants. Searches for applicants with a second job increased by 19% and applicants with zero-hour contracts rose by 43%.

These figures indicate the financial pressures of applicants in needing a higher income to make mortgage payments. Figures of missed mortgage payments rising by 14% and a 48% increase in payday loans show the direct impact of rising living costs.

Jodie White, Head of Mortgage Products & Transformation, Legal & General Technology:

"The increased search results in the Help to Buy scheme show there is still strong demand for schemes which help first-time buyers take a step onto the property ladder. The Help to Buy scheme has been a vital tool in helping new homebuyers. As the last elements of the scheme come to an end, there is a real need for new technology-driven initiatives to support brokers and their first-time buyer clients."

"Advisers will be key to supporting this segment of the market, but they also have a key role to play for other customers, such as existing homeowners who need to remortgage. To do this effectively, they need access to the right tools and tech. The more that the industry can digitise the mortgage journey, and streamline processes, the better for clients and advisers alike. Indeed, everything from developing cutting edge product sourcing tools, to implementing digital ID and Open Banking are a welcome addition to speed up the homebuying journey and improve efficiency across the board."

-ENDS-

Notes to editors

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** at 9 March 2022*

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Further information [journalists only]

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