DISCOUNTED MARKET SALE

THE POTENTIAL TO SUPPORT HOUSEBUILDING AND HOMEOWNERSHIP

AUGUST 2026

Executive Summary

Unlocking stalled development with DMS

Discounted Market Sale (including First Homes) has been a small part of the market to date.

1,760

DMS homes per year over the last ten years

Our analysis shows that Discounted Market Sale (DMS) – including First Homes - has the potential to make a major contribution to the rapid expansion of housebuilding desired by the Government. Embedding it as a key tenure to be delivered via Section 106 could quickly unlock private housebuilding and deliver much needed affordable home ownership (AHO).

Why now?

- Constrained financial capacity in the Housing Association sector means that there is less demand for Section 106 affordable rented homes. Three years since this reduction in appetite emerged, the pool of demand for Section 106 packages remains shallow and pricing has weakened further during 2026.
- This problem is proving a major obstacle for housebuilding in England, preventing developers – particularly Small and Medium-sized Enterprises (SMEs) – from progressing on sites with a Section 106 obligation.
- DMS is an affordable housing product that does not require the involvement of a Registered Provider (RP) and can help maintain the delivery of AHO while demand from Housing Associations is subdued.
- DMS and other forms of AHO could play a key role in maximising the absorption rate of new homes into local markets, supporting the Government's home ownership commitments and its ambition to rapidly expand housebuilding.

8,500 **consented Section 106 affordable homes without RP purchasers, that were either under construction or due to commence construction within 12 months according to HBF**

Is DMS really affordable?

- Homes sold as DMS are discounted by at least 20% from open market value. First Homes, a type of DMS, are sold with a minimum 30% discount.
- Affordability of DMS is typically between that for Help to Buy and Shared Ownership. It therefore has a role to play alongside those products.
- The discount for a DMS home is retained in perpetuity, serving the affordable housing needs of the local community forever.
- The same household income caps that apply to other AHO products are usually applied to DMS homes - £90,000 in London and £80,000 outside London.

How many people could DMS help?

The core target market is families currently in private rented (PRS) housing. DMS can help them to access a more stable tenure by substantially reducing the deposit barrier to homeownership.

530,000

Families in the PRS could afford a new three bedroom home using DMS at a **30% discount**, assuming they have a 5% deposit

That is **34%** of all families with dependent children in the PRS

350,000

Families in the PRS could afford a new three bedroom home using DMS at a **20% discount**, assuming they have a 5% deposit

That is **22%** of all families with dependent children in the PRS

In higher value markets, many families in the PRS cannot afford to buy even with DMS. But DMS can still help.

50,000

of families in the PRS in the South East & London could afford to buy using DMS

23,000

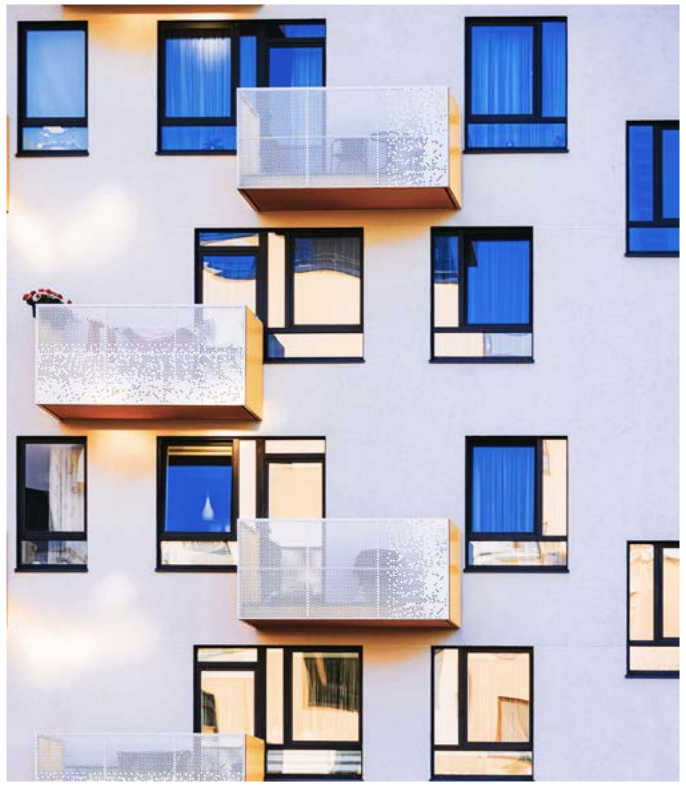
of families in the PRS in the South East & London could afford to buy using DMS

DMS has other advantages

- It is tried and tested. Although a small part of national housing delivery, many DMS schemes have been successfully delivered across the country. Many local planning authorities are comfortable with the product, but others are sceptical.
- Delivered alongside other affordable housing tenures, homes for open market sale and build to rent, it increases the diversity of products that can be delivered on a site, which in turn will increase absorption rates.
- Increased DMS delivery through Section 106 would enhance the diversity of tenures being delivered more generally, with the Social and Affordable Homes Programme (SAHP) being more focused on rented tenures, particularly social rent.
- Most AHO products are restricted to first time buyers. But home movers may also need support to access suitable homes, particularly in a market with low price growth. DMS could support some of these households and enable more home moving activity.
- In common with other AHO products, DMS reduces the deposit requirement to access homeownership. It therefore supports social mobility, helping those who cannot rely on the Bank of Mum and Dad.
- Eligibility criteria can give local buyers priority to purchase DMS homes, both at the initial and subsequent sales. This could help to ensure there is stronger community support for new development.

DMS has the potential to unlock stalled sites and support increased housebuilding

- Applying cascade mechanisms by default that allow developers to convert Section 106 packages to DMS would have an immediate effect in unlocking sites that are stalled without an RP partner. This would speed up Section 106 negotiations and allow permission to be more reactive to changes in RP demand. Securing an RP bid for conventional affordable housing tenures may remain the preferred option, depending on the local planning authority's assessment of local circumstances and the role of different tenures. But in the absence of demand from RPs, a mixture of DMS and payments in lieu could be a much more common recourse. Private housebuilding would be unlocked, AHO would be delivered and/or payments in lieu could enable local councils to support affordable rented homes elsewhere.
- SME housebuilders are particularly affected by the challenges in the Section 106 market. The lack of a clear exit for the Section 106 element of a site makes financing hard to secure and deters smaller players from promoting sites through the costly planning system. Providing that clear exit, including a role for DMS, would improve site viability and unlock activity in this part of the market.



- Government is seeking to expand Section 106 delivery. The expansion of private housing delivery required to meet Government ambitions, including Grey Belt sites delivering up to 50% affordable housing in line with the 'Golden Rules', will deliver more Section 106 packages into the market. The rate at which Government would like to see housebuilding numbers increase means that the number of Section 106 packages coming to market will increase at a faster rate than capacity in the Housing Association sector can expand to absorb them. DMS can provide part of the solution to this mismatch of timing, allowing delivery of AHO to increase without a need for additional public subsidy.
- Demand for DMS and other AHO is limited by income caps, both in London and other higher value markets. In higher value areas, households unable to access market housing are nonetheless excluded from AHO if their household incomes exceed the caps. The income caps for AHO have not risen in line with either house prices or incomes. They are a form of fiscal drag that prevent an ever-growing number of people from accessing AHO and should be reviewed. Removing the income caps would allow an additional 55,000 families in the PRS to afford a three bedroom new home through DMS.

DMS and First Homes: what are they?

Discounted market sales have been a small part of the market over recent years. But support schemes for first time buyers, mostly aiding the purchase of new homes, are nothing new. The successes of Help to Buy and Shared Ownership illustrate the scale of demand for products that support households into homeownership.

Discounted Market Sale (DMS) homes, and more recently First Homes, are a small part of the housing market. Together, they have accounted for average annual delivery of only 1,760 homes per year over the ten years to 2024/25 – less than 4% of all Affordable home delivery over that time and less than 2% of total housebuilding in most districts.

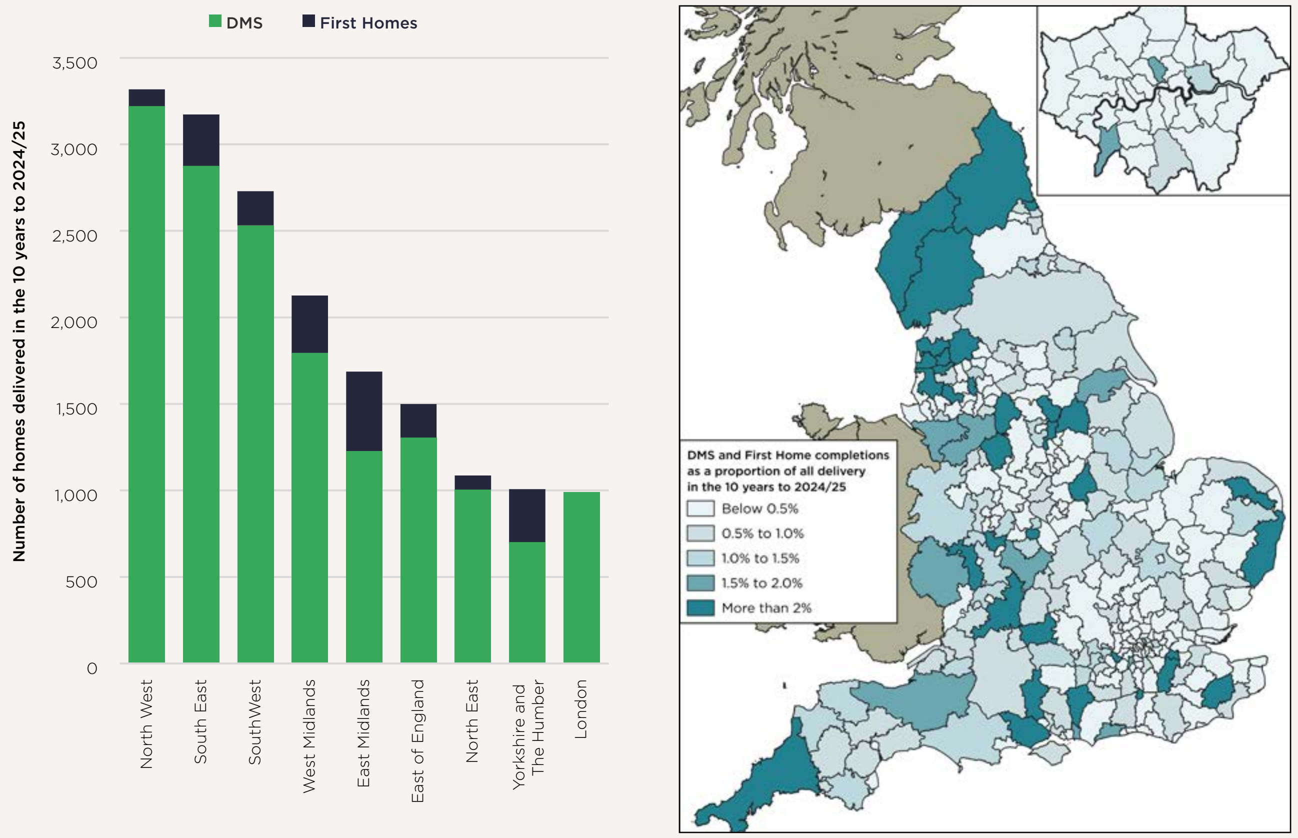
There is little geographic pattern in the delivery of DMS homes, with the greatest level of delivery over the past 10 years in the North West, South East and South West. The variation that there is more likely to be driven by local political attitudes to DMS rather than based on specific indicators of demand or need.

The First Homes scheme was launched in 2021 and the majority delivered during the first two years were funded by Homes England. First Homes are now delivered through Section 106.

Looking back over the last decade, it has been Shared Ownership and particularly Help to Buy that have dominated the supported sales numbers. Help to Buy, not usually regarded as an affordable housing product, has now ended in England, but supported nearly 390,000 purchases over 10 years before closing in May 2023. Shared ownership, which is a regulated affordable tenure, has accounted for 150,000 new homes over the last decade. Set against these large scale schemes, DMS has been very much a niche product.

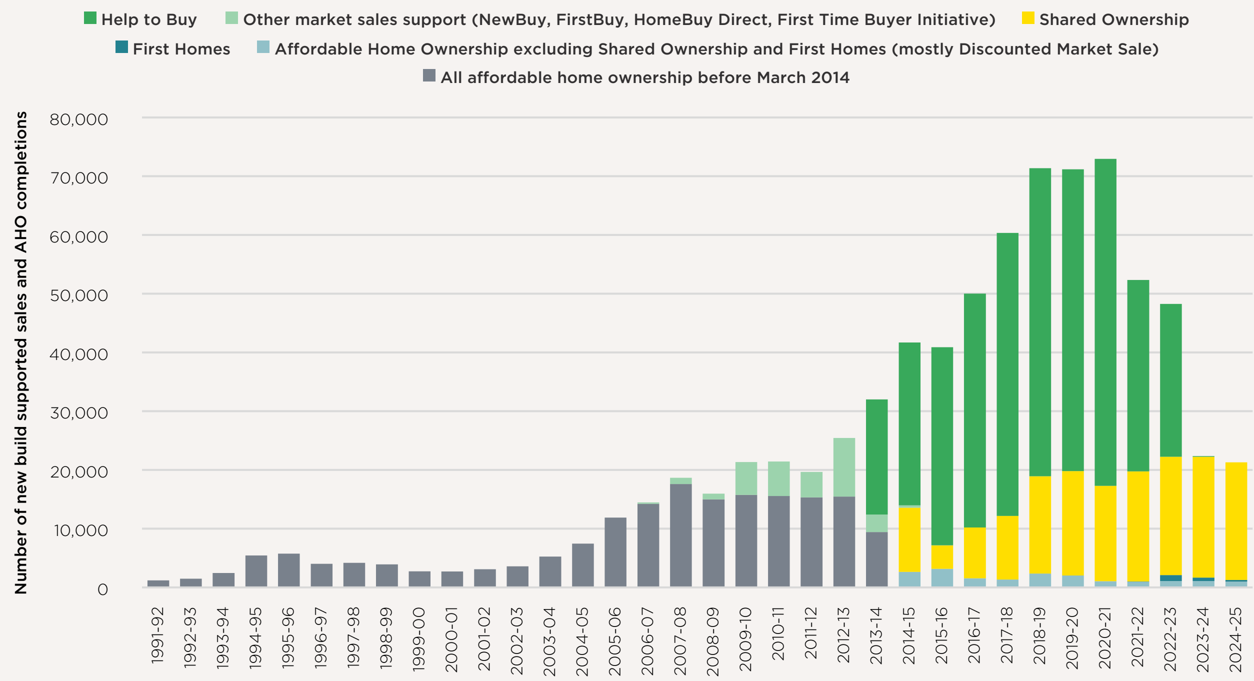
The success of these schemes indicates the potential scale of demand for products that support households into homeownership.

FIGURE 1 – DMS AND FIRST HOMES COMPLETIONS OVER THE LAST TEN YEARS



SOURCE: MHCLG

FIGURE 2 – HOMEBUYER SUPPORT SCHEMES



SOURCE: MHCLG

What is DMS?

DMS housing is defined in Appendix 2 of the National Planning Policy Framework (NPPF) as homes that are "sold at a discount of at least 20% below local market value. Eligibility is determined with regard to local incomes and local house prices. Provisions should be in place to ensure housing remains at a discount for future eligible households." Section 106 agreements tend to include the national income cap of £80,000 household income and local connection eligibility criteria.

First Homes are a type of DMS but are subject to a more restrictive set of criteria:

- Discount must be at least 30%;
- The price, after discount, cannot exceed £250,000 (£420,000 in London);
- First and subsequent purchasers must conform to eligibility criteria:
  - Purchaser must be a first time buyer;
  - Purchaser household income must not exceed £80,000 (£90,000 in London);
  - Minimum LTV of 50% of the discounted price;

Guidance expects the discount for First Homes to be secured via a legal restriction registered on the title of a First Home when it is first sold. A model restriction is given in the guidance. Section 106 agreements tend to prescribe the same for other forms of DMS.

Unlike most Shared Ownership (or Help to Buy), there is no opportunity for the owner of a discounted market sale home to increase their share of ownership. So the discount remains in perpetuity.

- One exception to this is that DMS is subject to mortgagee exclusion clauses, which allow lenders to sell at full market value to recover losses in the event of a default.
- The other exception is a provision to avoid DMS owners being unable to move in the event that they cannot find an eligible buyer. This is likely to require the discounted home to be marketed for six months before it can be sold at full value, with the value of the discount being returned to the local authority.
- Once built, the discount for a DMS home usually remains in place serving the affordable housing needs of the local community forever. Homes bought through Shared Ownership may be affordable to the first occupier, but are often converted through 'staircasing' to full ownership and the discount is lost for future buyers.

The future of DMS and other AHO

Planning policy and guidance gave prominence to AHO and particularly First Homes under the previous Conservative Government. But changes to the NPPF in 2024 removed the requirement for 10% of homes on major sites to be AHO. It also removed the requirement for at least 25% of affordable housing units secured through developer contributions to be First Homes. Footnote 31 says that "delivery of First Homes… can continue where local planning authorities judge that they meet local need."

This may further reduce the support available for households trying to put a first step on the housing ladder. Over 70,000 new homes were built for some kind of supported sale or AHO during each of the three years to March 2021. This has fallen to just above 20,000 homes per year over the last two years, with no more Help to Buy and less support for DMS and other AHO options.

Some local planning authorities are accepting DMS as part of cascade mechanisms or as affordable housing in the event that a Section 106 agreement needs to be varied due to lack of RP demand. The report sponsors have provided examples of Section 106 variations and cascade mechanisms that have allowed DMS (or First Homes) to be delivered in Hampshire, West Sussex, Warwickshire and Cheshire. In each case these have allowed sites to move forward in the absence of demand from RPs. Such an approach is not taken everywhere, however, meaning there remains an inconsistency in the acceptance of DMS as a way of supporting housing delivery and delivery will continue to be patchy.

TABLE 1 – SALES SUPPORT SCHEMES AT A GLANCE

	Discounted Market Sale (DMS)	First Homes	Shared ownership	Help to Buy (no longer available, included for comparison)	Rent to Buy
Affordable housing according to NPPF?	✓	✓ as a form of DMS	✓	✗	✓
Regulated tenure?	✗	✗	✓	✗	✗
Discount	At least 20%	At least 30%	Rent on retained equity set initially at a discounted yield of 2.75%	20% equity loan, interest free for the first five years	Intermediate rent, at a discount of at least 20% from market level
Income cap?	Usually £80,000 (£90,000 in London)	£80,000 (£90,000 in London)	£80,000 (£90,000 in London)	✗	Usually £80,000 (£90,000 in London)
Other eligibility criteria?	Often local connection criteria	First time buyer; minimum LTV at 50% of discounted price; often a local connection requirement	First time buyer; buyer cannot afford all of the deposit and mortgage costs for a home that meets their needs	Was restricted to first time buyers from 2021	First time buyer; in employment; able to pay rent and save for a deposit
Value cap?	No, but needs to be affordable within any income caps	£250k (£420k in London) maximum discounted value	No, but needs to be affordable within any income caps	£600,000 initially. Regional value caps were introduced from 2021 outside London	No, but needs to be affordable within any income caps
Any rent/fees payable in addition to mortgage costs?*	✗	✗	Yes, rent on retained equity starting at 2.75% per annum and rising in line with CPI+1%	Interest payable on equity loan after five years at 1.75%, rising at CPI+2% (RPI+1% until 2021)	Intermediate rent for an initial period to allow saving for a deposit.
Discounted in perpetuity	Yes, with limited exceptions	Yes, with limited exceptions	No, usually staircasing to 100% ownership is permitted	No, equity loan can be repaid at any time	No, occupier expected to become full owner

*NOT INCLUDING ANY GROUND RENT OR SERVICE CHARGES.

Why are more DMS homes needed now?

Recent years have seen unprecedented levels of support for buyers, mostly through Shared Ownership and Help to Buy. With the end of Help to Buy and limited financial capacity amongst Housing Associations, there is a need for alternatives. Demand for products that support homeownership remains strong.

DMS has a clear role to play in supporting access to home ownership, without drawing on the stretched resources of Housing Associations. Cascade mechanisms that enable delivery of DMS alongside a payment in lieu to support affordable rented tenures would quickly unlock sites that are stalled due to low RP demand for Section 106 packages. Wide adoption of this approach could help the Government to realise its housebuilding ambitions.

Why now?

Delivering the affordable housing required by Section 106 agreements has become a major obstacle to development across England. Housing Associations are the biggest buyers of Section 106 Affordable Housing. But our 2024 report on the challenges affecting the Section 106 market showed that over half of these organisations were reducing their requirements or no longer intended to buy any Section 106 homes. Most cited financial capacity as the major limiting factor and something that would limit their appetite for at least the following two to five years.

Our most recent research into this issue suggests that widespread problems with Section 106 persist. Although demand has improved during 2026, the pool of demand for Section 106 packages is shallow and pricing weakened further during the first half of this year. The high supply of Section 106 packages relative to demand means that RPs can be highly selective.

The ongoing scarcity of buyers for Section 106 stock is proving a major obstacle for housebuilding in England, preventing developers from progressing on sites with a Section 106 obligation. This is because some planning obligations require affordable homes to be occupied before private homes can be completed and before starting construction on new phases of a scheme. In some instances, private developers are unable to access development finance, progress on site, or even complete a land purchase without a Section 106 partner in place.

The low level of demand for Section 106 particularly affects SME housebuilders, which are less likely to have revolving credit facilities and are more reliant on project-specific finance. The lack of a clear exit for the Section 106 element of a site means that financing is hard to secure and is a deterrent for smaller players from promoting sites through the costly planning system. Providing that clear exit, including a role for DMS, would improve site viability and unlock activity in this part of the market.

Home Builders Federation (HBF) members reported in October 2025 that there were 8,500 consented Section 106 affordable homes without Housing Association purchasers, that were either under construction or due to commence construction within 12 months. They estimated that over 700 sites had been delayed or stalled over the previous three years due to developers' inability to sell Section 106 packages. These numbers are unlikely to have materially improved over the last nine months.

While the financial capacity of the Housing Association sector is improving, it remains heavily constrained. Measures such as the 10 year rent settlement with rent increases capped at CPI +1% and rent convergence will help to restore the financial capacity of the Housing Association sector, but the impact will be gradual over a number of years. In the meantime, solutions are required that allow housebuilders across England to continue delivering new homes and providing much needed AHO options.

This is a problem that will get worse if the Government's ambition to rapidly increase housebuilding is to be realised. The expansion of private housing delivery required to meet the Government's ambitions, including Grey belt sites delivering up to 50% affordable housing in line with the 'Golden Rules', will deliver more Section 106 packages into the market. The rate at which Government would like to see housebuilding numbers increase means that the number of Section 106 packages coming to market will increase at a faster rate than capacity in the Housing Association sector can expand to absorb them.

DMS, including First Homes, has the potential to make a substantial contribution. They are not a regulated form of affordable housing, like social rent or Shared Ownership, so do not need the involvement of a Registered Provider (usually a Housing Association). But they are a form of affordable housing, as defined by the NPPF. They are sold at a discount to market levels, are means tested and have eligibility criteria.

Applying cascade mechanisms by default that allow developers to convert Section 106 packages to DMS would have an immediate effect in unlocking sites that are stalled without an RP partner. This would speed up Section 106 negotiations and allow permission to be more reactive to changes in RP demand. Securing an RP bid for conventional affordable housing tenures may remain the preferred option, depending on the local planning authority's assessment of local circumstances and the role of different tenures. But in the absence of demand from RPs, a mixture of DMS and payments in lieu could be a much more common recourse. Private housebuilding would be unlocked, AHO would be delivered and/or payments in lieu could enable local councils to support affordable rented homes elsewhere.

Supporting homeownership

The unprecedented scale of support for home buyers over the last decade has had a real effect on how people live. It has reversed the trend of the previous 10-15 years of a greater propensity to rent amongst 25-34 year olds. This is the age band that contains most first time buyers. Schemes such as Help to Buy and Shared Ownership gave them an option to buy, when otherwise they would have been excluded from the market by high house prices and a lack of higher loan to value mortgage products.

The success of Help to Buy gives an indication of the potential scale of demand for other sales support schemes, such as DMS. Now that Help to Buy has ended, there is far less support available to help households into home ownership. Many of these households now remain in private rented housing or are 'concealed', continuing to live with parents or living in shared accommodation rather than forming new household.

While the PRS is appropriate for many households, others require a level of security that the sector is not best placed to provide even with the recent Renters Rights Act reforms. Most obviously, this is family households, needing secure and affordable housing close to schools, work places and support networks. Lower income households may be best supported by the social housing sector; home ownership may be affordable to higher income households, with support to get them over the initial barriers to purchase.

That many people living in rented housing would like to buy is demonstrated by the success of schemes such as Help to Buy. This is backed up by survey findings. The 2018 British Social Attitudes Survey found that 87% of respondents aspired to buy rather than rent and those aspirations had been broadly stable for 30 years. Even among private renters, 79% said they would rather buy a home.

As Nick Boles observed when Housing and Planning Minister in 2013, "no aspiration is more deeply embedded in the British psyche than the desire to own your own home". Despite this, the UK now has a home ownership rate below the EU average.

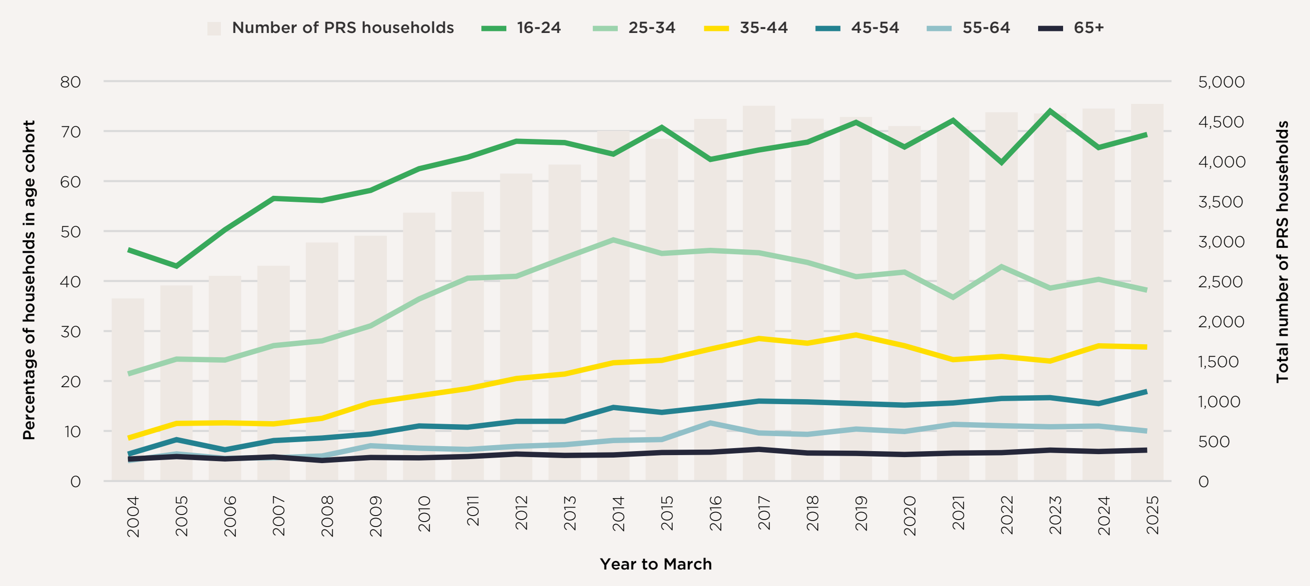
This is in line with findings from the English Housing Survey. The 2021-22 survey showed that 62% of private renters planned to buy a home at some point. And of the 38% who think they will never buy a home, almost three quarters don't think they could afford to buy. This amounts to well over a million households who do not plan on buying because of affordability constraints, and several million more who do plan on buying but have a way to go before they can afford to.

Labour promised to target a 70% homeownership rate at its party conference in 2022. This target is unlikely to be reached without support for products such as DMS. 64% of households in England owned their home in 2023, down from a peak of 70% in 2002, according to the English Housing Survey. The target did not appear in the election manifesto, but the Government has continued to reiterate its commitment to supporting home ownership.

With a requirement for up to 50% affordable housing on 'Grey Belt' sites, DMS and other AHO options should be an important part of the affordable tenure mix. Providing a wide range of products on these sites will support viability and maximise the rate at which the new homes can be absorbed into local markets. This would also differentiate Section 106 affordable housing delivery from the Social and Affordable Homes Programme, under which at least 60% of delivery is expected to be for social rent.

All of this demonstrates that affordably-priced homes for sale will see no shortage of interest, and that there is a clear role for DMS to play both in supporting the delivery of new homes and helping families into home ownership.

FIGURE 3 – PROPENSITY FOR HOUSEHOLDS TO RENT, BY AGE BAND



SOURCE: ENGLISH HOUSING SURVEY

Potential demand for DMS

DMS has the potential to support a large number of households into home ownership. Our analysis shows that purchasing a home using DMS is more affordable than buying the equivalent home using Help to Buy, and comparable to buying with Shared Ownership.

A core target market for DMS would be families, seeking the greater security that home ownership provides. We have shown that, with discounts of 20-30%, 22 to 34% of families in the PRS (350,000 to 530,000 households) could afford home ownership through DMS, assuming they can save the small deposit required. This is true across most of the country and the scheme could see the same broad appeal that Help to Buy enjoyed.

How affordable is DMS?

Income requirements

To understand the potential demand for increased delivery of DMS, the first question is how affordable it is compared to other options. We have analysed the affordability of DMS, assuming the discount is either 20% from open market value, the minimum discount for DMS allowed by the NPPF, or 30%, the minimum for First Homes.

Our analysis shows that DMS homes offer a cheaper alternative to full market sale and, until recently, a comparable or cheaper alternative to Help to Buy. To buy a home worth £300,000 on the open market with a 5% deposit, a household would need an income of £63,000. That would have been £50,000 using Help to Buy. But with DMS at a 30% discount and with a 5% deposit on the discounted price, an income of just £44,000 is required (£51k with a 20% discount). Of the 1.4m families living in the PRS, only 7% could afford to buy a house on that basis without support, but 22% to 34% could afford the same home using DMS at a 20-30% discount, assuming they had a sufficient deposit.

Shared Ownership is another AHO option. Buying a 70% first tranche of equity in Shared Ownership with a 5% deposit, requires the same amount or less of upfront cash. Alongside this, the income required is higher or the same as DMS (£44,000 - 50,000), as the buyer must pay rent, albeit at a discounted rate, on the remaining 30%.

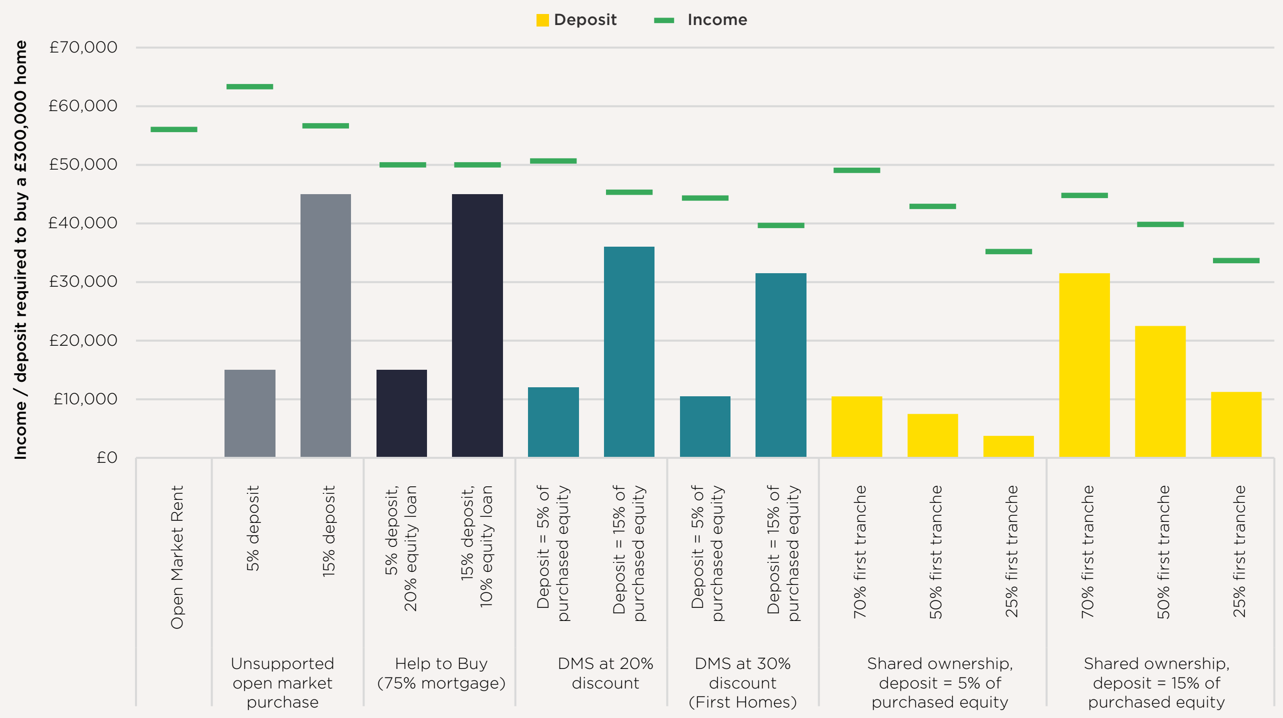
Mortgage challenges

Mortgage products at 95% loan to value ratios remain scarce, particularly for new homes purchases, other than through schemes such as First Homes. So the reality is that many unsupported buyers will need a larger deposit. And even those with a larger deposit have the opportunity to own a home with lower ongoing mortgage costs through DMS.

Higher loan to value mortgages are challenging in the current mortgage market, with the highest interest rates since the Global Financial Crisis. DMS reduces the amount of debt a household needs to take on, whatever their deposit, lowering ongoing repayment costs and allowing them to enjoy the security of owning a home, which has an actual value substantially higher than the price paid.

Mortgage rates are expected to fall over the next few years, although not to reach the very low levels experienced during the pre-pandemic period. As rates trend down, the ongoing costs of ownership will fall. Rents are less likely to fall, and the gap between the ongoing costs of renting and owning will widen. But households within the private rental sector will still be looking for ways to leap the deposit hurdle into ownership. DMS will therefore continue to offer a valuable and attractive route to ownership.

FIGURE 4 – AFFORDABILITY COMPARISON



SOURCE: SAVILLS. THIS IS ASSUMING A MORTGAGE WITH A 30YR TERM AND 5% MORTGAGE RATE FOR ALL PRODUCTS. RENT BASED ON A 5.6% GROSS YIELD.

Where is there most demand for DMS?

The greatest opportunity for DMS is where there is a sizable proportion of households currently in the PRS that are close to being able to buy a home, but unable to quite make that leap without some level of support. DMS is most likely to appeal to families looking to gain the extra security of tenure that ownership provides.

We have therefore identified where there is the greatest proportion of families in the PRS for whom DMS is most likely to help. Households with sufficiently high incomes will typically opt for open market homes, while those with the lowest incomes will need social housing. It is for households between these groups on the income distribution where DMS has the clearest role.

Alongside this, we have accounted for the fact that DMS is usually only available to households with an annual income of £80,000 outside of London, and £90,000 within it. This affects a significant proportion of households in a limited number of areas.

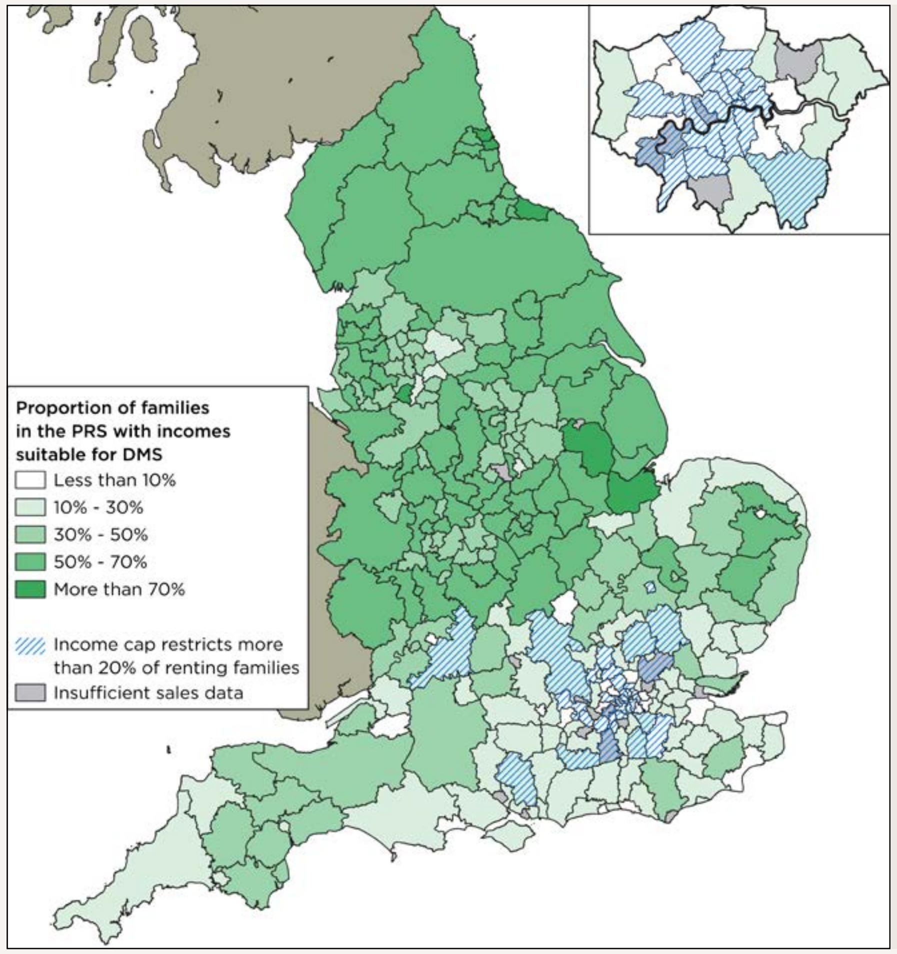
The analysis shows that DMS could potentially have a very broad appeal across England:

- 530,000 family households in the PRS could afford homeownership through DMS at a 30% discount, just over a third (34%) of all families within the PRS, assuming they have a 5% deposit.
- If the discount was lower, at 20%, then this reduces the total number of households to 350,000 - 22% of all families in the PRS, again assuming they have a 5% deposit.

In very high value areas, suitable homes are out of reach for most renting families even using DMS. But there is still a large segment of potential demand for DMS in these areas. In the South East region, for example, 36,000 renting family households could afford to buy a new three bedroom home through DMS at a 30% discount. That's 18% of all families in the PRS in that region.

In reality, these figures are almost certainly an underestimate of the potential pool of demand. We have focused just on existing families in the PRS, but there will be additional potential buyers for DMS outside this key demographic. For example, low house price growth and a significant divergence in performance between flats and houses mean there is a sizable cohort of relatively recent buyers who are unable to make the second step on the housing ladder into a family home. In turn, these households are occupying the sorts of homes that first time buyers may be seeking. Unlike most AHO products that are restricted to first time buyers, DMS could support these second-steppers, helping address a significant blocker in the market.

FIGURE 5 – WHERE IS THE GREATEST POTENTIAL DEMAND FOR DMS?

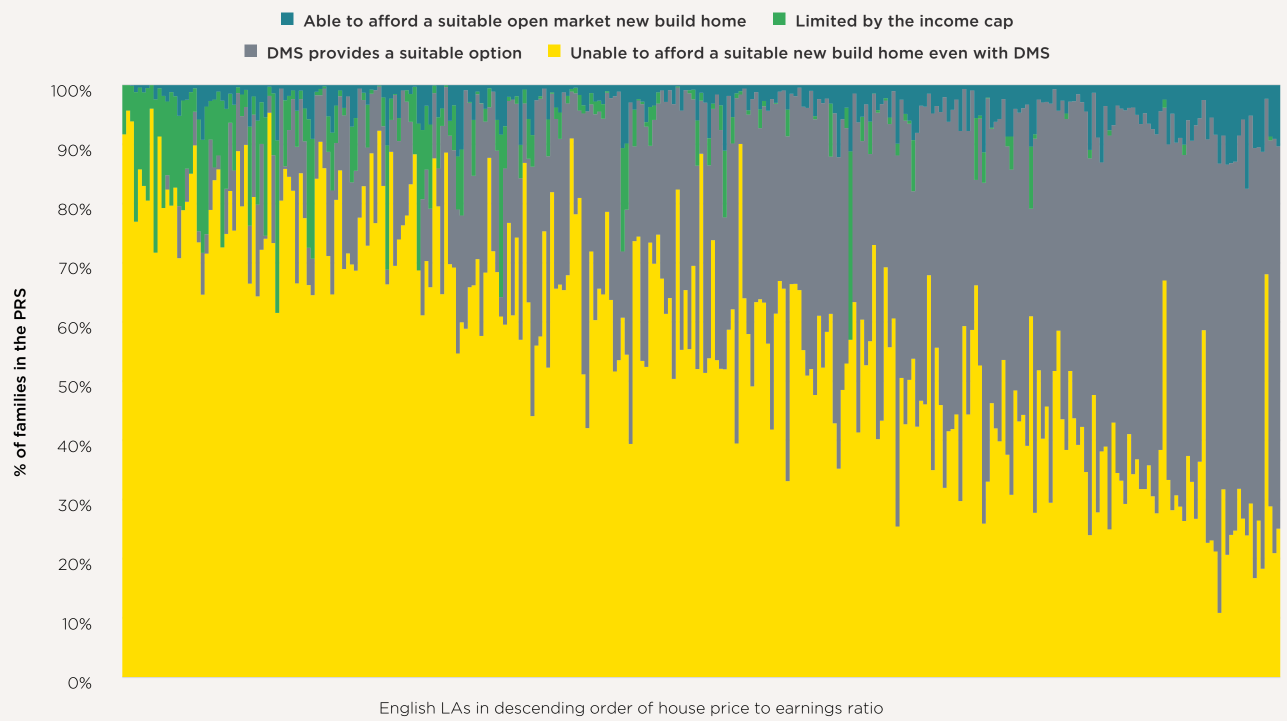


This is based on a family (i.e a household with children) in the PRS looking to buy a new build 3 bed home.

We assume that if they can afford an open market home with less than 25% of their income then they are likely to opt for that over DMS. If buying with DMS would require more than 35% of income then we assume they are unable to afford to buy.

We have assumed DMS homes are discounted by 30%, in line with First Homes

We have assumed that buyers have a deposit equivalent to 5% of the discounted price and have a repayment mortgage on the remainder. Mortgage interest rate of 5%; term 30 years.



SOURCE: SAVILLS USING EXPERIAN, MHCLG AND HM LAND REGISTRY DATA

Do the caps fit?

There is also additional potential demand for DMS that would be excluded by the income caps that usually apply. These caps have not risen in line with household incomes or house prices, and therefore they exclude an ever increasing number of households from AHO. Income caps are a particular barrier in the least affordable markets where large incomes are needed to sustain mortgages on family homes.

In twenty local authorities (mostly in London and high values areas of the South East such as St Albans and Windsor & Maidenhead) the income caps entirely prevent any renting family from buying a AHO home in their borough. In a further 28 local authorities the income caps would prevent more than 10% of renting families from buying a AHO. Increasing the income caps in these areas could unlock some further scope for AHO.

Removing the income caps would allow an additional 55,000 families in the PRS to afford a three bedroom new home through DMS. Although these households are on relatively high incomes, they are still unable to afford the very high cost of family housing in their local area without support.

REPORT SPONSORS

Julian Larkin
Group Land Director

Barratt Redrow

julian.larkin@barrattredrow.co.uk

Paul Campbell
Chief Executive

Richborough

paul.campbell@richborough.co.uk

Paul Brocklehurst
Chairman

Land, Planning and Development Federation (LPDF)

paulb@lpdf.co.uk

SAVILLS RESEARCH

Chris Buckle
Director

cbuckle@savills.com

0207 016 3881

Ed Hampson
Associate Director

ed.hampson@savills.com

0203 107 5460