

First-time homebuyers in the Netherlands

Insights and experiences in pursuing
and securing homeownership



Master thesis Pascal Maaskant

Delft University of Technology

Architecture, Urbanism and Building Sciences

Master track Management in the Built Environment

Colophon

Author

Name: P.D. (Pascal) Maaskant
Student number: 5031265

Supervisors

First supervisor: Dr. M.E.A. (Marietta) Haffner
Management in the Built Environment
Housing Institutions & Governance
Second supervisor: Dr. H.J.F.M. (Harry) Boumeester
Management in the Built Environment
Housing Systems

Educational institution

University: Delft University of Technology
Faculty: Architecture and the Built Environment
Master: Architecture, Urbanism and Building Sciences
Master track: Management in the Built Environment

Abstract

The housing market in the Netherlands is under siege, faced with a shortage of 390,000 homes by 2023. This shortage has led to an overheated housing market. This situation severely affects first-time homebuyers who often lack the capital to compete. Consequently, they encounter challenges in finding suitable housing, which for some, necessitates prolonged residence with their parents or the acceptance of lower-quality living conditions.

While literature acknowledges this issue, it often uses a quantitative approach, missing the qualitative perspective that focuses on first-time homebuyers' specific problems and needs. Engaging with recent and potential homebuyers allow to better understand the complex factors affecting housing demand.

The central research question is: *"What lessons can be learned from the experiences of recent and potential first-time homebuyers to improve the prospects of homeownership in the Dutch housing market?"*. The aim is to explore insights from recent and potential first-time homebuyers to improve the prospect of homeownership.

This question was addressed using a mixed-method approach, combining both qualitative and quantitative technique to provide a better understanding of the topic. Initially, a literature review and WoON data analysis, and document analysis were done, establishing a foundation for the research. Subsequently, interviews were conducted to delve into the experiences and perspectives of recent and potential first-time homebuyers. The combined approach of objective data and subjective experiences provided an understanding of the issues surrounding first-time homebuyers.

The literature study revealed that due to the housing shortage, there is a financial gap for many first-time homebuyers and highlighted the variety of financial instruments available to address this gap. Data from the WoON survey illustrated differences in preferences between recent and potential first-time homebuyers. The interviews further investigated the experiences of first-time homebuyers and examined the differences between their initial preferences and the actual choices they made in the housing market. These interviews revealed widespread misconceptions and a lack of knowledge about financial instruments, leading to unequal access to these beneficial products. They also underscored the influence of living situations on the willingness to compromise on preferences. Additionally, the impact of rising prices and overbidding complicates both down payments and monthly payments. These first-time homebuyers also reported experiencing high pressure from selling agents, leading to unwanted decisions and further escalating prices.

The study faced several limitations, including the relatively brief duration of the interviews compared to its scope, which restricted deep exploration of topics, potential response bias from participants, and the data being collected during specific, possibly non-representative time periods.

To address the challenges, short-term actions could include launching educational campaigns to increase awareness of financial instruments for first-time homebuyers and creating an online portal that simplifies the home-buying process. Medium-term measures might focus on expanding and standardizing financial support programs, like starter loans, across municipalities to ensure equal access and reduce regional disparities. Additionally, offering subsidies or vouchers for professional mortgage advisory services could guide homebuyers through the complex housing market. Long-term strategies should include regulating overbidding and speculative buying to stabilize prices and enhance affordability, as well as establishing ethical guidelines for sellers to ensure fair treatment.

Keywords: first-time homebuyers, housing market, experience, entry chance, accessibility, affordability, preferences, financial instruments

Executive summary

Introduction

The Dutch housing market faces a critical shortage of 390,000 units as of 2023, significantly impacting first-time homebuyers who struggle to obtain owner-occupied homes. As Martin (n.d.) stated, “People closest to the problem are closest to the solution” underscoring the importance of listening to these individuals. This perspective led to the main research question: *“What lessons can be learned from the experiences of recent and potential first-time homebuyers to improve the prospects of homeownership in the Dutch housing market?”*

Concepts and definitions

In examining the Dutch housing market, several key variables influence the experiences of first-time homebuyers. These variables include the type of starter, government policies, financial instruments, housing preferences, availability, affordability, and accessibility. Each of these components plays a crucial role in shaping the challenges and opportunities faced by those entering the housing market for the first time.

First-time homebuyers are categorized into two distinct groups. By examining both recent first-time homebuyers who successfully purchased a home and potential homebuyers still in the search process, valuable insights can be uncovered regarding the factors that enabled some to secure a property while others continue to face challenges. These groups are defined as:

- Recent first-time homebuyers are individuals who have successfully navigated the process and purchased their first home from 2020 onwards.
- Potential first-time homebuyers are individuals actively engaged in the process of searching for their first home but have not yet completed a purchase.

Government policies include actions and regulations implemented by government agencies that affect housing availability, affordability, and quality. In the Netherlands, housing is considered a fundamental right. To address housing challenges, the Dutch government has set three primary goals. Despite the critical role that government policies play in shaping the broader housing landscape, this research has chosen not to delve deeply into this area. The decision was made to concentrate on other more immediate and practical factors that directly affect first-time homebuyers in the current market environment. The primary goals set by the Dutch government are:

- Constructing 900,000 homes by 2030 to increase availability.
- Ensuring housing costs align with income levels to enhance affordability.
- Providing high-quality housing for special attention groups such as the elderly and low-income families.

Financial instruments in the housing sector are diverse and tailored to support homeownership. By examining these financial instruments, it can become clear how these tailored solutions can provide essential support and flexibility, making homeownership more attainable for first-time homebuyers. These financial instruments can be categorized into five main types:

- Purchase instruments: these allow homebuyers to acquire homes below market value, often with deferred payments.
- Land lease instruments: these provide the right to occupy a house on leased land, with an annual fee for land use.
- Hybrid instruments: these combine elements of purchase and land lease in special housing schemes.
- Financing instruments: these include additional loans tailored for first-time homebuyers, often with favorable terms.
- Rent-to-own instruments: these offer options where rent payments contribute towards eventual home ownership.

Housing preferences are divided into two categories. Analyzing both types can uncover potential discrepancies between what homebuyers say they want and what they choose, offering a view of consumer behavior in the housing market. These categories are:

- Stated preferences are the desires and expectations expressed by individuals through surveys or interviews.
- Revealed preferences are the actual choices made by consumers during the home-buying process.

Availability refers to the number and variety of housing units that are accessible in the market at any given time. It is a critical factor as it directly affects the choices available to first-time homebuyers and the ease with which they can find suitable homes. By examining the availability of housing, one can understand the market's capacity to offer diverse options to meet the needs of different homebuyers. However, for the purpose of this research, the variable of availability is excluded to maintain a narrower focus on the more immediate and tangible factors influencing first-time homebuyers.

Affordability involves assessing both the initial costs associated with purchasing a home and the ongoing financial commitments, such as mortgage repayments. It is a key determinant of a homebuyer's ability to sustain homeownership without financial strain. By examining affordability, the financial feasibility of homeownership for first-time homebuyers can be evaluated, helping to identify potential economic barriers and opportunities.

Accessibility in the housing context encompasses two dimensions: financial accessibility and information accessibility. Financial accessibility pertains to the ease with which homebuyers can secure funding and manage the costs of purchasing a home. Information accessibility involves the availability and clarity of information necessary for making informed decisions, such as details about market conditions and financial options. By examining accessibility, insights are gained into the ease with which homebuyers can navigate financial and informational hurdles in the home-buying process.

Entry chance refers to the probability of successfully acquiring a home in the competitive housing market. It is influenced by factors such as market conditions, homebuyer preparedness, and the regulatory environment, and it encapsulates the overall feasibility for first-time homebuyers to achieve homeownership. By examining entry chance, the likelihood of first-time homebuyers overcoming market competition and securing a home is better understood.

Conceptual framework

Expanding on the concepts and definitions, the conceptual framework, which encompasses these variables, is visualized in the following conceptual model illustrated in figure 1. This model clarifies the interconnections and relationships between the various factors influencing the experiences of first-time homebuyers, providing a view of how these elements interact within the Dutch housing market.

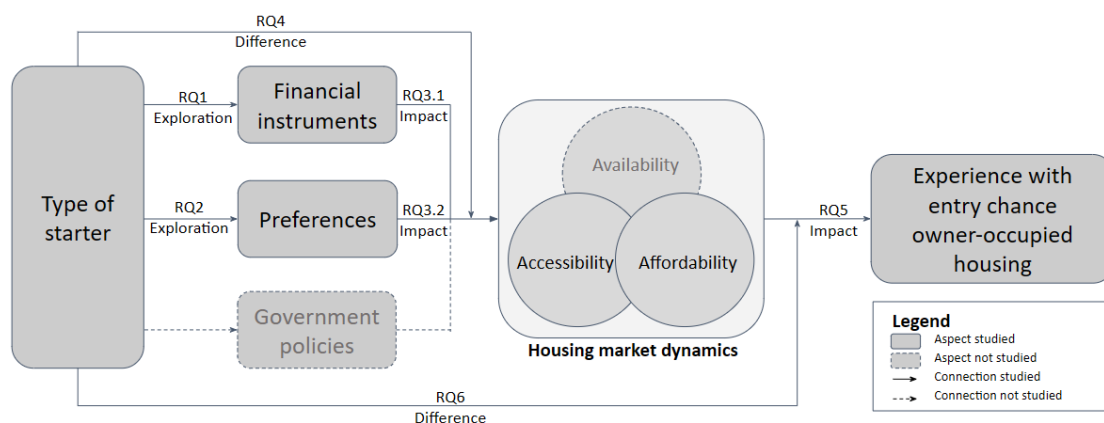


Figure 1 Conceptual model (Author, 2024)

Research questions

To answer the main research-question “*What lessons can be learned from the experiences of recent and potential first-time homebuyers to improve the prospects of homeownership in the Dutch housing market?*” the following sub-questions had been developed:

1. *What are the considerations of recent and potential first-time homebuyers regarding financial instruments?*
2. *What are the considerations of recent and potential first-time homebuyers regarding preferences?*
- 3.1 *What effect do considerations regarding financial instruments have on housing market dynamics (affordability and accessibility)?*
- 3.2 *What effect do considerations regarding preferences have on housing market dynamics (affordability and accessibility)?*
4. *To what extent does the effect of financial instruments and preferences on housing market dynamics (affordability and accessibility) vary among recent and potential first-time homebuyers?*
5. *What effect do housing market dynamics (affordability and accessibility) have on the experience with entry chances of owner-occupied housing?*
6. *To what extent does the effect of housing market dynamics (affordability and accessibility) on experience with entry chances of owner-occupied housing vary among recent and potential first-time homebuyers?*

Data collection

The study utilized a mixed methods approach to examine the experiences of first-time homebuyers in the Dutch housing market. Initially, a document analysis was conducted, followed by an analysis of the WoON data to investigate preferences of recent and potential first-time homebuyers. This analysis provided insights into the differences these types of homebuyers. Subsequently, in-depth interviews were carried out with a diverse group of recent and potential first-time homebuyers. These interviews delved into their decision-making processes and experiences regarding various financial instruments, preferences, affordability, accessibility, and entry chance. The data collected from these interviews were pivotal in addressing the sub-questions and the main research question, offering a nuanced understanding of the challenges and considerations first-time homebuyers face.

Sampling for the interviews

To ensure a diverse selection of participants, the study utilized purposive sampling, recruiting individuals through real estate brokers and proactive outreach within personal networks. The criteria used for the participant encompassed:

- Recent first-time homebuyers: individuals who have successfully purchased their first owner-occupied house from the year 2020 onwards. This category also includes individuals who transitioned from renting to homeownership.
- Potential first-time homebuyers: individuals who are currently actively engaged in the pursuit of purchasing their first owner-occupied house. This includes engaging in activities like attending open houses or viewing appointments, consulting with mortgage advisors, real estate agents, exploring mortgage options. These actions reflect a proactive stance toward entering the housing market and indicate a sincere commitment to starting the homebuying journey

Each group included six participants, providing a balanced representation of both recent and potential first-time homebuyers. To ensure the effectiveness of the interview questions and methodology, an additional pilot interview was conducted with a recent first-time homebuyer. This pilot interview helped refine the approach and improve the quality of data collected during the main interviews.

Findings

The literature study revealed the complexity of housing markets arises from the interplay of numerous factors, including governmental policies, financial instruments, preferences, and issues of availability, affordability, and accessibility. These elements not only interact with one another but also significantly affect individuals' opportunities to enter the housing market. Within this complex ecosystem, the difficulties faced by first-time homebuyers stand out, an area noticeably lacking in thorough investigation.

Data from the WoON survey illustrated significant differences in preferences between recent and potential first-time homebuyers. Recent first-time homebuyers often made practical compromises, such as choosing smaller properties or other locations, but also older houses. In contrast, potential first-time homebuyers generally have idealized preferences, prioritizing larger homes, better locations, or higher-quality features influenced by their aspirations. However, these preferences may not align with what they can realistically afford or find available, leading to a gap between expectations and reality.

The interviews provided valuable insights into the factors that influence their chances of entering the housing market and also looks into the differences between both groups. These lessons, categorized into financial instruments, preferences, affordability, accessibility, and entry chances, were derived from in-depth interviews with recent and potential first-time homebuyers, and is discussed next.

Regarding financial instruments, as highlighted in table 1, there exists a significant gap in knowledge and common misconceptions among first-time homebuyers. They tend to favor financial instruments that are linked to individuals rather than those tied to property, which are perceived as less risky and more secure for future financial stability. Options that potentially endanger property value or future financial security are generally avoided.

Lesson	Explanation
There is a lack of knowledge and widespread misconceptions about financial instruments.	Many first-time homebuyers struggle due to insufficient understanding and misconceptions about financial options, leading to suboptimal decisions. Enhancing financial literacy can empower homebuyers to make better choices.
Financial instruments tied to individuals instead of property are favorable.	Person-bound financial instruments provide greater flexibility and are more adaptable to the diverse needs of first-time homebuyers, making homeownership more accessible.
Financial instruments that pose risks and uncertainty are not favorable.	First-time homebuyers tend to avoid risky financial options that could compromise property value or financial stability. Providing safer alternatives supports long-term homeownership success.

Table 1 Lessons regarding financial instruments based on interviews (Author, 2024)

In terms of preferences, as illustrated in table 2, location emerges as a critical factor for first-time homebuyers. There is a pronounced inclination towards move-in-ready and newer homes, which are preferred for their convenience and lower immediate costs of renovations. Additionally, the current living situation significantly influences the degree to which homebuyers are willing to compromise on their preferences. Those living with parents tend to be more flexible in their housing choices to achieve independence, whereas renters typically seek homes that align closely with their ideal criteria.

Lesson	Explanation
The location is a key factor for many homebuyers.	Proximity to work, family, and social networks is essential. Homebuyers prioritize locations that support convenience and social ties, with minimal flexibility in this regard as it directly affects their lifestyle and daily routines.
There is a strong preference for move-in-ready and newer homes.	First-time homebuyers favor properties that are ready for immediate occupancy to avoid renovation costs and hassles. Newer homes are particularly attractive for their energy efficiency and lower maintenance needs, despite their higher initial cost.
The living situation influences the willingness to compromise.	Homebuyers living with their parents are more open to making compromises to achieve independence. Renters, however, are less inclined to compromise, seeking homes that meet their ideal criteria due to their current level of comfort and stability.

Table 2 Lessons regarding preferences based on interviews (Author, 2024)

Regarding affordability, as depicted in table 3, there is a notable gap impacting both the initial down payment and ongoing monthly mortgage payments. This gap is further exacerbated by overbidding in the competitive market, which drives property prices beyond their listed values. Additionally, financial inequality restricts opportunities for lower-income individuals, making it harder for them to save for down payments or secure affordable financing. This financial disparity creates significant barriers to homeownership for these groups.

Lesson	Explanation
There is an affordability gap in both down payments and monthly payments.	Rising property prices make it challenging for first-time homebuyers to afford the initial down payment and ongoing mortgage payments, pushing homeownership out of reach.
The overbidding exacerbated the affordability gap.	Overbidding in competitive markets pushes home prices above their listed values, escalating costs and increasing financial pressure on first-time homebuyers.
The financial inequality limits opportunities.	Financial disparities make it hard for lower-income individuals and single-income households to save for down payments or secure financing, restricting their chances of achieving homeownership.

Table 3 Lessons regarding affordability based on interviews (Author, 2024)

Regarding accessibility, as highlighted in table 4, the need for constant market monitoring adds a layer of complexity for homebuyers, making it challenging to stay informed and act promptly. Access to financial instruments remains limited, often due to stringent eligibility requirements or lack of awareness, reducing their utility for many potential homebuyers. Moreover, high-pressure tactics from selling agents exacerbate these challenges, pushing homebuyers to make rapid decisions that increase their financial and emotional risks. These factors collectively create significant obstacles for first-time homebuyers navigating the market.

Lesson	Explanation
There is need for daily monitoring of the market.	Constantly tracking the housing market can be overwhelming and stressful, making it harder for homebuyers to stay informed and make confident decisions.
There is limited accessibility to financial instruments.	Many financial instruments are not accessible to all homebuyers due to strict eligibility requirements, reducing their effectiveness and availability as options for home financing.
The high-pressure tactics from selling agents increase risk of homebuyers.	First-time homebuyer experience high-pressure tactics from selling agents increased their risk as homebuyers. They reported that they are forced into making quick decisions, leading to potential regrets and financial losses, and further driving up housing prices.

Table 4 Lessons regarding accessibility based on interviews (Author, 2024)

Regarding entry chance, as illustrated in table 5, first-time homebuyers often feel disproportionately disadvantaged by the prevailing market conditions, which include high competition and rising prices. However, thorough preparation, such as having a clear financial plan and understanding the market, can enhance their chances of successfully securing a home. Furthermore, setting realistic expectations about what they can afford and what compromises they might need to make is crucial for effectively navigating the home-buying process and managing potential frustrations.

Lesson	Explanation
First-time homebuyers feel disproportionately affected by current market conditions.	First-time homebuyers often perceive themselves as unfairly disadvantaged compared to repeat homebuyers who have more financial resources and market experience. This perceived disadvantage can reduce their confidence and willingness to participate in the housing market.
Good preparation enhances the chances of successfully entering the market.	Thorough financial and logistical preparation is crucial. Homebuyers with clear financial plans and market knowledge are better equipped to navigate the complexities of the housing market and secure a property.
Setting realistic expectations is essential for managing the home-buying process.	First-time homebuyers need a practical understanding of market conditions and challenges. Realistic expectations help them manage frustrations and make informed decisions that fit their budget and needs, improving their chances of successful market entry.

Table 5 Lessons regarding entry chance based on interviews (Author, 2024)

Limitations

The exploratory nature of the research lead to several inherent limitations. The intention was to delve into first-time homebuyers, providing insights on their experiences. The small sample size was selected to provide in-depth individual perspectives. While this approach limits the broad representativeness of the findings, it enriches the understanding of personal experiences in the home-buying process. Additionally, the brief duration of interviews may have limited the dept of exploration in some areas, although it was suitable for capturing a snapshot of key themes. Additional, concise descriptions of financial instruments might have caused misunderstandings and differing views, impacting the consistency of insights. Despite this, the essential information was adequately covered. Furthermore, emphasizing personal narratives in the research may have led to more favorable responses from participants regarding their home-buying experiences. Although there may be response bias, this method allows for a better understanding of individual stories and experiences. Additionally, the data reflects home-buying experiences during a period of economic instability, which may not be representative of normal market conditions.

Future research recommendations

Future research could explore several areas to better support first-time homebuyers. Firstly, investigating the range of financial instruments available could ensure they align with the diverse needs of first-time homebuyers, helping tailor these tools to various financial situations and goals. Secondly, examining the impact of aggressive selling tactics by selling agents, as experienced by the interviewees, could uncover how these practices affect property prices and the overall homebuyer experience. Understanding these impacts could lead to regulatory recommendations to protect consumers from high-pressure sales environments. Lastly, conducting a large-scale survey of recent and potential first-time homebuyers could provide comprehensive insights into their experiences and challenges, informing policies and support mechanisms to enhance their journey to homeownership. Such a survey would offer a broad perspective on the barriers and facilitators in the homebuying process, contributing to more effective and targeted interventions.

Recommendations for practice and policy

The research identifies the urgent need for interventions to support first-time homebuyers in the Dutch housing market, categorized into short-term, medium-term, and long-term strategic actions based on their feasibility and implementation timeline.

The interviews revealed a potential lack of awareness among first-time homebuyers about available financial instruments. This lack of knowledge could significantly hinder their ability to access beneficial financial products, making it more difficult for them to secure homeownership. Therefore, short-term actions could involve raising awareness of financial instruments through educational campaigns and creating a centralized online portal for housing market information. Collaborations with financial institutions and government agencies could facilitate these efforts, empowering homebuyers to make informed decisions.

Furthermore, the interviews revealed experiences of unequal access to financial instruments and their limited availability. Medium-term actions could focus on expanding and standardizing financial support programs, such as starter loans, across municipalities to ensure equal access for all first-time homebuyers. Additionally, the interviews indicated that professional help is crucial for navigating the complex housing market. Therefore, medium-term actions could include offering subsidies or vouchers for professional mortgage advisory services. These measures aim to level the playing field and provide the necessary guidance for navigating the complex market.

The interviews also suggested that first-time homebuyers often feel significant pressure from selling agents, which can lead to unwanted decisions and higher prices. To address these concerns, long-term actions could include regulating overbidding and speculative buying practices to stabilize the market. Such regulations could help prevent excessive price increases and create a more predictable and fair housing market. Additionally, considering the feedback from interviewees, it might be beneficial to establish ethical guidelines for selling agents to ensure fair treatment of homebuyers. This approach could contribute to a more transparent and equitable market, addressing the concerns raised by first-time homebuyers.

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1 Introduction

This chapter is focused on delineating the research context and articulating the problem statement, thereby establishing the necessity of this study within the current challenges of the Dutch housing market. It proceeds to outline the research questions derived from this problem statement, offering a clear trajectory for the investigation. A preliminary conceptual model is introduced as an analytical framework to steer the inquiry. Emphasis is placed on the societal and scientific relevance of the research, highlighting its role in addressing pressing issues such as housing shortages and inequality in homeownership entry opportunities. Subsequently, the goals and objectives are elucidated to specify the study's aims within this framework. Finally, the chapter provides an overview of the report structure. The purpose is to furnish the reader with an understanding of the research's scope, the significance, and the systematic approach adopted to delve into the intricate dynamics of the housing market for first-time homebuyers in the Netherlands.

1.1 Research context and problem statement

The Dutch housing market stands at a critical juncture, grappling with a profound shortage of available housing, which signifies a pressing issue of 'availability' referring to the quantity and variety of housing units on the market. This scarcity poses an enormous challenge of finding suitable homes for households across the Netherlands (Groot et al., 2022). In 2023, the statistical housing shortage reached a staggering 390,000 units, equivalent to 4.8% of the total number of households in the country (VolkshuisvestingNederland, 2023). This housing crisis has deep roots, stemming from longstanding flaws within the government's housing construction policies (Boelhouwer, 2020; Boelhouwer & Schiffer, 2019). These housing policies, while well-intended, have inadvertently worsened social and economic inequalities within the housing market. Thus, impacting the 'accessibility' which encompasses the ease with which households can physically and logistically access housing. The impact of these policies is most acutely felt by so-called housing market outsiders attempting to secure their first owner-occupied homes, as they contend with insiders (Boelhouwer, 2020). According to Boelhouwer and van der Heijden (2022) the impact of rising housing prices and strict income criteria for social housing disproportionately affects first-time homebuyers. It is more difficult for these first-time homebuyers to enter the housing market due to the ongoing rise in house prices. It consistently demands more financial resources to buy a home. This also relates to the 'affordability' aspect of the housing market, which is about whether households can financially secure housing that suits their needs.

First-time homebuyers, caught in this complex web of housing market dynamics, often find themselves in a challenging position regarding the availability, accessibility, and affordability of housing (Boelhouwer et al., 2022). Additionally, according to Aerts (2022), the situation is reflected in the falling success rates for first-time homebuyers between 2009 and 2021. Moreover, Muisers (2023) aggravates the already-existing housing shortage particularly for first-time homebuyers, especially for those with a gross household income ranging from €40,000 to €60,000 in 2023. This difficult scenario results from the income requirements for social housing eligibility. In 2023 the maximum income for households with one person is €44,035, while the maximum income for households with several people is €48,625 (Rijksoverheid, 2023). Nevertheless, individuals or households with higher incomes continue to face challenges in purchasing an owner-occupied home (Boelhouwer & van der Heijden, 2022). This difficulty arises from the fact that the average gross income of Dutch households with first-time homebuyers stood at approximately €67,500 in 2022. With this household income it is possible to get a bank loan for up to €312,000 at a 4% mortgage rate in 2022. Unfortunately, this mortgage is far below the average property price in 2022, which equaled €432,000 (DNB, 2023c). Consequently, many young people are compelled either to extend their stay with their parents or accept lower-quality living conditions (Boelhouwer & van der Heijden, 2022).

Within the Netherlands there is a distinct preference for homeownership. Data from the Rijksoverheid (2022b) revealed that in 2021, 61% of individuals expressed a strong desire to own their homes, whereas 39% favored renting. It must be noted that this preference exhibited significant age-related variations. Individuals under the age of 45 predominantly favor owner-occupied homes. Conversely, older individuals, notably those aged 65 and above, displayed a higher inclination toward rental housing options, as evidenced by DNB (2023a). This strong preference for homeownership highlights the prevailing inclination among prospective first-time homebuyers toward owning their own houses. Importantly, this preference seamlessly aligns with the Dutch government's persistent promotion of homeownership. In the Netherlands, homeownership extends beyond simply choosing a place to live. It is intricately interwoven with societal ideals such as wealth accumulation, personal freedom, independence, and financial responsibility. In contrast, renting is often associated with offering attributes such as security, convenience, and mobility (Elsinga & Hoekstra, 2004).

While the government has made numerous efforts to tackle housing market challenges over time, the implementation of these initiatives, often without a good understanding of the experiences of those directly affected, frequently fell short of achieving its intended objectives (Boelhouwer & Hoekstra, 2009). However, it is important to recognize that not only the experiences of established first-time homeowners matter, but the experience of aspiring to be first-time homebuyers are equally significant. Since this group has not yet succeeded in purchasing a home, their perspectives and aspirations are crucial to consider. Acknowledging the significance of these potential first-time homebuyers enables a comparative analysis with established first-time homebuyers, shedding light on the factors contributing to successful home purchases and the barriers faced by those who have not yet achieved homeownership. The inequalities that these first-time homebuyers face are characterized by problems with availability, accessibility, and affordability. This underscores the necessity of investigating this issue. This situation highlights a pressing problem that demands a solution to guarantee fair access to suitable housing for individuals aspiring to homeownership.

1.2 Research questions

Considering the problem statement presented in section 1.1, this research seeks to delve into the experiences of recent and potential first-time homebuyers. Following this, the section expands on these research questions, exploring their sub-questions and delving into more specific areas of examination.

The main research question is as follows:

“What lessons can be learned from the experiences of recent and potential first-time homebuyers to improve the prospects of homeownership in the Dutch housing market?”

This question aims to answer the main issues raised in the problem description. It is the result of the realization that, despite a sizable amount of research on the Dutch housing market, there is a clear knowledge gap about the first-time homebuyers who are at the center of the housing problem. This gap relates to their firsthand experiences. Their viewpoints are valuable for understanding the obstacles they encounter, which may not be fully apparent when solely examining quantitative data. By concentrating on qualitative findings, this research seeks to close this disparity. In addition, this research question is intended to extract useful advice and insights for decision-makers. Through experiences of recent and potential first-time homebuyers, the study aims to pinpoint areas where policy interventions could be beneficial. Additionally, implications are provided based on these insights alongside policy interventions.

The sub-questions that guided the main question read as follows:

1. *What are the considerations of recent and potential first-time homebuyers regarding financial instruments?*
2. *What are the considerations of recent and potential first-time homebuyers regarding preferences?*
- 3.1 *What effect do the considerations regarding financial instruments have on housing market dynamics (affordability and accessibility)?*
- 3.2 *What effect do the considerations regarding preferences have on housing market dynamics (affordability and accessibility)?*
4. *To what extent does the effect of financial instruments and preferences on housing market dynamics (affordability and accessibility) vary among recent and potential first-time homebuyers?*
5. *What effect do the housing market dynamics (affordability and accessibility) have on the experience with entry chance of owner-occupied housing?*
6. *To what extent does the effect of housing market dynamics (affordability and accessibility) on experience with entry chance of owner-occupied housing vary among recent and potential first-time homebuyers?*

1.3 Draft of conceptual model

This section presents a draft of the conceptual model. This model is designed to clarify and illustrate the relationships among key variables in the context of the Dutch housing market, specifically for first-time homebuyers. The main variable is ‘type of starter’ which also functions as an intervening variable, highlighting the varied experiences and challenges of recent and potential first-time homebuyers. This aspect emphasizes the intention to investigate the differences in experiences faced by them. The other variables include the availability, accessibility, and affordability of housing. But also, financial instruments, preferences, government policies, and the experiences with entry chances into owner-occupied housing. This visual representation, in figure 1.1, serves as a guide for exploring how these elements collectively shape the entry chances for first-time homebuyers into the housing market.

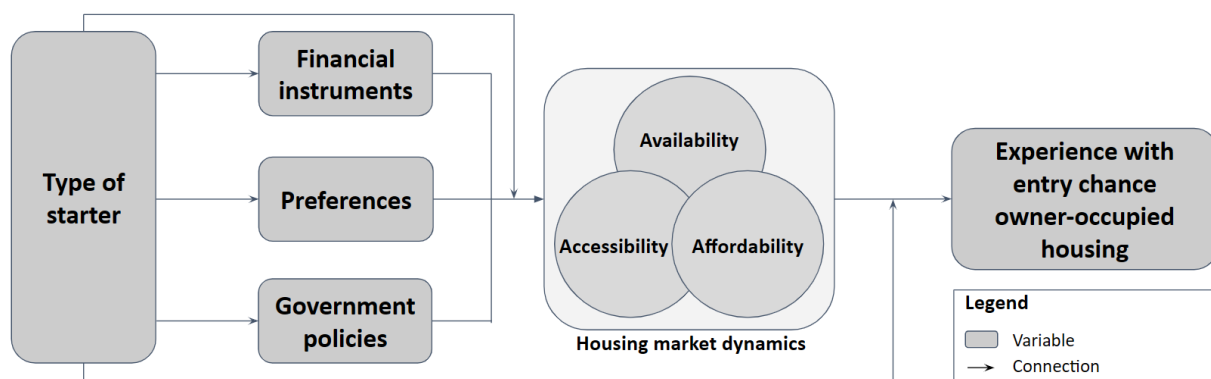


Figure 1.1 Draft version of the conceptual model (Author, 2024)

1.4 Societal and scientific relevance

Part of the societal relevance has already been mentioned in this chapter, but in brief, this research seeks to contribute to the societal problems that the Netherlands is now experiencing regarding housing shortage and inequality in homeownership entry chances. With an estimated shortage of 390,000 housing units in 2023, mainly first-time homebuyers, face significant challenges related to housing availability, accessibility, and affordability. This research carries importance from a societal perspective, spotlighting the enduring policy flaws within the Dutch housing market. These flaws have intensified social and economic disparities, posing substantial barriers for individuals pursuing their first owner-occupied homes.

Understanding the experiences faced by recent and potential first-time homebuyers is more than academic curiosity, it is a matter of social justice. It addresses longstanding flaws in housing policies that have inadvertently exacerbated social and economic inequalities within the Dutch housing market. The impact of these policies is deeply felt by outsiders trying to secure their first owner-occupied homes. By shedding light on these issues and offering recommendations, this research aims to contribute to equitable access to suitable housing for starters to the owner-occupied housing market.

Scientifically, this research occupies a notable niche within the realm of housing studies. While there has been a notable body of research exploring housing market dynamics, what sets this research apart is the direct engagement with recent and potential first-time homebuyers. It delves into the qualitative experiences of this demographic group, complementing existing quantitative data.

The research also underscores the necessity for policymakers to consider the experiences of those directly affected by housing policies. The implementation of initiatives without an understanding of these experiences often falls short of achieving their intended objectives. This emphasis on the importance of qualitative data and real-life narratives adds to the methodological diversity in the field.

1.5 Goals and objectives

The goal of this research is to understand the experiences of both recent and potential first-time homebuyers within the Dutch housing market. This exploration aims to uncover the multifaceted challenges, aspirations, and decision-making processes that these individuals encounter as they navigate the complexities of purchasing their first home.

To achieve this goal, the primary research objective is to gather empirical data on the experiences of these recent and potential first-time homebuyers. This involves delving into their personal journeys, from the initial consideration of homeownership to the completion of the buying process, or the ongoing challenges faced by those still striving to become homeowners. By focusing on direct experiences, the research seeks to capture a range of perspectives that reflect the diversity of circumstances and obstacles inherent in the current housing market.

This empirical approach is pivotal in addressing the existing gap in literature, where the specific needs and perspectives of recent and potential first-time homebuyers, especially in the Dutch context, have been underrepresented. Through this research, a nuanced understanding of the barriers and hurdles of these recent and potential first-time homebuyers is developed, providing valuable insights and recommendations informing policy and practice in the housing sector.

1.6 Structure of the report

To address the research question and provide a coherent framework for this study, the report is organized as follows. Chapter 2, *Literature study*, is focused on clarifying terms and key concepts related to the Dutch housing market. Chapter 3, *Research design and methods*, is focused on covering the research techniques and methods. Chapter 4, *Position of first-time homebuyers on the housing market*, is focused on gaining a better understanding of the situation of recent and potential first-time homebuyers. Chapter 5, *Recent first-time homebuyers*, is focused on the insights gained from the interviews among recent first-time homebuyers. Chapter 6, *Potential first-time homebuyers*, is focused on the insights gained from interviews among potential first-time homebuyers. Chapter 7, *Conclusion, Discussion, Limitations and Recommendations*, is focused on answering the main research questions, discussing the implications of the findings, addressing limitations, and offer recommendations.

2 Literature study

This chapter is focused on providing a general overview of the housing market and the research gap at hand. Furthermore, this chapter is dedicated to exploring definitions and concepts related to housing markets dynamics, government policies, financial instruments, housing preferences, and entry chance. The aim is to provide a better understanding of the intricate dynamics of these aspects within the context of first-time homebuyers in the Netherlands. The exploration of these concepts is important for understanding the multifaceted dynamics affecting first-time homebuyers, informing the formulation of the sub research questions and the development of the study's conceptual model. The rationale behind examining these areas stems from the necessity to understand how various factors interplay to influence the housing market and the position of first-time homebuyers within it. This chapter further aim is to elucidate these relationships, setting a foundation for addressing the empirical gap identified in literature. By doing so, it seeks to enhance understanding of the challenges and opportunities facing first-time homebuyers, thereby guiding the subsequent analysis and discussion towards meaningful insights and contributions to the field.

2.1 General overview and research gap

Housing markets are complex ecosystems influenced by various factors, including local dynamics such as wages, amenities, and local demand shocks according to Glaeser and Gyourko (2006). These local factors play a role in shaping housing markets, highlighting the intricate relationship between national-level policies and local market dynamics. Therefore, understanding the housing crisis caused by the housing shortage requires a view that considers both national and local influences. DiPasquale and Wheaton (1994) provides a key insight into the dynamics of homeownership demand. Their work reveals that the demand for homeownership is particularly responsive to fluctuations in house prices, exhibiting a stronger correlation than with annual user costs. This finding underscores the importance of comprehending the dynamics of housing prices in addressing the challenges faced by first-time homebuyers. Adding to the complexity of the affordability issue is recent research highlighting the significant impact of young households' ability to afford the down payment on a starter home (Ortalo-Magne & Rady, 2006). This discovery emphasizes the intricate web of factors that first-time homebuyers navigate when considering homeownership, with financial readiness playing a pivotal role in influencing housing prices. Moreover, the aspiration to own a home is closely tied to life course events and economic stability. Research indicates that individuals often contemplate the shift to homeownership in conjunction with life events such as achieving a stable family status and income. However, this decision is not solely driven by preferences based on their personal milestones but is also significantly influenced by economic conditions and housing market dynamics, making the pathway from parental homes to independent homeownership complex (Dieleman & Everaers, 1994).

Despite the wealth of housing market research, there exists an empirical gap concerning first-time homebuyers. Studies by Muisers (2023) and Schreuder (2023) have explored alternative options and potential solutions for this demographic group but lacked direct input from the group itself. Furthermore, research of Aerts (2022) on the changing position of first-time homebuyers focused solely on quantitative data, neglecting qualitative insights. This empirical gap aligns with one of the seven research gaps identified by Miles (2017). Therefore, this research aims to fill the empirical research gap by investigating insights derived directly from both recent and potential first-time homebuyers. As noted in the research context and problem statement, it is not only the experiences of these recent first-time homebuyers that are of importance. The perspective of potential first-time homebuyers, those who have not yet secured a home, is equally crucial to consider. This group, in their quest to enter the housing market, may provide valuable insights, not only into the barriers and hurdles they encounter during their search. Depending on the duration of their search, they can offer valuable perspectives on the evolving challenges they face.

2.2 Type of homebuyers

There are two types of homebuyers. These are the already settled homebuyers looking for another home, and first-time homebuyer's who are making their first move into the owner-occupied housing market.

A first-time homebuyer refers to an individual or household that is purchasing a residential property with the intention of becoming the primary occupant and has not previously owned or co-owned a residential property. This definition includes individuals who may have previously rented a home or lived with others but are now making their first purchase in the housing market. Within this research two types of first-time homebuyers are considered: these are recent first-time homebuyers, but also potential first-time homebuyers. The term recent first-time homebuyers in this case refers to individuals who have successfully navigated the home-buying process and purchased their first home from 2020 and onwards. The term potential first-time homebuyers in this case characterizes individuals who are actively engaged in the process of seeking an owner-occupied home. They have not yet made a purchase but are involved in activities like market research, financial planning, and property viewing. (Patrabansh, 2015).

On the other hand, settled homebuyers, distinct from first-time purchasers, comprise households with prior homeownership experience seeking another property, often motivated by a desire to upgrade to a larger residence, downsize to a more manageable one, or relocate for reasons ranging from job opportunities to lifestyle changes (Patrabansh, 2015).

2.3 Government housing policies

Government housing policies influence the dynamics of the housing market. According to Clapham (2018), housing policies are defined as any actions undertaken by a government or government agency that affect the processes or outcomes of housing. The housing market's supply, affordability, mortgage lending procedures, and general health can all be significantly impacted by these regulations.

These housing policies are there because housing is a fundamental right in the Netherlands. It is the government's responsibility to ensure that there are enough houses. For instance, by encouraging housing corporations and market parties to build more, and by making agreements with provinces and municipalities. These houses must be affordable and of good quality. Additionally, the area where the houses are located should be accessible and have sufficient greenery and amenities nearby (Rijksoverheid, n.d.-b).

In response to the availability, one of the three primary goals of the Dutch government is that they want to build 900,000 houses up until 2030. This distribution represents the allocation of housing supply, starting with affordable owner-occupied houses and mid-rent offered by market parties at 33.3%, followed by mid-rent offered by housing corporations at 5.6%, social rent provided by housing corporations at 27.8%, and other types of housing at 33.3% (Rijksoverheid, 2022a). To achieve the construction of 900,000 homes by 2030, the Dutch government is employing several strategies. These include forming agreements with provinces and municipalities through 'woondeals' to determine locations for new housing, with an emphasis on increasing affordable housing. Efforts are also being made to expedite the development process of housing projects. Additionally, the government aims to build 37,500 'flexwoningen' (flexible homes) by 2024 for temporary locations, and large-scale construction in areas facing severe housing shortages, targeting 400,000 new homes (Rijksoverheid, n.d.-a).

Another primary goal of the Dutch government, in terms of affordability, is dedicated to ensuring that housing costs align better with incomes. The focus is on providing suitable housing for special attention groups such as the elderly, enhancing conditions in vulnerable areas, and making sustainable housing universally accessible (Rijksoverheid, 2022a). The strategy aims to reduce the number of households burdened by high housing costs relative to their income and to make suitable and affordable housing more accessible. This approach especially targets young people, starters, and middle-income earners, enhancing their access to affordable rental and ownership options while improving protections for homebuyers and renters. The focus includes considering aspects like the size and quality of housing relative to the cost and incorporating sustainability measures to manage energy costs, particularly for poorly insulated homes (Rijksoverheid, n.d.-a).

The last primary goal of the Dutch government, regarding quality, pertains to ensuring adequate housing for special attention groups and the elderly, revitalizing vulnerable neighborhoods, and promoting sustainable housing that is accessible to all individuals regardless of their socioeconomic status. This objective underscores the government's commitment to fostering inclusive and resilient communities while addressing the diverse needs of the population (Rijksoverheid, 2022a).

2.4 Financial instruments

Financial instruments play a role in enabling homeownership in the housing sector, especially for first-time homebuyers. These instruments can be broadly categorized into housing-bound and person-bound types. Housing-bound instruments are dependent on available housing under specific schemes, while person-bound instruments are employed independently by homebuyers (Dol et al., 2023).

The Dutch housing market offers various financial instruments designed to enhance the affordability and accessibility of homeownership. These instruments can further be structured into five archetypal categories, each with a unique mechanism but sharing a common goal of making homeownership more attainable for first-time homebuyers. These instruments with the description can be seen in table 2.1 (Dol et al., 2023).

Archetypal instrument	Description
Purchase instruments	Allows buying below market value, with a deferred payment settled at resale, it also involves sharing value changes of the property with the original provider
Land lease instruments	Provides the right to occupy a house on leased land, with an annual fee (canon) for the land use
Hybrid purchase and land lease instruments	Combines purchase and land lease elements in special housing constructs
Rent-to-own	Offers innovative options where rent includes also equity building or includes a future purchase option
Financing instruments for starters	Offers additional loans to first-time homebuyers, often with initial periods free from repayment or interest

Table 2.1 Five archetype categories for instruments (Own table, based on Dol et al., 2023)

Each of these five main archetypal categories encompasses multiple instruments. Table 2.2 depicts several examples of these instruments regarding each category. The financing instruments are tailored to individuals and can therefore be applied to a wide range of properties, making them relatively more likely to be commonly utilized. On the other hand, other categories primarily consist of housing-specific instruments, limiting their use to the properties associated with these schemes. Consequently, they are expected to be relatively less popular due to their narrower applicability.

Archetypal category	Type of instrument	Description
Purchase instruments	KoopGarant	Offers homes below market value with a deferred payment, which is settled at resale. Value sharing upon selling back to the original provider
	Slimmer Kopen	Offers homes below market value with a deferred payment, which is settled at resale. Value sharing upon selling back to the original provider. And an obligatory resale right to the provider
	KoopStart	Provides homes at a price lower than the market value. Used mainly by developers for new constructions. Involves value sharing and self-occupancy
	Kopen naar Wens	Allows full purchase of property with up to 50% deferred payment. No repurchase by the original provider. Value sharing based on the initial price percentage
	Koperskorting DNGB	Allows homebuyers to acquire a property with deferred payment, refundable upon resale, and share any value changes caused by the owner-occupier with the owner-seller during settlement
Land lease instruments	Duokoop	Buyer purchases the property without land, which is bought by Duokoop and leased back, offers flexibility in land purchase and resale.
Hybrid purchase and land lease instruments	Betaalbaar Kopen Zaanstad	Provides income-dependent land lease and partial purchase below market value
Rent-to-own instruments	KoLat: Koop Later	A rent-to-own model, allowing tenants to purchase the home later at a pre-determined price
	Cokopen	A cooperative model focusing on affordable housing with an option for asset building for middle-income households
Financing instruments	Starters loan	Supplementary loan for first-time homebuyers. Offers an initial period without repayment
	Starterskorting DNGB	Allows homebuyers of new homes to make a deferred payment of 5% to 40% of the Free on Name price (VON price). homebuyers retain all market value gains or losses, and there is no buyback option. If the property is resold, the deferred payment is repaid to the provider with early settlement incentives
	NHG	NHG acts as a mortgage guarantee scheme, providing security to both borrowers and lenders in case of mortgage default. It offers lower interest rates and a safety net in various life circumstances, making homeownership more affordable and accessible, especially for first-time homebuyers
	Family mortgage	A family mortgage is a private loan arrangement where funds are borrowed from a family member. The loan terms, including amount, interest rate, and repayment, are decided mutually. It is often used for personalized and flexible lending, such as parents assisting their children with home purchases or renovations

Table 2.2 Financial instruments for each category (Own table, based on Dol et al., 2023; NHG, n.d.; VerenigingEigenHuis, n.d.)

In conclusion, the table provides an overview of several financial instruments available in the Dutch housing market. These instruments serve to enhance the affordability and accessibility of homeownership, benefiting both first-time homebuyers and those who already bought a home before. However, it is important to emphasize that these financial tools are primarily tailored to assist first-time homebuyers, often imposing specific income limitations. While they can be valuable resources for those entering the housing market, individuals with prior homeownership experience should carefully consider their eligibility and suitability. Ultimately, the diverse range of financial instruments offers opportunities for individuals with varying financial situations to achieve their homeownership goals.

2.5 Housing preferences

To gain a better understanding of the decision-making process within the housing market, especially for first-time homebuyers, it is good to delve into individual housing preferences. When buying a home, judgments are based mostly on housing preferences, which reflect a combination of needs, wants, and practical considerations. These preferences are not only personal but are also shaped by a variety of factors, as identified by Khan et al. (2017), these factors include demographic background, finance, location, dwelling features, neighborhood, infrastructure facilities, environment, developer service quality, and even superstitious belief. Each of these factors contributes to the decision-making process in unique ways, influencing the final choice of a home. It is important to note that the impact of these factors may vary from one individual to another, shaped by their distinct needs and financial capabilities.

While housing preferences are inherently subjective, they can be broadly categorized into two types: stated and revealed preferences. Stated preferences are those openly disclosed by individuals and are often gathered through questionnaires or interviews. These preferences provide insights into what homebuyers claim to value in a house, encompassing factors like location, size, cost, and specific features. In contrast, revealed preferences are inferred from the actual choices made by consumers when purchasing a home. These preferences become apparent through the types of residences individuals ultimately buy and may occasionally differ from their stated preferences. These deviations are frequently driven by practical constraints such as financial limitations or market conditions. It is crucial to consider both types of preferences because stated preferences may not always accurately predict actual behavior. Therefore, examining revealed preferences alongside stated ones is essential in research and analysis (Quaife et al., 2018; Viney et al., 2002). Considering this, it becomes evident that while housing preferences are inherently subjective, they exhibit discernible patterns that facilitate the study of preferences within households. Consequently, it becomes possible to investigate these preferences by categorizing them into specific patterns, underscoring the importance of exploring both stated and revealed preferences in research and analysis.

The easiest way to get to know people's housing needs is to ask them. This is so-called 'stated preference' research (De Groot et al., 2011). This has been happening in the Netherlands through the government for decades in WoON (WoonOnderzoek Nederland) research, which is a recurring national survey conducted by the ministerie van Binnenlandse Zaken en Koninkrijksrelaties.

2.6 Housing market dynamics and entry chance

First-time homebuyers should have a good understanding of the intricate dynamics of the housing market. These dynamics include three primary aspects, also known as the triple A's: availability, affordability, and accessibility. Each of these elements has a crucial role in shaping the experiences of those entering the housing market for the first time (Raja, 2023).

2.6.1 Availability

The number and variety of housing units that are available on the market at any time are referred to as availability in the housing market. Available housing refers to all vacant, unoccupied residential properties or other spaces for occupancy in seasonal or temporary housing that would not violate national, provincial, or local occupancy standards (LawInsider, n.d.). Finding appropriate accommodation might be either easier or harder depending on these criteria. The options are directly impacted by the supply of houses, particularly those geared toward first-time homebuyers, including more modestly priced flats. The availability of entry-level homes has been observed to be in short supply in recent years, which has made it more difficult for first-time homebuyers to locate homes that suit their requirements and financial constraints.

In 2023, the Dutch housing market comprised approximately 4.6 million owner-occupied units, representing 57% of all housing units in the country. From these houses, around 50,000 units got sold in the last quarter of 2023 (CBS, 2024b). Currently, the housing shortage, in 2023, is estimated in 390,000 housing units (VolkshuisvestingNederland, 2023). Indicating a serious tightness on the housing market, which has increased over the years as can be seen in figure 2.1. This chart indicates that there are relatively few homes for sale in relation to the demand. In such a market, homebuyers have fewer options and prices may rise due to the scarcity of homes (Boumeester, 2024).

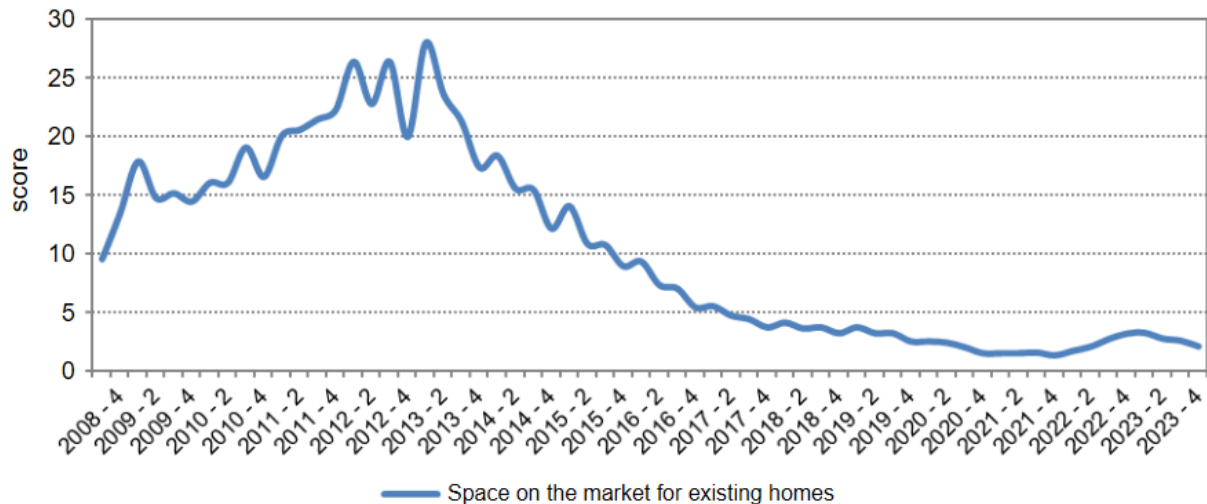


Figure 2.1 Availability trends in the market for existing homes from 2008 to 2023 (Boumeester, 2024, modified)

Data for February 2024 show that around 36,000 units are available for sale. This number is approximately 0.8% of all the owner-occupied units (Funda, 2024). In combination with the tightness of the housing market, the average listing period of a house has been decreasing for years, as can be seen in figure 2.2. Here it can be seen that where in 2014 a home for sale was offered for about a year and a half and the sale of a home typically took around ten months, this has decreased rapidly. In 2021, a home was on the market for an average of less than four months. Homes sold in 2021 were typically listed for less than two months. This rapid turnover reflects the increasingly tight housing market conditions homebuyers are facing (CBS, 2024c).

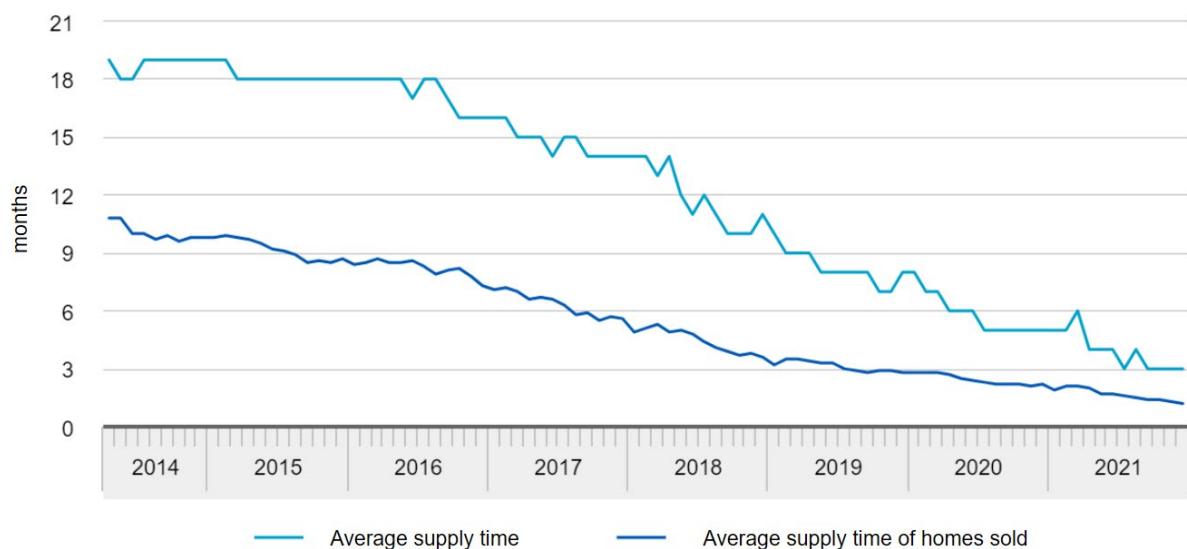


Figure 2.2 Duration of homes on the market from 2014 to 2021 (CBS, 2022b, modified)

2.6.2 Affordability

In the Dutch housing market, affordability is a complex concept that includes more than just standard rent-to-income or house price-to-income ratios. It also reflects the wider range of financial difficulties that people encounter. This covers how housing costs affect other non-housing expenses and discretionary income. Income levels are just one facet of affordability; other factors include the capacity to finance a house purchase (purchase affordability) and maintain mortgage repayments (repayment affordability). These last two factors are especially important for first-time homebuyers in the expensive Dutch market. This broader perspective of affordability, influenced by property prices, interest rates, and income levels, highlights the financial feasibility for individuals or households to secure housing. As property prices and interest rates rise, affordability increasingly becomes a major barrier, especially for first-time homebuyers (Bieri, 2013).

The concept of housing affordability has seen notable transformations, as highlighted by the evolution of the affordability index, illustrated in figure 2.3. The affordability index, a crucial metric, quantifies the proportion of net household income dedicated to net housing costs, with calculations based on the acquisition of a property at the average WOX house price, alongside average mortgage interest rates and household incomes for the relevant period. Starting from 2008, the analysis demonstrates a period during which housing progressively became more attainable for prospective homebuyers, a trend reflected by a steady improvement in the affordability index up until 2021, with the housing cost expenditure to income falling from a level of more than 26% to about 12%. After this period, a significant shift occurred, marked by an uptick in the affordability index, which translated into a decline in housing affordability. This reversal indicates a substantial change in the housing market's dynamics, pushing affordability back to levels previously seen in 2008, 25% in 2023. This turn of events not only reveals the cyclical behavior of housing affordability but also sheds light on the heightened barriers that individuals and families now face when attempting to purchase homes in the current market (Calcasa, 2023a).

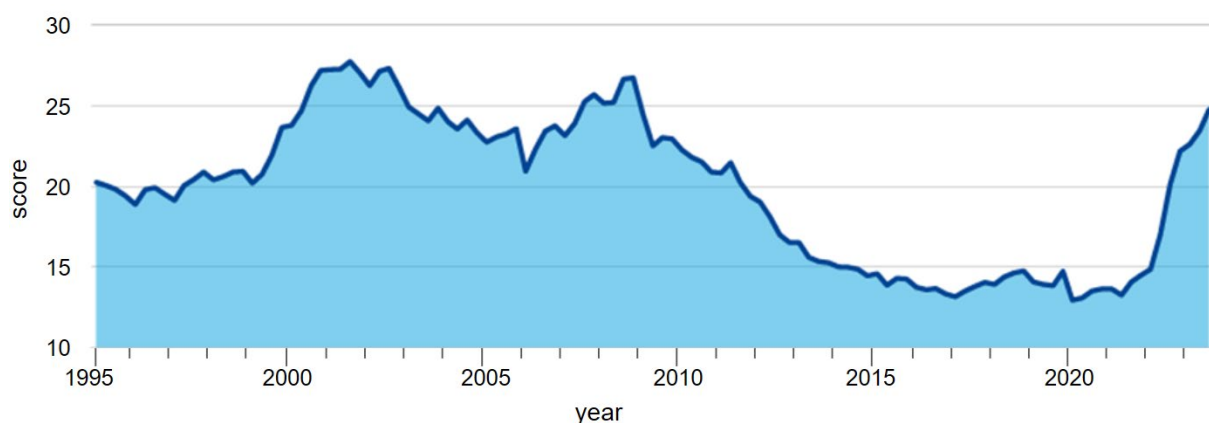


Figure 2.3 Housing affordability index in the Netherlands from 1995 to 2023 (Calcasa, 2023a, modified)

In the closing quarter of 2023, the average sale price for owner-occupied houses was recorded at €422,712. Over time, there has been a considerable escalation in housing prices, where a house in 1995 was sold on average for €93,750, in 2005 this more than doubled to €222,706 and in 2022 this nearly doubled again to over €428,591. This indicates that there is a fourfold increase in average selling price over the last thirty years (CBS, 2024a). This rapid ascent in housing prices highlights the intensifying issue of affordability within the Dutch housing market. Additionally, it is important to recognize that average housing prices vary significantly across municipalities, a disparity clearly visible in figure 2.4. This figure demonstrates that prices within the Randstad are notably higher compared to the national average (CBS, n.d.).

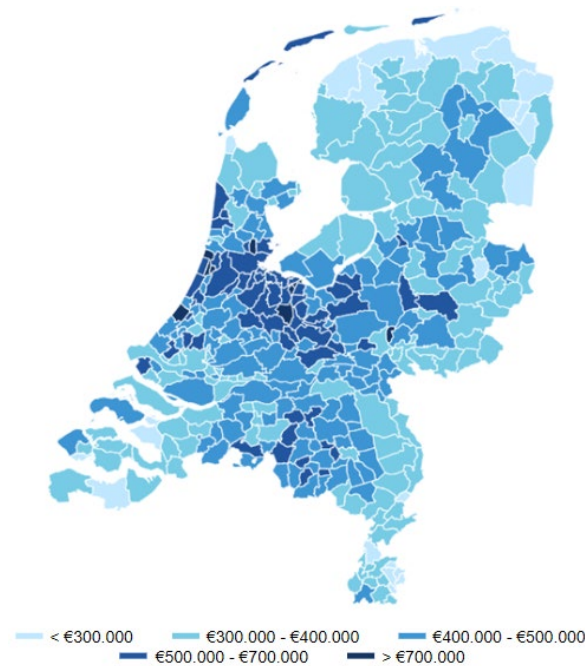


Figure 2.4 Average selling price of housing per municipality Netherlands in 2023 (CBS, n.d., modified)

The growth in gross household income has unfortunately not kept pace with this rapid increase in housing prices. Whereas in 1995 the average household income equaled to €58,100, in 2005 equaled to €67,800, and in 2020 equaled to €75,200. Even though there has been some upward movement in household earnings, it falls considerably short of matching the rate at which housing prices have surged. This disparity between the growth of house prices and gross household income is meticulously illustrated in figure 2.5 (CBS, 2022a). This figure highlights the challenges faced by potential homebuyers nowadays in accumulating sufficient financial resources to navigate the property market successfully, reflecting broader economic changes and the impact on affordability over the past two and a half decades, where the gross household income needed to buy a house increased.

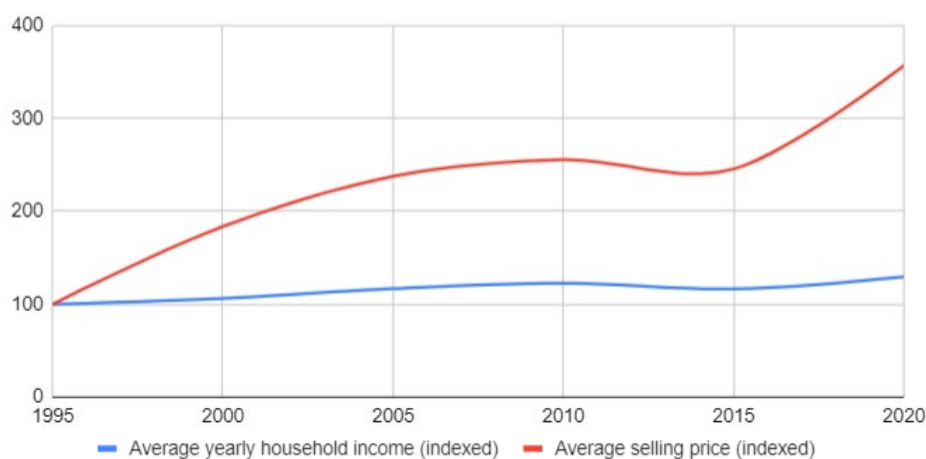


Figure 2.5 Indexed comparison of average yearly gross household income and average selling price of homes from 1995 to 2020 (Own figure based on CBS 2022a and CBS 2024a)

Transitioning from the historical perspective of income requirements for homeownership, the focus shifts towards the contemporary dynamics of loan capacity and the implications on housing affordability. The escalation in gross household income needed to finance the purchase of an average-priced home from 1995 to 2020 paints a stark picture of the increasing financial burdens on potential first-time homebuyers. This backdrop sets the stage for a deeper examination of how loan capacity has evolved in response to these changing market conditions.

An in-depth analysis is provided in figure 2.6, which charts the development of loan capacity over a span from 2008 to 2023. This graph provides a longitudinal analysis of the housing market over a span from 2008 to 2023, tracking three distinct metrics. The first metric, represented by the blue line, delineates the mortgage capacity for individuals earning a single modal income, while the red line represents the mortgage capacity for households with dual modal incomes. The dotted green line indicates the median selling price of homes during this period. It is evident from the graph that while the lending capacity for both single and dual-income households has increased over the years, the median selling price of homes has escalated at a more rapid pace. This divergence suggests that the growth in potential borrowing power has not kept pace with the increase in property prices. Particularly noteworthy is the trend after 2020, where the median selling price shows a steep incline, indicating a market condition that could potentially exacerbate the challenge for single and dual-income households to afford average-priced homes. The data imply a widening gap between housing prices and affordable mortgage capacity, which may have significant implications for the housing market's accessibility to the average earner (Boumeester, 2024).

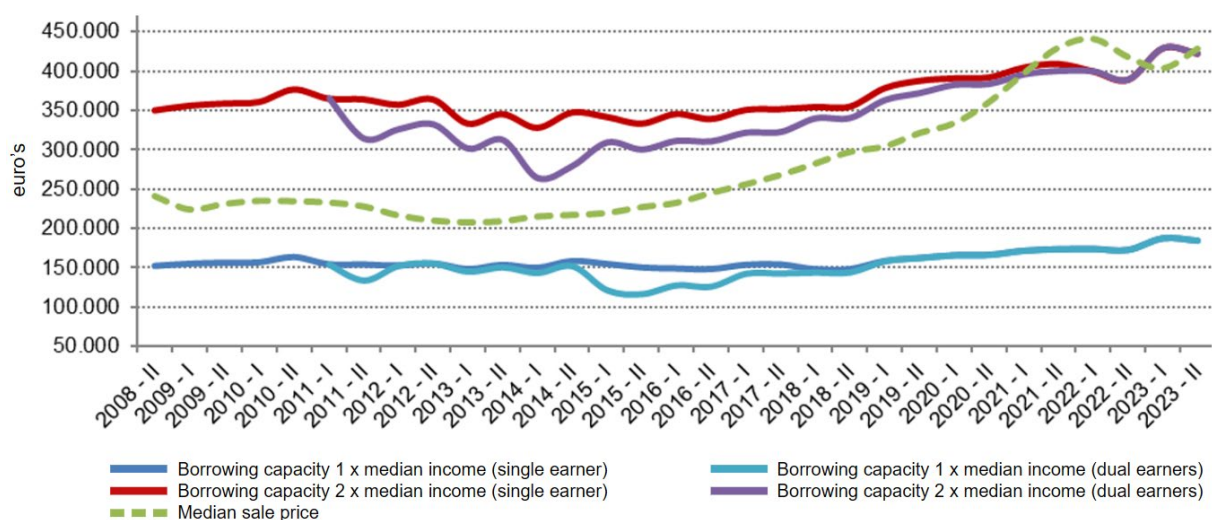


Figure 2.6 Lending capacity and median sales prices from 2008 to 2023 (Boumeester, 2024, modified)

2.6.3 Accessibility

The AAAQ (Availability Accessibility Acceptability Quality) framework, as outlined by Unicef (2019), offers a comprehensive approach to understanding and addressing barriers across a variety of service sectors, extending the applicability beyond the initial healthcare focus to encompass housing market challenges. UNICEF's adaptation of the AAAQ framework delineates various accessibility dimensions, including physical, financial, bureaucratic/administrative, social, and information accessibility, providing a nuanced lens through which to examine service access barriers. In the context of this research, an emphasis on financial and information accessibility has been chosen. This decision is based on the role these dimensions play in affecting first-time homebuyers' engagement with the Dutch housing market. Financial accessibility is pivotal in determining the economic feasibility of acquiring a home, while information accessibility critically shapes first-time homebuyers' comprehension and navigational capacity within the market. Despite the relevance of physical, social, and administrative dimensions, the prevailing barriers deterring first-time homebuyers are assumed to predominantly revolve around financial constraints and the intricate nature of market information. Financial accessibility, within the AAAQ framework, focuses on the costs involved in acquiring an owner-occupied home, including mortgage rates and down payments. Information accessibility pertains to the ease of obtaining and understanding relevant information for prospective homebuyers. This dimension examines the clarity and availability of housing market information, such as property listings, neighborhood demographics, and legal requirements.

2.6.4 Entry chance

Affordability, accessibility, and availability housing -together indicated as market dynamics- significantly influence the concept of 'entry chance' which refers to the likelihood of successfully acquiring a house. In 2022, focusing on national-level data, the entry chance for an average individual starting out in the housing market was such that they could afford only 3.4% of owner-occupied homes on a single income. In contrast, the entry chance of households with dual incomes was 40% of the available owner-occupied housing stock (Calcasa, 2023b).

This data aggregates regional information to present a comprehensive view of the market across the Netherlands (Calcasa, 2023b). Entry chance encompasses various elements that gauge the ease or difficulty individuals face in becoming homeowners. The three primary factors that impact this chance are accessibility, affordability, and availability. This concept serves as a crucial indicator of the overall health and inclusivity of the housing market. A housing market with a high entry probability is characterized by greater equity and accessibility, enabling a larger portion of the population to participate actively and successfully. The interplay among these aspects is noteworthy. Availability exerts an impact on both affordability and accessibility. When there is an insufficient supply of suitable homes, prices rise, and fewer people can access them. Similarly, affordability constraints can restrict accessibility, as financial barriers deter potential homebuyers from entering the market. Moreover, accessibility issues, driven by regulatory or discriminatory factors, can influence the perceived availability and affordability of housing. Accessibility in the housing market includes not just the physical availability of homes, but also regulatory hurdles, financial accessibility in terms of financing options, socioeconomic barriers like creditworthiness and discrimination, and geographical factors impacting where and what type of housing is accessible. A comprehensive understanding of these interconnected dynamics is essential for first-time homebuyers as they navigate the intricate path toward homeownership.

2.7 Conclusion

The complexity of housing markets arises from the interplay of numerous factors, including governmental policies, financial instruments, preferences, and issues of availability, affordability, and accessibility. These elements not only interact with one another but also significantly affect individuals' opportunities to enter the housing market. Within this complex ecosystem, the difficulties faced by first-time homebuyers stand out, an area noticeably lacking in thorough investigation. This study delves into two distinct segments: the recent first-time homebuyers and potential first-time homebuyers. Recent first-time homebuyers encompass individuals who have successfully navigated the home-buying process and purchased their first home from 2020 and onward. Potential first-time homebuyers encompass individuals who are actively engaged in the process of seeking an owner-occupied home. Understanding the journey including the experience of this group is crucial, it can help in identifying and overcoming the obstacles faced by these groups, thus paving the way for the development of precise solutions and policies that effectively meet their needs.

Housing policies, which encompass any actions by governments or their agencies impacting housing procedures or results, play a pivotal role in shaping the living standards within the society. In the Netherlands, where housing is deemed a fundamental right, the government's commitment is reflected through the ambitious objectives. These include the construction of 900,000 homes by 2030 to address availability, aligning housing costs with income levels to enhance affordability, and ensuring high-quality housing for groups requiring special consideration. These goals underline the concerted effort to create a balanced and inclusive housing market that meets the diverse needs of the population. Despite the positive intentions behind these policies, they have inadvertently led to heightened social and economic inequalities within the housing sector, underscoring the imperative for a more refined strategy to overcome these entrenched issues.

Financial instruments within the housing market can be classified into two main types: person-bound and housing-bound. Person-bound instruments are versatile, applicable across a broad spectrum of housing options, while housing-bound instruments are more restricted, their applicability and usage constrained by specific availability, making them relatively less commonly employed. These instruments further break down into five primary categories: purchase instruments, land lease, a combination of purchase and land lease (hybrid), financing, and rent-to-own instruments. Typically, person-bound instruments are predominantly found in the financing category, whereas housing-bound instruments are generally associated with the other four categories, delineating their distinct roles and applications within the housing finance landscape.

Housing preferences can be divided into two distinct categories: stated and revealed. Stated preferences are explicitly expressed by individuals, commonly collected via surveys or interviews. In contrast, revealed preferences are deduced from the actual decisions consumers make during the home-buying process. It's important to note that what individuals claim as their preferences often differs from their actions, indicating a discrepancy between stated and revealed preferences. This distinction highlights the complexity in understanding consumer behavior within the housing market, as the preferences individuals profess may not always align with the choices they ultimately make.

Availability in the context of housing denotes the range and number of units ready for occupancy. In 2023, the housing market faced a substantial shortfall, with a shortage estimated at 390,000 units, reflecting a considerable squeeze. This contraction in the market has seen the pool of available homes for sale diminish in relation to demand, a trend contributing to escalating prices because of this scarcity. Furthermore, the time homes spend listed on the market has seen a marked reduction, with the average duration dropping to less than four months in 2021 from roughly ten months in 2014, illustrating the increased pace at which properties are being purchased. This situation leads to increased competition, compelling homebuyers to make quick decisions.

Affordability transcends conventional measures such as rent-to-income or house price-to-income ratios, by considering the wider financial challenges faced by individuals. It delves into how housing costs affect expenditures unrelated to housing and the amount of discretionary income available, highlighting the significance of both purchasing power and the ability to sustain mortgage repayments. Crucial for first-time homebuyers, affordability is shaped by a matrix of factors including property prices, interest rates, and income levels, which collectively influence the economic viability of acquiring and maintaining housing. Thus, understanding affordability requires a nuanced appreciation of both the capacity to finance the initial purchase of a house and the ongoing capability to meet mortgage obligations.

Financial accessibility on the other hand plays a pivotal role in defining the economic viability of home acquisition, covering essential aspects such as mortgage rates and initial down payments. Equally important is the accessibility of information, which is fundamental for enabling first-time homebuyers to understand and navigate the housing market effectively. This encompasses the clear presentation and availability of vital market data, such as property listings and the legal stipulations involved in purchasing a home. Together, financial and information accessibility are important components that influence an individual's ability to successfully enter the housing market.

In conclusion, the interplay of affordability, accessibility, and availability, critically shapes the 'entry chance' or the probability of individuals successfully purchasing a home. This concept of entry chance starkly highlights the disparities within the housing market: while an average individual's likelihood of acquiring an owner-occupied home stand at a mere 3.4%, the probability increases significantly to 40% for households with dual incomes. This underscores the profound impact of these market dynamics on an individual's ability to navigate the housing market and secure a home, emphasizing the need for targeted measures to improve entry chances.

3 Research design and methods

This chapter is focused on the research design and methodology, centered around the conceptual model, which guides the structured exploration of how various factors influence the experiences of recent and potential first-time homebuyers. The aim is to gain deeper insights into their journey towards owner-occupied housing by investigating specific research questions corresponding to each connection within the conceptual model. The method for each question, including sampling criteria, method, and participant recruitment, is discussed, prioritizing ethical considerations such as integrity, respect, and accountability. Additionally, the chapter outlines the approach to data collection, analysis, and presentation, ensuring a better understanding of the foundational elements of the research methodology.

3.1 Conceptual model and research questions

Expanding on the concepts and definitions outlined in chapter 2, this section introduces and elaborates on the conceptual framework illustrated in figure 3.1. Serving as the cornerstone of the research framework, this conceptual framework visually represents the research sub-questions and delineates the relationships among various variables. These variables encompass government policies, financial instruments, preferences, affordability, accessibility, availability, type of starter, and experience with entry chance owner-occupied housing. The framework elucidates how these variables interact to shape the journey of recent and potential first-time homebuyers, specifically examining how their experiences are molded by diverse factors in their pursuit of owner-occupied housing.

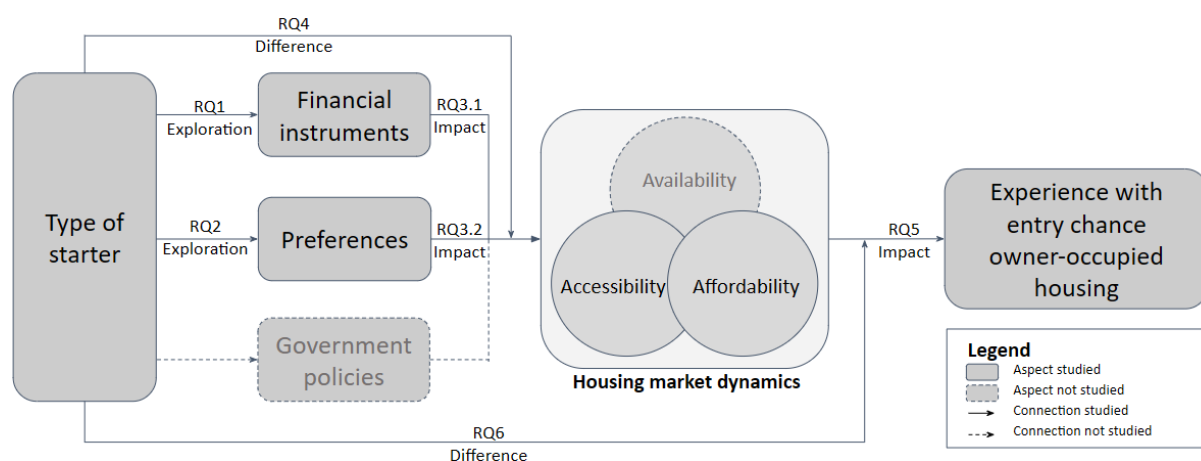


Figure 3.1 Conceptual model (Author, 2024)

Within the framework elements such as government policies, financial instruments, and individual preferences are included. These elements have an impact on the dynamics of the housing market. The housing market's dynamics are represented by three key factors: affordability, availability, and accessibility. These factors, in turn, influence the experiences regarding the entry chances into owner-occupied housing. In this model, the 'type of starter' is conceptualized as an intervening variable. This variable explores the extent to which the effect of housing market drivers on housing market dynamics varies across different types of starters. Furthermore, it examines how the impact of housing market dynamics on the experienced or anticipated entry chance into owner-occupied housing differs depending on the type of starter. This approach acknowledges that the influence of market drivers and the resulting market dynamics are not uniform across all first-time homebuyers.

In the conceptual model, the decision was made not to include government policies and availability as direct factors of analysis. The rationale behind this exclusion stems from the study's focused examination on the more immediate and tangible influences impacting first-time homebuyers' experiences and decision-making processes. Government policies, while influential, encompass a broad spectrum of regulations, guidelines, and initiatives that indirectly affect homebuyers through various mechanisms such as financial instruments and market dynamics. The complexity and broad scope of these policies make it challenging to isolate their direct impact within the scope of this research. Excluding availability from the research allows for a deeper exploration of factors directly influencing individuals' housing experiences, such as affordability and accessibility. By narrowing the focus, the research can dedicate more time and resources to thoroughly investigate these specific factors, uncovering the intricate nuances that shape first-time homebuyers' decisions and experiences.

Financial instruments, related to fiscality, such as tax deductions, represent a more direct interface through which government policies manifest their effects on first-time homebuyers (DNB, 2021). These instruments are concrete mechanisms that individuals interact with and are influenced by in their journey towards homeownership. For example, tax deduction for mortgage interest payments directly affect the affordability of buying a home for first-time homebuyers. In this study, such financial instruments are examined, acknowledging their role as the operational means through which broader government policies are experienced by first-time homebuyers. However, the overarching policies that govern the creation and implementation of these deductions are not analyzed independently. This distinction is crucial for focusing the study on the practical, experienced aspects of market entry for first-time homebuyers, rather than the broader, more abstract realm of housing policy.

Therefore, while financial instruments related to fiscality, such as tax deductions, are considered for their direct impact on the affordability and accessibility of housing for first-time homebuyers, the broader policy frameworks that establish these instruments is not focused on in this analysis. This approach allowed for a more concentrated examination of the immediate factors influencing first-time homebuyers' experiences and decisions in the Dutch housing market.

Following this focused approach, the research is designed to explore the experiences of recent and potential first-time homebuyers in the Dutch housing market. It integrates both theoretical and empirical research to address the main question: *What lessons can be learned from the experiences of recent and potential first-time homebuyers to improve the prospect of homeownership in the Dutch housing market?* To address the main research question, a set of six sub-questions have been developed based on the literature study in chapter 2. These sub-questions are designed to dissect different aspects of the Dutch housing market as it pertains to recent and potential first-time homebuyers.

The sub-questions are formulated next, and they are each followed by a short description of the data collection techniques:

1. *What are the considerations of recent and potential first-time homebuyers regarding financial instruments?*

Initially, a document analysis is conducted to unveil the diverse mechanisms available to facilitate homeownership for this demographic. Subsequently, these mechanisms are explored and discussed in-depth interviews with recent and potential first-time homebuyers. This question aims to unravel the decision making of recent and potential first-time homebuyers regarding financial instruments.

2. *What are the considerations of recent and potential first-time homebuyers regarding preferences?*

Initially, a statistical analysis is conducted to compare stated preferences with revealed preferences, derived from observed behaviors or choices in the housing market. Subsequently, in-depth interviews are held with recent and potential first-time homebuyers to delve into their specific preferences and priorities. This question aims to unravel the decision making of recent and potential first-time homebuyers regarding preferences.

3.1 *What effect do the considerations regarding financial instruments have on housing market dynamics (affordability and accessibility)?*

After answering research question 1, this inquiry focus shift to explore the relationship between the considerations regarding financial instruments and housing market dynamics. By examining how factors such as mortgage options, down payment assistance programs, and government incentives impact affordability and accessibility within the housing market, this question aims to uncover the nuanced effects of these considerations on broader market dynamics.

3.2 *What effect do the considerations regarding preferences have on housing market dynamics (affordability and accessibility)?*

After addressing research question 2, this inquiry focus shift to explore the impact of considerations regarding preferences on housing market dynamics. By examining how factors such as housing preferences influence individuals' decisions and behaviors in the housing market, this question aims to uncover the nuanced effects of these considerations on broader market dynamics.

4. *To what extent does the effect of financial instruments and preferences on housing market dynamics (affordability and accessibility) vary among recent and potential first-time homebuyers?*

After addressing research question 3.1 and 3.2, this inquiry focus shift to addressing the differences between the recent and potential first-time homebuyers. By scrutinizing the differences between these two groups, this question aim is to uncover any disparities in how financial instruments influence affordability and accessibility within the housing market, with a focus on understanding why one group successfully managed to enter the market while the other continues to search.

5. *What effect do the housing market dynamics (affordability and accessibility) have on the experience with entry chance of owner-occupied housing?*

This question examines the impact of housing market dynamics on the experience with entry chance of owner-occupied housing. By investigating how these dynamics influence individuals' opportunities to enter the housing market as homeowners, this research question aim is to uncover the complexities of navigating the housing landscape. Through this inquiry, the research seeks to shed light on the challenges and opportunities faced by individuals seeking to become homeowners.

6. *To what extent does the effect of housing market dynamics (affordability and accessibility) on experience with entry chance of owner-occupied housing vary among recent and potential first-time homebuyers?*

After addressing research question 5, this inquiry focus shift to assessing potential variations in the impact of housing market dynamics, particularly affordability and accessibility, on the experience with entry chance of owner-occupied housing among recent and potential first-time homebuyers. By scrutinizing the differences between these two groups, this research question aim is to uncover any disparities in how housing market dynamics influence their ability to enter the market as homeowners.

In figure 3.2, the interconnected relationship among the formulated sub-questions is illustrated. Sub-questions 1 and 2 are initially tackled to establish background knowledge, providing the groundwork for subsequent interviews in sub-questions 3.1, 3.2, and 5. Completion of either set of these sub-questions then directs attention to addressing sub-question 4 or 6, respectively. Ultimately, answering all sub-questions in this sequence facilitates the exploration of the main research question. By following this structured progression, the research ensures a systematic approach to addressing the main research question, allowing for a deeper understanding of the topic.

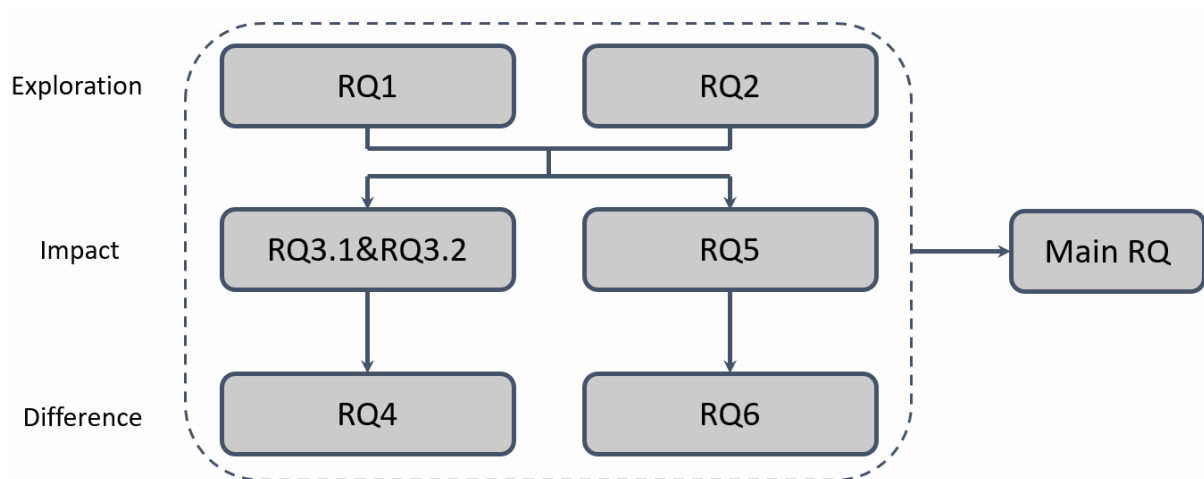


Figure 3.2 Relation sub research questions and the main research question (Author, 2024)

3.2 Sampling

This section provides a more detailed examination of the sampling criteria, the sampling methodology, participant recruitment procedures, and the sample size.

3.2.1 Sampling criteria

The target audience consists of two distinct categories: potential first-time homebuyers and recent first-time homebuyers. The criteria for selection are detailed in table 3.1. These criteria are developed to align with the research's goals and are not drawn from existing literature. They serve a role in providing a deeper understanding of the meaning and characteristics of the researched target groups. By tailoring the selection criteria, the study aims to capture a diverse range of perspectives and experiences within these groups, enriching the depth and richness of the research findings. This approach ensures that the data collected is directly relevant to the research objectives while maintaining transparency in the selection process (Blaikie & Priest, 2019).

Target group	Criteria
Recent first-time homebuyers	<p>Individuals who have successfully purchased their first owner-occupied house from the year 2020 onwards.</p> <p>This category also includes individuals who transitioned from renting to homeownership</p>
Potential first-time homebuyers	<p>Individuals who are currently actively engaged in the pursuit of purchasing their first owner-occupied house.</p> <p>This includes engaging in activities like attending open houses or viewing appointments, consulting with mortgage advisors, real estate agents, exploring mortgage options. These actions reflect a proactive stance toward entering the housing market and indicate a sincere commitment to starting the homebuying journey</p>

Table 3.1 Selecting criteria (Author, 2024)

3.2.2 Sampling method

In this study, purposive sampling is employed to select participants, chosen for the ability to target individuals meeting specific criteria relevant to the research objectives. Focusing on recent and potential first-time homebuyers ensures the collected data directly addresses the complexities of the Dutch housing market (Blaikie & Priest, 2019; Saunders et al., 2011).

Purposive sampling is particularly suitable for this research, facilitating the inclusion of participants with direct experience in investigated subject. By intentionally selecting individuals who align with defined profiles, the study gathers qualitative insights crucial for understanding the challenges faced by recent and potential first-time homebuyers. However, it is important to acknowledge the limitations inherent in purposive sampling, which may result in selection bias. To address this, the study maintains transparency in participant selection criteria and provides a detailed sample description to mitigate potential biases (Blaikie & Priest, 2019; Saunders et al., 2011).

3.2.3 Participant recruitment

An important stage of any research project is the participant recruitment, it acts as the entry point for data that influence research findings and enhance the overall validity and reliability of the study. A well-designed recruiting strategy guarantees that the participants chosen to match the goals of the study, offering information that is specifically relevant to the topic of the investigation. Aiming for relevant insights, qualitative research requires effective participant recruiting. Hereby, it is important to recruit people who can provide genuine experiences, viewpoints, and knowledge. Finding the correct participants is not just about getting plenty of them, quality is equally important because diversity and relevance are what determine how rich the data is (Creswell & Creswell, 2017).

The recruitment of participants for this study, focusing on recent and potential first-time homebuyers, involved a variety of strategies. First and foremost, the primary focus for achieving the most success lies in engaging with real estate brokers. Brokers frequently interact with individuals who are either in the process of buying their first home or have recently done so. They can facilitate connections with these recent and potential first-time homebuyers, providing a direct link to the target audience. For this research dozens of emails have been sent out to brokers with a collaboration request. Furthermore, proactive outreach within personal networks is utilized, leveraging established connections to identify suitable participants. This approach broadened the pool of recent and potential first-time homebuyers, enriching the study with diverse perspectives and experiences.

3.2.4 Sample size

The interview plan comprises a total of 13 interviews, with 7 involving recent first-time homebuyers and 6 involving potential first-time homebuyers, as depicted in table 3.2 and table 3.3. In this figure there is a wide range of (future) household composition, but also ages, (desired) housing type, (preferred) location. The aim was to conduct 6 interviews per group, but an additional pilot interview was included for recent first-time homebuyers, bringing the total to 7. This number of interviews was chosen to strike a balance between comprehensive data collection and practicality in conducting in-depth analyses. It is anticipated that this quantity of interviews will provide a diverse range of insights, covering the experiences, expectations, and perspectives of both recent and potential first-time homebuyers, while also ensuring a manageable workload for thorough analysis, essential for maintaining the research's depth and quality (Creswell & Creswell, 2017).

Recent first-time homebuyers							
Interviewee name	Relation and age	Employment status	Previous living situation	Search location	Search duration (months)	Current housing type	Viewing and bids placed
Emma Molenaar	Single, 23	Student part-time job	Renting	Delft	12	Apartment	4 viewings, 1 bid
Femke Smit	Couple, 26 & 31	Both employed	Renting	Hazerswoude	18	Single-family home	Multiple viewings, 2 bids
Bram Kok	Single, 25	Employed	With parents	Breda	12	Apartment	Multiple viewings, 1 bid
Laura Bakker	Couple, 23 & 23	Student part-time job & full-time job	With parents	Boskoop	3	Apartment	Multiple viewings, 2 bids
Nova Slager	Couple, 24 & 26	Both employed	With parents	Westland	1	Single-family home	5 viewings, 1 bid
Amber Schrijver	Couple, 32 & 36	Both employed	Renting	Bodegraven	12	Single-family home	Multiple viewings, 1 bid
Ilse Visser	Couple, 26 & 27	Both employed	Renting	Den Bosch	6	Single-family home	Multiple viewings, 2 bids

Table 3.2 Overview interview sample Recent first-time homebuyers (Author, 2024)

Potential first-time homebuyers							
Interviewee name	Relation and age	Employment status	Previous living situation	Search location	Search duration (months)	Current housing type	Viewing and bids placed
Pien Peeterse	Couple, 22 & 23	Student part-time job & full-time job	With parents	Zoetermeer	5	Apartment	5 viewings, 3 bids
Sophie Sanders	Couple, 28 & 38	Both employed	Renting	Den-Haag & Zoetermeer	18	Single-family home	Multiple viewings, 2 bids
Victoria Vos	Single, 27	Employed	With parents	Groningen-Centrum & Midden-Groningen	3	Apartment	0 viewings, 0 bids
Michael Meijer	Single, 26	Employed	With parents	Zoetermeer	6	Apartment	Over 10 viewings, 0 bids
Julian Jansen	Couple, 26 & 27	Both employed	Renting	Zwolle	5	Single-family home	5 viewings, 2 bids
Britney Bos	Couple, 21 & 22	Student part-time job & full-time job	Social housing	Zoetermeer	9	Apartment	6 viewings, 0 bids

Table 3.3 Overview interview sample Potential first-time homebuyers (Author, 2024)

3.3 Data collection

The research unfolds across three distinct phases, as depicted in figure 3.3, each comprising document analysis, interviews, and interview analysis. This structured approach is crafted to facilitate a good understanding of the research topic. Within this figure, the specific methods, techniques, and outputs pertinent to each phase are visually delineated, guiding the progression of the research endeavor.

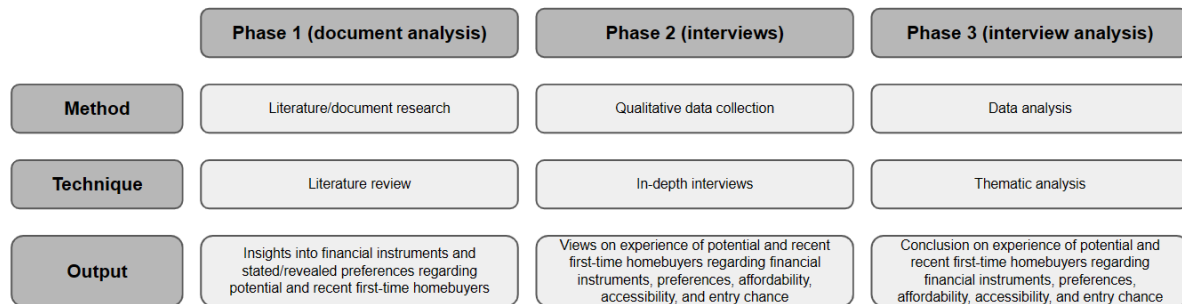


Figure 3.3 Phasing (Author, 2024)

In figure 3.4, the interconnection between the three phases is displayed. The first phase involved a document analysis, which was dedicated to reviewing existing literature on both financial instruments designed for recent and potential first-time homebuyers. This phase also included an analysis of the position of first-time homebuyers in the Dutch housing market. Furthermore, using existing literature and datasets, including those from WoON insights into the preferences were gained. Here it became evident that there were differences between the stated preferences of potential homebuyers and the revealed preferences of those who had recently purchased homes. This discrepancy highlighted the need for further investigation to understand the underlying reasons behind these differences. The insights gained from this initial study provided the necessary background and context for the subsequent empirical research.

The second phase of the research entailed conducting interviews with recent and potential first-time homebuyers. These interviews aimed to explore the experiences and factors influencing their preferences and decisions, thereby providing a more nuanced understanding of the dynamics at play in the housing market. This step aimed to gather qualitative data directly from this demographic group, facilitating a diverse range of perspectives and uncovering nuanced insights not readily apparent in existing literature. Guided by the conceptual model, these semi-structured interviews explored themes such as preferences, financial instruments, affordability, accessibility, and entry chances, allowing flexibility to prioritize participants' insights. The interview protocol can be found in the appendix, this interview protocol includes the research questions, as well as the informed consent form. These questions are posed in Dutch because the research centers on the Dutch housing market, allowing participants to articulate their experiences more effectively in their native language, which aligns with their living environment. The interviews itself are also transcribed in preparation for the subsequent analysis. Transcription involves recording the interviews and meticulously typing out the spoken content to ensure accurate documentation of all details. A summary of these transcriptions can be found in the appendix.

The final phase involved an interview analysis, where the data from the previous phases were examined and synthesized. The goal was to derive conclusions from the information gathered throughout the research process. This phase served as the cornerstone for consolidating findings, drawing conclusions, and offering insights into the experiences of recent and potential first-time homebuyers within the Dutch housing market.

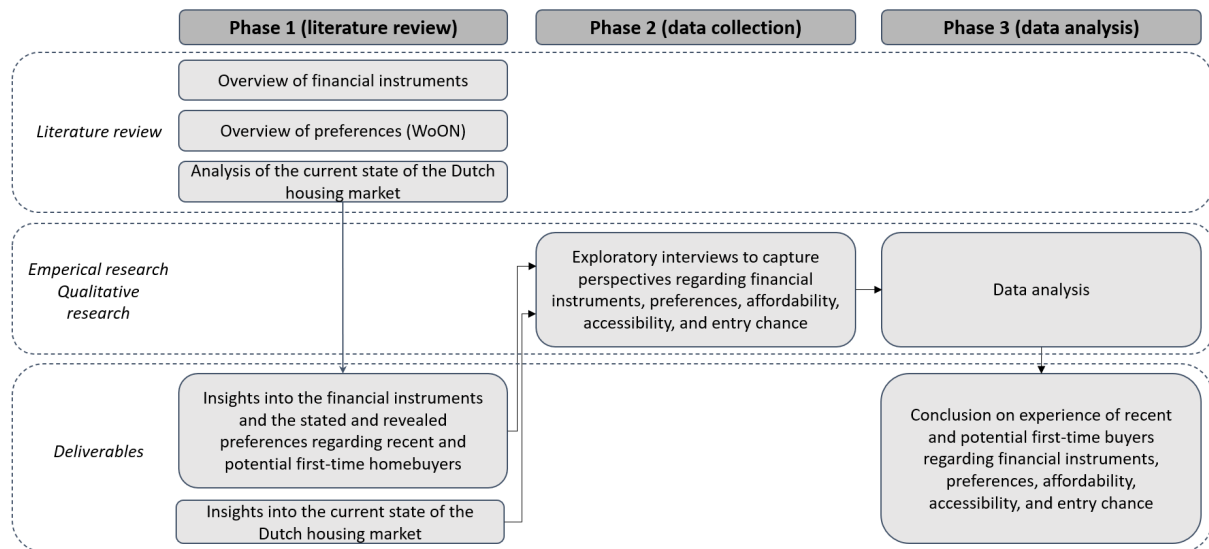


Figure 3.4 Relation between the phases (Author, 2024)

3.4 Data analysis and output

The initial stage of the interview analysis involved a detailed review of the transcribed data from the interviews conducted. As mentioned in the previous section, the summary of these transcriptions can be found in the appendix. This review aimed to immerse in the data, gaining a good understanding of the participants' perspectives. Through this immersion, initial themes and patterns related to the Dutch housing market and the experiences of recent and potential first-time homebuyers were identified. These themes revolved around key aspects outlined in the conceptual model, such as affordability, accessibility, financial instruments, and preferences within the housing market.

The initial themes served as closed codes derived from the literature study. Subsequently, upon reviewing the transcripts, open codes were integrated within each theme, reflecting recurring aspects identified during the interviews. This iterative process allowed for a more comprehensive exploration of the data, capturing both predetermined concepts from the literature and emergent themes arising directly from the participants' responses. The utilization of qualitative data analysis software streamlined the organization and coding of the data. This software tool provided an efficient sorting and re-arranging of data segments, enhancing the identification of patterns or correlations in participant responses. By harnessing this technological aid, the analysis aimed to achieve precision, ensuring a thorough exploration of the data, and enabling deeper insights into the research questions at hand.

After the completion of the open and closed codes, a more in-depth analysis is conducted through a thematic approach. This phase involves exploring the meanings and implications of the identified themes. Beyond merely reporting participants' statements, this analysis interprets their responses within the broader context of the research questions. By linking these themes back to the theoretical framework and existing literature on the Dutch housing market, a nuanced understanding of the research topic is achieved. Furthermore, similarities or differences were investigated, and relations with personal characteristics were studied to identify possible trends. This analysis delved into examining commonalities or variations among participants' experiences. Additionally, it explored the relationships between these experiences and participants' personal characteristics, such as demographics or socioeconomic status, to discern any discernible patterns or trends. Through this examination, the study aimed to uncover deeper insights into how individual factors may have influenced experiences within the context of the Dutch housing market, which is done both in relation to each group individually and in comparison, with one another.

3.5 Data plan

The data management plan, as seen in the appendix, which has been reviewed by a data steward of the TU Delft, played a crucial role in safeguarding the integrity and usability of research data throughout the study. It encompassed seven pivotal categories, each contributing to the effective handling and preservation of data. These categories included administrative questions, which outlined logistical considerations, data description, collection, and reuse of existing data, essential for understanding the origins and context of the data. Documentation and data quality ensured comprehensive records and reliable data, while storage and backup procedures guaranteed data security and accessibility during the research process. Legal and ethical requirements, along with codes of conduct, ensured compliance with regulations and ethical standards. Data sharing and long-term preservation strategies facilitated collaboration and ensured data longevity beyond the scope of the study. Finally, the delineation of data management responsibilities and resources established accountability and resource allocation for effective data management practices throughout the research journey.

3.6 Trustworthiness

This research employed Shenton (2004) framework to ensure trustworthiness, which is focused on four key aspects: credibility, transferability, dependability, and confirmability. Credibility is established through a methodical approach, including diverse participant selection and in-depth data collection methods. The engagement with the subject and a variety of perspectives from participants underpins the credibility of the findings. Transferability is addressed by providing detailed descriptions of the research context and methodology. This detailed account allows for the assessment of the study's applicability in other contexts and aids in understanding the specificities of the Dutch housing market. Dependability involved a documentation of the research process, including methodological choices and changes. This documentation creates an audit trail, allowing for the review and critique of the study's processes. Confirmability is attained through reflexivity, a process wherein the researcher critically reflects on their assumptions and biases throughout the study. The study's findings are grounded in data, with a clear explanation of how conclusions are derived, ensuring that they are reflective of the data rather than researcher bias.

3.7 Ethical considerations

The research questions were carefully crafted to be non-biased, encompassing both potential positive and negative outcomes to provide a balanced perspective. Furthermore, AI technology, specifically machine translation algorithms, was employed to translate texts from one language to another. A key aspect of maintaining ethical standards involved ensuring participant anonymity. Individuals participating in the interviews had their identities anonymized. In the analysis and reporting of the data, only information that was pertinent to answering the research questions was included, thereby respecting the privacy of the participants (Blaikie & Priest, 2019).

All participants were required to complete a consent form, as detailed in the interview protocol provided in the appendix. This informed consent form was shared with the participants before their interviews in the study. It served as a critical component of the research, ensuring that participants were fully informed about the study and agreed to the terms of their participation. The consent form provided details regarding participants' rights and protections throughout the study. It explicitly stated that participants retained the autonomy to withdraw from the study at any time, without facing any repercussions or negative consequences. Moreover, participants were assured that they had the discretion to abstain from answering any questions they found uncomfortable or intrusive. Additionally, the consent form underscored the paramount importance of confidentiality, assuring participants that their responses would be handled with the utmost discretion and privacy, further fostering a sense of trust and confidence in the research process.

3.8 Conclusion

This chapter focused on the research design and methodology. The research design is focused on the conceptual model which. This model includes type of starters, financial instruments, preferences, government policies, availability, accessibility, affordability, and experience with entry chance. Of these variables, government policies and availability are intentionally left out of the research. Type of starter acts as an intervening variable in this research, whereby the focus is places on the differences between the type of starters among the aspects studied.

The main question addressed in this research is: *“What lessons can be learned from the experiences of recent and potential first-time homebuyers to improve the prospect of homeownership in the Dutch housing market?”*

The sub-questions that guided the main question read as follows:

1. *What are the considerations of recent and potential first-time homebuyers regarding financial instruments?*
2. *What are the considerations of recent and potential first-time homebuyers regarding preferences?*
- 3.1 *What effect do the considerations regarding financial instruments have on housing market dynamics (affordability and accessibility)?*
- 3.2 *What effect do the considerations regarding preferences have on housing market dynamics (affordability and accessibility)?*
4. *To what extent does the effect of financial instruments and preferences on housing market dynamics (affordability and accessibility) vary among recent and potential first-time homebuyers?*
5. *What effect do the housing market dynamics (affordability and accessibility) have on the experience with entry chance of owner-occupied housing?*
6. *To what extent does the effect of housing market dynamics (affordability and accessibility) on experience with entry chance of owner-occupied housing vary among recent and potential first-time homebuyers?*

The initial two sub-questions serve to establish the foundational understanding of the research, while subsequent inquiries (3.1, 3.2, and 5) delve deeper into exploring the effects. Sub-questions 4 and 6, on the other hand, focus on uncovering differences within the data.

Purposive sampling is utilized to target a diverse group of recent and potential first-time homebuyers, ensuring depth and diversity in the data. Recent first-time homebuyers are defined as individuals who have successfully purchased their first owner-occupied house from the year 2020 onwards. This category also includes individuals who transitioned from renting to homeownership. Potential first-time homebuyers are defined as Individuals who are currently actively engaged in the pursuit of purchasing their first owner-occupied house. This includes engaging in activities like attending open houses or viewing appointments, consulting with mortgage advisors, real estate agents, exploring mortgage options. These actions reflect a proactive stance toward entering the housing market and indicate a sincere commitment to starting the homebuying journey. The recruitment of these participant is done trough real estate brokers and a proactive outreach within personal network. This approached broadened the pool of recent and potential first-time homeowners to capture a diverse group of respondents. The size of each group equals 6 interviews, whereas the recent first-time homebuyers also include an additional pilot interview, totaling to 13 interviews held, balances analytical rigor with richness in individual experiences. These interviews are held between couples, singles, and different ages, to capture the experiences of a wide range of people.

The research utilized a combination of data collection methods to explore the experiences of recent and potential first-time homebuyers in the Dutch housing market. These methods included a document analysis, this initial phase involved reviewing existing literature and datasets to establish a theoretical foundation and gather background knowledge about financial instruments, preferences, and the housing market dynamics affecting first-time homebuyers. Furthermore, it encompassed interviews, whereby semi-structured interviews were conducted with recent and potential first-time homebuyers to gather qualitative data directly from this demographic group. These interviews explored various themes such as preferences, financial instruments, affordability, accessibility, and entry chances, allowing for in-depth insights and diverse perspectives.

Following the data collection, the interview analysis commenced with a review of the transcribed data, revealing initial themes aligned with key aspects of the Dutch housing market. Closed codes derived from literature formed the basis, supplemented by open codes identified during transcript review. Qualitative data analysis software facilitated organized coding and enhanced pattern recognition. Subsequent thematic analysis delved into the meanings and implications of identified themes, contextualizing participant responses within the research framework. Exploration of similarities, differences, and personal characteristics aimed to uncover trends and patterns, providing deeper insights into individual experiences within the Dutch housing market.

Furthermore, the data management plan, reviewed by a TU Delft data steward, ensured the integrity and usability of research data. Encompassing seven crucial categories, it addressed logistical, descriptive, quality, security, legal, ethical, sharing, and responsibility aspects of data management. This plan played a pivotal role in maintaining data integrity throughout the study.

Moreover, regarding the trustworthiness, the research adhered to Shenton's framework, focusing on credibility, transferability, dependability, and confirmability. Diverse participant selection and thorough documentation contributed to credibility, while detailed descriptions facilitated transferability. Dependability was ensured through transparent documentation of methodological choices, and confirmability was attained through reflexivity.

Finally, ethical considerations were paramount throughout the study. The research questions were unbiased, AI technology aided in translations, and participant anonymity was maintained. An informed consent form, detailed in the interview protocol, ensured participants' understanding and protection. It affirmed their right to withdraw and emphasized confidentiality, fostering trust and compliance.

4 Position of first-time homebuyers on the housing market

This chapter is focused on delving into the dynamics surrounding first-time homebuyers, aiming to gain a nuanced understanding of their position within the housing market. Through a synthesis of published literature and data from WoON, it provides valuable insights to inform the subsequent interview process. Beginning with the delineation of different types of starters, the chapter progresses to explore the primary challenges they encounter, notably focusing on affordability and accessibility issues. Furthermore, it scrutinizes the array of financial instruments available to support first-time homebuyers, alongside an examination of their preferences and priorities. By analyzing these factors, this chapter lays the groundwork for a deeper understanding of the dynamics influencing first-time homebuyers' experiences and decision-making processes.

4.1 Type of starter

As outlined in chapter 3, this research considers two distinct categories of starters. The first group comprises recent first-time homebuyers, individuals who have successfully acquired their first owner-occupied house from the year 2020 onwards. The second group encompasses potential first-time homebuyers, individuals actively engaged in the process of purchasing their inaugural owner-occupied residence. Examining the age trends of first-time homebuyers in the Netherlands reveals a notable upward trajectory. In the 1990s, the average age stood at 27 years, progressively rising to 31 years by 2013 and stabilizing around 30 years by 2022. Various factors contribute to this increase, including educational attainment and marital status. Typically, individuals with lower levels of education purchase their first homes between ages 35 and 44, often encountering obstacles in securing mortgage financing. Those with moderate educational backgrounds tend to enter the housing market between 18 and 24 years old. Higher-educated individuals, burdened by substantial student debt, typically commence their homeownership journey between 25 and 34 years of age (Dailybase, 2022).

4.2 Affordability

Affordability in the housing market is significantly influenced by both the income level and the composition of the household. This relationship is clearly illustrated by the mortgage options available to different households based on their income categories. For example, in 2023, a single-income household with a modal income of €41,500 could qualify for a mortgage of up to €171,000. In contrast, dual-income households, where combined earnings amount to €72,000, have a substantially higher borrowing capacity, being eligible for mortgages up to €339,000. The nearly doubled mortgage capability in dual-income households versus single-income ones highlights the enhanced financial stability and borrowing power that additional earners bring to a household. This increased capacity allows dual-income households not only to afford more expensive properties but also to potentially secure more favorable mortgage terms, such as lower interest rates or better repayment conditions, due to their lower perceived risk by lenders (DeHypotheeker, 2023).

The examination of affordability involves assessing how housing prices relate to maximum mortgage amounts. Comparing home sale prices from 2017 to 2022 reveals a significant shift in pricing distribution. In 2017, 60% of homes sold for over €210,000, with 22.3% falling between €150,000 and €210,000, and 17.7% priced below €150,000. However, by 2022, this distribution had drastically changed. In 2022, 93.3% of homes were sold for over €210,000, with only 3.7% falling in the €150,000 to €210,000 range, and just 3% priced below €150,000 (Kadaster, n.d.). The surge in homes being sold in higher price brackets can be partly explained by inflation, averaging 14.2% between 2017 and 2022. However, this alone does not account for the entirety of the increase (CBS, 2024b).

Figure 4.1 further illustrates the trend of housing transactions by price from 1995 to 2023. Against the backdrop of this historical data, the comparison with the maximum mortgage limits available to first-time homebuyers reveals a tightening of their purchasing options, highlighting the growing difficulty in finding affordable housing within their financial means, especially for single income households (Calcasa, 2023a).

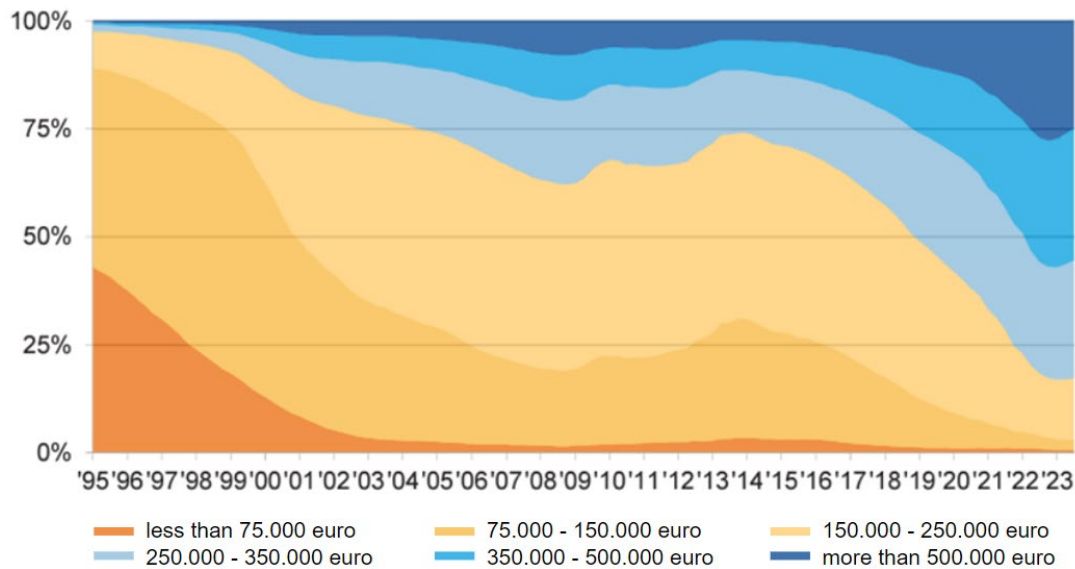


Figure 4.2 further illustrates a significant increase in the (nominal) purchase prices over time, with additionally a notable divergence from the prices that first-time homebuyers are willing or able to pay (BGL-Wonen, 2023). This increase can also partly be appointed to inflation, however the increase in purchase price rises quicker than the inflation (NOS, 2021). By 2021, this discrepancy has grown to approximately €120,000, indicating that first-time homebuyers are increasingly priced out of the market, despite their aspirations to own a home. Meanwhile, existing homeowners appear to be able to afford homes closer to their desired price point, suggesting that they have more equity and financial leverage than first-time homebuyers (BGL-Wonen, 2023).

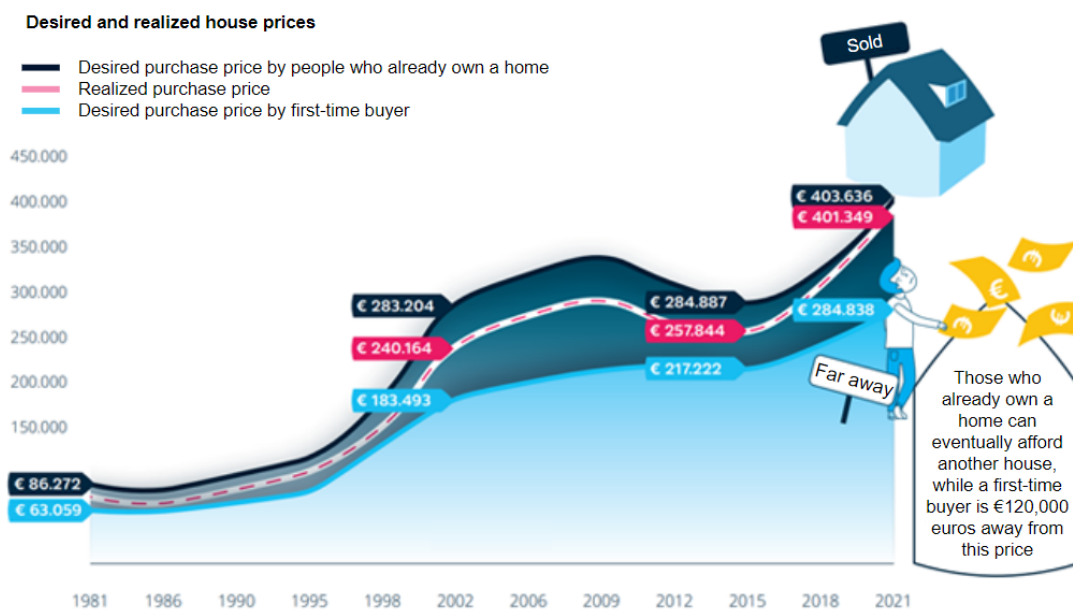


Figure 4.2 Disparity between desired and actual home purchase prices for first-time homebuyers and movers from 1981 to 2021 (BGL-Wonen, 2023)

4.3 Accessibility

Accessing information proves to be a significant hurdle for first-time homebuyers, with a staggering 88% admitting to lacking a comprehensive understanding of real estate purchase agreements. Surprisingly, 50% of these homebuyers downplay the importance of fully grasping these documents, while 14% feel too embarrassed to seek assistance. This reluctance to delve into contract details may result in signing agreements without fully understanding their implications, driven by the fear of missing out on a potential home (42%). Particularly vulnerable are young individuals facing financial strain, where there is a shame associated with asking for help (40%). In addition, the pressure to act swiftly, often to compete in fast-paced housing markets, leads 46% of these young homebuyers to hastily commit to agreements to improve their chances of homeownership. This urgency can overshadow the need for thorough due diligence, potentially resulting in long-term consequences. These issues of information accessibility stem not only from the complexity of the contracts but also from the socio-psychological aspects surrounding the homebuying process (SNS, 2023).

Financial accessibility further presents a considerable obstacle for first-time homebuyers. This demographic group contends with stringent mortgage regulations that disproportionately disadvantage young individuals entering the housing market. Current income standards often discriminate against those at the onset of their careers, failing to consider their future earning potential. Unlike older homeowners, who may experience more stable income growth, young homebuyers typically see rapid increases post-mortgage commitment. However, mortgage lending criteria rarely account for this trajectory, maintaining a uniform approach that imposes fewer restrictions on established professionals. Interestingly, while future income prospects are factored into mortgage assessments for older individuals nearing retirement, young homebuyers are not afforded the same consideration. This discrepancy highlights a systemic barrier that penalizes young homebuyers and overlooks their potential for financial advancement (EIB, 2021).

To address this challenge, some municipalities have implemented programs to support first-time homebuyers, including offering loans specifically tailored to their needs. These loans can provide significant financial assistance, with amounts reaching up to €50,000. However, it is important to note that the average loan amount tends to hover around €30,000 euros, depending on the specific policies and resources of each municipality. While these loans can be instrumental in helping individuals overcome financial barriers to homeownership, their availability and conditions vary significantly from one municipality to another. This variance may result in disparities in access to support, leaving many potential homebuyers without the assistance they need to enter the housing market (AD, 2024).

4.4 Entry chance

The concept of entry chance holds paramount significance for aspiring first-time homebuyers, serving as a gateway to achieving the cherished goal of homeownership. Since 2015, the position of first-time homebuyers in the Dutch housing market has shown a concerning trend of deterioration. This decline not only dampens the ambitions of prospective homeowners but also diminishes their likelihood of realizing this fundamental milestone (Groot, 2022). The journey of these first-time homebuyers into the housing market reveals a prolonged search, with almost half of these individuals actively looking for over a year, emphasizing a significant challenge in the current real estate landscape. The scarcity of available properties has prompted nearly 60% of these searchers to revise their financial plans upwards and adjust their budgets to the competitive market conditions. This adjustment illustrating the pressure newcomers face in securing a place to call home (VastgoedActueel, 2021).

This decreasing likelihood of obtaining a home is further reflected in the decreasing average listing time of properties, which are sold at a faster pace over the years. This illustrates the tightness of the housing market for homebuyers. As depicted in figure 4.3, in 2014, a residential property remained on the market for approximately one and a half years before being sold, with a sold property taking an average of ten months. However, this timeframe has rapidly diminished. By 2021, a property was listed for sale for an average of 3 months. Properties sold in 2021 spent an average of only 1.2 months on the market. This highlights the urgent need for first-time homebuyers to act swiftly and decisively. With properties selling at an accelerated pace and listing times dwindling to mere months, the window of opportunity for securing a home is shrinking rapidly. Unlike those who have already bought a home before, first-time homebuyers lack the experience and knowledge to navigate the housing market, where they thus may find themselves in a disadvantage position (CBS, 2022b).

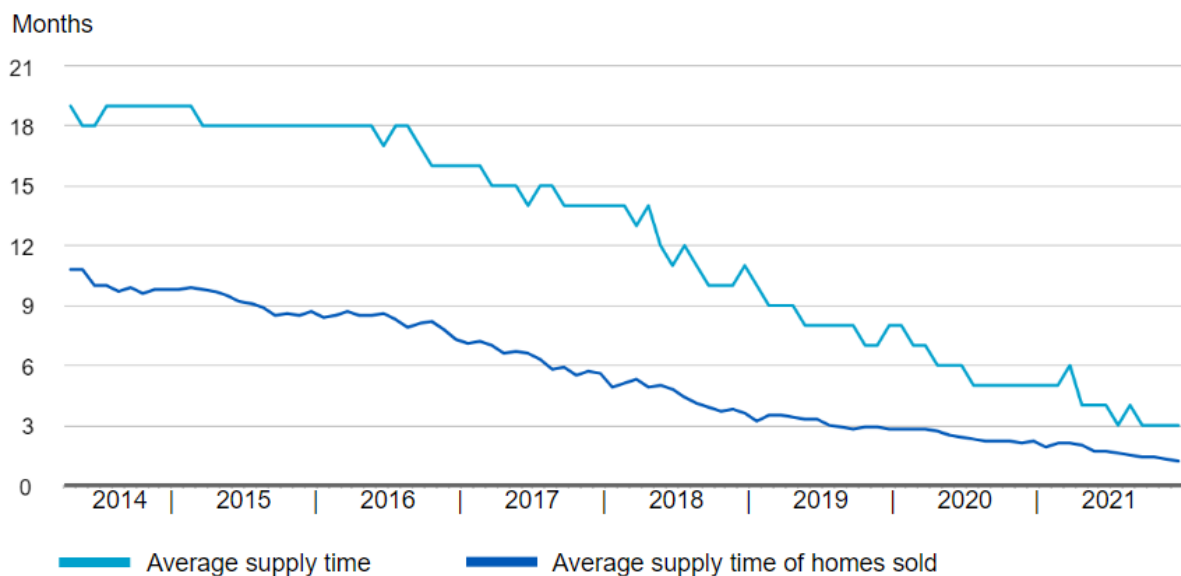


Figure 4.3 Average supply time (months) for housing in the Netherlands (CBS, 2022a, modified)

It is evident that first-time homebuyers encounter challenges in accessing the housing market. Additionally, the disparity between single-income and dual-income households is also striking. In 2022, while dual-income households could afford 40% of the available homes, single-income individuals could only manage to afford 3.4% of the available homes. This discrepancy underscores the formidable barrier faced by single-income homebuyers and highlights the urgent need for measures to level the playing field and enhance affordability for all aspiring homeowners (Calcasa, 2023b).

4.5 Financial instruments

Previous sections have highlighted the affordability challenges and access issues faced by first-time homebuyers. Financial instruments can offer a potential solution to bridge the gap in affordability and improve entry prospects. This section delves into five types of mechanisms: purchase instruments, land lease instruments, hybrid purchase and land lease instruments, financing instruments, and rent-to-own instruments.

4.5.1 Purchase instruments

Purchase instruments aim to reduce entry barriers to the housing market through innovative strategies such as price reductions, buyback guarantees, and financial aid. Examples of purchase instruments tailored for first-time homebuyers include KoopGarant, Slimmer Kopen, KoopStart, Kopen naar Wens, and Koperskorting DNGB. Each of these purchase instruments plays a role in expanding opportunities for aspiring homeowners, addressing the specific challenges they face in entering the housing market.

KoopGarant

Launched in 2004, KoopGarant aims to increase accessibility to homeownership by offering homes at discounted prices. Since this approximately 40,000 homes have already been sold through KoopGarant in 2023. These houses are offered by housing associations in collaboration with KoopGarant. Homeowners experience both the advantages and risks associated with full ownership and must live in the property as their primary residence. However, upon moving out, they are obligated to sell the property back to KoopGarant, in which the provider must buy it back within three months. The buyback price considers the original value, discounted amount, and any property enhancements by the homeowner. This ensures that homeowner-initiated improvements benefit them fully, while market-driven price changes are shared between the homeowner and KoopGarant. Table 4.1 illustrates the buyback price in three scenarios: one with no value development, another with a 20% increase, and a third with a 20% decrease. Each scenario includes a homeowner-initiated value improvement of €10,000, a 30% discount, and a shared ownership of value changes, with the homeowner bearing 70% of the change, it must be noted that these percentage are not fixed and can be discussed with the provider. However, there are instances where homeowners may be granted full ownership, relieving the provider of the obligation to buy back the property within three months. It must be noted that this can pose risks for homeowners, particularly if market prices decline and they are compelled to sell the home independently (OpMaat, 2024).

	No value development	Value increase of 20%	Value decrease of 20%
KoopGarant purchase			
Assessed market value of home at purchase	€300,000	€300,000	€300,000
Provided homebuyer's discount (eg. 30%)	€90,000	€90,000	€90,000
Paid issue price	€210,000	€210,000	€210,000
KoopGarant resale			
Assessed market value at buyback including improvements	€310,000	€370,000	€250,000
Assessed market value at buyback excluding improvements	€300,000	€360,000	€240,000
Value development to be shared	€10,000	€60,000	€-60,000
Your share of value development (eg. 70%)	€0	€42,000	€-42,000
Buyback price	€220,000	€262,000	€178,000

Table 4.1 KoopGarant market value change in relation to the buyback price (Own table based on OpMaat, 2024)

KoopStart

Launched in 2014, KoopStart functions similarly to KoopGarant. In 2022, 225 houses were sold using this program. While KoopGarant collaborates with housing associations, KoopStart is also utilized by developers. Furthermore, although both programs cater to homebuyers in need of discounts to purchase a home, KoopStart incorporates a more stringent income test. This targeted approach ensures that discounts are exclusively offered to those in genuine need, thereby averting market distortion. In contrast to KoopGarant, there is no obligatory buyback agreement with the provider upon the home's sale. Nevertheless, it could be that certain agreements are made which may stipulate that the property must initially be offered to the provider within a specified timeframe. Eventually, this program does not provide a buyback arrangement from the provider when the home is sold; instead, the sale price is divided between the owner and the provider, using the same calculation method as KoopGarant employs (OpMaat, 2024).

Slimmer Kopen

Slimmer Kopen, a housing initiative devised by Trudo and exclusively accessible in Eindhoven, features a discount program. In 2022, 329 houses have been sold using this program. This initiative offers discounts varying in magnitude, contingent upon the property's market value and the homebuyer's income. Discounts range from a minimum of 10% to a maximum of 50%. Moreover, the program categorizes potential homebuyers based on their income and the property's market value, distinguishing those capable of securing a mortgage within their financial means from those necessitating supplementary funds. Table 4.2 provides a visual representation of the available discounts: grey-shaded areas correspond to homebuyers whose mortgage capacity aligns with the discounted property price, while white areas denote properties exceeding the mortgage capacity at certain income levels, requiring additional personal investment. Unshaded areas signify ineligibility for certain income brackets (Trudo, 2023).

Income	<€25.475	€25.475-€35.575	€35.575-€44.035	€44.035-€48.625	€48.625-€58.000	€58.000-€72.938
Market value						
€ 50.000 - € 150.000	50%	20%	10%	10%		
€ 150.001 - € 200.000	30%	30%	20%	10%		
€ 200.001 - € 250.000	30%	30%	30%	20%	10%	
€ 250.001 - € 275.000	30%	30%	30%	30%	20%	
€ 275.001 - € 300.000	30%	30%	30%	30%	30%	10%
€ 300.001 - € 350.000	30%	30%	30%	30%	30%	20%
€ 350.001 - € 400.000	30%	30%	30%	30%	30%	30%
€ 400.001 - € 450.000	30%	30%	30%	30%	30%	30%
€ 450.001 - € 500.000	30%	30%	30%	30%	30%	30%
> € 500.000	Not available					

Table 4.2 Distribution of discount percentages based on income and market value in 2023 (Trudo, 2023, modified)

In the case of resale, Trudo retains preemptive purchase rights, although there is no obligation to repurchase the property. The resale price is recalculated based on the original amount, adjusted for fluctuations in property value. The homeowner's share of value change during resale depends on the initial discount percentage chosen. A higher initial discount results in a larger portion of the valuation change being adjusted with Trudo. The financial advantages of Slimmer Kopen are illustrated in table 4.3, which compares housing costs across various acquisition methods. This program not only reduces initial home acquisition expenses but also serves as a safeguard against the continuous cost escalations associated with conventional home purchasing methods, ensuring ongoing affordability (Trudo, 2023).

Housing option	Renting	Slimmer Kopen	Regular buying
Year 1	€700	€752	€1,067
Year 5	€754	€781	€1,102
Year 10	€812	€819	€1,555

Table 4.3 Comparative cost analysis of renting, Slimmer Kopen, and regular buying over 10 years (Own table based on Trudo, 2023)

Kopen naar Wens

In the Kopen naar Wens program, which is initiated in 2010, is developed by KoopLab. From 2010 up until 2021 a total of 1.450 houses have been sold (Kooplab, 2022). Properties are fully purchased, with the option to defer up to 50% of the purchase price for later payment, known as a deferred payment. Moreover, there is no buyback provision by the original provider as seen in other programs. Additionally, homeowners have the flexibility to determine the portion of the property's market value covered by the deferred payment, capped at 50%. This share, referred to as the entry amount, allows for varying payment structures. Upon resale, the deferred payment is settled, and the homeowner receives a percentage of the property's value change equivalent to the entry amount. This value, also termed the buyout amount, is calculated similarly to KoopStart. Importantly, this program differs in that properties are initially sold with a leasehold arrangement, and homebuyers receive a conditional promise of full ownership rights upon completing the deferred payment (Dol et al., 2023; KopenNaarWens, n.d.).

Koperskorting DNGB

The Koperskorting DNGB program offers a pathway to homeownership, similar to the aforementioned programs. It employs a deferred payment model to facilitate property acquisition, particularly targeting homebuyers unable to afford the full price upfront. Homebuyers entering the Koperskorting framework agree to purchase a property with a deferred payment scheme, where a portion of the payment is deferred until the property is resold. A notable feature is the profit-sharing mechanism activated upon resale, ensuring both homebuyer and provider share in property value fluctuations. While specific details on profit-sharing and appraisal methods are lacking, the program strategically eases the financial burden on homebuyers, fostering wider homeownership accessibility (Dol et al., 2023).

4.5.2 Land lease instruments

In land lease instruments, the homebuyer purchases the right to a land lease using a standard (annuity) mortgage. Additionally, a ground rent (canon) is owed to the landowner. This land lease agreement is there to make purchasing a home more accessible (Dol et al., 2023).

Duokoop

Duokoop, an innovative homeownership model, which aims to improve accessibility for those facing financial barriers to property ownership. It operates through a partnership between individuals and the Duokoop Fund, where homebuyers finance their portion of the property while the fund retains ownership of the rest. This arrangement enables homebuyers to use the property fully, compensating the fund with a monthly fee. Despite its benefits, entering a Duokoop agreement requires careful financial planning and legal considerations. The arrangement is structured around leasehold rights for the homebuyer and bare ownership for the fund. While the fund owns the land, the homebuyer bears taxes and fees, with the option to purchase the Duokoop portion later for full ownership. The model ensures that homeowners benefit solely from property enhancements and have the freedom to sell without approval. However, Duokoop is primarily available for newly constructed homes marketed with this option, targeting specific market segments (Duokoop, n.d.).

Koop Goedkoop

Koop Goedkoop enables individuals with modest incomes to purchase a house. This program allows homebuyers to acquire the property while leasing the land, resulting in an average price that is 25% lower than traditional homes. Under Koop Goedkoop, the land is not bought; instead, it is provided through perpetual leasehold, with ownership retained by the housing corporation. As the land user, but not the owner, must pay a monthly fee, detailed in table 4.4, accounting for inflation and offering a discount for the initial 10 years. This fee, known as canon. Koop Goedkoop operates under a perpetual leasehold, meaning even after settling the mortgage, you'll continue to pay canon to the housing corporation (KoopGoedkoop, 2023).

Year	1	2	3	4	5	6	7	8	9	10	11
CPI*		2.9%	0.9%	1.0%	0.0%	1.1%	1.7%	2.7%	1.6%	2.0%	8.6%
Canon	€175	€181	€182	€184	€184	€186	€189	€194	€197	€201	€219
Discount	100%	90%	80%	70%	60%	50%	40%	30%	20%	10%	0%
Monthly payment	€0	€18	€37	€56	€74	€93	€114	€136	€158	€181	€219

Table 4.4 Example canon price of Koop Goedkoop agreements (KoopGoedkoop, 2023, modified)

4.5.3 Hybrid purchase and land lease instruments

This section introduces hybrid purchase and land lease instruments, a specialized construction that combines two distinct instruments. It involves charging a ground rent for the land value, while offering a portion of the superstructure for purchase with deferred payment. This innovative approach intertwines the financial aspects of land and property ownership, aiming to create a more flexible and accessible means of acquiring real estate. The hybrid model seeks to balance the benefits of direct ownership with the affordability and flexibility of land leases (Dol et al., 2023).

Betaalbaar Kopen Zaanstad

The Betaalbaar Kopen Zaanstad (BZK) scheme aims to make homeownership accessible for targeted income groups in the Zaanstad region, specifically addressing lower-middle-income earners and first-time homebuyers. It introduces a hybrid financial model, blending purchase and leasehold arrangements, to tackle the housing affordability crisis. Launched in 2022, the program made its debut with the availability of ten houses in the market (BetaalbareKoopwoningenZaandstad, 2023).

Figure 4.4 provides an insightful breakdown of the hybrid model's composition. In this model, 35% of the total property value corresponds to the land, encompassing the land lease and associated canon. The remaining 65% pertains to the house itself. Within this 65%, 35% represents the discounted price, thereby enabling the homebuyer to afford a down payment of 92,950 euros on a property valued at 220,000 euros. This intricate allocation illustrates how the model balances the costs associated with both land and housing components, facilitating affordability for prospective homebuyers.

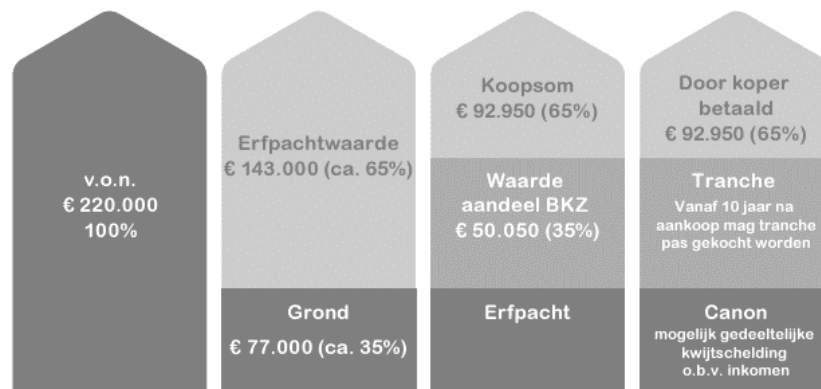


Figure 4.4 Visualisation hybrid construction Betaalbaar Kopen Zaanstad (BetaalbareKoopwoningenZaandstad, 2023)

Purchase price limits are essential factors in the scheme, determined by varying income brackets. These limits, outlined in detail in table 4.5, ensure that the program remains accessible to individuals across different income ranges. By delineating these limits, the scheme aims to provide clarity and transparency regarding the affordability thresholds for potential homebuyers (BetaalbareKoopwoningenZaandstad, 2023).

BKZ purchase price	Income range
€219,000	€33,400 – €36,500
€240,000	€36,500 – €40,700
€270,000	€40,700 – €47,000

Table 4.5 Affordable purchase Zaanstad: income-dependent leasehold remission and purchase price structure (BetaalbareKoopwoningenZaandstad, 2023).

Figure 4.6 presents a comprehensive financial model detailing the outcomes for homeowners upon reselling a property acquired under the BKZ Starter Home conditions. It accounts for various factors, including the requirement to sell within the targeted group within the initial ten years of ownership and BKZ's right of first refusal for repurchase. Additionally, the model factors in the value of home improvements, set at 3.5% of the property's total value, credited entirely to the homeowner. Upon property sale, the appreciation in value is shared between the homeowner and BKZ based on a predetermined fair-value ratio. This figure offers a visual representation of the potential economic returns for homeowners across different market scenarios, providing valuable insights into the scheme's financial implications (BetaalbareKoopwoningenZaandstad, 2023a).

	No value development	Value increase of 20%	Value decrease of 20%
1 Social value of home and land	€219,000	€262,800	€175,200
2 Value improvement of 3.5%	€7,665	€9,198	€6,132
3 Lease hold right minus improvements	€134,685	€161,622	€107,748
4 Leas hold right owner 65%	€87,545	€105,054	€70,036
5 Fair-value distribution (3.5% of market value development of lease hold value)	€-268	€675	€-1,211
6 Seller receives (2+4+5)	€95,479	€113,578	€77,379

Figure 4.6 Calculation model for resale value distribution under bkz housing scheme (Own figure based on BetaalbareKoopwoningenZaandstad, 2023a)

4.5.4 Financing instruments

Among the financing instruments available, some are specifically tailored for first-time homebuyers, including starters loan and starterskorting DNGB. Additionally, NHG and familiehypotheek are widely accessible options. However, as of 2024, the jubelton, previously available, has been abolished.

Starters loan

The starters loan provides the opportunity to borrow a little extra for your first home, offering a reliable safety net with NHG, and ensures a minimum of three years without monthly payments. The starters loan is an additional loan you secure alongside your initial mortgage from a bank. It has a duration of thirty years, with the interest rate fixed for the first fifteen years. After the initial fifteen years, the interest rate is reassessed and fixed again for another fifteen years. Over 50.000 first-time homebuyers have already used this (SVN, 2024). It must be noted that approximately 250 municipalities offer these starters loan each with their own additional conditions. For instance, they may increase the amount of the starters loan or the purchase price of the property. Sometimes, the loan is only available up to a maximum age or for homes in a specific neighborhood or new construction project (Consumentenbond, 2024).

The starters loan, a specialized loan program for first-time homebuyers, has experienced a remarkable surge in popularity, as evidenced by the data depicted in figure 4.5. This surge is characterized by a substantial increase in both the number of new applications and the approval of new loans. Such a trend underscores the responsiveness of municipalities to the growing pressures of rising home prices, prompting them to adapt their strategies accordingly. Notably, since late 2021, there has been a nearly threefold rise in applications for starters loan, reflecting the increasing reliance on this financial tool among younger homebuyers. This uptick in demand underscores the pivotal role of starters loan in facilitating homeownership for a demographic grappling with the challenges of navigating a dynamic and competitive housing market. As illustrated by the graph, the surge in starters loan applications highlights the significance as a means of addressing affordability barriers and empowering young homebuyers to enter the housing market (Boumeester, 2024).

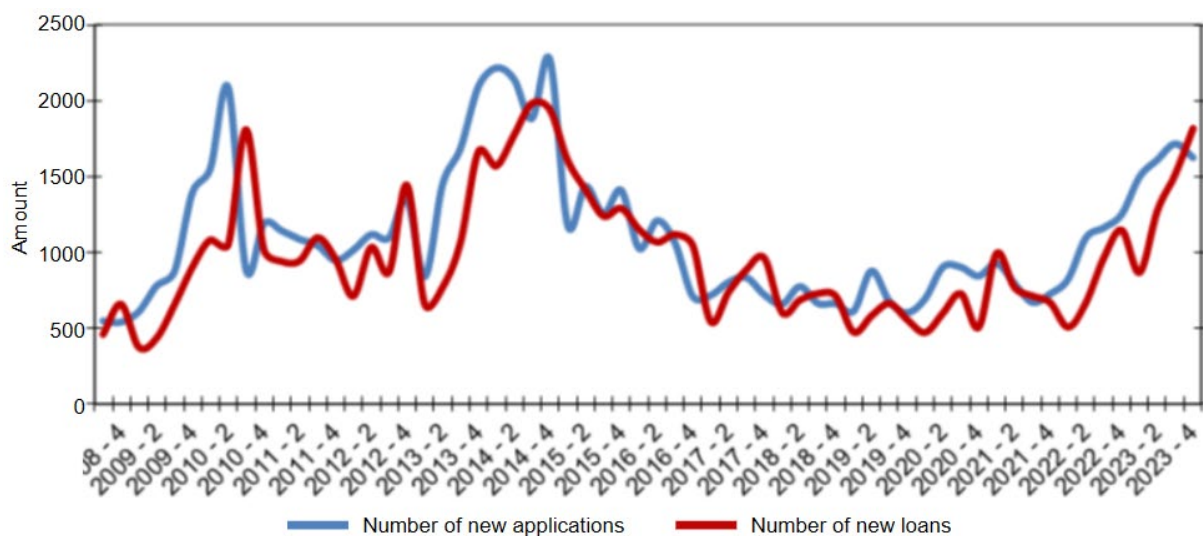


Figure 4.5 Trend of starters loan applications and approvals from 2008 to 2023 (Boumeester, 2024, modified)

Starterskorting DNGB

The starterskorting DNGB is a collective of several pension funds. Homes are offered through project developers. With the starterskorting DNGB, a homebuyer of a new construction home can purchase the property with a deferred payment of 5% to a maximum of 40% of the free on name price. All profit or loss on the market value is for the homebuyer themselves. There is also no right of repurchase; the property is sold on the open market. Upon resale, the deferred payment must be repaid to the provider, but special conditions apply here. The sooner one fulfills the deferred payment, the less one has to pay (Dol et al., 2023). In contrast to the DNGB koperskorting, this product is specifically aimed at first-time homebuyers. Whereby, there is no sharing of value development.

NHG

The National Mortgage Guarantee (NHG) scheme has been responsive to the housing market's fluctuations. Figure 4.6 delineates the trends in NHG mortgages for existing homes and new builds. The NHG's maximum cost limit's rise to €405,000 in 2023, as indicated in the graph, demonstrates an effort to maintain alignment with current home price trends, incorporating a corrective factor based on a 39-month average purchase price. The NHG mortgages for existing homes, represented by the blue line, show variability over time but indicate an overall resilience in the program's uptake. Conversely, NHG new build mortgages, denoted by the red line, exhibit a decline followed by a period of stabilization and a recent upturn. These graphical representations underscore the NHG's role in providing a safety net for homebuyers, thereby fostering more secure mortgage lending practices amidst market variations (Boumeester, 2024).

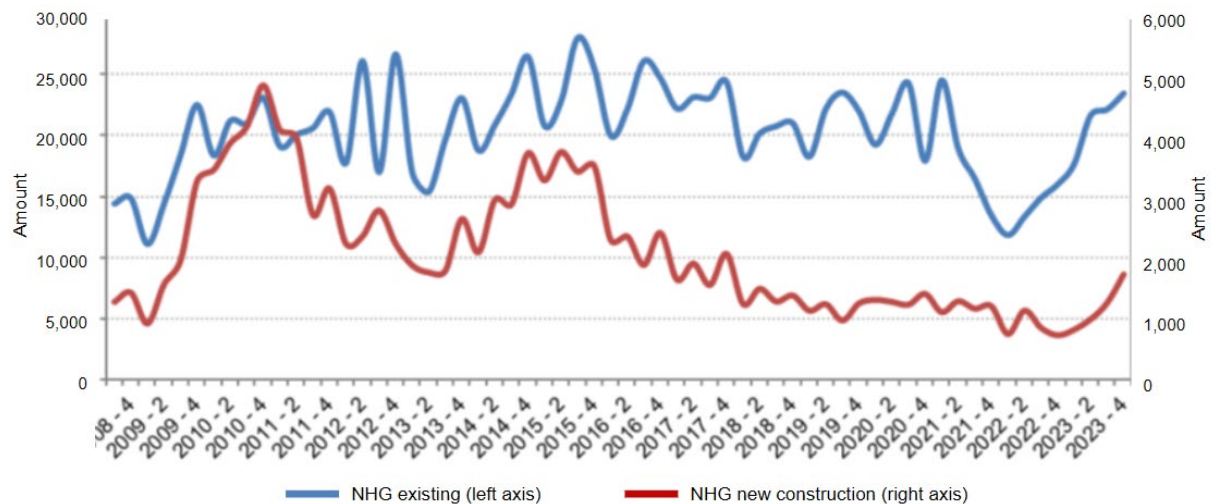


Figure 4.6 National mortgage guarantees for existing homes and new builds from 2008 to 2023 (Boumeester, 2024, modified)

Jubelton

An observed trend among recent first-time homebuyers is the acquisition of financial gifts from parents or in-laws to support their property purchases. Significantly, over 20% of these individuals have reported receiving such support, representing a notable rise from 15% in 2018 to 2021. This phenomenon is particularly prevalent among first-time homebuyers, in contrast to those moving from already owned properties, who report a lower frequency of receiving gifts (Rijksoverheid, 2022b). These financial contributions are known as the Jubelton, which refers to a tax-exempt gift, previously capped at approximately €100,000, that parents could offer their children to assist in acquiring a home. However, the Jubelton was abolished in 2024, marking a significant shift in the financial landscape for prospective homeowners (Belastingdienst, n.d.).

Familiehypotheek

A familiehypotheek is a direct loan arrangement where a borrower receives funds from family members instead of a bank. Both parties agree on terms like loan amount, interest rate, and repayment schedule. Repayment follows a schedule set by borrower and lender, with interest rates negotiated between them. Overall, it offers borrowers access to financing and allows lenders to earn a return on investment, but clear communication and understanding of terms are essential. These kind of loans from family or friends have historically been less prevalent than gifts in assisting starters and individuals moving from rental accommodations in securing home purchases. However, consistently, more than ten percent of such individuals have relied on this method of financial support, a trend that has shown stability since 2018 (Rijksoverheid, 2022b).

In the wake of the Jubelton's abolishment in 2024, the family mortgage has gained prominence as a critical financial instrument within the housing market. Previously not as widespread, the cessation of the Jubelton has propelled the family mortgage to become a more commonly utilized option. In 2023, one in six households, which is an increase of 66.7%, with a mortgage opts for a family mortgage, highlighting its significance in enabling borrowers to access larger sums than those typically available through conventional banking or insurance routes. This method not only facilitates increased purchasing power, potentially affecting housing market prices, but it can also introduce unintended tax advantages. The rise in the adoption of family mortgages underscores a shift towards innovative financial strategies in response to changing policy landscapes, underscoring the adaptability of families in navigating the complexities of home financing (DNB, 2023b).

4.5.5 Rent-to-own instruments.

rent-to-own instruments offer financial solutions for those unable to pursue traditional homeownership due to economic barriers or market exclusions. Targeting individuals who exceed social housing income thresholds yet struggle to obtain standard mortgages, these instruments enable renters to accumulate home equity, blending flexibility with strategic financial planning. A share of rent goes towards home equity, reducing the required mortgage and easing the path to ownership. This method provides the benefits of homeownership, like value appreciation, without upfront financial burdens. Additionally, these programs allow opting out, offering a safety net for uncertain homebuyers. Thus, these instruments serve as viable alternatives in a challenging housing market, fostering inclusivity and financial resilience (Dol et al., 2023).

KoLat: Koop Later

The mechanism of KoLat operates on a live now, buy later principle, where participants enter into a contract that establishes long-term, fixed monthly payments towards a predetermined purchase price. This structure allows a part of the rent paid to be allocated towards building equity in the home, effectively reducing the future mortgage amount required at the time of purchase. Additionally, the scheme grants participants the benefit of any increase in the property's value during their rental period, mirroring the financial advantages of homeownership. Condition-wise, the program introduces flexibility by allowing participants the option to continue renting without committing to purchase, addressing the needs of those uncertain about future homeownership. This choice provides a safety net, making KoLat a practical option amidst stringent mortgage regulations and the broader challenges within the housing sector (KoLat, n.d.).

KoLat aims to empower first-time homebuyers with limited mortgage eligibility or borrowing capacity. The approach involves starting tenants on a market-rate rent, with an innovative twist of setting aside a portion of this rent (about €250 monthly) into a reserve fund. This reserve contributes to the down payment upon exercising the purchase option, or is forfeited if the option is not utilized, ensuring participants have a stake in the property's initial market value and any appreciation over time (Dol et al., 2023).

Cokopen

Cokopen operates through a mechanism involving the establishment of an affordable living cooperative for each new construction project. Participants selected for a Cokopen home sign a rental agreement and a membership contract. This dual-agreement structure not only secures their housing but also enrolls them in a program where they accumulate wealth as long as they reside in the Cokopen home. Upon leaving, they receive a financial payout intended to serve as start-up capital for purchasing a home, with the target amount being €21,500 after a six-year stay. To ensure this system benefits the intended demographic, conditions are set for eligibility and continued participation. Eligibility is determined by household gross annual income, confined to the specified range. After four years of residence, an income reassessment occurs to verify ongoing eligibility. Should a participant's income rise beyond the threshold, they receive a reduced payout upon departure. This policy aims to encourage the turnover of Cokopen homes to individuals who are in the initial target income bracket, thereby promoting equitable access to affordable housing. Since its inception in October 2022, Cokopen has been actively promoted to municipalities and developers, highlighting its benefits over traditional homeownership, such as no requirement for a down payment or mortgage, and wealth accumulation, and its advantages over free market renting, including lower initial rent and minimal annual rent increases. Despite its many benefits, a potential limitation of Cokopen, compared to outright homeownership, is the possibility of missing out on higher profits from the sale of a property due to its structured payout system upon departure (CoKopen, n.d.).

4.6 Preferences

As discussed in previous sections, entry opportunities for first-time homebuyers are significantly limited. Whereby financial instruments are often proposed as potential solutions to bridge these gaps. This section however aims to examine the preferences and behaviors of this demographic by contrasting the aspirations of potential first-time homebuyers with the actual decisions made by those who have recently entered the housing market. This analysis is methodically structured around five key categories: demographic information, moving motives, living environments, home characteristics, and financial considerations. Each category will be explored to highlight the disparities and commonalities that exist between the intended and realized outcomes in the process of purchasing a first home.

4.6.1 Demographic information

Upon comparing the age distributions of recent first-time homebuyers with those of potential first-time homebuyers, the analysis reveals no significant statistical difference. This indicates that while age plays a role in homebuying, the distribution across different age groups is remarkably similar between those who have recently bought their first home and those who aspire to do so. This similarity suggests that age, as a demographic factor, does not create distinct advantages or disadvantages for entry into the housing market among different age groups. The age distribution between both groups can be found in the appendix.

Similarly, when examining the highest level of education there is no significant difference in the distribution across various education levels is observed. This outcome implies that the educational attainment, much like age, influences individuals' homebuying intentions and capabilities, but does not differentiate significantly between those who have recently entered the housing market and those who plan to do so. Thus, while education is a factor in the homebuying process, it does not markedly alter the profile of potential versus actual first-time homebuyers. The educational distribution between both groups can be found in the appendix.

However, the analysis of household incomes presents a different picture. There is a significant disparity in income between the two groups, as shown in figure 4.7. Households that are aspiring to purchase their first home generally have lower incomes compared to those who have recently made their purchase. This significant income difference underscores that financial capacity is a critical factor influencing homebuying opportunities. Whereby the potential first-time homebuyers have a much lower household income compared to recent first-time homebuyers, indicating economic constraints as a primary barrier to entering the homebuying market for many potential homebuyers.

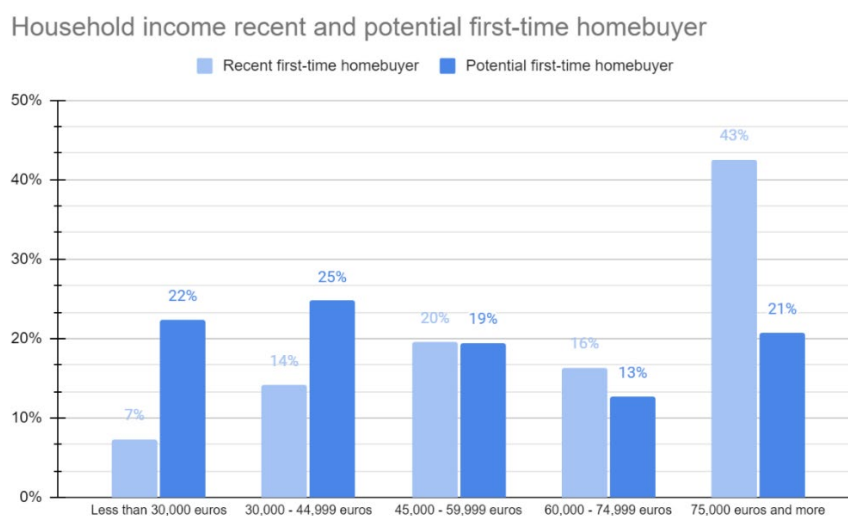


Figure 4.7 Household income of recent versus potential first-time homebuyers (Own figure based on WoON, 2021)

4.6.2 Moving motive

The difference between recent and potential first-time homebuyers is notable in various aspects of their moving behavior. In terms of reasons for moving, the data show that recent first-time homebuyers more frequently move due to job-related reasons, while potential first-time homebuyers are more inclined to move due to financial reasons and the proximity of their previous residence. This can possibly indicate different aspects of the decision-making processes and the situations of recent and potential first-time homebuyers. This divergence in motivations and circumstances can be seen as reflecting the distinct challenges and priorities facing each group. These variances between both groups are depicted in figure 4.8.

In addition, there are notable differences in personal life events, such as marriage, divorce, and the desire to live independently, with potential first-time homebuyers showing a higher preference to move due to marriage, and recent first-time homebuyers more often having moved to live independently. The remarkable differences in personal life events between recent and potential first-time homebuyers can indicate diverse life stages and life goals within these two groups. The higher preference of potential first-time homebuyers to move due to marriage may indicate that this group is at a stage in their life where they are consolidating relationships and prioritizing family formation. This could lead to the decision to buy a house as a step towards a more stable and permanent living situation for themselves and their future family. Overall, these findings illustrate the diversity and complexity of the considerations that accompany the decision to buy and move into a house and highlight the importance of understanding the specific needs and motives of different groups of homebuyers, as depicted in figure 4.8.

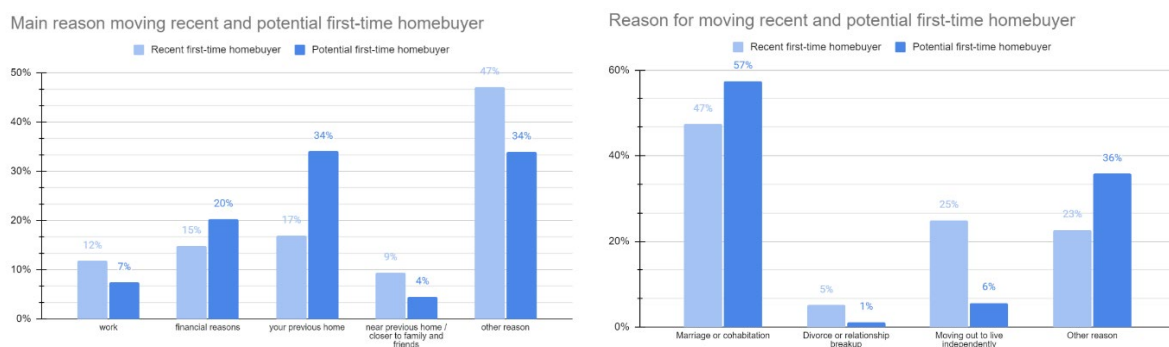


Figure 4.8 Moving reasons of recent versus potential first-time homebuyers (Own figure based on WoON, 2021)

4.6.3 Living environment

An examination of the preferred residence location, specifically whether it should be in the same municipality as the previous residence or elsewhere in the Netherlands, compared to the actual choices made by first-time homebuyers, reveals no significant difference. This analysis indicates that both recent and potential first-time homebuyers show similar preferences and actual decisions when it comes to the geographical location of their new homes. Whether they prefer to stay within the same municipality or move to a different one elsewhere in the country, the outcome tends to align closely with their initial preference. This similarity suggests that geographical location, whether local or national, does not play a significant role in differentiating between the desired and actual living situations of first-time homebuyers. The preferred residence location distribution between both groups can be found in the appendix.

Similarly, when considering the desired living environment, whether it be an urban center, a suburban area, a green urban area, a village center, or a rural setting, the analysis shows that there is no substantial difference between the preferred and the actual environments chosen by first-time homebuyers. This consistency extends across various types of living environments, indicating that first-time homebuyers are generally able to find and settle into homes that meet their initial environmental preferences. Whether they aspire to live in densely populated urban centers, quieter suburban locales, green-buffered urban areas, the heart of small villages, or in more secluded rural areas, the data demonstrates that their actual living environments closely mirror these preferences. These findings underscore the alignment between what first-time homebuyers seek and what they ultimately choose, highlighting the flexibility and adaptability of the housing market to meet these varied preferences. The desired living environment distribution between both groups can be found in the appendix.

However, as indicated in figure 4.9, there is a significant difference in the reasons why homebuyers did not move to their desired place of residence or were unable to do so. While the high cost of homes is a predominant reason that affects both recent and potential first-time homebuyers, this factor is particularly acute for recent first-time homebuyers. For this group, the elevated costs of housing have notably influenced their decisions, leading many to settle for homes that may not fully meet their initial preferences or desired locations. In the category labeled 'other reasons' there is a more significant variance, especially among potential first-time homebuyers. This suggests that a complex mix of unlisted and perhaps less obvious factors plays a critical role in the current decision-making process for those who have not yet purchased their first home.

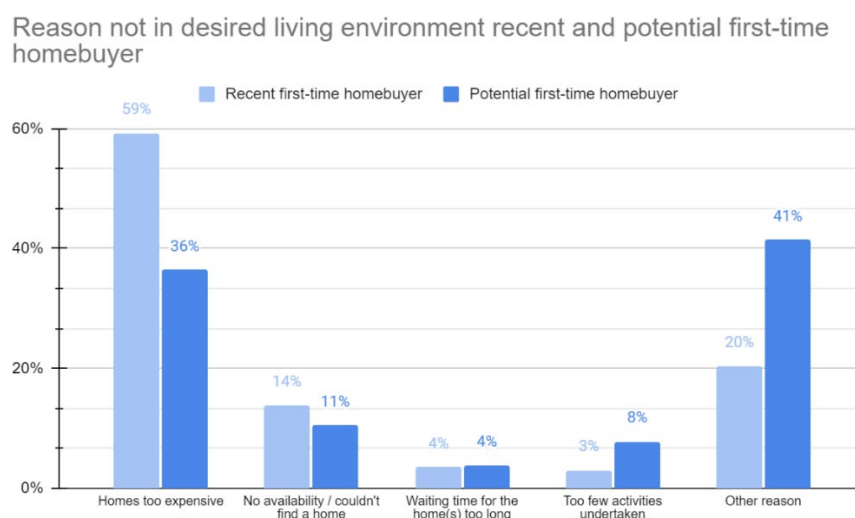


Figure 4.9 Reason could not live at desired place of residence of recent versus potential first-time homebuyers (Own figure based on WoON, 2021)

4.6.4 Home characteristics

When examining the preferences of first-time homebuyers in terms of property ownership type, property type, house type, the desired number of rooms, and the presence of a garden, the analysis reveals that there appears to be no significant difference between the stated preferences (what potential homebuyers say they want before purchasing) and the revealed preferences (what they actually choose when buying their first home). This alignment suggests that first-time homebuyers are generally able to find properties that closely match with these initial desires. The distribution between both groups regarding ownership type, property type, desired rooms, and garden can be found in the appendix.

However, significant differences emerge when examining the construction year of houses and neighborhoods. The data presented in figure 4.10 reveal that although potential first-time homebuyers predominantly prefer homes constructed in 2010 or later, they frequently end up purchasing homes that were built between 1945 and 1989. This discrepancy suggests that the availability of newer homes within the financial reach of these homebuyers is limited, possibly due to higher prices or less inventory in desired locations. As a result, many find themselves in older properties, which might not fully match their initial preferences but offer more affordable options or other desirable features such as location or larger living spaces.

Additionally, when considering the household composition, there is a noticeable decline in single-person households moving independently. This trend is highlighted in figure 4.10 and may indicate a more challenging housing market for single-person households where they do not consider going on the owner-occupied housing market anymore. Several factors could contribute to this situation, including the higher cost of living alone, the limited availability of affordable smaller homes suitable for single occupants, and perhaps broader economic pressures that make single homeownership less attainable. This trend underscores the need for more diverse housing solutions that can accommodate the unique needs of single individuals looking to enter the housing market.

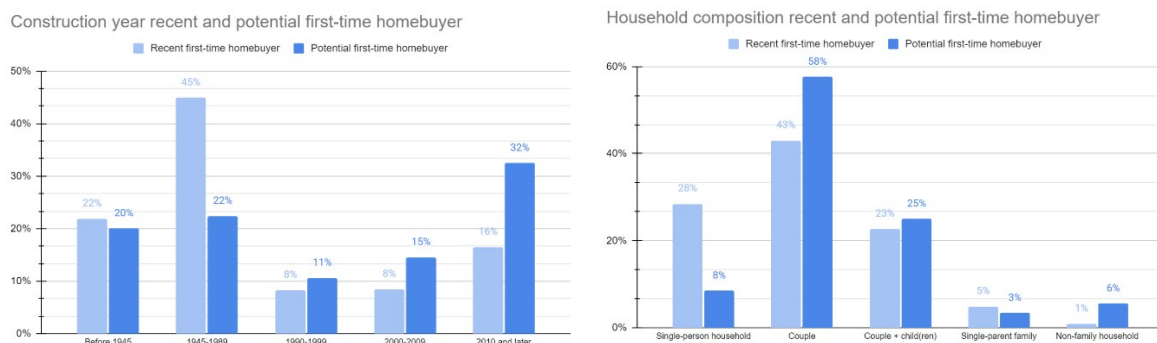


Figure 4.10 Construction year house/neighborhood and household composition of recent versus potential first-time homebuyers (Own figure based on WoON, 2021)

4.6.5 Financial considerations

When examining financial considerations, particularly in terms of monthly mortgage payments, the analysis shows that there is no significant difference between the amounts that recent and potential first-time homebuyers are prepared to pay. The overall distribution, as detailed in the appendix, indicates that both groups have similar expectations and capabilities when it comes to managing monthly mortgage expenses. This similarity suggests that potential first-time homebuyers have realistic expectations about what they can afford in terms of monthly payments and that the market offers mortgage options that align well with these expectations.

Additionally, the analysis of the purchase prices provides intriguing insights into the financial strategies and capabilities of first-time homebuyers. The data reveals that there is not a significant difference between the purchase prices that potential first-time homebuyers are aiming to pay and the prices at which recent first-time homebuyers have purchased their homes. This suggests a well-aligned housing market where the expectations of potential homebuyers closely match the recent realities experienced by those who have just completed the purchasing process.

4.7 Conclusion

This chapter aimed to investigate the current position of first-time homebuyers on the Dutch housing market. Over recent decades, the average age of first-time homebuyers has risen from 27 to 30, influenced significantly by educational attainment and marital status. Couples can typically access higher mortgage amounts, facilitating earlier home purchases. In terms of education those with moderate education levels generally enter the housing market sooner, between 18 and 24 years old. Meanwhile, individuals with higher education, who frequently face the burden of student debt, tend to purchase their homes between 25 and 34 years old. For individuals with low educational levels often buy their first homes later, between the ages of 35 and 44, due to difficulties in securing financing.

The impact of these income variations is reflected starkly in the mortgage market. Single-income households with a modal income of €41,500 can secure mortgages of €171,000, whereas double-income households with a combined income of €72,000 can secure a mortgage of €339,000. This allows double income households to potentially secure more favorable mortgage terms, such as lower interest rates or better repayment conditions, due to their lower perceived risk by lenders. However, the selling price over the years had increased a lot, with an average house price of €428,591 in 2022, whereas houses are being sold into higher price brackets. This increase can also partly be appointed to inflation, however the increase in purchase price rises quicker than the inflation. The increasing difference between the priced first-time homebuyers can afford and actual home prices indicate that this demographic group is increasingly priced out of the market over the years, while existing homeowners, with more equity and financial leverage, can purchase homes closer to their desired price.

But not only do these first-time homebuyers struggle with the affordability, the accessibility to information, the financial accessibility also poses a problem. A significant majority of first-time homebuyers admit to lacking a comprehensive understanding of real estate purchase agreements, with half of them underestimating the importance of fully understanding these documents. Furthermore, almost half of the people feel ashamed to request help, and half of the people rush into commitments to boost their chances of homeownership. Furthermore, since the mortgage regulations does not overlook the potential future income growth these first-time homebuyers are facing difficulties regarding the financial accessibility.

Furthermore, the rapid acceleration of housing market dynamics significantly affects the entry opportunities for first-time homebuyers. The market has become increasingly competitive, with homes selling much faster than before, from an average of 10 months on the market in 2014 to just 1.2 months in 2021. This necessitates quick decision-making among homebuyers. This could especially be difficult for first-time homebuyers since they have not gone through such a process before. The challenge is further compounded for first-time homebuyers, who often have limited financial capacity and face intense competition for the few available lower-priced homes. This scarcity in supply intensifies the struggle for affordable housing options, underscoring the urgency and complexity of the market conditions they navigate.

However, several financial instruments are available that could bridge the affordability gap and enhance the entry opportunities for housing. These instruments fall into five categories: purchase instruments, which offer a price discount on the house; land lease instruments, providing a discount on the ground; hybrid purchase and land lease instruments, combining discounts on both house and ground; financing instruments, which increase lending capacity; and rent-to-own instruments, offering rental flexibility with the benefits of equity building. Although these instruments are designed to assist first-time homebuyers, their impact is somewhat limited due to low applicability. Many of these instruments are tied to specific living conditions rather than to individuals, restricting their broader use. Furthermore, for those instruments that are person-bound, their effectiveness is often limited by the financial capacity of family and friends.

In examining the preferences, using data from WoON, first-time homebuyers show significant differences between those recently entering the housing market and those aspiring to do so, particularly in household income, moving motives, reasons for not living in the desired environment, construction year, and household composition. Recent homebuyers generally have higher incomes and often move for job-related reasons, while potential homebuyers, constrained by lower incomes, are more motivated by financial concerns and the lack of suitable housing options. Additionally, potential homebuyers frequently face challenges like affordability and a mismatch in available properties, often ending up in older homes compared to their preference for newer constructions. This contrast highlights the diverse needs and barriers each group faces, with recent homebuyers better positioned to match their housing preferences and potential homebuyers navigating broader economic and market constraints.

While the analysis provides valuable insights into the current position of recent and potential first-time homebuyers, it also highlights significant gaps in understanding the full scope of their circumstances, particularly in how these gaps affect their ability to navigate the increasingly complex housing market. The study shows a need for more detailed information to fully grasp the nuances of these homebuyers' experiences. To obtain a more comprehensive understanding of these homebuyers' positions within the housing market, additional, more qualitative research is necessary. This could be effectively gathered through targeted interviews with both recent and potential first-time homebuyers. Conducting such interviews would allow for a deeper exploration of their motivations, preferences, and financial constraints, and how these factors influence their decision-making processes. It would also help uncover the personal and emotional aspects of purchasing a home, such as the stress of rapid decision-making due to the short time homes stay on the market, the frustration over the growing affordability gap, and the reluctance to seek help due to the complexity of real estate agreements. Moreover, these interviews could shed light on the broader economic pressures that shape their choices, including the disparities in income and the effects of financial instruments intended to support them. By understanding these dimensions, the research could be enriched with personal narratives that illustrate the real challenges faced by first-time homebuyers, thereby ensuring a more complete and nuanced perspective of their struggles, aspirations, and needs within the dynamic landscape of the housing market. This approach would not only bridge the current informational gaps but also enhance our understanding of the critical barriers and opportunities that shape the experiences of first-time homebuyers today.

5 Recent first-time homebuyers

This chapter focuses on the interviews held with recent first-time homebuyers. It commences by delving into the background information of the interviewees who belong to this demographic group. Subsequently, it addresses the main themes of this study which were established in chapter 2, these are financial instruments, preferences, affordability, accessibility, and entry chances. The chapter therefore examines the experiences of recent first-time homebuyers in terms of their considerations of the financial instruments and personal preferences. Additionally, it examines how they experience that their considerations impact the housing market dynamics, particularly in terms of affordability and accessibility, and how they perceive that these housing market dynamics impact their entry chance on the housing market.

This focus on recent first-time homebuyers, part-answers to the following research question are given:

1. *What are the considerations of recent and potential first-time homebuyers regarding financial instruments?*
2. *What are the considerations of recent and potential first-time homebuyers regarding preferences?*
- 3.1 *What effect do the considerations regarding financial instruments have on housing market dynamics (affordability and accessibility)?*
- 3.2 *What effect do the considerations regarding preferences have on housing market dynamics (affordability and accessibility)?*
5. *What effect do the housing market dynamics (affordability and accessibility) have on the experience with entry chance of owner-occupied housing?*

5.1 Background information

To provide a better understand of the context in which recent first-time homebuyers operate, the demographic background of this group within the housing market is introduced. A total of seven interviews were conducted; an overview of these interviewees, using fictitious names, is presented in table 5.1.

Emma Molenaar

Emma Molenaar, a 23-year-old student with a part-time job, began her search for an apartment in Delft at the end of 2021. The process took approximately a year before she received the keys at the end of 2022. Choosing Delft as the location was a natural decision, given it is the city of her university and her previous rental residence. Finding suitable housing proved to be a challenge in a market characterized by overbidding. However, after viewing four properties, including both existing and new buildings, she decided to register for a new construction project, where her application was accepted.

Femke Smit

Femke Smit, a 26-year-old, and her 31-year-old partner, both employed, undertook a 1.5-year search after renting together before finding a home in Hazerswoude. They viewed multiple properties and eventually placed two bids before successfully securing a home. Despite their favorable financial situation, they encountered challenges in acquiring a property within their desired search area.

Bram Kok

Bram Kok, a 25-year-old employed individual, began actively searching for a home in early 2022. In 2023, he purchased an apartment in Breda, close to where he grew up. The search lasted a year and involved viewing several properties. Due to his favorable financial situation, it was possible to afford a home, though he disliked the significant increase in prices compared to the past.

Laura Bakker

Laura Bakker, a 23-year-old working part-time alongside her study, and her 23-year-old boyfriend, who works full-time, began searching for a single-family in late 2023. After about three months, they decided to purchase an apartment in Boskoop. They viewed multiple properties and placed a bid only on this one, having to submit an additional higher bid to secure the home. Despite their preference was for a location in their hometown, the current challenges in the housing market forced them to opt for a nearby location and a different type of property. This move enabled them to leave their parental home.

Nova Slager

Nova Slager, a 24-year-old who, along her 26-year-old boyfriend, both employed, acquired a house in the Westland area. They embarked on their search at the start of 2022 and, within just one month, visited five houses. They placed a bid on one, which was accepted. Despite expecting to search for several years, they were able to secure their home surprisingly quickly.

Amber Schrijver

Amber Schrijver, a 32-year-old who, and her 36-year-old partner, both employed, found a home in Bodegraven. The spend approximately a year searching for a suitable home with a spacious garden in a green environment. Despite the challenges of a tight housing market and the need to consider concessions, they maintained their essential housing preferences, resulting in a prolonged but focused search for the ideal home.

Ilse Visser

Ilse Visser, a 26-year-old, and her 27-year-old boyfriend, both employed, embarked on their search in mid-2023. After approximately six months, they acquired their first home near Den Bosch. They viewed multiple houses and placed a bid on one, later making a second bid to secure it. Thanks to their good preparation, they were able to act swiftly and successfully secure the property.

Interviewee name	Relation and age	Employment status	Previous living situation	Search location	Search duration (months)	Current housing type	Viewing and bids placed
Emma Molenaar	Single, 23	Student part-time job	Renting	Delft	12	Apartment	4 viewings, 1 bid
Femke Smit	Couple, 26 & 31	Both employed	Renting	Hazerswoude	18	Single-family home	Multiple viewings, 2 bids
Bram Kok	Single, 25	Employed	With parents	Breda	12	Apartment	Multiple viewings, 1 bid
Laura Bakker	Couple, 23 & 23	Student part-time job & full-time job	With parents	Boskoop	3	Apartment	Multiple viewings, 2 bids
Nova Slager	Couple, 24 & 26	Both employed	With parents	Westland	1	Single-family home	5 viewings, 1 bid
Amber Schrijver	Couple, 32 & 36	Both employed	Renting	Bodegraven	12	Single-family home	Multiple viewings, 1 bid
Ilse Visser	Couple, 26 & 27	Both employed	Renting	Den Bosch	6	Single-family home	Multiple viewings, 2 bids

Table 5.1 Profile overview recent first-time homebuyers' interviewees (Author, 2024)

5.2 Financial instruments

As explained in chapter 2, there are five archetypal financial instruments. Throughout their home search, the interviewees encountered these various types of financial instruments through familial or social connections, media exposure, and online research. The family mortgage, gifts, starters loan, and land lease are the most well-known, while the homebuyers discount is less known, and rent-to-own is unknown. The following sections discuss the interviewees' perceptions of each of these archetypal instruments. First, the experiences and opinions are presented, including quotes, are presented followed by an overall conclusion of the insights of each instrument.

5.2.1 Purchase instruments

Purchase instruments were relatively unknown to the interviewees, leading to a variety of perspectives among those interviewed. Only Amber knew of the existence of this type of instrument where she mentioned that she knew about it because her colleague used it, she added that *"My colleague had her eyes on a new-build apartment with a discount on the home. This helped her with the initial entry as she was single and otherwise would not have been able to find a home. However, another friend of mine, who is also single and wanted to pursue this route with a home discount, unfortunately did not qualify due to her single status, this project only allowed couples, making it useless for her"*. With this experience, Amber stated that this instrument itself is not a solution itself for solving the problems first-time homebuyers are facing. Bram also stated that this instrument is a form of symptom management. He added that *"I think that as a mechanism, it is quite interesting for many people. Personally, I would not use it because I consider home ownership an important factor. However, I do think this instrument could help lower the threshold for people in the market"*.

Nova questioned, *"What kind of houses would that be. In the current housing market, lots of houses need renovation and are selling like hotcakes. Furthermore, I do not like to share things with other people, I prefer to have control over everything myself"*. Because of this she indicated that the instrument would not interest her, although she would consider it if it were her only options. In contrast, Ilse was very positive about the instrument, calling it a good option that enables home purchase and stated that she would have considered it had she known about it.

Emma commented *"I think it could work, if necessary. But ideally, you would want to see all the value developments yourself at the end. However, I understand that it might make the first step easier to overcome that threshold, which could make it worthwhile"*. Conversely, Laura would consider this instrument despite the shared value development, stating, *"The instrument is a tool that provides a steppingstone, which is necessary in the current housing market, so I would not rule it out for that reason"*. She added that certain restrictions and rules could pose difficulties. Femke, however, did not favor the shared value development, saying, *"My initial feeling is no, I do not want this. Because when I sell the house, I want to have all my money"*, she added that her financial situation was sufficient and therefore would not consider this instrument.

Overall insights purchase instruments

The interviews revealed a lack of familiarity with purchase instruments, indicating a potential gap in awareness about financial tools that could assist first-time homebuyers. Upon explanation of these instruments, many interviewees expressed a preference for full homeownership and retaining all value development, highlighting their desire for financial independence and control. Moreover, interviewees perceived that location and house characteristics were also important considerations, as this significantly impacts their quality of life and future property value of the respondents. It was also observed that some of these instruments could exclude singles in certain cases, thus possibly limiting their effectiveness to this segment of first-time homebuyers on the market. Consequently, interviewees indicated they would avoid using this instrument unless necessary, despite recognizing that these tools can lower their entry threshold.

5.2.2 Land lease instruments

Regarding land lease instruments, the respondents had varying degrees of familiarity, with some having encountered it personally during the search. Bram mentioned that leasehold takes us back to the Middle Ages, suggesting it is an outdated ownership arrangement which limits the autonomy and ownership rights. He stated he would not use it himself and believes it is impractical to implement. Femke also opposed leasehold, stating, *"I see a lot of obstacles, I can understand that if you cannot manage financially, you resort to such options"*. She indicated a desire to understand all the fine print but would initially exclude from her consideration. Conversely, Emma, saw potential in this instrument despite her limited experience with it. She acknowledged that while it might not be the ideal situation, it can provide that necessary support. Therefore, she would not reject this instrument outright, unlike the others.

Several interviewees had been advised against leasehold by others. Laura stated, *"I would really never take a leasehold, but maybe also because of the stories you hear that you are always in that uncertainty and cannot really invest in your house at certain times if you want to because you never know what the situation will be"*. Nova also expressed concerns, saying *"At one point, I saw a house with leasehold in a new housing development and thought it would still stand for as long as we are there, so I was not worried about it, but they can suddenly say it has a different purpose, and then you are out of luck. And my grandparents warned me against it, saying they would not recommend it due to the long-term uncertainty"*.

In addition to Nova, both Amber and Ilse have encountered properties with leasehold arrangements. Amber noted, *"When I see properties with leasehold, I tend to back off because I want full ownership of the land and the house itself, so that is a conscious choice not to do it. The question is whether you will really notice much difference in practice regarding land ownership rights. However, I do think the average starter is happy to buy a house at a lower price with such an arrangement. But I also see that these leaseholds vary greatly in price per year. It ranges from a few hundred euros to a few thousand euros per year if not more"* which further discourages her. Ilse also mentioned immediately backing off from properties with leasehold, *"Often, houses seem slightly cheaper, and then there is a catch, and it is often something like leasehold. That puts me off a bit, and then it is not quite right. You often see this with old farmhouses, which we have also considered. But then it is not entirely yours. I would not get into that myself. Additionally, you do not know what the prices will do in the future, which is a turn-off. You are then dependent on someone else who decides that"* concluding that for this reason, she would not consider it.

Overall insights land lease instruments

The interviews revealed that although there is a high level of awareness of leasehold, understanding and acceptance of it seem limited. This limited understanding suggests that people are not fully aware of the benefits and drawbacks, which might lead to misconceptions and apprehensions. It is also observed that one interviewee indicated that it is an outdated system that is restrictive, perceiving that leasehold limit full ownership and control over one's property. Indicating the preferences for full ownership among the interviewees. Additionally, there are concerns expressed about the practical implementation and financial implications of leasehold. Indicating the possible need for more transparent and stable financial terms, as well as clearer guidelines on the renewal process to alleviate uncertainty. Moreover, the interviews suggest a trend of disapproval of leasehold, with a focus on negative stories from the past which they perceive can have a lasting impact on the perception of leasehold, indicating the eviction of the agreement or unpredictability about renewed annual costs. Consequently, interviewees indicated that they would not consider this instrument, mainly due to the uncertainties involved. However, it is noteworthy that only Emma would consider this instrument of this group, possibly due to her younger age and single status, which may make her more dependent on such financial constructions.

5.2.3 Rent-to-own instruments

None of the interviewees were familiar with the scheme of renting and then building up equity to potentially purchase the home at a discount after several years. However, the mechanism was generally well-received. Emma responded positively, stating *“Ultimately, you end up spending less overall compared to buying it all at once. If you have the assurance that you can take over the property after 5 to 10 years, then it can work well, especially if you are just starting with a job and can build up gradually this way”*.

Femke, who previously rented, found this interesting instrument and remarked, *“I would have been open to that if it had been an option for our apartment. We did not actually want to leave, but we moved out purely because it was a rental. So, if the option to buy had been available, I would have taken it”*. Bram added, *“What I wish for people the most is, of course, a house of their own, because once you have that, it is yours, and you can start building towards your pension and future. That is why I find this instrument interesting, because it helps people who cannot afford to buy a house. Moreover, it provides the opportunity to think about what you want in the long term while renting, giving you the chance to make smart decisions for building a future”*. He concluded that he found it a very positive option. Amber also noted, *“For people who have difficulties in saving money this could be an outcome”*.

Nova remarked, *“If you do not have the option to buy, then it would be a possibility. I do believe that if you have the option to buy outright, you are not wasting money, so to speak. That is my general stance, but I understand that if you cannot secure a mortgage, you might still be working towards buying through this method”*. Laura shared this opinion and is also in favor of buying straight away if the possibility exists. However, she expressed some considerations about the approach she would take when using the instrument, saying, *“What if you spend the first five years, for example, in a house with a standard bathroom and kitchen that you do not find practical or attractive? Do you wait to make adjustments, or do you postpone them”*. She indicated that this could form a dilemma for her.

Overall insights rent-to-own instruments

The interviews revealed that none of the respondents were familiar with the concept of renting and subsequently building equity to potentially purchase the home at a discount. Despite this unfamiliarity, the mechanism was generally well-received, with respondents indicating interest in this option. This interest was particularly strong among those who had previously rented, while individuals who had lived with their parents were more hesitant due to practical considerations regarding home adjustments. The interviewees recognized that the rent-to-own mechanism could offer significant benefits to those early in their careers, where low incomes are more common. They perceived that it allows for a gradual build-up of equity and provides a solution for individuals who find it difficult to save money. Consequently, many interviewees were willing to consider this instrument since it involved taking less compromises than purchase instruments or land lease instruments.

5.2.4 Financing instruments

All the interviewees were familiar with financing instruments, gifts, family mortgage and starters loan being the most well-known. Among these interviewees, Emma, Bram and Ilse used a family mortgage. Additionally, Bram used the jubelton, while Nova used a starter loan to secure a house. For Emma, the family mortgage was essential. Without it, entering the housing market would not have been possible at all. She further emphasized that she was in a fortunate position but appreciated that her parents were able to help her this way. For the others, the use of financing instruments was not critical but did make things easier in the homebuying process.

Bram stated, *“I used everything that was available. I received a gift of 100,000 euros, I still have my entire student loan of 76,000 euros that I invested, so that money is not gone, and I used a family mortgage. All things considered I did not need to make any financial reservations. If the help had not been there, then the mortgage itself would have been a bit higher, and I would have had higher monthly payments now”*. Ilse, who also used the family mortgage, commented, *“I think we benefited from it somewhat, but it was not such a significant amount that it was necessary. I think we could have managed without it, but then we might have had to buy a slightly different house. But I think it would still have been feasible. Besides that, it does reduce the monthly payments since, but that is such a small percentage that it does not have much influence”*.

Femke knew about the family mortgage itself where she said *“During the time I was studying and my boyfriend was working, he looked for the possibilities to buy a house, however the gap between the selling prices and mortgage was so high that he thought I am not going to do this, the gap was about 100,000 euros. Furthermore, I would find myself guilty when going on vacation because you would own your family still money”* therefore, she concluded that she would not take a family mortgage. Amber shared a similar sentiment *“We considered the option of borrowing a portion from our parents, which we would eventually repay. This could have worked, but it just did not feel right to us. Borrowing from our parents made us both uncomfortable”*, due to her financial position, she ultimately decided against it, preferring to stand on her own even if it meant settling for less. Laura also echoed this view, noting that such arrangements involve risks that could affect family relationships. She preferred gifts, which carry no financial obligations. Nova however, expressed disappointment regarding family mortgages and gifts, stating, *“I find it unfortunate that often only wealthy people benefit from this. They can take advantage of tax benefits and find it easier to deal with their money, only a certain group of people are helped by this, and not everyone”*.

However, a starters loan is something Nova did like and used, where she explained, *“An additional 30,000 euros was added towards our mortgage. That is quite a significant amount that you do not just have lying around. What I especially like about the starters loan is that you do not have to repay it immediately and do not accrue interest right away. We are saving it up first, so if something big suddenly happens, we still have that money on hand. After three years we are going to repay it all at once. However, because of this, we effectively have almost a double mortgage”*. She indicated that this did alter her living situation slightly, but she never went on many vacations or partied every weekend, as she was raised with the motto that being budget-conscious can also be fun. Bram was familiar with starters loans and knew they were heavily promoted in his municipality, but he did not qualify because his home was too expensive. He opined, *“I think starters loans drive up prices because they make more money available, which makes everything more expensive. As a result, people can ask for more and there is more overbidding, so I think it works counterproductively. However, a starter loan is more practical to apply than the other instruments”*. He concluded that this instrument is a form of symptom management and does not effectively solve the underlying issue. Emma questioned why these instruments were only available in certain municipalities, each having their own set of rules, and suggested that a unified approach by the government would create a more equal playing field.

Overall insights financing instruments

The interviews revealed a high awareness and usage of financing instruments. Some interviewees used a family mortgage to secure a better home or reduce mortgage payments, while others opted not to due to discomfort with borrowing from family. Additionally, some individuals felt disadvantaged because their families were unable to provide such support. The starters loan was valued for allowing deferred repayment and interest, offering immediate financial relief, and making homeownership accessible to first-time homebuyers. However, there is concern that these loans may contribute to market inflation. Furthermore, inconsistencies in the availability of these instruments across different municipalities were noted among interviewees, where they perceived an unequal access depending on one's location.

5.3 Preferences

The preferences of the interviewees can be categorized into several distinct areas: reasons for choosing owner-occupied housing, characteristics of the surrounding area, condition of the house, and specific features of the house. Although preferences varied, the considerations highlighted were consistently important. First, the experiences and opinions are presented, including quotes, are presented for each category. This is followed by an overall conclusion of the insights at the end of this section.

Emma, Femke, and Laura all indicated that they considered purchasing a home as an investment in the future. Femke remarked, *“Renting was fine, it was really a beautiful apartment, but the fact that it was not ours and thus not an investment for the future made us think, okay, we also just wanted to buy, and together we could”*. For them, buying a home was a strategic decision aimed at achieving long-term financial benefits. Additionally, Laura and Nova emphasized that renting a home was seen as wasting money since it did not contribute to their wealth. Laura added, *“My partner and I preferred buying because of the return on investment. With rent, you essentially threw money away every month to the housing association, but with buying, the house could increase or decrease in value, which was a risk. But yes, it was yours, and it helped you build wealth. Once you were in the housing market, you had something to sell, making it likely you could buy a second house. You had to start somewhere eventually”*. They viewed buying a home to build financial stability and wealth, placing significant value on full ownership.

Proximity to work and social circles was generally deemed important by the interviewees. Bram expressed, *“I did not want to be tucked away somewhere. I wanted a nice place. I did not want it too busy, but not too quiet either, so not in the city center, but like where I was then, just outside the ring by the water. The only risky part was that you were really paying for the location, so that was a consideration I made”*. Laura mentioned that she compromised on location, saying, *“Ultimately, we started looking further afield and ended up in Boskoop. We were close to shops, had good car accessibility, a private parking space, and a shed. So, in terms of the conditions around the house, everything was good, but the location was disappointing. However, because we wanted to buy, we went to a different location”*. This potentially increased her chances of entering the housing market. Amber did not adjust her requirements and stated, *“We did look at options outside Zuid-Holland, like in the east of the country, but the preference to live close to family outweighed that”*. As a result, she adhered to her preferred location, whereby she indicated that this prolonged the search duration.

Most interviewees had no interest in homes requiring renovation. Ilse remarked, *“We wanted something not very old, well-insulated. It did not have to be completely move-in ready, but at least not needing a major renovation first”*. For Amber, this was less relevant, she stated *“We did not mind renovating to meet our needs, so we would have been fine with adding an extra room, for example”*. This flexibility probably helped in their search for their ideal home. While most interviewees embraced new construction, both Nova and Amber found the style of these homes unappealing and would pass on them.

Preferences regarding the features of the home varied greatly among respondents. Most indicated that the number of rooms, the size of the home, and the size of the garden were important. Femke adjusted her requirements after viewing houses, stating, *“We noticed that the bathroom was really the size of a broom closet, so you could not brush your teeth at the same time, and we thought this is not what we want. Initially, I did not think we would set requirements for the size of a bathroom, but it became a serious requirement”*. Laura made a significant compromise, sharing, *“Ideally, I would have liked a single-family home. The apartment we bought was not what we wanted. You knew that if you had one or two children, you would have to move out because it would not fit. After six years in a relationship, we really wanted to live together, so the question was whether to wait another two years to afford a single-family home or make a compromise”*. As a result, Laura adjusted her requirements.

In contrast, Nova made no compromises but had to go all in, stating, *“The house had everything we wanted. Of course, you dream of an even bigger garden or a bathtub, but that was not necessary because it had everything else, which was why we went all in”*. Similarly, Amber did not adjust her requirements for the features of the house which prolonged her search, *“We did not compromise on our housing preferences, which was why we spent a long time searching”*. Ilse however, indicated, *“I would have preferred a big garden, and we had to compromise a bit there, but we really could not complain”*. She expressed being very happy with the house and the choices made and does not feel any regret.

Emma noted that during viewings, she began to pay more attention to the quality of the house. She recounted, *“I always remembered seeing a beautiful house, but at one point we walked on the floor, and it was completely uneven. If you put a marble down, it would roll away, and there was no mention of this”*. This experience led her to conclude that appearances can be deceiving, whereby she highlighted the importance of being vigilant and thorough when inspecting potential homes. Emma’s realization underscores the necessity for homebuyers to look beyond superficial aesthetics and assess the structural integrity and overall condition of a property. She indicated that homebuyers should approach viewings with a critical eye, potentially bringing along a professional inspector or using detailed checklists to avoid being misled by outward appearances.

Overall insights preferences

The interviews revealed a strong preference for purchasing a home as an investment for the future and allowing an independent lifestyle in the future. Interviewees perceived homeownership was valued over renting due to the potential for financial growth and stability. Proximity to work, social circles, and essential amenities emerged as crucial factors in choosing a location. However, compromises were sometimes necessary to enter the housing market, indicating that while location is a key consideration, some individuals are willing to compromise on this aspect to achieve homeownership. The preference for homes that did not require significant renovations was also evident, with interviewees favoring properties that were well-insulated and not too old. This trend suggests a robust market for move-in-ready homes. Most compromises are generally taken on the size of the house, garden, or number of rooms. In general, the less compromises are taken, or the more specific the criteria are, the longer the search duration is. It could be suggested that among the interviewees, individuals living with their parents tend to have a relatively higher need for a short search duration compared to those who are renting. The decision-making process among an interviewee revealed a shift from wanting a single-family home to purchasing an apartment to shorten the search duration.

5.4 Affordability

The interviewees’ experiences with affordability varied. This section first presents their experiences and opinions, including quotes. An overall conclusion of the insights follows at the end of this section.

Affordability was highlighted as a crucial aspect of the financial feasibility for securing a home. Femke concluded that financial feasibility was the most important factor in homebuying. Bram observed, *“It does not matter whether the house is in good condition or needs to be renovated; all the houses will be selling like hotcakes, and people will be paying top dollar for them. Nothing will be affordable; everything was better in the past”*. Nova shared this sentiment, stating, *“The affordability is absurd. When you hear for how much your grandfather and grandmother bought a home, then I sometimes feel deeply ashamed when I now say how much I paid for this house”*. Laura echoed these concerns, adding, *“The affordability is bad; there is very little to find within the budget of a first-time homebuyer, whereby lots of compromises must be made. Furthermore, the maximum mortgage amount we got included very high monthly costs, whereby we thought this is expensive, because that would cause us not to be able anymore to sit on a terrace, so this also limited our options eventually”*.

Emma also found affordability very challenging. She remarked, *“It was very tough because everyone was overbidding. That made it very difficult. The question was not if you had to bid above the asking price but how much you had to bid over it. Without overbidding, you would not make it”*. This experience led her to realize that new builds were more affordable, as they had a fixed price and did not require bidding above the asking price. While getting approved for a new build required luck, it eliminated the need to compete with other bidders. Femke, on the other hand, was very fortunate. She explained, *“We bought the home without a broker. Through friends and family, we knew that the owners were willing to sell their house, so before it got placed on the internet, we were able to see it and place a bid on it. Because it was not published online, there was little to no competition, which made us able to secure the house itself for the asking price. Whereas if it would have been put online, they would have got more”*. This situation highlighted the advantageous position she had.

Laura faced a lot of competition in the housing market and took substantial risks. She explained, *“We really wanted the house, so we went all in on it, whereby we also thought we perhaps could not survive the first few months financially”*. She added that her parents were able to lend them some money to get through the first months but she was fortunate that in the end, she did not rely on this support. Amber also observed intense competition in the market but did not let this fool her, stating, *“We tried to stick tightly to what we think a house is worth, and you will always have to offer above the asking price, but you draw the line somewhere. We did not allow ourselves to be fooled by this”*.

For Femke, affordability was initially an issue when they had to manage on a single household income, stating, *“The gap between the mortgage and the house prices was 100,000 euros. When we got two household incomes, this changed and opened doors for us”*. Amber further noted that starter home prices did not align with what starters could realistically secure as a mortgage, stating, *“I recently saw that the average starter home requires two earners to earn almost 100,000 euros per year in order to be able to afford it in a decent way, including all the other costs that come with it, such as groceries and other inflation”*. She emphasized that this was impossible for most first-time homebuyers.

For Bram, obtaining the family mortgage and jubelton was not necessary, but it did help lower his monthly costs. Ilse had a similar experience, although she did not need the family mortgage, it enabled her to achieve more and reduce her monthly expenses. In contrast, Emma required the family mortgage to afford a home, stating, *“Without the family mortgage, I would not have lived here. Without a mortgage and some additional support, it is almost impossible to secure a home”*. Nova also relied on additionally help, the starters loan made her home purchase affordable. She did acknowledge the risks involved but emphasized that renting would have also been costly given the competitive housing market, making it a well-considered choice.

Overall insights affordability

The interviews revealed that affordability was a crucial aspect of financial feasibility for securing a home, with many respondents struggling to find affordable options. Interviewees perceived that overbidding was also a common issue, with some spending more than they could afford to secure a home, indicating the challenging nature of the housing market. One interviewee noted that new builds were more affordable since they did not involve overbidding. Additionally, some respondents were able to avoid competition through silent sales facilitated by family and friends, placing them in a more advantaged position. For several respondents, financial instruments were critical in resolving the affordability issue and making homeownership possible. Single households and younger couples buying single-family homes often relied on additional financial support. Conversely, the youngest couple did not use any additional support but opted for an apartment instead of a single-family home. This trend possibly indicates that younger homebuyers and single households face greater financial challenges and thus rely more heavily on external financial assistance. Conversely, those who do not receive or utilize such support might adjust their housing preferences to align with their financial capabilities, often choosing more affordable housing options like apartments.

5.5 Accessibility

The interviewees' experiences with accessibility varied. This section first presents their experiences and opinions, including quotes, for each category. An overall conclusion of the insights follows at the end of this section.

Emma noted that transparent information it is not accessible, stating, *"Nothing is what it seems. Information is withheld. Everything is being made much nicer and everyone wants a home, so everyone is desperate. And therefore, as a seller, you may not always be inclined to tell everything or show everything. Furthermore, at viewings, you also notice that they really want to show that they are busy and that you should be happy if they have time for you. When asking about if there is still a possibility to place an offer, you get the reaction that there have already been three overbids, like it or not, so to speak"*, further indicating that the selling parties were often very arrogant towards her. She also highlighted the dispersed nature of information *"Although the information can be found it is very spread out, but you will have to search a lot. But somehow it would have been nicer if there was a clearer overview, or at least a starting point where more things are together. And that is now super challenging and difficult to figure everything out"*. Femke found understanding the information more manageable because she could ask her mortgage advisor about things she did not understand, and he would explain it in easy-to-understand language. In contrast, Bram, however, found the information quite generic and stated, *"Most texts are of course extremely boring, terribly clumsy and archaic"*.

Nova emphasized the benefits of having a financial adviser, stating, *"Having a financial advisor helped us with knowing what is possible and what is not, and he further helped us also with understanding the information at hand, it did cost some money though"*. She concluded that the expense was more than worth it, adding most valuable online information is behind a paywall, making it less accessible. Furthermore, she indicated that the difference between the maximum mortgage she found online and what she could get was over 50,000 euros, indicating a misrepresentation of information online. Femke further stated that, *"Because we did not have a mortgage consultation at the beginning, we did not really know what we could afford. In hindsight, it would have been better if we had done this at the start of our search, because at one point we were walking through houses without knowing if we could afford them"*. She emphasized that having this consultation early on would have been very helpful.

Femke also used a mortgage advisor and found it useful, as it provided insights into the long-term costs associated with homeownership. She added, *"Having a local mortgage advisor was very beneficial since he was known in the surroundings and had connections with banks, appraisers and notaries"*. She indicated that these connections made the process go smoothly. Ilse similarly benefited from having a mortgage advisor, noting that it helped her understand exactly what to expect, thereby facilitating a more informed and confident homebuying process.

The interviewees emphasized the importance of checking Funda daily and acting quickly, as viewing appointments were quickly booked. Bram noted that indicating to be able to make an offer without a financial reservation put him in a position that he had more access to viewing appointments. Femke found the open house days to be a good alternative, as they had a very low threshold and made it easy to view houses. Amber found the general viewing duration to be too short, stating, *"You have a maximum of half an hour or even less, so within that half hour, you must go through an entire house. Then, based on that brief half hour, you must make the decision of a lifetime to spend a huge budget on a house you do not really know"*. Indicating that she would need more time before deciding.

Femke had an unpleasant experience with the selling party while viewing a house. She recounted, *"We went to see a house and spoke with the selling agent there, but he kept pressuring us the whole time. Eventually, we did make an offer contingent on a structural inspection, but we were told that the offer had to be higher and that we had to waive the structural inspection, and that we had to decide within half an hour. In the end, I pulled the plug because it was not a pleasant experience"*. Laura faced an even stricter time constraint, needing to decide within just 10 to 15 minutes. She highlighted the difficulty of making such a significant decision under such pressure.

Nova noticed differences in the attitudes of selling parties. One agent would make time for her and answer her questions, while another seemed disinterested, saying, *"It is Friday, I want to go home, figure it out yourself"*. Bram also experienced a lot of pressure from the selling parties but did not let it influence him. For instance, he waited till the last day to sign the contracts which provided him with peace of mind.

After viewing, placing a bid in the current housing market often meant going out of one's comfort zone. Amber explained, *"When you want to place a bid, there are all kinds of things you need to consider. Do you add a subject to construction inspection and/or financial reservation? The current context is that people also said yes, well, I would not do both because if you have a similar offer from someone else, that could also make them choose you rather than someone else. That also played a role, while we were both very realistic about, yes, hello, I would like to cover a bit of risk for yourself as well"*. She acknowledged that it is not rational to exclude these conditions, but the market conditions pressured her to do so, making this less accessible. Nova found that deciding not to include these contingencies did help her to secure the house over other bidders.

Emma noted that the applicability of the family mortgage was very straightforward, and she did not encounter any problems with it. She highlighted that being able to utilize a family mortgage placed her in a favorable position, underscoring the significant advantage it provided in securing a home. Similarly, Bram also benefited from using a family mortgage and a jubelton. With his father being an accountant, he received additional financial expertise and support, further easing the homebuying process for him.

Overall insights accessibility

The interviews revealed that information about the housing market was often perceived as inaccessible and withheld, making the process difficult and requiring extensive searching. The information was highly dispersed, making it challenging to find comprehensive details in one place. They indicated that mortgage advisors played a crucial role in helping to understand and navigate the information, making financial instruments more accessible. This highlights the fragmented nature of housing market information. Furthermore, they perceived that selling agents were frequently not transparent and appeared arrogant during viewings. Securing viewing appointments was challenging due to high demand and limited slots. Open house days provided a good alternative for some, offering a low threshold for viewing homes. Making offers without financial reservations increased access to viewings for some homebuyers, a practice some selling agents pressured homebuyers into. This underscores the intense competition and pressure within the housing market, influencing homebuyer experiences and decisions. Many homebuyers described being pressured to waive contingencies and make quick decisions, while others noticed varying levels of responsiveness from different sellers. This illustrates the high-pressure tactics employed by selling parties, which put homebuyers in positions they rather not be in.

5.6 Entry chance

First, the perspective on entry chances is presented, followed by a detailed discussion of the individual factors that influence these chances. Finally, the section provides an overview, summarizing the insights.

Regarding the chance of entering the housing market, Emma perceived that too much had been left to the market's mechanisms, making it extremely difficult for first-time homebuyers to secure a home. She highlighted the challenge of overbidding as a necessity just to have a chance. This sentiment is echoed by others who find the current housing market to be highly competitive and challenging. Nova shared her experience, stating, *"We started looking for a house early on purpose because you know the housing market is busy, and you won't be able to get a house, and everyone takes three years to find one, so we started early"*. Where she acknowledged the prolonged time typically required to find a suitable home. Amber described the situation as madness, emphasizing the irrationality involved in the current market conditions, stating, *"You have to throw all rational thoughts overboard to have a chance in the current housing market"*. She underscored the pressure and desperation felt by homebuyers who must abandon careful, rational decision-making in favor of taking significant risks to secure a property. In contrast, Bram and Femke found it easier to secure a house due to their strong financial situations.

Emma, choose new construction over existing buildings to ensure price certainty and avoided hidden defects. She felt that this decision increased her chances of securing a property due to less competition, helping her avoid unforeseen costs and competitive bidding wars. Her reliance on a family mortgage highlights the importance of financial support in enhancing market entry chances. This aid allowed her to compete in an otherwise inaccessible market, lowering initial barriers and increasing her chances of securing a suitable home. However, chaotic information and waiting lists reduced her chances of entering the market due to the uncertainty and inefficiency. She emphasized that poor information and inconsistent communication limited their ability to act quickly and effectively, decreasing her chances of entering the market. The flexibility in housing preferences and willingness to accept less in terms of number of rooms increased her chances. The focus on one location close to the university decreased her chances of entering the market, this narrow focus limited her options.

For Femke and her partner, having dual incomes improved their chances of entering the housing market. Initially, with only one income, they faced a financing €100,000 financing gap. The added financial strength expanded their opportunities, boosted their budget, and made them more attractive to sellers in a competitive market. Furthermore, substantial savings enhanced their chances by providing financial security, enabling quick action, and increasing flexibility in negotiations. Engaging an independent mortgage advisor provided them with detailed, personalized advice, helping them navigate the financial complexities. This enhanced their chances by enabling them to make more informed decisions and optimal financial choices. The limited supply within their desired search area, reduced their chances of entering the market. The willingness to adjust housing preferences helped them adapt to the limited market and thereby increasing their chances by expanding the number of potentially suitable homes. Their success in securing a home lies in a discreet sale which demonstrated to improve their chances and helped them bypass intense competition.

For Bram, the decision to bid without a financing contingency improved his chances of entering the housing market. This allowed him to stand out in a competitive market and act more quickly than other interested homebuyers. Abandoning a preference for a specific neighborhood in Breda, improved his chances by expanding the range of available options. He was willing to compromise on both location and type of property. This pragmatic approach improved the likelihood of success. Additionally, actively participating by registering on real estate websites and the Funda mailing list gave him an edge. Being directly informed about new properties, he could respond more quickly than others who might be less proactive.

For Laura and her partner, shifting their preference from one location to more locations and from a single-family home to an apartment significantly improved their chances of entering the housing market. This compromise expanded the number of suitable homes within their budget, allowing them to navigate a competitive and expensive market. The discreet sale of their apartment, involving less competition, directly improved their chances of entering the housing market. Utilizing financial strategies and advice, along with budgeting, improved their chances further. Clear insights into their financial capabilities enabled making quick realistic bids and effective decisions, avoiding potential pitfalls and focus on feasible options.

For Nova and her partner, searching early increased their chances through a proactive approach. This enabled them to make better-informed decisions and maximize their opportunities in a competitive market. The approach of signing up for viewings immediately after a property appears on Funda further improved their chances by ensuring they are among the first potential homebuyers, since delays can result in missing out on a property. The flexibility in preferences improved their chances by expanding the number of properties that meet their criteria. A safety net provided by the parents for the first couple months enabled them to take more risks and thus improving the chances. The lack of being taken seriously by some real estate agents, highlighted a social barrier that reduced their chances of entering the market. This experience made it more difficult to secure a property within their criteria, as it affects their ability to effectively communicate and negotiate with agents.

For Amber and her partner, expanding their search area without being tied to one specific city or town improved their chances of entering the housing market. This openness to various locations enhances the likelihood of finding a suitable home within their budget and wish list. Their willingness to compromise on less critical housing preferences further improved their chances. Daily monitoring of the housing market underscored their proactive approach. In a market where homes sell quickly their vigilance ensured prompt responses to new opportunities in a housing market with a high competition. Considering forgoing a structural inspection and not bid with a financing contingency showed the pressure to make competitive offers. While this choice made their bid more attractive, it also increased long-term risk. Balancing these factors improved their chances while protecting their interests and stability. Adding a personal letter to their bid illustrated extra effort to increase their chances. This personal strengthen connections with sellers and possibly increasing their chances.

For Ilse and her partner, expanding their location preferences improved their chances of entering the housing market. This broadened their range of potential homes. Their willingness to make compromises on characteristic of the house, demonstrates their pragmatic approach to finding a home. By adjusting less critical requirements they increased their chances by placing more properties within their reach. Additionally, using a family mortgage to increase their budget and overcome financial barriers further increased their chances. The presence of a buying agent bridged the information and access gap and allowed them to make better-informed decisions and act quickly, which was crucial for seizing opportunities in a fast-moving market and thus improved their chances. Despite the complication of changing jobs during the home-buying period, their effective management of this challenge showcased their flexibility and adaptability. Their proactive communicative ensured they addressed potential delays, maintaining their chances of securing a home.

Overall insights entry chance

The interviews revealed that initial housing preferences impact affordability, which in turn affects entry chances in the market. Interviewees indicated that to improve affordability, preferences often needed adjustments, because of the competitive market where overbidding is necessary. They noted that selling parties heavily influenced entry chances by driving up prices and forcing quick decisions, often leading homebuyers to place bids without structural inspections, increasing their risk. Interviewees suggested that adopting a proactive approach and leveraging financial support enhanced entry chances, allowing homebuyers to navigate the market more effectively and make informed decisions.

5.7 Conclusion

This section answers a part of the following sub-questions about recent first-time homebuyers:

1. *What are the considerations of recent and potential first-time homebuyers regarding financial instruments?*
2. *What are the considerations of recent and potential first-time homebuyers regarding preferences?*
- 3.1 *What effect do the considerations regarding financial instruments have on housing market dynamics (affordability and accessibility)?*
- 3.2 *What effect do the considerations regarding preferences have on housing market dynamics (affordability and accessibility)?*
5. *What effect do the housing market dynamics (affordability and accessibility) have on the experience with entry chance of owner-occupied housing?*

Considerations financial instruments recent first-time homebuyers

The considerations of recent first-time homebuyers regarding financial instruments include financial independence (the desire to manage financial future without restrictive conditions), ownership control (the need to have full autonomy over the property without external limitations), long-term financial implications (the impact on the overall financial health and stability over time), and personal comfort levels (complexity and terms of financial agreements). This careful deliberation leads to a selective utilization of financial instruments, balancing the immediate need for affordability with the long-term goal of financial security. Each financial instrument presents unique advantages and challenges, shaping their adoption based on individual circumstances and broader market conditions.

Overall, of the different archetypal instruments, recent first-time homebuyers preferred to use nothing at all, however, if needed to choose, they would choose the financing instruments because they perceived that these offer immediate financial relief and flexibility, aligning well with the needs without imposing significant restrictions or compromises. Rent-to-own instruments are also well-regarded, as they facilitate a gradual transition to ownership with minimal compromises. Purchase instruments are less favored due to the required trade-offs that impact financial independence. Land lease instruments are the least attractive, as they perceived that these provide limited ownership and control and come with considerable uncertainty.

Considerations preferences recent first-time homebuyers

The considerations of recent first-time homebuyers regarding their preferences can be categorized into four main areas: moving motives, search area, house condition, and house characteristics.

Recent first-time homebuyers often moved driven by a desire for independence and viewed homeownership as an investment in their future. They perceived that the prohibitive costs of private renting and ineligibility for social housing also steered them towards purchasing. Proximity to work and personal networks influenced their search areas, with the availability of financial instruments shaping how broadly they looked. Regarding house condition, homebuyers showed a strong preference for newer, move-in-ready homes, although the overall costs, including potential renovations, were critical considerations. The specific characteristics of a house, such as the number of rooms, overall size, and maintenance requirements, were other factors of consideration. The homebuyers often found themselves compromising on these preferences, adjusting their expectations about the number of rooms, house size, and garden size. Expanding the search area and becoming more flexible with house conditions, including a willingness to undertake some renovations, were common strategies to meet most of their main preferences. Those previously living with parents tended to compromise more readily than those who privately rented, highlighting their urgency to achieve independence. These patterns underscored the balancing act between personal aspirations and the realities of the housing market for recent first-time homebuyers.

Effect of financial instruments on housing market dynamics for recent first-time homebuyers

The effect of the consideration made by recent first-time homebuyers differs for each archetypal instrument. The utilization of these instruments each has a different effect on the housing market dynamics. Purchase instruments reduce the required down payment and offer more manageable monthly payments, enhancing affordability for first-time homebuyers who face large initial costs. However, interviewees noted that their limited availability and specific eligibility criteria, such as prioritizing families over singles, make them less accessible to a broader range of homebuyers. Land lease arrangements lower the initial cost by separating the purchase of the home from the land, providing more affordable entry points for first-time homebuyers. Interviewees observed that they are broadly available and generally do not have specific eligibility criteria, making them accessible to a wide range of homebuyers. Rent-to-own models eliminate the need for a traditional down payment, allowing homebuyers to gradually build equity while living in the property, thus making homeownership more affordable. However, interviewees indicated that their availability is often limited, restricting their accessibility and usage. Financing options, such as family mortgages, gifts, and starter loans, provide immediate financial relief by reducing upfront costs, making homes more affordable. Yet, interviewees felt that their dependence on familial wealth and regional availability can limit accessibility, especially for those without family support or in regions where these options are not offered.

Effect of preferences on housing market dynamics for recent first-time homebuyers

Among recent first-time homebuyers, several preferences evolved, leading to adjustments in their initial criteria. Interviewees indicated that in some cases, preferences shifted towards higher criteria, such as placing more importance on the size of a bathroom or specific features, after realizing they had misjudged their initial needs during viewings. However, many adjusted their preferences to enhance affordability and accessibility. They became more open to houses requiring some renovation and opted for properties with fewer rooms or smaller sizes. Additionally, one interviewee changed their preference from single-family to multi-family homes as they perceived this to make it both more affordable and accessible.

Effect of housing market dynamics on experience with entry chance for recent first-time homebuyers

Affordability and accessibility shaped the experiences of first-time homebuyers. The interviewees perceive that high housing costs forced many to stretch their finances, leading to intense financial pressure. The need to overbid further strained their budgets, often requiring them to pay above the asking price to secure a home. This competitive market made finding affordable homes challenging and frustrating. Homebuyers with family financial support, like family mortgages or gifts, felt they had a distinct advantage, bridging the affordability gap and allowing them to purchase homes otherwise out of reach. However, they noted that this reliance on family support highlighted disparities, as not all homebuyers had access to such resources, creating unequal opportunities. Furthermore, interviewees observed that the limited availability of homes and high competition made finding suitable options difficult, adding urgency and stress as homebuyers had to act quickly. Viewing appointments filled up fast, and homes sold shortly after listing, increasing the pressure. Additionally, fragmented and scarce information complicated the decision-making process. While professional services like mortgage advisors could help navigate these challenges, interviewees indicated that not all homebuyers could afford or access such support, further complicating their journey. Lastly, selling agents added to this pressure by urging homebuyers to make quick decisions and often pushing them towards higher bids. Agents frequently set conditions that forced homebuyers to place offers under specific circumstances, such as requiring waivers on inspection contingencies or financing clauses. Interviewees perceived that this tactic drove up prices and decreased the chances for first-time homebuyers to secure a home within their budget. The aggressive strategies of selling agents thus intensified the competitive environment, making it even harder for homebuyers to navigate the market effectively and affordably.

6 Potential first-time homebuyers

This chapter follows a similar structure and approach to chapter 5. This chapter focuses on the interviews held with potential first-time homebuyers. It commences by delving into the background information of the interviewees who belong to this demographic group. Subsequently, it addresses the main themes of this study which were established in chapter 2, these are financial instruments, preferences, affordability, accessibility, and entry chances. This chapter therefore examines the experiences of potential first-time homebuyers in terms of their considerations of the financial instruments and personal preferences. Additionally, it examines how they experience that their considerations impact the housing market dynamics, particularly in terms of affordability and accessibility, and how they perceive that these housing market dynamics impacts their entry chance on the housing market. This focus on potential first-time homebuyers, part-answers to the following research question are given:

1. *What are the considerations of recent and potential first-time homebuyers regarding financial instruments?*
2. *What are the considerations of recent and potential first-time homebuyers regarding preferences?*
- 3.1 *What effect do the considerations regarding financial instruments have on housing market dynamics (affordability and accessibility)?*
- 3.2 *What effect do the considerations regarding preferences have on housing market dynamics (affordability and accessibility)?*
5. *What effect do the housing market dynamics (affordability and accessibility) have on the experience with entry chance of owner-occupied housing?*

Furthermore, a comparison between the recent and potential first-time homebuyers is established, the chapter therefore also addresses the two remaining sub-questions.

4. *To what extent does the effect of financial instruments and preferences on housing market dynamics (affordability and accessibility) vary among recent and potential first-time homebuyers?*
6. *To what extent does the effect of housing market dynamics (affordability and accessibility) on experience with entry chance of owner-occupied housing vary among recent and potential first-time homebuyers?*

6.1 Background information

To provide a better understand of the context in which these potential first-time homebuyers operate, the demographic background of this group within the housing market is introduced. A total of six interviews were conducted; an overview of these interviewees, using fictitious names, is presented in in table 6.1.

Interviewee Pien Peeterse

Pien Peeterse, a 22-year-old student with a part-time job, and her 23-year-old full-time remote-working boyfriend, currently live with their parents. They began searching for an apartment in Zoetermeer at the end of 2023 and have been actively looking for five months. They viewed five apartments and bid on three were significantly outbid each time. They are eager to find a suitable place to call their own.

Interviewee Sophie Sanders

Sophie Sanders, a 28-year-old with a legal background, and her 38-year-old partner, both employed and currently renting together. Began searching for their first home since the end of 2022 and have been actively looking for 1,5 years. Initially focusing for a single-family home in Den Haag, they expanded to Zoetermeer to find more options that fit their criteria. They viewed multiple houses and two unsuccessful bids, both outbid by small margins.

Interviewee Victoria Vos

Victoria Vos, a 27-year-old employed individual living with her parents, began searching for an apartment in Groningen-Centrum and Midden-Groningen at the start of 2024. After 3 months without making any bids or viewing appointments, she paused her search due to the unaffordability of available apartments, despite her modal income.

Interviewee Michael Meijer

Michael Meijer, a 26-year-old employed individual living with his parents, began searching for an apartment in Zoetermeer at the end of 2023. Over six months, he viewed over ten apartments but has not made any bids due to high prices and a competitive market, making it difficult to find suitable options within his budget.

Interviewee Julian Jansen

Julian Jansen, a 27-year-old, and his 26-year-old partner, both employed, have been searching for a single-family home in Zwolle at the beginning of 2024. Over five months, they attended five viewings and submitted two bids, but were outbid. Although there is no immediate pressure to leave their current rental, they are eager to secure a new home, with the prospect of family expansion in mind.

Interviewee Britney Bos

Britney Bos, a 21-year-old teaching assistant, and her 22-year-old boyfriend, a student, currently live in a social housing unit. Despite their modest income, they hope an inheritance will enable them to purchase an apartment. Their search began mid-2023, over nine months they have viewed six apartments but made no bids. Due to their €225,000 budget being insufficient, as no apartments under €240,000 have been available on the market.

Interviewee name	Relation and age	Employment status	Current living situation	Search location	Search duration (months)	Desired housing type	Viewing and bids placed
Pien Peeterse	Couple, 22 & 23	Student part-time job & full-time job	With parents	Zoetermeer	5	Apartment	5 viewings, 3 bids
Sophie Sanders	Couple, 28 & 38	Both employed	Renting	Den-Haag & Zoetermeer	18	Single-family home	Multiple viewings, 2 bids
Victoria Vos	Single, 27	Employed	With parents	Groningen-Centrum & Midden-Groningen	3	Apartment	0 viewings, 0 bids
Michael Meijer	Single, 26	Employed	With parents	Zoetermeer	6	Apartment	Over 10 viewings, 0 bids
Julian Jansen	Couple, 26 & 27	Both employed	Renting	Zwolle	5	Single-family home	5 viewings, 2 bids
Britney Bos	Couple, 21 & 22	Student part-time job & full-time job	Social housing	Zoetermeer	9	Apartment	6 viewings, 0 bids

Table 6.1 Profile overview potential first-time homebuyers' interviewees (Author, 2024)

6.2 Financial instruments

As explained in chapter 2, there are five archetypal financial instruments. Throughout their home search, the interviewees encountered these various types of financial instruments through familial or social connections, media exposure, and online research. The family mortgage, gifts, starters loan, and land lease are the most well-known, while the homebuyers discount is less known, and rent-to-own is unknown. First, the experiences and opinions are presented, including quotes, are presented followed by an overall conclusion of the insights of each instrument.

6.2.1 Purchase instruments

Purchase instruments were relatively unknown to the interviewees. Among those interviewed, only Pien and Michael demonstrated awareness of these instruments, while the remaining interviewees were unaware of the existence. Pien did not favor this instrument because of the obligatory buyback and shared value development, stating *“We looked at a few houses which encompassed a discount. There were two or three in the neighborhood that indeed offered this, but experienced that this involved housing associations, and when selling the house, they want a part back. So, we sort of crossed that off. Also, because we have the luxury position to do that, I do realize that very well. However, if it does not work, then it is perhaps interesting to look at these kinds of houses again. Then you would miss out on a part of the value development, but it makes you able to move out independently. So yes, it has advantages and disadvantages”*. Michael also explored this mechanism but felt disadvantaged as a single homebuyer, stating *“I find it good that there is this kind of an instrument which get you a discount on a house. However, the mechanism itself disadvantage me. I noted that it gives priority to a lot of different groups of people where I personally do not fall into. For me this option is very much a longshot, because I know that if I register for it, I come somewhere at the bottom of the list”*. He concluded that the instrument itself is good but found it disappointed that it excluded him.

To other interviewees this mechanism required detailed explanation. After understanding it, Sophie initially thought it might facilitate first-time homebuyers, but had some doubts where she wondered about the long-term implications of selling a house purchased this way. However, she acknowledged, the potential benefits for first-time homebuyers, particularly those with lower incomes, by providing access to the housing market. She would, however, not consider using this instrument herself because it involves another party, stating, *“I find it very difficult because I always find it challenging when it comes to financial matters to go into business with another party, because you are then handing over some control. And I just prefer to be the boss, preferably the boss of my own wallet, so I do not know if I would quickly make use of that. But if it is not possible in any other way, then of course it must be done. But as it stands now, my partner and I do not need that, so I would not quickly claim it either”*. She concluded that financial independence is important to her.

Britney, in contrast, showed more openness to the mechanism, stating, *“I need to think about how I would see the future. If I am talking about an ideal situation, then I would be the owner of everything myself. But the world is not ideal. So, I would not rule it out, but I would prefer to be the owner of the home myself”*. She indicated that she would consider other options and is open to alternatives despite her preference for sole ownership.

Overall insights purchase instruments

The interviews revealed a potential lack of familiarity with purchase instruments. Only a few interviewees demonstrated awareness, while the majority were unfamiliar with these financial tools, indicating a possible gap in knowledge about resources available to first-time homebuyers. Younger homebuyers and single individuals showed greater openness to considering purchase instruments, whereas older couples were more reluctant. Furthermore, one interviewee, as a single first-time homebuyer, perceived it as a long shot and felt excluded. While these instruments offer a lower barrier to housing market entry, there is a preference for full homeownership, retaining all value development, reflecting a desire for financial independence and control. Additionally, concerns about limited control over selling the house, due to an obliged buyback, further deterred interviewees. Consequently, they indicated they would avoid using this instrument unless necessary, despite recognizing its potential to lower their entry threshold.

6.2.2 Land lease instruments

Regarding land lease instruments, the respondents had varying degrees of familiarity, with some having encountered it personally during the search. Most of which had a negative view on this instrument. Sophie acknowledged it could help for homebuyers with limited funds, but limits homeownership, she did however not consider it because she was advised not to, stating, *“When we came to the mortgage advisor for the first-time last year, he advised to never buy a property with a leasehold on it, so I have assumed not to do that, because then it is not, your full ownership. To be honest, I did not delve into what the real disadvantages of leasehold could be. But, hearing from you now, it could offer advantages.”* Where she expressed openness to reconsidering it. Moreover, Britney is also open for considering this instrument, as an alternative option in her homebuying journey, stating, *“As with the purchase instruments, I share the same opinion for land lease instruments. Where in an ideal scenario, I would be the owner of everything myself. However, I would not rule it out, but prefer to be the owner of a home myself”*. Victoria, however, would not consider this instrument, she preferred full homeownership and control, stating, *“When you buy something, you want to be the owner. I can be very brief about this, when I buy something, I want to do it right and truly be the owner without having to consider it annually, furthermore it has lots of implications when selling the property again, and additionally you cannot just place an extension for example making it very complicated”*.

Michael on the other hand, has the most experience with leasehold properties. Without directly mentioning this instrument, he shared a story, *“Recently, I wanted to make an offer on a house, but that house had leasehold, which is really one of the few houses around here that still have leasehold. However, that did have a significant impact on my mortgage, as the rule is that your maximum mortgage is reduced by 20 times the annual leasehold fee. So that immediately means there’s a very large gap in your budget”*. He concluded that he would consider this instrument, but described it as something potentially tricky, noting that leasehold terms often expire soon, which can result in a canon can increase up to 200%. This steep increase could have made it difficult for him to estimate his financial commitment accurately over the years, whether the term is also renewed or not.

Overall insights land lease instruments

Interviews revealed a high level of awareness of leasehold instruments, but acceptance appeared limited. This suggests a lack of understanding of the full implications, potentially leading to misconceptions and apprehension. Notably, a mortgage advisor recommendation steered a first-time homebuyer away from leasehold options. Beyond financial limitations, interviewees also perceived concerns about lack of homeownership, control over the property, and uncertainty surrounding lease renewal terms and conditions were prevalent. Consequently, leasehold only emerged as a last resort for young couples struggling to find suitable freeholds. All other participants indicated a strong preference to avoid leasehold altogether.

6.2.3 Rent-to-own instruments

None of the interviewees were familiar with the scheme of renting and then building up equity to potentially purchase the home at a discount after several years. However, the mechanism was generally well-received. Pien wanted to know if it is commonly used and available for her, stating, *“I did not know that existed. I think it is quite interesting. It simply gives you an advantage. It is a beautiful mechanism in it itself and certainly provides many opportunities for starters”*. She expressed that if she had the opportunity to do so, she would consider and take this instrument. Michael expressed something similar, where he favored this instrument over purchase and land lease instruments, stating, *“Although this instrument is not familiar to me, I do find it a good mechanism. When transitioning from renting to buying, there are several variables to consider, but if you can get such a discount, I think that is a very positive option, especially because you are saving for this discount during your stay”*. He concluded that at this point in time, it would enable him to become homeowner in an easier way compared to traditional purchase or leasehold options.

Britney remarked, *“I would consider using this instrument, however, in the place where I am currently living, I would not do this, because it is too small”*. She added that the house should be more future proof and align with her long-term desires if she commit is to commit to staying there for several years, whereas her current place is temporary. Several other interviewees indicated that their willingness to use this instrument depends on the size and state of the house. Victory expressed, *“I find it a very good concept and would consider it. However, I would not do it with a social rental house that is already quite old and in need of a renovation. I would do it in a newer house, it does not have to be brand new, but rather more move-in ready, well-maintained, and ready to rent. With older houses, you might think, oh no, someone lived here for 30 to 40 years, and now all the issues are coming to light”*. She emphasized that the state of the house is very important to her, and she does not want to deal with maintenance of the property.

Sophie described the instrument as potentially tricky. She explained that if the buyback timeline is rigid, it becomes less appealing, where she expressed, *“It makes me feel like my hands are much more tied together”*. She concluded that flexibility in the buyback timeline is crucial, and the terms and conditions would determine whether she would consider this instrument.

Overall insights rent-to-own instruments

The interviews revealed that, despite initial unfamiliarity, the mechanism was well-received by the interviewees once explained, suggesting potential for widespread acceptance if properly communicated. It is seen as advantageous for first-time homebuyers as it provides more opportunities and facilitates easier homeownership for young couples and individuals by allowing them to build equity while having a place to live. Additionally, interviewees felt that this instrument appears has fewer drawbacks compared to purchase or land lease instruments, making it more attractive. The only concerns perceived by the interviewees are related to the condition of the house, specific requirements on equity buildup over time, and the buyback timeline. Consequently, many interviewees were willing to consider this instrument since it involved taking less compromises.

6.2.4 Financing instruments

All the interviewees were familiar with financing instruments, gifts, family mortgage and starters loan being the most well-known. Among these interviewees, both Pien and Britney planned to secure a family mortgage. They expressed that this arrangement was particularly advantageous. They described it as a luxurious position, expressing happiness to having this opportunity to increase their chances of entering the housing market. Sophie was the only one not aware of a family mortgage but found it interesting, she further expressed that these financing instruments are indispensable, stating, *“How are you going to do it without financial help from parents, family, or whatever in this market”*. She pointed out that she would consult with her financial adviser about the possibilities since she has been searching for over 1,5 years already. Victoria pointed out that the instrument itself is particularly appealing due to the favorable conditions, such as the lower interest rates that could be attached to it. Furthermore, she favored the adaptability of payments over time, as it aligned well with the capacity, she could pay overtime as in the future the income would increase.

Julian, however, strongly believes that family mortgages and gifts are unfair. He stated *“I am not really in favor of family mortgages and gifts. This is because it depends on where you were born, and I do not think that is entirely fair. I believe that everyone who works hard should have a chance at buying a home. It should not depend on whether your parents have enough money or not. Furthermore, receiving a large sum of money from your parents, relatives, or other sources has an inflationary effect on prices. It forces others to bid even higher, leaving me in a more disadvantage position”*. He concluded that these kinds of instruments put him on an unequal playing field with other homebuyers.

All the interviewees were aware of starters loans. Both Julian and Michael actively searched the availability for the availability of this instrument in their region but found it was not available. Michael explained that this could change his search location in the end, *“The availability of the instrument depends on the municipality where you want to buy. For example, the municipality of Delft offers a starters loan, while Zoetermeer does not. This could be a factor to consider when deciding to search in Delft instead of Zoetermeer. Right now, I choose not to let this influence my decision, but that is a personal choice. Ultimately, the region could be a decisive factor for me, to live in a municipality that offers a starter loan instead of the initial municipality I had in mind where this is not available”*. Both found it disappointing that this instrument was not available in their municipalities. However, they expressed that they quickly adapted to the situation and continued their search without letting it impact their decision-making process.

Although it is recognized that starters loan help with the downpayment, there are concerns about the monthly payments. Sophie therefore calls the instrument shady, stating, *“I find it all a bit questionable, I think it is all somewhat shady because, in the end, the monthly mortgage just goes up”*. Britney further questioned the utility of borrowing more than the recommended amount, stating *“It is not without reason that you are given a maximum mortgage advice... so why would you take another mortgage on top of this, so you could borrow extra? This would add to your monthly costs”*. She concluded that she would not blindly borrow extra because of the higher monthly payments.

Overall insights financing instruments

The interviews revealed that all interviewees were familiar with financing instruments, such as gifts, family mortgages, and starter loans. Some found family mortgages advantageous for entering the housing market, while others perceived them as unfair due to dependence on parental wealth. Starter loans were known but not available in all regions, which could influence the search area. Concerns were raised about increased monthly payments and financial burdens associated with borrowing beyond recommended limits. Despite their concerns, the instruments were generally seen as useful for first-time homebuyers.

6.3 Preferences

The preferences of the interviewees can be categorized into several distinct areas: reasons for choosing owner-occupied housing, characteristics of the surrounding area, condition of the house, and specific features of the house. Although preferences varied, the considerations highlighted were consistently important. First, the experiences and opinions are presented, including quotes, are presented for each category. This is followed by an overall conclusion of the insights at the end of this section.

The reasons for choosing owner-occupied housing vary greatly. Michael explained that the rental sector was more expensive and therefore is looking for the owner-occupied sector, stating, *“Initially, I started by looking at rental houses. Here I quickly concluded that, first, the rent being asked is actually higher than the costs of a mortgage, which makes renting more difficult. Secondly, I have an income that makes social housing impossible, so that option was also ruled out. Furthermore, the income requirements for renting properties are usually three to four times the rent itself. This sets such high demands on my income that I could barely meet them, if I can meet it at all. This made me want to explore the buying market”*. For Sophie and Julian, who are currently renting, owning a home represents the next step in their lives and an investment in their future. Michael wanted to move quickly, while Sophie and Julian were taking their time. However, Sophie added, *“It is convenient that we do not have to leave here, but eventually you want to move out”*. She indicated that although her current rental property is satisfactory, she is ready for the next step. Renting allows her the flexibility to search for a house without needing to make quick decisions, as she already lives independently. In contrast, Pien is eager to leave her parent’s home and live together with her boyfriend, which has made her less inclined to wait for the perfect opportunity and more willing to accept fewer ideal options.

Most of the interviewees exhibited a strong preference for a single location, primarily due to their personal networks and workplaces. However, Sophie and her husband decided to expand their search area. Reflecting on her experience, Sophie noted that by not expanding their search area earlier, they missed out on several properties, stating, *“When determining the preferred location to live, we initially focused firmly on one area. I think we only started considering other locations quite late in the process. Because we opened to multiple locations so late, we likely missed out on some houses last year”*.

Regarding the state of the home, none of the interviewees showed interest in a fixer-upper, preferring properties that were move-in ready or required only minor work. Michael viewed around ten different apartments, but most of those required additional work that would exceed his budget, stating, *“Of the apartments I have viewed, I could immediately dismiss a few because they were in such a condition that I thought, well, you still need to do quite a bit of work on them. Consider a bathroom that is no longer usable, a kitchen that is no longer functional, and the costs for these were in addition to the purchase price, which exceeded my budget. So, I could just write those off right away”*. He concluded that if he searched for houses slightly higher in price, the need for additional work was minimal, and they were move-in ready, offering more possibilities. However, this is not feasible for everyone. Pien indicated that move-in ready homes require a higher purchase price and substantial savings, making it difficult for some. Despite this, most interviewees still preferred move-in ready homes.

Regarding house features, several interviewees adjusted their preferences. Pien revised her preference from a porch flat to any type of flat due to the limited supply. Both Victoria and Michael lowered their requirement from two bedrooms to one bedroom, with the right layout, it is manageable. Conversely, Pien, insists on two bedrooms, explaining that her boyfriend works from home four days a week, making a separate workspace essential. Julian and Sophie seeking a single-family home with at least three bedrooms, for future family expansion, have not changed their criteria. Victoria, on the other abandoned her search for a single-family home a long time ago since this is too far out of her reach, where she is now searching for an apartment.

Overall insights preferences

The interviews revealed that due to high rental costs and ineligibility for social housing, the owner-occupied market is perceived as the only viable option for many. For some, it is also seen as an investment in their future, marking the next step in their lives. There is a noticeable difference in urgency; those living with their parents are more eager to move compared to those who are currently renting. Only one interviewee made no concessions, preferring to wait longer as there was no immediate urgency to move. Furthermore, the interviewees exhibited a strong preference for searching within a single location due to personal networks and workplaces. However, not expanding this search area was noted to result in missed opportunities. There is a clear preference for move-in ready homes or those requiring minor work. Nonetheless, a conflict arises as non-move-in ready homes require extensive renovations that exceed budgets, while move-in ready homes are too expensive. Compromises for apartments mostly involve the number of rooms, while for single-family homes, they involve the size of rooms or gardens. Consequently, there is a high standard for the state of the home and location, whereas the characteristics are more flexible over time, it seems the current living situation influences the willingness to adjust certain preferences.

6.4 Affordability

The interviewees' experiences with affordability varied widely, reflecting diverse perspectives. This section presents their experiences and opinions, supported by quotes to illustrate their challenges and considerations. An overall conclusion of the insights follows at the end of this section, summarizing the main findings on affordability issues faced by recent first-time homebuyers.

Affordability is perceived as a big hurdle among the interviewees. Sophie noted that rising house prices make it difficult to afford a home, especially for first-time homebuyers making it difficult to get a foothold in the housing market, adding, *“As someone moving up the property ladder, it might be a bit easier for you because you can sell your house and then move on. But as a first-time homebuyer, it is made almost impossible”*. Pien found the current housing market is extremely frustrating and felt discouraged, stating, *“It really gets you down... we cannot compete with that, it is enough to make you depressed, the housing market is a real madhouse”*. Victoria shared a similar experience, saying, *“With my current salary, the options are very limited, and the prices are way too high”*. She concluded that she did not expect it to be so hard to find a suitable home within her budget and struggled to find affordable housing.

Pien noted that her search area is a popular city, especially among first-time homebuyers. She recounts bidding on a house with an asking price of 225,000 euros that eventually sold for 260,000 euros, thinking, *“How is that possible, 35,000 euros above the asking price”*. She felt the fierce competition that is currently taking place, which makes it impossible for her to find an affordable home. Julian shared similar experiences, often losing in the bidding process due to extreme overbidding, stating, *“Secretly, you know there are always people who have more money than you... you get outbid, that is just how it is, which is quite challenging”*. He found that due to this overbidding, affordability is disappointing, and he struggles with it. The first time he placed a bid, the property sold for 30,000 euros above the asking price, which was thousands above his limit, leaving him feel bad afterward. He added, *“It is not so much about income or asking price, but really about what some crazy person will throw a bag of money at and then offer 30,000 euro to 50,000 euros more”*, indicating her boundaries and unwillingness to take on excessive risk. She indicated that she set boundaries and did not want to carry the risks of an underwater mortgage, where the mortgage amount exceeds the property's value.

However, not all interviewees experience this bidding war since they had not made a bit. Michael and Britney had done several viewings, but never proceeded to make a bid. For Britney's there were no houses within her budget of 225,000 euros, stating, *“The last time I looked at houses, I did not see any homes below 240,000 euros, and then the search pretty much stops for me”*. She added that the houses in her price range are often in such poor condition that additional costs make them unaffordable. Victoria, on the other hand, had never viewed a property due to the high prices, noting, *“I did not expect it to be this difficult. With my current salary, it is very limited, and the prices are too high. With a median salary, I get nowhere. The monthly costs are also very high, taking such a large chunk out of my salary that it is no longer livable... Furthermore, I should not live above my means... I should not be living paycheck to paycheck”*. She indicated that as a single starter, it is impossible for her, and she probably need to switch to the rental sector due to the high purchase price and monthly costs.

Michael mentioned that a recent salary increase made the monthly costs and maximum mortgage more manageable for him as a single starter, lowering the affordability threshold for him. However, he noted that the starter homes offered online do not match the amount he could borrow as a starter. He found it strange that he could rent for a certain amount of money, but he could not buy a house with the same monthly costs, leading him to question if borrowing limits should be adjusted. Britney shared similar concerns about the prices of starters homes being unaffordable. Where she found it difficult to find a house that is affordable, stating, *“As an assistant teacher, I earn so little that I really cannot get a mortgage together... then I have to wait a few more years or even 5 or 6 years”*.

Sophie also faced difficulties, stating, *“There is quite a lot of supply of single-family homes around 450,000 euros. But those homes are too small. Only starting from 700,000 euros, there is quite a lot of supply, which is way above budget. For everything in between, you just do not see much available, and that makes it difficult for us. Because the homes that come available that are within budget attracts a lot of people”*. She indicated that due to the competition the houses are less affordable since people overbid each other.

Overall insights affordability

The interviews revealed that affordability is a major hurdle, both in terms of the initial down payment and the monthly payments. Interviewees indicated that starter homes often do not align with the mortgages that first-time homebuyers can obtain. Properties within budget were perceived to attract significant attention from other homebuyers, leading to high competition. Singles and young couples face more significant challenges, likely due to their housing preferences and comparatively lower incomes compared to older couples. Due to fierce overbidding, which drives prices even higher it poses additional risks to these first-time homebuyers. Desperate homebuyers often bid well beyond their budgets, way above the asking price, in hopes of securing a home, with all the risks involved. Where it is perceived as impossible to find an affordable home.

6.5 Accessibility

The interviewees' experiences with accessibility varied. This section first presents their experiences and opinions, including quotes, for each category. An overall conclusion of the insights follows at the end of this section.

The process of finding a house is considered overwhelming by Pien, who stated, *"I have always found the housing market very complicated because I am just not very good at understanding these kinds of things"*. She found Google helpful to understand and find information. Julian shared this view, where Google helped him with his search. Sophie also noted that a lot of information needed to be processed quickly which was stressful.

Due to information being inaccessible Britney took a purchasing agent on advice of her friends, stating *"My friends recommended hiring a purchasing agent, and so far, that has worked out well. He helped me with information about estimated additional costs, as well as information for registering for viewings and applying a bidding strategy. My friends also added that without a purchasing agent, you essentially have no chance on the housing market. This is mainly because you always hear horror stories about people searching for years, and from the moment they hired a purchasing agent, it became easier to buy a house"*. She concluded that made the market more accessible for her.

Michael initially started his search without a purchasing agent, but eventually decided to hire one, because it would increase his entry chances, stating, *"A purchasing agent helps a lot in the initial stage of the search, setting up the search for you, which can save you two days compared to Funda. When I was searching on my own, there were already so many responses that it was very difficult to secure a viewing. With a purchasing agent, the listings are visible earlier, which gives you those two days of advantage, and it also helps take the stress off me regarding making an offer. Therefore, you can act faster with a purchasing agent. Two days might not seem like much, but it really makes a difference in the current housing market. Without an agent, I experienced that you are much more likely to get a standard email saying sorry we have already received so many viewing requests that we are full"*. He concluded that this won him time and get information early on to have a better chance on homeownership in comparison to those who do not have this access.

Sophie initially hired a purchasing agent but stopped using one, which she later regretted, stating, *"When making an offer on another house, we noticed that the selling agent did not want to negotiate with private individuals, so the purchase fell through, and we went back to looking for a purchasing agent again... If you search for purchasing agents online and contact them, you notice that when they hear you found them via online reviews, they do not take you seriously and do not put much effort into helping you. They know so many people are looking for houses now and they will get clients anyway, which makes it seem like they have a kind of power play. The current purchasing agent mentioned that nowadays it is not necessary to have a purchasing agent, but it has become more of a competitive game between agents themselves"*.

Michael pointed out that purchasing agents' packages vary greatly, for him it influences his decision, stating, *"Financially, there can be significant differences in the packages. One agent might include a certain number of viewings in their package, while another offers unlimited viewings. Some agents charge an additional 50 to 100 euros per extra viewing, and in the current housing market, these costs can add up quickly. It is something to consider in this heated market"*.

Both Julian and Pien did not get a purchasing agent. Pien said, *"If it does not work out this time, I will definitely look into getting a purchasing agent"*. She indicated that she is nearly at the point of feeling hopeless and hopes to increase her chances by doing so. Whereas Julian stated, *"We have only been looking for a few months. If in two years we still have not found anything, then I will probably consider hiring a purchasing agent, but for now, we felt it was not necessary"*. Where he indicated a lack of urgency and a preference to try searching on his own first.

Furthermore, it can be concluded that listings on Funda fill up with viewing appointments the same day they come on the market. Britney indicated the need for early access, stating, *"When you call on the same day that the listing appears on Funda, you are basically already too late"*. Julian also experienced this, where in a one or two hours he was already too late, but he found a way around this, stating, *"I have had a few instances where a listing appears on Funda, and one hour or two hours later, there is already a notice saying that due to high interest you are placed on a waiting list. Then I thought, I must do something differently, and now I do not have this problem anymore. It happens very often that the agent posts the houses on their social media page first and is published on Funda two days later. By simply following the Facebook pages of local agents, you can be one of the first, and then if you call quickly, you can often get a viewing"*.

Scheduling a viewing was easy for Pien, as she could request it through a Move account, simplifying the process without phone calls or emails. However, she expressed that she felt disadvantaged by selling agents because of her young age, stating, *"During a viewing you only have 10 minutes, and that is tough because the next people are already waiting at the door. I feel like you must put your best foot forward during these viewings. Despite doing that, you are not taken seriously, which is very disappointing, and it just gives you a rotten feeling. The feeling is that the selling agent does not take you seriously because we have too little money. At some point, I really thought this selling agent just wants to make money, and we are too poor for this... and that is just awful because you are really trying to make a good impression, and the selling agent just does not take you seriously, which is very disappointing"*.

Britney experienced a limited possibility for viewings and next to that a lot of pressure to make quick decision due to the short deadlines, stating, *"For a viewing, you are invited at a specific time, and you have to figure out how to get there yourself, even if you work or have children, it does not matter. That is quite a harsh world in that regard; if you ask if it can be at a different time or day, you get a straight no. It helps that I have an easy-going boss and can easily take time off, but with less luck, your employer is not that flexible, and if your job does not allow it, then it is tough. Furthermore, preferably you would like to view a property multiple times before deciding but in the current market that is not possible"*. Sophie also experienced a lot of pressure from the selling agents due to the short decision time and the conditions they wanted included with offers, forcing homebuyers into uncomfortable situation, stating, *"You have to make the offer as attractive as possible to the sellers, so you notice that if you include a structural survey in your offer, you end up at the bottom of the pile... while for a homebuyer, that is very important because such a report can reveal a lot, which might make you decide not to buy. But you notice that the market now is such that the selling parties hold the reins, making it difficult for homebuyers"*. Michael and Julian also felt this pressure, emphasizing that buying a house involves a lot of money. They expressed the need for more time to make decisions and did not want to be put in situations that causes additional risks to them.

Due to an increase in salary, Michael was able to secure a higher mortgage, enhancing his financial accessibility. Sophie's financial accessibility was increased by her assets, expanding her options. For Pien and Britney, family mortgages also boosted their financial accessibility. However, the limited availability of financial instruments within their search areas restricted their options. Additionally, Michael found that as a single homebuyer, he often did not meet the criteria for certain instruments and ended up at the bottom of the list, further limiting his accessibility.

Victoria highlighted the challenges faced by single homebuyers, noting that despite affording high rental costs, she was unable to secure a mortgage for the same amount. She argued that individuals with permanent contracts should have better access to financial resources to buy a house, advocating for more equitable treatment. Britney added that leveraging the equity from her parents' house had allowed her to make offers without financial conditions, which proved advantageous. She observed that indicating this financial security often opened more viewing opportunities, increasing her chances of securing a home.

Overall insights accessibility

The interviews revealed that the information regarding the housing market is perceived as overwhelming and difficult to understand. However, interviewees found that using Google and seeking assistance from a purchasing agent or financial advisor proved helpful. They found that a purchasing agent increased the chances of securing a home by providing access to listings two days earlier than Funda. Viewing appointments on Funda are typically fully booked on the same day they appear, sometimes within one or two hours. Although this is a paid service, following local brokers on social media can also provide earlier access to listings than Funda. Scheduling viewings is challenging due to limited availability, and during viewings, some participants felt they were not taken seriously by selling agents due to their young age and limited financial resources. Additionally, participants experienced significant pressure from selling agents to make quick decisions, often being encouraged to bid without a structural survey and to provide financial guarantees. This situation increases the risk for homebuyers, who feel compelled to comply to remain competitive in the market. This illustrates the high-pressure tactics employed by selling parties, which interviewees perceived put them in positions they rather not be in.

6.6 Entry chance

First, the perspective on entry chances is presented, followed by a detailed discussion of the individual factors that influence these chances. Finally, the section provides an overview, summarizing the insights.

Michael observed significant changes in the housing market compared to the past, he noted that the position of first-time homebuyers got worse, stating, *"If I compare the housing market to a few years ago, I would have rated it an eight or maybe a seven, but now I rate it a five or six, much lower. However, this is also due to my personal situation where I earn a higher salary now; with my previous salary, I would have rated it a three"*. Furthermore, Britney also noted the difficulties within the housing market, stating, *"I rate the current housing market at about a four in terms of how easy it is to find a house. I am not saying it is impossible, but expect to be looking for a year, if not two or three... I sometimes wonder how much profit construction companies are making on houses these days, and if it is more than before"*. Moreover, Victoria found entering the housing market extremely difficult, where she indicated that she did not have a chance, stating, *"I have temporarily stopped looking for a house so I can save some money and then we will see in a while. This means giving up the luxury of creating your own space because there is nothing available for me right now, but it is important not to give up hope. Eventually, everything falls into place"*.

Pien's part-time job while studying, combined with her boyfriend full-time job, limited their overall income and chances of entering the housing market. However, due to a family mortgage their chances improved. The need for a two-room apartment, influenced their search criteria and narrowed the pool of suitable homes, reducing the chance. To increase their chances, they adjusted their preferences, to include taller buildings, broadened their options. However, the high competition for these apartments in their price range, led to overbidding, which decreased the chances. The negative experience with a real estate agent who did not take them seriously reduced their chance of entry by making it harder to negotiate effectively and be treated respectfully.

Sophie and her partner preferred a single-family house with at least three bedrooms and a spacious living room and a spacious garden. These strict criteria limited their search and reduced their chances in a competitive market. By adjusting the preference for a garage this chance slightly improved. However, by expanding their search area this chance increased a lot. The tight market which is indicated by being consistently outbid, reduced their chances and required to quickly respond to new opportunities. Interacting with mortgage advisors in an early stage helped mapping out the financial possibilities within their budget. This preparation enabled quickly effective bidding, increasing their chances of entry. However, selling agents who did not take them seriously complicated the search, causing Sophie and her partner to be demotivated which limited their effectiveness of their search, making it harder to acquire a home.

Victoria focused on move-in ready apartments with a balcony. While this focus eliminated the need for major renovations, it also came with a higher purchase price, decreasing her chances of entry due to limited funds. Additionally, high demand for these apartments led to overbidding, further reducing her chances. As a single homebuyer with limited financial means, she often could not find homes within her budget to even schedule a viewing, hindering her search. Consequently, the low entry chances led her to temporarily stop looking for an owner-occupied home.

Michael adjusted the preference for a two-bedroom apartment to a one-bedroom apartment to increase his chances. Due to a purchasing agent, he gained access to homes before they appeared on public platforms like Funda. This gave him an advantage in a market where quick action was often required. The network and expertise of the agent helped him arrange viewings among many candidates, which was crucial to having a chance of making an offer and thus increased his chances. Due to certain mechanisms only being available in certain locations and having specific criteria which caused him to end on the bottom of the list lowered his entry chances.

Julian and his partner broadened their options by compromising on the distance to the station, which increased their chances. Additionally, the acceptance homes that were not fully move-in ready homes but did not require major renovations, demonstrating a balanced approach, lowering the initial down payment but also not requiring much additional costs. By subscribing on brokers social media accounts there was an early access to certain homes before they they appeared on public platforms like Funda. This increased his chances, since viewings were fully booked within hours after appearing on Funda, this increased his chances. Furthermore, he was not willing to take irresponsible financial risks, and did not want to overbid a lot eventually decreased his chances in a housing market where people tend to overbid a lot.

Britney and her partner increased their chances by compromised from a two-bedroom apartment to a one-bedroom apartment, demonstrating flexibility in their preferences. However, the focus on one specific location reduced the chances by limiting their options. The engagement with a purchasing agent early in the process improved their chances, as the agent gave insights into making competitive bids and financial possibilities, which were crucial in a highly competitive market. Additionally, leveraging a family mortgage increased her chances of securing a suitable home since more houses felt within budget and they could make a bid with financial security.

Overall insights entry chance

The interview revealed that over the years, the perspective on the chances of entering the housing market have worsened, especially for single-income households. While a family mortgage can enhance purchasing power, it is only available to a limited group. Interviewed indicated that compromises were made to increase entry chances, this is mostly done on number of rooms and the size of the house and garden, but somethings also on location. The preference for move-in ready homes reduces entry chances due to their higher demand and cost. The high competition and prevalent overbidding exacerbate the difficulties, making the market even more challenging. They noted that mortgage advisors and purchasing agents provide valuable guidance, helping homebuyers prepare effectively for the home-buying process and increasing the likelihood of a successful purchase. Purchasing agents and their social media channels offer early access to listings before they appear on platforms like Funda, giving homebuyers a competitive advantage to those who do not have this access. Furthermore, they felt that selling agents' pressure homebuyers to submit bids without contingencies and were skeptic towards young homebuyers' which lowers their entry chances, increasing their risk and forcing hasty decisions, further diminishing bid acceptance likelihood.

6.7 Conclusion

This section is divided into two sections, the first sections answer a part of the following sub-questions about potential first-time homebuyers:

1. *What are the considerations of recent and potential first-time homebuyers regarding financial instruments?*
2. *What are the considerations of recent and potential first-time homebuyers regarding preferences?*
- 3.1 *What effect do the considerations regarding financial instruments have on housing market dynamics (affordability and accessibility)?*
- 3.2 *What effect do the considerations regarding preferences have on housing market dynamics (affordability and accessibility)?*
5. *What effect do the housing market dynamics (affordability and accessibility) have on the experience with entry chance of owner-occupied housing?*

The second section answer the following sub-questions about the comparison between recent and potential first-time homebuyers.

4. *To what extent does the effect of financial instruments and preferences on housing market dynamics (affordability and accessibility) vary among recent and potential first-time homebuyers?*
6. *To what extent does the effect of housing market dynamics (affordability and accessibility) on experience with entry chance of owner-occupied housing vary among recent and potential first-time homebuyers?*

Considerations financial instruments potential first-time homebuyers

The considerations regarding financial instruments of potential first-time homebuyers reflected those of recent first-time homebuyers. They prioritized financial independence, ownership control, long-term financial implications, and personal comfort levels. When evaluating financial instruments, potential first-time homebuyers maintained a similar sequence of preference: financing instruments were most favored, followed by rent-to-own options, then purchase instruments, and lastly, land lease agreements. However, potential first-time homebuyers perceived that these financial instruments more frequently than recent homebuyers. Notably, young couples among potential homebuyers were more willing to consider various financial instruments and accept certain compromises. They felt that without such additional support, entering the housing market would have been even more challenging.

Considerations preferences potential first-time homebuyers

Potential first-time homebuyers' considerations closely mirrored those of recent first-time homebuyers. They were motivated by a desire for independence and saw homeownership as an investment in their future. Like recent homebuyers, they valued proximity to work and personal networks, guiding their search area. When it came to house condition, they favored newer, move-in-ready homes to avoid the immediate costs and hassles of renovations. Specific features such as the type of house, number of rooms, and overall size of the home and garden were important factors in their decision-making. Maintenance requirements also played a critical role in shaping their preferences, with a clear preference for properties that demanded minimal upkeep. It must be noted that potential first-time homebuyers perceived they had not yet made many compromises in their search. The only adjustment made was by two individuals seeking an apartment who modified their preference from a two-bedroom to a single-bedroom unit. However, besides this nobody altered other preferences such as their desired location, the condition of the house, or other characteristics. Potential first-time homebuyers did indicate that if their search were to prolong, they might consider making compromises. They expressed a preference to adjust housing characteristics, such as the number of rooms or the size of the property, rather than compromising on the condition of the house or their preferred location.

Effect of financial instruments on housing market dynamics for potential first-time homebuyers

Since the considerations of potential first-time homebuyers closely reflected those of recent first-time homebuyers, the effects on housing market dynamics were comparable. However, it was noted that fewer potential homebuyers among the interviewees were planning to enter the housing market using financial instruments. Among those interviewed, the younger potential homebuyers, particularly those working part-time next to their study, were planning to use family mortgages to secure their first home. In contrast, the other potential homebuyers did not indicate an intention to use any specific financial instruments. The perception among these other interviewees was that they did not require additional financial support to purchase a home. They perceived that their primary challenge was not the ability to finance the house itself but rather the competitive nature of the market, where being outbid was a frequent obstacle. This outlook suggested that they felt financially prepared to buy a home under normal market conditions. However, in the current housing market, characterized by high competition and frequent overbidding, this perception implied a deeper underlying issue. Despite their confidence, the reality of being consistently outbid indicated that these potential homebuyers faced a relative lack of sufficient financial resources to compete effectively in today's market. This underscored the increasing difficulty of entering the housing market without additional financial support, even for those who believed they were adequately prepared.

Effect of preferences on housing market dynamics for potential first-time homebuyers

Since the considerations of potential first-time homebuyers closely mirrored those of recent first-time homebuyers, the effects on housing market dynamics were quite similar. However, potential homebuyers showed an even stronger preference for newer builds and move-in-ready homes, increasing the amount of money needed for these properties. Additionally, they tended to focus their search on a single, specific location, which further constrained their options. This narrow focus had a detrimental impact on both affordability and accessibility, as it intensified competition in high-demand areas and limited the availability of affordable homes. Moreover, potential homebuyers had made very few, if any, compromises up to that point. Their reluctance to adjust their preferences further restricted their ability to find affordable and accessible homes, as they maintained rigid criteria regarding location, house condition, and other key factors. This lack of flexibility was perceived to underscore the challenges they faced in navigating the housing market effectively.

Effect of housing market dynamics on experience with entry chance for potential first-time homebuyers

Potential first-time homebuyers' experiences were shaped by affordability and accessibility issues. They perceived that high housing costs often resulted in severe financial pressure, and the need to overbid further exacerbated this stress. This made the search for homes in a competitive market both difficult and frustrating. Homebuyers who planned to use financial assistance from family members found themselves at a distinct advantage, as this support helped bridge the affordability gap and secure a home. However, this reliance highlighted disparities, as not all homebuyers had access to such resources, leading to unequal opportunities. The limited supply of properties and intense competition further compounded these challenges. Homebuyers had to act swiftly, with viewing appointments filling up quickly and homes selling soon after listing, which increased stress levels. Incomplete and dispersed information often hindered their decision-making process. Although expert services like mortgage advisors could help navigate these obstacles, not all homebuyers could afford or access such assistance, making their journey even more difficult. Interviewees felt that selling agents added to this pressure by urging homebuyers to act quickly and pushing them to submit higher bids. They often perceived that agents-imposed conditions like waiving inspection contingencies or accepting specific financing provisions, which drove up costs and made it harder for first-time homebuyers to find homes within their means. These aggressive tactics were perceived to intensify the competitive climate, complicating the market navigation process and making it even more challenging for homebuyers to find affordable and accessible housing.

Difference of effect financial instruments and preferences on housing market dynamics for recent and potential first-time homebuyers

Among recent first-time homebuyers, many relied on additional financial support to facilitate their home purchases. Three individuals used family mortgages, with one also receiving a monetary gift, and another utilized a starters loan. Four out of seven interviewees perceived that they benefited from supplementary financial assistance. This support enhanced their affordability and accessibility, allowing them to navigate high housing costs and access a broader range of properties. With financial backing, these homebuyers perceived they could act swiftly, often outbidding competitors and securing homes in desirable locations. They felt that financial leverage not only reduced their financial stress but also provided a competitive edge, driving up demand and influencing market dynamics by increasing competition and home prices. In contrast, potential first-time homebuyers showed limited plans for using financial instruments. Only two younger couples intended to use family mortgages, while the remaining five did not plan to or perceived that they could not access additional financial aid. This lack of support affected their affordability and accessibility. Without extra financial resources, these homebuyers struggled with high housing costs and had less capability to participate in competitive bidding. Their limited financial support restricted their options to lower-priced or less desirable areas, making their home search more challenging and stressful.

Potential first-time homebuyers generally had higher and more rigid preferences compared to recent first-time homebuyers. They often sought newer, ready-to-move-in homes and focused on specific, high-demand areas. This contrasted with recent homebuyers who perceived to be more open to properties needing work and willing to expand their search to a broader range of locations. These differences affected both affordability and accessibility. Potential homebuyers' preference for newer, move-in-ready homes in high-demand areas drove them towards higher-priced properties, making affordability a challenge. Their reluctance to compromise was perceived limited their options, making it harder to find affordable homes within their budget. In terms of accessibility, potential homebuyers' narrow focus on a single location and specific home types constrained their choices, making the search more difficult. This limited their access to a variety of homes, reducing their chances of finding a suitable property quickly. Recent first-time homebuyers, on the other hand, were more flexible, considering homes needing renovations and broadening their search areas. This flexibility was perceived to allow them to find more affordable options and increased their access to properties.

Differences of housing market dynamics on experience with entry chance for recent and potential first-time homebuyers

Recent first-time homebuyers, who often used financial aids like family mortgages and starter loans, perceived that they had improved affordability and better chances of securing a home. They felt that this support allowed them to compete effectively, meet higher housing costs, and succeed in the bidding process. On the other hand, potential first-time homebuyers, who typically lacked or did not plan to use such financial support, faced greater challenges. Their limited affordability was perceived to lead to more frequent outbidding and prolonged their search for homes. Additionally, their rigid preferences for newer, move-in-ready homes in specific areas further restricted their access to affordable properties. This lowered their entry chances of potential first-time homebuyers in comparison to recent first-time homebuyers.

Both recent and potential first-time homebuyers perceived the need to overbid in the competitive market. However, potential homebuyers were more frequently outbid due to tighter budgets and more intense overbidding during their search period. They perceived that this often forced them to place multiple bids, increasing frustration and delaying their entry into the market. In contrast, recent homebuyers, who had more financial support and faced less severe overbidding, were able to secure homes more smoothly. Adding to the challenge, the interviewees perceived that selling agents exerted additional pressure on potential first-time homebuyers. These agents often pushed for quick decisions and higher bids, which drove up prices and made it even harder for potential homebuyers to stay within their budgets. They felt that agents frequently imposed conditions like waiving inspection contingencies or accepting specific financing clauses, further increasing costs and reducing the chances of securing a home. Recent homebuyers, particularly those with substantial financial backing, felt better equipped to handle these pressures. They perceived they they could navigate the aggressive tactics of selling agents more effectively, while potential homebuyers, already struggling with tighter budgets and fierce competition, found their ability to compete further diminished by these practices.

Another notable difference between the two groups is how they accessed viewings. Both recent and potential first-time homebuyers perceived limited accessibility to viewings, with listings on platforms like Funda often fully booked within hours. This rapid pace was perceived to make it difficult for both groups to secure viewing appointments, adding to the competitive pressures. However, some recent first-time homebuyers felt they had an advantage through opportunities like silent sales. Two recent homebuyers managed to purchase homes through these low-profile transactions, which were typically not widely advertised and therefore attracted less competition. This allowed them to avoid the high-pressure environment of open market listings and secure homes in desired areas without the usual bidding wars. This access to less competitive buying opportunities was perceived to increase their chances of purchasing a home.

7 Conclusion, Discussion, Limitations and Recommendations

This chapter provides a synthesis of the research findings, encompassing the conclusion, discussion, limitations, and recommendations. The conclusion summarizes the insights and outcomes derived from the study. The discussion elaborates on the implications, contextualizing the results within the broader framework of existing literature and theoretical perspectives. The limitations section assesses the constraints and potential biases inherent in the research methodology, highlighting areas for caution in interpretation. Finally, the recommendations offer strategic directions for future research and practical applications, aiming to enhance the field's understanding and address identified gaps.

7.1 Conclusion

The housing market faces significant challenges, especially for first-time homebuyers. Despite being directly affected; their voices often go unheard. As Martin (n.d.) stated, “The people closest to the problem are closest to the solution but furthest from power & resources”. This research seeks to address this gap by exploring the main question: *What lessons can be learned from the experiences of potential and recent first-time homebuyers to improve the prospects of homeownership in the Dutch housing market?*

1. What are the considerations of recent and potential first-time homebuyers regarding financial instruments?

The literature review revealed various financial instruments available to homebuyers, which were subsequently discussed during the interviews. This review provided a good understanding of the range of financial options that homebuyers could utilize, including traditional purchase instruments, family mortgages, rent-to-own instruments, and land lease instruments. By identifying these instruments, the literature review highlighted the potential benefits and drawbacks of each option, offering insights into their flexibility, cost implications, eligibility requirements, and long-term financial impact. This foundational knowledge informed the interview discussions, allowing participants to explore how these instruments aligned with their preferences, financial situations, and homeownership goals. Consequently, the interviews were enriched with nuanced perspectives on the practical considerations and emotional responses associated with different financial tools, ultimately shaping a more detailed and informed analysis of homebuyers' decision-making processes.

The considerations of recent and potential first-time homebuyers regarding financial instruments, which were derived from the interviews, are detailed in table 7.1. Here key factors for each type of financial instrument are outlined. Generally, homebuyers preferred not to use financial instruments unless necessary. When financial support was required, they tended to choose options that involved the least compromises. The considerations were similar for both recent and potential first-time homebuyers, providing a general view of all first-time homebuyers.

Although the main thinking was the same, there were differences in the utilization of financial instruments. Recent first-time homebuyers were more likely to secure a family mortgage compared to potential first-time homebuyers.

First-time homebuyers perceive the hierarchy of financial instruments, from relatively most favorable to relatively least favorable, as follows:

1. Financing instruments: perceived as most favored, as they felt this provided the most flexibility and required fewer compromises.
2. Rent-to-own instruments: considered as next best, as they felt this offered a pathway to ownership without immediate large financial outlays.
3. Purchase instruments: considered as less favorably, as they felt concerned about missing out on property value appreciation and the often-mandatory buyback clauses involved.
4. Land lease instruments: perceived as least favored and often avoided, as they felt cautious of land lease agreements, largely due to negative advice from advisors and unfavorable experiences shared by friends and family.

A distinction between the types of instruments was their applicability. First-time homebuyers perceived housing-bound instruments, which are directly tied to the property, as less attractive due to their limited availability. In contrast, they found person-bound instruments, which are tied to the individual rather than the property, to be more appealing because of their wide applicability.

Financial instrument	Key considerations
Purchase instruments	<ul style="list-style-type: none"> - Avoidance of shared value development, limiting the potential future financial gains and control over the property's appreciation. - Concerns about obligatory buybacks, restricting financial independence by forcing sellers to part with a portion of the property's value upon resale. - Avoidance because selection criteria, creating a long shot for homeownership among less preferred groups.
Land lease instruments	<ul style="list-style-type: none"> - Uncertainty about ownership continuity, risking the loss of occupancy and investments made in the property if the lease is not renewed. - Financial uncertainties about renewal terms, creating ambiguity regarding future lease costs and conditions - Restrictions on property modifications, limiting the ability to make changes or improvements to the property
Rent-to-own instruments	<ul style="list-style-type: none"> - Amount of discount built up, determining how much of the rent payments contribute to the eventual purchase. - Decision period, requiring the homebuyer to decide on purchasing the property within a certain timeframe. - Concerns about property condition, prompting homebuyers to seek properties in good condition suitable for long-term residence to avoid significant future investments and repairs.
Financing instruments	<ul style="list-style-type: none"> - Amount of mortgage payments and layered debt concerns, determining the monthly financial obligation and creating additional pressure by adding to existing loans. - Amount of loanable funds, enabling homebuyers to secure additional financing to overbid in competitive markets. - Impact of variable interest rates, leading to potential fluctuations in monthly payments over time, which can introduce financial uncertainty and complicate long-term budgeting.

Table 7.1 Considerations recent and potential homebuyers regarding financial instruments (Author, 2024)

2. What are the considerations of recent and potential first-time homebuyers regarding preferences?

The WoON data analysis revealed differences in preferences between recent and potential first-time homebuyers. Potential first-time homebuyers desired houses constructed from 2010 onwards, whereas most recent first-time homebuyers ended up in houses built between 1945 and 1990. During the interviews other preferences were discussed to uncover potentially new differences. This WoON data was instrumental in providing insights into the apparent differences in preferences between these two groups, which shaped the development of the research questions. During the interviews, other preferences were discussed to uncover potentially new differences. By highlighting these initial disparities, the WoON data guided the direction of the interviews, focusing on exploring the reasons behind these preferences and identifying additional factors influencing homebuyer decisions. This approach allowed for a better understanding of the unique needs and considerations of recent and potential first-time homebuyers.

The considerations of recent and potential first-time homebuyers regarding preferences, which were derived from the interviews, are detailed in table 7.2. Here key factors for each category is outlined. Generally, first-time homebuyers preferred not to use compromise on preferences unless necessary. When they did decide to make compromises, they tended to adjust smaller, less critical aspects rather than larger, more significant ones. The main considerations were similar for both recent and potential first-time homebuyers, providing a general view of all first-time homebuyers.

Although the main thinking was the same, there were differences in preferences regarding the state of the house and the search area. Potential first-time homebuyers preferred homes that were ready to move into and were limited to searching within a single city or village. In contrast, recent first-time homebuyers were more open to undertaking renovations and had a broader search area, considering multiple locations.

Overall first-time homebuyers perceived the hierarchy of preferences, from relatively most important to relatively least important, as follows:

1. Moving motive: perceived as a crucial step towards independence and long-term investment, as they felt that delaying this decision may prevent them from ever entering the market.
2. Search area: perceived as key, with priority on proximity to work and personal networks for convenience and maintaining social ties, as they felt inflexible about location, due to its direct impacts their lifestyle and daily interactions.
3. House condition: perceived as preferable to choose move-in-ready and newer homes, as they felt this would help avoid the immediate costs and effort associated with renovations.
4. House characteristics: perceived as important factors like garden, garage, number of rooms, and overall size, as they felt these were more flexible compared to other preferences.

A distinction in the willingness to compromise among potential first-time homebuyers was influenced by their current living situation. Those who were living with their parents tended to be more open to making compromises in their home-buying decisions. Their primary motivation was to achieve independence and move out on their own, which made them more flexible in areas such as location, house condition, or size. In contrast, those who were currently renting were less inclined to make such compromises. Since they already had their own living space, they did not feel an immediate urgency to move. As a result, these renters were more likely to hold firm on their preferences, seeking homes that met their ideal criteria without significant concessions. Their existing housing situation provided them with more stability and comfort, allowing them to be more selective in their search for a new home.

Preference	Key considerations
Moving motive	<ul style="list-style-type: none"> - Desire for independence, driving homebuyers to seek homeownership as a step towards personal autonomy and financial stability. - Viewing homeownership as an investment, considering purchasing a home as a long-term financial strategy. - High costs of private renting and ineligibility for social housing, pushing many towards buying due to unaffordable renting costs and lack of alternative housing options.
Search area	<ul style="list-style-type: none"> - Proximity to work, influencing the choice of location to ensure convenience. - Proximity to personal networks, influencing the choice of location to maintain social ties. - Availability of financial instruments, shaping the scope of the search area by providing the necessary resources to explore broader options.
House condition	<ul style="list-style-type: none"> - Preference for move-in-ready homes, showing an inclination towards properties that require minimal immediate investment. - Preference for newer homes, often chosen for their energy efficiency rating. - Cost considerations for renovations, carefully weighing the overall affordability, including potential expenses for repairs or upgrades.
House characteristics	<ul style="list-style-type: none"> - Type of house, based on personal needs, lifestyle, and budget constraints. - Number of rooms and overall size, considering the space needs of the household and future plans. - Maintenance requirements, evaluating the ongoing effort and cost needed to upkeep the property.

Table 7.2 Considerations recent and potential homebuyers regarding preferences (Author, 2024)

3.1 What effect do the considerations regarding financial instruments have on housing market dynamics (affordability and accessibility)?

The effects of the considerations regarding financial instrument of recent and potential first-time homebuyers, which were derived from the interviews, are detailed in table 7.3. In general, utilizing financial instruments improved affordability for homebuyers by reducing the gap between their resources and the high costs of purchasing a home. While these instruments reduced initial costs, financing instruments sometimes led to higher monthly expenses, especially when multiple loans were involved. For instance, taking out a second loan on top of a primary mortgage could increase overall monthly payments, potentially reducing long-term affordability. Additionally, the impact of financial instruments on accessibility varied. While some tools enhanced a homebuyer's ability to find and secure suitable homes by offering flexibility and broad applicability, others limited options by imposing specific conditions or tying benefits to certain types of properties. Thus, the choice of financial instrument could either expand or restrict a homebuyer's market access.

Due to differences in the utilization of financial instruments, recent first-time homebuyers were relatively more likely to afford a home compared to potential first-time homebuyers. However, the effects of the main considerations were similar for both recent and potential first-time homebuyers, providing a general view of all first-time homebuyers together.

The considerations regarding financial instruments revealed that certain options, such as purchase instruments and rent-to-own options, were not widely utilized or familiar among homebuyers. They did not actively seek out or consider these alternatives, largely due to a lack of awareness or understanding of how they functioned. Most homebuyers tended to rely on more conventional and well-known financial tools like loans. On the other hand, land lease instruments were relatively well-known but still not widely used or considered. This aversion was primarily due to negative stories and advice from advisors, coupled with uncertainties about long-term financial implications and stability. These concerns discouraged homebuyers from pursuing land lease options, despite their potential to lower initial costs.

Financial instrument	Effect on housing market dynamics
Purchase instruments	<ul style="list-style-type: none"> - Lowers the down payment and provides more manageable monthly payments, making these houses more affordable for first-time homebuyers who might struggle with large initial costs. - Limited by availability and specific eligibility criteria, such as prioritizing families over singles, making these houses less accessible to a broader range of homebuyers.
Land lease instruments	<ul style="list-style-type: none"> - Lowers the down payment and provides more manageable monthly payments, making these houses more affordable for first-time homebuyers who might struggle with large initial costs. - Broad availability and do not require specific eligibility criteria, making their usage applicable to a wide range of homebuyers.
Rent-to-own instruments	<ul style="list-style-type: none"> - No need for down payment, allowing homebuyers to build equity gradually while residing in the property, thus making homeownership more affordable. - Limited by availability, making it less accessible to use.
Financing instruments	<ul style="list-style-type: none"> - Providing immediate financial relief and reducing upfront costs, making homes more affordable. - Dependence on familial wealth and regional availability, can make these options less accessible for some homebuyers depending on their familial wealth and or location.

Table 7.3 Effect financial instruments on housing market dynamics (Author, 2024)

3.2 What effect do the considerations regarding preferences have on housing market dynamics (affordability and accessibility)?

The effects of the considerations regarding preferences of recent and potential first-time homebuyers, which were derived from the interviews, are detailed in table 7.4. Here the effects for each category of preference is outlined. In general, having fewer and more flexible preferences enhanced both affordability and accessibility in the housing market. Homebuyers with minimal or adaptable preferences were able to explore a broader range of properties and locations, leading to more competitive pricing options and a greater likelihood of finding suitable homes.

Due to differences in preferences regarding the condition of the home and search area recent first-time homebuyers were relatively more likely to afford a home compared to potential first-time homebuyers. Recent homebuyers, who were more open to undertaking renovations and considering multiple locations, could find more affordable options by expanding their search to less competitive areas and choosing homes that required some improvements. This flexibility allowed them to explore a wider range of properties and negotiate better deals. In contrast, potential first-time homebuyers, who preferred ready-to-move-in homes and limited their search to a single city or village, faced higher competition and fewer affordable choices. Their inclination towards newer and fully finished properties often restricted them to more expensive market segments, making it more challenging to find a home within their budget. These differing preferences and strategies impacted housing market dynamics, with recent homebuyers benefiting from increased affordability and accessibility by being flexible in their home search and renovation willingness, while potential homebuyers faced constraints due to their more specific and limited criteria. However, the effects of the main considerations were similar for both recent and potential first-time homebuyers, providing a general view of all first-time homebuyers together.

It is noteworthy that some homebuyers adjusted their expectations regarding the type of house to better align with their financial constraints. For example, one homebuyer opted for a multi-family house instead of the originally desired single-family house, this enabled them to afford a home without waiting several more years.

Preference	Effect on housing market dynamics
Moving motive	<ul style="list-style-type: none"> - The desire to move out often leads to budgets being stretched, thereby reducing affordability. - The high costs and limited availability of private renting together with the lack of social housing options drive many to wanting to buy a home, increasing competition and reducing accessibility in the owner-occupied market.
Search area	<ul style="list-style-type: none"> - The limited search area to a single preferred area reduces both affordability and accessibility since fewer available properties match with the other preferences. - The lack of financial instruments within the search area makes the market less accessible to this specific group.
House condition	<ul style="list-style-type: none"> - The preference for move-in-ready or newer homes increases demand and prices, making these options less affordable for many homebuyers. - The limited availability of move-in-ready and newer homes restricts accessibility, whereas considering properties that need renovations can offer more affordable and accessible opportunities.
House characteristics	<ul style="list-style-type: none"> - The prioritization of larger homes with more rooms or bigger gardens leads to higher costs, and preferences for single-family homes typically drive-up reduce the affordability. - The specific or a lot of requirements can limit accessibility by narrowing the pool of available properties, but being open to smaller or different housing types can improve accessibility by increasing the number of affordable options.

Table 7.4 Effect preferences on housing market dynamics (Author, 2024)

4. To what extent does the effect of financial instruments and preferences on housing market dynamics (affordability and accessibility) vary among recent and potential first-time homebuyers?

The impact of financial instruments and preferences on housing market dynamics varies between recent and potential first-time homebuyers. These differences shape how each group navigates the market and their ability to secure a home. In general, recent first-time homebuyers were able to secure more financial support but were also more willing to compromise to make the market more affordable and accessible in comparison to potential first-time homebuyers.

For recent first-time homebuyers, the utilization of financial support played a critical role. Many relied on financial instruments such as family mortgages, monetary gifts, and starter loans. These aids greatly enhanced their affordability by helping them bridge the gap between their available resources and the high costs associated with buying a home. With this financial backing, recent homebuyers could access a broader range of properties, act quickly in competitive markets, and secure homes in desirable locations. This financial leverage not only reduced their financial stress but also gave them a competitive edge, allowing them to outbid other homebuyers and influence market dynamics by driving up demand and home prices. In contrast, potential first-time homebuyers, relatively seen in comparison to recent first-time homebuyers, exhibited limited use of financial instruments. Only a small portion of this group planned to use family mortgages, while the majority lacked access to or did not intend to utilize such aids. This absence of additional financial support significantly hampered their affordability, making it challenging for them to manage high housing costs and compete effectively in the market.

The differences in preferences between the two groups further influenced their affordability and accessibility in the housing market. Recent first-time homebuyers were relatively more flexible in their preferences. They were relatively more open to considering homes that needed renovation and willing to broaden their search areas. This adaptability allowed them to find more affordable options and increased their access to a wider range of properties. By being less rigid, recent homebuyers helped balance demand across various market segments, which contributed to stabilizing prices and enhancing their chances of securing homes within their budgets.

On the other hand, potential first-time homebuyers often had, relatively seen, higher and more rigid preferences. They typically favored newer, move-in-ready. This strict focus drove them towards higher-priced properties, which made affordability a significant challenge. Their narrow criteria also limited their accessibility to suitable homes. By focusing on a narrow range of properties, potential homebuyers found it difficult to explore a broader spectrum of available homes, reducing their chances of quickly finding affordable options and forcing them to compete intensely in desirable markets.

5. What effect do the housing market dynamics (affordability and accessibility) have on the experience with entry chance of owner-occupied housing?

Affordability and accessibility were pivotal factors that shaped the experiences of first-time homebuyers in the owner-occupied housing market. These dynamics significantly influenced their chances of successfully entering the market and securing a home.

High housing costs presented a major barrier for many first-time homebuyers. In competitive markets, homebuyers often had to overbid to secure a property, which further strained their budgets. Homebuyers with financial support from family, such as family mortgages or gifts, had a clear advantage. This assistance helped them bridge the affordability gap, allowing them to purchase homes that would otherwise be out of reach. However, this reliance on family support highlighted a disparity, as not all homebuyers had access to such resources, leading to unequal opportunities in the market. Consequently, homebuyers with financial backing, especially from family, were better positioned to afford homes and compete in the market. They were able to navigate high costs more effectively, whereas those without such support struggled.

The limited availability of homes and high competition impacted accessibility. The scarcity of suitable properties added urgency and stress to the buying process, as homes often sold quickly and viewing appointments were hard to secure. This competitive environment made it challenging for homebuyers to find and access homes that met their needs and preferences. Furthermore, fragmented and scarce information complicated decision-making, making it harder for homebuyers to navigate the market effectively. Consequently, accessibility was severely impacted by limited housing supply and high competition. Those who could secure timely and accurate information, often through professional services, navigated the market more successfully. Lack of access to these resources made the process significantly more difficult for many homebuyers.

First-time homebuyers perceived selling agents exacerbated these challenges by urging them to act quickly and pushing them towards higher bids. They felt that agents frequently set conditions such as requiring waivers on inspection contingencies or specific financing clauses, which increased costs and decreased the chances of securing a home within a budget. These so felt aggressive tactics are perceived to drive up prices and intensify the competitive environment, making it even harder for first-time homebuyers to navigate the market affordably and successfully. Consequently, the perceived aggressive strategies added to the feeling of pressure and complexity during the home-buying process, which often disadvantaged first-time homebuyers who lacked flexibility or additional financial support. Homebuyers who could respond quickly and meet these conditions had a better chance of securing a home, whereas those who could not adapt faced significant hurdles.

6. To what extent does the effect of housing market dynamics (affordability and accessibility) on experience with entry chance of owner-occupied housing vary among recent and potential first-time homebuyers?

Relatively, recent first-time homebuyers had better affordability and higher success rates due to financial help like family mortgages and starter loans, enabling them to meet high housing costs and succeed in bidding. In contrast, potential first-time homebuyers, lacking such support, faced more obstacles. With restricted budgets, they were frequently outbid and had to prolong their search. Their preference for brand-new, move-in-ready homes in specific neighborhoods further limited their options, reducing their entry opportunities compared to recent buyers.

In the competitive market, both recent and potential first-time homebuyers had to overbid. Relatively, potential buyers faced more intensive overbidding, leading to more frequent and higher outbids. They often had to make repeated offers, causing frustration and delays, which reduced their chances of entering the market. In contrast, recent buyers, with better financial backing, secured homes more easily due to less severe overbidding, thereby improving their entry chances.

Another difference between the two groups was how they accessed viewings. Both recent and potential first-time homebuyers faced restricted viewing availability, as listings on websites like Funda were often booked within hours. The quick pace intensified competition, making it hard for both groups to secure appointments. However, some recent homebuyers had an advantage with opportunities like quiet sales. These low-key transactions, not widely advertised, attracted less competition. Two recent homebuyers benefited from this, purchasing properties in preferred neighborhoods without the typical bidding wars. This increased their chances of buying a home, as they had access to less competitive opportunities.

What lessons can be learned from the experiences of potential and recent first-time homebuyers to improve the prospects of homeownership in the Dutch housing market?

The experiences of recent and potential first-time homebuyers provide valuable insights into the factors that influence their chances of entering the housing market. These lessons, categorized into financial instruments, preferences, affordability, accessibility, and entry chances, were derived from detailed interviews with recent and potential first-time homebuyers, and will be discussed next.

Financial instruments

Recent first-time homebuyers, relatively speaking, utilized more financial instruments compared to potential first-time homebuyers. However, there were many similarities between the first-time homebuyers. The general insights of first-time homebuyers are visualized in table 7.5, highlighting a lack of knowledge and widespread misconceptions about financial instruments. Person-bound instruments were viewed relatively more favorably in comparison to housing-bound instruments.

Lesson	Explanation
There is a lack of knowledge and widespread misconceptions about financial instruments.	Many first-time homebuyers struggle due to insufficient understanding and misconceptions about financial options, leading to suboptimal decisions. Enhancing financial literacy can empower homebuyers to make better choices.
Financial instruments tied to individuals instead of property are favorable.	Person-bound financial instruments provide greater flexibility and are more adaptable to the diverse needs of first-time homebuyers, making homeownership more accessible.
Financial instruments that pose risks and uncertainty are not favorable.	First-time homebuyers tend to avoid risky financial options that could compromise property value or financial stability. Providing safer alternatives supports long-term homeownership success.

Table 7.5 Lessons regarding financial instruments (Author, 2024)

Preferences

Recent first-time homebuyers, relatively speaking, were more open to older homes, renovations, and multiple locations compared to potential first-time homebuyers. However, there were many similarities between the first-time homebuyers. The general insights of first-time homebuyers are visualized in table 7.6, highlighting that location is key, there is a strong preference for move-in-ready and newer homes, and living situation influences the willingness to compromise on preferences.

Lesson	Explanation
The location is a key factor for many homebuyers.	Proximity to work, family, and social networks is essential. Homebuyers prioritize locations that support convenience and social ties, with minimal flexibility in this regard as it directly affects their lifestyle and daily routines.
There is a strong preference for move-in-ready and newer homes.	First-time homebuyers favor properties that are ready for immediate occupancy to avoid renovation costs and hassles. Newer homes are particularly attractive for their energy efficiency and lower maintenance needs, despite their higher initial cost.
The living situation influences the willingness to compromise.	Homebuyers living with their parents are more open to making compromises to achieve independence. Renters, however, are less inclined to compromise, seeking homes that meet their ideal criteria due to their current level of comfort and stability.

Table 7.6 Lessons regarding preferences (Author, 2024)

Affordability

Due to their flexibility in compromises, houses for recent first-time homebuyers were relatively more affordable compared to potential first-time homebuyers. However, there were many similarities between the first-time homebuyers. The general insights of first-time homebuyers are visualized in table 7.7, highlighting an affordability gap affecting both down payments and monthly payments. Overbidding exacerbates this gap, and financial inequality further limits opportunities for lower-income individuals.

Lesson	Explanation
There is an affordability gap in both down payments and monthly payments.	Rising property prices make it challenging for first-time homebuyers to afford the initial down payment and ongoing mortgage payments, pushing homeownership out of reach.
The overbidding exacerbated the affordability gap.	Overbidding in competitive markets pushes home prices above their listed values, escalating costs and increasing financial pressure on first-time homebuyers.
The financial inequality limits opportunities.	Financial disparities make it hard for lower-income individuals and single-income households to save for down payments or secure financing, restricting their chances of achieving homeownership.

Table 7.7 Lessons regarding affordability (Author, 2024)

Accessibility

There were notable similarities between recent and potential first-time homebuyers. As illustrated in Table 7.8, common challenges include the complexity added by the need for daily market monitoring, limited accessibility to financial instruments, and the increased risks posed by high-pressure tactics from selling agents.

Lesson	Explanation
There is need for daily monitoring of the market.	Constantly tracking the housing market can be overwhelming and stressful, making it harder for homebuyers to stay informed and make confident decisions.
There is limited accessibility to financial instruments.	Many financial instruments are not accessible to all homebuyers due to strict eligibility requirements, reducing their effectiveness and availability as options for home financing.
The high-pressure tactics from selling agents increase risk of homebuyers.	Aggressive selling strategies can force homebuyers into quick decisions, leading to potential regrets and financial losses, and drives housing prices further up.

Table 7.8 Lessons regarding accessibility (Author, 2024)

Entry chance

Potential first-time homebuyers experienced a relatively lower entry chance comparing it to a couple years ago. However, there were many similarities between the first-time homebuyers. The general insights of first-time homebuyers are visualized in table 7.9, first-time homebuyers often feel disproportionately disadvantaged by current market conditions. However, thorough preparation significantly enhances their chances of successfully entering the market. Additionally, setting realistic expectations is crucial for effectively managing the home-buying process.

Lesson	Explanation
First-time homebuyers feel disproportionately affected by current market conditions.	First-time homebuyers often perceive themselves as unfairly disadvantaged compared to repeat homebuyers who have more financial resources and market experience. This perceived disadvantage can reduce their confidence and willingness to participate in the housing market.
Good preparation enhances the chances of successfully entering the market.	Thorough financial and logistical preparation is crucial. Homebuyers with clear financial plans and market knowledge are better equipped to navigate the complexities of the housing market and secure a property.
Setting realistic expectations is essential for managing the home-buying process.	First-time homebuyers need a practical understanding of market conditions and challenges. Realistic expectations help them manage frustrations and make informed decisions that fit their budget and needs, improving their chances of successful market entry.

Table 7.9 Lessons regarding entry chance (Author, 2024)

7.2 Discussion

This section initially explores how the interview results align with findings from the literature review and WoON data analysis. Following this, it delves into new insights that emerged from the interviews. These insights are discussed across five key categories: financial instruments, preferences, affordability, accessibility, and entry chances.

The interviews revealed several themes that closely align with the findings from the literature review and WoON data. Firstly, many interviewees viewed homeownership as a crucial investment and a path to financial stability, sharply contrasting it with renting, which they saw as not building wealth. This perspective mirrors the attitudes described by Elsinga & Hoekstra (2004), where homeownership is valued for its long-term financial benefits. Secondly, participants noted the high cost and limited availability of both social and private rentals, making affordable housing difficult to access. This reflects Muisers' (2023) analysis of the struggles first-time homebuyers face due to the inadequacy of social housing and the unaffordability of private rentals. Consistent with the WoON data, interviewees further expressed preference for newer homes, appreciating their lower maintenance needs and energy label.

Additionally, there was significant critique of current housing policies, which interviewees felt failed to address root causes and overly relied on market forces. This sentiment is echoed by Boelhouwer (2020) and Boelhouwer & Schiffer (2019), who argue that such reliance has left first-time homebuyers struggling to find affordable housing options. Many participants also felt economically disadvantaged compared to those with existing equity, noting that starter home prices often exceed their borrowing capacity. This aligns with Boelhouwer's (2020) findings on the economic disparities facing new homebuyers. Finally, interviewees observed a significant decline in homeownership opportunities in recent years, a trend also noted by Aerts (2022), who reported decreasing success rates among first-time homebuyers.

Financing instruments

The interviews provided revealing insights into the understanding and attitudes of first-time homebuyers towards financial instruments. Despite the wide range of tools available to assist with homeownership, a significant number of interviewees displayed a notable lack of knowledge about these options. This lack of awareness suggests that many first-time homebuyers may be missing out on opportunities that could facilitate their path to owning a home. One particularly surprising discovery was the widespread aversion to land lease instruments. Although interviewees were generally aware of these options, they tended to avoid them, perceiving land leases as overly complex and fraught with long-term risks. This strong avoidance highlights a critical disconnect between homebuyers' perceptions and the potential advantages of financial instruments like land leases. Understanding and addressing this gap is crucial, as it underscores the need for a more nuanced approach to educating and informing first-time homebuyers about the full spectrum of available financial tools.

The new insights from the interviews, such as the aversion to land lease instruments and the lack of awareness about financial options, contribute to the existing literature by providing a broader understanding of the perceptions and knowledge gaps among first-time homebuyers, thereby enhancing the academic relevance of understanding the financial literacy and preferences in the housing market.

Preferences

The interviews highlighted that the living situations of first-time homebuyers significantly influence their willingness to make compromises when purchasing a home. While existing literature acknowledges the need for homebuyers to make trade-offs, this study identifies a notable variation in how different living conditions affect these decisions. Specifically, the study found that individuals currently in less stable or more crowded living situations, such as renting in a shared apartment or living with family, are more inclined to accept properties that may not fully meet their preferences just to secure homeownership. This finding indicates a difference in the levels of compromise that homebuyers are prepared to make based on their current living circumstances.

The discovery that current living situations influence the willingness of first-time homebuyers to make compromises provides new insights into the decision-making dynamics of homebuyers. This complements the existing literature by identifying variations in the willingness to compromise based on different living conditions, thereby enhancing the academic relevance of understanding the factors that affect housing decisions.

Affordability

Another important insight from the interviews is the growing difficulty that first-time homebuyers face in managing both the initial down payment and the ongoing monthly mortgage payments. While the issue of affordability has been extensively discussed in existing literature, this study brings into focus the dual financial burden that complicates the path to homeownership. The interviews revealed that for many potential homebuyers, the challenge is not limited to securing a mortgage but extends to the continuous financial strain of meeting monthly payments. This finding underscores that affordability issues encompass both the upfront costs required to enter the housing market and the long-term financial commitments necessary to maintain homeownership.

The finding that the dual financial burden of both the down payment and monthly mortgage payments is an increasing problem for first-time homebuyers extends the existing literature by highlighting the ongoing financial pressure associated with homeownership, thereby enhancing the academic relevance of understanding the comprehensive affordability challenges faced by new homebuyers.

Accessibility

The interviews revealed that they felt that selling agents frequently employed aggressive tactics that pressure them into making uncomfortable decisions, which contributing to inflated market prices. While the literature on market dynamics and the role of intermediaries is well-established, this study provides new insights into how these aggressive practices by selling agents can distort the homebuying process. Interviewees described scenarios where they felt coerced into hasty decisions or pressured to bid higher than their comfort levels. These tactics not only elevate stress and anxiety for homebuyers but also artificially drive-up property prices, creating a more volatile and less predictable market environment. This behavior by selling agents adds a layer of complexity to the homebuying experience, making it less transparent and more challenging for homebuyers to navigate effectively.

The observation that aggressive sales practices by real estate agents, as felt by the interviewees, contribute to inflated market prices provides new insights into the role of intermediaries in the housing market. This adds an important perspective to the existing literature on market dynamics and intermediary practices, thereby enhancing the academic relevance of understanding the impact of agent behaviors on market conditions.

Entry chance

The interviews underscored the crucial role of setting realistic expectations for successfully navigating the homebuying process. While existing research highlights the importance of preparation and education for prospective homeowners, this study emphasizes that managing expectations is equally critical. Interviewees noted that having a clear and realistic understanding of what they can afford and the compromises they might need to make is essential for navigating the complex housing market. Homebuyers who approach the market with realistic goals are better prepared to deal with the challenges and decisions involved in purchasing a home.

The emphasis on the importance of realistic expectations among first-time homebuyers supports the literature on the preparation and education of homebuyers but also highlights that realistic goals are essential for navigating the complex housing market. This underscores the academic relevance of understanding how expectation management impacts the homebuying process.

7.3 Limitations

The exploratory nature of the research led to several inherent limitations. The intention was to delve into the experiences of first-time homebuyers, providing insights into their experiences.

The small sample size was deliberately selected to provide in-depth individual perspectives. While this approach limits the broad representativeness of the findings, it enriches the understanding of personal experiences in the home-buying process by allowing for a detailed exploration of individual stories and nuances.

Additionally, the brief duration of interviews may have limited the depth of exploration in some areas, potentially restricting the breadth of insights gathered. However, this shorter format was suitable for capturing a snapshot of key themes and identifying primary concerns and patterns among first-time homebuyers.

Furthermore, the concise descriptions of financial instruments might have caused misunderstandings and differing views, impacting the consistency of insights. Despite these challenges, the essential information about financial instruments was adequately covered, ensuring that the main points were conveyed effectively.

Furthermore, emphasizing personal narratives in the research may have led to more favorable responses from participants regarding their home-buying experiences. Although there may be response bias, this method provides a richer, more personal understanding of individual stories and experiences, highlighting the aspects of the process that participants found most significant.

Lastly, the data reflects home-buying experiences during a period of economic instability, which may not be representative of normal market conditions. This unique context, while limiting in its generalizability, offers valuable insights into how first-time homebuyers navigate the housing market under extraordinary circumstances, revealing their resilience and adaptability.

7.4 Recommendations

Based on the identified limitations and findings of this study, several recommendations can be made for both future research and recommendations for practice and policy to better support first-time homebuyers.

7.4.1 Future research recommendations

Future research could prioritize evaluating the range of financial instruments available to first-time homebuyers to ensure they effectively meet the diverse needs of this group. Given the variety of financial circumstances and goals among first-time homebuyers, it is crucial to understand how different instruments cater to their specific requirements. By focusing on how well these financial tools align with the needs and preferences of first-time homebuyers, researchers can provide valuable insights to improve these instruments and enhance their role in facilitating successful homeownership.

Furthermore, the aggressive selling tactics employed by selling agents and their impact on the housing market and homebuyers could be studied. The study highlights that high-pressure sales strategies not only elevate homebuyer stress but also contribute to inflated property prices. Future research should aim to quantify the prevalence and effects of these tactics, potentially through surveys and case studies of homebuyers who have experienced such pressures. Analyzing the correlation between these practices and outcomes like purchase prices, homebuyer satisfaction, and long-term financial stability could provide a basis for recommending regulatory changes to protect consumers.

Lastly, future research could include conducting a large-scale survey of recent and potential first-time homebuyers, with questions designed based on the findings of the current study. This survey would gather insights into the experiences, preferences, and challenges faced by this group, allowing for a more comprehensive understanding of their needs and how various financial instruments and market conditions impact their homeownership journey. By building on the themes identified in this research, the survey can provide valuable data to inform policies and develop more tailored support mechanisms for first-time homebuyers.

7.4.2 Recommendations for practice and policy

The research findings underscore the urgent need for targeted interventions to assist first-time homebuyers in the Dutch housing market. The following recommendations are organized into short-term, medium-term, and long-term strategic actions, reflecting their feasibility and the time frame required for implementation.

Short-term strategic actions

Increasing awareness and understanding of financial instruments available to first-time homebuyers can be essential. The study found that awareness of these instruments was generally low, which hinders informed decision-making. Launching educational campaigns and providing accessible resources can empower homebuyers to make informed decisions and effectively use the financial instruments.

Additionally, creating a comprehensive online portal that centralizes information on properties, financial options, and market conditions can be important. The research identified a lack of centralized, easily accessible information as a barrier for first-time homebuyers. Such a portal would simplify the home-buying process, increase transparency, and help homebuyers navigate the market more easily. Partnerships between technology firms and government bodies can be established to develop and maintain this user-friendly and regularly updated resource.

Medium-term strategic actions

Expanding and standardizing financial support programs, like starter loans, across municipalities can be important. Interviewees felt that regional disparities in access to financial assistance created an uneven playing field. Standardizing these programs could ensure equal access to financial assistance and reduce regional disparities, leveling the playing field for all first-time homebuyers. National policy changes could be advocated to make these programs universally available.

Moreover, offering subsidies or vouchers for professional mortgage advisory services can benefit first-time homebuyers. The study found that many homebuyers lacked the necessary guidance to navigate the complex housing market. Financial support for these services, facilitated through government programs or financial institution partnerships, can ensure that homebuyers make well-informed financial decisions.

Long-term strategic actions

Regulating overbidding and speculative buying practices can be vital to address market volatility and affordability issues. The study identified these practices as major contributors to market instability and inflated home prices. Introducing policies to cap bid increases or tax speculative purchases could help stabilize the market and prevent extreme price inflation, making homes more accessible to first-time homebuyers.

Furthermore, establishing and enforcing ethical guidelines for selling agents can be essential. The research highlighted interviewees' perceptions of unethical behavior and the feeling of high-pressure tactics used by some selling agents. Implementing these guidelines could ensure fair treatment of homebuyers and prevent the perception of high-pressure tactics and feeling of unethical behavior.

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Appendix data management plan

Plan Overview

A Data Management Plan created using DMPonline

Title: First-time homebuyers on the Dutch housing market

Creator: Pascal Maaskant

Affiliation: Delft University of Technology

Template: TU Delft Data Management Plan template (2021)

ID: 139335

First-time homebuyers on the Dutch housing market

0. Administrative questions

1. Name of data management support staff consulted during the preparation of this plan.

My faculty data steward, Janine Strandberg, has reviewed this DMP on January 3th 2024.

2. Date of consultation with support staff.

2024-01-03

1. Data description and collection or re-use of existing data

3. Provide a general description of the type of data you will be working with, including any re-used data:

Type of data	File format(s)	How will data be collected (for re-used data: source and terms of use)?	Purpose of processing	Storage location	Who will have access to the data
Personally Identifiable Information (PII): participants' name, email, mobile number	Paper (signed consent form) .docx files .xlsx files	Contact information for participants taking part in interviews received [from participant sign-ups, professional network, etc. The paper consent form is temporary and after making a .pdf copy and safely uploaded to the Project Storage, the paper will be destroyed.	For administrative purposes: obtaining informed consent and communicating with participants	TU Delft's one drive and project storage	The project team (student + first and second supervisor)
Data on housing preferences, financial instruments, the current state of the housing market	.docx files .pdf files	Re-use of existing data (from the internet such as WoON)	To collect data on the housing preferences, financial instruments, the current state of the housing market, in general and specifically of first-time homebuyers. To understand the specific need of this group.	TU Delft's one drive and project storage	The project team (student + first and second supervisor)
Audio-recordings of interviews with potential and recent first-time homebuyers	.mp3 files	Interviews are conducted during the scheduled meetings. Audio-recordings are made on an external device (as temporary storage), before being moved to Project Storage. Recordings are deleted after transcription.	Capturing the experience and expectations from potential and recent first-time homebuyers on the housing market for starters.	TU Delft's one drive and project storage	The project team (student + first and second supervisor)
Anonymous transcriptions of the interviews	docx files .atlp22 files	Anonymous transcriptions created manually based on audio-recordings	Privacy-preserving data on the housing market for starters from participants	TU Delft's one drive and project storage	The project team (student + first and second supervisor)

4. How much data storage will you require during the project lifetime?

- 250 GB - 5 TB

II. Documentation and data quality**5. What documentation will accompany data?**

- README file or other documentation explaining how data is organized
- Data will be deposited in a data repository at the end of the project (see section V) and data discoverability and reusability will be ensured by adhering to the repository's metadata standards
- Methodology of data collection

III. Storage and backup during research process**6. Where will the data (and code, if applicable) be stored and backed-up during the project lifetime?**

- Another storage system - please explain below, including provided security measures
 - Project Storage at TU Delft
 - OneDrive
- Project Storage: primary research data storage. Only TU Delft team members (Master student and supervisors) have access.
 - Interview data will be stored in separate folders, and within the folders, there are separate folders for the audio recordings and anonymous transcriptions.
 - Informed consent forms and contact information are encrypted separately from research data to minimize risk of re-identification.
 - OneDrive: used as secondary storage in addition to Project Storage, mainly for convenience when working with data analysis or report writing. Master student and supervisors have access.
 - External recording device: Used as a temporary storage location for recorded interviews.
 - Interviews will be deleted from device as soon as they are moved to Project Storage.

IV. Legal and ethical requirements, codes of conduct**7. Does your research involve human subjects or 3rd party datasets collected from human participants?**

- Yes

8A. Will you work with personal data? (information about an identified or identifiable natural person)

- No, I will not work with any confidential or classified data/code

9. How will ownership of the data and intellectual property rights to the data be managed?

- Policy. During the active phase of research, the project team will oversee the access rights to data (and other outputs),

10. Which personal data will you process?

- Data collected in Informed Consent form (names and email addresses)
 - Financial information, such as bank account numbers
 - Email addresses and/or other addresses for digital communication
 - Telephone numbers
 - Names and addresses
 - Other types of personal data - please explain below
 - Signed consent forms
 - Gender, date of birth and/or age
-
- Personally Identifiable Information (PII): interviewee name, age, gender, work address, company name, email address and mobile phone number are processed for administrative reasons (to obtain informed consent and communicate with participants).
 - Voice recordings of interview will be deleted after transcript is made.
 - Sensitive personal data: financial information including income brackets of household.

11. Please list the categories of data subjects

- Interviews with recent and potential first-time homebuyers in the Netherlands.

12. Will you be sharing personal data with individuals/organisations outside of the EEA (European Economic Area)?

- No

15. What is the legal ground for personal data processing?

- Informed consent

16. Please describe the informed consent procedure you will follow:

- All study participants will be asked for their written consent for taking part in the study and for data processing before the start of the interview.

17. Where will you store the signed consent forms?

- Same storage solutions as explained in question 6

18. Does the processing of the personal data result in a high risk to the data subjects?

- No

19. Did the privacy team advise you to perform a DPIA?

- No, the privacy Team did not advise me to perform a DPIA, based on the assessment of Privacy Officer Henk Ameling, dated 16th January 2024: "I have read through your DMP and can see that you are taking all possible measures to protect the personal data of participants: You are asking for their informed consent, via means of a consent form, you will make transcripts of the voice recordings and deleting the recordings once the transcripts have been completed the transcripts are anonymized and are kept on TU Delft OneDrive and project storage. You are doing everything exactly in the way privacy would advise. Off course there is a chance of you processing sensitive personal data (such as when a person being interviewed mentions information about their health), but you take care to delete the recordings as soon as possible, and making sure the transcripts cannot be contributed to an individual person. The only way would be to look at the consent forms and try to link one of those to a transcript. The risk of that is very small. A DPIA is therefore not needed".

22. What will happen with personal research data after the end of the research project?

- Personal research data will be destroyed after the end of the research project

V. Data sharing and long-term preservation**27. Apart from personal data mentioned in question 22, will any other data be publicly shared?**

- All other non-personal data (and code) underlying published articles / reports / theses

29. How will you share research data (and code), including the one mentioned in question 22?

- All anonymized or aggregated data, and/or all other non-personal data will be uploaded to 4TU.ResearchData with public access

30. How much of your data will be shared in a research data repository?

- 100 GB - 1 TB

31. When will the data (or code) be shared?

- At the end of the research project

32. Under what licence will be the data/code released?

- CC BY

VI. Data management responsibilities and resources**33. Is TU Delft the lead institution for this project?**

- Yes, the only institution involved

34. If you leave TU Delft (or are unavailable), who is going to be responsible for the data resulting from this project?

- The first mentor of this research, name: M.E.A. (Marietta) Haffner.

35. What resources (for example financial and time) will be dedicated to data management and ensuring that data will be FAIR (Findable, Accessible, Interoperable, Re-usable)?

- 4TU.ResearchData is able to archive 1TB of data per researcher per year free of charge for all TU Delft researchers. We do not expect to exceed this and therefore there are no additional costs of long-term preservation.

Appendix WoON data analysis

Age of head of household	Recent first-time homebuyer	Potential first-time homebuyer
24 years and younger	7%	8%
25-34 years	56%	49%
35-44 years	20%	23%
45-54 years	9%	11%
55 years and older	8%	9%
Total	100%	100%

Age distribution head of household of recent and potential first-time homebuyers (Own table, based on WoON 2021)

Highest level of education of respondent	Recent first-time homebuyer	Potential first-time homebuyer
Primary education	1%	2%
Lower secondary education (VMBO), lower grades of upper secondary education (HAVO/VWO), MBO level 1	7%	6%
Upper secondary education (HAVO/VWO), MBO	35%	36%
Higher professional education (HBO/WO), Bachelor's degree	29%	32%
Higher professional education (HBO/WO), Master's degree, Doctorate	28%	24%
Total	100%	100%

Highest level of education distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

Current place of residence same as previous residence	Recent first-time homebuyer	Potential first-time homebuyer
In the same municipality (as previous residence)	49%	52%
Somewhere else in the Netherlands	51%	48%
Total	100%	100%

Current/desired place of residence same as previous/current residence distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

(Desired) living environment	Recent first-time homebuyer	Potential first-time homebuyer
Urban center	6%	14%
Suburban	44%	40%
Green urban	13%	13%
Village center	27%	23%
Rural living	10%	10%
Total	100%	100%

Current/desired living environment distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

(Desired) property ownership type	Recent first-time homebuyer	Potential first-time homebuyer
Single-family home	70%	73%
Multi-family home	30%	27%
Total	100%	100%

Current/desired property ownership type distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

(Desired) property type	Recent first-time homebuyer	Potential first-time homebuyer
Flat, apartment, floor apartment, upper or lower house	30%	26%
Terraced house, row house, corner house, semi-detached house, detached house	69%	68%
Other	1%	7%
Total	100%	100%

Current/desired property type distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

(Desired) house type	Recent first-time homebuyer	Potential first-time homebuyer
Detached house	16%	15%
Semi-detached house or duplex	14%	12%
Corner house	13%	12%
Terraced house or townhouse and other	28%	34%
Apartment	30%	27%
Total	100%	100%

Current/desired house type distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

(Desired) number of rooms	Recent first-time homebuyer	Potential first-time homebuyer
1-2 rooms	8%	6%
3 rooms	21%	26%
4 rooms	28%	35%
5 rooms	26%	23%
6+ rooms	17%	10%
Total	100%	100%

Current/desired number of rooms distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

Garden (desired)	Recent first-time homebuyer	Potential first-time homebuyer
Yes (including no preference)	73%	64%
No	27%	36%
Total	100%	100%

Current/desired garden distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

(Desired) mortgage euro/month	Recent first-time homebuyer	Potential first-time homebuyer
Less than 750 euros	43%	32%
750-1000 euros	20%	27%
1000-1250 euros	17%	22%
1250-1500 euros	9%	6%
1500 euros or more	10%	12%
Total	100%	100%

Current/desired mortgage distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

(Desired) purchase price of house	Recent first-time homebuyer	Potential first-time homebuyer
Less than 150.000 euros	10%	5%
150.000-249.999 euros	38%	30%
250.000-349.999 euros	29%	38%
350.000-449.999 euros	12%	17%
450.000 euros or more	12%	11%
Total	100%	100%

Current/desired purchase price distribution of recent and potential first-time homebuyers (Own table, based on WoON 2021)

Appendix interview protocol

Note

The interview protocol consists of the introduction of the interview, the introduction of the research, the consent form, the research questions for recent first-time homebuyers, and the research questions for prospective first-time homebuyers. Since these interviews were conducted in Dutch, it has been decided to present them in the same manner as they were shown or explained to the respondents.

Introductie interview

Hartelijk dank voor uw bereidheid om uw inzichten te delen. Voordat we aan het interview beginnen, wil ik graag uw toestemming vragen voor verschillende aspecten van uw deelname aan het onderzoek. Ten eerste is het belangrijk om te benadrukken dat uw deelname volledig vrijwillig is. U heeft het recht om vragen niet te beantwoorden en op elk moment zonder opgave van reden uw medewerking aan het onderzoek te beëindigen. Ik wil u erop wijzen dat uw antwoorden worden bewaard voor onderzoeksdoeleinden.

Daarnaast vraag ik ook uw toestemming voor het maken van audio-opnamen tijdens het interview. Deze opnames, evenals eventuele bewerkingen en andere verzamelde gegevens, worden uitsluitend gebruikt voor analyse, wetenschappelijke presentatie en publicaties. Uw privacy wordt gewaarborgd, aangezien de gegevens gecodeerd worden bewaard en anoniem worden verwerkt.

De volledige uitleg van het onderzoeksproces staat vermeld in het document [Toestemmingsformulier deelname onderzoek], waarvoor ik u vraag te tekenen als u akkoord gaat. De verwachting is dat het interview 45 tot 60 minuten zal duren. Hierin zullen verschillende thema's besproken worden, waaronder woonvoorkeuren, financiële instrumenten, betaalbaarheid, toegankelijkheid en bereikbaarheid. Heeft u nog vragen voordat we beginnen?

Introductie onderzoek

Literatuur heeft al aangetoond dat koopstarters zich in een uitdagende positie bevinden op de woningmarkt. Echter, er is weinig nadruk gelegd op de specifieke obstakels waar koopstarters zelf mee te maken krijgen. Dit onderzoek richt zich daarom op de ervaringen van koopstarters, met als doel een dieper inzicht te verkrijgen in hun persoonlijke uitdagingen en overwegingen tijdens het aankoopproces van een woning. Door de focus te leggen op de ervaringen van de koopstarters zelf, beoogt dit onderzoek waardevolle inzichten te verkrijgen die kunnen bijdragen aan het verbeteren van de ondersteuning en dienstverlening aan deze belangrijke groep op de woningmarkt.

Zoals bekend vraag ik graag toestemming om het interview op te nemen voor het maken van een transcriptie. Als u hiervoor toestemming geeft, zou ik graag de audio-opname starten en de vraag voor toestemming herhalen.

[Audio-opname starten]

Geeft u toestemming voor opname van de audio?

Toestemmingsformulier deelname onderzoek 1/3

U wordt uitgenodigd om deel te nemen aan een onderzoek genaamd *“Navigating the Dutch housing market, a starter’s perspective on obtaining an owner-occupied home”*. Dit onderzoek wordt uitgevoerd door Pascal Maaskant, die momenteel aan het afstuderen is in de richting Management in the Built Environment aan de Technische Universiteit Delft.

Het doel van dit onderzoek is verkennen van de ervaringen en verwachtingen van potentiële en recente starters in de Nederlandse woningmarkt, met een specifieke focus op de uitdagingen en kansen die zij tegenkomen. Het interview zal ongeveer 60 minuten in beslag nemen. De verzamelde data zal gebruikt worden voor academische doeleinden, waaronder de analyse en discussie in mijn masterthesis. U wordt gevraagd om in groepsverband uw persoonlijke ervaringen en meningen te delen over onderwerpen zoals de toegankelijkheid van de woningmarkt en financiële uitdagingen bij het kopen van een eerste huis.

Zoals bij elke activiteit is het risico van een databreuk aanwezig. Wij doen ons best om uw antwoorden vertrouwelijk te houden. We minimaliseren de risico’s door alle gegevens strikt anoniem te verzamelen en te verwerken. Hierbij worden ook de verzamelde gegevens opgeslagen op beveiligde servers met beperkte toegang, alleen toegankelijk voor de onderzoeksteamleden. Hiermee streven we ernaar om de vertrouwelijkheid van uw gegevens te allen tijde te beschermen en de integriteit van het onderzoek te handhaven.

Uw deelname aan dit onderzoek is volledig vrijwillig, en u kunt zich elk moment terugtrekken zonder reden op te geven. U bent vrij om vragen niet te beantwoorden.

Bedankt voor uw deelname,

Pascal Maaskant

Toestemmingsformulier deelname onderzoek 2/3

PLEASE TICK THE APPROPRIATE BOXES	Yes	No
A: GENERAL AGREEMENT – RESEARCH GOALS, PARTICIPANT TASKS AND VOLUNTARY PARTICIPATION		
1. Ik heb de informatie over het onderzoek gelezen en begrepen, of deze is aan mij voorgelezen. Ik heb de mogelijkheid gehad om vragen te stellen over het onderzoek en mijn vragen zijn naar tevredenheid beantwoord.	<input type="checkbox"/>	<input type="checkbox"/>
2. Ik doe vrijwillig mee aan dit onderzoek, en ik begrijp dat ik kan weigeren vragen te beantwoorden en mij op elk moment kan terugtrekken uit de studie, zonder een reden op te hoeven geven.	<input type="checkbox"/>	<input type="checkbox"/>
3. Ik begrijp dat mijn deelname aan het onderzoek de volgende punten betekent:	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Het interview zal worden vastgelegd door middel van audio-opnames en geschreven notities De audio opname zal na het transcriberen verwijderd worden, de opname dient als nauwkeurige registratie van de discussies 		
4. Ik begrijp dat de studie eindigt na het interview.	<input type="checkbox"/>	<input type="checkbox"/>
B: POTENTIAL RISKS OF PARTICIPATING (INCLUDING DATA PROTECTION)		
5. Ik begrijp dat mijn deelname betekent dat er persoonlijke identificeerbare informatie en onderzoeksdata worden verzameld, met het risico dat ik hieruit geïdentificeerd kan worden. Ik begrijp dat deze risico's worden geminimaliseerd door:	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> Persoonlijk Identificeerbare Informatie: in het Informed Consent-formulier zullen namen en e-mailadressen worden verzameld voor administratieve doeleinden. De Informed Consent-formulieren zullen apart worden opgeslagen van de andere gegevens en op een veilige manier. Ze zullen alleen toegankelijk zijn voor het onderzoeksteam. De verzamelde gegevens zullen worden geanonimiseerd en de namen zullen worden gecodeerd. 		
6. Ik begrijp dat de volgende stappen worden ondernomen om het risico van een databreuk te minimaliseren, en dat mijn identiteit op de volgende manieren wordt beschermd in het geval van een databreuk, door middel van:	<input type="checkbox"/>	<input type="checkbox"/>
<ul style="list-style-type: none"> De gegevens zullen geanonimiseerd worden. De gegevens zullen veilig worden opgeslagen en alleen toegankelijk zijn voor het onderzoeksteam. 		
7. Ik begrijp dat de persoonlijke informatie die over mij verzameld wordt en mij kan identificeren, zoals uw naam, niet gedeeld worden buiten het studieteam.	<input type="checkbox"/>	<input type="checkbox"/>
8. Ik begrijp dat de persoonlijke data die over mij verzameld wordt, vernietigd wordt op na afloop van het complete onderzoek.	<input type="checkbox"/>	<input type="checkbox"/>
C: RESEARCH PUBLICATION, DISSEMINATION AND APPLICATION		
9. Ik geef toestemming om mijn antwoorden, ideeën of andere bijdrages anoniem te quoten in resulterende producten.	<input type="checkbox"/>	<input type="checkbox"/>

Toestemmingsformulier deelname onderzoek 3/3**Handtekeningen**

Naam deelnemer

Handtekening

Datum

Ik, **de wettelijke vertegenwoordiger**, verklaar dat de informatie en het instemmingsformulier aan de potentiële deelnemer correct zijn voorgelezen, en dat hij/zij de kans heeft gekregen om vragen te stellen. Ik verklaar dat de potentiële deelnemer zijn/haar instemming vrijwillig heeft gegeven.

Naam wettelijke vertegenwoordiger

Handtekening

Datum

Ik, **de onderzoeker**, verklaar dat ik de informatie en het instemmingsformulier correct aan de potentiële deelnemer heb voorgelezen en, naar het beste van mijn vermogen, heb verzekerd dat de deelnemer begrijpt waar hij/zij vrijwillig mee instemt.

Naam onderzoeker

Handtekening

Datum

Contactgegevens van de onderzoeker voor verdere informatie:

Pascal Maaskant

Interview vragen recente koopstarters

Thema 1: Woonvoorkeuren

Dit deel van het interview richt zich op de voorkeuren en prioriteiten die koopstarters hebben met betrekking tot de woonsituatie, zoals de kenmerken van de woning, kenmerken van de locatie, en de nabijheid van voorzieningen zoals scholen, winkels, en openbaar vervoer. In dit deel wordt uiteindelijk onderzocht welke factoren jij belangrijk vindt bij de keuze van een woning, en hoe deze factoren de zoektocht naar en uiteindelijke keuze van een woning beïnvloeden.

Open vraag/hoofdvraag:

- Wat waren jouw belangrijkste woonvoorkeuren en prioriteiten toen je op zoek was naar jouw eerste koopwoning?

Specifieke vragen:

- Kun je terugblikken op jouw oorspronkelijke woonvoorkeuren aan het begin van jouw zoektocht naar een woning en aangeven in welke mate jouw huidige woning aan deze voorkeuren voldoet?

Verdiepende vragen:

- Heb je compromissen gemaakt tijdens het koopproces omtrent woonvoorkeuren, en zo ja, welke compromissen en hoe heb je die tegen jouw oorspronkelijke woonvoorkeuren afgewogen?

Evaluatie en reflectie:

- Zijn er aspecten van jouw woonvoorkeuren die je achteraf gezien anders zou hebben aangepakt/beoordeeld/gewogen/vooropgesteld, en kun je uitleggen waarom? Op basis van jouw ervaring, welk advies zou je geven aan zoekende starters over hoe zij hun woonvoorkeuren zouden moeten benaderen en waarom?

Thema 2: Financiële instrumenten

Dit onderdeel betreft financiële instrumenten. In dit deel van het interview richt zich op de diverse financiële hulpmiddelen die beschikbaar zijn voor koopstarters op de woningmarkt. Dit omvat niet alleen traditionele hypotheekleningen maar ook startersleningen, familiehypotheken, schenkingen, en eventuele overheidsregelingen of subsidies die specifiek bedoeld zijn om de aankoop van een eerste woning toegankelijker te maken.

Open vraag/hoofdvraag:

- Welke financiële instrumenten ken jij die beschikbaar zijn voor koopstarters op de woningmarkt?

Specifieke vragen:

- Ken je toevallig ook [*naam van het soort/type financiële instrument*]?
 - o Indien ja, hoe ben je hiermee in aanraking gekomen en wat is jouw mening over het gebruik ervan voor de aankoop van een eerste koopwoning?
 - o Indien nee, wat is jouw mening over dit type instrument en de werking ervan?
- Welke financiële instrumenten heb je gebruikt bij de aankoop van jouw woning?

Verdiepende vragen:

- Wat was jouw reden om van [*specifieke financiële instrumenten die gebruikt zijn*] gebruik te maken?
- Kun je beschrijven welke uitdagingen je bent tegengekomen bij het toepassen of verkrijgen van de door jouw gekozen financiële instrumenten en in hoeverre hebben deze instrumenten invloed gehad op jouw beslissing om een woning te kopen en jouw keuze voor een specifieke woning?

Evaluatie en reflectie:

- Hoe tevreden ben je over de financiële instrumenten die je hebt gebruikt en zie je mogelijkheden voor verbetering van deze instrumenten of het proces?
- Nu je weet dat er meer financiële instrumenten beschikbaar waren dan je tijdens jouw aankoop hebt overwogen, zou je, met de kennis van nu, sommige van deze niet eerder overwogen instrumenten in jouw financieringsstrategie opnemen? Waarom wel of waarom niet?
- Reflecterend op jouw ervaring, zijn er zaken die je anders zou hebben aangepakt/beoordeeld/gewogen/vooropgesteld met betrekking tot de financiële instrumenten en kun je aangeven waarom? Welk advies zou je geven aan zoekende starters over het gebruik van financiële instrumenten gebaseerd op jouw ervaringen en waarom?

Thema 3: Betaalbaarheid

Dit thema richt zich op de betaalbaarheid van het wonen. Hierbij ligt de nadruk op jouw perspectief op wat betaalbaar is en hoe dit vervolgens is beïnvloed door financiële instrumenten en woonvoorkeuren.

Open vraag/hoofdvraag:

- Hoe heb je de betaalbaarheid van de woningen ervaren tijdens jouw zoektocht naar een eerste koopwoning?

Specifieke vragen:

- Op welke manieren hebben financiële instrumenten bijgedragen aan het verbeteren van de betaalbaarheid van jouw woning?
- In hoeverre hebben jouw woonvoorkeuren invloed gehad op de betaalbaarheid van de woning en jouw keuzes op de woningmarkt?

Verdiepende vragen:

- Kun je het proces beschrijven van hoe je de beschikbare financiële instrumenten hebt afgewogen tegen jouw woonvoorkeuren in het licht van de betaalbaarheid?
- Welke risico's of onzekerheden met betrekking tot betaalbaarheid heb je overwogen bij het maken van je beslissing, en hoe ben je hiermee omgegaan?

Evaluatie en reflectie:

- Nu je terugkijkt op jouw zoektocht en je uiteindelijk jouw woning hebt gevonden, zijn er woonvoorkeuren of aspecten van je woning die je, met de kennis en ervaring die je nu hebt, anders zou hebben aangepakt/beoordeeld/gewogen/vooropgesteld? Welke specifieke aspecten zou je meer of minder prioriteit hebben gegeven en waarom?
- Kijkend naar jouw ervaring, hoe effectief vind je de beschikbare financiële instrumenten in het verbeteren van de betaalbaarheid van woningen voor starters?
- Welk advies zou je geven aan toekomstige koopstarters op basis van jouw ervaringen met betrekking tot het navigeren van de betaalbaarheidsuitdagingen op de woningmarkt?

Thema 4: Toegankelijkheid

Dit thema onderzoekt de toegankelijkheid binnen de woningmarkt, met nadruk op financiële en informatie-toegankelijkheid. Financiële toegankelijkheid gaat over het vermogen van koopstarters om binnen hun financiële mogelijkheden een geschikte woning te vinden en te verwerven. Informatie-toegankelijkheid omvat de beschikbaarheid en begrijpelijkheid van relevante informatie over de woningmarkt. Het onderzoek richt zich op hoe deze aspecten de zoektocht naar en aanschaf van een eerste woning beïnvloeden.

Open vraag/hoofdvraag:

- Hoe heb je de financiële toegankelijkheid met betrekking tot beschikbaarheid van voldoende financiële hulpmiddelen ervaren?
- Hoe heb je de beschikbaarheid en begrijpelijkheid van informatie over de woningmarkt tijdens je zoektocht naar een eerste huis ervaren?

Specifieke vragen:

- Welke financiële barrières heb je ervaren als grootste obstakels bij het toetreden tot de woningmarkt?
- Welke informatiebronnen heb je gebruikt bij je zoektocht naar een woning, en hoe toegankelijk en nuttig vond je deze?

Verdiepende vragen:

- Hoe hebben deze financiële barrières je beslissing beïnvloed in de zoektocht naar een woning?
- Welke specifieke uitdagingen heb je ervaren bij het begrijpen van complexe informatie, zoals hypotheekvoorwaarden of wettelijke vereisten?

Evaluatie en reflectie:

- Hoe hebben de ervaringen met financiële toegankelijkheid en informatiebeschikbaarheid je perspectief beïnvloed op het proces van het vinden en kopen van een eerste huis?
- Welke verbeteringen zou je willen zien in het proces om de toegankelijkheid voor toekomstige koopstarters te vergroten?
- Welk advies op basis van jouw eigen ervaring zou je geven aan anderen die beginnen aan hun zoektocht naar een woning, met name met betrekking tot het navigeren door toegankelijkheidsuitdagingen?

Thema 5: Bereikbaarheid

Dit thema richt zich op de bereikbaarheid van de woningmarkt zelf, belichtend hoe koopstarters de kansen ervaren om daadwerkelijk hun eerste woning aan te schaffen.

Open vraag/hoofdvraag:

- Hoe heb je de bereikbaarheid van de woningmarkt ervaren in termen van je kansen om als koopstarter een woning te kopen?

Specifieke vragen:

- Hoe lang ben je actief op zoek geweest naar een woning voordat je jouw eerste huis kocht, en hoe heb je deze periode ervaren?
- Welke obstakels ben je tegengekomen tijdens jouw zoektocht die je toegang tot de woningmarkt belemmerden?

Verdiepende vragen:

- Hoe heb je de concurrentie met andere potentiële kopers ervaren en welke impact had dit op jouw kansen om een woning te kopen?

Evaluatie en reflectie:

- Hoe beoordeel je achteraf de toegankelijkheid van de woningmarkt voor jou als koopstarter?
- Welke veranderingen of verbeteringen zou je willen zien in het beleid of de marktstructuur om de bereikbaarheid voor koopstarters te vergroten?
- Wat voor soort ondersteuning of veranderingen in het proces zou volgens jou de bereikbaarheid van de woningmarkt voor toekomstige koopstarters kunnen verbeteren?
- Reflecterend op jouw ervaring, wat zou je zeggen dat de grootste uitdagingen zijn voor koopstarters die toegang zoeken tot de woningmarkt? En welk advies zou je ze geven?

Afsluiting

- Zijn er antwoorden die je hebt gegeven waar je graag verder op wilt ingaan?
- Zijn er andere belangrijke onderwerpen of aspecten die je denkt dat we moeten bespreken?
- Zijn er personen in jouw netwerk die waardevolle inzichten kunnen bieden en die ik moeten/kunnen overwegen om te interviewen voor dit onderzoek?

Interview vragen aspirant koopstarters

Thema 1: Woonvoorkeuren

Dit deel van het interview richt zich op de voorkeuren en prioriteiten die koopstarters hebben met betrekking tot de woonsituatie, zoals de kenmerken van de woning, kenmerken van de locatie, en de nabijheid van voorzieningen zoals scholen, winkels, en openbaar vervoer. In dit deel wordt uiteindelijk onderzocht welke factoren jij belangrijk vindt bij de keuze van een woning, en hoe deze factoren de zoektocht naar en uiteindelijke keuze van een woning beïnvloeden.

Open vraag/hoofdvraag:

- Wat zijn jouw belangrijkste woonvoorkeuren en prioriteiten bij het zoeken naar jouw eerste koopwoning?

Specifieke vragen:

- Reflecterend op jouw zoektocht tot nu toe, welke oorspronkelijke woonvoorkeuren had je gesteld en heb je al aanpassingen moeten maken in deze voorkeuren?

Verdiepende vragen:

- Heb je compromissen gemaakt tijdens het koopproces omtrent woonvoorkeuren, en zo ja, welke compromissen en hoe heb je die tegen jouw oorspronkelijke woonvoorkeuren afgewogen?

Evaluatie en reflectie:

- Als je terugkijkt op het proces tot nu toe, zijn er dingen die je, met de kennis van nu, anders zou aanpakken/beoordeeld/gewogen/vooropgesteld met betrekking tot jouw woonvoorkeuren, en kun je toelichten waarom? Gebaseerd op je ervaringen en inzichten tot op dit moment, welk advies zou je bieden aan andere aspirant koopstarters over hoe ze hun woonvoorkeuren zouden moeten benaderen en waarom?

Thema 2: Financiële instrumenten

Dit onderdeel betreft financiële instrumenten. In dit deel van het interview richt zich op de diverse financiële hulpmiddelen die beschikbaar zijn voor koopstarters op de woningmarkt. Dit omvat niet alleen traditionele hypotheekleningen maar ook startersleningen, familiehypotheken, schenkingen, en eventuele overheidsregelingen of subsidies die specifiek bedoeld zijn om de aankoop van een eerste woning toegankelijker te maken.

Open vraag/hoofdvraag:

- Welke financiële instrumenten ken jij die beschikbaar zijn voor koopstarters op de woningmarkt?

Specifieke vragen:

- Ken je toevallig ook [*naam van het soort/type financiële instrument*]?
 - o Indien ja, hoe ben je hiermee in aanraking gekomen en wat is jouw mening over het gebruik ervan voor de aankoop van een eerste koopwoning?
 - o Indien nee, wat is jouw mening over dit type instrument en de werking ervan??
- Welke financiële instrumenten overweeg je te gebruiken bij de aankoop van jouw toekomstige woning?

Verdiepende vragen:

- Wat zijn jouw beweegredenen om dit specifieke financiële instrumenten te overwegen voor de aankoop van jouw eerste woning?
- Kun je anticiperen op mogelijke uitdagingen die je verwacht te ondervinden bij het toepassen of verkrijgen van financiële instrumenten die je overweegt te gebruiken, en hoe denk je dat deze instrumenten jouw beslissing om een woning te kopen en jouw voorkeur voor een specifieke woning zullen beïnvloeden?

Evaluatie en reflectie:

- Gezien de financiële instrumenten die je overweegt, hoe zie je de mogelijkheden voor verbetering van deze instrumenten of het proces?
- Nu je op de hoogte bent van de beschikbaarheid van verschillende financiële instrumenten, zou je sommige hiervan willen opnemen in jouw financieringsstrategie? Waarom wel of waarom niet?
- Gezien jouw voorbereiding, zijn er strategieën omtrent financiële instrumenten die je nu anders zou overwegen, en waarom? Welk advies zou je willen delen met andere aspirant koopstarters over het overwegen van financiële instrumenten, gebaseerd op jouw huidige inzichten en waarom?

Thema 3: Betaalbaarheid

Dit thema richt zich op de betaalbaarheid van het wonen. Hierbij ligt de nadruk op jouw perspectief op wat betaalbaar is en hoe dit vervolgens is beïnvloed door financiële instrumenten en woonvoorkeuren.

Open vraag/hoofdvraag:

- Hoe heb je de betaalbaarheid van de woningen in jouw voorbereiding op het kopen van een eerste woning ervaren?

Specifieke vragen:

- Op welke manieren verwacht je dat financiële instrumenten de betaalbaarheid van jouw toekomstige woning kunnen vergroten?
- Op welke manieren verwacht je dat jouw woonvoorkeuren invloed hebben op de betaalbaarheid van de woning en jouw keuzes op de woningmarkt?

Verdiepende vragen:

- Hoe plan je de beschikbare financiële instrumenten af te wegen tegen jouw woonvoorkeuren in het licht van de huidige betaalbaarheid?
- Welke risico's of onzekerheden neem je in overweging met betrekking tot betaalbaarheid bij het plannen van je woningaankoop, en hoe bereid je je voor om hiermee om te gaan?

Evaluatie en reflectie:

- Terwijl je nog midden in jouw zoektocht naar jouw woning bent, zijn er al woonvoorkeuren of aspecten waarvan je nu al merkt dat je deze anders hebben aangepakt/beoordeeld/gewogen/vooropgesteld? Welke specifieke aspecten denk je dat je meer of minder belangrijk zou kunnen vinden en waarom?
- Reflecterend op jouw voorbereiding, hoe effectief schat je de beschikbare financiële instrumenten in ter verbetering van de betaalbaarheid van woningen voor starters?
- Welk advies zou je geven aan toekomstige aspirant koopstarters op basis van jouw ervaringen en inzichten met betrekking tot het omgaan met betaalbaarheidsuitdagingen op de woningmarkt?

Thema 4: Toegankelijkheid

Dit thema onderzoekt de toegankelijkheid binnen de woningmarkt, met nadruk op financiële en informatie-toegankelijkheid. Financiële toegankelijkheid gaat over het vermogen van koopstarters om binnen hun financiële mogelijkheden een geschikte woning te vinden en te verwerven. Informatie-toegankelijkheid omvat de beschikbaarheid en begrijpelijkheid van relevante informatie over de woningmarkt. Het onderzoek richt zich op hoe deze aspecten de zoektocht naar en aanschaf van een eerste woning beïnvloeden.

Open vraag/hoofdvraag:

- Hoe ervaar je de financiële toegankelijkheid met betrekking tot beschikbaarheid van voldoende financiële hulpmiddelen?
- Hoe heb je de beschikbaarheid en begrijpelijkheid van informatie over de woningmarkt tot nu toe ervaren tijdens je zoektocht naar een eerste huis?

Specifieke vragen:

- Welke financiële barrières heb je tot nu toe ervaren als grootste obstakels bij het willen toetreden tot de woningmarkt?
- Welke informatiebronnen plan je te gebruiken bij je zoektocht naar een woning, en hoe toegankelijk en nuttig verwacht je deze te vinden?

Verdiepende vragen:

- Hoe hebben deze financiële barrières tot nu toe je beslissing beïnvloed in de zoektocht naar een woning?
- Welke specifieke uitdagingen heb je ervaren bij het begrijpen van complexe informatie, zoals hypotheekvoorwaarden of wettelijke vereisten?

Evaluatie en reflectie:

- Hoe hebben de ervaringen met financiële toegankelijkheid en informatiebeschikbaarheid tot nu toe je perspectief beïnvloed op het proces van het vinden en kopen van een eerste huis?
- Welke verbeteringen zou je willen zien in het proces om de toegankelijkheid voor toekomstige koopstarters te vergroten?
- Gezien jouw eigen voorbereiding en onderzoek, welk advies zou je geven aan anderen die beginnen aan hun zoektocht naar een woning, vooral met betrekking tot het navigeren door toegankelijkheidsuitdagingen?

Thema 5: Bereikbaarheid

Dit thema richt zich op de bereikbaarheid van de woningmarkt zelf, belichtend hoe koopstarters de kansen ervaren om daadwerkelijk hun eerste woning aan te schaffen.

Open vraag/hoofdvraag:

- Hoe ervaar je de bereikbaarheid van de woningmarkt in termen van je kansen om als aspirant koopstarter een woning te kopen?

Specifieke vragen:

- Hoe lang ben je al actief op zoek naar een woning, en hoe heb je deze periode tot nu toe ervaren?
- Welke obstakels ben je al tegengekomen tijdens jouw zoektocht die je toegang tot de woningmarkt belemmerden?

Verdiepende vragen:

- Hoe heb je de concurrentie met andere potentiële kopers tot nu toe ervaren, en welke impact verwacht je dat dit heeft op jouw kansen om een woning te kopen?

Evaluatie en reflectie:

- Reflecterend op je huidige voorbereiding en inzichten, hoe beoordeel je de toegankelijkheid van de woningmarkt voor jou als aspirant koopstarter?
- Welke veranderingen of verbeteringen zou je willen zien in het beleid of de structuur van de markt om de bereikbaarheid voor koopstarters te vergroten?
- Wat voor soort ondersteuning of veranderingen in het proces zou volgens jou de bereikbaarheid van de woningmarkt voor toekomstige koopstarters kunnen verbeteren?
- Reflecterend op jouw voorbereiding en verwachtingen, wat zou je zeggen dat de grootste uitdagingen zijn voor aspirant koopstarters die toegang zoeken tot de woningmarkt? En welk advies zou je hen geven?

Afsluiting

- Zijn er antwoorden die je hebt gegeven waar je graag verder op wilt ingaan?
- Zijn er andere belangrijke onderwerpen of aspecten die je denkt dat we moeten bespreken?
- Zijn er personen in jouw netwerk die waardevolle inzichten kunnen bieden en die ik moeten/kunnen overwegen om te interviewen voor dit onderzoek?

Appendix interview summaries recent first-time homebuyers

Emma Molenaar

The interview highlights the experiences of a 23-year-old single individual who, after approximately a year of searching, finally found housing in Delft, where she is currently studying. In addition to her studies, she also has a part-time job. She now lives in a studio that was newly built and delivered in December 2022. The choice for Delft was natural due to its proximity to the university, but finding suitable housing proved challenging in a market where overbidding is common.

The condition of properties often turned out worse than suggested online, leading to stricter criteria during the search. Location was crucial, with a preference for housing in Delft, close to the university. She sought a studio or apartment, where a balcony was welcome but not essential. Important factors included a separate bedroom and a location above the ground floor, with no shared kitchens or bathrooms.

Regarding financial instruments such as homebuyer discounts, ground leases, and rent-to-own schemes, she preferred full value retention and ownership. The option of renting first and then buying was seen as most attractive among these. However, it was acknowledged that these instruments could be necessary as a first step if buying a home outright without additional financial help was not feasible. Though not ideal, they help lower the entry barrier to the housing market. Gifts and family mortgages are encouraged, and she utilized the latter. It was noted that starter loans should ideally be available nationally, rather than depending on municipal policies, as the current system is perceived as unfair.

The affordability of homes was challenging due to intense competition and frequent overbidding. Instead of questioning whether to bid the asking price, the real question was how much above the asking price to bid. This made it difficult to assess whether a property was worth it, considering necessary renovations after purchase. Her personal housing requirements played a role in seeking affordable options, allowing her to search in a lower price segment. The condition of existing homes impacted affordability, with necessary renovations often making these homes more expensive. This led to the consideration that new-build homes, despite their higher asking prices, were ultimately deemed more affordable. The ability to use a family mortgage was crucial for buying a home. Without this financial help, she would have had to continue renting.

The accessibility and quality of information in the housing market are problematic. Essential information, such as the actual condition of homes, is often withheld, forcing the homebuyer to be critical and vigilant. Information is fragmented and difficult to find, requiring significant time and energy to research. This chaos extends to waiting lists, where registration rarely results in clear communication. It would have been helpful if the information was available in a central location and easy to understand. Financial accessibility was improved by using a family mortgage, but this is seen as a privilege. The accessibility of starter loans is limited to certain municipalities, which is considered unfair. Interactions with the real estate market were also marked by a certain arrogance due to high demand, making the processes less pleasant.

Entering the housing market, especially in the Randstad, is challenging. This significantly increases competition, often making overbidding necessary. Even with overbidding, it remains uncertain whether one will be considered for a home. In new-build projects, access to a home is often determined by lottery systems, adding uncertainty. The search is difficult but not impossible. Too much has been left to the market, and the government has intervened too little, resulting in decreased entry opportunities. The opportunity to enter the market varies by municipality because not all instruments are available everywhere. The biggest challenge is getting onto the housing market. Without financial assistance, this would not have been possible, and the required income for mortgages is very high. It is important to remain rational and consider setbacks, as the market is tight and far from ideal.

Femke Smit

The interview provides insight into the experiences of a couple, aged 26 and 31, who, after a year and a half of searching, eventually bought a house in a village in the Green Heart of the Netherlands, in the place where they grew up. Their decision to buy a house was driven by the desire to make an investment for the future, having previously rented. This choice of location resulted in a limited and specific search area, ultimately complicating the search considerably. Despite their good financial situation, it was difficult to secure a home within their search area.

There was a clear preference for buying a home as an investment for the future. Additionally, there was a strong desire to stay in their hometown, although the search area was slightly extended to surrounding villages; the focus remained on their childhood village. Location was by far the most important criterion. Furthermore, a garden and a spacious bathroom were essential preferences. While two bedrooms were desired, this was not a strict requirement. During the search, only the requirement for a spacious bathroom was tightened, as they found during viewings that it was impractical not to be able to stand in the bathroom at the same time.

Discussing financial instruments, it became clear that the homebuyers wanted to retain the full value appreciation of the home themselves. This is particularly relevant for homebuyer discounts, where such instruments are not considered if they are not financially necessary. Ground leases are discouraged by the couple. Other options like gifts or a family mortgage are seen as personally burdensome, mainly due to the potential guilt associated with personal expenditures like vacations. On the other hand, the couple is open to renting a home with an option to buy, provided it meets their housing preferences.

The home search occurred in two phases. Initially, the couple tried to buy a house with one salary but found a €100,000 gap between their mortgage and the cost of an apartment. Only after combining their salaries could they seriously search for a suitable home. Their search area was limited, and homes in the desired village were popular, straining affordability. A positive aspect was that overbidding was uncommon at that time, making homes somewhat more affordable.

Initially, the selling agent pressured the couple to quickly make a higher bid without a structural inspection, leading them to withdraw. Later, they bought a home with the help of a contractor friend who conducted the necessary inspections. Using open house days and gathering information from news sources played a crucial role in their search, making it easier. It became clear that overbidding was no longer common, allowing them to adjust their bid.

Financial accessibility was improved by the couple's stable jobs, which allowed them to obtain more favorable mortgage conditions. Additionally, exemptions from transfer tax significantly reduced incidental costs. The accessibility of information was further enhanced by their mortgage advisor, who explained complex matters in simple terms. This advisor also provided new insights into mortgage possibilities, with a significant difference of up to €50,000 compared to online calculations. Therefore, an independent advisor early on was considered very valuable investment.

Initially, it was impossible for the couple to buy a home with just one income, making renting inevitable. When both were employed and thus had two salaries, their chances of entering the housing market improved significantly. Moreover, a substantial own capital further increased their opportunities. The off-market sale of the home also helped to limit competition, strengthening their position in the market. However, an element of uncertainty remained due to the unpredictability of bids; in some places, overbidding was significant, but not everywhere. The availability of homes in the desired location was limited, reducing their entry opportunities. As a solution to increase entry opportunities, it is advised to build more homes specifically aimed at the elderly to promote housing circulation, as well as affordable homes for starters.

Bram Kok

The interview highlights the experiences of a 25-year-old individual during the search for their own home. This search lasted about a year. In 2023, an apartment was purchased in Breda, close to where he grew up. Due to his good financial situation, it was possible to secure a home, although affordability was perceived to be lower compared to the past.

In the search for an apartment, the location in West Brabant was crucial. This decision was driven by proximity to family and friends, which proved more important than proximity to work. Plans for cohabitation and starting a family also influenced this choice. The home needed to be spacious and move-in ready. There was no interest in a fixer-upper, especially since even those commanded high prices. However, smaller finishing tasks, such as sealing a wall, were acceptable. Atmosphere was important, so they sought a balance between a lively and quiet environment. Driving through different neighborhoods helped them feel the atmospheres and surroundings. Ultimately, creating an overview of the various properties with their features helped in considering the home itself.

The purchase of the home was partly financed with the help of a jubelton (a tax-free gift from parents) and a family mortgage. There was awareness that these options represented a privileged position, offering financial advantages such as lower monthly payments. Regarding starter loans, there is a question of whether they inadvertently drive up prices, although their practical applicability is a positive aspect. Homebuyer discounts are less practical but help lower the barrier to the housing market. Ground leases are seen as impractical and difficult to implement on a large scale. Renting and buying is a model that facilitates the transition to homeownership and is viewed positively. However, all financial instruments are seen as short-term fixes rather than long-term solutions.

Although the jubelton and the family mortgage helped make the home affordable, housing prices in general are much less affordable compared to the past when they were significantly cheaper. Additionally, as overbidding was not common during this period, the situation was somewhat manageable. However, it is advised to have realistic expectations and be prepared to make compromises to find an affordable home.

While there is a lot of information available online about the housing market, the tips found are often quite generic and do not significantly increase entry opportunities. Nonetheless, this information helps to better understand certain concepts. One criticism is that the information is often extremely dull and awkwardly written, making it difficult to read and understand. Fortunately, a Google search can often provide clarity and help break through the complexity. It is recommended to write purchase contracts and agreements in a clearer and more accessible manner, making them easier to understand and more pleasant to read. This would make the process of buying a home less intimidating. Additionally, being well-informed can set one apart from others who are less prepared. With the right knowledge, one is better able to respond quickly and effectively in a competitive market. There was an unpleasant pressure felt due to the selling agent urging a quick bid on the property, which was not appreciated.

Bidding without financing contingencies increased entry opportunities, as this is more attractive than a bid with such contingencies. Additionally, it is considered crucial to be actively involved in the search for a home. This can be done by registering with real estate websites and the Funda mailing list, allowing one to be quickly informed of new available properties. This increases the chance of finding a suitable home before others see it. Despite the difficult market conditions, where entry opportunities for starters are considered poor, it is advised not to give up hope. One must be willing to make compromises and seize opportunities when they arise. Finding the ideal home with the first purchase is often an illusion; it is more realistic to recognize that a first home can be a steppingstone to the ultimate dream home over the longer term. Although financial instruments can help with this, they are more of a temporary fix than a permanent solution. The government should actively intervene in the housing market to properly address the issues.

Laura Bakker

The interview sheds light on the home search of a young couple, aged 23 and 26, one of whom works full-time while the other works part-time alongside studying. The search period lasted about three months, and at the beginning of 2024, they bought an apartment in Boskoop. Although they initially preferred a location in their hometown, the current challenges in the housing market forced them to consider a nearby location and a different type of home. This step ultimately enabled them to leave their parental homes.

In the decision-making process, it became clear there was no interest in a fixer-upper or renting, as both are seen as wasting money without long-term investment returns. Faced with high market demands and the need to act quickly, compromises became inevitable. These allowed the homebuyers to enter the market now rather than wait years for the ideal home. They opted for a multi-family dwelling instead of a single-family house and changed locations. Although they are further from their social network, this situation is temporarily acceptable, as the search would have taken even longer otherwise.

Discounts on homes are positive for first-time homebuyers, though they come with extra rules. Ground leases are discouraged due to uncertainties. Using a starter loan is questionable as it adds another loan. Borrowing from family is neutral, it offers advantages but can strain relationships due to its emotional weight. The abolition of the jubelton (tax-free gift) is unfortunate, as it would have been helpful. It's important that these aids still allow for maintaining the current lifestyle.

The affordability of homes for first-time homebuyers is perceived as very poor, mainly due to the limited supply in the housing market. This limited supply contributes to the perception that homes are unaffordable for this group. Additionally, the practice of buying houses to rent them out further complicates the situation, as potential homebuyers who want to live in the home often miss out. There was a clear preference for a single-family home in a desired village, but the lack of available and affordable homes made this impossible. Consequently, they opted for an apartment, which was seen as a compromise, especially since it was not preferred for the long term. To better understand what was financially feasible, a detailed overview of income, assets, and expenses was made. This helped to better assess the affordability of various housing options and make an informed decision. This overview proved useful in navigating the challenging and often discouraging housing market.

Financial considerations are crucial in buying a home, and conversations with a mortgage advisor provide essential insights. Advisors clarify various financial scenarios, such as the ratio between own input and mortgage amount and advise on initial costs and recurring monthly payments. This helps determine affordability. The local knowledge of a mortgage advisor was particularly valuable, understanding specific circumstances in the desired area. During the bidding process, significant pressure was felt, especially from the selling agent, who emphasized the need to act quickly, such as communicating a new, higher bid within fifteen minutes. Requesting a bidding logbook after the bids can provide useful insights into others' bids, helping evaluate their own bidding strategy. While the internet, like Google, simplifies information, some aspects remain unclear and require support. Despite its costs, this helps make an informed and financially responsible decision when buying a home.

Access to the housing market is perceived as limited by first-time homebuyers due to the scarce supply. This problem is further exacerbated by investors actively buying homes, usually to rent them out, reducing the opportunities for first-time homebuyers to buy a home themselves. However, being involved in an off-market sale significantly improves one's chances due to lower competition. Given these challenges, it is recommended to increase the supply of homes specifically for first-time homebuyers by building more apartments or by promoting market circulation.

Nova Slager

The interview highlights the home search of a cohabiting couple, aged 26 and 24, who settled in Westland in 2022. Both are employed. Given the expectation that the search for a suitable home would take years, they started their orientation early. Unexpectedly, they secured a terraced house within a month of beginning their search. Despite low expectations, things can progress very quickly.

Both new and existing constructions were considered, but new construction was ultimately perceived as less cozy. Besides ambiance, location was a determining factor for their home choice. They chose Westland deliberately due to its proximity to work, allowing them to live without a car. Additionally, they preferred a home with outdoor space for barbecuing and an extra room for hobbies or work. During the search, having a list of housing preferences, distinguishing between essential requirements and desired features, was found to be useful. This allowed for effective filtering of potential homes.

For the purchase of the house, the couple used a starter loan. The advantage of this loan was the extra borrowing capacity and the three-year interest-free period, in addition to the flexibility to repay it. Other financial instruments discussed included rent-to-own arrangements, which the couple considered because it didn't feel like wasting money as with traditional renting. However, the uncertainty associated with ground leases was deemed too risky for long-term stability. Price discounts on the home would only be considered if there were no other options, as the couple preferred full ownership and independence. It was clear they preferred to take full ownership and responsibility for their home.

The couple emphasized the importance of substantial personal capital to bridge the gap between the mortgage and the home's purchase price. Despite the financial risk, this made the purchase possible. Without the starter loan, the house would have been unaffordable, and while the high loan posed additional risk, it was necessary. They found housing prices unaffordable compared to the past and used much of their capital. They assessed overbidding risks, considering if they had to sell the house, the overbid amount would be manageable. They also kept a reserve fund for unforeseen costs. Despite poor affordability and high risks, they proceeded with the purchase.

Online mortgage tools provided varying insights but were less accurate than the advice from a financial advisor, who enabled higher mortgage amounts. The accessibility of information is perceived as confusing, especially since different aspects overlap; however, a financial advisor offers support in this regard. The information is often difficult to access due to complex language, and many websites offer paid information, which is considered undesirable. For viewings, it is essential to sign up quickly, as registrations are often full after one day on Funda. There was also high pressure to make quick decisions. The reality of the home and the environment often proved less rosy than how they were sold; for instance, promises that social rental homes would be sold had not been fulfilled, leading to a sense of deceit. Selling agents varied greatly in their approach; some took their time, while others wanted to conclude the viewing as quickly as possible. During viewings, tapping on windows was used to assess the condition of the home.

Believing entering the housing market is not complicated, they viewed homes that did not meet their preferences to be better prepared. To increase the chance of a viewing, they agreed to respond to homes separately. Given the high market pressure, they started early, expecting it to take years to secure a home. However, the process moved quickly, and they had a home within a month due to their proactive approach. They considered making an offer without financing conditions, leading to their offer being accepted even though it was lower. They felt it's unfair that not everyone has equal opportunities, especially since wealthy families can support each other. Additionally, schools teaching about buying a home would have been helpful, as figuring everything out proved challenging. More guidance for first-time homebuyers is needed in the current market.

Amber Schrijver

The interview details the home search of a cohabiting couple, aged 36 and 32, from Bodegraven. Both are employed and spent about a year searching for a suitable corner house. Despite the challenges of a tight housing market and the need to consider concessions, they remained committed to their essential housing preferences, leading to a long but focused search for the ideal home.

They preferred to live close to family and work, with a general preference for South Holland. They wanted a spacious south-facing garden for a vegetable garden, a quiet and green environment, and at least two bedrooms. Some renovation was acceptable if the location and space met their needs. Limiting preferences to a top three helped ease the search and avoid disappointments. Ultimately, they compromised slightly on the garden size but not significantly. New constructions were ruled out due to the types of homes and neighborhoods being built.

For purchasing the house, they used only a mortgage and their own capital, carefully considering how much of their own money to invest. They did not need to rely on other financial aids. A gift or family mortgage would not have felt comfortable for them. Although they were familiar with homebuyer discount instruments through colleagues, they saw these as only a temporary solution. Ground leases were not considered due to the lack of full ownership. The rent-to-own model could be helpful for those who struggle to save, but it could also reduce the availability of rental properties.

The affordability of homes was perceived as highly variable but generally poor. Houses in the eastern part of the country were more affordable, but this was too far from family and work, making it an undesirable option. Their desire for a large garden also reduced the affordability of potential homes due to the low availability and high demand for such properties. Despite frequent overbidding in the market, they remained rational about what a house was truly worth and set their maximum price limit accordingly. They considered using their own capital to lower monthly payments, but this had little effect on the amount they had to pay each month. Starter homes were not seen as affordable since their starting prices were already high. In the Randstad, there were few available homes; searching on Funda often returned only garages or high-rise flats. Despite the market pressures and sometimes irrational bidding, it was important to stay calm and make rational decisions.

The vast amount of online information made it difficult to navigate, and unique situations often led to inaccurate results from online tools. They consulted an independent financial advisor, who revealed that their capital wouldn't necessarily lower mortgage payments. Given the difficulty of securing viewings and the minimal supply, they had to check multiple channels. Viewings were often fully booked one day after appearing on Funda, requiring flexibility and time off work. The need to quickly arrange everything after a viewing, from making an offer to completing the purchase, added stress. This rapid succession often made the available information seem inadequate, especially as the texts were long and hard to understand.

The search for a home proved to be a lengthy process, mainly because they refused to compromise on their housing preferences, which affected their market entry opportunity. The broad search area offered more opportunities, but the specific requirement for a large garden made finding a suitable home more difficult. The daily effort to keep up with the housing market became increasingly discouraging as the year progressed. After a year of searching, morale dropped, and to have a chance, they had to monitor the listings daily as viewings filled up quickly. To increase their chances of securing a home, they made an offer without a technical inspection or financing contingency, which felt contradictory but necessary to get a house in this market. They also included a motivation letter to strengthen their offer. The couple feels that the lack of new construction has driven up the prices of existing homes. More construction would be desirable to improve market turnover and enhance first-time homebuyers' entry opportunities.

Ilse Visser

The interview details the home search of a couple, aged 26 and 27, both employed, who found a house near Den Bosch after searching for about six months. Due to the limited housing supply in Den Bosch, they had to expand their search to the surrounding villages. Thanks to their thorough preparation, they were able to seize their opportunity quickly and secure a home.

Initially, the preference was to find a house in Den Bosch, ideally with a large garden and relatively new to avoid having to do major repairs. They particularly wanted to avoid a house that required a lot of maintenance or was poorly insulated. Due to the limited availability of such homes in Den Bosch, they eventually expanded their search to surrounding villages. They made some concessions regarding the size of the garden. Flexibility in location preferences ultimately contributed to their success in finding a suitable home in a competitive housing market.

Although it was not necessary, they used a family mortgage, which was seen as valuable support. Other financial instruments, such as homebuyer discounts, would only have been considered if there were no other options. The use of ground leases was rejected due to inherent uncertainties, as the future sale of the house could be complicated by the need for the new homebuyer to take over the lease. They also mentioned that a mechanism like the jubelton, allowing for direct gifts, would have been a more pleasant alternative to the complexity of a family mortgage.

The biggest challenge lies with homebuyers on lower incomes, given the high property prices. Although their income was not particularly low, the high prices in Den Bosch necessitated expanding their search area and ultimately settling for a smaller garden. The family mortgage provided more flexibility in their housing preferences, enabling them to proceed with the purchase of this specific house. Without this financial support, they would likely have had to choose a different type of house. Having two incomes played a crucial role in improving affordability, giving them more financial leeway in their search.

The accessibility of information about the housing market was significantly improved by hiring a buying agent, a decision encouraged by positive experiences from friends. Despite the costs, this investment proved worthwhile. It was found that homes are often advertised more attractively than they are; during viewings, issues like rotten window frames and subsiding extensions became apparent. This reinforced the advice to always bring someone with technical knowledge to viewings. This underscores the importance of good advice from experts. They also consulted a mortgage advisor to get a clear picture of their financial possibilities and budget. The combination of trusted advisors and the involvement of knowledgeable family members, such as a father with real estate experience, improved not only access to information but also facilitated a more informed approach to the housing market. In some cases, the buying agent even advised against purchasing a property after identifying structural problems like a subsiding extension, highlighting the value of an expert in such decisions.

Good financial preparation allowed for a quick and smooth home purchase. This opportunity was further enhanced by the fact that the house's owners needed to sell quickly, which was a fortunate coincidence. Access to the housing market was not particularly difficult given their financial means; however, with a smaller budget, the market would have been much less accommodating. The biggest challenges were the financial hurdle and the availability of desirable homes, often requiring compromises to increase the chances of success. These adjustments contributed to the ultimate success of their home purchase. Additionally, changing jobs during the home-buying process proved inconvenient, as it required a new employer's statement, complicating the situation. Because the house was relatively new, they opted out of a technical inspection, which is normally recommended but was deemed unnecessary in this case, to increase their chances. They further suggested that the opportunities for financial help from parents and family should be expanded or relaxed, and that more homes should be built to improve access to the housing market. They also acknowledged that they were fortunate in finding their home, which is not the case for everyone.

Appendix interview summaries potential first-time homebuyers

Pien Peeterse

The interview highlights the experiences of a couple, aged 22 and 23, who are planning to move in together and have been searching for a home for five months, focusing mainly on Zoetermeer and the suburbs of The Hague. They have been significantly outbid three times, which has been quite discouraging.

Regarding location, they prefer to stay in Zoetermeer, where they currently live and have their network. Initially, they considered an apartment in a walk-up building but eventually expanded their search to other types of flats. The condition of the home can require some work, and they are looking for an extra room due to extensive remote working.

The couple is familiar with a family mortgage and plans to use it, which allows them to spend an additional €50,000. They also considered using the homebuyer discount instrument but decided against it, believing they could manage without it. Ground leases could be interesting depending on the fee that needs to be paid. Rent-to-own schemes are viewed as beneficial because they offer opportunities for starters and can provide a head start. They believe that options like rent-to-own should be more widely available and attractive to lower the entry barrier.

Currently, the market is chaotic with high prices, which can be a bit depressing given the current situation. Despite this challenge, there is still a reasonable supply within their desired price range and location. However, the search is complicated by the need for a second room, which causes market tightness and increases competition.

The process of finding a home can be quite overwhelming, but tools like Google help in understanding and finding information. Although it sometimes seems complicated, Google provides insights into the different steps required and other relevant details. Additionally, a Move account makes it easy to schedule viewings, simplifying the process without the need for phone or email contact. Before the viewing, a lot of information about the property can be obtained by reviewing the HOA documents and other relevant paperwork. Unfortunately, due to their young age, starters are not always taken seriously, with the assumption that they have limited financial resources. There is also stress during viewings; they only have 10 minutes to view a house, and then the next viewers are already waiting. They feel the pressure to make a good impression, adding extra tension to the search process. So far, they have not consulted with a buying agent or financial advisor, but if their next attempt fails, they will consider doing so for the advice and insights these professionals can offer.

After six months of searching and making three offers, they have been significantly outbid each time. This has been discouraging and makes them feel that their chances of securing a home are slim. Although they did not expect to win the bids, it is still disappointing to miss out despite making offers. The desire to move remains strong. For starters, the biggest challenge is to get started and understand what is possible and where they stand in the housing market.

Sophie Sanders

The interview highlights the experiences of a couple, aged 28 and 38, who have been searching for a home for a year, focusing on areas around The Hague, Voorburg, Rijswijk, and Zoetermeer. They have made two offers without success and feel that they are not taken seriously due to their young age.

The couple prefers a single-family home with a spacious living room and garden, which is important for hosting family and is high on their wish list. They prefer a move-in ready home without the need for renovations. The house should have three bedrooms. They have already made some compromises, such as dropping the requirement for a garage, which was less important. They are also considering expanding their search area or adjusting their requirements for a spacious living room and garden. They are not interested in 1930s homes due to space constraints, often requiring the addition of a dormer.

They have not yet explored financial aids other than a mortgage, but various instruments have been discussed. homebuyer discounts for starters with lower incomes offer a chance to enter the housing market. Ground leases are discouraged due to the lack of full ownership and reduced spending capacity. Rent-to-own options are also not attractive, as they feel it binds them to the property even during the rental period. A starter loan is seen positively because it can make a difference, though it comes with higher monthly payments. A family mortgage is an interesting option, especially for those with average or below-average incomes.

Affordability is perceived as very poor, mainly due to rising prices, making it extremely difficult for first-time homebuyers to secure a home, especially compared to those already on the property ladder. With an average income, it is nearly impossible to afford a house, which is considered absurd. The high house prices are seen as the main issue rather than the competition. There are homes available for €450,000, but they do not fully meet their needs; looking further often means considering houses priced around €700,000. The biggest challenge is the high monthly payments, which are a significant obstacle.

Due to their legal background, they find the information easy to understand, but there is a lot of information to process in a short time, which can be stressful for those less familiar with legal language. Their mortgage advisor made it clearer what the differences are between mortgages and what the repayment expectations are for the next 30 years. Further accessibility was limited because the selling agent preferred negotiating with buying agents rather than private individuals. This led them to eventually hire a buying agent. They also felt pressure from the selling agent to make an offer without conditions. While this increases their chances, it feels like the selling party has the upper hand, making it difficult for the homebuyer.

The chance of entering the market is seen as challenging. The lack of movement from the older generation limits opportunities for first-time homebuyers. Combined with high house prices and associated monthly costs, it is very difficult for starters to secure a home.

Victoria Vos

The interview highlights the experiences of a 27-year-old single individual who has been searching for a home for three months, focusing on Groningen city center and Mid-Groningen. No viewings have been conducted yet, as the possibility of buying a home seems far out of reach, leading to a temporary halt in the search to build more savings.

The preference was initially for a house, but this has been abandoned, with an apartment now being the only feasible option. The preference is for a relatively new, move-in-ready apartment to avoid extensive renovations. Additionally, a minimum of one separate bedroom is preferred, but ideally two. A balcony or roof terrace is also desired. The preference for a garden has been adjusted. Luxuries such as a new bathroom and kitchen are not considered realistic in the current market and are therefore not being pursued.

The possibility of parents acting as guarantors for the mortgage was explored but concerns about who would ultimately bear the mortgage costs halted this consideration. Such options would need to be legally well-structured to be considered further. The existence of a starter loan is seen positively. Rent-to-own schemes are also considered good, but the inclination to use this option depends heavily on the condition and size of the property. homebuyer discounts would be considered, and the concept is seen as good. Ground leases, on the other hand, are not appealing due to the desire for full ownership and the avoidance of annual costs associated with them. The abolition of the jubelton (tax-free gift) is viewed as unfortunate, as it now makes it difficult to transfer money for a home purchase.

Affordability is perceived as poor. Buying a home should not mean living paycheck to paycheck, which is why the search has been temporarily halted. The main challenge is the financial aspect and the ability to cover monthly costs. It was not expected that options would be so limited on an average salary. A mortgage payment of €1000 to €1500 would take a significant portion of the salary, making the prospect unappealing, aside from the fact that the purchase price cannot be covered by this amount. It is also strange that renting a home for this amount is acceptable, but buying the same home would result in higher monthly costs.

Financial accessibility is seen as limited. With an average salary, it is not possible to get a sufficient mortgage, making options very limited. This has prevented any viewings or visits to a notary. Someone with a permanent contract should have the financial means to buy a home.

The market entry opportunity for a single individual is perceived as very poor, while it is much easier for dual-income earners. Since buying a home currently seems so far out of reach, the search has been halted. However, there is still hope, and the belief remains that things will eventually work out.

Michael Meijer

The interview highlights the experiences of a 26-year-old single individual who has been searching for a home for six months, focusing mainly on Zoetermeer and its surroundings. He has attended 10 viewings, but the intense competition weighs heavily on her mind, which is unpleasant but necessary to cope with in the current market.

He is looking for a move-in-ready apartment. Ideally, she wants a three-room apartment, but viewings have shown that a well-laid-out two-room apartment can also meet her needs. She finds it beneficial to keep her housing preferences realistic and focus on what is truly necessary, as this is the only way to survive in the market.

A starter loan can make a significant difference, but the downside is that it is region-specific. The decision between renting and buying depends on the condition of the property, but in essence, it is a good mechanism. The same applies to ground leases, but the uncertainty about the canon, which could double, and its negative impact on the mortgage amount are drawbacks. homebuyer discounts were considered during the search, but the associated conditions made it impossible to use them.

Current mortgage rules make it difficult to obtain a sufficiently high mortgage, leaving many homes unaffordable. This limits the ability to buy a home, especially for those who do not meet strict income requirements. She is also looking at more expensive homes because they are often move-in-ready, making the overall costs, including potential renovations, relatively reasonable. Paradoxically, this can be more economically advantageous. Furthermore, rental prices are often higher than actual mortgage costs. However, the income requirements for renting are so stringent that income often needs to be three to four times the rent price, making renting unattainable for many. This makes buying a home a more logical choice despite the high initial costs. In the current housing market, it is essential to have sufficient capital to bridge the gap between a home's asking price and the mortgage provided. Additionally, competition with other homebuyers plays a significant role, often leading to stress and uncertainty about how much others are willing to pay for the same property. This increases pressure and makes the experience more stressful, although it is an unavoidable aspect of the current market conditions. Moreover, the prices of starter homes do not reflect what starters can borrow.

The various clauses associated with properties and the need for quick decisions make having a financial advisor helpful, as they have more expertise and can act more quickly. It is also beneficial that the financial advisor can calculate all possibilities, especially concerning student loans. The offerings from real estate agents vary significantly; some charge for viewings while others do not. Working with an agent is advantageous because listings on Funda become visible earlier, and since viewings fill up quickly, this increases the chances. There have been instances where a bid was placed on a property before it was even listed on Funda. The advice a real estate agent can provide is very valuable, offering more insights into potential additional costs and market trends. However, the need to act quickly is challenging, as viewings and subsequent bids need to happen rapidly.

If a rating were given to the market entry opportunity for first-time homebuyers, it would currently be estimated at 5 to 6, whereas a few years ago it would have been 7 to 8. The increased salary has made more possible, but without this increase, the housing market would have scored a 3 at present.

Julian Jansen

The interview highlights the experiences of a couple, both 27 years old, who have been searching for a home for five months, focusing mainly on the Zwolle area. They have viewed around five properties and made offers on two but have not been successful. Although there is no rush to leave their current rental home, they hope to buy a house eventually.

The preference is for a move-in-ready home; a major fixer-upper is not desired. They are looking for a house with at least three bedrooms to accommodate future family expansion. Additionally, they prefer a home with energy-efficient measures. The house should also be within a 25-minute bike ride from the station and located in a good neighborhood. No concessions have been made yet, but they understand that some desired features might be less achievable and that compromises may need to be accepted. They believe that attending viewings helps them learn more about their preferences and what they do and do not want.

They are not inclined to use or consider ground leases, although there is no clear reason for this. Similarly, homebuyer discount instruments seem like nonsense and a lot of extra hassle, but they cannot explain why exactly. They find it unfortunate that starter loans are not available in all municipalities; it would have been helpful to use this money for overbidding, for example. However, they question the responsibility of having a loan on top of a loan, so they might not pursue this option. They also feel that gifts and family mortgages are unfair and that it should not matter into which family one is born.

Affordability is disappointing. Despite being aware that prices in the eastern part of the country are lower than in the Randstad, prices are still high. They feel this is partly due to the limited supply. They also think that parents who gift or lend money to their children drive up prices, ultimately putting them at a disadvantage.

Selling agents come across as transparent and are open to many questions, without putting pressure on during viewings, which is appreciated. There is a lot of information provided about the properties, which is not necessarily difficult but is a lot to process. Viewings fill up quickly, so they keep an eye on various real estate websites, where properties are listed before appearing on Funda. This way, they can be the first to book a viewing and avoid being placed on a waiting list, as viewings can fill up within two hours of a listing going live on Funda. This constant monitoring feels pressurizing. They have heard that sometimes a bid must be made within 24 hours of a viewing, which they find unreasonable because such decisions should be well-considered. Fortunately, they have not experienced this themselves. They plan to consider a buying agent only if they have not found a home in two years. They have consulted a financial advisor, but the outcomes were similar to those from online tools. The advisor did recommend not adding a structural survey to their last bid due to the relatively new state of the property.

The housing market is perceived as tight, so to increase their chances of entry, they keep monitoring listings actively. Although they do not need to leave their rental home quickly, they still hope to buy a house eventually.

Britney Bos

The interview highlights the experiences of a couple, aged 21 and 22, who have been searching for a home for nine months, focusing mainly on areas around Zoetermeer and its surroundings. They have viewed six properties, but the intense competition and overbidding make entering the housing market challenging.

They are looking for an apartment that is well-connected to public transportation and located in a safe neighborhood. Initially, they wanted a two-bedroom apartment but have already compromised to consider a one-bedroom apartment. It helps to have a wish list and keep it realistic to meet expectations, as it is disappointing what is available within their budget.

Buyer discounts are considered, although they prefer full ownership of the property, acknowledging that the world is not ideal. Ground leases are also considered, but the details and long-term implications are not fully understood yet. Rent-to-own options would be considered if the size and quality of the property are sufficient. Starter loans and family mortgages are approached cautiously, focusing on the feasibility of future financial burdens. For their future home, they plan to use their own capital from an inheritance and the equity from their parents' home.

Affordability is disappointing, mainly due to an insufficient budget. The prices at which apartments enter the market are already thousands of euros above their budget, making them unattainable. Additionally, these properties often require significant extra investments. Consequently, they have abandoned the wish for a second bedroom. The primary challenge is the overbidding, which makes homes even less affordable.

Regarding information accessibility, their own network always provides help when needed. Friends have recommended hiring a buying agent, which has been a positive experience so far. The agent helps estimate additional costs and assists in scheduling viewings. Friends have mentioned that without an agent, there is no chance of securing a viewing. Calling on the same day a property is listed on Funda is usually too late. There is high pressure to act quickly for viewings and bids, with short deadlines.

They have viewed six properties so far, but due to high prices or the poor condition of the properties, they have not made any offers. Currently, they rate the housing market at 4 out of 10 and believe that the entire process of buying a home could take up to three years. They hope for more construction and the realization of more starter homes to improve the situation.