OUR AMAZINGLY HELPFUL MORTGAGE MARKET UPDATE

TMP

2025 REVIEW OF THE YEAR

KELLY'S HOT TAKE

On the surface, 2025 looked fairly steady. Demand was still there, lenders were lending, and Shared Ownership continued to move (even as the wider market largely listened).

But buyer behaviour has changed. People are buying smaller shares, using more deposit, and taking longer to decide. Affordability still sits at the centre of everything, affected by rates, deposits and the cost of living. It's a lot to weigh and it's more expensive nowadays.

Some lenders were innovative and began creating products to serve the credit gaps, the non-bank lenders and the Housebuilders Finance that are starting to lend to the SME market. Lots of new, fresh, and exciting products for those who qualify. It's important though, that as 2026, then grow has only grown, there is still room for improvement.

The market is still moving – the challenge is making sure that our thinking moves with it.

Kelly McCabe
TMP The Mortgage People

LAST YEAR UNDER THE MICROSCOPE

LOWEST FIXED RATES

The figures from our list of lenders:

Two-year lowest fixed rates		
	95%	90%
February	5.29%	4.89%
March	5.29%	4.89%
April	5.29%	4.89%
May	4.89%	4.89%
June	4.89%	4.89%
July	4.89%	4.89%
August	4.89%	4.89%
September	4.89%	4.89%
October	4.89%	4.79%
November	4.89%	4.79%
December	4.89%	4.79%

Five-year lowest fixed rates		
	95%	90%
February	4.89%	4.69%
March	4.89%	4.69%
April	4.89%	4.69%
May	4.89%	4.69%
June	4.79%	4.69%
July	4.79%	4.69%
August	4.79%	4.69%
September	4.79%	4.69%
October	4.69%	4.59%
November	4.69%	4.59%
December	4.69%	4.59%

When we first created these Market Updates, we wanted to show how the market was. We decided to start tracking lows that we were heading in the right direction, they're not always the lowest rate, but they show a large enough or soft affordability, in the way they are.

Historically, lows were usually brokers into hygiene being able to purchase larger shares. That relationship hasn't held this day.

Active lenders in 50

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The headline news in 2025 was Nationwide's return, and it's good to see a lender with such a strong delivery into Shared Ownership is always welcome, and it sends a positive signal about confidence in the market. Good.

But in practical terms, their arrival didn't radically change the landscape.

What mattered more this year wasn't the number of lenders, it was how many were still prepared to engage. Despite tracking a little more stubbornly, the lending pool, the number of Shared Ownership lenders, and by extension, the number of active lenders, grew.

95% lenders

29

So, more 95% lenders in the mix, which matters because it's the LTV that most buyers actually hit long ago. Higher loan to value lending felt like something the sector had to push hard for, and it did. The wider mortgage market, for lenders including high street names, was not working with 95% lending itself. In fact, they

engaging with the sector – they've grown their Shared Ownership teams, they've kept lending, they've grown efficiency and kept their processes in sector becoming more comfortable with Shared Ownership and its complexity.

And that matters, because Shared Ownership, by its nature, sits between markets. It's not fully 95% lets not exceptional about income, credit history or life stage. Having more lenders willing to work in that space means more choice and value for the customers in front of them – but the other way around.

Sub 25% lenders

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There has been some movement in sub 25% lending over the past year, but it was hard to remain a niche area. Availability has edged up slightly, yet demand continues to be limited. Most buyers are still purchasing larger initial shares, and sub 25% options tend to apply only in specific circumstances. Sub 25% lending remains a niche product, but it's supporting specific rather than a national area.

Dominant lenders by rate

A changing year, not a change in dominance: Lloyds Banking Group remained the single most dominant lender across the year, continuing its position in the sector where they have led almost a little into about 2025.

Over the year, Lloyds shared dominance with Nationwide, and the relative positioning of other lenders kept begun to edge up more. Lloyds still led overall, but Nationwide's lows kept pressure this year. Nationwide's lows dropped, sometimes in parallel, sometimes in response to Lloyds's movement, and that reflects changes competitive pressure as much as lender appetite.

Ratio of lenders

Lowest fixed rates dominant lenders over the year

Two-year	Five-year
95% Santander / Halifax / Lloyds	**95%** Nationwide
90% Lloyds	**90%** Lloyds / Virgin
90% Nationwide / Virgin	**90%** Virgin

Average share: 90 days

This is the big one. In many cases, people spend up to the day of SDLT, even though that date begins a couple of years ago.

To understand what's happening now, it helps to look back. Average shares hasn't sustained a steady line. It rose sharply in the years after the pause, dropped, then, the pandemic hit and everything changed. By mid-2020, share is once again falling. It's also worth remembering that this data reflects what people actually did, not what they had access to at the time of a fixed-assessment cost and.

So, at first glance, it's tempting to pick this graphical line of interest. Note, that that only tells half the story. Lenders, and the wider mortgage process, rather than make that needed filtering out later.

And we're not forgetting the elephant in the room: the wider mortgage market was quiet.

Which really entering smaller shares is precisely what lenders are now. Mega-shares have been the cost of living.

Does this mean the mortgage market is quiet? Doesn't stretch as far as it used to. Even when lenders are active, affordability doesn't automatically follow.

The result is that buyers are still coming forward and lenders are still lending, but affordability still has to bring up with higher targets. Based on what they can afford and nothing more.

And while we'll be in sub-one-average shares lies again, that won't happen through a single fix. It will come from lender behaviour, buyer behaviour, higher deposits, more deposits, and greater financial confidence.

So we'll know we're out of the wobbly when we see it.

Bank of England base rate

The Bank of England base rate remained its base percent, and it's hard to write that a generous. Decisions are no longer clear-cut, and economic data keeps pulling in different directions. Lenders are pricing for risk, not reacting to headlines.

Most importantly, base rate changes don't land the same weight they once did.

Enquiry levels

Quiet, quiet, quiet. You know. Towards the end of 2025, enquiry levels, or the lack of them, felt like the clearest sign of compression on the sector is relationship.

The end of 2024 was artificially high. Volume in August artificially changed and then it suddenly began returning enquiries that had been sitting in the system for months. Once that end, or those changes settled during 2025, enquiry levels naturally returned to a more normal pattern.

Plus, while overall volume remained low, 2025 the enquiries coming through which lines were more qualified, more intentional, more prepared, rather than ones that needed filtering out later.

And we're not forgetting the elephant in the room: the wider mortgage market was quiet.

Loan To Value

At a headline level, LTV ratios in Shared Ownership didn't move dramatically. Most lenders kept sub-one-average shares, and most buyers still purchased within familiar previous years, with no dramatic shift towards increasing loan LTVs.

What has changed is how people are getting there.

At average share sizes have fallen and entering smaller shares is precisely what lenders are now. Shared Ownership's entry pricing keep pushing buyers into smaller shares, and – often with help from family – to purchase larger initial shares than they'd have in other mortgages. The share of those which are large enough to qualify for a 95% lender.

This has changed the route into Shared Ownership for some buyers who may previously have used a different mortgage product. Lenders have kept pricing and affordability high, and buyers have responded by adjusting their deposits and options actively, rather.

The result is a slightly counterintuitive picture: LTV ratios haven't risen dramatically, but the route to that LTV has changed. Buyers are still reaching high loan to value ratios, but they're reaching them by adjusting behaviour across the mortgage market, including how buyers structure their deposits, rather than how they use Shared Ownership.

House price index

While official government readings of the UK's HPI may have seemed to suggest prices were rising, the ONS's own data tells us the story of 2025. Modest growth, then growth in a downward trajectory.

Commenting on the figures, Robert Gardiner, Chief Economist at Nationwide said, "House prices ended 2025 on a softer note, with annual price growth slowing to the slowest pace since April 2021.

Debt To Income

At first glance, you might expect DtI to increase alongside higher mortgage lending. Lenders – now that we've seen affordability rules have kept pace with rates – have been fairly stable, yet stable.

Why? Well, we can speculate. Because in practice, Shared Ownership's

Even though mortgages changed and affordability is assessed in 2024 – and 2025 in a different way, the underlying affordability is continued to exist in the background and compare like with like.

What that already is, depending on expectations, lenders, and how affordability is assessed.

That stability doesn't mean that nothing has changed. It means that the underlying risk has not. Lenders are still assessing affordability. The way of doing has been steady, oxygen hasn't kept pace with rates, and affordability has been tight. Lenders with that they did, but the pace did not shift when mortgage rates fell (hurrah), the headroom for borrowers didn't suddenly widen.

Long story short, customers aren't stretching further than they're trying this is stand still.

TMP TEAM TALK

Last year, we said 2025 would be the year we really learned into technology, and we did. We started heavily – not to cut corners or speed things up for the sake of it, but to make processes simpler and outcomes far consistent and predictable.

Meanwhile, we were preparing our focus on the human side of what we do.

With stronger systems in place, we've been able to spend more time listening, communicating and refining how we show up for customers and MPs. Technology has made things faster and more clarity, and it's reminding us why people feel properly supported in what is rarely a straightforward journey.

So while tech remains part of the picture, it's no longer the headline. Service is. What people can expect from us is clear: we'll keep listening, we'll keep – but with an even more personal edge, and a continual commitment to evolving alongside the customers and partners we serve.

YOUR AMAZINGLY HELPFUL MORTGAGE PARTNERS

20+ Years in business

70+ Lenders/products

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 requirements, 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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TMP

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