

PRESS RELEASE

Mortgage costs fall again during second quarter of 2018

~ Cost of 90% 2yr Fixed down 8% since April 2018 ~

~ 2yr, 3yr and 5yr Fixed and Trackers up to 3% lower ~

~ Cost reductions equate to annualised savings of up to £576 over past three months ~

UK, JULY 17, 2018: The cost of mortgages has continued to fall with new data from Mortgage Brain showing further reductions in the cost of most mainstream products over the past three months.

For the second successive quarter, Mortgage Brain's product data analysis – a breakdown of all main products types in the UK mortgage market for a repayment mortgage and calculated by cost per '£000' -, has shown a number of cost reductions for the most popular two, three and five year residential mortgages.

The cost of a two year Fixed mortgage with a 90% LTV, for example, is now 8% lower than it was in April 2018, and offers borrowers an annualised saving of £576 on a £150k mortgage.

The same product with a 60% LTV now costs 3% less than it did at the start of April, as does the lowest rate 90% LTV five year Fixed rate product (at 2.19% as of 1st July 2018).

With a current rate of 1.44%, the cost of a two year Tracker (80% LTV) is now 2% lower than it was over the same period, while a 60% LTV three and five year Fixed are both 1% lower than they were in April.

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Mortgage Brain's longer term analysis also shows that the residential mortgage market is still in a healthy position compared to this time last year, with cost reductions being recorded for the majority of mainstream products over the past 12 months.

The cost of the 90% LTV two year Fixed, as reported on earlier for example, is now 10% lower than it was at the start of July 2017. A five year Fixed (90% LTV) is now 5% lower compared to this time 12 months ago, while a 4% reduction in cost has been recorded for a 90% LTV two year Tracker.

Mark Loffhouse, CEO of Mortgage Brain, comments, "With fresh predictions for interest rates to rise again next month, the landscape could once again be on the verge of change, if and when, we revert back to seeing a period of increases in the cost of residential mortgages.

"As before though, most predictions imply that the increases will be low and gradual so dramatic changes shouldn't be seen short term. Our latest data is still showing a number of good deals for first time buyers and those looking to remortgage but with possible changes on the horizon, the picture might look different at the end of the next quarter."

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	1/7/17	1/10/17	1/1/18	1/4/18	1/4/18	3mth change	3mth change (%)	6mth change	6mth change (%)	12mth change	12mth change (%)	Difference to 60% LTV
2 Year Fixed 60%	£3.91	£3.80	£3.93	£4.01	£3.88	-£0.13	-3.24%	-£0.05	-1.27%	-£0.03	-0.77%	n/a
2 Year Fixed 70%	£4.00	£3.86	£4.00	£4.03	£3.93	-£0.10	-2.48%	-£0.07	-1.75%	-£0.07	-1.75%	2.53%
2 Year Fixed 80%	£4.07	£3.93	£4.08	£4.05	£3.97	-£0.08	-1.98%	-£0.11	-2.70%	-£0.10	-2.46%	3.70%
2 Year Fixed 90%	£4.39	£4.28	£4.32	£4.25	£3.93	-£0.32	-7.53%	-£0.39	-9.03%	-£0.46	-10.48%	10.89%
2 Year Tracker 60%	£3.96	£3.94	£3.98	£3.94	£3.92	-£0.02	-0.51%	-£0.06	-1.51%	-£0.04	-1.01%	n/a

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2 year Tracker 70%	£4.04	£4.06	£4.07	£3.97	£3.93	-£0.04	-1.01%	-£0.14	-3.44%	-£0.11	-2.72%	4.83%
2 Year Tracker 80%	£4.11	£4.06	£4.17	£4.04	£3.97	-£0.07	-1.73%	-£0.20	-4.80%	-£0.14	-3.41%	6.11%
2 Year Tracker 90%	£4.40	£4.36	£4.35	£4.22	£4.22	£0.00	0.00%	-£0.13	-2.99%	-£0.18	-4.09%	16.79%
3 Year Fixed 60%	£4.08	£3.96	£4.16	£4.09	£4.04	-£0.05	-1.22%	-£0.12	-2.88%	-£0.04	-0.98%	n/a
3 Year Fixed 70%	£4.10	£4.08	£4.18	£4.15	£4.14	-£0.01	-0.24%	-£0.04	-0.96%	£0.04	0.98%	0.97%
3 Year Fixed 80%	£4.16	£4.16	£4.23	£4.21	£4.19	-£0.02	-0.48%	-£0.04	-0.95%	£0.03	0.72%	2.42%
3 Year Fixed 90%	£4.53	£4.44	£4.43	£4.39	£4.39	£0.00	0.00%	-£0.04	-0.90%	-£0.14	-3.09%	9.44%
5 Year Fixed 60%	£4.17	£4.16	£4.23	£4.21	£4.16	-£0.05	-1.19%	-£0.07	-1.65%	-£0.01	-0.24%	n/a
5 Year Fixed 70%	£4.25	£4.20	£4.26	£4.28	£4.23	-£0.05	-1.17%	-£0.03	-0.70%	-£0.02	-0.47%	2.85%
5 Year Fixed 80%	£4.33	£4.26	£4.26	£4.29	£4.33	£0.04	0.93%	£0.07	1.64%	£0.00	0.00%	2.85%
5 Year Fixed 90%	£4.61	£4.53	£4.51	£4.52	£4.38	-£0.14	-3.10%	-£0.13	-2.88%	-£0.23	-4.99%	9.50%

- Ends -

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](#)
 - 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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