

## PRESS RELEASE

### Mortgage costs back on the rise

~ Cost of 2yr Trackers up by 4% since August 2018 ~

~ 5yr Fixed (60% LTV) now 2% higher ~

~ Cost rises equate to annualised increases of up to £288 over past three months ~

**UK, NOVEMBER 5, 2018:** Following two successive quarters reporting a number of cost and rate reductions in the residential mortgage market, mortgage costs are back on the rise.

New figures from Mortgage Brain's product data analysis, which provides a breakdown of all main products types in the UK mortgage market for a repayment mortgage and calculated by cost per '£000', reveal that the cost of the most popular two, three and five year mortgages has increased during the past three months.

Since the start of August 2018, the cost of a 70% and 80% LTV two year Tracker, for example, has increased by 4%, while its 60% and 90% counterparts have increased by 3% over the same period.

Based on a £150k mortgage, borrowers looking to take out one of these mortgages now face an annualised increase of up to £288.

With a current rate of 2.27% (as of 1<sup>st</sup> November 2018), the cost of a 60% LTV five year Fixed mortgage is now 2% higher than it was over the same period, while an increase of up to 1% in cost has been recorded for some two, three and five year Fixed mortgages.

For the first time in many months, Mortgage Brain's longer term analysis also shows a number of cost increases compared to this time last year.

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The cost of the 60% two year Tracker, for example, is now 5% higher than it was at the start of November 2017, and a 2% increase in cost has been recorded for some two and five year Fixed rate mortgages too.

Mark Lofthouse, CEO of Mortgage Brain, comments, "With the Bank of England maintaining the base rate at 0.75% for the third consecutive month it's looking more and more likely that any future rate increases will be at a slow and gradual pace.

"A lot of the movement that we saw in our latest product analysis has happened since the start of September, however, so once again, the UK mortgage market could be on the verge of change where we revert back to seeing a period of increases in the cost of residential mortgages."

**Table 1: Monthly cost (£) per £1,000 borrowed (2, 3, 5 year Fixed and Tracker).**

Mortgage Product Data – Supplied by Mortgage Brain												
(Monthly cost (£) per £1,000 borrowed – repayment for a £180,000 property)												
Product	1/11/17	1/2/18	1/5/18	1/8/18	1/11/18	3mth change	3mth change (%)	6mth change	6mth change (%)	12mth change	12mth change (%)	Difference to 60% LTV
2 Year Fixed 60%	£3.86	£3.95	£3.74	£3.88	£3.93	£0.05	1.29%	£0.19	5.08%	£0.07	1.81%	n/a
2 Year Fixed 70%	£3.96	£4.03	£3.85	£3.93	£3.98	£0.05	1.27%	£0.13	3.38%	£0.02	0.51%	2.53%
2 Year Fixed 80%	£4.00	£4.08	£3.92	£3.97	£4.02	£0.05	1.26%	£0.10	2.55%	£0.02	0.50%	3.70%
2 Year Fixed 90%	£4.33	£4.26	£4.15	£3.93	£3.98	£0.05	1.27%	-£0.17	-4.10%	-£0.35	-8.08%	10.89%
2 Year Tracker 60%	£3.86	£3.98	£3.92	£3.92	£4.04	£0.12	3.06%	£0.12	3.06%	£0.18	4.66%	n/a
2 year Tracker 70%	£3.95	£4.07	£3.93	£3.93	£4.09	£0.16	4.07%	£0.16	4.07%	£0.14	3.54%	4.83%
2 Year Tracker 80%	£4.05	£4.17	£3.97	£3.97	£4.13	£0.16	4.03%	£0.16	4.03%	£0.08	1.98%	6.11%
2 Year Tracker 90%	£4.23	£4.35	£4.22	£4.22	£4.33	£0.11	2.61%	£0.11	2.61%	£0.10	2.36%	16.79%

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3 Year Fixed 60%	£4.07	£4.14	£3.97	£4.04	£4.09	£0.05	1.24%	£0.12	3.02%	£0.02	0.49%	n/a
3 Year Fixed 70%	£4.12	£4.15	£4.07	£4.14	£4.14	£0.00	0.00%	£0.07	1.72%	£0.02	0.49%	0.97%
3 Year Fixed 80%	£4.23	£4.21	£4.12	£4.19	£4.21	£0.02	0.48%	£0.09	2.18%	-£0.02	-0.47%	2.42%
3 Year Fixed 90%	£4.47	£4.43	£4.37	£4.34	£4.36	£0.02	0.46%	-£0.01	-0.23%	-£0.11	-2.46%	9.44%
5 Year Fixed 60%	£4.16	£4.21	£4.09	£4.16	£4.23	£0.07	1.68%	£0.02	0.48%	£0.07	1.68%	n/a
5 Year Fixed 70%	£4.23	£4.26	£4.18	£4.25	£4.27	£0.02	0.47%	£0.09	2.15%	£0.04	0.95%	2.85%
5 Year Fixed 80%	£4.31	£4.30	£4.27	£4.33	£4.34	£0.01	0.23%	£0.07	1.64%	£0.03	0.70%	2.85%
5 Year Fixed 90%	£4.62	£4.53	£4.48	£4.43	£4.41	-£0.02	-0.45%	-£0.07	-1.56%	-£0.21	-4.55%	9.50%

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### ABOUT MORTGAGE BRAIN LIMITED:

- [Mortgage Brain](#) is an expert in technology and software solutions proactively supporting Lenders, Networks, Corporates and Intermediary Mortgage Advisers.
- Its integrated product suite includes;
  - First and Second charge, whole of market, online and desktop mortgage sourcing systems [MortgageBrain Classic](#) and [MortgageBrain Anywhere](#)
  - Standalone second charge sourcing website [LoansBrain](#)
  - Case tracking and quoting comparison portal [ConveyancingBrain](#)
  - Point-of-sale, CRM and compliance system with online, secure and customisable client portal [The Key](#)
  - The multi-lender digital gateway, mortgage application platform, accounting for 50% of UK Lending [MTE, Mortgage Trading Exchange](#)
  - Websites, calculators, plugins [MortgageBrain B2C](#)
  - Lead Generation Suite for Advisers, including consumer facing app, website and Amazon Echo Skill [UKMortgages](#)
  - Data Analysis & Lending Solutions.
- Mortgage Brain has over 22,000 users of its products and services and is a Microsoft Gold Certified Partner.
- Industry awards include 4 times winner 'Best Technology Provider' at the Mortgage Strategy Awards, winner of the Best Sourcing System at the Financial Reporter Awards and 4 times winner of the 'Technology Advocate of the Year' at the British Mortgage Awards.
- Mortgage Brain Holdings Limited, formed in 1986, is jointly owned by Barclays, Lloyds Banking Group, Nationwide, Royal Bank of Scotland, Santander & Virgin Money.

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