

## PRESS RELEASE

### Mortgage costs increase during last quarter of 2017

~ Cost of 60% LTV 3yr Fixed up 5% since October 2017 ~  
~ 2yr Fixed (70% LTV) now 4% higher ~  
~ Long terms analysis still shows strong year on year cost reductions ~

UK, JANUARY 29, 2018: New data from mortgage technology expert, Mortgage Brain, has shown that the cost of mortgages is on the rise with the majority of mainstream residential mortgages increasing during the last three months of 2017.

Mortgage Brain's latest quarterly product data analysis – as of 1<sup>st</sup> January 2018 – shows, for example, that the cost of a three year Fixed rate mortgage with a 60% LTV has gone up by 5% over the past three months. Similarly, a 70% LTV two year Fixed product now costs 4% more than it did at the start of October 2017.

The 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 3% rise in the cost of a 60% and 80% two year Fixed, and an 80% LTV two year Tracker.

Marginal increases of around 2% over the last quarter of 2017 have also been recorded for 70% and 80% LTV three year Fixed mortgages, and a 1% increase for a 90% LTV two year Fixed, a 60% two year Tracker and a 70% five year Fixed mortgage.

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In monetary terms, the 5% increase for the 60% three year Fixed equates to an annualised increase of £360 on a £150k mortgage, and a £252 annualised increase for the 70% two year Fixed product.

Mortgage Brain's longer term analysis, however, continues to show strong year on year reductions spanning the past three years. The cost of a 90% two year Fixed product, for example, is now 13% lower than it was in January 2015. A 60% and 90% LTV five year Fixed are both 9% cheaper, while a 60% two year Fixed and Tracker are 8% and 5% lower respectively.

Mark Loffhouse, CEO of Mortgage Brain, comments, "It looks like we're starting to witness the effects of November's interest rate rise and previous predictions with slow and steady cost increases being recorded month on month since October 2017.

"So far, the increases have been marginal; however, with further rate increases predicted, we could be starting to see a shift in change in terms of mortgage cost movement compared to the past few years. Our analysis at the end of the first quarter of 2018 should reveal more."

- 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	1/1/17	1/4/17	1/7/17	1/10/17	1/1/18	3mth change	3mth change (%)	6mth change	6mth change (%)	12mth change	12mth change (%)	Difference to 60% LTV
2 Year Fixed 60%	£3.98	£3.95	£3.91	£3.80	£3.93	£0.13	3.42%	£0.02	0.51%	-£0.05	-1.26%	n/a
2 Year Fixed 70%	£4.04	£4.05	£4.00	£3.86	£4.00	£0.14	3.63%	£0.00	0.00%	-£0.04	-0.99%	2.53%
2 Year Fixed 80%	£4.14	£4.10	£4.07	£3.93	£4.08	£0.13	3.29%	£0.01	0.25%	-£0.06	-1.45%	3.70%
2 Year Fixed 90%	£4.39	£4.38	£4.39	£4.28	£4.32	£0.04	0.93%	-£0.07	-1.59%	-£0.07	-1.59%	10.89%

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2 Year Tracker 60%	£3.93	£3.93	£3.96	£3.94	£3.98	£0.04	1.02%	£0.02	0.51%	£0.05	1.27%	n/a
2 year Tracker 70%	£3.99	£4.12	£4.04	£4.06	£4.07	£0.01	0.25%	£0.03	0.74%	£0.08	2.01%	4.83%
2 Year Tracker 80%	£4.09	£4.17	£4.11	£4.06	£4.17	£0.11	2.71%	£0.06	1.46%	£0.08	1.96%	6.11%
2 Year Tracker 90%	£4.47	£4.59	£4.40	£4.36	£4.35	-£0.01	-0.23%	-£0.05	-1.14%	-£0.12	-2.68%	16.79%
3 Year Fixed 60%	£4.10	£4.13	£4.08	£3.96	£4.16	£0.20	5.05%	£0.08	1.96%	£0.06	1.46%	n/a
3 Year Fixed 70%	£4.18	£4.17	£4.10	£4.08	£4.18	£0.10	2.45%	£0.08	1.95%	£0.00	0.00%	0.97%
3 Year Fixed 80%	£4.28	£4.23	£4.16	£4.16	£4.23	£0.07	1.68%	£0.07	1.68%	-£0.05	-1.17%	2.42%
3 Year Fixed 90%	£4.53	£4.52	£4.53	£4.44	£4.43	-£0.01	-0.23%	-£0.10	-2.21%	-£0.10	-2.21%	9.44%
5 Year Fixed 60%	£4.22	£4.21	£4.17	£4.16	£4.23	£0.07	1.68%	£0.06	1.44%	£0.01	0.24%	n/a
5 Year Fixed 70%	£4.35	£4.33	£4.25	£4.20	£4.26	£0.06	1.43%	£0.01	0.24%	-£0.09	-2.07%	2.85%
5 Year Fixed 80%	£4.42	£4.33	£4.33	£4.26	£4.26	£0.00	0.00%	-£0.07	-1.62%	-£0.16	-3.62%	2.85%
5 Year Fixed 90%	£4.66	£4.61	£4.61	£4.53	£4.51	-£0.02	-0.44%	-£0.10	-2.17%	-£0.15	-3.22%	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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