



Press Release

12 October 2018

41% say between 25 and 29 years is the ideal age for a First Time Buyer – well below the national average of 34 years

Move out of home before you're 24 and have your first house bought before you're 29. This is the ideal scenario when it comes to living situations in Ireland, according to the latest consumer survey from leading protection specialist Royal London. But it would seem that these ages are merely aspirational given that figures from the Real Estate Alliance (REA) say the average age of a First Time Buyer (FTB) in Ireland rose from 29 to 34 between 2006 and 2016.*

Royal London commissioned an iReach survey of 1,000 people throughout the country to ascertain the views of the general public on what's the right age to move out of home and to take your first step on the property ladder.

Commenting on the findings, Barry McCutcheon, Proposition Lead at Royal London said,

“As the age of first-time buyers in Ireland continues to get older, it would appear that moving out and buying your first property at the most ‘desirable’ age is beyond reach for most people. As society evolves, family situations and living arrangements change. What would have been once considered the traditional sequence of events, get married, buy a house and then have children, in that order, is becoming less common. A period of renting at some point is usually the case for many individuals nowadays. While the current housing market prices and Central Bank lending restrictions on first time buyers mean that, on average, people have to wait well into their thirties before they can afford their first home.”

Moving Out

The Royal London survey found that the majority (68%) of respondents believe the ideal age to move out of the family home is under 25 years old, with 58% agreeing that the best age to move out of home was between 20-24 and only 10% agreeing that the best time was 20 years of age or younger. Yet the actual average age at which young Irish people now leave the family home is just after they turn 26 years of age, according to a 2018 Eurostat study.**

Barry said of the survey observations,

“The vast majority of people believe that you should be in your early twenties when moving out of your family home. This is a little surprising given that most young people would start college straight after their Leaving Cert, at around 17 or 18 years of age, which could potentially necessitate a move to college digs. Would this view suggest that people are more inclined to think young people should stay at home during college? Perhaps it is due to accommodation availability

and affordability. It is substantially more expensive to move out of home to attend college, and many students may select a college course that is within a commuting distance from their family home. Or maybe it's just down to needing some extra family support with the transition from school to the new pressures of college life."

In 2016, the Higher Education Authority*** reported that 44% of full-time undergraduates in Ireland were living in their family home or with relatives and commuting to college. The latest figures from the 2016 Census¹ revealed that almost 460,000 adults are currently cohabiting with their parents.

Barry continued, "While one might expect people to believe it's best to fly the nest as soon as possible, the survey reveals a significant shift in attitudes towards the acceptance of moving out of home at a much later age. 30% of those surveyed thought that being between the ages of 25 - 35 is ideal. It's likely there are several reasons for this; a primary one may be people trying to avoid paying high rents while allowing them to save up a deposit for a mortgage. Certainly it's now more acceptable than ever to still be living at home at this age, or indeed having to return to the family home after a period of renting."

The Royal London survey revealed some disparity between the views of older and younger generations when it comes to moving out, with 53% of those aged 18 – 34 saying they believe that you should be between the ages of 20 – 24 when moving out of the family home. This figure rose by 11% to 64% when respondents aged 55 or over were asked the same question.

My First Home

Although the average age of a FTB in Ireland has risen by five years in a decade – to 34 years*, 50% of people believe that in an ideal world, you would have purchased your first property before that. Of those surveyed, 9% said the ideal age is between 20 and 24, while 41% said it's between age 25 and 29.

Survey participants were asked "What do you think is the ideal age to buy your first house?"

- More women (86%) than men (75%) believe the ideal age is between 25 – 34 years.
- More men (13%) than woman (6%) think the ideal age of a FTB is between the ages of 20 – 24.
- More men (10%) than women (6%) think the ideal age of a FTB is between the ages of 35 – 39.
- The older generation (55+) were more likely to think the ideal age for your first property purchase is in your twenties (61%), whereas just 45% of those between 18 – 34 agree with this.

What the statistics say...

Royal London's analysis shows that reports from Census 2016¹ support the contention that the age at which people move out of the family home is rising, with more young working adults staying at home for a number of reasons.

- The total number of adults aged 18 and over who are still living at home increased by 19% between 2011 and 2016.
- The number of working people aged 30 to 34 still living at home saw an even larger increase of 26%, rising from 23,835 in 2011 to 30,137 in 2016.
- While the rise in employed people cohabiting in their parental home, from 180,703 to 215,088, is partly attributable to the economic recovery and expansion of the workforce, it

could also reflect difficulties faced by younger people in finding accommodation in Dublin and other urban centres.

- 268,944 men and 189,930 women aged 18 and over were living with a parent at the time the census took place in April 2016, a 4.4% increase on 2011. Of these, 215,088 were at work while 66,516 were unemployed and a further 152,269 were students.

ENDS

Note to the editor

About Royal London:

Royal London is the largest mutual life, pensions and investment company in the UK and Ireland with group funds under management of over €132.2 billion. Group businesses provide around 8.8 million policies and employ 3,745 people (figures quoted are as at 30 June 2018).

Royal London's Irish office is based at 47-49 St Stephen's Green, Dublin 2.

Royal London Survey 2018

What do you think is the ideal age to move out of the family home?

	Total	Male	Female	Not Married	Married	18 -34	35-54	55+	Dublin	Rest of Leinster	Munster	Connaught / Ulster
Under 20	10%	10%	11%	11%	10%	13%	10%	6%	6%	13%	12%	13%
Between 20 - 24	58%	59%	57%	51%	63%	53%	60%	64%	54%	61%	58%	64%
Between 25 - 29	27%	26%	29%	31%	24%	30%	25%	27%	34%	23%	25%	20%
Between 30 - 34	3%	3%	3%	4%	3%	3%	3%	3%	5%	1%	3%	2%
Between 35 - 39	1%	1%	0%	2%	0%	1%	1%	0%	0%	2%	1%	0%
Between 40 - 45	1%	1%	0%	1%	0%	0%	1%	0%	1%	0%	1%	1%
Over 45	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%

What do you think is the ideal age to buy your first house?

	Total	Male	Female	Not Married	Married	18 -34	35-54	55+	Dublin	Rest of Leinster	Munster	Connaught / Ulster
Under 20	0%	0%	1%	1%	0%	0%	0%	0%	0%	0%	1%	0%
Between 20 - 24	9%	13%	6%	10%	9%	6%	10%	13%	7%	12%	9%	11%
Between 25 - 29	41%	38%	43%	32%	47%	39%	40%	48%	36%	48%	41%	43%
Between 30 - 34	40%	37%	43%	43%	38%	44%	39%	36%	46%	33%	42%	33%
Between 35 - 39	8%	10%	6%	11%	6%	8%	10%	3%	10%	4%	6%	11%
Between 40 - 45	1%	1%	1%	2%	0%	2%	1%	0%	1%	2%	1%	0%
Over 45	1%	1%	0%	1%	0%	1%	0%	0%	0%	1%	0%	2%

Sources:

* Real Estate Alliance, 2016 -

<https://www.realestatealliance.ie/news/detail/4332364841004661104>

** Eurostat, 'Being young in Europe today', 2018 - https://ec.europa.eu/eurostat/statistics-explained/index.php/Being_young_in_Europe_today_-_family_and_society

*** Higher Education Authority, Eurostudent Survey VI, 2016 -

http://www.eurostudent.eu/download_files/documents/HEA-Eurostudent-Survey-1.pdf

¹ Census, 2016 - <https://www.cso.ie/en/releasesandpublications/ep/p-cp4hf/cp4hf/fmls/>

royallondon.ie

The Royal London Mutual Insurance Society Limited is authorised by the Prudential Regulation Authority in the United Kingdom and is regulated by the Central Bank of Ireland for conduct of business rules. The Royal London Mutual Insurance Society Limited is registered in England and Wales, number 99064, at 55 Gracechurch Street, London EC3V 0RL and in Ireland, number 908341, at 47-49 St. Stephen's Green, Dublin 2.

October 2018 1486.1