



Mortgage Trends Update



Release date: 15 October 2019

UK Finance: Mortgage Trends Update August 2019

Key data highlights:

There were 35,010 new first-time buyer mortgages completed in August 2019, 0.7 per cent more than in the same month in 2018. This is the highest monthly total since August 2007 when there were 35,070 new first-time buyer mortgages. There were 35,380 homemover mortgages completed in August 2019, 5.5 per cent fewer than in the same month a year earlier.

There were 18,640 new remortgages with additional borrowing in August 2019, 2.9 per cent fewer than in the same month in 2018. For these remortgages, the average additional amount borrowed in August was £55,000. There were 18,100 new pound-for-pound remortgages (with no additional borrowing) in August 2019, 2.3 per cent fewer than in the same month a year earlier.

There were 5,900 new buy-to-let home purchase mortgages completed in August 2019, 3.3 per cent fewer than the same month a year earlier. There were 13,800 remortgages in the buy-to-let sector, 0.7 per cent fewer 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 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>

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.

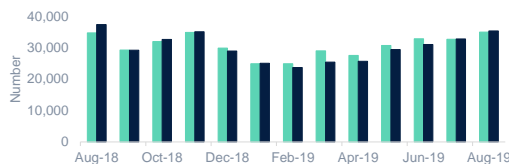
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House Purchase

Number of new loans

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



First-time buyers

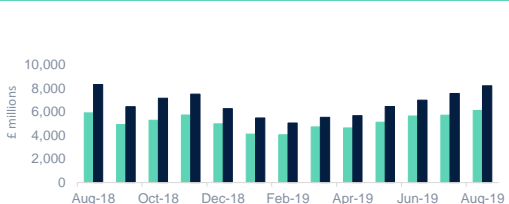
Latest (Aug-2019) Y-o-Y comparison
35,010 0.7%

Homemovers

35,380 -5.5%

Value of new lending

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



First-time buyers

Latest (Aug-2019) Y-o-Y comparison
£6.1bn 3.6%

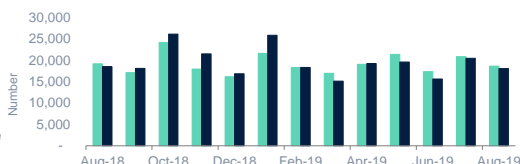
Homemovers

£8.2bn -1.3%

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.



Homeowner remortgages with equity withdrawn

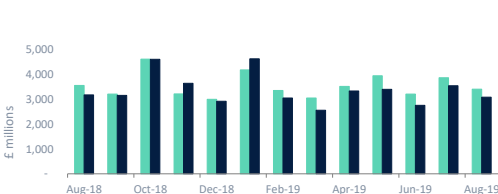
Latest (Aug-2019) Y-o-Y comparison
18,640 -2.9%

Homeowner remortgages without equity withdrawn (simple refinance)

18,100 -2.3%

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.



Homeowner remortgages with equity withdrawn

Latest (Aug-2019) Y-o-Y comparison
£3.4bn -4.2%

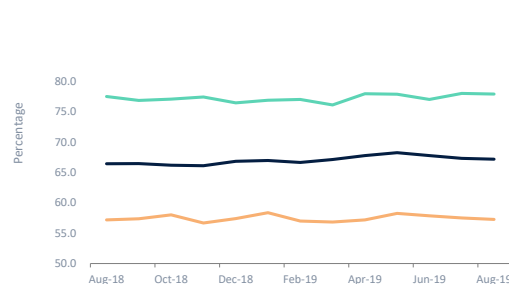
Homeowner remortgages without equity withdrawn (simple refinance)

£3.1bn -3.0%

Residential Affordability

Loan to value

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



First-time buyers

Latest (Aug-2019) Y-o-Y comparison
77.9% 0.4%

Homemovers

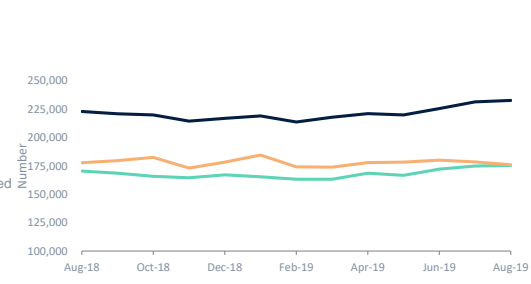
67.2% 0.8%

Homeowner remortgage

57.3% 0.1%

Loan size

Mean value of loans advanced



First-time buyers

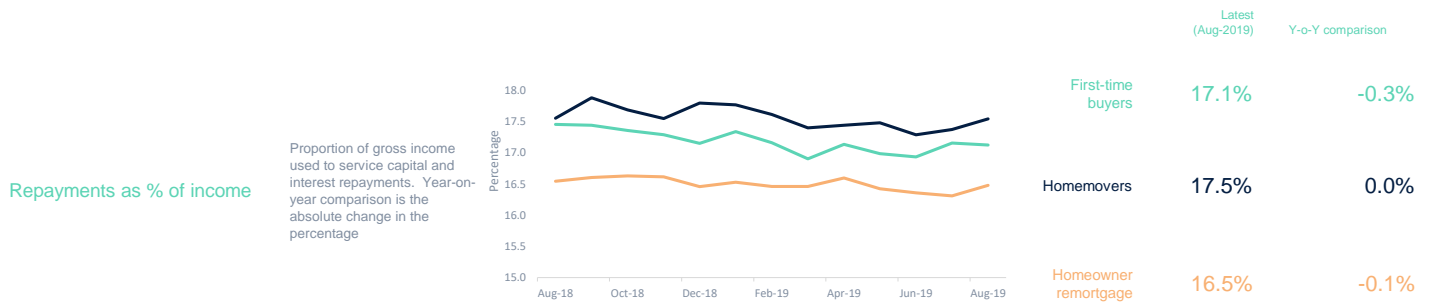
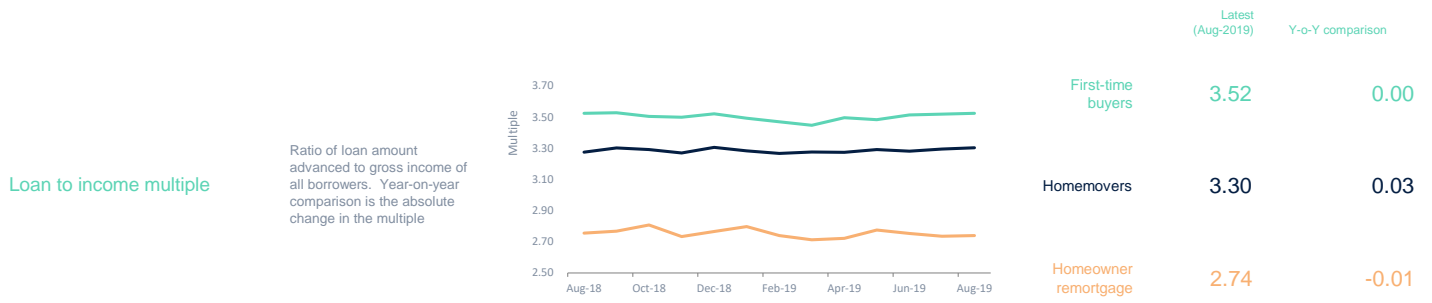
Latest (Aug-2019) Y-o-Y comparison
£175,361 2.9%

Homemovers

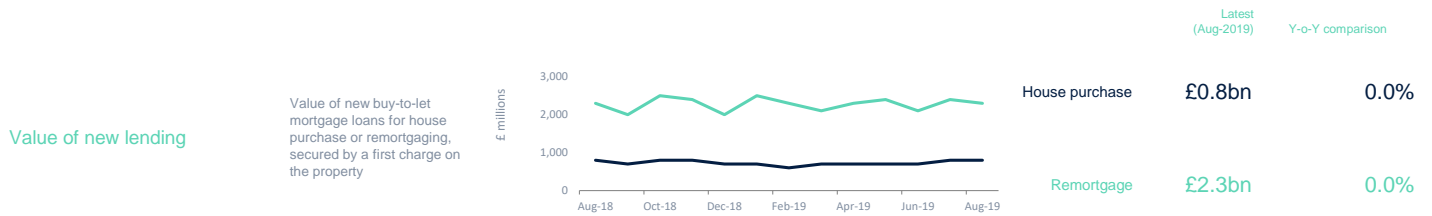
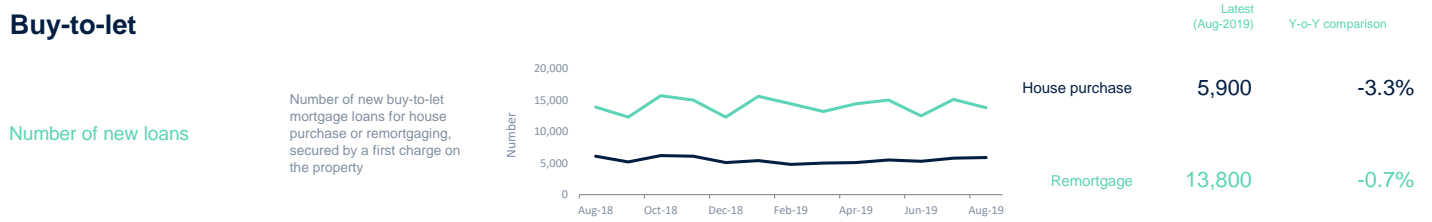
£232,653 4.4%

Homeowner remortgage

£175,974 -1.0%



Buy-to-let



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Homeowner House Purchase

		Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Source table
Number of new loans	First-time buyers	34,760	29,310	32,020	34,900	29,930	24,910	24,910	29,020	27,590	30,760	32,870	32,710	35,010	RL1
	Homemovers	37,420	29,230	32,670	35,110	29,010	25,090	23,710	25,470	25,730	29,440	31,050	32,820	35,380	RL2
Value of new lending (£mn)	First-time buyers	5,924	4,944	5,309	5,746	5,003	4,120	4,069	4,737	4,648	5,130	5,661	5,727	6,140	RL1
	Homemovers	8,339	6,456	7,184	7,527	6,292	5,499	5,068	5,548	5,689	6,474	7,005	7,586	8,234	RL2
Mean loan to value	First-time buyers	77.5	76.8	77.1	77.4	76.4	76.9	77.0	76.1	77.9	77.9	77.0	78.0	77.9	RL1
	Homemovers	66.4	66.4	66.2	66.1	66.8	66.9	66.6	67.1	67.8	68.2	67.7	67.3	67.2	RL2
Mean loan size	First-time buyers	170,424	168,615	165,843	164,594	167,130	165,423	163,286	163,244	168,505	166,708	172,171	174,919	175,361	RL1
	Homemovers	222,910	220,924	219,879	214,478	216,927	219,057	213,651	217,809	221,045	219,819	225,538	231,340	232,653	RL2
Mean loan to income multiple	First-time buyers	3.52	3.53	3.50	3.50	3.52	3.49	3.47	3.45	3.50	3.48	3.51	3.52	3.52	RL1
	Homemovers	3.27	3.30	3.29	3.27	3.31	3.28	3.27	3.28	3.27	3.29	3.28	3.29	3.30	RL2
Repayments as % of income	First-time buyers	17.5	17.4	17.4	17.3	17.2	17.3	17.2	16.9	17.1	17.0	16.9	17.2	17.1	RL1
	Homemovers	17.6	17.9	17.7	17.5	17.8	17.8	17.6	17.4	17.4	17.5	17.3	17.4	17.5	RL2

Homeowner Remortgaging

		Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Source table
Number of remortgages	Equity Withdrawn	19,200	17,140	24,170	17,970	16,170	21,660	18,300	16,970	19,090	21,400	17,350	20,880	18,640	RL5
	Simple refinace (no money withdrawn)	18,530	18,140	26,160	21,510	16,880	25,880	18,340	15,150	19,260	19,620	15,650	20,490	18,100	RL5
Value of remortgages (£mn)	Equity Withdrawn	3,544	3,197	4,598	3,205	2,987	4,165	3,342	3,040	3,503	3,928	3,197	3,851	3,394	RL5
	Simple refinace (no money withdrawn)	3,165	3,142	4,589	3,628	2,910	4,608	3,041	2,546	3,320	3,384	2,742	3,533	3,070	RL5
Mean loan to value	Homeowner remortgage	57.2	57.4	58.0	56.7	57.4	58.4	57.0	56.8	57.2	58.3	57.9	57.5	57.3	RL4
Mean loan size	Homeowner remortgage	177,772	179,654	182,518	173,081	178,399	184,500	174,217	173,925	177,915	178,285	179,996	178,488	175,974	RL4
Mean loan to income multiple	Homeowner remortgage	2.76	2.77	2.81	2.73	2.77	2.80	2.74	2.71	2.72	2.77	2.75	2.74	2.74	RL4
Mean repayments as % of income	Homeowner remortgage	16.5	16.6	16.6	16.6	16.5	16.5	16.5	16.5	16.6	16.4	16.4	16.3	16.5	RL4

Buy-to-let

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