



# Mortgage Trends Update



Release date: 17 December 2019

## UK Finance: Mortgage Trends Update Oct 2019

### Key data highlights:

- There were 32,260 new first-time buyer mortgages completed in October 2019, 2.8 per cent more than in the same month in 2018. There were 33,370 homemover mortgages completed in October 2019, 4.2 per cent more than in the same month a year earlier.

- There were 18,910 new remortgages with additional borrowing in October 2019, 20.8 per cent fewer than in the same month in 2018. For these remortgages, the average additional amount borrowed in October was £51,000. There were 20,660 new pound-for-pound remortgages (with no additional borrowing) in October 2019, 20 per cent fewer than in October 2018. This drop in activity follows a strong period of growth in September and is in line with our refinancing schedule model.

- There were 6,600 new buy-to-let home purchase mortgages completed in October 2019, 1.5 per cent fewer than this time last year. There were 16,200 remortgages in the buy-to-let sector, 2.4 per cent fewer than the same month in 2018.

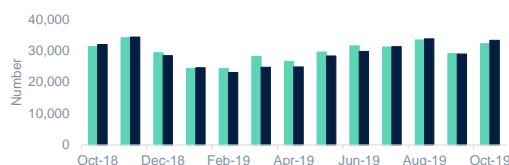
### Notes to Editor

- 1 For more information please call the UK Finance press office on 020 7416 6750 or mail [press@ukfinance.org.uk](mailto:press@ukfinance.org.uk).
- 2 The residential figures dating back to July 2019 and the buy-to-let figures for both home purchase and re-mortgaging dating back to 2017 have been revised due to a re-calibration of total market figures.
- 3 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.
- 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.

## House Purchase

### Number of new loans

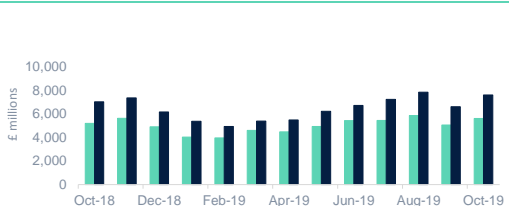
Number of new residential mortgage loans for house purchase, secured by a first charge on the property



	Latest (Oct-2019)	Y-o-Y comparison
First-time buyers	32,260	2.8%
Homemovers	33,370	4.2%

### Value of new lending

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

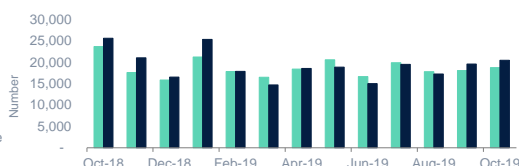


	Latest (Oct-2019)	Y-o-Y comparison
First-time buyers	£5.6bn	8.0%
Homemovers	£7.6bn	8.2%

## Remortgaging

### Number of remortgages

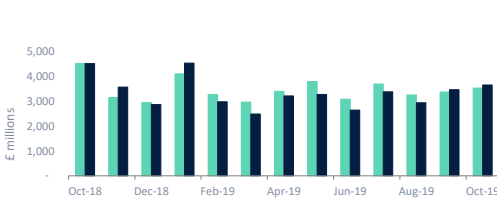
Number of residential loans remortgaged, secured by a first charge on the property, split by remortgages where equity has been withdrawn, and those which are a simple refinance.



	Latest (Oct-2019)	Y-o-Y comparison
Homeowner remortgages with equity withdrawn	18,770	-20.8%
Homeowner remortgages without equity withdrawn (simple refinance)	20,510	-20.0%

### 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.

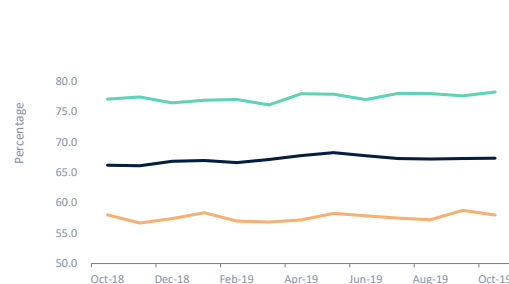


	Latest (Oct-2019)	Y-o-Y comparison
Homeowner remortgages with equity withdrawn	£3.5bn	-22.0%
Homeowner remortgages without equity withdrawn (simple refinance)	£3.6bn	-19.0%

## Residential Affordability

### Loan to value

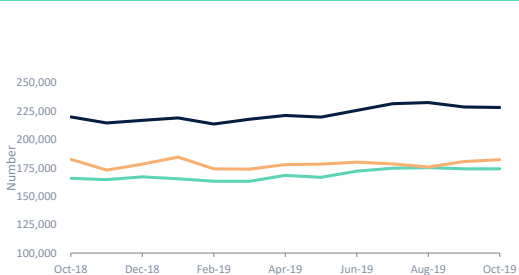
Ratio of loan amount advanced to property value. Year-on-year comparison is the absolute change in the percentage



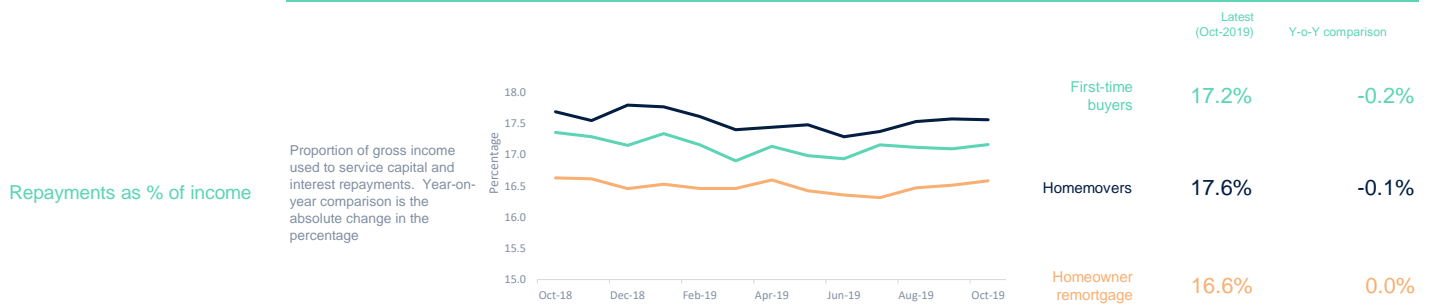
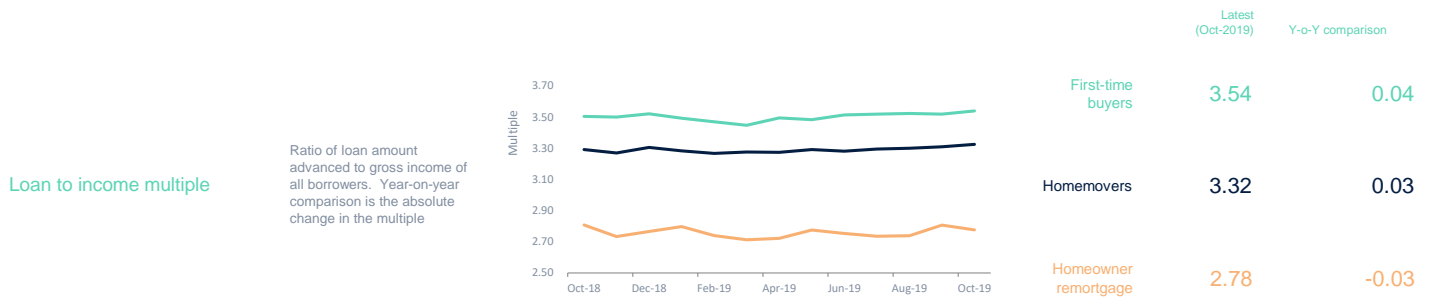
	Latest (Oct-2019)	Y-o-Y comparison
First-time buyers	78.2%	1.2%
Homemovers	67.3%	1.2%
Homeowner remortgage	58.0%	0.0%

### Loan size

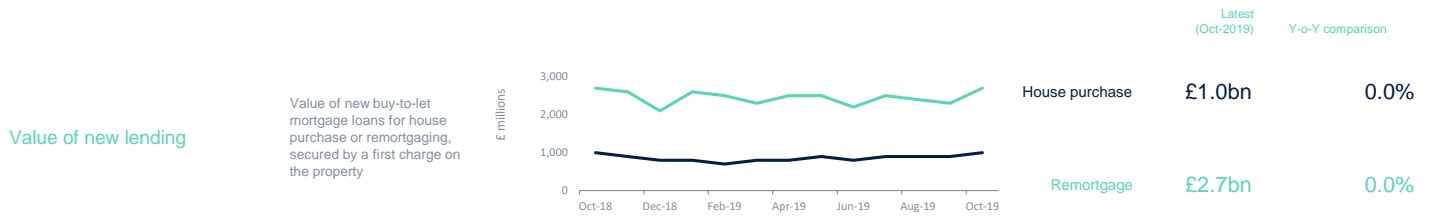
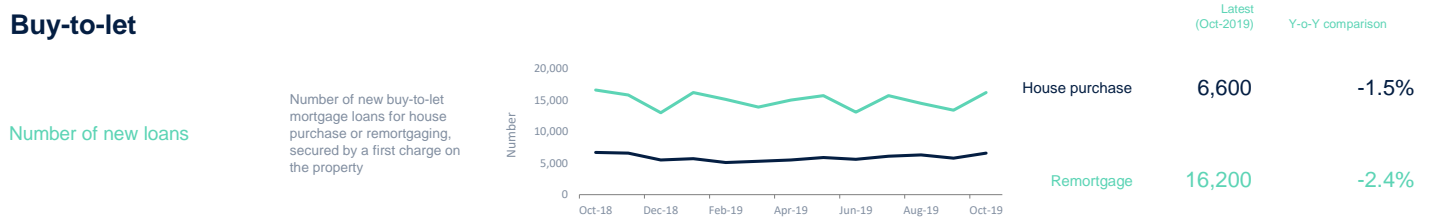
Mean value of loans advanced



	Latest (Oct-2019)	Y-o-Y comparison
First-time buyers	£174,133	5.0%
Homemovers	£228,162	3.8%
Homeowner remortgage	£182,244	-0.2%



## Buy-to-let



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## Homeowner House Purchase

		Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Source table
Number of new loans	First-time buyers	31,370	34,200	29,390	24,430	24,320	28,210	26,640	29,620	31,580	31,230	33,490	29,070	32,260	RL1
	Homemovers	32,010	34,390	28,490	24,610	23,130	24,770	24,850	28,340	29,820	31,320	33,810	28,990	33,370	RL2
Value of new lending (£mn)	First-time buyers	5,203	5,630	4,912	4,040	3,969	4,607	4,489	4,939	5,439	5,460	5,872	5,064	5,619	RL1
	Homemovers	7,041	7,375	6,177	5,393	4,943	5,395	5,494	6,233	6,729	7,246	7,864	6,626	7,616	RL2
Mean loan to value	First-time buyers	77.1	77.4	76.4	76.9	77.0	76.1	77.9	77.9	77.0	78.0	78.0	77.6	78.2	RL1
	Homemovers	66.2	66.1	66.8	66.9	66.6	67.1	67.8	68.2	67.7	67.3	67.2	67.3	67.3	RL2
Mean loan size	First-time buyers	165,851	164,620	167,146	165,427	163,280	163,226	168,481	166,716	172,213	174,805	175,248	174,228	174,133	RL1
	Homemovers	219,903	214,516	216,886	219,057	213,640	217,852	221,108	219,786	225,624	231,464	232,537	228,666	228,162	RL2
Mean loan to income multiple	First-time buyers	3.50	3.50	3.52	3.49	3.47	3.45	3.50	3.48	3.51	3.52	3.52	3.52	3.54	RL1
	Homemovers	3.29	3.27	3.31	3.28	3.27	3.28	3.27	3.29	3.28	3.29	3.30	3.31	3.32	RL2
Repayments as % of income	First-time buyers	17.4	17.3	17.2	17.3	17.2	16.9	17.1	17.0	16.9	17.2	17.1	17.1	17.2	RL1
	Homemovers	17.7	17.6	17.8	17.8	17.6	17.4	17.4	17.5	17.3	17.4	17.5	17.6	17.6	RL2

## Homeowner Remortgaging

		Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Source table
Number of remortgages	Equity Withdrawn	23,690	17,610	15,880	21,240	17,850	16,500	18,430	20,600	16,660	19,930	17,820	18,100	18,770	RL5
	Simple refinance (no money withdrawn)	25,640	21,080	16,570	25,380	17,890	14,730	18,600	18,890	15,030	19,520	17,280	19,610	20,510	RL5
Value of remortgages (£mn)	Equity Withdrawn	4,506	3,141	2,932	4,085	3,260	2,956	3,383	3,782	3,071	3,678	3,242	3,360	3,515	RL5
	Simple refinance (no money withdrawn)	4,498	3,554	2,857	4,518	2,966	2,476	3,206	3,259	2,634	3,365	2,928	3,453	3,642	RL5
Mean loan to value	Homeowner remortgage	58.0	56.7	57.4	58.4	57.0	56.8	57.2	58.3	57.9	57.5	57.2	58.8	58.0	RL4
Mean loan size	Homeowner remortgage	182,532	173,066	178,401	184,499	174,234	173,928	177,907	178,296	180,001	178,485	175,772	180,694	182,244	RL4
Mean loan to income multiple	Homeowner remortgage	2.81	2.73	2.77	2.80	2.74	2.71	2.72	2.78	2.75	2.74	2.74	2.81	2.78	RL4
Mean repayments as % of income	Homeowner remortgage	16.6	16.6	16.5	16.5	16.5	16.5	16.6	16.4	16.4	16.3	16.5	16.5	16.6	RL4

## Buy-to-let

		Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Source table
Number of new loans	House purchase	6,700	6,600	5,500	5,700	5,100	5,300	5,500	5,900	5,600	6,100	6,300	5,800	6,600	MM17
	Remortgage	16,600	15,800	13,000	16,200	15,100	13,900	15,000	15,700	13,100	15,700	14,500	13,400	16,200	MM17
Value of new lending (£mn)	House purchase	1,000	900	800	800	700	800	800	900	800	900	900	900	1,000	MM17
	Remortgage	2,700	2,600	2,100	2,600	2,500	2,300	2,500	2,500	2,200	2,500	2,400	2,300	2,700	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](http://www.ukfinance.org.uk/industry-data-tables).  
For information or enquiries, please contact [ukfstatistics@ukfinance.org.uk](mailto:ukfstatistics@ukfinance.org.uk)

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