

Release date: 21 November 2018

UK Finance: Mortgage Trends in Scotland Update Quarter 3

Remortgaging in Scotland surges following period of strong growth

Key data highlights:

- There were 9,200 new Scottish homeowner remortgages completed in the third quarter, some 13.6 per cent more than in the same quarter a year earlier. The £1.18bn of remortgaging in the third quarter was 18 per cent more year-on-year.
- There were 8,900 new first-time buyer mortgages completed in Scotland in the third quarter of 2018, some 5.3 per cent fewer than in the same . quarter of 2017. The £1.04bn of new lending was 1 per cent down year-on-year. The average Scottish first-time buyer is 29 and has a gross household income of £35,000.
- There were 9,500 new homemover mortgages completed in Scotland in the third quarter of 2018, some 1 per cent fewer than in the same quarter of 2017. The £1.53bn of new lending in the quarter was the same year-on-year. The average Scottish homemover is 39 and has a gross household income of £51,000.

Commenting on the data, Douglas Cochrane, chair of UK Finance's Scotland Mortgage Committee, said:

"Scotland saw strong growth in remortgaging activity this quarter, as many fixed rate loans come to an end and customers continue to shop around for attractive deals.

"The number of first-time buyers has softened slightly compared to the same quarter last year while homemover purchases remain steady."

Notes to Editor

- 1 For more information please call the UK Finance press office on 020 7416 6750 or mail press@ukfinance.org.uk.
- 2 UK Finance is the trade association formed on 1 July 2017 to represent the banking and finance industry operating in the UK. It represents more than 250 firms in the UK providing credit, banking, markets and payment-related services. The organisation brings together most of the activities previously carried out by the Asset Based Finance Association, the British Bankers' Association, the Council of Mortgage Lenders, Financial Fraud Action UK, Payments UK and the UK Cards Association.
- 3 The data shown is estimates grossed up from the sample of lenders reporting to reflect total market size, based on total market volumes of Mortgage Product volumes of Mortgage Product Sales Data published by the FCA. Our historical figures are subject to revision as and when the FCA makes revisions to the market totals. The average figures shown are medians, as this tends to better represent the position of the typical borrower. Affordability calculations are based on median averages of calculations for individual transactions. Capital & interest payment calculations only include mortgages taken out on a full capital and interest repayment basis and are calculated based on the reported repayment term, interest rate, loan amount and income for each transaction.
- 4 The income for a first time buyer is calculated on the basis of gross household income. (The sum of occupants living in a household joint or single).



Release date: 21 November 2018

House Purchase				Latest (18-Q3)	Y-o-Y comparison
Number of new loans	Number of new residential mortgage loans for house purchase, secured by a first		First-time buyers	8,900	-5.3%
	charge on the property	2,000 0 15-Q3 16-Q1 16-Q3 17-Q1 17-Q3 18-Q1 18-Q3	Home movers	9,500	-1.0%
				Latest (18-Q3)	Y-o-Y comparison
Value of new lending	Value of new residential mortgage loans for house		First-time buyers	£1.04bn	-1.0%
	purchase, secured by a first charge on the property	500 0 15-Q3 16-Q1 16-Q3 17-Q1 17-Q3 18-Q1 18-Q3	Home movers	£1.53bn	0.0%
				Latest (18-Q3)	Y-o-Y comparison
Loan to value Loan size	Ratio of loan amount advanced to property value. Year-on-year comparison is the absolute change in the percentage	90.0 80 85.0 80.0 20 75.0	First-time buyers	86.4%	1.49
		70.0 65.0	Home movers	77.7%	0.5%
				Latest (18-Q3)	Y-o-Y comparison
	Median value of loans advanced	175,000 150,000 125,000 100,000	First-time buyers	£107,350	6.0
		75,000 50,000 15-Q3 16-Q1 16-Q3 17-Q1 17-Q3 18-Q1 18-Q3	Home movers	£144,500	1.89
				Latest (18-Q3)	Y-o-Y comparison
Loan to income multiple	Ratio of loan amount advanced to gross income of all borrowers. Year-on-year comparison is the absolute change in the multiple	3.40 10 3.20 3.00 3.00	First-time buyers	3.17	0.0
		2.80 2.60 2.40 15-03 16-01 16-03 17-01 17-03 18-01 18-03	Home movers	2.91	0.0
Repayments as % of income Borrower income	Proportion of gross income used to service capital and interest repayments. Year-on- year comparison is the absolute change in the percentage			Latest (18-Q3)	Y-o-Y comparison
		18.0 Ref 17.5 17.0 2 16.5	First-time buyers	16.4%	0.19
		16.5 15.5 15.0 15-03 16-01 16-03 17-01 17-03 18-01 18-03	Home movers	16.2%	0.19
				Latest (18-Q3)	Y-o-Y comparison
	Median gross income of all borrowers used in mortgage	55,000 50,000 45,000 بي 40,000	First-time buyers	£34,751	3.39
	assessment	35,000 30,000 25,000 15-Q3 16-Q1 16-Q3 17-Q1 17-Q3 18-Q1 18-Q3	Home movers	£51,329	-0.69



Mortgage Trends Update Scotland





Release date: 21 November 2018

Number of new loans First time bygen 3.30 8.00 6.20 8.00																
Number of new loans boyers 6.300 </th <th></th> <th></th> <th>15-Q3</th> <th>15-Q4</th> <th>16-Q1</th> <th>16-Q2</th> <th>16-Q3</th> <th>16-Q4</th> <th>17-Q1</th> <th>17-Q2</th> <th>17-Q3</th> <th>17-Q4</th> <th>18-Q1</th> <th>18-Q2</th> <th>18-Q3</th> <th>Source table</th>			15-Q3	15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	18-Q1	18-Q2	18-Q3	Source table
Here moves $3,700$ $3,000$ $7,000$ $8,000$ $1,000$	Number of new loans		8,300	8,000	6,200	8,300	8,600	8,300	7,600	9,600	9,400	8,500	6,800	9,200	8,900	MLSC
buyers eso 310 930 900 620 1,00 1,		Home movers	9,700	9,300	7,300	8,000	8,400	8,300	6,800	9,400	9,600	8,800	6,500	9,100	9,500	MLSC
Home moves 1,40 1,30 1,10 1,20 1,20 1,20 1,40 1,40 1,30 1,40 1,30 1,40 1,50 Loan to value First-time buyers 8.37 8.40 8.46 8.50	- Value of new lending (£mn)		890	870	650	910	930	900	820	1,070	1,050	980	780	1,080	1,040	MLSC
Loan to value buyers 83.7 94.0 98.6 98.0 83.5 83.6 83.0 83.5 83.0		Home movers	1,450	1,390	1,100	1,210	1,280	1,270	1,040	1,460	1,530	1,370	1,030	1,440	1,530	MLSC
Home movers 754 755 765 777. 75.9 77.8 77.8 77.1 77.2 77.8 77.9 77.1 77.1 77.2 77.7 77.9 77.9 77.1	Loan to value		83.7	84.0	84.6	85.0	85.0	84.6	83.5	85.0	85.0	85.0	85.2	86.0	86.4	MLSC
Loan size buyers 99,29 100,00 97,753 100,00 99,760 99,760 101,399 101,200 106,000 108,000 107,350 Loan size Home movers 135,000 135,995 136,000 139,750 135,448 140,000 139,500 141,575 142,000 140,999 143,930 146,882 144,500 Loan to income multiple First-time buyers 3.02 3.01 2.97 2.80 2.84 2.80 2.84 2.86 2.86 2.88 2.92 2.91 Loan to income multiple Home movers 2.70 2.73 2.68 2.84 2.76 2.80 2.84 2.86 2.86 2.88 2.92 2.91 Repayments as % of income First-time buyers 16.7 16.8 16.8 16.4 16.2 16.0 16.1 16.0 16.1 16.1 16.0 16.1 16.1 16.0 16.1 16.1 16.1 16.1 16.1 16.1 16.1 16.1 16.1		Home movers	75.4	75.6	76.5	77.7	75.9	77.5	77.8	78.4	77.1	77.2	77.8	79.0	77.7	MLSC
Home movers 135,00 135,90 135,90 135,40 135,40 141,000 139,50 141,57 142,00 140,999 143,30 146,882 144,500 Loan to income multiple First-time buyers 3.02 3.01 2.70 2.70 2.70 2.70 2.70 2.80 3.01 3.01 3.09 3.13 3.12 3.15 3.17 Repayments as % of income First-time buyers 16.2 16.0 16.6 16.7 16.7 16.7	Loan size		99,295	100,000	97,753	100,000	100,000	99,750	98,500	101,599	101,250	106,000	108,000	108,000	107,350	MLSC
Loan to income multiple buyers 3.02 3.01 2.97 3.03 3.02 3.03 3.01 3.09 3.03 3.09 3.03 3.12 3.15 3.17 Loan to income multiple Home movers 2.70 2.73 2.68 2.84 2.76 2.80 2.83 2.84 2.66 2.66 2.68 2.82 2.91 Repayments as % of income First-time buyers 17.2 16.7 16.6 16.6 16.4 16.2 16.0 16.1 16.0 16.1 16.0 16.1 16.2 16.3		Home movers	135,000	135,995	136,000	139,745	135,448	140,000	139,500	141,575	142,000	140,999	143,930	146,882	144,500	MLSC
Home movers 2.70 2.73 2.68 2.84 2.76 2.80 2.81 2.86 2.86 2.86 2.88 2.92 2.91 Repayments as % of income First-time buyers 17.2 16.7 16.6<	Loan to income multiple		3.02	3.01	2.97	3.03	3.02	3.03	3.01	3.09	3.09	3.13	3.12	3.15	3.17	MLSC
Repayments as % of income buyers 17.2 16.7 16.6 16.6 16.4 16.2 16.0 16.3 16.1 16.0 16.1 16.2 Borrower income First-time 33.82 33.877 33.708 33.557 50.03 51.000 51.624 51.017 50.896 51.537 51.329 50.93 Home owner 15-03 15-04 16		Home movers	2.70	2.73	2.68	2.84	2.76	2.80	2.83	2.84	2.86	2.86	2.88	2.92	2.91	MLSC
Home movers 16.4 16.4 16.3 16.7 16.2 16.1 16.1 16.1 16.0 16.0 16.1 16.0 16.0 16.1 16.0 16.0 16.1 16.0 16.0 16.1 16.0 16.0 16.0 16.1 16.0 16.0 16.0 16.0 16.0 16.1 16.0 16.0 16.0 16.1 16.0	Repayments as % of income		17.2	16.7	16.6	16.6	16.4	16.2	16.0	16.2	16.3	16.1	16.0	16.1	16.4	MLSC
Borrower income 33,242 34,087 33,382 33,577 33,708 33,582 33,682 33,639 34,531 34,899 36,089 34,751 Home movers 51,406 50,858 51,169 49,795 51,000 50,787 50,033 51,000 51,624 51,017 50,896 51,537 51,329 Homeowner Remortgaging 15-Q3 15-Q4 16-Q1 16-Q2 16-Q3 16-Q4 17-Q1 17-Q3 17-Q4 18-Q1 18-Q2 18-Q3 Sou Number of remortgages Home owners 6,700 6,700 7,000 7,300 7,200 8,200 7,400 8,100 8,400 8,500 9,200 9,200		Home movers	16.4	16.4	16.3	16.7	16.2	16.1	16.0	16.1	16.1	16.0	16.0	16.1	16.2	MLSC
Home movers 51,406 50,858 51,169 49,795 51,000 50,787 50,033 51,000 51,624 51,017 50,896 51,537 51,329 Homeowner Remortgaging 15-q3 15-q4 16-q1 16-q2 16-q3 16-q4 17-q1 17-q3 17-q3 18-q1 18-q2 18-q3 50 urb Number of remortgages Home owners 6,700 6,700 6,400 7,000 7,300 7,200 8,200 7,400 8,100 8,500 8,000 9,200 18-q3 18-q3 </td <td rowspan="2">Borrower income</td> <td></td> <td>33,242</td> <td>34,087</td> <td>33,382</td> <td>33,577</td> <td>33,708</td> <td>33,555</td> <td>33,682</td> <td>33,676</td> <td>33,639</td> <td>34,531</td> <td>34,899</td> <td>35,089</td> <td>34,751</td> <td>MLSC</td>	Borrower income		33,242	34,087	33,382	33,577	33,708	33,555	33,682	33,676	33,639	34,531	34,899	35,089	34,751	MLSC
Remortgaging 15-Q3 15-Q4 16-Q1 16-Q2 16-Q4 17-Q1 17-Q2 17-Q3 17-Q4 18-Q1 18-Q3 18-Q3 Sou Number of remortgages Home owners 6,700 6,700 6,400 7,000 7,300 7,200 8,200 7,400 8,100 8,500 8,000 9,200		Home movers	51,406	50,858	51,169	49,795	51,000	50,787	50,033	51,000	51,624	51,017	50,896	51,537	51,329	MLSC
Number of remortgages Home owners 6,700 6,700 6,400 7,000 7,300 7,200 8,200 7,400 8,100 8,400 8,500 9,200																
	Remortgaging		15-Q3	15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	18-Q1	18-Q2	18-Q3	Source table
Value of remortgages (£mn) Home owners 810 790 780 850 900 870 980 910 1.000 1.040 1.050 1.000 1.180	Number of remortgages	Home owners	6,700	6,700	6,400	7,000	7,300	7,200	8,200	7,400	8,100	8,400	8,500	8,000	9,200	MLSC
	Value of remortgages (£mn)	Home owners	810	790	780	850	900	870	980	910	1,000	1,040	1,050	1,000	1,180	MLSC

UK Finance publishes aggregate information on mortgages based on data supplied by our members, and grossed up to estimate total market size.

Remortgage figures shown in this release include refinancing with the same lender, in those cases where a new mortgage contract is created. For this reason these figures will generally exceed those published by the Bank of England, whose remortgage data exclude such internal refinancing transactions.

Source data tables are available to UK Finance members or data associates from www.cml.org.uk/industry-data/industry-data-tables/. For information or enquiries, please contact ukfstatistics@ukfinance.org.uk

For media enquiries, journalists should contact press@ukfinance.org.uk