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Homeownership Slips Out of Reach as Millions Face Lifelong Renting

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— Categories: Real Estate

A growing number of would-be first-time buyers in the UK are abandoning the hope of ever owning a property, according to new figures from the Building Societies Association (BSA). The latest findings reveal that a significant portion of renters have failed to get on the property ladder, with many now facing the prospect of lifetime renting.

Nearly half of all renters, 43% say they thought they would be homeowners by now but have been unable to do so. Among those aged 25 to 44, the group most likely to be buying their first property, this figure rises to 59%, underlining the scale of the issue for working-age adults.

Despite the challenges, some optimism remains. Around one in three renters in the 25 to 44 age group believe they might still manage to buy within the next five years. However, a similar number say they want to buy a home but no longer believe it is financially possible. The desire for ownership has remained strong, with only 8% of renters today saying they have no intention of ever buying, half the number who felt that way five years ago.

The BSA report highlights a worrying trend of so-called “missing” first-time buyers. Based on historical patterns, around 7.2 million people should have purchased their first property since 2006. In reality, only 5 million have managed it, suggesting 2.2 million aspiring homeowners have fallen through the cracks since the financial crash.

Among the primary obstacles renters face is the difficulty of saving for a deposit. A clear majority of those surveyed, 61% cited this as the key barrier, a figure that rises to 67% for first-time buyers. The affordability of monthly mortgage payments is a close second, with 60% identifying it as a challenge, and 61% among those aiming to buy for the first time.

Access to a sufficient mortgage is another sticking point. Overall, 43% said securing the right-sized loan was an issue. This rose to 48% for first-time buyers, showing how lending criteria can act as a roadblock for those trying to move from renting to owning.

Job security, once a lesser concern, is now increasingly mentioned as a factor. A quarter of respondents (26%) say worries about keeping stable employment are affecting their buying ability, up from just 19% in June last year. This shift is likely linked to a softening labour market, with job vacancies dropping and unemployment creeping upward.

Confidence in the housing market also appears to be waning. Just 15% of those surveyed believe now is a good time to purchase a home, compared to 20% at the beginning of the year. In contrast, 36% say it is a bad time to buy, indicating growing uncertainty about property investment.

Although house prices have remained relatively stable in 2025 so far, nearly half (44%) of the population believes they will rise over the next year, with only 12% expecting a drop. This expectation may be adding further pressure on renters who feel they are being priced out of the market over time.

The next generation of potential buyers, those aged 18 to 24, still dream of owning a home. A strong 86% say they aspire to get on the housing ladder. Encouragingly, 28% think they will be able to do so within five years. However, growing numbers are losing faith. Around one in five (19%) now believe they will never own a property, up from 12% five years ago.

The BSA spokesperson stated, “Our studies into first-time buyers show that they face the toughest conditions in over 70 years. That comes into sharp focus when you see the statistics of the number of people in rented accommodation who have been unable to achieve their dream of homeownership in line with their life plans.”

They added: “It’s shocking that 2.2 million first-time buyers who would have reasonably expected to buy their own home have failed to do so since the financial crisis. And the research shows how quickly that number is growing. In 2020, only 12% of 18-24 year olds felt homeownership was out of reach; today that figure has increased to 19%.”

The BSA is calling for urgent reforms to tackle the housing crisis, including long-term solutions such as boosting supply and encouraging flexibility in regulations. “We can’t remove the barriers to homeownership overnight, and there won’t be a solution that enables everyone to get on the property ladder,” the spokesperson said. “But there is more that can, and must, be done… Every day that passes without real action raises the number of potential lifetime renters.”