

Mortgage Arrears and Possessions



Release date: 08 February 2018

Q4 2017 STATISTICS SHOW CONTINUING DECLINE IN MORTGAGE ARREARS AND POSSESSIONS

- There were 82,800 homeowner mortgages in arrears of 2.5 per cent or more of the outstanding balance in the fourth quarter of 2017, 7 per cent fewer than in the same quarter of the previous year.
- Within the total, there were 24,700 homeowner mortgages with more significant arrears (representing 10 per cent or more of the outstanding balance). This was 1 per cent fewer than in the same quarter of the previous year.
- There were 5,100 buy-to-let mortgages in arrears of 2.5 per cent or more of the outstanding balance in the fourth quarter of 2017, 2 per cent greater than in the same quarter of the previous year.
- Within the total, there were 1,200 buy-to-let mortgages with more significant arrears (representing 10 per cent or more of the outstanding balance). This was 20 per cent greater than in the same quarter of the previous year.
- 1,100 homeowner mortgaged properties were taken into possession in the fourth quarter of 2017, 8 per cent fewer than in the same quarter of the previous year.
- 600 buy-to-let mortgaged properties were taken into possession in the fourth quarter of 2017, unchanged from the same quarter of the previous year.

Commenting on the data, **Paul Smee, Head of Mortgages at UK Finance** said:

“Annual homeowner possessions currently stand at a 36 year low, with overall arrears and possessions continuing to decline. This reflects the mortgage industry’s continued commitment to appropriate and prudent lending.”

“All potential borrowers are carefully assessed against their ability to pay back their loans, and lenders work closely with their customers to ensure that any payment issues are dealt with at an early stage. Anyone experiencing difficulty with their mortgage should contact their provider immediately.”

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 a new trade association which was formed on 1 July 2017 to represent the finance and banking industry operating in the UK. It represents around 300 firms in the UK providing credit, banking, markets and payment-related services. The new organisation brings together most of the activities previously carried out by the Asset Based Finance Association, the British Bankers’ Association, the Council of Mortgage Lenders, Financial Fraud Action UK, Payments UK and the UK Cards Association.
- 3 The data shown are for first charge mortgages only. Figures are reported by most UK Finance mortgage members and presented here on a grossed-up basis from that sample to reflect total market size.
- 4 Arrears and possessions figures are for the UK as a whole. There is no breakdown of data for English regions or for individual countries in the UK.

Next update:

10 May 2018

Mortgage Arrears and Possessions

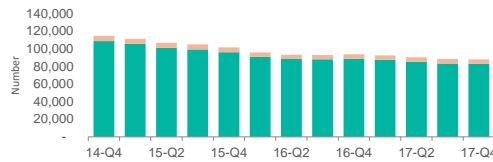


Release date: 08 February 2018

Mortgage Arrears

Number of mortgages in arrears

Number of first charge mortgage loans in arrears representing over 2.5% of the outstanding balance



Homeowners

Latest (17-Q4)
82,800

Y-o-Y comparison

-7%

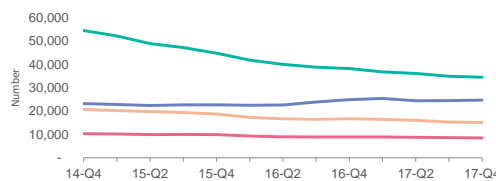
Buy-to-let

5,100

2%

Number of homeowner mortgages within arrears bands

Number of first charge homeowner mortgage loans in arrears, split by severity of arrears.



Arrears of 2.5%-5% of balance

Latest (17-Q4)
34,500

Y-o-Y comparison

-10%

Arrears of 5%-7.5% of balance

15,100

-10%

Arrears of 7.5%-10% of balance

8,500

-4%

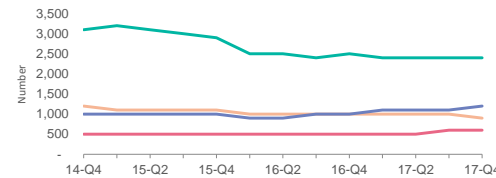
Arrears over 10% of balance

24,700

-1%

Number of buy-to-let mortgages within arrears bands

Number of first charge buy-to-let mortgage loans in arrears, split by severity of arrears.



Arrears of 2.5%-5% of balance

Latest (17-Q4)
2,400

Y-o-Y comparison

-4%

Arrears of 5%-7.5% of balance

900

-10%

Arrears of 7.5%-10% of balance

600

20%

Arrears over 10% of balance

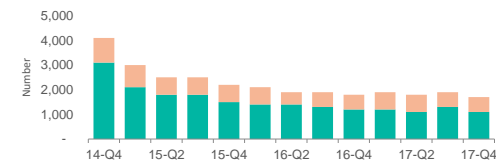
1,200

20%

Mortgage Possessions

Number of mortgage possessions

Number of possessions of first charge mortgaged properties in period



Homeowners

Latest (17-Q4)
1,100

Y-o-Y comparison

-8%

Buy-to-let

600

0%

Next update:

10 May 2018

Mortgage Arrears and Possessions



Release date: 08 February 2018

Mortgages outstanding (000s)		14-Q4	15-Q1	15-Q2	15-Q3	15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	Source table
Number of mortgages outstanding (000s)	Homeowners	9,490	9,420	9,410	9,370	9,330	9,290	9,240	9,230	9,210	9,210	9,160	9,160	9,140	AP2
	Buy-to-let	1,650	1,700	1,700	1,740	1,780	1,830	1,840	1,850	1,860	1,860	1,870	1,880	1,890	AP2
Mortgages in arrears (number)		14-Q4	15-Q1	15-Q2	15-Q3	15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	Source table
Arrears of 2.5%-5% of balance	Homeowners	54,500	52,200	48,900	47,200	44,800	41,800	40,000	38,800	38,200	36,800	36,100	34,900	34,500	AP2
	Buy-to-let	3,100	3,200	3,100	3,000	2,900	2,500	2,500	2,400	2,500	2,400	2,400	2,400	2,400	AP2
Arrears of 5%-7.5% of balance	Homeowners	20,700	20,200	19,800	19,400	18,700	17,300	16,700	16,400	16,700	16,400	16,000	15,300	15,100	AP2
	Buy-to-let	1,200	1,100	1,100	1,100	1,100	1,000	1,000	1,000	1,000	1,000	1,000	1,000	900	AP2
Arrears of 7.5%-10% of balance	Homeowners	10,300	10,200	9,900	10,000	9,900	9,300	9,000	8,900	8,900	8,900	8,800	8,600	8,500	AP2
	Buy-to-let	500	500	500	500	500	500	500	500	500	500	500	600	600	AP2
Arrears over 10% of balance	Homeowners	23,200	22,800	22,400	22,700	22,700	22,500	22,600	23,900	24,900	25,400	24,400	24,500	24,700	AP2
	Buy-to-let	1,000	1,000	1,000	1,000	1,000	900	900	1,000	1,000	1,100	1,100	1,100	1,200	AP2
All arrears of over 2.5% of balance	Homeowners	108,700	105,400	101,000	99,300	96,100	90,900	88,300	88,000	88,700	87,500	85,300	83,300	82,800	AP2
	Buy-to-let	5,800	5,800	5,700	5,600	5,500	4,900	4,900	4,900	5,000	5,000	5,000	5,100	5,100	AP2
Mortgages in arrears (% of mortgages outstanding)		14-Q4	15-Q1	15-Q2	15-Q3	15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	Source table
Arrears of 2.5%-5% of balance	Homeowners	0.57%	0.55%	0.52%	0.50%	0.48%	0.45%	0.43%	0.42%	0.41%	0.40%	0.39%	0.38%	0.38%	AP2
	Buy-to-let	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	0.03%	AP2
Arrears of 5%-7.5% of balance	Homeowners	0.22%	0.21%	0.21%	0.21%	0.20%	0.19%	0.18%	0.18%	0.18%	0.18%	0.17%	0.17%	0.17%	AP2
	Buy-to-let	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	AP2
Arrears of 7.5%-10% of balance	Homeowners	0.11%	0.11%	0.11%	0.11%	0.11%	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%	0.09%	0.09%	AP2
	Buy-to-let	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	AP2
Arrears over 10% of balance	Homeowners	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.24%	0.26%	0.27%	0.28%	0.27%	0.27%	0.27%	AP2
	Buy-to-let	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	AP2
All arrears of over 2.5% of balance	Homeowners	1.15%	1.12%	1.07%	1.06%	1.03%	0.98%	0.96%	0.95%	0.96%	0.95%	0.93%	0.91%	0.91%	AP2
	Buy-to-let	0.06%	0.06%	0.06%	0.06%	0.06%	0.05%	0.05%	0.05%	0.05%	0.05%	0.05%	0.06%	0.06%	AP2
Mortgage possessions (number)		14-Q4	15-Q1	15-Q2	15-Q3	15-Q4	16-Q1	16-Q2	16-Q3	16-Q4	17-Q1	17-Q2	17-Q3	17-Q4	Source table
Homeowners	Homeowners	3,100	2,100	1,800	1,800	1,500	1,400	1,400	1,300	1,200	1,200	1,100	1,300	1,100	AP4
	Buy-to-let	1,000	900	700	700	700	700	500	600	600	700	700	600	600	AP4

UK Finance publishes aggregate information on mortgages based on data supplied by our members, and grossed up to estimate total market size.

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 ukstatistics@ukfinance.org.uk

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

Next update: 10 May 2018