



Affordability vs deposits

Claire Askham, head of mortgage sales, Buckinghamshire Building Society

I come across many quirks in my role, but one of my favourites is how a case can fail for exactly the reason you expected, just not the one the client thought would stall it. For years, the deposit was treated as the biggest hurdle, but increasingly, affordability checks are the factor that stops an application in its tracks.

It isn't hard to see why the deposit may no longer be the biggest barrier it once was. The latest Office for National Statistics figures show that, in England, the average home sold for £290,000, while the average full-time earnings were £35,100, meaning it would take around 8.3 times annual earnings to buy that home. Even buyers who've saved carefully can find themselves falling short when they face a lender's stress test.

Affordability now the bigger barrier for many

Consumer research backs this up too. The Building Societies Association's April 2025 Property Tracker found that 65% of first-time buyers cited mortgage affordability, including stress testing, as the main barrier to buying a home. By comparison, 62% pointed to saving for a deposit.

That's not to say deposits aren't still an issue, but it does mean we're watching a strange reversal of the usual script. You can save hard for years, and still be told you don't earn enough to borrow the amount you need. Bonus points if you're self-employed, eyeing up a new-build, or daring to buy somewhere that isn't in the bottom decile for house prices.

Why one-trick products keep missing the target

And here's where the product landscape can look a bit flat. The market has plenty of solutions aimed at either deposit shortfalls *or* affordability gaps. What it doesn't have enough of are products which appreciate that a lot of borrowers have to manage both issues at the same time.

That's why even solid ideas can stall. Take high-LTV lending. A few years ago, a 95% option was headline material. Now a product that only solves the deposit problem, has to work harder to get noticed.

The joy of two problems, one fix

At Buckinghamshire Building Society, we take exactly this kind of joined-up approach. By combining our Deposit Lite structure with a Joint Borrower Sole Proprietor arrangement, we can address both affordability and deposit gaps within a single application. Deposit Lite reduces the upfront cash required, while JBSP allows a family member or friend to support the application on affordability without becoming a co-owner.

Used together, these products have the potential to revive cases that might otherwise be declined. They're particularly effective for first-time buyers with family support, young professionals whose income is backed by additional help but whose savings are limited, and

new build purchases. I've seen combinations like this turn "computer says no" into "offer letter in the post" more than once.

Brokers: the difference between "no" and "yes"

Of course, it all starts with early, detailed fact-finding. The sooner you know if a client is short on both deposit and affordability, the sooner you can line up a solution that doesn't require explaining three separate products before lunch.

It also helps to work with lenders who aren't afraid to manually underwrite. It's the difference between a rigid checklist and a human being saying, "Right, let's look at the whole thing." In some cases, that flexibility is the only reason the deal exists.

Looking ahead

None of this is new. Affordability and deposit issues have always been part of the conversation, but the balance between them has shifted. What's changed is the order of priority. Affordability now leads, with deposits a close second, and the most sensible solutions tackle both together.

So yes, multi-purpose products aren't just nice to have, they can be a real advantage.

Should you have any questions or require more information, please contact your dedicated Key Account Manager or call us on 01494 879500.

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