

## Mortgage rates down across the board

**UK, April 13, 2015:** Figures released today from Mortgage Brain's quarterly product data analysis show a widespread drop in mortgage rates for all main product types over the past six months.

Mortgage Brain's latest figures – as of 1<sup>st</sup> April 2015 – show that a 30% rate reduction has been seen for the lowest rate two year Tracker with a 60% LTV, which is down from 1.44% in October 2014 to a current low of 0.99%.

Similarly, the mortgage rate for the same product with a 90% LTV is down 20% from 2.49% six months ago to now stand at 1.99%.

Fixed rate products have seen comparable reductions over the same period with the lowest rate two year Fixed with a 90% LTV now 20% lower than it was in October – down from 3.39% to 2.69%. The rate for the same product with a 60% LTV dropped 19% with current data showing a rate of 1.18% - down from 1.49% in October 2014.

Mortgage Brain's latest analysis shows a slightly different picture for longer term products with the lowest rate five year Tracker (70% LTV) showing a rate increase of 42% over the past six months – up from 1.99% to 3.19%.

This was the only anomaly in the data, however, with the lowest rate five year Tracker (60% LTV) dropping 6% from 3.39% to 3.19% and the lowest rate 90% LTV product holding a rate of 3.65% since October 2014.

Five year Fixed rate products by comparison performed a little better with the lowest rate 60% LTV product seeing a 19% rate drop – down from 2.78% to 2.24% and the lowest rate 90% LTV down 15% from 4.24% to 3.59%.

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## **Buy-To-Let Market**

Little movement was seen in the Buy-To-Let market over the past six months but on the whole, what movement was seen has been positive.

Mortgage Brain's latest Buy-To-Let data shows that the lowest rate three year Fixed product with an 80% LTV is now 16% lower than it was in October – down from 4.99% to 4.20%. The same product with a 60% LTV saw a 5% rate drop over the same period – falling from 2.95% to 2.79%.

Two year Fixed rate products saw a more subtle drop with the lowest rate 80% LTV product down 5% (4.14% to 3.95%) and the lowest rate 60% LTV product down 2% from 2.34% to 2.29%.

An 11% rate reduction was seen over the past six months for the lowest rate five year Fixed BTL mortgage (60% and 80% LTV) down from 3.69% to 3.29% and 4.99% to 4.45% respectively.

The lowest rate five year Trackers (60% and 70% LTV) continue their current form of holding a rate of 3.95% - a rate which has remained static for both products for well over 12 months.

Mark Loffhouse, CEO of Mortgage Brain, comments, "Despite repeated predictions for a rise in base rates in 2015 we're yet to see any real and comparative increases in mortgage rates over the past three and six months.

"Whether this will be the case in another three months' time remains to be seen. What is certain, however, is that the continued rate drop will be seen as further welcome news to a lot of today's potential homebuyers or those looking to re-mortgage."

**- Ends -**

**Table 1: Lowest Rate repayment products (2, 5 year Fixed and Tracker).**

Mortgage Product Data – Supplied by Mortgage Brain												
(Lowest Rate repayment products for a £180,000 property – Purchase)												
Product	1/4/14	1/7/14	1/10/14	1/1/15	1/4/15	3mth change	3mth change (%)	6mth change	6mth change (%)	12mth change	12mth change (%)	Difference to 60% LTV
2 Year Fixed 60%	1.48	1.58%	1.49%	1.38%	1.18%	-0.20%	-13.89%	-0.31%	-19.50%	-0.30%	-20.27%	n/a
2 Year Fixed 90%	3.45%	2.99%	3.39%	2.89%	2.69%	-0.20%	-6.92%	-0.70%	-20.35%	-0.76%	-22.03%	127.97%
2 Year Tracker 60%	1.49%	1.49%	1.44%	0.99%	0.99%	0.00%	0.00%	-0.45%	-30.20%	-0.50%	-35.56%	n/a
2 Year Tracker 90%	2.49%	2.49%	2.49%	2.45%	1.99%	-0.46%	-18.47%	-0.50%	-20.08%	-0.50%	-15.67%	101.01%
5 Year Fixed 60%	2.35%	2.78%	2.78%	2.48%	2.24%	-0.24%	-9.27%	-0.54%	-19.42%	-0.11%	-4.42%	n/a
5 Year Fixed 90%	4.29%	4.24%	4.24%	3.24%	3.59%	0.35%	10.80%	-0.65%	-15.33%	-0.70%	-16.32%	60.27%
5 Year Tracker 60%	2.99%	3.39%	3.39%	3.19%	3.19%	0.00%	0.00%	-0.20%	-5.90%	0.20%	8.37%	n/a
5 Year Tracker 90%	3.65%	3.65%	3.65%	3.65%	3.65%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	14.42%

**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	1/4/14	1/7/14	1/10/14	1/1/15	1/4/15	3mth change	3mth change (%)	6mth change	6mth change (%)	12mth change	12mth change (%)	Difference to 60% LTV
2 Year Fixed 60%	£4.32	£4.35	£4.34	£4.26	£4.10	-£0.16	-3.76%	-£0.24	-5.49%	-£0.22	-5.09%	n/a
2 Year Fixed 90%	£5.10	£5.16	£4.96	£4.94	£4.89	-£0.05	-1.01%	-£0.07	-1.36%	-£0.21	-4.12%	19.27%
2 Year Tracker 60%	£4.25	£4.25	£4.04	£4.20	£4.04	£0.16	3.81%	£0.00	0.00%	-£0.21	-4.94%	n/a
2 Year Tracker 90%	£4.85	£4.93	£4.73	£4.58	£4.52	-£0.06	-1.31%	-£0.21	-4.29%	-£0.33	-6.80%	11.80%
5 Year Fixed 60%	£4.79	£4.79	£4.78	£4.66	£4.47	-£0.19	-4.08%	-£0.31	-6.47%	-£0.32	-6.68%	n/a
5 Year Fixed 90%	£5.56	£5.56	£5.54	£4.95	£5.20	£0.25	5.05%	-£0.34	-6.12%	-£0.36	-6.47%	16.33%
5 Year Tracker 60%	£5.17	£5.17	£5.17	£5.15	£5.00	-£0.15	-2.91%	-£0.17	-3.29%	-£0.17	-3.45%	n/a
5 Year Tracker 90%	£5.30	£5.30	£5.30	£5.30	£5.30	£0.00	0.00%	£0.00	0.00%	£0.00	0.00%	6.00%

## 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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