



Mortgage Trends Update



Release date: 18 February 2020

UK Finance: Mortgage Trends Update Dec 2019

Key data highlights:

- There were 29,490 new first-time buyer mortgages completed in December 2019, 0.3 per cent more than in the same month in 2018. There were 29,400 homemover mortgages completed in December 2019, 3.2 per cent more than in the same month a year earlier.
- There were 16,820 new remortgages with additional borrowing in December 2019, 5.9 per cent more than in the same month in 2018. For these remortgages, the average additional amount borrowed in December was £50,702. There were 16,490 new pound-for-pound remortgages (with no additional borrowing) in December 2019, 0.5 per cent fewer than in December 2018.
- There were 5,700 new buy-to-let home purchase mortgages completed in December 2019, 3.6 per cent more than this time last year. There were 13,300 remortgages in the buy-to-let sector, 2.3 per cent more than in the same month in 2018.

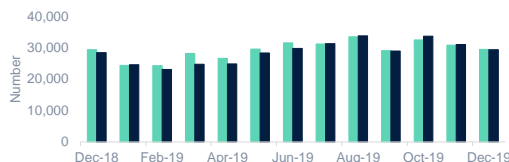
Notes to Editor

- 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 collective voice for the banking and finance industry. Representing more than 250 firms across the industry, we act to enhance competitiveness, support customers and facilitate innovation.
- 3 Please note that the **Household Finance Update** and **Mortgage Trends Update** are being replaced by the quarterly **Household Finance Review**, to provide a greater level of insight and analysis on the financial behaviour of households using data covering the whole market. This **Mortgage Trends Update** monthly data series reflects the final publication of December 2019 data. The next **Household Finance Review** for Q4 2019 is due to be published on 5 March 2020.
- 4 Our figures for remortgaging relate only to those where a new mortgage contract is created. This therefore excludes the vast majority of transactions where the borrower refinances with their existing lender, commonly referred to as Product Transfers. Figures on product transfers can be found here: <https://www.ukfinance.org.uk/data-and-research/data/mortgages/product-transfer>
- 5 The data shown is grossed up from the sample of lenders reporting to reflect total market size, based on total market volumes of Mortgage Product Sales Data published by the FCA, so our historical figures are subject to revision as and when the FCA makes revisions to the market totals. The average figures shown are means. Affordability measures are based on mean 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.
- 6 Income metrics are presented on a gross household basis, as the sum of all income sources for all borrowers included in the affordability assessment.
- 7 We routinely review data submissions to allow for revisions where necessary. Data reflecting repayments as a percentage of income has been withheld from this release while we review the latest data points in these series.

House Purchase

Number of new loans

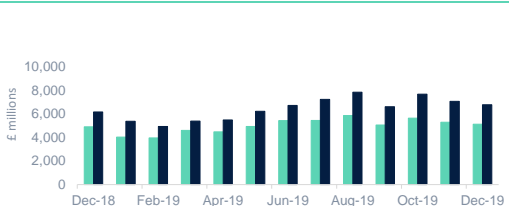
Number of new residential mortgage loans for house purchase, secured by a first charge on the property



	Latest (Dec-2019)	Y-o-Y comparison
First-time buyers	29,490	0.3%
Homemovers	29,400	3.2%

Value of new lending

Value of new residential mortgage loans for house purchase, secured by a first charge on the property



	Latest (Dec-2019)	Y-o-Y comparison
First-time buyers	£5.1bn	4.7%
Homemovers	£6.8bn	9.9%

Remortgaging

Number of remortgages

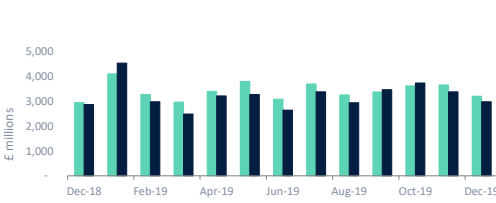
Number of residential loans remortgaged, secured by a first charge on the property, split by remortgages where equity has been withdrawn, and those which are a simple refinance.



	Latest (Dec-2019)	Y-o-Y comparison
Homeowner remortgages with equity withdrawn	16,820	5.9%
Homeowner remortgages without equity withdrawn (simple refinance)	16,490	-0.5%

Value of remortgages

Value of residential loans remortgaged, secured by a first charge on the property, split by remortgages where equity has been withdrawn, and those which are a simple refinance.

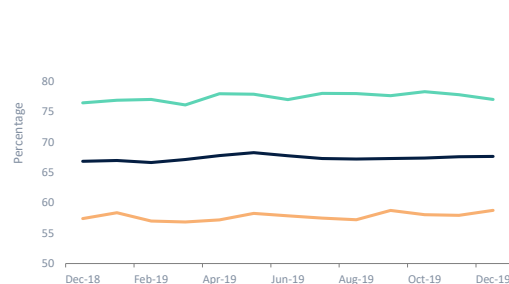


	Latest (Dec-2019)	Y-o-Y comparison
Homeowner remortgages with equity withdrawn	£3.2bn	8.9%
Homeowner remortgages without equity withdrawn (simple refinance)	£3.0bn	3.8%

Residential Affordability

Loan to value

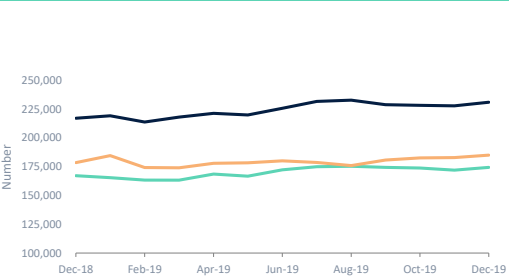
Ratio of loan amount advanced to property value. Year-on-year comparison is the absolute change in the percentage



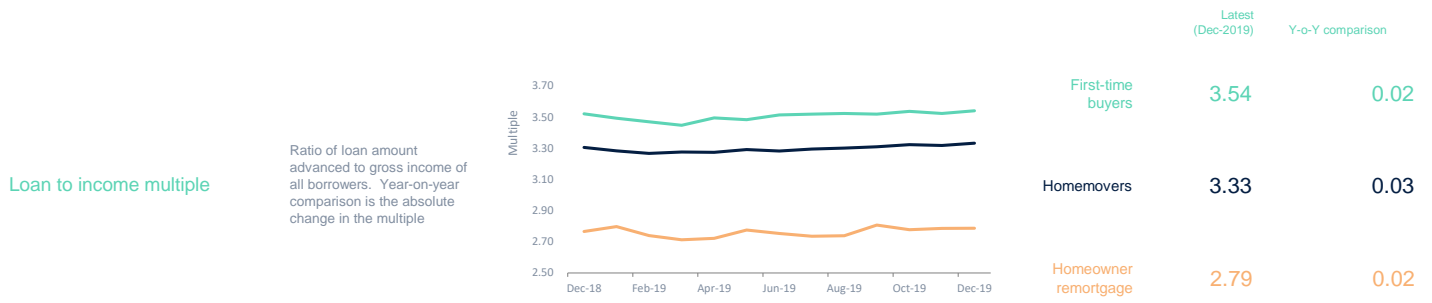
	Latest (Dec-2019)	Y-o-Y comparison
First-time buyers	77.0%	0.6%
Homemovers	67.6%	0.8%
Homeowner remortgage	58.8%	1.4%

Loan size

Mean value of loans advanced



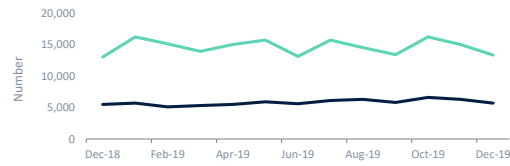
	Latest (Dec-2019)	Y-o-Y comparison
Homemovers	£230,847	6.4%
Homeowner remortgage	£184,912	3.6%
First-time buyers	£174,275	4.3%



Buy-to-let

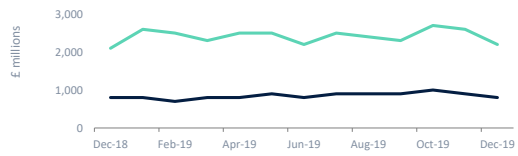
Number of new loans

Number of new buy-to-let mortgage loans for house purchase or remortgaging, secured by a first charge on the property



Value of new lending

Value of new buy-to-let mortgage loans for house purchase or remortgaging, secured by a first charge on the property



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Homeowner House Purchase

		Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Source table
Number of new loans	First-time buyers	29,390	24,430	24,320	28,210	26,640	29,620	31,570	31,240	33,500	29,070	32,520	30,840	29,490	RL1
	Homemovers	28,490	24,610	23,130	24,770	24,850	28,340	29,820	31,320	33,810	28,990	33,740	31,090	29,400	RL2
Value of new lending (£mn)	First-time buyers	4,912	4,040	3,969	4,607	4,489	4,939	5,439	5,461	5,872	5,065	5,652	5,299	5,140	RL1
	Homemovers	6,177	5,393	4,943	5,395	5,494	6,234	6,729	7,246	7,864	6,625	7,697	7,076	6,786	RL2
Mean loan to value	First-time buyers	76.4	76.9	77.0	76.1	77.9	77.9	77.0	78.0	78.0	77.6	78.3	77.8	77.0	RL1
	Homemovers	66.8	66.9	66.6	67.1	67.8	68.2	67.7	67.3	67.2	67.3	67.4	67.6	67.6	RL2
Mean loan size	First-time buyers	167,146	165,427	163,280	163,226	168,481	166,718	172,206	174,843	175,272	174,245	173,773	171,866	174,275	RL1
	Homemovers	216,886	219,057	213,640	217,852	221,108	219,786	225,618	231,475	232,596	228,695	228,104	227,655	230,847	RL2
Mean loan to income multiple	First-time buyers	3.52	3.49	3.47	3.45	3.50	3.48	3.51	3.52	3.52	3.52	3.54	3.52	3.54	RL1
	Homemovers	3.31	3.28	3.27	3.28	3.27	3.29	3.28	3.29	3.30	3.31	3.32	3.32	3.33	RL2

Homeowner Remortgaging

		Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Source table
Number of remortgages	Equity Withdrawn	15,880	21,240	17,850	16,500	18,430	20,600	16,660	19,930	17,820	18,110	19,200	19,300	16,820	RL5
	Simple refinace (no money withdrawn)	16,570	25,380	17,890	14,730	18,600	18,890	15,030	19,520	17,280	19,610	20,910	19,070	16,490	RL5
Value of remortgages (£mn)	Equity Withdrawn	2,932	4,085	3,260	2,956	3,383	3,782	3,071	3,678	3,242	3,362	3,601	3,643	3,193	RL5
	Simple refinace (no money withdrawn)	2,857	4,518	2,966	2,476	3,206	3,259	2,633	3,365	2,928	3,452	3,718	3,369	2,966	RL5
Mean loan to value	Homeowner remortgage	57.4	58.4	57.0	56.8	57.2	58.3	57.9	57.5	57.2	58.7	58.0	57.9	58.8	RL4
Mean loan size	Homeowner remortgage	178,401	184,499	174,234	173,927	177,907	178,300	179,983	178,488	175,797	180,663	182,472	182,738	184,912	RL4
Mean loan to income multiple	Homeowner remortgage	2.77	2.80	2.74	2.71	2.72	2.78	2.75	2.74	2.74	2.81	2.78	2.79	2.79	RL4

Buy-to-let

		Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Source table
Number of new loans	House purchase	5,500	5,700	5,100	5,300	5,500	5,900	5,600	6,100	6,300	5,800	6,600	6,300	5,700	MM17
	Remortgage	13,000	16,200	15,100	13,900	15,000	15,700	13,100	15,700	14,500	13,400	16,200	15,000	13,300	MM17
Value of new lending (£mn)	House purchase	800	800	700	800	800	900	800	900	900	900	1,000	900	800	MM17
	Remortgage	2,100	2,600	2,500	2,300	2,500	2,500	2,200	2,500	2,400	2,300	2,700	2,600	2,200	MM17

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.ukfinance.org.uk/industry-data-tables. For information or enquiries, please contact ukstatistics@ukfinance.org.uk

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