



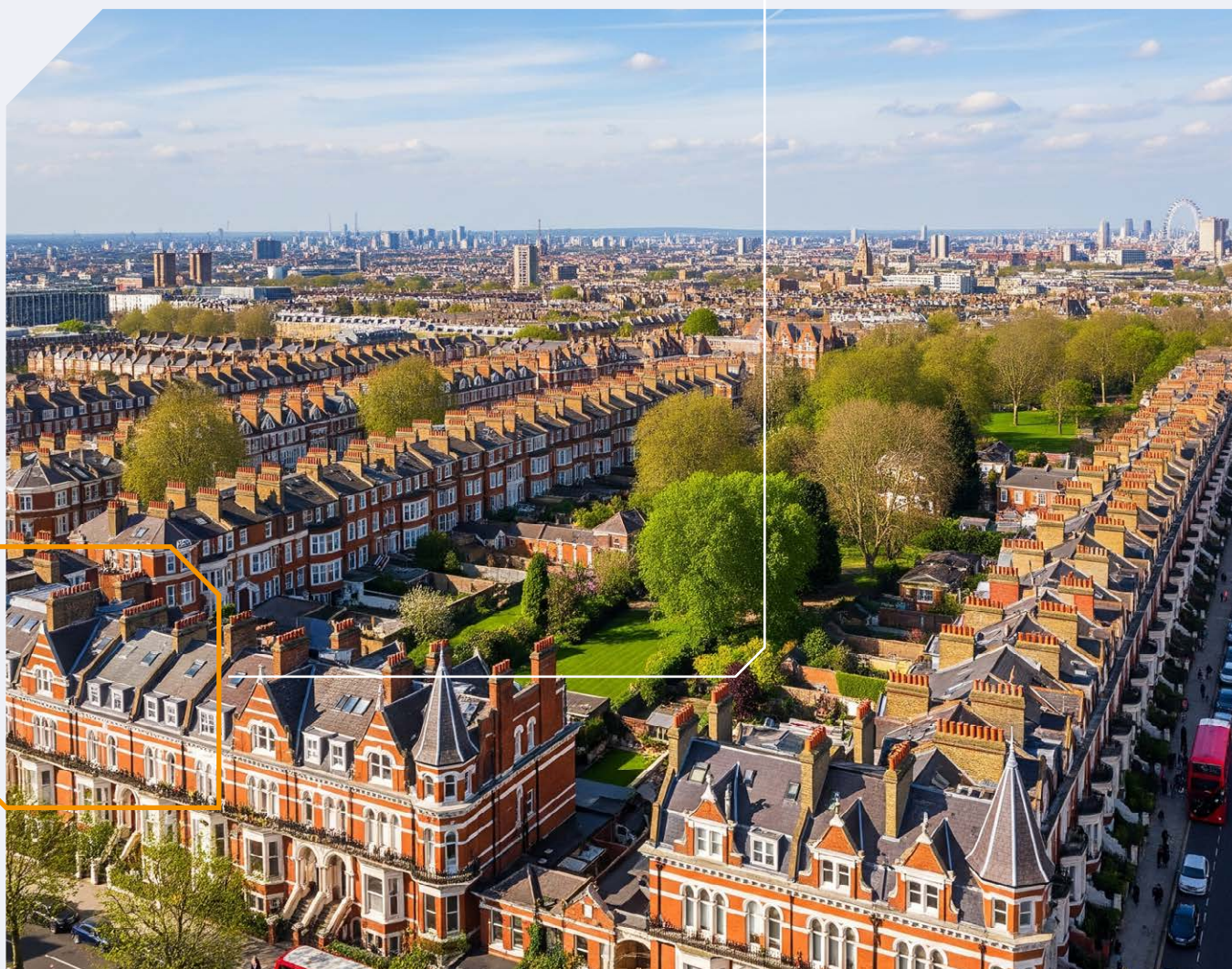
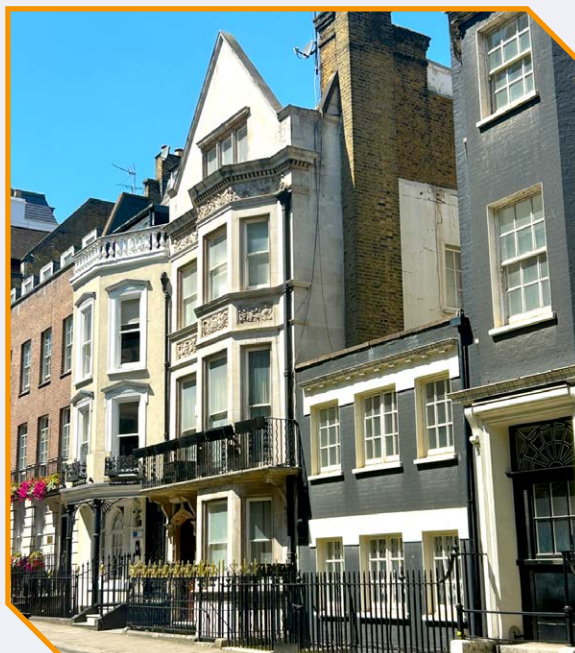
The UK Homebuyer Wishlist 2025

How a New Government Is Shaping Homebuyer Priorities


We decided to shorten the time between our Homebuyer Wishlist reports, given how much has changed since the last one in 2024. The pandemic, and our emergence from it separated the prior two, which undoubtedly had an unprecedented impact on homebuyer preferences.

Comparatively, the biggest change between our last survey and this one was the emergence of a new Labour government. While seemingly not as dramatic as the fallout of a global pandemic, the first year of Labour's substantial majority has reshaped the property market in multiple ways, following 14 years of Conservative rule.

This is reflected in our results, which clearly show that homebuyers are adapting to a shifting economic climate, and are thinking about their future in the face of new political realities.



A Year in Review



“Labour made it clear it planned to build 1.5 million homes by 2029.”

As we produced our last Homebuyer Wishlist, Labour had just come to power. Now, we've had roughly a year of the new Labour government, and it's clear to see how its plans for the property market are taking shape.

Specifically, there have been a few key announcements and legislative changes made that have dramatically impacted homebuyers and investors alike. From the beginning, Labour made it clear it planned to build 1.5 million homes by 2029. Given the historic precedent, this will be no small feat. But the government has set out numerous plans and strategies to try and reach that goal.

Immediately following its win, Labour, via the National Planning Policy Framework, reintroduced mandatory local housing targets. Local authorities across the country were to be pushed to build homes for their local communities, and this was followed by the introduction of the Planning and Infrastructure Bill.

This bill aimed, among other things, to reform the planning system, and fast track infrastructure projects. On the planning system, Labour has focused on developing on “Grey Belt” land - defined as land within the Green Belt that makes only a limited contribution to the Green Belt's core purposes.

Then there's the plans being put in place to support buyers themselves. Labour's Affordable Homes Programme, a carryover from the Tories, has an allocation of £11.5bn for tens of thousands of new affordable homes by 2026. Couple this with the Renters' Rights Bill and other green initiatives and it's clear to see that the current government is keen to upend the residential property market.

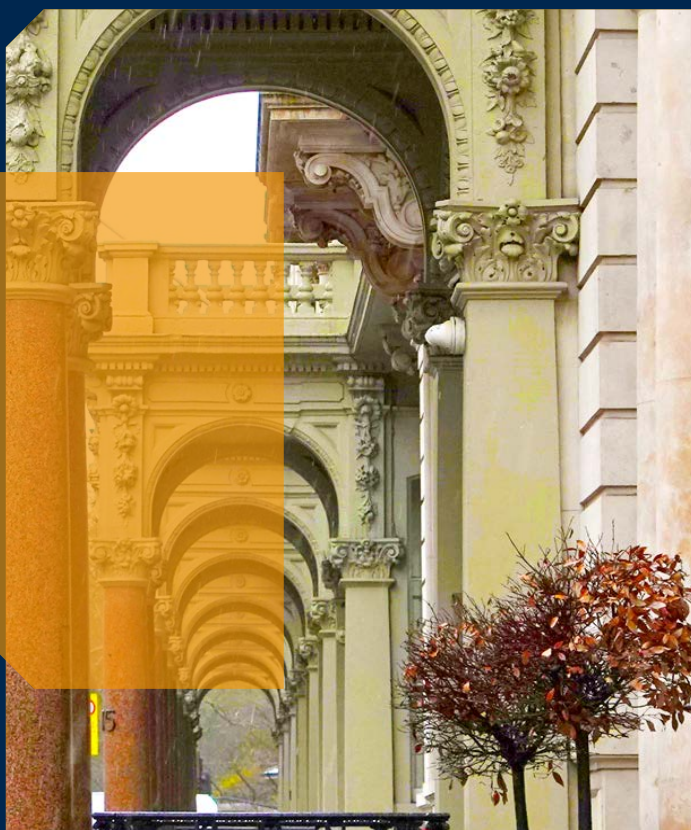
More recent announcements include a £39bn injection from the state for affordable housing delivery, plans for a “National Housing Bank”, and the launch of a permanent mortgage guarantee scheme to help get first-time buyers on the housing ladder.

The Impact So Far

Of course, it's easy to make plans. It's harder to follow through with them. Despite all the promises made, the government is behind on its new homes target, with only one in nine councils managing to make the quota so far. Also, while it's meant to be easier to get planning all wrapped up in the current market, only around 245,000 homes gained full planning consent in 2024, according to estimates from Glenigan and the Home Builders Federation.

Still, despite the setbacks, there are signs that buyers are making progress in the property market, or at least are more willing to engage. According to HMRC, the provisional non-seasonally adjusted estimate of the number of UK residential transactions in May 2025 was 80,530, 13% lower than May 2024. Yet, it was 42% higher than the results from April 2025.

“**...only around 245,000 homes gained full planning consent in 2024...**”



Also, buyer demand has moved out of negative territory for the first time since December 2024 according to RICS, with the net balance for new buyer enquiries rising to +3% in June. Meanwhile, average house prices across the UK rose by 3.4% between June 2024 and May 2025.

Despite all the negativity in the press and beyond, the housing market has grown. The question remains however; how do buyers view the market in its current condition? Moreover, what do they make of its future potential?

Key Findings at a Glance...

To shed some light on these questions, we conducted another Homebuyer Wishlist survey.

Between 15th and 18th July 2025, Market Financial Solutions commissioned an independent survey among 2,000 UK adults – 573 of whom had bought a property in the UK in the year prior, or who were in the process of doing so.

Of those who had bought a property, or were in the process of doing so, we then asked questions on their preferences, and outlook. The results showed that these are the most important factors people look for when buying a residential property:

2021			2024			2025		
Rank	Factor	% who stated it was 'important' or 'very important'	Rank (change from 2021 ranking)	Factor	% who stated it was 'important' or 'very important' (increase or decrease versus 2021)	Rank (change from 2024 ranking)	Factor	% who stated it was 'important' or 'very important' (increase or decrease versus 2024)
1	Garden and/or outdoor space	92%	▲ (+2)	Broadband and mobile connectivity	▼ (-6%)	▲ (+3)	The quality and finish of the property	▲ (+5%)
2	Square footage of the property	89%	▼ (-1)	Garden and/or outdoor space	▼ (-16%)	▼ (-1)	Broadband and mobile connectivity	▼ (-5%)
3	Broadband and mobile connectivity	88%	▲ (+2)	Proximity of public spaces and parks	▼ (-10%)	▼ (-1)	Garden and/or outdoor space	▲ (+1%)
4	The quality and finish of the property	85%	=	The quality and finish of the property	▼ (-11%)	▲ (+6)	Distance to nearest city or town	▲ (+4%)
5	Proximity of public spaces and parks	84%	▲ (+2)	Garage or off-street parking	▼ (-3%)	=	Garage or off-street parking	▼ (-2%)
6	How built-up the local area is	79%	▲ (+8)	Transport links	▲ (+7%)	=	Transport links	▼ (-3%)
7	Garage or off-street parking	77%	▼ (-5)	Square footage of the property	▼ (-17%)	▲ (+1)	Whether it was a detached, semi-detached or terraced property	▼ (-1%)
8	Potential for extensions and conversions	76%	▲ (+1)	Whether it was a detached, semi-detached or terraced property	▼ (-3%)	▲ (+1)	How built-up the local area is	=
9	Whether it was a detached, semi-detached or terraced property	75%	▼ (-3)	How built-up the local area is	▼ (-9%)	▼ (-6)	Proximity of public spaces and parks	▼ (-5%)
10	Local shops, cafés, bars and restaurants	75%	▲ (+1)	Distance to nearest city or town	▼ (-4%)	▼ (-3)	Square footage of the property	▼ (-5%)
11	Distance to nearest city or town	74%	▼ (-1)	Local shops, cafés, bars and restaurants	▼ (-8%)	=	Local shops, cafés, bars and restaurants	=
12	Culture of the community and proximity of cultural sites	69%	=	Culture of the community and proximity of cultural sites	▼ (-2%)	▲ (+1)	Age of the property	▼ (-2%)
13	Age of the property	68%	=	Age of the property	▼ (-4%)	▲ (+2)	Proximity to good schools	=
14	Transport links	67%	▼ (-6)	Potential for extensions and conversions	▼ (-14%)	▼ (-2)	Culture of the community and proximity of cultural sites	▼ (-9%)
15	Proximity to good schools	65%	=	Proximity to good schools	▼ (-6%)	▼ (-1)	Potential for extensions and conversions	▼ (-6%)

Buyers May Be Easing Into Their Next Life Milestones

Our 2025 results revealed a few notable changes from our last survey. Some factors that have grown in importance for buyers indicate a potential shift to long-term lifestyle planning, or even reverting to pre-pandemic normalities.

The quality and finish of the property took the top spot in this year's results, up from 4th in 2024. Interestingly, this factor was important across all the generations in our survey (18 – 34, 35 – 54, 55+).

Perhaps, this shows that all buyers want to own a house that is truly homely and comfortable, and is one that the owners are prepared to spend several years in. There is evidence to support the fact that across generations, people are preparing to “nest”, as it were.

Gen Z, for instance, are embracing traditional milestones more so than the generations that came before. Charles Russell Speechlys recently found that 75% of Gen Z want to get married, while 69% want to have children. Comparatively, for Millennials it was 43% and 39%, respectively.

Moreover, on the other end of the scale, there has been a notable rise in retirees shunning traditional retirement villages in favour of moving to the city. Reportedly, this is being done to enjoy everything city life has to offer – though being closer to grandchildren is likely a factor too.

Indeed, distance to the nearest city or town ranked 4th in our results, up a whopping six places since our 2024 survey. This is understandable, considering the reversal in flexible working practices we've seen across the economy in recent months. Many workers, whether they like it or not, may have had to move back closer to the office over the last year or so, and their elderly parents may have been right behind them.

In fact, property prices in London and commuter towns have skyrocketed. Meanwhile, there has been a clear reversal of the Covid-era “escape to the country” frenzy. Much of this has been driven by tax and legislative changes, but buyers' remorse clearly also plays a big part.

Then, on the flipside, there are the factors that have declined in importance for buyers. Proximity of public spaces fell six places to 9th in the ranking, while the square footage of the property fell three places to 10th.

Again, this makes sense with the changes we've seen in the wider economy. If someone finds that they need to head into the office more and more, they're probably not going to have much time to enjoy local public spaces and parks. And with affordability becoming a key issue in the market, most are unlikely to be able to afford the larger homes that are out there.



Opportunities for Property Investors

Looking ahead, there are key indicators in our results which could prove useful for property investors. In our survey, we also asked respondents for their views on the state of the housing market, and the house-buying process.

Some 58% somewhat agreed, or strongly agreed, with the statement: “I feel that there is a shortage of the type of property that I would ideally like to own”. This rose to 70% specifically for those aged 55+.

While a multifaceted issue, this could be reflective of the fact that the UK has a severe lack of suitable housing stock for retirees. Our population is aging, and we're not prepared. Currently, the UK builds around 7,000 later-living homes each year. Yet, we need 30,000-50,000 to meet growing demand. Private investors or developers who help close this gap could do well by addressing a clear and pressing market need.

The majority of younger buyers also feel there is a shortage of their ideal property type. Another complicated issue, yet research from the HomeOwners Alliance revealed that the availability of housing, and the ability of first-time buyers to get on the ladder remain major concerns for UK adults.

This is a historic issue. The Building Societies Association (BSA) analysed first-time buyer data going back to 2006 and discovered there are 2.2 million “missing” first-time buyers from the property market. Affordability is a key driver of this, but a lack of entry-level or first-step homes also exacerbates the issue. Those who could deliver more of these types of properties to the market could do very well, as there is still a clear market for first-time buyers, and even “second steppers”.

The biggest disparities in our results concerned people's outlook on the current government. Across the board, our respondents took a fairly pessimistic view on the state. Only 46% of buyers agreed in aggregate with the statement: “The Labour government will deliver on its promise to ‘get Britain building’ and deliver new homes”. It was also 47% for “The Labour government's first year of power has brought more stability to the UK property market”. But, for those aged 18-34, 54% felt that Labour is on track for delivering new homes. This drops to a mere 21% for those aged 55+.

Similarly, 53% of our youngest cohort believe Labour's first year of power has brought more stability to the UK property market. For those nearing retirement age, it's 22%.

These results could reflect where these two groups are in their stages of life, and buying journeys. Young people, with more time ahead of them to prepare and save, could be taking a more optimistic view on what the government will be able to achieve. One's perspective has a big impact on decisions. Young, optimistic people may be more willing to purchase residential property in the belief that their situation may only improve. Property investors should keep this in mind.

For older generations, the opposite is true obviously, but this situation could still create opportunities for property investors. We've seen many abandon the property market in recent months as tougher rules come into play, and many dream of retiring abroad to escape the UK's woes. Should this occur more frequently as Labour's tenure progresses, it could lead to more stock for expanding investors.



Reflecting on the Findings - The View of our CEO



Paresh Raja, CEO, Market Financial Solutions

“

Every housing market is shaped by the forces of its time. In 2025, that means adjusting to both political change, and economic constraint. Our latest Homebuyer Wishlist reflects this transition. It's clear that buyers are being pragmatic, balancing aspirations with realism.

What stands out this year is a return to fundamentals: people want quality homes, strong connectivity, and good infrastructure. The shift in priorities - away from size and scenery, toward finish, location, and convenience - shows how the realities of affordability and work-life changes are shaping buying decisions.

At the same time, we're still struggling against the long-term challenge of a lack of supply. The current government has made bold commitments, as every political party tends to do. But delivery remains slow. It's always worthwhile targeting planning reform, housing targets, and funding pledges, at least on paper. Yet buyers of all kinds, from first-timers through to portfolio landlords, rightly prioritise results over platitudes.

Still, it's encouraging to see that confidence hasn't evaporated. Buyer demand is returning. Transactions are rising. And sentiment, especially among younger buyers, is edging back into positive territory. That optimism should be taken seriously - because it's often a precursor to action.

For property investors and developers, the signal is clear: buyers are there, and demand is evolving. The shortage of fit-for-purpose homes - whether for first-time buyers or retirees - isn't just a problem. It's a gap in the market waiting to be filled.

As always, opportunity in real estate belongs to those who understand where the market is heading, not just where it's been. At Market Financial Solutions, we're there for property investors who want to get ahead of the market's trajectory, with tailored bridging loans, BTL mortgages, and Bridge Fusion options.

”



+44 (0)20 7060 1234



info@mfsuk.com



Market Financial Solutions are a bridging loan and buy-to-let mortgage provider and are not legal, financial, investment or tax advisers. This document is for informational purposes only and does not, and should not be considered, to constitute legal, financial, investment or tax advice or be relied upon by any person to make a legal, financial, investment or tax decision.

Therefore, Investors are encouraged to seek appropriate professional advice.

The information in this content is correct at time of writing.