

## Boost for investors as BTL mortgage costs fall again

**UK, August 14, 2017:** Potential landlords are set to benefit further from the continued drop in the cost of Buy To Let mortgages with new data from Mortgage Brain showing further rate and cost reductions of most mainstream BTL products over the past three months.

New figures from Mortgage Brain's latest BTL product data analysis show that the cost of a two year Fixed BTL purchase product (60% and 70% LTV) is now 4% lower than it was in May 2017.

The cost of a 70% LTV two year Tracker, with a current rate of 2.69% (as of 1<sup>st</sup> August 2017), is now 2% lower than it was three months ago, while its 60% LTV counterpart is down in cost by 1% over the same period.

In financial terms, the 4% cost reduction for the 60% and 70% two year Fixed products equate to an annualised saving of £342 and £306 respectively over the past three months. The 2% drop in the cost of the 70% LTV two year Tracker offers borrowers a potential £126 saving over the past quarter, or £252pa when compared to this time last year.

### Longer term deals

There's also further good news for BTL investors who favour longer term deals with Mortgage Brain's latest data showing a 3% reduction in cost for a 60% LTV three and five year Fixed product, a 3% drop in cost for an 80% LTV five year Fixed and a 2% drop for a five year Fixed with a 70% LTV.

With a current rate of 2.40%, the 3% cost reduction for the 60% LTV five year Fixed equates to an annual saving of £630.

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A potential annualised saving of £216 over the past three months, or £468 compared to this time last year, is also offered from the 3% reduction in cost for the 60% LTV three year product.

Mark Lofthouse, CEO of Mortgage Brain, comments, "Despite the forthcoming changes to Buy To Let lending, the outlook for investors at the moment is extremely favourable with BTL mortgage costs coming down yet again.

"With changes afoot, however, this could soon change and it will be interesting to see how the BTL story unfolds over the next three months."

- 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	1/8/16	1/11/16	1/2/17	1/5/17	1/8/17	3mth change	3mth change (%)	6mth change	6mth change (%)	12mth change	12mth change (%)	Difference to 60% LTV
2 Year Fixed 60% BTL	£4.48	£4.43	£4.39	£4.39	£4.20	-£0.19	-4.33%	-£0.19	-4.33%	-£0.28	-6.25%	n/a
2 Year Fixed 70% BTL	£4.65	£4.56	£4.57	£4.48	£4.31	-£0.17	-3.79%	-£0.26	-5.69%	-£0.34	-7.31%	2.05%
2 Year Fixed 80% BTL	£5.17	£4.99	£4.94	£4.90	£4.90	£0.00	0.00%	-£0.04	-0.81%	-£0.27	-5.22%	11.62%
2 Year Tracker 60% BTL	£4.39	£4.40	£4.40	£4.40	£4.37	-£0.03	-0.68%	-£0.03	-0.68%	-£0.02	-0.46%	n/a
2 Year Tracker 70% BTL	£4.65	£4.52	£4.58	£4.58	£4.51	-£0.07	-1.53%	-£0.07	-1.53%	-£0.14	-3.01%	4.09%
3 Year Fixed 60% BTL	£4.65	£4.64	£4.63	£4.50	£4.38	-£0.12	-2.67%	-£0.25	-5.40%	-£0.27	-5.81%	n/a
3 Year Fixed 70% BTL	£4.65	£4.78	£4.73	£4.65	£4.62	-£0.03	-0.65%	-£0.11	-2.33%	-£0.03	-0.65%	3.33%
3 Year Fixed 80% BTL	£5.18	£5.18	£4.99	£5.00	£5.00	£0.00	0.00%	£0.01	0.20%	-£0.18	-3.47%	11.11%
5 Year Fixed 60% BTL	£4.81	£4.71	£4.64	£4.58	£4.46	-£0.12	-2.62%	-£0.18	-3.88%	-£0.35	-7.28%	n/a
5 Year Fixed 70% BTL	£4.79	£4.78	£4.79	£4.79	£4.71	-£0.08	-1.67%	-£0.08	-1.67%	-£0.08	-1.67%	4.59%
5 Year Fixed 80% BTL	£5.36	£5.35	£5.35	£5.38	£5.22	-£0.16	-2.97%	£0.13	-2.43%	-£0.14	-2.61%	17.47%

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## About Mortgage Brain Limited

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- [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 mortgage 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.

### **For further press information, please contact:**

Damion Clark at the Mortgage Brain Press Office. **Tel:** 07789 911314

**Email:** [damion@realpublicrelations.com](mailto:damion@realpublicrelations.com)

### **For all other enquiries, please contact:**

Mark Lofthouse, CEO of Mortgage Brain. **Tel:** 07776 143 056 or 01527 557203

**Email:** [mark.lofthouse@mortgage-brain.co.uk](mailto:mark.lofthouse@mortgage-brain.co.uk)