

---

# The End of Home Ownership: Is renting really so bad?

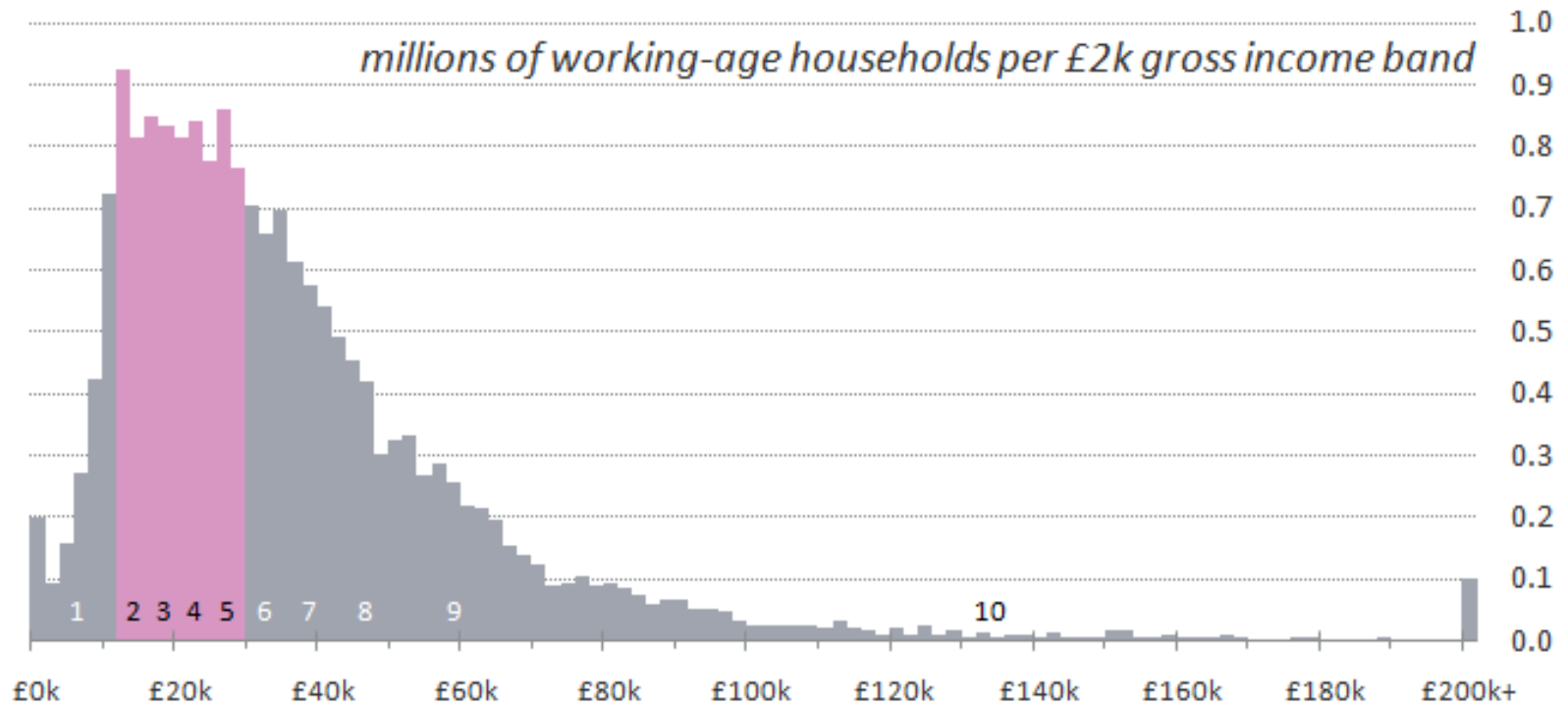
Vidhya Alakeson

Director of Research and Strategy

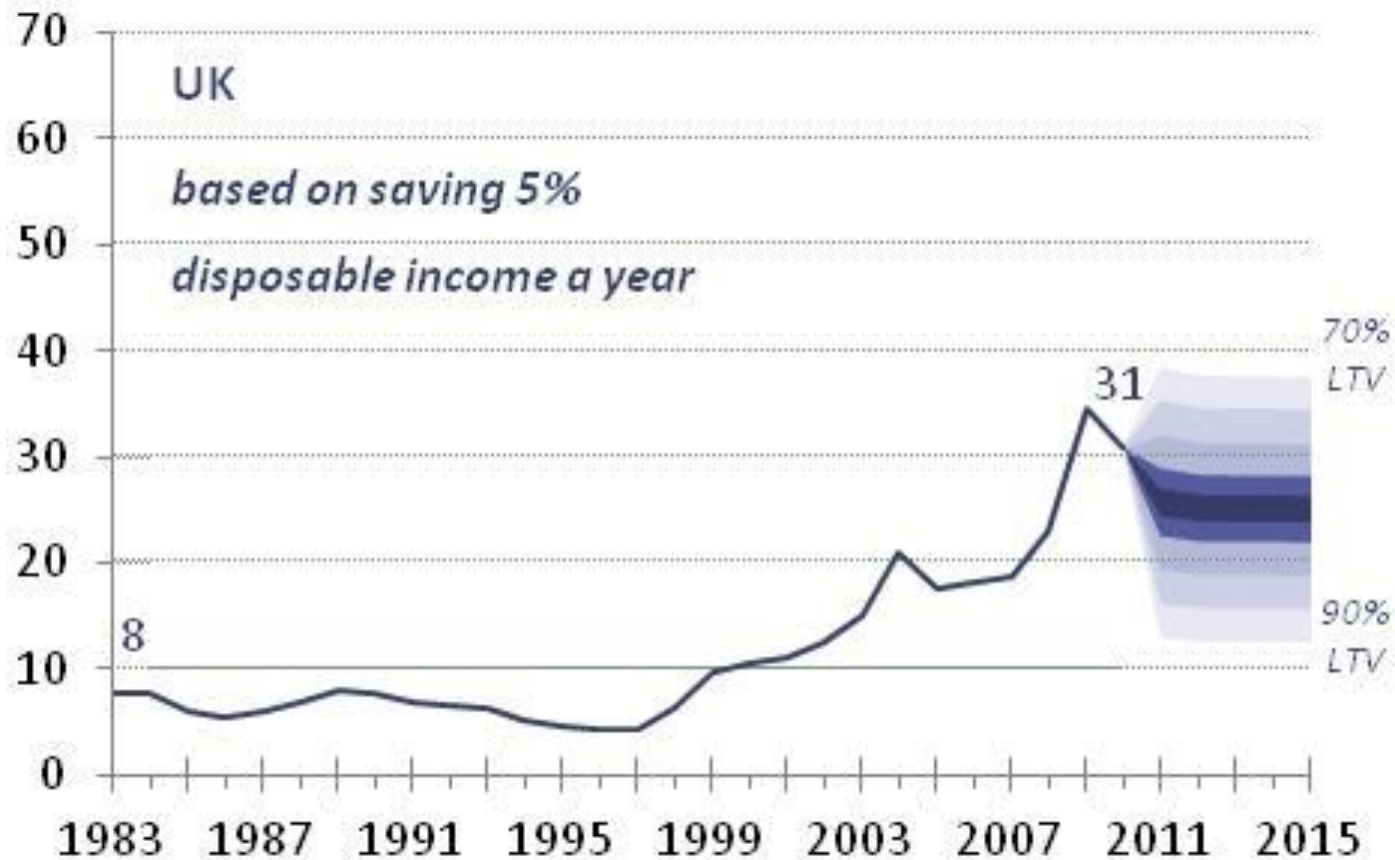
The Resolution Foundation

# Low-to-middle income: the RF concept

- On low-to-middle incomes who are largely independent of state support
- Face unique – and often overlooked – challenges because too rich, too poor



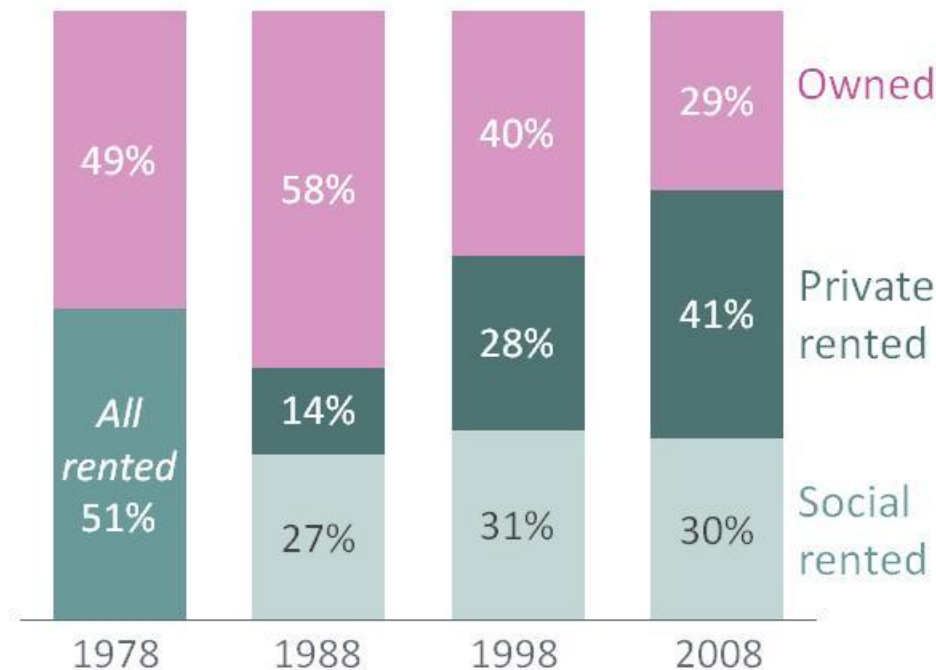
# Home ownership is moving out of reach



Sources: ONS, *The effect of taxes and benefits on household incomes* Lloyds Banking Group, *Halifax House Price Index*,  
*Historical data FTB (ANN) CML, Table ML2 OBR, Economic and fiscal outlook, March 2011*

# *As the private rented sector grows*

## **The growth of the private rental sector among low-to-middle households under 35s**



Source and notes: RF analysis of DWP, Family Resources Survey (various)  
PRS includes furnished and unfurnished properties

# *Policies to support institutional investment to grow PRS stock*

- Lower S.106 requirements or 100% intermediate schemes qualify as affordable
- Coordination of public land disposal to create scale
- Public land invested on a deferred payment basis
- REIT rules need to support public land investment
- Possible scope for void guarantees to kick start investment

# *Making a Rented House a Home - Providing a different product*

- Longer term contracts to provide greater security of tenure
- Below market/LHA rents in London and SE
- Purpose built properties
- Professional management
- Flexibility to make home improvements