AUGUST 2025

OUR AMAZINGLY HELPFUL MARKET UPDATE

KELLY'S HOT TAKE

It's August. People are on holiday. But of course, not *everyone* is on holiday *all* month, and the world of Shared Ownership is still very much turning. We're busy here at TMP The Mortgage People, and we're very much reaping the benefits of all the work we did to overhaul our service model (more on that below, but – spoiler alert – our SLAs are better than ever, and our customer reviews are industry leading! Just saying).

And talking of overhauls, we've been thinking: we really do need to have a conversation about adverse credit. Plenty of food for thought below.

Kelly McCabe
TMP The Mortgage People

AT A GLANCE: DASHBOARD

⊖ 31 ACTIVE LENDERS IN SO	⊖ 28 95% LENDERS
▼ 33.30% AVERAGE SHARE (90 DAYS)	⊖ 6 SUB-25% LENDERS
▼ 4% BANK OF ENGLAND BASE RATE	⊖ ENQUIRY LEVELS (AGAINST SEASONAL EXPECTATIONS)

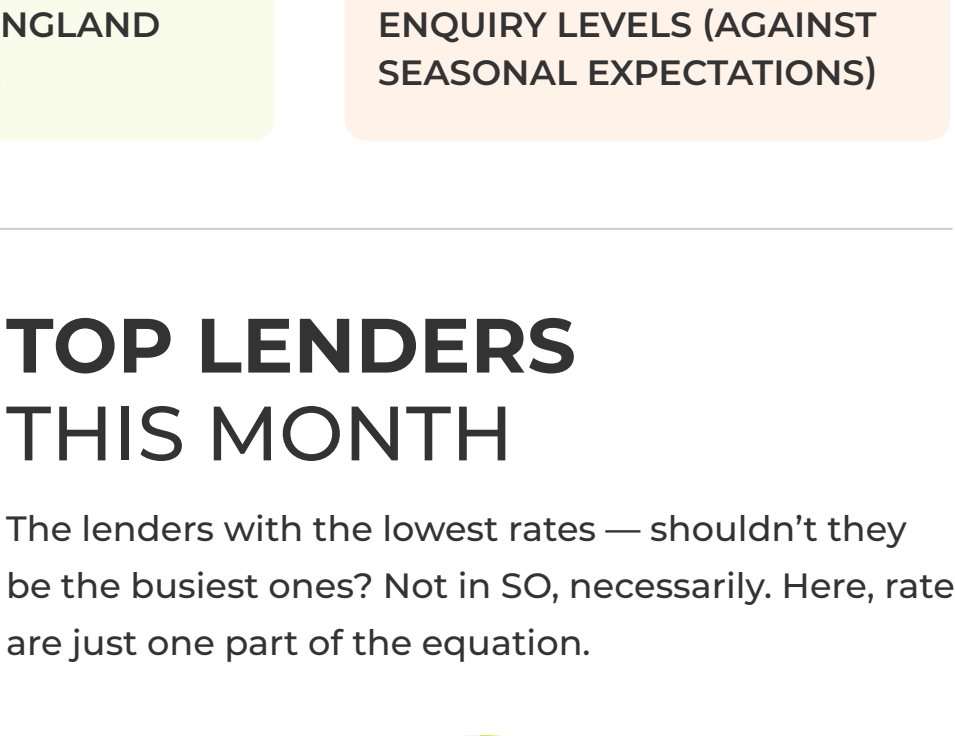
LOWEST FIXED RATES

The latest figures from our list of lenders.

95% LTV	
2 year	Barclays – 4.6%
3 year	Newbury – 4.8%
5 year	Barclays – 4.59%
90% LTV	
2 year	Barclays – 4.16%
3 year	Nationwide – 4.53%
5 year	Barclays – 4.2%
85% LTV	
2 year	Nationwide – 3.99%
3 year	Nationwide – 4.24%
5 year	Nationwide – 4.09%

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

Holiday special: adverse credit
Let's talk about something that doesn't often get airtime: adverse credit. It's perhaps not the sunniest of topics for a summer's day, but it's an important one – and perhaps one we don't explore enough in the context of Shared Ownership.

As we all know, many RPs already work hard to support customers with complex circumstances – and some have updated their policies to reflect today's realities. Lovely stuff.

But sector-wide, approaches to adverse credit still vary. Some policies are more flexible. Others remain quite restrictive. And that opens up a question: *Why?*

What's driving those differences? Are we, as a sector, confident that we're striking the right balance? And if not, could we benefit from looking at the data again? Because when it comes to adverse credit, the numbers are worth paying attention to.

What does 'adverse' mean in 2025?
Once upon a time, having adverse credit suggested financial recklessness. But that definition feels increasingly out of date. Today, it might mean a single late payment. A bounced direct debit. Or something bigger, like a life event – redundancy, illness, divorce – that temporarily knocked someone off course. The kind of events that, well, happen to all of us.

At TMP, we've seen the reality up close: 16% of our Shared Ownership buyers have experienced some form of adverse credit in the past six years. That's almost one in six. And when you look at the broader market, the numbers are just as striking. According to a recent whitepaper by Pepper Money – which TMP and The Exchange contributed to – 16% of *all* home-buying applications include someone with recent adverse credit.

So this isn't niche – it's normal. And yet, Shared Ownership still – and this sentence comes with a caveat of 'generally' – seems to treat 'adverse' as a red flag.

Different policies, different outcomes
So, what's the thinking behind that?

What do the more flexible RPs see that others don't? Is it a different interpretation of risk? A different experience with adverse customers? A recognition that the world has changed – and that old definitions of creditworthiness may no longer apply?

If you're in a role where you help shape policy, it might be worth asking: Why do we say no? Is there more we could be doing to separate one-off, circumstantial blips from persistent, habitual problems?

Because often, it's not the lender saying no.

Unintended consequences
From a lending perspective, mild to moderate adverse credit doesn't necessarily prevent a mortgage offer. In fact, lenders have stepped up in this space in recent months (or perhaps years, actually). But the real challenge is getting those applications initiated – and that's often where RP policy comes into play.

Lenders know this too. That's why many haven't expanded their Shared Ownership products in the adverse space: there's a sense that the market won't use them. But does that reflect the reality?

If we're unintentionally closing the door to customers who've recovered from past setbacks, we risk limiting access to homeownership for people who might otherwise thrive within it.

Tide is turning
We're already seeing signs of change. Some mainstream lenders that previously took a hard line on adverse are now softening their stance. More and more, we're hearing: "Try us – even with a bit of adverse." That kind of flexibility would've been unthinkable not long ago.

But our sector as a whole doesn't yet reflect that shift. Some RP policies still treat any adverse as a reason to say no – often due to frameworks that were designed for a different era.

It's understandable. These policies were created with risk management in mind, and often with the best intentions. But the world has moved on. Austerity, COVID, and the cost-of-living crisis have made financial turbulence more common and… more human.

That context matters.

It's perhaps time to be more purposeful
At TMP, we talk a lot about habitual vs. circumstantial credit issues. One is a warning sign. The other is often someone who's recovered, learned and is ready to move on. Pepper's data backs this up. Reformed adverse borrowers are often less likely to default again than someone who's never struggled. When you've hit financial rock bottom, you tend to work hard to avoid a repeat. So why penalise people for getting back on their feet?

The lenders are already adapting. The appetite to support more customers exists. The solutions are out there.

So maybe this is a moment to pause and reflect. If you're involved in shaping or applying adverse policies, it might be worth asking whether your current approach truly reflects the reality of today's buyers. Are we distinguishing between one-off, circumstantial credit issues and ongoing patterns of financial difficulty? And what can we learn from RPs who've already taken a more flexible view?

The outcomes speak for themselves – and there's real value in sharing experiences, understanding the data, and asking how we can make policies more responsive to the people they affect.

Because saying no to a mortgage isn't just a financial decision. It's saying no to stability. No to a better life. And while there will always be a need for caution, perhaps there's also room for more conversation – and more nuance.

Let's keep talking about adverse. Let's understand it better. Let's use the data to make more informed, human decisions.

The lenders are moving. Maybe it's time we moved too.

TALKING POINTS
CONVERSATIONS AROUND SHARED OWNERSHIP, SUPPORTED BY THE EXCHANGE

"If you don't own your own home, and can't turn to your family for help, how can you be expected to save up for a mortgage when more and more of your income is going on rent?

"Ultimately, it's crucial that more homes are built… But, when the prospect of owning a home is so slim for too many people, it is important that we examine the routes to affordable homeownership and how the government could help foster better support for first-time buyers."

Florence Eshalomi, chair of the Housing, Communities and Local Government (HCLG) Committee, which has opened an inquiry into the barriers to homeownership.

"Shared Ownership has a role to play in supporting households into home ownership, but we are aware of the challenges faced by some who have entered the scheme.

"We are considering what more can be done to improve the experience of Shared Owners, and this includes how we can help them tackle rising costs. This is alongside consulting this year on implementing measures to drive up transparency of service charges, empowering leaseholders and tenants to better hold their landlords to account."

A spokesperson for the Ministry of Housing, Communities and Local Government, responding to recent negative newspaper reports on Shared Ownership.

the exchange™

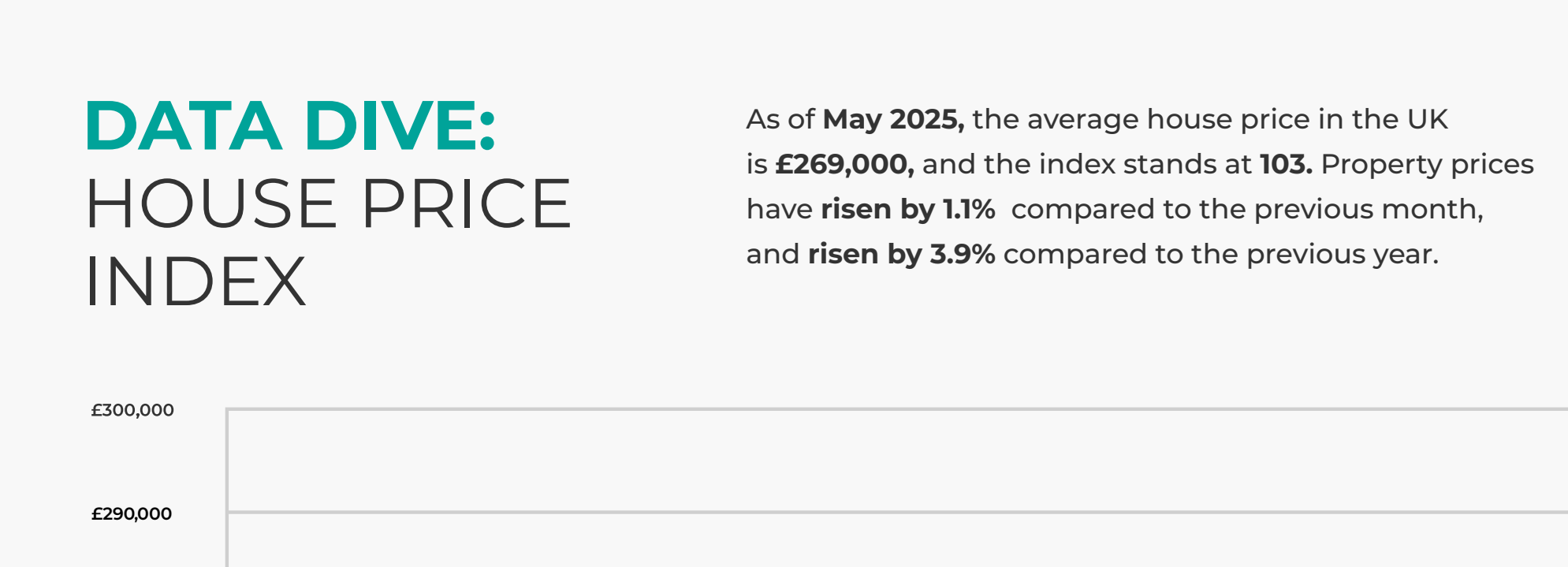
SNAPSHOT: WIDER MARKET

"Some regions are reporting robust levels of activity in the sales market, which is especially positive considering the continued economic turbulence being witnessed. However, with strides being made by numerous lenders in bringing improved mortgage products to the market, this could help boost affordability and inspire further market uplift over the coming months on a wider scale."

Nathan Emerson, CEO at Propertymark, commenting on the wider housing market in his most recent update (pub. August '25). Credit and thanks to Propertymark.

DATA DIVE: HOUSE PRICE INDEX

As of **May 2025,** the average house price in the UK is **£269,000,** and the index stands at **103.** Property prices have **risen by 1.1%** compared to the previous month, and **risen by 3.9%** compared to the previous year.



TMP TEAM TALK

We're on fire

We mentioned how we've overhauled our service model in the intro. TMP 2.0 has been a major upgrade that has seen us restructure our teams completely, institute AI within our processes and generally re-energise how we do everything. It came off the back of last year's CFG changes and it has set the tone for a new way of working.

And we're happy to report: it's *very, very much working.* Document turnaround times are sublime. Our SLAs are better than they've ever been. As an example, our stated SLA for working on leads is within 24-48 hours and let's just say we're completely obliterating that. Plus, our Feefo ratings are an excellent 4.9/5.

So…

If you're not working with us and if you're looking for amazing SLAs, a personalised service from your own dedicated team, and industry-beating reviews from thousands of happy customers (just like yours), contact Kelly McCabe directly:
kellym@tmpmortgages.co.uk

A TED TALK WITH… VIKKI MACGREGOR

Let's take a tick to dig into the details of what our fantastic Key Account Manager (KAM) does all day. Everyone, meet Vikki!

Can you give us an overview of your working day?
Most days are a bit of a whirlwind – calls, mortgage applications, client catch ups and chasing, live chattin' and more! Now that Morty's [our AI system] double-checking the docs (and doing an amazing job, to be fair), we've shifted gears. It's given us more time to focus on reaching out to qualify new leads and nurturing the clients we have at mortgage application stage.

What's your strategy for getting your job done well?
For me, it's all about staying organised, keeping a clear head, and rolling with whatever the day throws at me. I like to start with a plan, but I'm not afraid to adapt if things shift as they often do!

What are your favourite bit of the job?
I would say my favourite bits is helping clients navigate the process, and turning something that can feel stressful into something more straightforward (and maybe even enjoyable). It's always rewarding when things click into place for someone and you have been a part of that.

What are the main ways in which your role and tasks have changed over the past years?
Oh lordy! My role has changed a lot over the three years I have been a CAM – there's always something new to learn, whether it's a system update, a new rule to follow, or a fresh process to get to grips with. It keeps things interesting though and means no two days are rarely the same. Even though change can be challenging, it's always for the better and helps me keep growing and improving in what I do in my role.

And looking ahead to the new KAM role I've just stepped into, it is only changing even more! Very exciting times ahead with a lot to get grips with and used to, with a fantastic team to work with along the way.

HOUSE-SHARING WITH JO

And because life's not all about work, work, work, here's our latest sneak peek into the home lives of Team TMP. This time, our superstar Client Account Manager, Joanna Foster.

What's your hobby – and what do you like about it?
We have just moved into our first home in Hadleigh, Suffolk. So my current obsession is gardening and ordering all the paint samples! Then there's dog walks with our nine-year-old springer Pip, seeing friends & family, crochet, paddle boarding (my kids are far better than me!). Other than that, it is keeping my children alive!

Favourite holiday destination?
It's a tie between Thailand, Barbados and Australia. I'm lucky enough to have family in Western Australia - last time we went, we braved it with a one- and three-year-old and flew home on the last flight out of Perth before lockdown came into force. We landed into a very quiet UK…

What's your signature dish to cook?
Meaty chilli and homemade salsa! (Based on a recipe I brought back from a trip to Mexico.) That said, my kids are part of the beige brigade, with the token cucumber on the side of their plates.

What's one surprising thing that people don't know about you?
I am petrified of slugs 🤢 (which might be the downfall of my gardening career). Honestly, I'm absolutely terrified. My husband was away once, and I found one in my Crocs; I almost couldn't go out that day!

YOUR AMAZINGLY HELPFUL MORTGAGE PARTNERS

18+ 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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