

Mortgage costs fall again

~ 60% LTV three year Fixed 5% cheaper than July 2016 ~

~ 2yr Fixed (60% LTV) now 4% lower ~

~ Cost reduction can equate to an annual saving of £828 on a £150k mortgage ~

UK, October, 2016: The cost of mortgages has continued to fall with figures released today from Mortgage Brain's quarterly product data analysis showing further reductions in the cost of most mainstream products over the past three months.

With a current rate of 1.89% (as of 1st October 2016), the cost of a three year Fixed mortgage with a 60% LTV is now 5% cheaper than it was at the start of July.

The same product with a 90% LTV (at 2.94% over three years) has seen a similar reduction in cost and is now 4% lower than it was three months ago.

In financial terms, the 5% cost reduction for the 60% three year product equates to an annualised saving of £342 over the past three months, while the 4% drop in cost for the 90% product equates to a potential £306 annualised saving over the past quarter, or £828pa when compared to this time last year.

Mortgage Brain's latest data also shows cost reductions for a number of two year Fixed and Tracker mortgages. With a rate of 1.99%, a 60% LTV two year Fixed is now 4% cheaper than it was three months ago and offers an annualised saving of £270 over the past three months.

A 90% LTV two year Fixed and a 60% LTV two year Tracker cost 3% less than they did at the start of July, offering annualised savings of £216 and £252 respectively.

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Whilst only witnessing a 1% drop over the past three months the reduction in cost for a 90% LTV two year Tracker (at 2.59% over two years) equates to an annual saving of £666 when compared to October 2015.

Mark Loffhouse, CEO of Mortgage Brain, said, "There's no doubt that the last six months have been an uncertain time in the UK economy. The pre-Brexit uncertainty, which many thought would end after the vote, has merely been replaced by post-Brexit uncertainty.

"Ironically, this means the outlook for borrowers at the moment has never been better with mortgage costs coming down yet again. The post-Brexit uncertainty is likely to continue for some time though and the knowledge and advice that brokers have and can give – especially when it comes to current options for short or long term tie-ins – has never been more important."

- Ends -

Table 1: 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	1/10/15	1/1/16	1/4/16	1/7/16	1/10/16	3mth change	3mth change (%)	6mth change	6mth change (%)	12mth change	12mth change (%)	Difference to 60% LTV
2 Year Fixed 60%	£3.92	£4.02	£4.09	£4.09	£3.94	-£0.15	-3.67%	-£0.15	-3.67%	£0.02	0.51%	n/a
2 Year Fixed 90%	£4.57	£4.39	£4.39	£4.32	£4.20	-£0.12	-2.78%	-£0.19	-4.33%	-£0.37	-8.10%	6.60%
2 Year Tracker 60%	£3.99	£4.02	£3.98	£4.02	£3.88	-£0.14	-3.48%	-£0.10	-2.51%	-£0.11	-2.76%	n/a
2 Year Tracker 90%	£4.52	£4.32	£4.32	£4.19	£4.15	-£0.04	-0.95%	-£0.17	-3.94%	-£0.37	-8.19%	6.96%
3 Year Fixed 60%	£4.18	£4.30	£4.24	£4.25	£4.06	-£0.19	-4.47%	-£0.18	-4.25%	-£0.12	-2.87%	n/a
3 Year Fixed 90%	£4.92	£4.71	£4.71	£4.63	£4.46	-£0.17	-3.67%	-£0.25	-5.31%	-£0.46	-9.35%	9.85%
5 Year Fixed 60%	£4.44	£4.42	£4.38	£4.35	£4.21	-£0.14	-3.22%	-£0.17	-3.88%	-£0.23	-5.18%	n/a
5 Year Fixed 90%	£4.88	£4.91	£4.84	£4.79	£4.74	-£0.05	-1.04%	-£0.10	-2.07%	-£0.14	-2.87%	12.59%
5 Year Tracker 60%	£4.74	£4.39	£4.39	£4.39	£5.19	£0.80	18.22%	£0.80	18.22%	£0.45	9.49%	n/a

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 Mortgage, Secured Loan and Conveyancing sourcing - [MortgageBrain Classic](#), [MortgageBrain Anywhere](#), [LoansBrain](#) & [ConveyancingBrain](#), point-of-sale, CRM, compliance system - [the Key](#), online mortgage submission - [Mortgage Trading Exchange \(MTE\)](#), websites, calculators, plugins - [MortgageBrain B2C](#) and Data Analysis & Lending Solutions.
- Mortgage Brain has over 20,000 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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