

➤ A total of 194,600 loans were granted to first-time buyers last year compared to an average of 600,000 ten years ago, according to the Council of Mortgage Lenders

How we beat capital issues

By **Jayne Atherton**

Help for first-time buyers was one of the priorities in this week's budget, with the government pledging a £250million shared-equity scheme to help 10,000 first-timers get on to the property ladder.

First-time buyers have been battling against tough mortgage-lending criteria, which means they have to find hefty deposits to secure a loan.

Unemployment fears are also a factor: one in ten first-time buyers are waiting until their jobs are secure before they consider investing in property, according to a report by Unbiased.co.uk.

This is unsurprising, as the South East Regional Development Agency estimates 74,000 people will lose their jobs in the region between now and 2015 as public sector cuts bite.

It has taken public sector worker Jackie Taylor Smith (pictured top right) three years to feel financially secure enough to take on a mortgage. The economic downturn had made her feel the move was too risky with so much uncertainty in the jobs market. She managed to buy a

house by avoiding London and searching outside the capital.

Taylor Smith, who is a district manager for Dover and Thanet libraries in Kent, has bought a property in Ramsgate, a town which has been regenerated in a £90million project. And its location means she can commute into London in just over 70 minutes using the new high-speed train line.

She bought her two-bedroom apartment in the New Meridian

Village development built by Explore Living, where prices for a two-bedroom apartment are typically around £127,000.

'I was delighted to find a property as I had always wanted to live on the coast,' says Taylor Smith. 'I moved to Thanet four years ago and decided to rent as even then I didn't know how secure my job would be.'

An incentive scheme called Route 85 operates at the development, which allows buyers to defer 15 per cent of the asking price for ten years without charge or until the property is sold on.

First-time buyer Dr Priyanka Saran (pictured bottom left) had looking for her own home for four years before she found a property in Saldean near Brighton.



Move out: Avoiding London could be the answer to owning your first property

Picture: Corbis

The 34-year-old was living with her parents but is now the owner of a one-bedroom ground-floor apartment near the beach at the Grand Ocean development, where property prices start at £179,995. Commuting into London Victoria station from Brighton takes less than an hour.

Saran mostly commutes around Surrey visiting different hospitals with her job. She says: 'I delayed partly because I thought it would be really difficult for me to buy.'

Marc Vlessing, director of developer Pocket, which specialises

in property for first-time buyers says: 'Thirty-five per cent of households aged under 39 are currently priced out of the market.'

'We need a release of land assets at a price that enables developers to build more affordable homes without the need for a direct financial subsidy.'

'This will free up money for family housing and allow the private sector to concentrate on the singles and couples market. It would be helpful for first-time buyers to own a home of their own – and own it outright.'