UK Finance

Later life mortgage lending update

Release Date:27/02/26

UK Finance Later Life Lending Update Q4 2025

- There were 41,100 new loans advanced to older borrowers in Q4, up 15.1 per cent year on year. The value of this lending was £6.8bn, which was up 20.5 per cent compared with the same quarter a year previously.
- There were 5,700 new lifetime mortgages advanced in Q4, unchanged from the same quarter a year earlier and down 5.6 per cent compared to Q3. The value of this lending was £510mn.
- There were 388 retirement interest only mortgages advanced in Q4, up 13.1 per cent year on year. The value of this lending was £36mn, which was up 2.9 per cent per cent compared with the same quarter a year previously.
- Residential Later Life loans in Q4 represent 8.02 per cent of all residential loans. BTL Later Life loans in Q4 represent 21.4 per cent of all BTL loans.

Next release date: 28th May 2026

Notes to Editor

1 For more information on this update please contact ukfstatistics@ukfinance.org.uk

2 Representing 300 firms, we're a centre of trust, expertise and collaboration at the heart of financial services. Championing a thriving sector and building a better society.

3 A RIO (Retirement Interest Only) mortgage is an Interest Only mortgage that allows borrowers to pay just the monthly amounts of interest throughout the term until either the death of the last remaining borrower or when the last remaining borrower moves into long-term care. When one of these events occurs the mortgage ends and the amount outstanding must be repaid in full.

4 Lifetime Mortgages - The key difference with this product compared to a standard mortgage or a RIO is that monthly payments are not required. The mortgage is repayable upon death of the last remaining borrower or when the last remaining borrower moves into long term care. Where no monthly payments are made, the interest accrues over the lifetime of the mortgage, meaning the amount borrowers owe at the end of the mortgage will be more than the amount they borrowed. However, many lenders will allow borrowers to make full or partial interest payments either on a monthly or ad-hoc basis.

5 The term older borrowers is defined as the main borrowers being above 55 years old

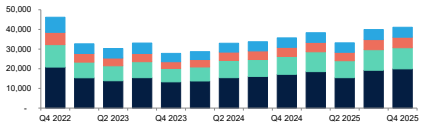
UK Finance

Later life mortgage lending update

Later life lending

Volume of new lending to older borrowers

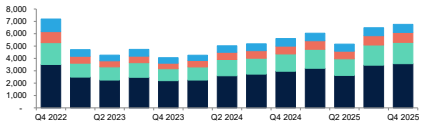
Number of new mortgage loans secured by a first charge on the property where the main borrower is over 55 years old advanced in period.



Age of borrower	Latest (Q4 2025)	YoY Change
>55 - <60	19,960	16.25%
>=60 -<65	10,750	18.26%
>=65 - <70	5,330	14.87%
>=70	5,060	5.20%

Value of new lending to older borrowers (£m)

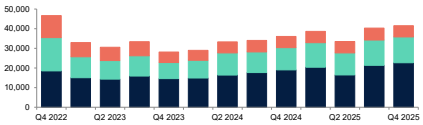
Value of new mortgage loans secured by a first charge on the property where the main borrower is over 55 years old advanced in period.



Age of borrower	Latest (Q4 2025)	YoY Change
>55 - <60	£3,580mn	20.54%
>=60 -<65	£1,720mn	23.74%
>=65 - <70	£810mn	26.56%
>=70	£650mn	6.56%

Volume of Later Life loans split by borrower type

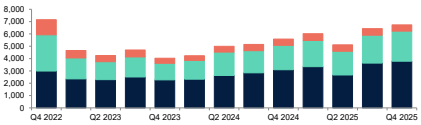
Volume of Later Life loans split by borrower type where the main borrower is over 55 years old advanced in period.



Borrower type	Latest (Q4 2025)	YoY Change
Residential (House purchase, Remortgage, RIO)	22,658	19.23%
BTL (House purchase, Remortgage)	13,130	15.68%
Lifetime	5,700	0.00%

Value of Later Life loans split by borrower type (£m)

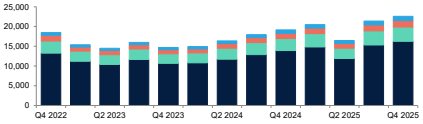
Value of Later Life loans split by borrower type where the main borrower is over 55 years old advanced in period.



Borrower type	Latest (Q4 2025)	YoY Change
Residential (House purchase, Remortgage, RIO)	£3,786mn	22.33%
BTL (House purchase, Remortgage)	£2,440mn	23.23%
Lifetime	£510mn	0.00%

Volume of residential loans by employment type

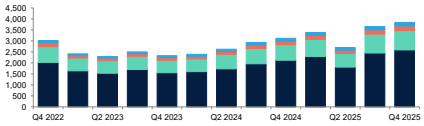
Volume of residential loans (house purchase, remortgage, and RIO) split by employment type where the main borrower is over 55 years old advanced in period.



Borrower employment type	Latest (Q4 2025)	YoY Change
Employed	16,270	16.88%
Self-employed	3,600	17.26%
Retired	1,620	25.58%
Other	1,090	26.74%

Value of residential loans by employment type (£m)

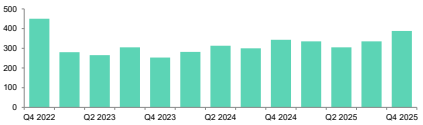
Value of residential loans (house purchase, remortgage, and RIO) split by employment type where the main borrower is over 55 years old advanced in period.



Borrower employment type	Latest (Q4 2025)	YoY Change
Employed	£2,590mn	22.17%
Self-employed	£880mn	23.94%
Retired	£210mn	31.25%
Other	£160mn	23.08%

Volume of RIO loans

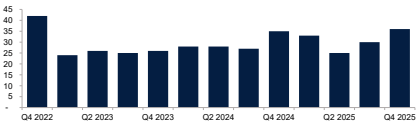
Volume of retirement interest only loans where the main borrower is over 55 years old advanced in period.



	Latest (Q4 2025)	YoY Change
Volume	388	13.12%

Value of RIO loans (£m)

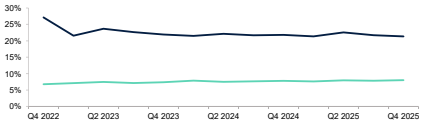
Value of retirement interest only loans where the main borrower is over 55 years old advanced in period.



	Latest (Q4 2025)	YoY Change
Value	£36mn	2.86%

Later Life Residential and BTL loans as a % of total

Later Life Residential and BTL loans as a % of their respective total loans advanced in period.



	Latest (Q4 2025)	YoY Absolute Change
Residential later life	8.02%	0.22
BTL	21.35%	-0.46

For more information contact ukfstatistics@ukfinance.org.uk