

## PRESS RELEASE

### Mortgage costs down during Q1 2018

~ Cost of 80% and 90% LTV 2yr Tracker down 3% since January 2018 ~

~ 2yr Fixed (90% LTV) now 2% lower ~

~ 5yr Fixed bucks the trend with marginal cost increases ~

UK, APRIL 23, 2018: Despite the current surge of lenders increasing mortgage rates in anticipation of a potential base rate rise, Mortgage Brain's latest quarterly product data analysis shows that the cost of most mainstream mortgages are down compared to the start of the year.

The cost of a two year Tracker (80% and 90% LTV), for example, is now 3% lower than at the start of January 2018. The same product with a 70% LTV is now 2% lower and its 60% LTV counterpart is now 1% lower over the same period.

With a rate of 1.59% and 1.97% respectively (as of 1<sup>st</sup> April 2018), the 3% reduction in cost for the 80% and 90% two year Tracker equates to an annualised saving of £234, while the 2% cost reduction for the 70% LTV product offers a potential annualised saving of £180 on a £150k mortgage.

Mortgage Brain's analysis – a breakdown of all main product types in the UK mortgage market for a repayment mortgage and calculated by cost per '£000' – also shows a 2% reduction in the cost of a 90% LTV two year Fixed product, and a 60% LTV three year Fixed.

There are a few products that have bucked the trend, however, with Mortgage Brain's data showing a few marginal increases of around 1% for a 70, 80 and 90% LTV five year Fixed rate mortgage.

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A 60% LTV two year Fixed leads the pack though, witnessing a 2% increase in cost compared to January, and 6% up in cost compared to this time in October 2017. With a rate of 1.83% (at 1<sup>st</sup> April 2018), this equates to an annualised increase of £144 over three months or £378 over six months.

Mark Loffhouse, CEO of Mortgage Brain, comments, "Having seen month on month increases during the last quarter of 2017, it's all change once again with the cost of most mainstream mortgages falling over the past three months.

"We are seeing a number of lenders starting to increase their rates ahead of the likely base rate rise next month, however, so it could well be back to reporting on a wave of cost increases at the end of June."

- Ends -

**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	1/4/17	1/7/17	1/10/17	1/1/18	1/4/18	3mth change	3mth change (%)	6mth change	6mth change (%)	12mth change	12mth change (%)	Difference to 60% LTV
2 Year Fixed 60%	£3.95	£3.91	£3.80	£3.93	£4.01	£0.08	2.04%	£0.21	5.53%	£0.06	1.52%	n/a
2 Year Fixed 70%	£4.05	£4.00	£3.86	£4.00	£4.03	£0.03	0.75%	£0.17	4.40%	-£0.02	-0.49%	2.53%
2 Year Fixed 80%	£4.10	£4.07	£3.93	£4.08	£4.05	-£0.03	-0.74%	£0.10	2.53%	-£0.05	-1.22%	3.70%
2 Year Fixed 90%	£4.38	£4.39	£4.28	£4.32	£4.25	-£0.07	-1.62%	-£0.03	-0.70%	-£0.13	-2.97%	10.89%
2 Year Tracker 60%	£3.93	£3.96	£3.94	£3.98	£3.94	-£0.04	-1.01%	£0.00	0.00%	£0.01	0.25%	n/a
2 year Tracker 70%	£4.12	£4.04	£4.06	£4.07	£3.97	-£0.10	-2.46%	-£0.09	-2.22%	-£0.15	-3.64%	4.83%
2 Year Tracker 80%	£4.17	£4.11	£4.06	£4.17	£4.04	-£0.13	-3.12%	-£0.02	-0.49%	-£0.13	-3.12%	6.11%
2 Year Tracker 90%	£4.59	£4.40	£4.36	£4.35	£4.22	-£0.13	-2.99%	-£0.14	-3.21%	-£0.37	-8.06%	16.79%
3 Year Fixed 60%	£4.13	£4.08	£3.96	£4.16	£4.09	-£0.07	-1.68%	£0.13	3.28%	-£0.04	-0.97%	n/a
3 Year Fixed 70%	£4.17	£4.10	£4.08	£4.18	£4.15	-£0.03	-0.72%	£0.07	1.72%	-£0.02	-0.48%	0.97%

**More/...**



3 Year Fixed 80%	£4.23	£4.16	£4.16	£4.23	£4.21	-£0.02	-0.47%	£0.05	1.20%	-£0.02	-0.47%	2.42%
3 Year Fixed 90%	£4.52	£4.53	£4.44	£4.43	£4.39	-£0.04	-0.90%	-£0.05	-1.13%	-£0.13	-2.88%	9.44%
5 Year Fixed 60%	£4.21	£4.17	£4.16	£4.23	£4.21	-£0.02	-0.47%	£0.05	1.20%	£0.00	0.00%	n/a
5 Year Fixed 70%	£4.33	£4.25	£4.20	£4.26	£4.28	£0.02	0.47%	£0.08	1.90%	-£0.05	-1.15%	2.85%
5 Year Fixed 80%	£4.33	£4.33	£4.26	£4.26	£4.29	£0.03	0.70%	£0.03	0.70%	-£0.04	-0.92%	2.85%
5 Year Fixed 90%	£4.61	£4.61	£4.53	£4.51	£4.52	£0.01	0.22%	£0.01	0.22%	£0.09	-1.95%	9.50%

## 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 client portal [the Key](#)
  - The multi-lender digital gateway, mortgage application platform, accounting for 60% of UK Lending [MTE, Mortgage Trading Exchange](#)
  - Websites, calculators, plugins [MortgageBrain B2C](#)
  - 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, the Pink Service Award for 'Best Technology Provider', 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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