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Statistical release

8 December 2015

Bank of England / FCA Mortgage Lenders and Administrators statistics published

The Bank of England and Financial Conduct Authority (FCA) today published the latest Mortgage Lenders and Administrators Statistics for the United Kingdom covering the period Q3 2015.

Key statistics for Q3 2015 are as follows:

- The overall value of the residential loan amounts outstanding in Q3 2015 was £1,281.9 billion, an increase of 0.8% compared with Q2 2015 and an increase of 2.1% over the past four quarters.
- Gross advances of £62.1 billion were recorded in Q3 2015, 18.2% higher than in Q2 2015 and 11.1% higher than Q3 2014.
- New commitments increased from £59.3 billion in Q2 2015 to £64.2 billion in Q3 2015. Moreover, this was an increase of 19.8% compared to Q3 2014.
- The proportion of gross advances at fixed interest rates increased from 78.9% in Q2 2015 to 80.7% in Q3 2015.
- The overall average interest rate on gross advances decreased by 7 basis points in Q3 2015 to 2.76%, the lowest rate since the series began in 2007.
- The value of residential loans advanced to first time buyers increased over the quarter to £12.7 billion from £10.9 billion. The Q3 2014 outturn by comparison was £12.1 billion.
- There was an increase in value terms in buy-to-let lending over the past year - from £8.0 billion advanced in Q3 2014 to £9.7 billion in Q3 2015.
- The proportion of gross advances at a loan-to-value (LTV) of over 90% decreased by 0.7 percentage points over the quarter to 2.8% in Q3 2015.
- The proportion of gross advances to borrowers with a single income multiple of more than 4.00x increased by 1.0 percentage points to 10.3% in Q3 2015.
- The proportion of gross advances that are a combination of an LTV over 90% and loan-to-income multiple of over 3.5x for single income borrowers (or 2.75x for joint income borrowers) decreased over the quarter by 0.4 percentage points to 2.0%.
- The number of new arrears cases in Q3 2015 was 20,335. This was 2.2% lower than in Q2 2015 and was the lowest level since the series began in 2007.

- The performance of loans in arrears – payments received as a percentage of payments due – decreased from 61.6% in Q2 2015 to 61.1% in Q3 2015.
- New cases taken into possession totalled 2,881 in Q3 2015, an increase of 7.7% from Q2 2015 and a first increase since Q1 2014. The stock of possession cases remaining unsold also decreased to 5,012 in Q3 2015, the lowest since the series began in 2007.

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Notes to Editors

1. These data are compiled from supervisory data collected through the **Mortgage Lenders & Administrators Return** (MLAR) provided by regulated firms. It covers information on residential mortgage lending and some non-regulated business, i.e. buy-to-let and second charge mortgages. This information is published quarterly.
2. The definition within these data of a reportable arrears case covers loans where the amount of actual arrears is 1.5% or more of the borrower's current loan balance. For example, if the loan balance is £100,000 and arrears on the loan amount to £1,500 or more, then it is a reportable arrears case for MLAR purposes.
3. The definition of a possession within these data refers to an arrears case where the lender, having formally been granted a Possession Order by a Court, is then able to sell the underlying property (against which the loan is secured) and use the proceeds to reduce or pay-off the mortgage debt. Our figures relate to individual loan accounts in possession.
4. In terms of 'loan accounts in possession', this number does not represent the number of borrowers that have been subject to possession. It represents the number of individual loan accounts in possession, and covers possessions arising on first charge loans, second and subsequent charge loans (where the borrower takes an extra loan from another lender).
5. No breakdown is available for these statistics on a regional or local authority basis.
6. Further detailed definitions are available in the Technical Notes at the end of the published **Statistical release** and the additional **Explanatory Notes** published by the Bank.

If you have any questions, please contact the Bank of England Press Office on 020 7601 4411 or the FCA Press Office on 020 7066 3232.