

OUR AMAZINGLY HELPFUL MARKET UPDATE

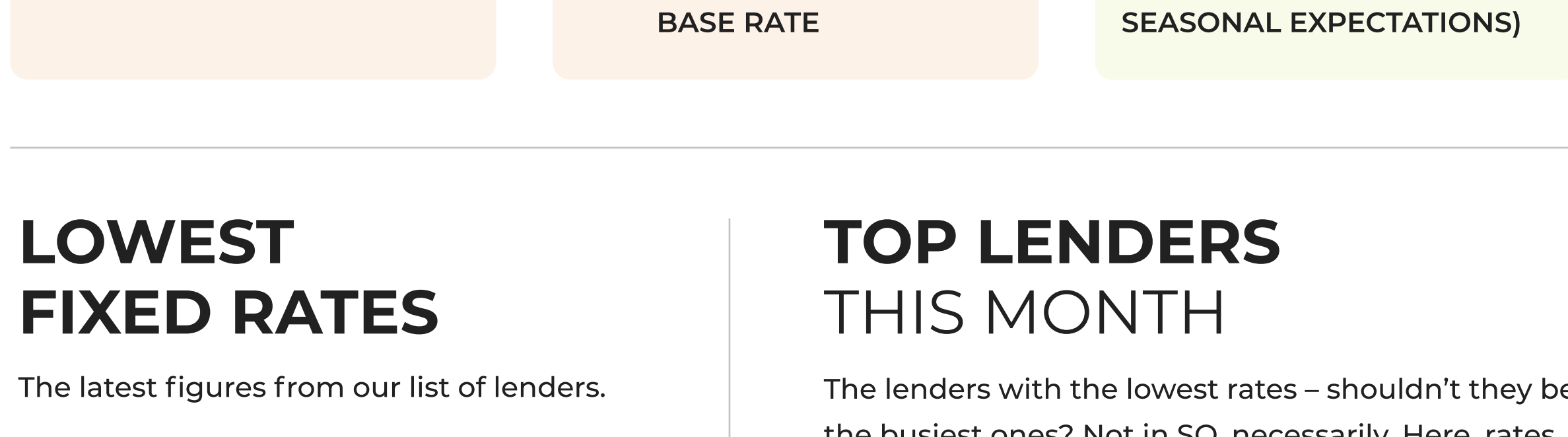


KELLY'S HOT TAKE

July... wasn't as sunny as June. The market has cooled. The Bank of England base rate remains high. But might the arrival of a big new SO lender and come-what-may demand suggest we're set for an Indian Summer? Right now, even tomorrow's forecast is anyone's guess.

Kelly McCabe
TMP The Mortgage People

AT A GLANCE: DASHBOARD



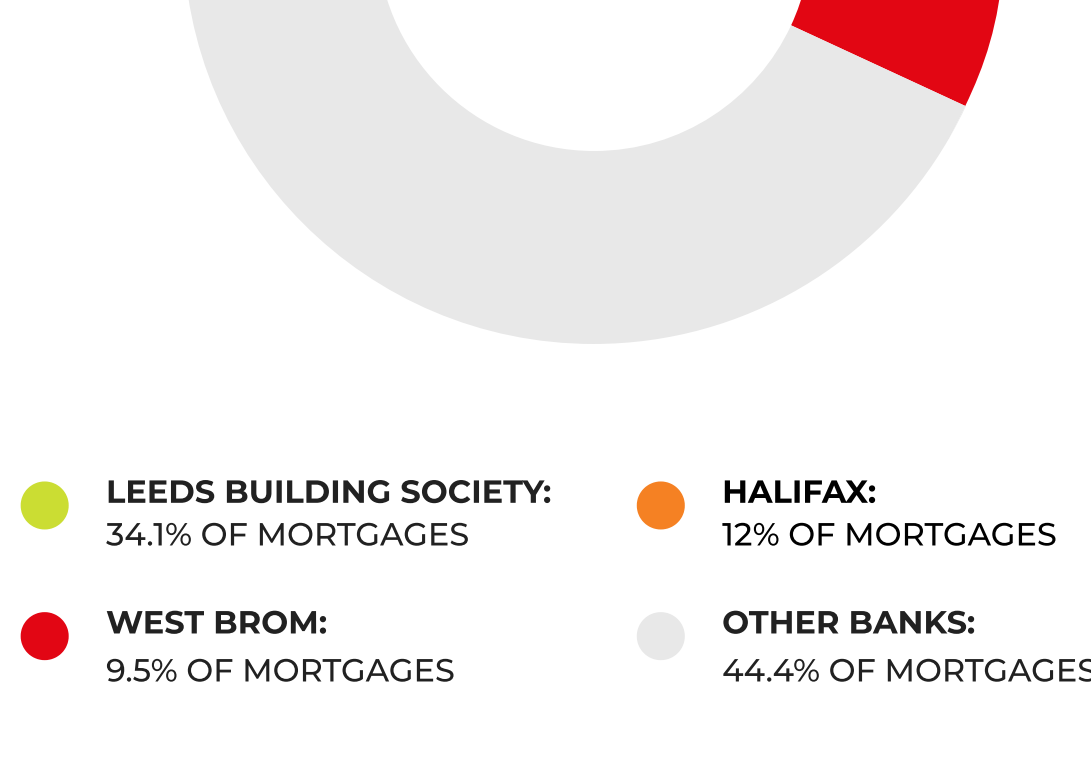
LOWEST FIXED RATES

The latest figures from our list of lenders.

95% LTV	
2 year	Leeds 6.69%
3 year	Newbury 5.99%
5 year	Newbury 5.89%
90% LTV	
2 year	Reliance 5.90%
3 year	Newbury 5.99%
5 year	Leeds 5.79%
85% LTV	
2 year	Reliance 5.90%
3 year	Newbury 5.99%
5 year	Leeds 5.79%

TOP LENDERS THIS MONTH

The lenders with the lowest rates – shouldn't they be the busiest ones? Not in SO, necessarily. Here, rates are just one part of the equation.



THIS MONTH UNDER THE MICROSCOPE

Seasonal slowdown?

We're in the middle of a slowdown, and though it's welcome, it's confusing. For us, this is the first traditional summer shift to have appeared since before the pandemic, so why now? Lenders are dropping their rates left, right and centre. Take Nationwide – a major lender. They're dropping their fixed rates by .35. That's a lot. Policy changes are taking place too. Halifax have increased their maximum working age from 70 to 75. But the base rate is still high and no one knows which direction it'll head in next.

So is this the return of an old pattern, or is it a market reaction? The complexity and contrary nature of the situation show just how difficult forecasting is right now. Plot twists and non-linear narratives reign.

One thing we can say for sure is that, despite everything, customers still want to buy. Yes – some are playing the 'oh, rates have started to drop so I'll wait until they ease off some more' game, but many others are persevering, an air of resignation that acknowledges 'the market is what it is, too bad' plain to hear in their voices. And interestingly, we're seeing a big uptick in leads who are 60 and over.

Metro Bank enters Shared Ownership
A new lender is setting up shop in the sector. Now's a very interesting time for Metro Bank to choose to step into the Shared Ownership arena, but it's always really positive news to hear that another lender has recognised SO's potential.

Long-term plan for housing
An attempt is being made to alleviate the property crisis, which is great, but the fact is, the Government's long-term plan for housing

"The market is really unpredictable at the moment. We're experiencing a slowdown, but thankfully customer demand at large remains undiminished."

will do little to make home ownership affordable for the majority of Brits. Shared Ownership, on the other hand, does have that potential. All it needs is the right investment and support.

Reverse-staircasing: time to tame
Reverse-staircasing – the policy that allows SO property owners to sell back some of their property share – was until recently little-known among the public. Lenders and RPs, however, have always known about it, they've just waited until now to utilise it. But now they have, it's left many of them scratching their heads.

This issue really needs some focus, because if more customers start to demand it, it's likely to have big implications for our sector. That's why we and Amy Nettleton, Assistant Director of Sales and Marketing at Aster, have decided to host a call with lenders and RPs to discuss reverse-staircasing and the type of policy needed to regulate it. We'll keep you posted.



NEW SO MORTGAGE LENDER



"The transformation is a significant milestone in our journey and provides the foundation to be much more flexible in the markets we choose to operate in, including our new upcoming products for Shared Ownership."

Metro Bank director of mortgage distribution **Charles Morley** commenting on [Metro Bank's announcement to offer Shared Ownership mortgages](#).

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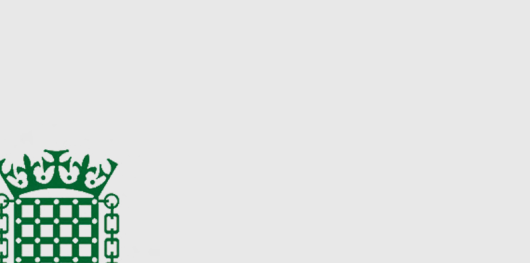
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INQUIRY COULD HELP IMPROVE SHARED OWNERSHIP



"Shared Ownership has, in the past, been hailed as an answer to the housing crisis for younger people, offering the cheapest way to get on the housing ladder.

...We want to explore whether Shared Ownership is providing the right answer for those people locked out of traditional home ownership and who are hit by rocketing private rents."

Clive Betts, Chair of the Levelling Up Committee, commenting on [the committee's announced inquiry into Shared Ownership](#).

SNAPSHOT: WIDER MARKET



"Despite disappointing national economic news reported in June, it is encouraging to see that the number of valuations for sale conducted per branch has remained steady. It is clear that a core portion of the country are still looking to get moving and are not put off by current conditions. And, of course, those coming to the market with a home to sell are most often also looking to buy, which keeps the wheels of the market turning for all."

Nathan Emerson, CEO, [Property.mark](#)

NEWS IN BRIEF

Government announce large scale house building

Property Industry Eye reported on [the Government's announced long-term plan for housing](#): Some £800m was also allocated yesterday from the £1.5bn Brownfield, Infrastructure and Land fund to unlock up to 56,000 new homes on brownfield sites.

The Government says it is funding Homes England with £550m, which with income generated will mean a total investment of £1bn.

The Government says it will deliver as much of the infrastructure and affordable housing as possible using land value capture – with the local area benefiting from the significant increase in land values that can occur when agricultural land is permitted for residential and commercial development.

Demand to buy is weathering the storm

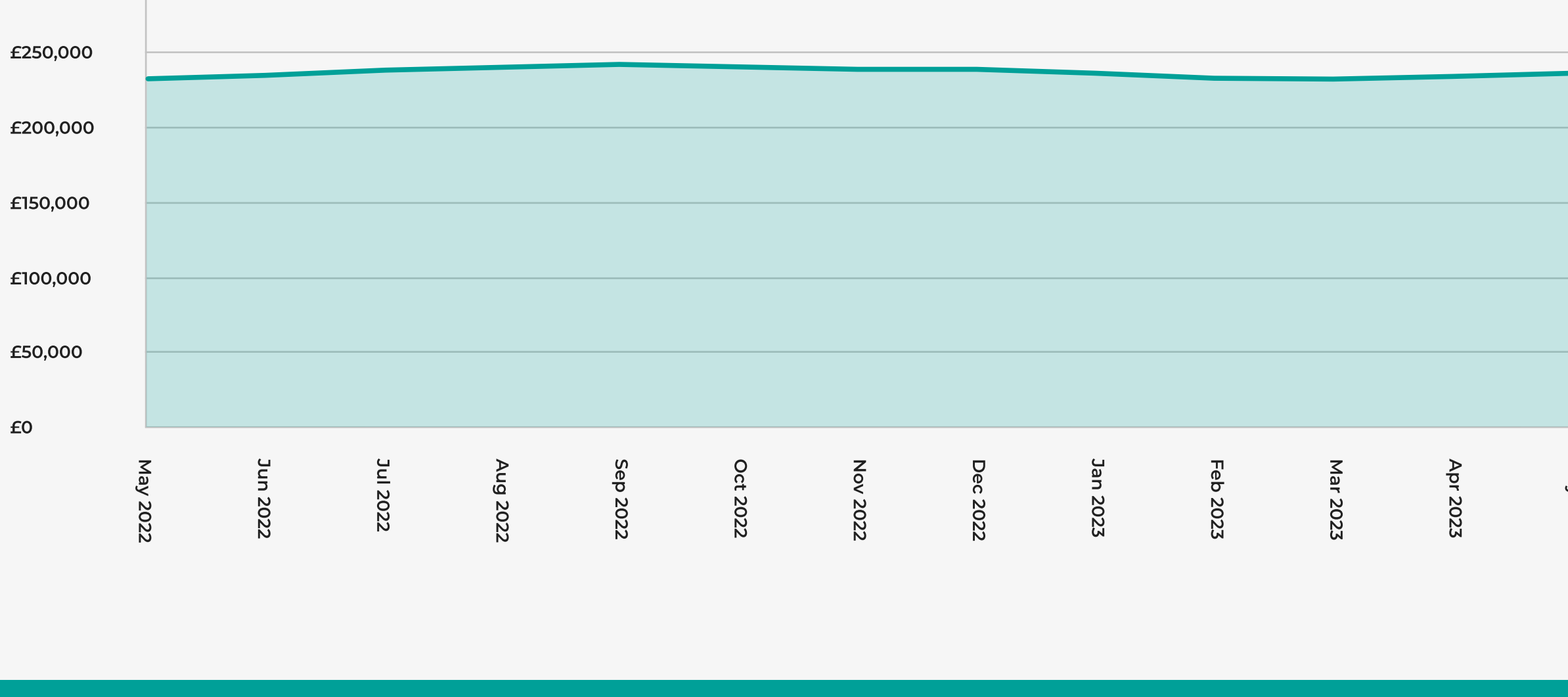
OTM's Jason Tebb noted about [the remarkably resilient buyer demand in the property market](#): "Of course, it all depends on how much people are motivated to buy or sell in the first instance, with anecdotal evidence suggesting that the more indecisive are using current market uncertainty as a reason to sit on their hands and not make their move until the outlook is clearer.

"Meanwhile, those serious about moving are pressing on, keen to make decisions and get deals done."

DATA DIVE: HOUSE PRICE INDEX

According to the most recent data (May 23), the average house price in the UK is £285,861. The index figure stands at 149.9.

Property prices have remained the same compared with the previous month and risen by 1.9% compared with the previous year.



TMP TEAM TALK



Slowdown? What slowdown? Our phones aren't ringing as much at the moment, but as a big chunk of the team are off enjoying their summer holiday, we haven't noticed the slack. It may be all-hands-on-deck with a skeleton crew, but we're upholding our amazingly helpful standard of service nonetheless.

YOUR AMAZINGLY HELPFUL MORTGAGE PARTNERS

15+
YEARS IN THE BUSINESS

70+
RP PARTNERSHIPS

We know the Shared Ownership sector better than any other mortgage broker.

Along with our famously human approach, that wealth of experience is the key to TMP's success. Accurately evaluating your customers, matching them with their perfect mortgage and guiding them along the home-buying process from initial assessment to point of exchange is all part and parcel of what we do best.

LET'S TALK ABOUT WORKING TOGETHER

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