



AFFORDABILITY: WHERE IS IT STRONGEST IN THE UK?

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By Vicki Harris, Chief Transformation Officer, Kensington Mortgages

This week I wanted to share the output of some interesting analysis we have recently completed at Kensington.

Based on mortgage application data, we have looked at how much spare income people have in different regions of the country, once they have paid off their usual bills and living expenses. We then tracked the difference between what is left and the mortgage cost each month, to give a household disposable income after all expenses.

What we have seen is that the stereotypical view of the richest and poorest parts of Britain are wholly inaccurate!

Based on loans made by banks, building societies and other mortgage lenders from January to March this year, the average homeowner in the North could have borrowed 55% more, whereas the average borrower in the South East would have been able to get just 11% more.

It has also shown that first time buyers in the South East were at their total borrowing limit, with hardly any disposable income left at all.

So there you have it... Salaries may be higher in London and the South East, but when you look at people needing to pay off a mortgage, those with the least spare income are people in the Home Counties commuter belt.

Please have a look at the [summary of our findings](#), and do get in touch if you have any thoughts or questions on it. We will be repeating this report every quarter so we can see trends emerging, and I will update you about these in future blogs.

If you have any thoughts or ideas do let us know – you can connect with us on LinkedIn ([Kensington Mortgages](#)) or Twitter ([@KensingtonChat](#)). Or if you want to start a conversation directly, then just email me on vicki.blog@kensingtonmortgages.co.uk or visit our website at www.kensingtonmortgages.co.uk.

Vicki Harris has 20 years of experience working in challenger financial services brands, working across asset management, banking and specialist lending. She is currently Chief Transformation Officer of Kensington Mortgages, the UK's leading non-bank specialist mortgage lender.

Excess Affordability by Region

