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Ages and stages

Connecting homes and growth

How demand patterns, demographic trends and economic engines shape the future of our homes.

An initiative from **Trowers & Hamlins**

The UK needs to achieve growth and improve the nation's productivity to create the economic and social wellbeing and stability we yearn for over the next 20-30 years. Economic growth drives the delivery of new homes, but it is also dependent on having the homes that the people who create that growth need.

This initiative sets out to look beyond the UK Government's ambitious target of delivering 1.5 million new homes by 2029 to show how an understanding of demand patterns, demographic trends, and economic engines can shape the future supply of homes in the UK. Connecting people with opportunity and the diversity of people's preferences and needs should guide the types of homes we build.

Ministers are clearly serious about the breadth of housing delivery, from good quality affordable homes for those on lower incomes to addressing the senior living market, and all points in between. Smaller housebuilders need to be able to play their part, an ambition ministers say will be realised through greater access to bank finance. Additionally, build-to-rent (BTR) developers will benefit from a reopened Private Rented Sector Guarantee Scheme, with nearly £2 billion available to boost delivery.

Understanding a range of life milestones, such as achieving economic independence (25-26 years), first home purchase (33.8 years), and mortgage payoff (60 years), is critical in understanding the timing and nature of housing demand.

Over the next year, this research initiative will explore the homes we need to build based on the factors that influence lived experience. We will delve into demographics and different locations across the UK to understand what external economic factors impact the choices people have.

Understanding how economic drivers interact with home supply

In the past 25 years, a third of the UK's highest productivity industries were responsible for generating nearly two-thirds of the economy's entire productivity growth.

In its new 10-year industrial strategy, Invest 2035, the UK Government has identified a mix of eight 'old and new' business sectors which it believes offer the highest growth opportunity for the economy:

- **Advanced manufacturing**
- **Clean energy industries**
- **Creative industries**
- **Defence**
- **Digital and technologies**
- **Financial services**
- **Life sciences**
- **Professional and business services**

We will continue to explore these growth sectors to understand how they are driving prosperity and needs for homes across the UK.

8.5m
The number of people in the UK with an unsatisfied housing need

70%
of people choose to remain in family home after children have moved out

£234,000
Average mortgage amount for UK first-time buyers

£60,000
Average annual cost of residential care for the elderly

Looking regionally

Our early stage analysis highlights the unique characteristics and challenges across different parts of England.

North of England
Affordable property prices and strong job market growth, particularly in Manchester and Leeds, are driving demand.

Midlands
Infrastructure projects and urban regeneration are boosting demand. The region remains more affordable than the South East, attracting first-time buyers.

South West
The South West has performed well in comparison with the UK as a whole. In addition to affluent pockets along the south coast, Bristol is its most progressive market where house prices have risen by almost 90% in the past decade, and which is now also attracting a substantial amount of BTR development.

London and South East
Experiences high demand but significant affordability challenges. There is a shift towards commuter towns, as people seek more affordable housing options.
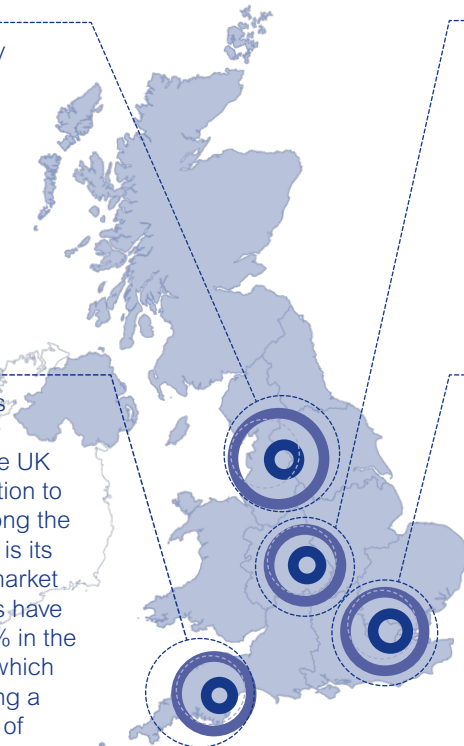
17
Average age of entering the workforce

25-26
Average age people become economically independent

31
Average age for having a first child
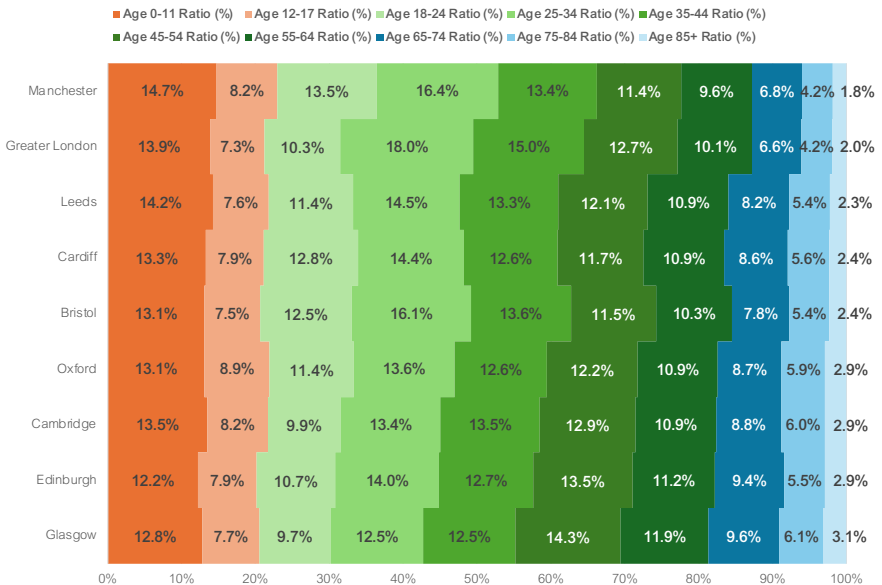
33.8
Average age people buy their first home

The UK home landscape

Different occupier groups have varying priorities which influence home demand across the UK. Looking ahead, probably the most important determinant of demand is the age profile of the UK population. We are a growing but also an aging population and this will be expressed over time in different strands of demand for homes.

As the table below shows, there is a developing variance in the age profiles of locations across the UK and this will become increasingly pronounced as the population grows but has a bigger segment which is moving into upper age bands.

Chart 1 **Life Stages by Major UK City: Demographics March 2025**

Legend: ■ Age 0-11 Ratio (%) ■ Age 12-17 Ratio (%) ■ Age 18-24 Ratio (%) ■ Age 25-34 Ratio (%) ■ Age 35-44 Ratio (%) ■ Age 45-54 Ratio (%) ■ Age 55-64 Ratio (%) ■ Age 65-74 Ratio (%) ■ Age 75-84 Ratio (%) ■ Age 85+ Ratio (%)

City	Age 0-11	Age 12-17	Age 18-24	Age 25-34	Age 35-44	Age 45-54	Age 55-64	Age 65-74	Age 75-84	Age 85+
Manchester	14.7%	8.2%	13.5%	16.4%	13.4%	11.4%	9.6%	6.8%	4.2%	1.8%
Greater London	13.9%	7.3%	10.3%	18.0%	15.0%	12.7%	10.1%	6.6%	4.2%	2.0%
Leeds	14.2%	7.6%	11.4%	14.5%	13.3%	12.1%	10.9%	8.2%	5.4%	2.3%
Cardiff	13.3%	7.9%	12.8%	14.4%	12.6%	11.7%	10.9%	8.6%	5.6%	2.4%
Bristol	13.1%	7.5%	12.5%	16.1%	13.6%	11.5%	10.3%	7.8%	5.4%	2.4%
Oxford	13.1%	8.9%	11.4%	13.6%	12.6%	12.2%	10.9%	8.7%	5.9%	2.9%
Cambridge	13.5%	8.2%	9.9%	13.4%	13.5%	12.9%	10.9%	8.8%	6.0%	2.9%
Edinburgh	12.2%	7.9%	10.7%	14.0%	12.7%	13.5%	11.2%	9.4%	5.5%	2.9%
Glasgow	12.8%	7.7%	9.7%	12.5%	12.5%	14.3%	11.9%	9.6%	6.1%	3.1%

38.5
Average age
of marriage

41
Average age for
having a last child

46.5
Average age
of divorce
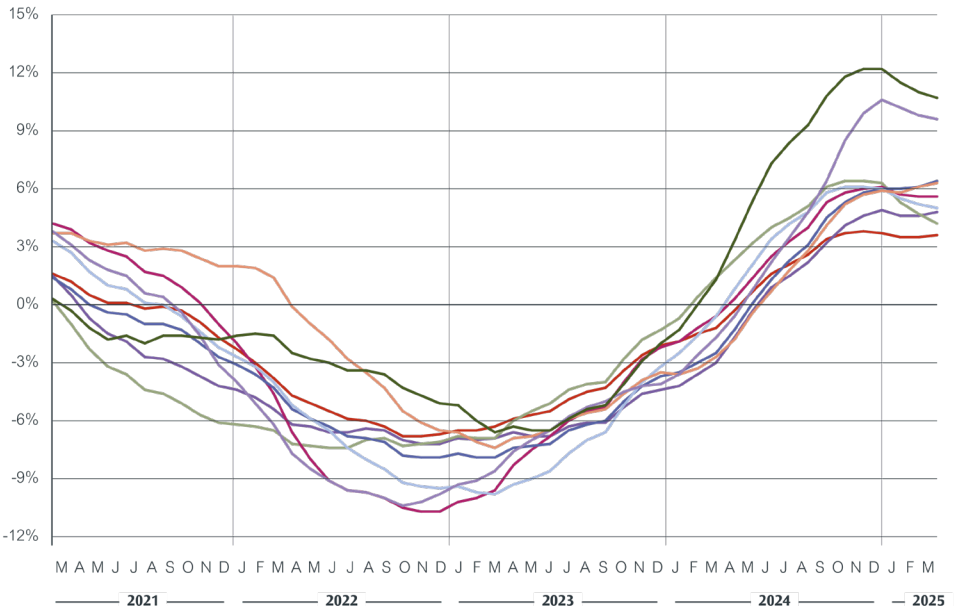
60
Average age for
paying off mortgage

The UK in recovery

If the providers of homes are targeting occupiers or owners from particular localised business sectors it is powerful to track the trajectory of those sectors and also the prevailing economic temperature of their location.

Key

- Belfast
- Manchester
- United Kingdom
- Glasgow
- Birmingham
- Bristol
- Leeds
- Cardiff
- Greater London

Chart 2 **12-month % change in EvaluateLocate Economic Vitality Index**

M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M A M J J A S O N D J F M

2021   2022   2023   2024   2025

65
Average age
of retirement

79
Average age of entry
into retirement living

86.6
Average age of the
population in care homes

Ages and places

The distribution of different age groups across the UK is an important metric for the Government, local authorities, and developers who will be tasked with hitting the UK homes target. The heatmaps here show the proportion of localised populations that fall into key age groups that influence the demand for homes: the first-time buyer bracket of 25-34 years old, the 55-64 year-old eve-of-retirement and +75 senior living who may require a tailored housing solution.

They are a vivid illustration of the urban locations where the diminishing younger age groups are now clustering – and support the city concentration of BTR development and its focus on the 'young professional' market. These are the current renters, who are most likely pre-home ownership, as well as those still living in family homes when children have moved out, that require thought when considering senior living in the future or freeing up family homes.
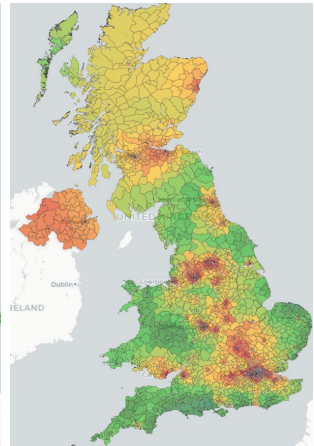
Key

18%+   14%   12%   11%   10%
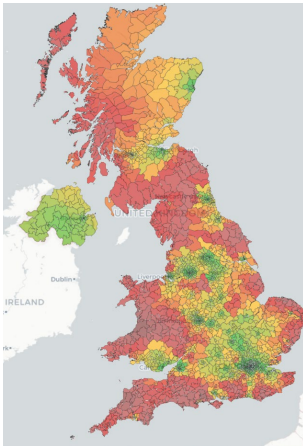
Map 1
Distribution of UK population in 25-34 year-old age bracket
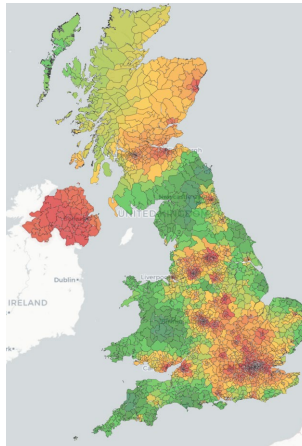
Map 2
Distribution of UK population in 55-64 year-old age bracket

Map 3
Distribution of UK population in 75-plus age bracket

Driving impactful conversation

Exploring the following demographic trends and assessing the issues relating to housing delivery is our starting point for this initiative.

Economic independence and affordability

People start working at 17 and become economically independent in their mid-twenties, but it takes another decade to afford buying a home. Affordability to both buy or rent, in proximity to employment, is an increasing issue for this age group.

Family dynamics

Trends in marriage, co-habitation, divorce, and single-parent households are important drivers for changes in needs.

Under-occupation

70% of people stay in their family home after children move out, leading to under-occupation and cost of living challenges.

Existing buildings

With 80% of 2050's buildings already built, new homes must support economic and social wellbeing while achieving Net Zero goals.

Profile of first-time buyers

The average age of first-time buyers is now 33.8 years. Many will be parents with growing families and not necessarily the young individual or couple we might think of.

Multigenerational homes

Increasingly, children live longer at home or parents join younger generations, forming multigenerational homes.

Aging population

In some cities, 30% of the population is 55 and over. The developing variance in the age profile in UK cities has the potential to drive demand, both now and in the next 30 years.

Necessary infrastructure

Homes do not exist in isolation; sustainable communities are built upon infrastructure including transport, energy, schools, hospitals, retail, leisure and of course employment opportunities their inhabitants need.

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This is the start of a conversation, if you'd like to be involved in the initiative, please get in touch with **Suzanne Benson** or **Amy Goodall** on the email addresses below

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