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How first-time buyers can overcome affordability challenges

Longer terms, joint purchases, and family support reshape the journey to homeownership

First-time buyers are no longer entering the housing market alone. Severe affordability pressures are causing many to abandon traditional routes onto the property ladder, instead opting for joint ownership, extended mortgage terms, and layered financial support. This shift is not merely behavioural; it is fundamentally transforming how property transactions are structured and assessed in today's stretched market.

More people are opting not to buy in their own names. Joint applications are becoming more common, and these arrangements are not limited to romantic partners. In practice, joint purchases now often include friends and even colleagues.

What was once regarded as a last resort is quickly becoming a typical route into homeownership. While purchasing with a friend involves certain personal risks, relying on a single income is simply unfeasible for many prospective buyers at present.

Reshaping the transaction

This increasing financial pressure is transforming every aspect of the property transaction. Buyers are combining incomes, utilising government savings schemes, seeking developer incentives, and heavily relying on family support to bridge the deposit gap. Gifted deposits from parents remain a key factor, although financial contributions now go beyond immediate family, pushing the boundaries of traditional lending criteria.

Attitudes towards borrowing are changing rapidly to suit the current climate. Longer mortgage terms, once rarely used, are now

becoming common. Buyers often request terms of 35 or even 40 years to keep their payments manageable, as interest rates stay high and monthly costs rise. The reason is quite practical: bigger loans mean lower monthly payments, even if it involves carrying the debt for many decades.

Managing income and expectations

That same economic pressure is changing how buyers manage their daily income. More people are taking on second or even third jobs to make ends meet and increase their chances of getting mortgages. However, while buyers are becoming more resourceful, their expectations do not always match strict lending criteria.

Social media significantly influences these expectations. Buyers often see the lowest available interest rates advertised online and instantly assume they can access those exact deals. Unfortunately, a growing gap emerges between these eye-catching headline rates and actual eligibility. Key factors such as deposit sizes, loan-to-value thresholds, and strict affordability checks quickly limit the options, leaving many disappointed when their personal circumstances do not meet the standard criteria.

Navigating modern borrowing hurdles

This eligibility gap is especially clear among self-employed borrowers. Some believe they can simply join a family member's company and get a mortgage immediately, but lenders usually require a solid 12-month track record to confirm that the income is sustainable.

Credit behaviour is another rising pressure point. Short-term borrowing, especially through buy-now-pay-later products, is becoming more visible on modern applications. Even small credit issues can have a big impact, as automated lending systems evaluate financial histories in strict black-and-white terms.

Typical first-time buyer continues to evolve

At the same time, the overall profile of the typical first-time buyer continues to evolve. Buyers are generally older, deposits take considerably longer to save up, and more people are considering locations well beyond traditional areas.

The rise of hybrid working has expanded search areas, making longer commutes a feasible trade-off for a more affordable home. For many, moving further out is no longer a lifestyle choice but a strict financial necessity in a complex and constrained market. ■

Need help finding the right mortgage?

If you want to understand exactly what you could borrow and find the right deal for your specific circumstances, we are here to help. Contact us to speak with us and take your first step onto the property ladder with confidence.