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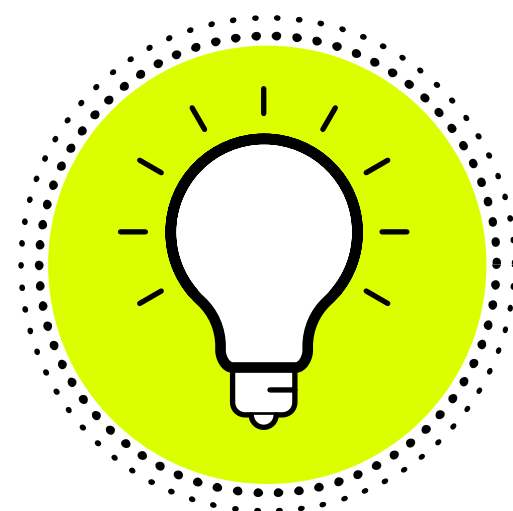
COMPLEX LENDING FOR THE CHANGING CUSTOMER



For our [first webinar](#) of 2025, we took a deep-dive into the landscape for complex lending amid the evolution of both customer preferences and circumstances.

I was joined by Kia Commodore, Founder of online financial education platform Pennies to Pounds, who shared her insights on Gen Z and how they might shape the future of mortgages, and Graham Binnie, Head of Lending Operations at Kensington Mortgages, who discussed how brokers and lenders can approach complexity with confidence.





GEN Z AND THE FUTURE OF MORTGAGES

Buyers from Gen Z — typically defined as those born between 1997 and 2012 — are entering the housing market and are bringing with them a unique set of needs and characteristics, Kia explained.

This tech-savvy demographic is doing things differently right from the outset of their home ownership journeys. Rather than visit estate agents' brick-and-mortar premises, they are largely reliant on digital methods including social media, property websites and virtual house tours to conduct the majority of their house hunting.

While Gen Z know their stuff when it comes to the internet, they are typically not as knowledgeable when it comes to financial products or what mortgage brokers can offer them in the home buying process. This presents a significant opportunity for intermediaries to bridge the knowledge gap and provide much-needed support — but, meeting these buyers where they are at is essential.

Brokers needn't become social media stars, but by harnessing online platforms they can provide the digital-first experience that Gen Z customers are demanding.

Faced with high house prices, rising living costs and slow wage growth, this generation is feeling the affordability squeeze and they are often particularly price-sensitive.

Kia highlighted the growing trend among Gen Z for 'loud budgeting', in which managing money and making investment-driven decisions is openly discussed, as well as the prevalence for Gen Z to have been priced out of the areas that they grew up in. As a result, many of these buyers are seeking homes that offer long-term value, and the desire for homes with sustainable or energy-saving features is becoming more common.

Flexibility is also a key driver for Gen Z, both in the properties they want to purchase and the mortgage products they are looking to secure.

With remote work having become widespread since the pandemic, these buyers are increasingly on the hunt for homes with the potential to accommodate dedicated workspaces.

They are also interested in flexibility in their mortgage products, such as lower deposit requirements and adaptable repayment terms, which allow them to navigate career and lifestyle changes.

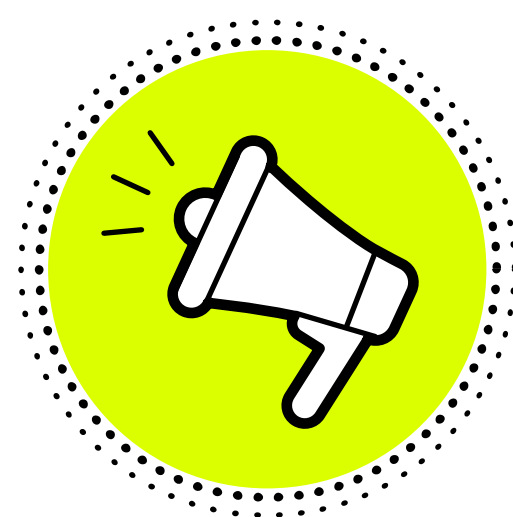


Kia Commodore

Pennies to Pounds

[WATCH KIA'S SESSION](#)





APPROACHING COMPLEXITY WITH CONFIDENCE

From borrowers with less-than perfect credit scores to non-standard earners and even the changing BTL market, complexity is rising and presents a huge opportunity, Graham told us.

Kensington is seeing more and more customers with needs that don't fit the conventional high street, as well as a significant uplift in application volume overall.

The business has seen a considerable rise in the demand for BTL mortgages in recent months, which Graham explained is likely due to the success of Kensington's BTL Prime product — which launched in October and provides greater affordability for landlord clients via a simple income ratio proposition.

In the BTL space across the industry, amid noise about the market there is a clear trend for borrowers moving from BTL on a personal basis to via a limited company.

Outside of BTL, residential performance remains strong — and customer demand is ever-changing. Graham shared an example of a case study in which Kensington worked alongside a broker to help a nurse who was facing difficult life circumstances. As an NHS worker, the customer worked in shift patterns and had

fluctuating income levels as a result. She was able to secure a Kensington Hero Mortgage, which maximised her income and borrowing potential, allowing her the security of staying in her family home after she had separated from her partner.

As well as underscoring the Kensington difference, this case demonstrates the power of the partnership between broker and lender, which is particularly beneficial when dealing with non-traditional circumstances.

Sharing his advice for brokers in placing complex cases, Graham highlighted the value of building strong relationships with BDMs, who can provide crucial support. He also urged brokers to package cases as thoroughly as possible so that there is less chance of a lender needing to come back with a request for more information or documentation — which ultimately frees up more time for intermediaries to spend working with the next client.



Graham Binnie
Kensington Mortgages

[WATCH GRAHAM'S SESSION](#)





KENSINGTON UPDATE — AND MY TAKEAWAY

Here at Kensington, we started the year with a bang: we appointed a new CEO, Allison Buckley, who has been with the business for more than nine years and brings a wealth of experience in financial services to the role.

We also welcomed a new Commercial Director, and continue to recruit to our underwriting team — all with the goal of maintaining our excellent service levels. We're proud to say that by submitting a case to Kensington, you have direct access to us, and our underwriters are on hand to support you and to keep you informed throughout the process.

We recently worked on a joint application from a young couple who, while both at director-level with good salaries, had a high level of debt across multiple credit cards and loans. They were looking for 90% LTV on a listed building, and we were able to work seamlessly with the broker to offer a debt consolidation mortgage that saved the customer more than £6,000 per month.

It's another example that really drives home how valuable the lender-broker partnership is, and how we can best support clients when we work closely together.

We covered a lot of complexity in the webinar, and it's clear that as an industry we continue to operate in a dynamic landscape. It was fascinating to hear from Kia about how Gen Z buyers are coming to the market with their own unique needs, and are approaching their home ownership journeys differently than their predecessors.

Customers today often don't fit neatly into boxes: at the beginning of the session, we held a poll asking whether you are seeing more complexity in your clients' circumstances. 49% voted yes, while 42% voted somewhat — and just 9% said no.

At Kensington, we're keen to support brokers and their customers every step of the way when it comes to navigating this complexity. Graham made an important point during his session: we don't exist as a lender if we don't work extremely closely with brokers. That relationship really is key to us.

As always, if you have any questions or need any support, please do reach out to [your BDM](#) who will be happy to help.



Eloise Hall

Kensington Mortgages

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