

Who Receives Housing Support from Parents or Relatives in the UK?

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Abstract

Owner-occupation is an important symbol of wealth, stability and wellbeing. However, younger generations in the UK face increasing barriers to homeownership. A growing percentage of young adults rely on assistance from their parents when purchasing properties, a phenomenon which may raise the issue of widening inequalities and hindering social mobility among younger generations. Nevertheless, quantitative research on related topics in the UK is limited due to the lack of relevant and suitable survey data. This study uses the most recent waves of the UK Household Longitudinal Study (UKHLS) which includes new questions about housing support and its providers. Results of our analysis show that adult children most likely to receive parental housing support are those under the age of 30, never married, second-generation immigrants, highly educated, or purchase properties in London or Wales. Having three or more siblings or experiencing family disruption before adulthood has a negative impact on the likelihood of receiving parental housing support, whereas having highly educated parents aged over 65 has a positive effect. This study contributes to the understanding of how the likelihood of receiving housing support is shaped by individuals' characteristics, parents' characteristics and geographic location. It highlights the inequalities in receiving parental assistance and has potential policy implications for those who lack such assistance and their route to homeownership. Further research will study the effects of different types of parental support (e.g., regular support, financial transfer, co-residence, inheritance) on the timing of homeownership transitions and housing outcomes.

Keywords: Housing, Homeownership, Intergenerational support

Extended abstract

1 Brief introduction

Over the last two decades, access to homeownership in the UK has become increasingly difficult for young adults, particularly for young adults with a middle or lower middle income (Clapham et al., 2014; Lennartz et al., 2016). As a consequence, there is a growing trend of young adults transitioning to homeownership with support from parents or other relatives. For instance, the percentage of first-time homebuyers assisted by the financial gift or loan from family grew from 20% in 2010 (GOV.UK, 2017) to 63% in 2024 (Simon, 2024).

Parental housing assistance may raise the issue of widening inequalities and hindering social mobility within the younger generation (Boileau and Sturrock, 2023; Coulter, 2020; Ronald and Lennartz, 2019; Suh, 2020). However, there are a few quantitative studies related to parental housing support in the UK from 1990 to 2020, due to a lack of data that both linked adult children with their parents and collected the information on the assistance in purchasing a house (Wood and Clarke, 2018).

The Understanding Society - United Kingdom Household Longitudinal Study (UKHLS) released waves 13 and 14 from 2023 to 2024, these two waves added two extra questions about whether homeowners received assistance when they bought their property and who provided that assistance, providers ranging from parents, relatives and non-relatives. These two questions along with the longitudinal structure of the Understanding Society (covering 1991-2024) allow us to examine the characteristics of homebuyers who receive housing support from parents or relatives, and the non-recipient counterparts.

2 Methodology

This study uses data from the United Kingdom Household Longitudinal Study (UKHLS). Our sample consists of adult children who were aged 18-49 when they bought their property. There are 6811 eligible respondents in our dataset, of which 20% report that they had received help from parents or parents-in-law when purchasing the property, 8.8% report that they had received help from other family members (e.g., grandparents, siblings, uncle/aunt) when they purchased the property. Types of housing support range from financial gift, loan, mortgage application to inheritance. Financial gift or loan is the most common type of support, with 66.5% of the housing support receivers reporting a financial gift or loan.

We collect the demographic and socioeconomic characteristics of homeowners at the time the property was purchased using Understanding Society's data from 1991-2024. In order to examine the variations across geographic locations, we also collect the government official regions (GORs) and local authorities (LAs) where respondents purchased the properties. Finally, we create a subgroup for respondents who have information of their parents. The age, living situation, country of birth, and qualification level of respondents' parents when respondents received housing support are collected.

In terms of statistical methods, we first report the descriptive statistics, exploring the association between individuals' characteristics and the percentage of receiving housing support. These descriptives illustrate the variation by socioeconomic group and geographic background, as well as the differences between parental support and relative support. Next, we use binary logistic regression models to examine the effect of demographic, socioeconomic and parental characteristics on housing support. Thirdly, we use the multinomial logistic regression to research the difference between relative's housing support and parental housing support.

3 Selected Results

Adult children's characteristics

Among adult children who bought the house between age 18 and 49, age is negatively associated with the likelihood of receiving housing support from parents. Precisely, the probability of adults aged 18-29 receiving support is 25%, which is higher than the probability of those aged 30-39 (with 20%) and those aged 40-49 (with 16%). The second-generation migrants (i.e., adult children born in the UK and at least one parent not born in the UK) are significantly more likely to receive parental housing support than the first-generation migrants (i.e., adult children not born in the UK). The effects of marriage, separation, divorce and widowhood on housing support are negative and significant. Educational level is positively associated with the likelihood of

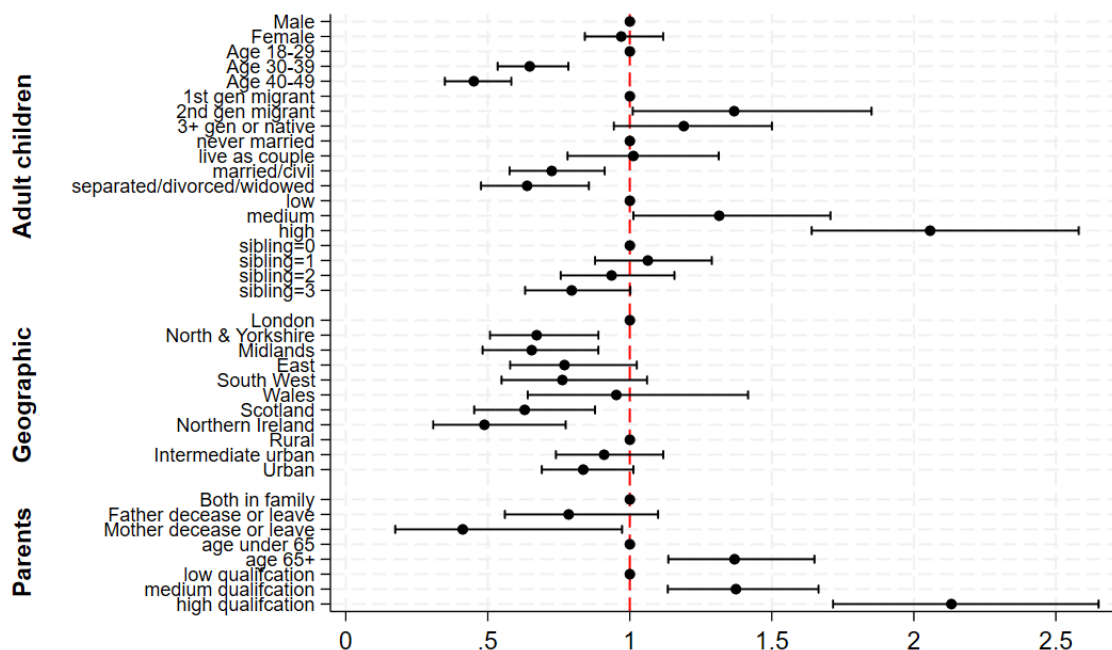
receiving housing support from parents, precisely, the probability of degree holders receiving support is 24%, which is higher than the probability of the A-level or other qualification holders (with 16%), and the GCSE holders or those without qualification (with 12%). Having 3 or more siblings is significantly associated with a lower likelihood of receiving support.

Regions and local authorities

When controlling for individuals' characteristics, homebuyers who bought properties in Northern Ireland are the least likely to receive housing support (with 15%). Homebuyers in Scotland, the Northern area of England (i.e., North East, North West, Yorkshire and the Humber) and the Midlands of England have similar probabilities of receiving housing support - approximately 19%, making them the second least likely geographic group. The probability of receiving housing support is the highest for homebuyers in London and Wales, with 27% and 24% respectively. The rural urban classification indicates that respondents who bought properties in rural local authorities are more likely to receive housing support from parents than those bought properties in urban local authorities.

Parents' characteristics

Parents had deceased or left the family when respondents aged 14 is associated with a lower likelihood of children receiving housing support, and the negative effect of the mother decease or leave is greater than the father. Adult children with the oldest parent aged over 65 are more likely to receive housing support (with 26%) than whose parents aged 35-64 (with 19%). Parents' qualification level is positively correlated with the probability of children receiving their housing support. Moreover, after adding the characteristics of parents into models, the effects of children's education levels become smaller, which means that there is correlation between children's education levels and parents' qualification levels.



Graph 1: Coefplot of the binary logistic regression model – the odds ratio of receiving housings support from parents by the characteristics of adult children, parents, and geographic locations

Differences between parental housing support and relative's housing support

Variations within gender, immigrant status, education, number of siblings and geographic factors differ between recipients of parental support and recipients of relative support. Specifically, the first generation migrants are more likely to receive support from relatives than the second and third+ generation migrants. The difference between these two education levels in the results of relative's support are much smaller than the result of parental support. Adult children with 1 sibling are less likely to receive support from relatives, which is opposite to the result of parental support. Moreover, homebuyers in urban local authorities are more likely to receive support from relatives than those in rural local authorities.

4 Selected Discussion

Compared to adults aged 30-49, those aged 18-29 are usually in a more difficult situation, because most of them are just graduate or just settle down in the labour market (Fritzell and Lennartsson, 2005). Meanwhile, the emotional closeness and geographic proximity between parents and children often decline with the age of adult children (Hartnett et al., 2013), hence, it is not surprised to observe the youngest age group, is the most likely to receive housing support from parents.

The UK retirement age or state pension age is around 65 (GOV.UK, 2025). We observe that adult children with retired parents are more likely to receive housing support than adult children with parents who are still at the age of employment. One of the possible reasons is parents who reach retirement age are more likely to have paid off their mortgages or accumulated substantial housing equity (Helderman and Mulder, 2007; Mulder and Smits, 2013). The other possible reason is post-retirement parents, particularly those "in a phase of stabilised consumption and wealth accumulation", are more concerned about family closeness and the wellbeing of their children (Freund and Blanchard-Fields, 2014; Wang et al., 2025), therefore, they might be more willing to support their children buying a house.

The first-generation migrants are the least likely to receive parental housing support, nevertheless, this situation is significantly improved for the second-generation migrants. Intergenerational support is crucial for immigrant children's integration into the host society and for reducing inequalities in their life chances and wellbeing (Albertini et al., 2019), hence, parents of the second-generation migrants are motivated to improve their children's housing situation and life quality through their efforts and helps.

Married, separated or divorced individuals can buy their houses with the support from partners or ex-partners, in other words, they have two incomes/savings to pay for the house. In families with multiple children, parents may be more likely to support the never-married children who live on their own than the married, separated, divorced children who have alternative support sources.

The exist of parents plays an important role in the maintenance of family relationship, children who are separated from their parents during childhood or adolescence period may have a weaker intimacy with parents (Lacey et al., 2014), as a result, they may be less likely to receive housing support from parents in adulthood.

Adult children with degree or above educational level are more likely to have highly-educated parents (Eccles, 2005; Ermisch and Pronzato, 2010), this group of parents are usually richer and have stronger abilities to support their children (Ermisch et al., 2012). Meanwhile, if the highly-educated parents are homeowners, they expect their children to become homeowners, too (Mulder and Smits, 2013), this expectation can also increase the willingness of helping.

Sibship size affects parental resource allocation (Keister, 2003; Mu et al., 2022), while families with 4 or more children are more likely to be in debt and have poorer economic conditions, compared to families with 2-3 children (Van Winkle and Monden, 2022). Therefore, it is not surprised to observe adult with 3 or more native/step/adopt siblings are the least likely to receive support for buying the house.

In summary, adult children aged under 30, never-married, have 1 sibling, highly educated, have not not experienced family interruption before adulthood, whose parents are aged over 65 and highly educated, are the most likely to receive parental support when purchasing a home.

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