



Statistical release

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Mortgage Lenders and Administrators Statistics: 2019 Q1

Key findings

- The outstanding value of all residential mortgage loans was £1,451 billion in 2019 Q1, 3.4% higher than a year earlier (**Table A**)¹.
- The value of gross mortgage advances was £63.3 billion in 2019 Q1, 1.4% higher than a year ago (**Table A and Chart 1**).
- The value of new mortgage commitments (lending agreed to be advanced in the coming months) was £63.8 billion, 4.5% higher than a year earlier (**Table A and Chart 1**).
- The share of mortgage loans with loan to value (LTV) ratios exceeding 90% increased to 4.5% in 2019 Q1, compared to 3.3% a year earlier. This is its highest since 2017 Q2 (**Chart 3**).
- The proportion of high loan to income (LTI) lending (loans greater than four times the value of annual income for a single buyer or greater than three times the annual income for joint buyers) was 45.0% in Q1, 0.8 percentage points (pp) higher than a year earlier (**Chart 4**).
- The share of lending for buy to let (BTL) purposes (including house purchase, remortgage and further advance) was 14.0% in 2019 Q1, marginally lower than a year earlier (**Chart 5**).
- Lending to owner occupiers for house purchase accounted for 46.1% of total gross mortgage advances. Of this, 19.2% was to first-time buyers, which is consistent with a year earlier. The share of lending to home movers decreased marginally in the year to 26.9% (**Chart 5**).
- The proportion of total loan balances in arrears has continued to decrease, reaching 0.99%, the lowest since the series began in 2007 Q1 (**Chart 6**).

Table A: Residential loans to individuals flows and balances

Regulated and non-regulated mortgages

£ billions

Not seasonally adjusted

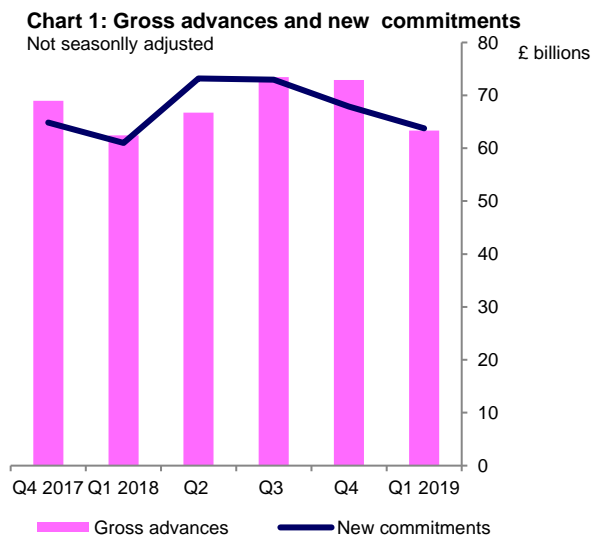
	Q4 2017	Q1 2018	Q2	Q3	Q4	Q1 2019
Business flows						
Gross advances	69.0	62.4	66.7	73.5	72.9	63.3
New commitments	64.9	61.0	73.2	73.0	67.9	63.8
Residential loan amounts outstanding						
Total Regulated and Non-regulated	1,395.9	1,403.1	1,417.3	1,429.6	1,442.1	1,451.3

Next release – 10 September 2019. Release available online at www.bankofengland.co.uk/statistics/mortgage-lenders-and-administrators/2019/2019-q1 and www.fca.org.uk/firms/mortgage-lending-statistics.

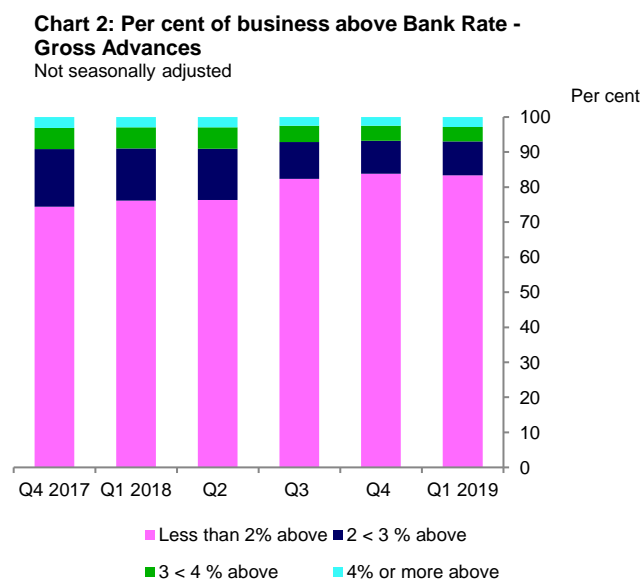
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Graphical Analysis

- The value of gross mortgage advances was £63.3 billion in 2019 Q1, 1.4% higher than a year ago (**Table A and Chart 1**).²
- The value of new mortgage commitments (lending agreed to be advanced in the coming months) was 4.5% higher than a year earlier, at £63.8 billion.³

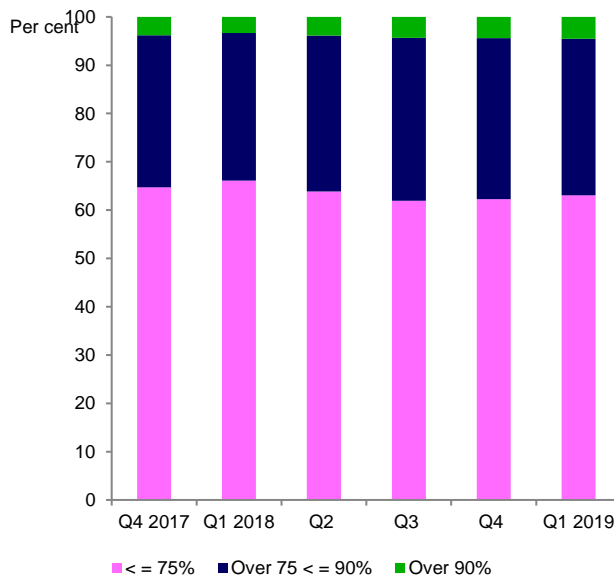


- Mortgages advanced in Q1 had a similar distribution of interest rates relative to Bank Rate as in the previous quarter. The share of mortgage loans advanced with interest rates less than 2% above Bank Rate was 83.4%. This is the first time this share has not risen since 2016 Q3. The share of loans advanced with interest rates between 2% and 3% above Bank Rate was 9.7%, and the share with interest rates 3% or more above Bank Rate was 6.9% (**Chart 2**).^{4,5,6}



- The share of mortgages advanced in Q1 with loan to value (LTV) ratios exceeding 90% was 4.5%, the highest since 2017 Q2. This is 1.2 percentage points (pp) higher than a year earlier (**Chart 3**).⁷
- The share of mortgages advanced with LTV ratios above 75% was 36.9%, a 3.0 pp increase since 2018 Q1.⁸

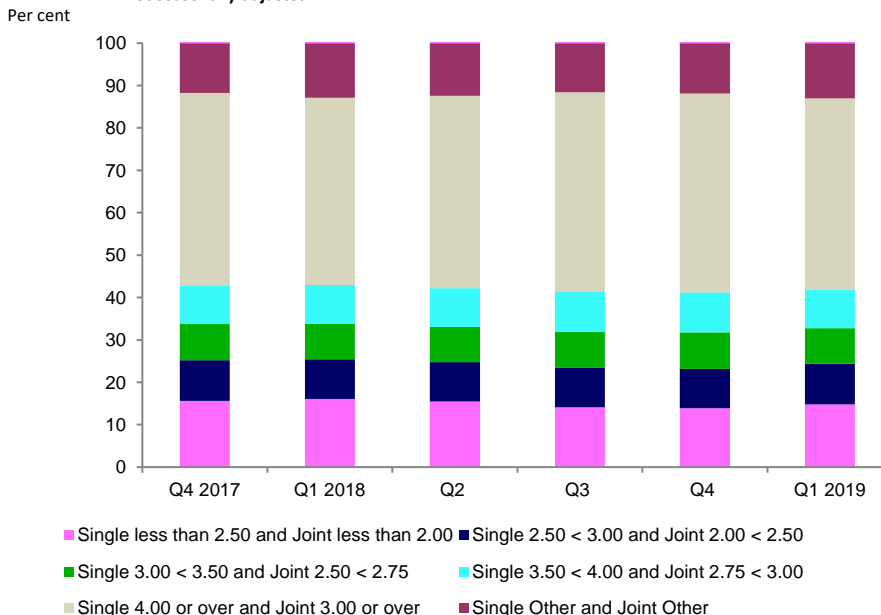
Chart 3: Gross advances by loan to value (LTV) ratios
Not seasonally adjusted



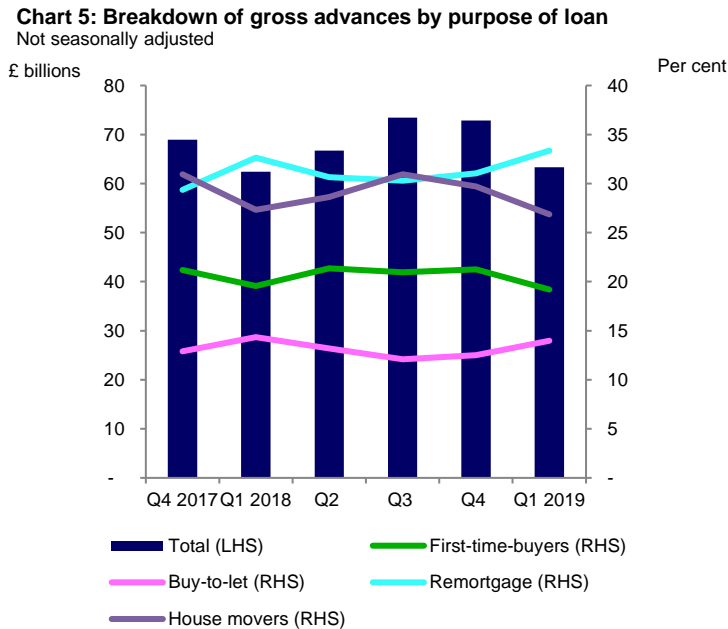
The proportion of lending to borrowers with high loan to income (LTI) ratios was 45.0% in 2019 Q1, 0.8 pp higher than a year earlier (**Chart 4**).⁹ High LTI borrowers are defined here as:

- Borrowers with a single income who had an LTI of 4 or above, which was broadly unchanged in the year to Q1 at 10.7%.¹⁰
- Borrowers with a joint income who had an LTI of 3 or above, which was 34.3% in Q1, 0.9 pp higher than a year earlier.¹¹

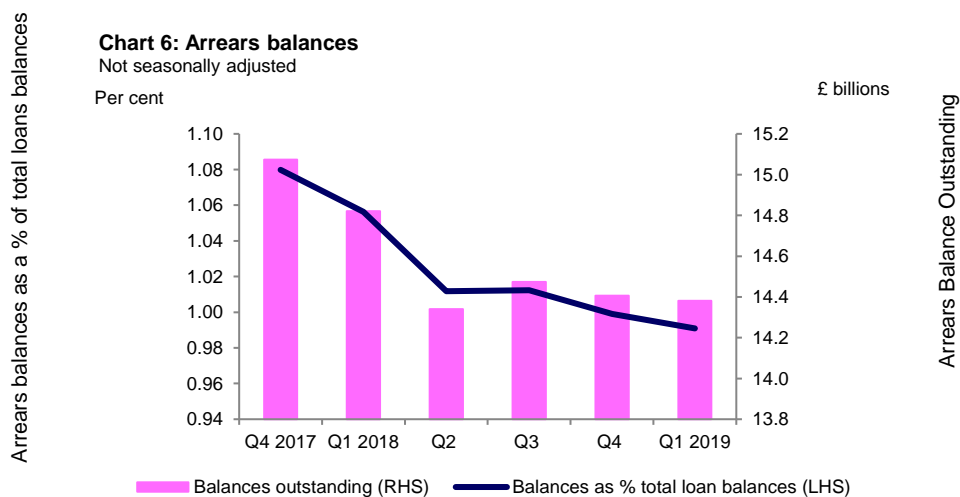
Chart 4: Gross advances by income multiple
Not seasonally adjusted



- The share of advances for buy to let (BTL) purposes (including for house purchase, remortgage and further advances) was 14.0%, marginally lower than a year earlier. The share of advances for owner occupation was 86.0% (**Chart 5**).^{12,13}
- Of the 86.0% of advances for owner occupation, the share for remortgage increased slightly in the year to 33.4% and the proportion of lending for house purchase decreased marginally since 2018 Q1 to 46.1%. Further advances and other mortgages (including lifetime mortgages) accounted for 6.6% of gross advances combined.^{14,15,16}
- Of the 46.1% of advances for house purchase by owner occupiers, lending to first-time buyers was 19.2% of total gross advances, which is consistent with a year earlier. The share advanced to home movers decreased marginally in the year to 26.9%.^{17,18}



- The value of outstanding balances with some arrears fell slightly on the quarter, to £14.4 billion (**Chart 6**).¹⁹
- The proportion of total loan balances in arrears has continued to decrease, reaching 0.99% in Q1, the lowest since the series began in 2007 Q1.²⁰



Appendix

Below is a list detailing where the information in the statistics release can be found in the document named "[MLAR statistics: detailed tables \(XLSX\)](#)".

- ¹ Table 1.11 sub table A row 9
- ² Table 1.21 sub table C row 1
- ³ Table 1.21 sub table C row 3
- ⁴ Table 1.22 sub table C row 3 (less than 2% above)
- ⁵ Table 1.22 sub table C row 4 (2<3% above)
- ⁶ Table 1.22 sub table C row 5 + row 6 (3% or more above)
- ⁷ Table 1.31 sub table C row 19 + row 20
- ⁸ 100% - Table 1.31 sub table C row 17
- ⁹ Table 1.31 sub table C row 5 + row 13
- ¹⁰ Table 1.31 sub table C row 5
- ¹¹ Table 1.31 sub table C row 13
- ¹² Table 1.33 sub table C row 4
- ¹³ 100% - Table 1.33 sub table C row 4
- ¹⁴ Table 1.33 sub table C row 6 (remortgage)
- ¹⁵ Table 1.33 sub table C row 2 + row 3 (house purchase owner occupation)
- ¹⁶ Table 1.33 sub table C row 5 + row 9 (further advance and other)
- ¹⁷ Table 1.33 sub table C row 2 (first-time buyers)
- ¹⁸ Table 1.33 sub table C row 3 (home movers)
- ¹⁹ Table 1.7 sub table C row 10
- ²⁰ Table 1.7 sub table C row 11