

Mortgage costs down during first quarter of 2016

~ 90% LTV five year Tracker 10% cheaper than January 2016 ~

~ 2yr Fixed BTL purchase (80% LTV) 5% lower ~

~ Cost reduction can equate to an annual saving of £1,098pa on a £150k mortgage ~

UK, April 12, 2016: The majority of mainstream and Buy-To-Let mortgages have come down in cost over the past three months according to figures released today from Mortgage Brain's quarterly product data analysis.

The lowest rate 90% LTV five year Tracker performed the best since the start of the year, witnessing a 10% reduction in cost since January 2016 and is now available with a rate of 2.65% (as of 1st April 2016).

By comparison, the cost of the lowest rate 90% five year Fixed (60% and 90% LTV), and the lowest rate two year Tracker (60% LTV), all cost 1% less than they did three months ago.

In financial terms, the 10% cost reduction for the five year Tracker equates to a potential £972 annualised saving on a £150k mortgage when compared to this time last year. Whilst only seeing a 1% drop over the past three months the reduction in cost for the lowest rate 90% LTV five year Fixed product equates to a potential £126 annualised saving over the past quarter, or £648pa when compared to April 2015.

The lowest rate five year Tracker with a 60% LTV (1.99%), whilst seeing no change in cost over the past three months, is a healthy 12% less than it was 12 months ago and equates to potential £1,098 annualised saving on a £150k mortgage.

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Mark Loffhouse, CEO of Mortgage Brain, comments, "Our latest data, coupled with recent predictions that possible base rate rises are not likely until 2017, or even 2018, will be further welcome news to a lot of today's potential homebuyers or those looking to re-mortgage.

"Our three, six, and 12 month, analysis of the most popular mainstream and Buy-To-Let mortgages shows considerable rate and cost reductions which means that borrowers looking to take out a mortgage today can benefit from lower monthly repayments."

Mortgage Brain's new data also shows cost reductions for the majority of products analysed in the Buy-To Let market. The cost of the lowest rate two year Fixed product with an 80% LTV, for example, is now 5% less than it was in January 2016.

The lowest rate (3.99%) five year Fixed with an 80% LTV cost 4% less than it did three months ago and offers potential borrowers a potential saving of £39.00 per month or £468pa on a £150k mortgage when compared to April 2015.

- Ends -

Table 2: Monthly cost (£) per £1,000 borrowed (2, 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	1/4/15	1/7/15	1/10/15	1/1/16	1/4/16	3mth change	3mth change (%)	6mth change	6mth change (%)	12mth change	12mth change (%)	Difference to 60% LTV
2 Year Fixed 60%	£4.10	£4.03	£3.92	£4.02	£4.09	£0.07	1.74%	£0.17	4.34%	-£0.01	-0.24%	n/a
2 Year Fixed 90%	£4.89	£4.60	£4.57	£4.39	£4.39	£0.00	0.00%	-£0.18	-3.94%	-£0.50	-10.22%	9.20%
2 Year Tracker 60%	£4.04	£4.07	£3.99	£4.02	£3.98	-£0.04	-1.00%	-£0.01	-0.25%	-£0.06	-1.49%	n/a
2 Year Tracker 90%	£4.52	£4.45	£4.52	£4.32	£4.32	£0.00	0.00%	-£0.20	-4.42%	-£0.20	-4.42%	7.46%
5 Year Fixed 60%	£4.47	£4.35	£4.44	£4.42	£4.38	-£0.04	-0.90%	-£0.06	-1.35%	-£0.09	-2.01%	n/a
5 Year Fixed 90%	£5.20	£4.62	£4.88	£4.91	£4.84	-£0.07	-1.43%	-£0.04	-0.82%	-£0.36	-6.92%	11.31%
5 Year Tracker 60%	£5.00	£4.74	£4.74	£4.39	£4.39	£0.00	0.00%	-£0.35	-7.38%	-£0.61	-12.20%	n/a
5 Year Tracker 90%	£5.30	£5.30	£5.30	£5.30	£4.76	-£0.54	-10.19%	-£0.54	-10.19%	-£0.54	-10.19%	20.73%

2 yr Fixed 60% BTL	£4.66	£4.71	£4.62	£4.53	£4.50	-£0.03	-0.66%	-£0.12	-2.60%	-£0.16	-3.43%	n/a
2yr Fixed 80% BTL	£5.60	£5.43	£5.59	£5.59	£5.33	-£0.26	-4.65%	-£0.26	-4.65%	-£0.27	-4.82%	21.48%
2 yr Tracker 60% BTL	£4.50	£4.45	£4.33	£4.38	£4.28	-£0.10	-2.28%	-£0.05	-1.15%	-£0.22	-4.89%	n/a
2 yr Tracker 80% BTL	£5.08	£5.08	£4.97	£4.97	£4.97	£0.00	0.00%	£0.00	0.00%	-£0.11	-2.17%	13.47%
5 yr Fixed 60% BTL	£5.19	£5.19	£5.03	£4.94	£4.94	£0.00	0.00%	-£0.09	-1.79%	-£0.25	-4.82%	n/a
5 yr Fixed 80% BTL	£5.81	£5.81	£5.81	£5.79	£5.55	-£0.24	-4.15%	-£0.26	-4.48%	-£0.26	-4.48%	16.27%
5 yr Tracker 60% BTL	£5.39	£5.15	£5.15	£5.05	£4.93	-£0.12	-2.38%	-£0.22	-4.27%	-£0.46	-8.53%	n/a

NOTES TO EDITORS

About Mortgage Brain Limited

- Mortgage Brain Limited is the most widely used and preferred provider of point-of-sale, compliance, mortgage sourcing and electronic trading products and services for mortgage intermediaries.
- Mortgage Brain Holdings Limited, formed in 1986, is jointly owned by Barclays Woolwich, The Lloyds Banking Group, Nationwide, Royal Bank of Scotland, Santander and Virgin Money.
- The consortium of six owners, together with their subsidiaries, collectively account for in excess of 70% of the new business mortgage market within the UK.
- Mortgage Brain Holdings Limited currently has over 20,000 users of its products and services.
- Mortgage Brain is a Microsoft Gold Certified Partner and has won a number of industry awards including the 2010, 2011, 2012 and 2015 Mortgage Strategy 'Best Technology Provider' Award, the Pink Service Award for 'Best Technology Provider', and 'Technology Advocate of the Year' at the 2010, 2011, 2012 and 2013 British Mortgage Awards.

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