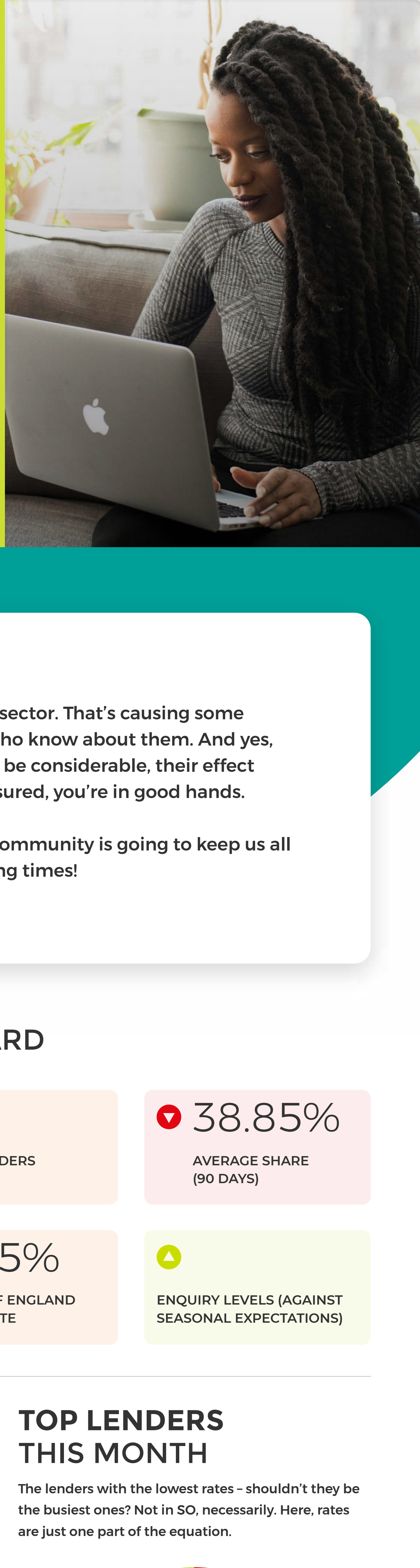


# OUR AMAZINGLY HELPFUL MARKET UPDATE



## KELLY'S HOT TAKE

Big changes are afoot within our sector. That's causing some commotion among those of us who know about them. And yes, while these changes are going to be considerable, their effect needn't be dramatic. RPs, rest assured, you're in good hands.

Oh, and the launch of a new SO community is going to keep us all better informed in future... Exciting times!

**Kelly McCabe**

TMP The Mortgage People

## AT A GLANCE: DASHBOARD

29

ACTIVE LENDERS IN SO

25

95% LENDERS

38.85%

AVERAGE SHARE (90 DAYS)

3

SUB-25% LENDERS

5.25%

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	Virgin - 5.49%
3 year	Newbury - 5.59%
5 year	Newbury - 4.99%

### 90% LTV

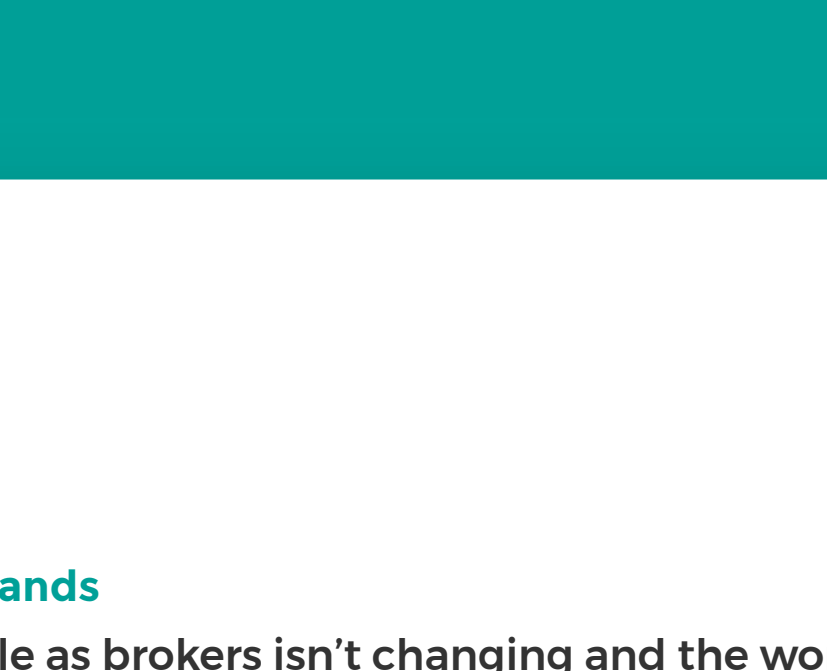
2 year	Reliance Bank - 4.89%
3 year	Leeds - 4.99%
5 year	Barclays - 4.65%

### 85% LTV

2 year	Nationwide - 4.6%
3 year	Santander - 4.62%
5 year	Nationwide - 4.28%

## 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

### Change is coming

As you may have heard, Homes England (HE) has announced some changes. (Actually, you may not have heard. We'll come to that later.) Although these changes are perhaps only minor in their world, they're causing some commotion in ours. The one being talked about most is the planned retirement of their affordability calculator. And as you probably realise, that's no small thing.

Other key items on their agenda include bringing into question the notion of maximizing shares and a tightening up of some parts of the sales process, which will include a reconfirming of the first-come-first-served policy. Rollout of these changes will take place between now and March and they'll become mandatory from May.

### Here's why

HE's reasons for the upcoming changes are good ones. Saying goodbye to the affordability calculator and reconfirming the FCFS policy will guard RPs against giving prospective buyers share size and home choice advice, and so reduce their risk of accidentally breaking the rules. The sentiment of maximizing shares looks likely to be softened in consideration of the financial struggles lots of people are facing right now.

### Turn off the alarm bells

If you work for an RP, you might be thinking, 'Ok, fair enough. But won't these changes create a risk that share sizes might start to drop?'. The simple answer is that the repercussions probably won't be anywhere near as big as it's easy to think they might be.

### Safe hands

Our role as brokers isn't changing and the world of Shared Ownership is going to continue more or less as usual. We'll still be working out what the *most beneficial share* is for every customer we deal with, and nine times out of ten, that will still be the maximum share. That's why we're confident that shares won't drop by much - if they do at all.

And anyway, as [this article](#) from last year points out, affordability has become troublesome in recent years. If anything, removing the calculator could help us match more customers with better loans.

You can trust us to stay a step ahead. We've already created a budget planner that will function in accordance with the new, yet-to-be-issued HE guidelines. Testing will take place over the next few weeks to make sure it's ready for action when it's needed. Don't worry RPs. We're here for you.

### Accept it for now

As we know, when HE makes changes, we just have to run with them. But if something ends up really not working this time, we're sure HE will listen. And while these changes might feel counterproductive for a while, here at TMP, we have everything in hand to help minimise disruption.

We've been lucky enough to work with HE on this so we're fully briefed and fully prepared. But the lack of cross-sector communication about these changes is a big issue. Especially when there's so much work to be done.

Which is why we're very, very pleased to be able to invite you to join The Exchange...

## JOIN THE EXCHANGE

Allow us to introduce The Exchange - a new national community that brings together all the professionals, partners and organisations that power our amazing Shared Ownership sector. Together, we:

- Share news, insights and advice
- Network and make new contacts
- Spread sector knowledge
- Discuss challenges
- Identify opportunities
- Advocate positive change

We'd love to have you on board. To find out how you can get involved, visit our [website](#).



## NEW SO HOMES LAUNCH IN NORTHAMPTONSHIRE

"It's exciting to be contributing towards the growth of housing in West Northamptonshire, with these stunning homes in a great location with potential to become a popular hotspot for commuters and families.

"Shared Ownership is quickly becoming a more sought-after route toward home ownership, so we don't expect these homes to be on the market for too long."

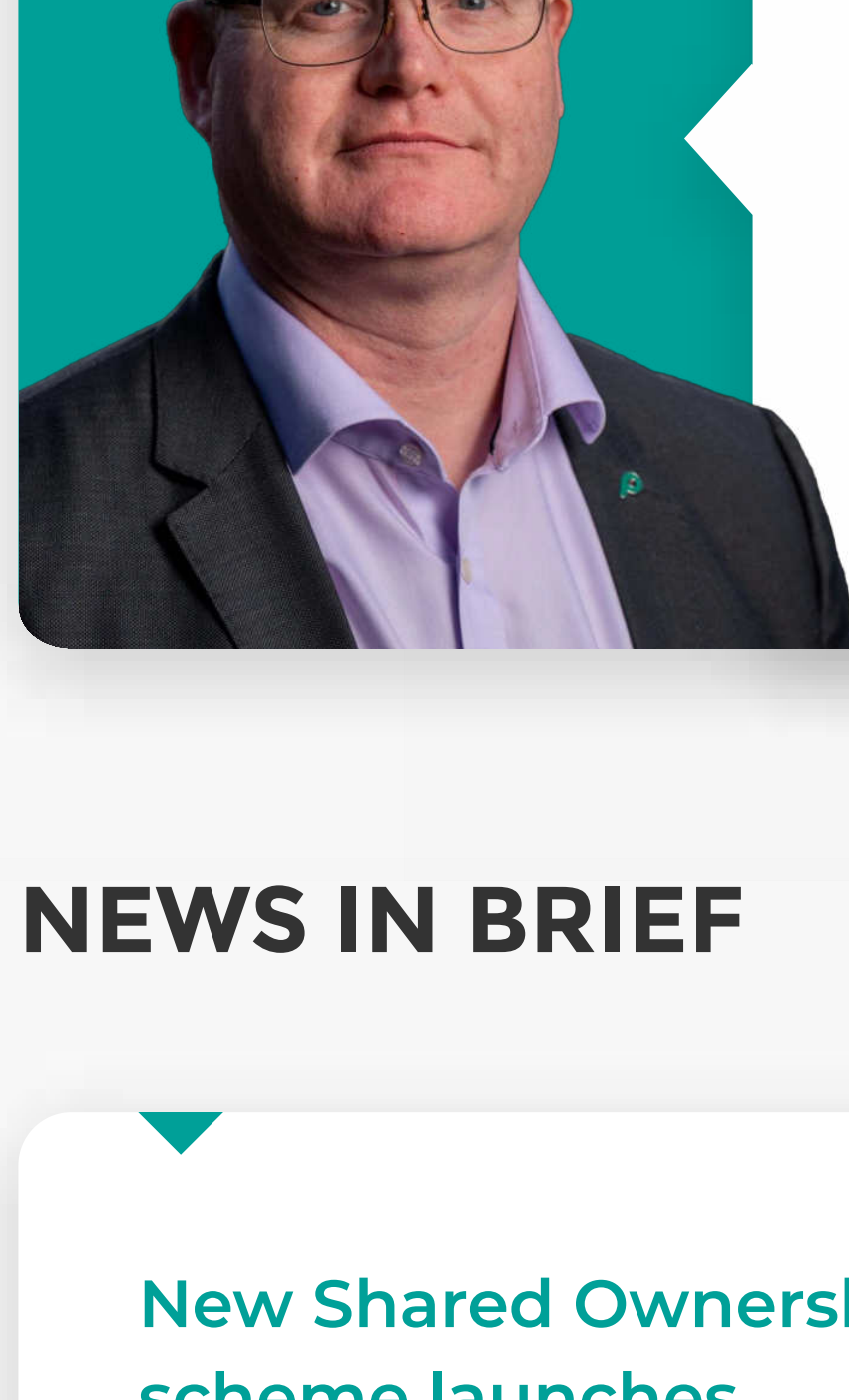
Sarah Williams, Sales Consultant for Norwood Farm, commenting on the launch of Platform Home Ownership's [brand-new Shared Ownership development](#).



## SO MAKES HOMEOWNERSHIP ACCESSIBLE TO MORE

"Launching Kickstart with Barratt Developments will take the offer of Shared Ownership to more locations, making well built, energy-efficient homes accessible to more people, increasing their options for getting on the property ladder."

Ben Denton, chief executive, at Legal & General Affordable Homes, commenting on Barratt Developments and Legal & General Affordables' launch of a [new Shared Ownership scheme](#).



## SNAPSHOT: WIDER MARKET

"In the wider economy interest rates have stabilised, however, inflationary concerns remain, and GDP growth has been anaemic. In response to these and other factors, house prices have fallen in some areas. [...] Pressures remain on house prices, with further adjustments required to match valuations to market expectations.

"[...] We can expect a lively start to the year, whether or not this sets the pace for the year as a whole will depend on the stability of the wider economy and the actions of policymakers."

Nathan Emerson, CEO, Propertymark

## NEWS IN BRIEF

### New Shared Ownership scheme launches

The intermediary reported on the introduction of a [new SO scheme](#): Housebuilders Barratt Developments and Legal & General Affordable Homes have partnered to launch 'Kickstart', a new Shared Ownership scheme designed to help people onto the housing ladder.

Steve Mariner, sales and marketing director at Barratt Developments, said: "We want to help as many people as we can to get onto the housing ladder through innovative new schemes like Kickstart.

"It [Kickstart] is a great new way for people to be able to afford their new home because you start by buying a share of the home rather than the full market value of it."

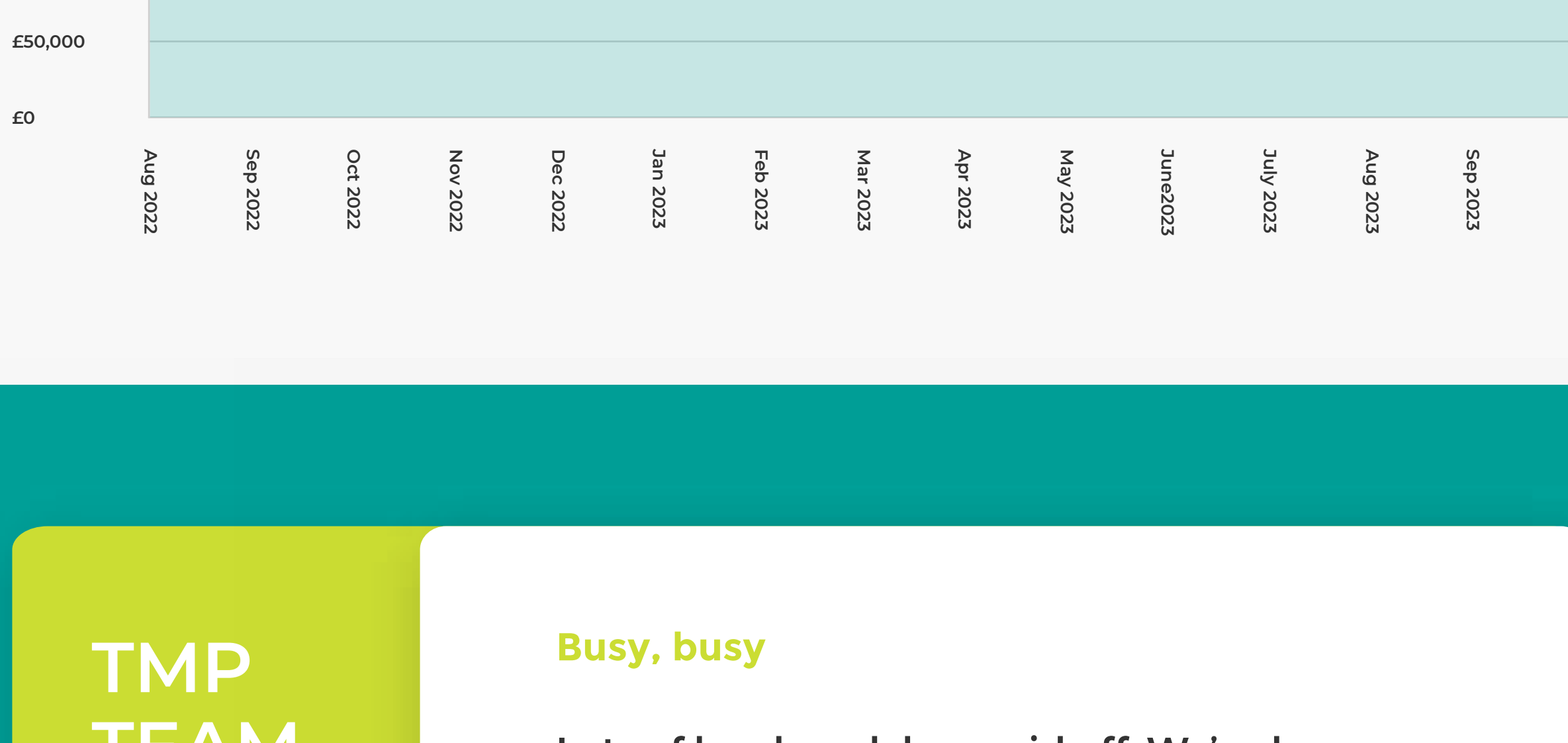
### National estate agent introduces SO services

Property Industry Eye reported on Countrywide's [new Shared Ownership services](#): Countrywide list 'initial investment advice, sector specific compliance and consultancy through to sales, marketing and customer care' as part of the services on offer. Their activity in this area of the market [SO] has increased significantly from selling 40 Shared Ownership units in 2019 to more than 900 in 2023.

Owen McLaughlin, managing director of Countrywide Land and New Homes, commented: "I'm incredibly proud of our market leading offering for Shared Ownership services. Shared Ownership is a great vehicle for people to join the housing ladder and it's growing in popularity."

## DATA DIVE: HOUSE PRICE INDEX

As of November 2023 (most recent figures), the average house price in the UK is £284,950, and the index stands at 149.5. Property prices have fallen by 0.8% compared to the previous month and fallen by 2.1% compared to the previous year.



## TMP TEAM TALK

### Busy, busy

Lots of hard work has paid off. We've been focussed on launching The Exchange, and a big part of that has been having meaningful conversations with our peers, suppliers, competitors; everyone involved in Shared Ownership. Join us.

## YOUR AMAZINGLY HELPFUL MORTGAGE PARTNERS

16+ 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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