



Mortgage Trends Update



Release date: 16 May 2019

UK Finance: Mortgage Trends Update March 2019

Key data highlights:

There were 28,800 new first-time buyer mortgages completed in March 2019, 2.4 per cent fewer than in the same month in 2018. This is the first year-on-year decrease in first-time buyers since September 2018. There were 25,280 homemover mortgages completed in the month, six per cent fewer year-on-year.

There were 16,810 new remortgages with additional borrowing in March 2019, 9.1 per cent more than in the same month in 2018. For these remortgages, the average amount taken out in March was £55,700. Additionally, 15,030 were simple pound-for-pound remortgages (with no additional borrowing), 1.1 per cent fewer than in March 2018. In total, there were 4.1 per cent more residential remortgages in March 2019 than in the same month a year earlier. This is the twelfth consecutive month of year-on-year growth in remortgaging, as a number of fixed-rate deals come to an end and borrowers continue to lock into attractive rates.

There were 5,000 new buy-to-let home purchase mortgages completed in March 2019, 9.1 per cent fewer than in the same month in 2018. There were 14,400 remortgages in the buy-to-let sector, 3.9 per cent more than in the same period last year. While buy-to-let house purchase activity continues to contract due to tax and regulatory changes, buy-to-let remortgaging has increased year-on-year for the second month in a row.

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 With effect from February 2019, we have made material changes to our mortgage trends release. You can find more information on these changes in the accompanying FAQs and blog published on the UK Finance website.
- 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.

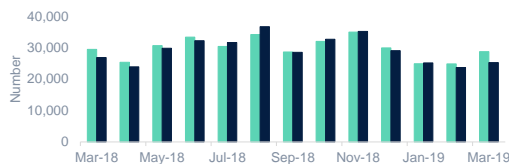
Next update:

13 June 2019

House Purchase

Number of new loans

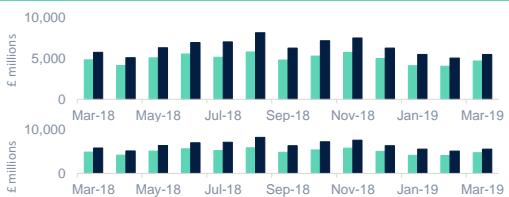
Number of new residential mortgage loans for house purchase, secured by a first charge on the property



	Latest (Mar-2019)	Y-o-Y comparison
First-time buyers	28,800	-2.4%
Homemovers	25,280	-6.0%

Value of new lending

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



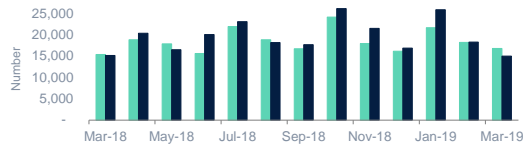
	Latest (Mar-2019)	Y-o-Y comparison
First-time buyers	£4.7bn	-2.8%
Homemovers	£5.5bn	-4.7%

30,000

Remortgaging

Number of remortgages

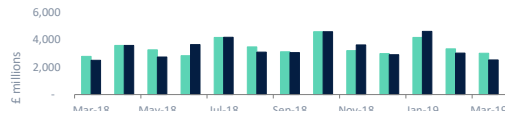
Number of residential loans remortgaged, secured by a first charge on the property, split by remortgages where equity has been withdrawn, and those which are a simple refinance.



	Latest (Mar-2019)	Y-o-Y comparison
Homeowner remortgages with equity withdrawn	16,810	9.1%
Homeowner remortgages without equity withdrawn (simple refinance)	15,030	-1.1%

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.

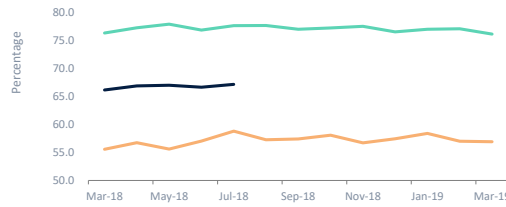


	Latest (Mar-2019)	Y-o-Y comparison
Homeowner remortgages with equity withdrawn	£3.0bn	7.9%
Homeowner remortgages without equity withdrawn (simple refinance)	£2.5bn	0.5%

Residential Affordability

Loan to value

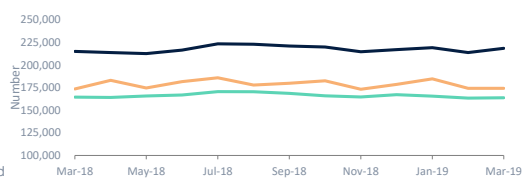
Ratio of loan amount advanced to property value. Year-on-year comparison is the absolute change in the percentage.



	Latest (Mar-2019)	Y-o-Y comparison
First-time buyers	76.1%	-0.2%
Homeowners	67.1%	0.8%
Homeowner remortgage	56.9%	1.3%

Loan size

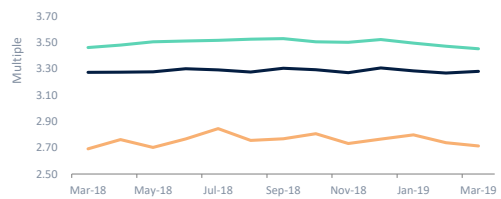
Mean value of loans advanced



	Latest (Mar-2019)	Y-o-Y comparison
First-time buyers	£163,662	-0.5%
Homeowners	£218,225	1.6%
Homeowner remortgage	£174,055	0.4%

Loan to income multiple

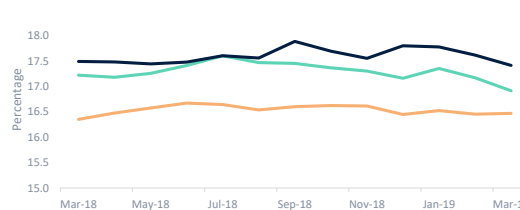
Ratio of loan amount advanced to gross income of all borrowers. Year-on-year comparison is the absolute change in the multiple.



	Latest (Mar-2019)	Y-o-Y comparison
First-time buyers	3.45	-0.01
Homeowners	3.28	0.01
Homeowner remortgage	2.71	0.02

Repayments as % of income

Proportion of gross income used to service capital and interest repayments. Year-on-year comparison is the absolute change in the percentage.

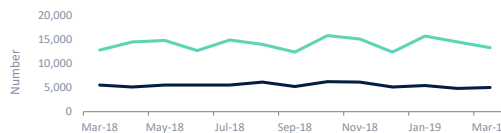


	Latest (Mar-2019)	Y-o-Y comparison
First-time buyers	16.9%	-0.3%
Homeowners	17.4%	-0.1%
Homeowner remortgage	16.5%	0.1%

Buy-to-let

Number of new loans

Number of new buy-to-let mortgage loans for house purchase or remortgaging



	Latest (Mar-2019)	Y-o-Y comparison
House purchase	5,000	-9.1%

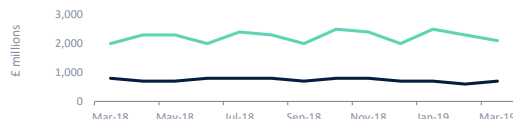
NUMBER OF NEW LOANS

percentage of remortgaging, secured by a first charge on the property

Remortgage 13,200 3.9%

Value of new lending

Value of new buy-to-let mortgage loans for house purchase or remortgaging, secured by a first charge on the property



Latest (Mar-2019) Y-o-Y comparison

House purchase £0.7bn -12.5%

Remortgage £2.1bn 5.0%

Next update: 13 June 2019

Homeowner House Purchase

		Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Source table
Number of new loans	First-time buyers	29,510	25,370	30,710	33,430	30,420	34,220	28,660	32,070	35,020	29,980	24,940	24,880	28,800	RL1
	Homemovers	26,900	23,920	29,870	32,270	31,680	36,750	28,550	32,750	35,210	29,090	25,200	23,740	25,280	RL2
Value of new lending (£mn)	First-time buyers	4,852	4,162	5,090	5,579	5,186	5,829	4,833	5,322	5,763	5,011	4,128	4,064	4,715	RL1
	Homemovers	5,784	5,113	6,344	6,980	7,074	8,191	6,309	7,202	7,551	6,308	5,520	5,070	5,515	RL2
Mean loan to value	First-time buyers	76.3	77.2	77.9	76.8	77.6	77.6	77.0	77.2	77.5	76.5	76.9	77.0	76.1	RL1
	First-time buyers	164,414	163,961	165,695	166,804	170,480	170,351	168,532	165,846	66.1	66.8	67.0	66.6	67.1	RL2
Mean loan size	First-time buyers	164,414	163,961	165,695	166,804	170,480	170,351	168,532	165,846	164,657	167,160	165,481	163,308	163,662	RL1
	Homemovers	214,883	213,699	212,469	216,382	223,248	222,823	220,862	219,785	214,485	216,854	219,115	213,697	218,225	RL2
Mean loan to income multiple	First-time buyers	3.46	3.48	3.50	3.51	3.52	3.52	3.53	3.50	3.50	3.52	3.49	3.47	3.45	RL1
	Homemovers	3.27	3.27	3.28	3.30	3.29	3.28	3.30	3.29	3.27	3.31	3.28	3.27	3.28	RL2
Repayments as % of income	First-time buyers	17.2	17.2	17.3	17.4	17.6	17.5	17.4	17.4	17.3	17.2	17.3	17.2	16.9	RL1
	Homemovers	17.5	17.5	17.4	17.5	17.6	17.6	17.9	17.7	17.5	17.8	17.8	17.6	17.4	RL2

Homeowner Remortgaging

		Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Source table
Number of remortgages	Equity Withdrawn	15,410	18,860	17,900	15,640	21,950	18,850	16,740	24,170	17,990	16,190	21,700	18,260	16,810	RL5
	Simple refinance (no money withdrawn)	15,190	20,400	16,530	20,100	23,090	18,190	17,690	26,190	21,540	16,900	25,920	18,310	15,030	RL5
Value of remortgages (£mn)	Equity Withdrawn	2,795	3,593	3,271	2,841	4,178	3,479	3,123	4,596	3,212	2,991	4,174	3,336	3,017	RL5
	Simple refinance (no money withdrawn)	2,512	3,587	2,739	3,648	4,189	3,104	3,064	4,594	3,631	2,914	4,615	3,034	2,524	RL5
Mean loan to value	Homeowner remortgage	55.6	56.7	55.6	57.0	58.8	57.3	57.4	58.1	56.7	57.4	58.4	57.0	56.9	RL4
Mean loan size	Homeowner remortgage	173,407	182,897	174,592	181,554	185,757	177,778	179,734	182,507	173,087	178,400	184,547	174,182	174,055	RL4
Mean loan to income multiple	Homeowner remortgage	2.69	2.76	2.70	2.77	2.84	2.76	2.77	2.81	2.73	2.76	2.80	2.74	2.71	RL4
Mean repayments as % of income	Homeowner remortgage	16.3	16.5	16.6	16.7	16.6	16.5	16.6	16.6	16.6	16.4	16.5	16.5	16.5	RL4

Buy-to-let

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

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

Next update: 13 June 2019