

Mortgage Trends Update



Release date: 15 August 2019

UK Finance: Mortgage Trends Update June 2019

Key data highlights:

- There were 32,760 new first-time buyer mortgages completed in June 2019, 1.5 per cent fewer than in the same month in 2018. There were 31,000 homemover mortgages completed in June 2019, 3.6 per cent fewer than in the same month a year earlier.

- There were 16,880 new remortgages with additional borrowing in June 2019, 8.3 per cent more than in the same month in 2018. For these remortgages, the average additional amount borrowed in June was £56,100. There were 15,320 new pound-for-pound remortgages (with no additional borrowing) in June 2019, 23.9 per cent fewer than in June 2018. This has been driven in part by a slight drop in the number of fixed-rate mortgages coming to an end and the growing popularity of product transfers*.

- There were 5,300 new buy-to-let home purchase mortgages completed in June 2019, 3.6 per cent fewer than this time last year. There were 12,500 remortgages in the buy-to-let sector, 0.8 per cent fewer than 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 *UK Finance has published a blog which provides more background on what could be driving the fall in pound-for-pound remortgaging: <https://www.ukfinance.org.uk/news-and-insight/blogs/remortgaging-making-sense-data>
- 4 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.
- 5 Income metrics are presented on a gross household basis, as the sum of all income sources for all borrowers included in the affordability assessment.

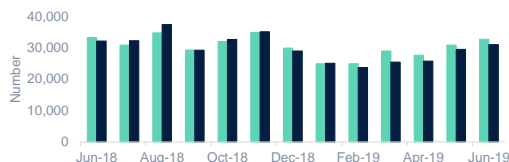
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House Purchase

Number of new loans

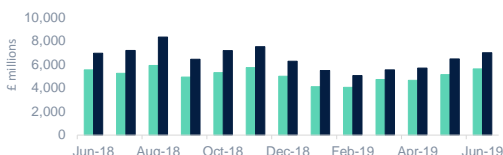
Number of new residential mortgage loans for house purchase, secured by a first charge on the property



	Latest (Jun-2019)	Y-o-Y comparison
First-time buyers	32,760	-1.5%
Homemovers	31,000	-3.6%

Value of new lending

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



	Latest (Jun-2019)	Y-o-Y comparison
First-time buyers	£5.6bn	1.6%
Homemovers	£7.0bn	0.6%

Remortgaging

Number of remortgages

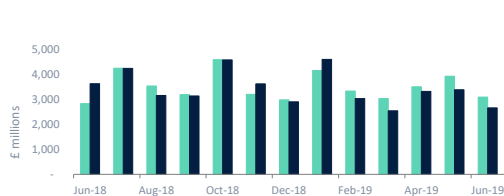
Number of residential loans remortgaged, secured by a first charge on the property, split by remortgages where equity has been withdrawn, and those which are a simple refinance.



	Latest (Jun-2019)	Y-o-Y comparison
Homeowner remortgages with equity withdrawn	16,880	8.3%
Homeowner remortgages without equity withdrawn (simple refinance)	15,230	-23.9%

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.

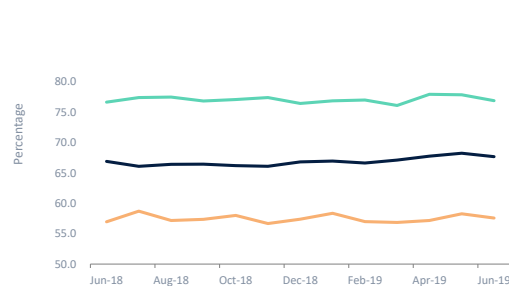


	Latest (Jun-2019)	Y-o-Y comparison
Homeowner remortgages with equity withdrawn	£3.1bn	9.4%
Homeowner remortgages without equity withdrawn (simple refinance)	£2.7bn	-26.7%

Residential Affordability

Loan to value

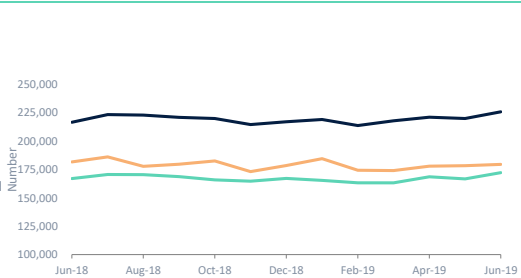
Ratio of loan amount advanced to property value. Year-on-year comparison is the absolute change in the percentage



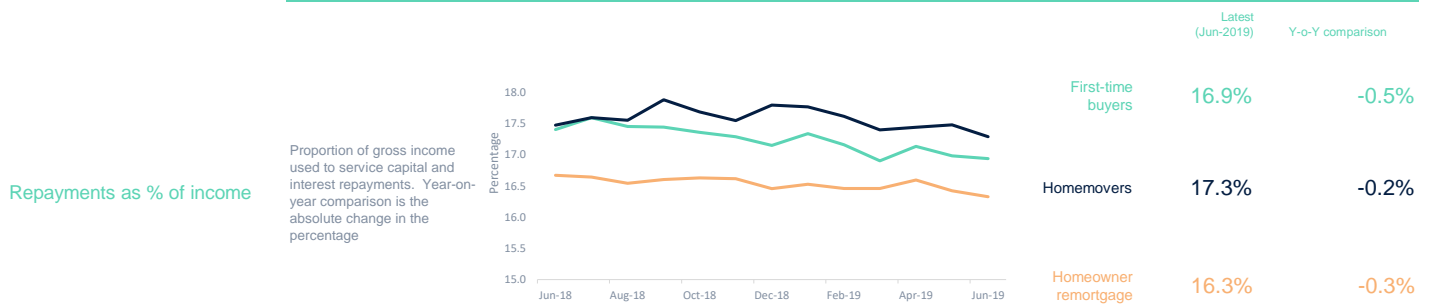
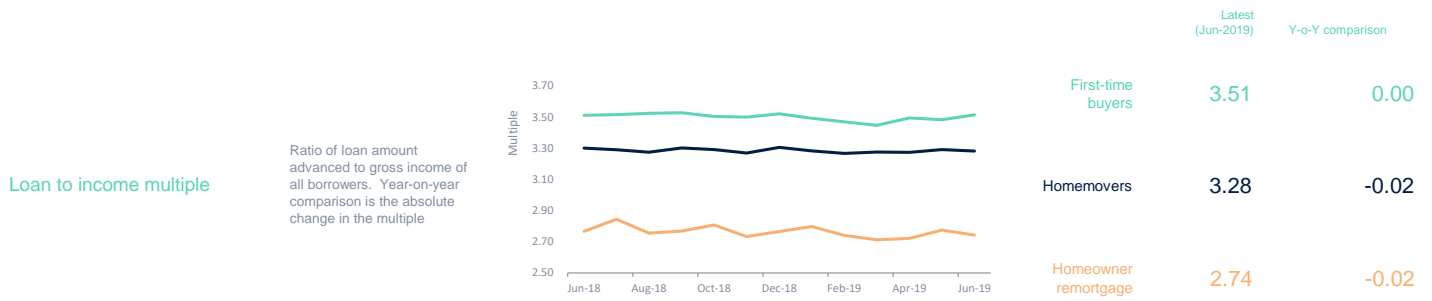
	Latest (Jun-2019)	Y-o-Y comparison
First-time buyers	76.9%	0.2%
Homemovers	67.7%	0.8%
Homeowner remortgage	57.6%	0.6%

Loan size

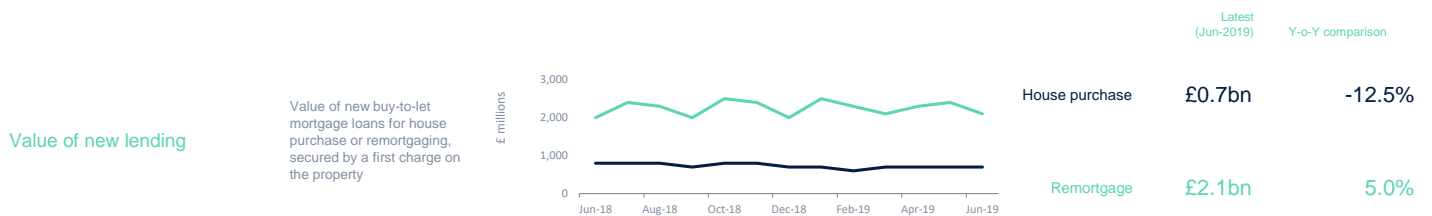
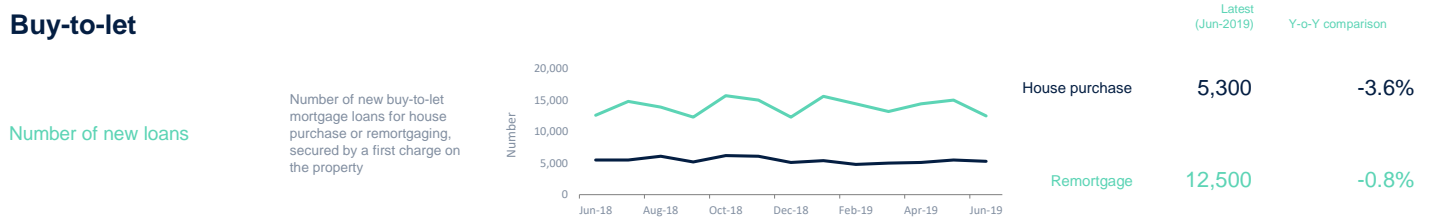
Mean value of loans advanced



	Latest (Jun-2019)	Y-o-Y comparison
First-time buyers	£172,158	3.1%
Homemovers	£225,756	4.3%
Homeowner remortgage	£179,400	-1.2%



Buy-to-let



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Homeowner House Purchase

		Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Source table
Number of new loans	First-time buyers	33,260	30,840	34,760	29,310	32,020	34,900	29,930	24,910	24,920	29,010	27,630	30,850	32,760	RL1
	Homemovers	32,170	32,260	37,420	29,230	32,670	35,110	29,010	25,090	23,710	25,470	25,760	29,510	31,000	RL2
Value of new lending (£mn)	First-time buyers	5,551	5,261	5,924	4,944	5,309	5,746	5,003	4,120	4,069	4,737	4,656	5,142	5,639	RL1
	Homemovers	6,960	7,205	8,339	6,456	7,184	7,527	6,292	5,499	5,069	5,547	5,698	6,486	7,002	RL2
Mean loan to value	First-time buyers	76.6	77.4	77.5	76.8	77.1	77.4	76.4	76.9	77.0	76.1	77.9	77.9	76.9	RL1
	Homemovers	66.9	66.1	66.4	66.4	66.2	66.1	66.8	66.9	66.6	67.1	67.8	68.2	67.7	RL2
Mean loan size	First-time buyers	166,911	170,547	170,424	168,615	165,843	164,594	167,130	165,423	163,272	163,201	168,459	166,682	172,158	RL1
	Homemovers	216,495	223,301	222,910	220,924	219,879	214,478	216,927	219,057	213,650	217,793	221,043	219,803	225,756	RL2
Mean loan to income multiple	First-time buyers	3.51	3.52	3.52	3.53	3.50	3.50	3.52	3.49	3.47	3.45	3.49	3.48	3.51	RL1
	Homemovers	3.30	3.29	3.27	3.30	3.29	3.27	3.31	3.28	3.27	3.28	3.27	3.29	3.28	RL2
Repayments as % of income	First-time buyers	17.4	17.6	17.5	17.4	17.4	17.3	17.2	17.3	17.2	16.9	17.1	17.0	16.9	RL1
	Homemovers	17.5	17.6	17.6	17.9	17.7	17.5	17.8	17.8	17.6	17.4	17.4	17.5	17.3	RL2

Homeowner Remortgaging

		Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Source table
Number of remortgages	Equity Withdrawn	15,590	22,350	19,200	17,140	24,170	17,970	16,170	21,660	18,300	16,970	19,110	21,430	16,880	RL5
	Simple refinance (no money withdrawn)	20,020	23,390	18,530	18,140	26,160	21,510	16,880	25,880	18,340	15,150	19,290	19,660	15,230	RL5
Value of remortgages (£mn)	Equity Withdrawn	2,832	4,258	3,544	3,197	4,598	3,205	2,987	4,165	3,342	3,040	3,508	3,934	3,098	RL5
	Simple refinance (no money withdrawn)	3,634	4,251	3,165	3,142	4,589	3,628	2,910	4,608	3,040	2,546	3,325	3,391	2,664	RL5
Mean loan to value	Homeowner remortgage	57.0	58.7	57.2	57.4	58.0	56.7	57.4	58.4	57.0	56.8	57.2	58.3	57.6	RL4
Mean loan size	Homeowner remortgage	181,611	186,047	177,772	179,654	182,518	173,081	178,399	184,500	174,226	173,925	177,882	178,255	179,400	RL4
Mean loan to income multiple	Homeowner remortgage	2.77	2.84	2.76	2.77	2.81	2.73	2.77	2.80	2.74	2.71	2.72	2.78	2.74	RL4
Mean repayments as % of income	Homeowner remortgage	16.7	16.6	16.5	16.6	16.6	16.6	16.5	16.5	16.5	16.5	16.6	16.4	16.3	RL4

Buy-to-let

		Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Source table
Number of new loans	House purchase	5,500	5,500	6,100	5,200	6,200	6,100	5,100	5,400	4,800	5,000	5,100	5,500	5,300	MM17
	Remortgage	12,600	14,800	13,900	12,300	15,700	15,000	12,300	15,600	14,400	13,200	14,400	15,000	12,500	MM17
Value of new lending (£mn)	House purchase	800	800	800	700	800	800	700	700	600	700	700	700	700	MM17
	Remortgage	2,000	2,400	2,300	2,000	2,500	2,400	2,000	2,500	2,300	2,100	2,300	2,400	2,100	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.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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