



## **Britain is a nation of improvers, not movers**

*Zopa research finds British households renovate their home to live in for the long-term, not for financial gain*

### **KEY STATS**

- Almost three quarters (73 per cent) of people are not interested in the impact of renovations on their house price
- Two out of three (67 per cent) are planning to stay in their home for over five years
- The UK's kitchens are the room deemed most in need of improvement, with one third of home improvements loans being spent there and a fifth saying they would need a bigger kitchen for their home to be perfect

**London, 6 June, 2016:** New research released by Zopa shows Brits are renovating their properties to create their dream home for the long-term, with over two thirds (67 per cent) of people undertaking renovations saying they plan to stay in their property for five years or more.

Far from viewing their homes as just a financial investment, Brits are opting to create their dream home by investing in improvements to live in for longer, making the UK a nation of improvers not movers. The survey, of over 1,200 people who had taken a Zopa home improvement loan, found that only a quarter (27 per cent) either have had or plan to get their home revalued after renovations, and less than one in ten (9 per cent) said they would need to move to be in their ideal home.

So far in 2016, Zopa customers have borrowed over £50 million to improve their homes, a 54% increase on home improvement loans compared to the same period last year. The figures show that more and more people are choosing to use a Zopa loan to improve their most important asset: their home.

With personal loan rates at record low rates, an unsecured loan, currently offers one of the best value options for those looking to undertake a home improvement. Home improvers can spread their loan costs evenly over a number of years, and for the vast majority it can be much quicker than re-mortgaging which typically can take up to two months and can be a far cheaper option than using a credit card with typical purchase interest rates well above 20% APR when compared to a typical personal loan from Zopa that averages 8% APR and with an online process that takes under 2 days, Zopa's current loan rates start from 3.3% APR.

In line with latest ONS data suggesting more people are choosing to entertain at home, space to host family and friends is high up on the list for people's ideal home. A third (34 per cent) used their home improvement loan to revamp their kitchens and, of those who said their homes are not yet perfect, a fifth (19 per cent) cited a bigger kitchen as top of their wish list. This reflects recent data from HMRC<sup>1</sup> that suggests home transactions for April 2016 are down 14% compared to same month last years, highlighting that people are opting not to move and sell up.

Far from heading to the estate agents after renovations, two out of five people say they are now in their perfect home. Of those who still don't think their property is perfect, only one in five (22 per cent) said they would need to move. The most commonly cited areas for improvement were better décor (31 per cent), bigger kitchens (19 per cent) and more bedrooms (19 per cent).



The research also found that the majority (73 per cent) turned to the professionals to complete their home improvements, with almost half (45 per cent) using skilled professionals for the entire job. Only just over one in ten (13 per cent) undertook all the renovations themselves and the same number sourced help from family and friends.

This is despite the majority of people (86 per cent) saying they would happily take on some form of renovation work. Unsurprisingly, over three quarters (77 per cent) said they'd be happy to do painting, with half (51 per cent) ready to take on wallpapering and a third happy to complete tiling (32 per cent). People were least confident when it came to masonry work (6 per cent), bricklaying (7 per cent) and plastering (10 per cent).

The good news is that 97 per cent of people were satisfied with their renovations, and 40 per cent even said they now live in their perfect home.

Jaidev Janardana, CEO of Zopa, said: "It's positive to see that the majority of people are improving their homes to live in for the long term, rather than selling up and moving. Whilst renovating can seem pricey, it's significantly less expensive and disruptive than moving house. By choosing a personal loan over a lengthily re-mortgaging process or expensive credit card, consumers can spread the costs over a number of years through an affordable monthly repayment. This means our nation's homeowners can create their dream home now and build the future they want for themselves and their families."

#### What are the most popular home improvements?

Kitchen	33.7%
General decorating	32.4%
Bathroom	23.7%
Garden	15.4%
Boiler	5.1%
Windows	4.7%
Conservatory	3.9%
Loft conversion	2.4%
Roof	2.3%
Solar panels	0.9%
Basement conversion	0.5%

#### Other useful stats

- 4.2 per cent are now considering moving to unlock the increased property value, despite 98 per cent agreeing that their renovations have added value to their home.
- Over a quarter (27 per cent) believe the increase to be (worth between £11,416 and £19,027 (adding between 6 and 10 per cent to the average UK house price<sup>ii</sup>),
- One in five (19.4 per cent) expecting an increase of between £20,930 and £28,541 (an 11 – 15 per cent rise in value).
- One in ten (11.4 per cent) expect to see an increase in value of over 21 per cent.

**ENDS**



**Notes to editors:**

Research based on a survey of 1,206 Zopa home improvement borrowers in April 2016.

**About Zopa:**

Zopa is the UK's leading peer-to-peer consumer loans service - bypassing banks and their high charges to put more back into the pockets of the UK's lenders and borrowers. Zopa matches smart borrowers looking for lower-rate loans with lenders looking for higher interest. Since Zopa was founded in 2005, it has arranged more than £1.4 billion in peer-to-peer loans and has been voted MoneySuperMarket's Best Personal Loans Provider 2016.

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<sup>i</sup> [HMRC UK Property Transactions Statistics May 2016 - April 2016](#)

<sup>ii</sup> £190,275 is the average price for a home in England and Wales according to the February 2016 figures from the Land Registry