



London Mortgage Trends



Release date: 28 November 2019

UK Finance: Mortgage Trends in London Update, Quarter 3 2019

Mortgage market remains strong in the capital

Key data highlights:

There were 11,510 new first-time buyer mortgages completed in London in the third quarter of 2019, 1.3 per cent more than in the same quarter in 2018. Additionally, there were 7,850 new homemover mortgages completed in London in the third quarter of 2019, 0.9 per cent more than in the same quarter in 2018.

There were 12,530 new homeowner remortgages completed in London in the third quarter of 2019, 14.8 per cent fewer than in the same quarter in 2018. This follows a period of strong annual growth in remortgaging in the capital during 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 Residential lending figures have been revised back to July 2019, due to a re-calibration of total market estimates.

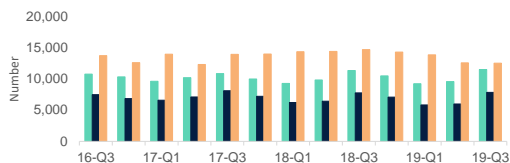
The data shown is estimates grossed up from the sample of lenders reporting to reflect total market size, based on total market volumes of Mortgage Product Sales Data published by the FCA. Our historical figures are subject to revision as and when the FCA makes revisions to the market totals. The average 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 reported repayment term, interest rate, loan amount and income for each transaction.

5 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).

New lending

Number of new loans

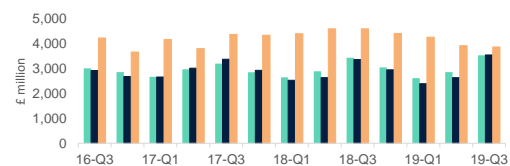
Number of new residential mortgage loans for house purchase, secured by a first charge on the property



	Latest (19-Q3)	Y-o-Y comparison
First-time buyers	11,510	1.3%
Homemovers	7,850	0.9%
Remortgagors	12,530	-14.8%

Value of new lending

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

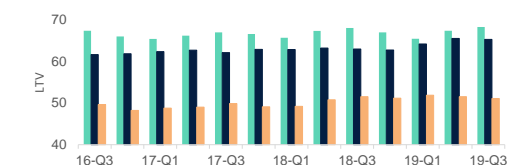


	Latest (19-Q3)	Y-o-Y comparison
First-time buyers	3,529	2.8%
Homemovers	3,537	5.3%
Remortgagors	3,861	-15.9%

Affordability

Loan to value

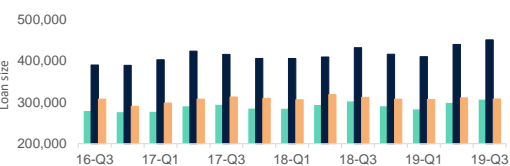
Ratio of loan amount advanced to property value. Year-on-year comparison is the absolute change in the percentage



	Latest (19-Q3)	Y-o-Y comparison
First-time buyers	68.30	0.3%
Homemovers	65.34	3.7%
Remortgagors	51.10	-0.9%

Loan size

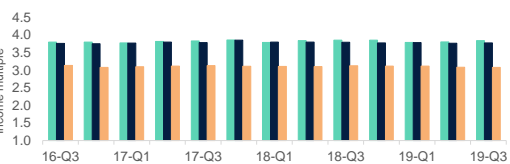
Mean value of loans advanced



	Latest (19-Q3)	Y-o-Y comparison
First-time buyers	306,645	1.5%
Homemovers	450,903	4.4%
Remortgagors	308,070	-1.3%

Loan to income multiple

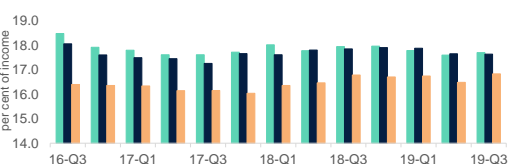
Ratio of loan amount advanced to gross income of all borrowers. Year-on-year comparison is the absolute change in the multiple



	Latest (19-Q3)	Y-o-Y comparison
First-time buyers	3.84	-0.01
Homemovers	3.78	-0.02
Remortgagors	3.08	-0.05

Repayments as % of income

Mean gross income of all borrowers used in mortgage assessment



	Latest (19-Q3)	Y-o-Y comparison
First-time buyers	17.7	-1.4%
Homemovers	17.6	-1.2%
Remortgagors	16.8	0.3%

Release date: 28 November 2019

Homeowner House Purchase

		16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	18-Q1	18-Q2	18-Q3	18-Q4	19-Q1	19-Q2	19-Q3	Source table
Number of new loans	First-time buyers	10,780	10,320	9,620	10,210	10,860	10,000	9,280	9,840	11,360	10,480	9,230	9,560	11,510	RL1R
	Homemovers	7,480	6,860	6,600	7,110	8,100	7,210	6,220	6,430	7,780	7,080	5,830	5,990	7,850	RL2R
Value of new lending (£mn)	First-time buyers	3,006	2,852	2,664	2,962	3,192	2,846	2,643	2,888	3,432	3,043	2,609	2,853	3,529	RL1R
	Homemovers	2,918	2,673	2,656	3,010	3,370	2,927	2,523	2,632	3,360	2,943	2,390	2,632	3,537	RL2R
Loan to value	First-time buyers	67.4	66.0	65.4	66.2	67.0	66.6	65.7	67.4	68.1	67.0	65.5	67.4	68.3	RL1R
	Homemovers	61.7	61.9	62.4	62.7	62.2	62.9	62.9	63.2	63.0	62.8	64.2	65.6	65.3	RL2R
Loan size	First-time buyers	278,890	276,300	276,859	290,155	294,019	284,639	284,521	293,580	302,107	290,418	282,836	298,628	306,645	RL1R
	Homemovers	389,986	389,454	402,735	423,481	415,962	406,003	406,083	409,512	431,774	416,029	410,074	439,895	450,903	RL2R
Loan to income multiple	First-time buyers	3.80	3.80	3.78	3.82	3.83	3.86	3.79	3.84	3.85	3.85	3.79	3.80	3.84	RL1R
	Homemovers	3.76	3.75	3.77	3.80	3.78	3.85	3.80	3.80	3.79	3.77	3.78	3.77	3.78	RL2R
Repayments as % of income	First-time buyers	18.5	17.9	17.8	17.6	17.6	17.7	18.0	17.8	18.0	18.0	17.8	17.6	17.7	RL1R
	Homemovers	18.1	17.6	17.5	17.5	17.3	17.7	17.6	17.8	17.9	17.9	17.9	17.7	17.6	RL2R

Homeowner Remortgaging

		16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	18-Q1	18-Q2	18-Q3	18-Q4	19-Q1	19-Q2	19-Q3	Source table
Number of remortgages	Homeowner remortgaging	13,730	12,600	13,960	12,330	13,940	14,000	14,350	14,400	14,710	14,310	13,870	12,590	12,530	RL4R
Value of remortgages	Homeowner remortgaging	4,222	3,658	4,162	3,796	4,364	4,333	4,392	4,586	4,588	4,404	4,254	3,915	3,861	RL4R
Loan to value	Homeowner remortgaging	49.6	48.3	48.8	49.0	49.9	49.1	49.2	50.8	51.6	51.2	51.9	51.5	51.1	RL4R
Loan size	Homeowner remortgaging	307,572	290,327	298,114	307,733	312,965	309,720	305,957	318,671	312,002	307,805	306,918	310,850	308,070	RL4R
Loan to income multiple	Homeowner remortgaging	3.13	3.08	3.10	3.12	3.13	3.11	3.11	3.10	3.13	3.11	3.11	3.08	3.08	RL4R
Repayments as % of income	Homeowner remortgaging	16.40	16.36	16.34	16.15	16.15	16.04	16.36	16.47	16.79	16.71	16.75	16.49	16.84	RL4R

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 ukstatistics@ukfinance.org.uk

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