



Statistical release

9 June 2015

PRA / 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 Q1 2015.

Key statistics for Q1 2015 are as follows:

- The overall value of the residential loan amounts outstanding was £1,261 billion in Q1 2015, an increase of 0.1% compared with Q4 2014 and an increase of 1.5% over the past four quarters.
- Gross advances of £45.6 billion were recorded in Q1 2015. This was 3.2% lower than Q1 2014 and 11.1% lower compared with Q4 2014.
- New commitments increased – from £46.3 billion in Q4 2014 to £47.2 billion in Q1 2015. However, this was a decrease of 3.5% compared with Q1 2014.
- The proportion of gross advances at fixed rates decreased to 77.6% in Q1 2015 from 82.2% in Q4 2014.
- The overall average interest rate on gross advances decreased by 25bps, from 3.26% in Q4 2014 to 3.01% in Q1 2015. This is the lowest interest rate on gross advances since the series began in 2007.
- The value of residential loans advanced to first time buyers decreased over the quarter to £8.9 billion from £11.2 billion in the previous quarter. The Q1 2014 outturn was £9.4 billion.
- There was an increase in value terms in buy-to-let lending over the past year - from £6.8 billion advanced in Q1 2014 to £7.6 billion in Q1 2015. However, it was unchanged from Q4 2014.
- The proportion of gross advances at a loan-to-value (LTV) over 90% decreased by 0.4 percentage points over the quarter to 3.3% in Q1 2015.
- The proportion of gross advances to borrowers with a single income multiple of more than 4.00x decreased by 0.6 percentage points to 9.1% in Q1 2015.
- The proportion of gross advances that is 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 2.1%.
- The number of new arrears cases in Q1 2015 was 22,001. This was 4.0% lower than in Q4 2014 and was the lowest since the series began in 2007.

- The performance of loans in arrears – payments received as a percentage of payments due – decreased from 62.9% in Q4 2014 to 62.0% in Q1 2015.
- New cases taken into possession totalled 3,179 in Q1 2015, a 23.7% reduction from Q4 2014. The stock of possession cases remaining unsold also decreased to 6,454 in Q1 2015, the lowest since the series began in 2007.

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.