

Mortgage Arrears and Possessions



Release date: 14 February 2019

UK Finance: Mortgage Arrears and Possessions Update Quarter 4 2018

There were 4580 homeowner possessions in 2018, the lowest since 1980 when there were 3480 possessions. The number of outstanding homeowner mortgages increased from 6.2 million in 1980 to 9 million by the end of 2018.

There were 77,610 homeowner mortgages in arrears of 2.5 per cent or more of the outstanding balance in the fourth quarter of 2018, 5 per cent fewer than in the same quarter of the previous year.

There were 4,690 buy-to-let mortgages in arrears of 2.5 per cent or more of the outstanding balance in the fourth quarter of 2018, unchanged from in the same quarter of the previous year.

1,130 homeowner mortgaged properties were taken into possession in the fourth quarter of 2018, 3 per cent fewer than in the same quarter of the previous year.

540 buy-to-let mortgaged properties were taken into possession in the fourth quarter of 2018, 14 per cent fewer than in the same quarter of the previous year.

Commenting on the data, [Jackie Bennett, Director of Mortgages at UK Finance](#), commented:

“Homeowner possessions reached their lowest level in almost 40 years in 2018, aided by a historically low interest rate environment and lenders showing continued flexibility when working with borrowers in financial difficulty.

“Mortgage arrears also remain at historically low levels, with the majority of borrowers continuing to repay their mortgages in full and on time each month.

“We would always encourage anyone with concerns about making their mortgage repayments to contact their lender to discuss the options and support available to them. Repossession is always a last resort.”

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 help drive forward positive change to enhance standards, support customers and promote innovation.

3 The data shown are for first charge mortgages only. Figures are reported by most UK Finance mortgage members and presented here on a grossed-up basis from that sample to reflect total market size.

4 Arrears and possessions figures are for the UK as a whole. There is no breakdown of data for English regions or for individual countries in the UK.

5 As of Quarter 2 2018, all arrears and possessions figures are rounded to the nearest 10 (excluding percentages).

6 The Ministry of Justice's mortgage and landlord possession statistics can be found on the gov.uk website. These include quarterly national statistics on possession claim actions in county courts by mortgage lenders and social and private landlords.

Next update:

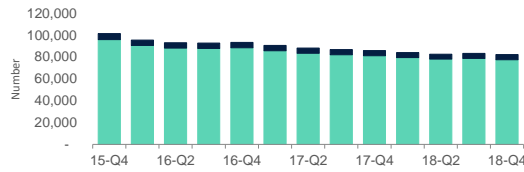
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Mortgage Arrears

Number of mortgages in arrears

Number of first charge mortgage loans in arrears representing over 2.5% of the outstanding balance



Homeowners

Latest (18-Q4)

Y-o-Y comparison

77,610

-5%

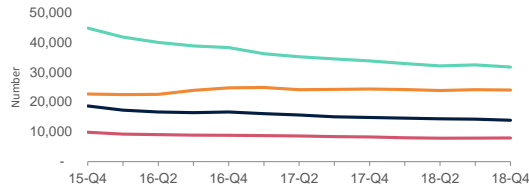
Buy-to-let

4,690

0%

Number of homeowner mortgages within arrears bands

Number of first charge homeowner mortgage loans in arrears, split by severity of arrears.



Arrears of 2.5%-5% of balance

Latest (18-Q4)

Y-o-Y comparison

31,730

-6%

Arrears of 5%-7.5% of balance

13,890

-6%

Arrears of 7.5%-10% of balance

7,970

-4%

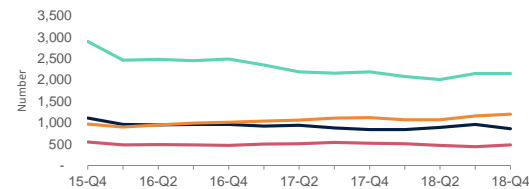
Arrears over 10% of balance

24,020

-1%

Number of buy-to-let mortgages within arrears bands

Number of first charge buy-to-let mortgage loans in arrears, split by severity of arrears.



Arrears of 2.5%-5% of balance

Latest (18-Q4)

Y-o-Y comparison

2,150

-2%

Arrears of 5%-7.5% of balance

860

2%

Arrears of 7.5%-10% of balance

480

-8%

Arrears over 10% of balance

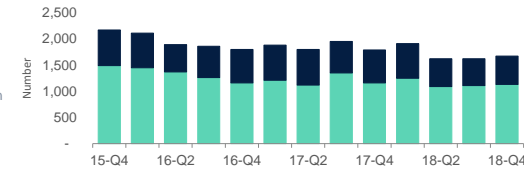
1,200

7%

Mortgage Possessions

Number of mortgage possessions

Number of possessions of first charge mortgaged properties in period



Homeowners

Latest (18-Q4)

Y-o-Y comparison

1,130

-3%

Buy-to-let

540

-14%

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Mortgages outstanding (000s)		15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	18-Q1	18-Q2	18-Q3	18-Q4	Source table
Number of mortgages outstanding (000s)	Homeowners	9,330	9,290	9,240	9,230	9,210	9,210	9,160	9,160	9,110	9,080	9,070	9,050	9,030	AP2
	Buy-to-let	1,780	1,830	1,840	1,850	1,860	1,860	1,870	1,880	1,890	1,900	1,900	1,910	1,910	AP2
Mortgages in arrears (number)		15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	18-Q1	18-Q2	18-Q3	18-Q4	Source table
Arrears of 2.5%-5% of balance	Homeowners	44,790	41,750	39,980	38,790	38,270	36,220	35,200	34,480	33,810	32,900	32,140	32,480	31,730	AP2
	Buy-to-let	2,900	2,460	2,480	2,450	2,490	2,350	2,190	2,160	2,190	2,080	2,010	2,150	2,150	AP2
Arrears of 5%-7.5% of balance	Homeowners	18,680	17,290	16,660	16,450	16,660	16,100	15,630	15,050	14,810	14,590	14,380	14,260	13,890	AP2
	Buy-to-let	1,110	960	950	960	960	920	940	880	840	840	890	960	860	AP2
Arrears of 7.5%-10% of balance	Homeowners	9,860	9,260	9,040	8,880	8,860	8,730	8,600	8,420	8,290	8,000	7,870	7,880	7,970	AP2
	Buy-to-let	550	480	490	480	470	500	510	540	520	510	470	440	480	AP2
Arrears over 10% of balance	Homeowners	22,680	22,490	22,590	23,890	24,760	24,880	24,130	24,250	24,380	24,180	23,850	24,160	24,020	AP2
	Buy-to-let	970	900	950	990	1,010	1,040	1,060	1,110	1,120	1,070	1,070	1,160	1,200	AP2
All arrears of over 2.5% of balance	Homeowners	96,010	90,790	88,270	88,010	88,550	85,930	83,560	82,200	81,290	79,670	78,240	78,780	77,610	AP2
	Buy-to-let	5,530	4,800	4,870	4,880	4,930	4,810	4,700	4,690	4,670	4,500	4,440	4,710	4,690	AP2
Mortgages in arrears (% of mortgages outstanding)		15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	18-Q1	18-Q2	18-Q3	18-Q4	Source table
Arrears of 2.5%-5% of balance	Homeowners	0.48%	0.45%	0.43%	0.42%	0.42%	0.39%	0.38%	0.38%	0.37%	0.36%	0.35%	0.36%	0.35%	AP2
	Buy-to-let	0.16%	0.13%	0.13%	0.13%	0.13%	0.13%	0.12%	0.11%	0.12%	0.11%	0.11%	0.11%	0.11%	AP2
Arrears of 5%-7.5% of balance	Homeowners	0.20%	0.19%	0.18%	0.18%	0.18%	0.17%	0.17%	0.16%	0.16%	0.16%	0.16%	0.16%	0.15%	AP2
	Buy-to-let	0.06%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.04%	0.04%	0.05%	0.05%	0.05%	AP2
Arrears of 7.5%-10% of balance	Homeowners	0.11%	0.10%	0.10%	0.10%	0.10%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	0.09%	AP2
	Buy-to-let	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.02%	0.02%	0.03%	AP2
Arrears over 10% of balance	Homeowners	0.24%	0.24%	0.24%	0.26%	0.27%	0.27%	0.26%	0.26%	0.27%	0.27%	0.26%	0.27%	0.27%	AP2
	Buy-to-let	0.05%	0.05%	0.05%	0.05%	0.05%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	0.06%	AP2
All arrears of over 2.5% of balance	Homeowners	1.03%	0.98%	0.96%	0.95%	0.96%	0.93%	0.91%	0.90%	0.89%	0.88%	0.86%	0.87%	0.86%	AP2
	Buy-to-let	0.31%	0.26%	0.26%	0.26%	0.27%	0.26%	0.25%	0.25%	0.25%	0.24%	0.23%	0.25%	0.25%	AP2
Mortgage possessions (number)		15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	18-Q1	18-Q2	18-Q3	18-Q4	Source table
	Homeowners	1,490	1,450	1,370	1,260	1,160	1,210	1,120	1,350	1,160	1,250	1,090	1,110	1,130	AP4
	Buy-to-let	680	660	520	600	640	670	680	600	630	660	530	510	540	AP4

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

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

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