



dwello
mortgages

Mortgages Snapshot
August 2023

Snapshot Summary

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Dwello hunt down the right mortgages for our customers by being on the frontline of the mortgage market, tracking offers and rates across a broad range of lenders from high street banks to bespoke specialists. The following provides a summary of key trends from across the market in August 2023.

Despite the challenging environment, there is good news to be found in the data...

- Based on 85% LTV, following the August base rate increase of **0.25%**, **average purchase rates remain static, with the lowest deals at 4.90%.**
- Based on 85% LTV following the August base rate increase of **0.25%**, **average remortgage rates remain static, with the lowest deals at 5.37%.**
- Monthly property transactions in **July 2023 were 93,235, 11% lower than June 2022.**
- The average sale price in **Jun 23 saw a slight increase to 288k, although the average asking price dropped for the fourth month in a row showing** that sellers continue to compromise on value
- The value of gross mortgage advances in **2023 Q1 was £58.8 billion, which was £22.9 billion lower than the previous quarter, and 23.6% lower than in 2022 Q1. This was the lowest observed since 2020 Q2.**
- A decrease in **>75% LTV mortgages as the purchasers increase their deposit level** to access lower rates.”

Mortgages aren't just numbers, they're dreams and ambitions waiting to be realised.

Our ambition is to hunt down your mortgage match.

Sit back and relax, our aim is to hunt down the right mortgage for you and your life.

If you're moving home, re-mortgaging or a buy-to-let investor, let us search a wide range of products from high street lenders to specialist providers, so we can find the right mortgage match for you.



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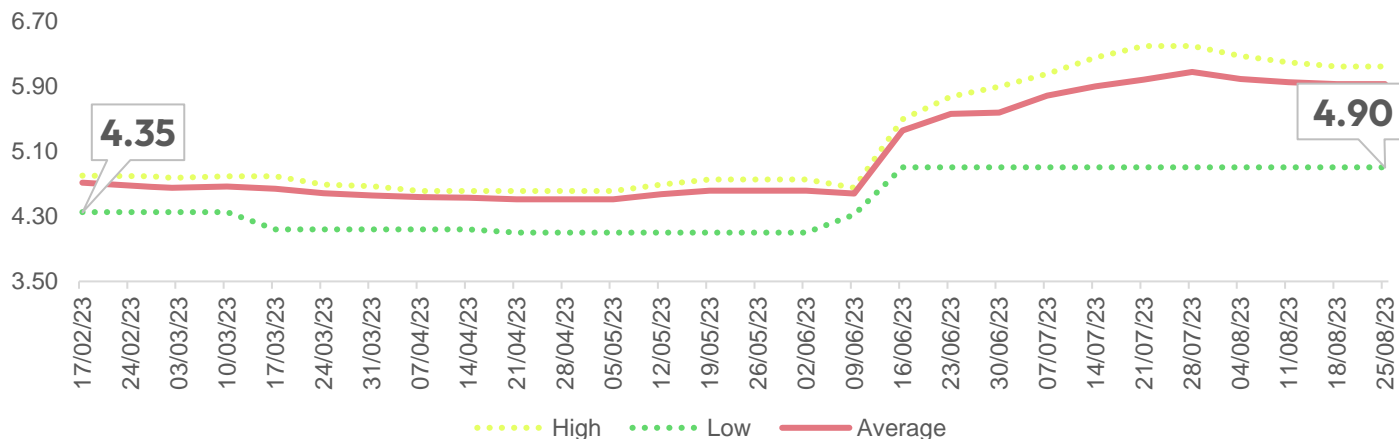
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Dwello – Mortgage Rate Index (85% LTV Purchase)

“Based on 85% LTV, following the August base rate increase of 0.25%, average purchase rates remain static, with the lowest deals at 4.90%”

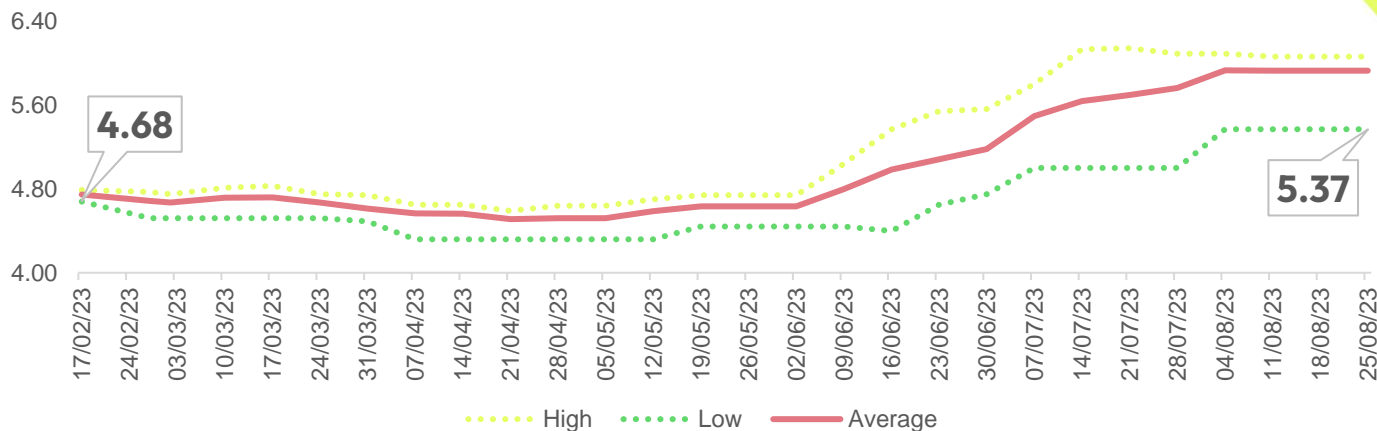
Purchase Top 10 lenders



Dwello – Mortgage Rate Index (85% LTV Remortgage)

“Based on 85% LTV following the August base rate increase of 0.25%, average remortgage rates remain static, with the lowest deals at 5.37%”

Remortgage Top 10 lenders





The Race to the Bottom - Mortgage Lenders

With the turn for the better we have seen over the last few days of mid-August, mortgage lenders have the foresight the rest of the UK market does not by slashing their mortgage rates by substantial margins.

Many mortgage brokers will be breathing a sigh of relief in being able to help their customers more efficiently by being able to source much more financially viable interest rates for their mortgage books of re-mortgaging homeowners.

Along with residential, we have seen a large decrease on the BTL side of the market, which for the last two months has been moving at a snail's pace in terms of activity and applications being accepted.

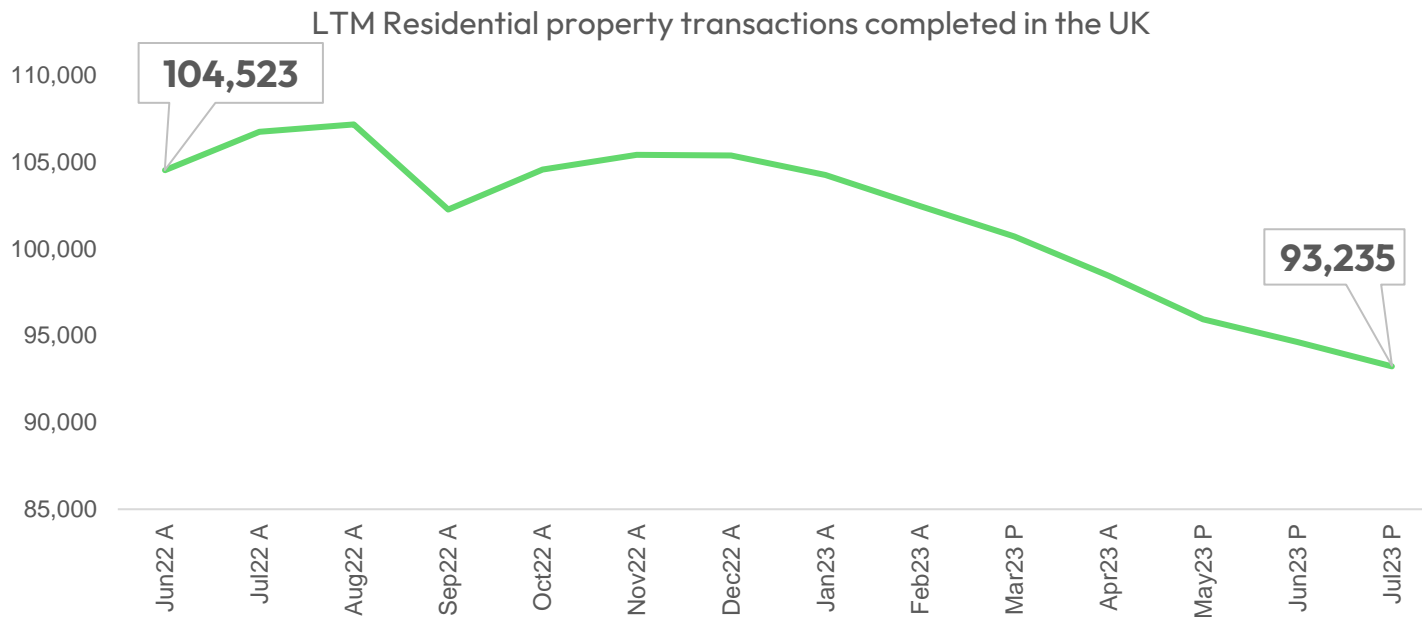
Rate cuts across selected one-, two-, five- and 10-year fixes were implemented by the lender, from Saturday August 12th 2023. These reductions, TMW said, meant landlords could borrow up to 10% more due to stress rates being tied to the buy-to-let rates.

Let's Hope this price war and 'flash sale' as some brokers are calling it, can last for the foreseeable future in an effort to correct the market that has been heavily lenient to lenders pockets.

We would advise all landlords to speak with a broker as soon as possible to layout the foundation for an application within the next 2 months as lenders fight it out to gain the most market share in the run up to the 2023 festive period.

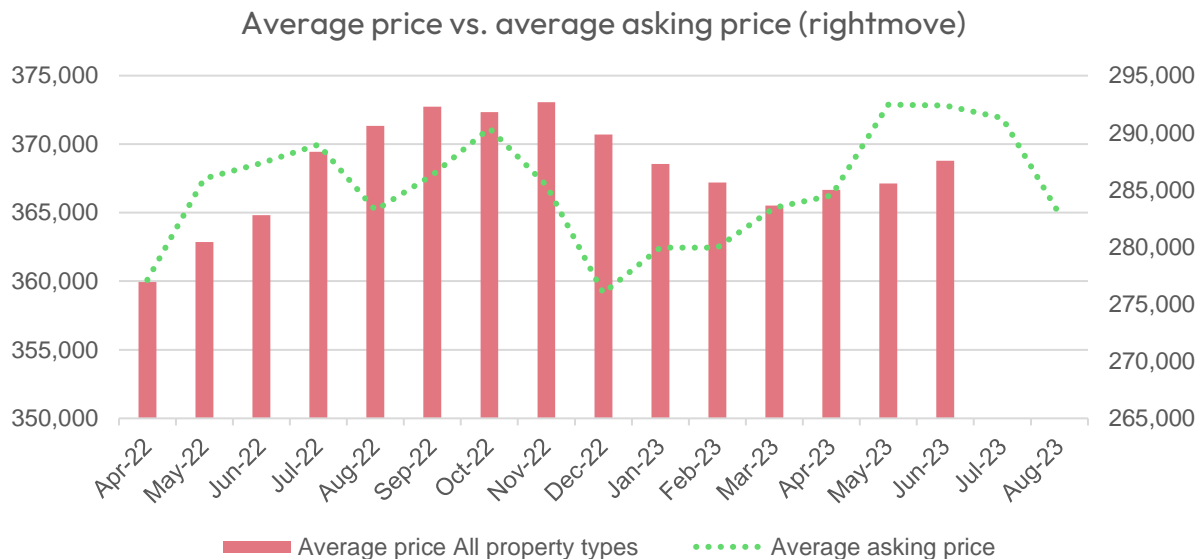
Residential transaction volumes

“Monthly property transactions in July 2023 were 93,235, 11% lower than June 2022”



Residential transaction prices

“The average sale price in Jun 23 saw a slight increase to 288k, although the average asking price dropped for the fourth month in a row showing that sellers continue to compromise on value”



The Mortgage Charter reaction....

"How is the Mortgage Charter transpiring to real-world implementation? "In all honesty there has been little to no movement or difference to our very volatile market to make an informed decision."

"In a nutshell it's too early to tell of the ramifications to this new legislation based on the many factors that have now been put into play. With Lenders now agreeing to these terms, protecting homeowners with time and understanding, it seems that it will be a small win for our stressed out UK consumers."

"Lenders have agreed to the following - no evictions for a minimum of 12 months from first missed payment unless extenuating circumstances and offered the ability to change from a repayment to interest only mortgage for a 6-month period."

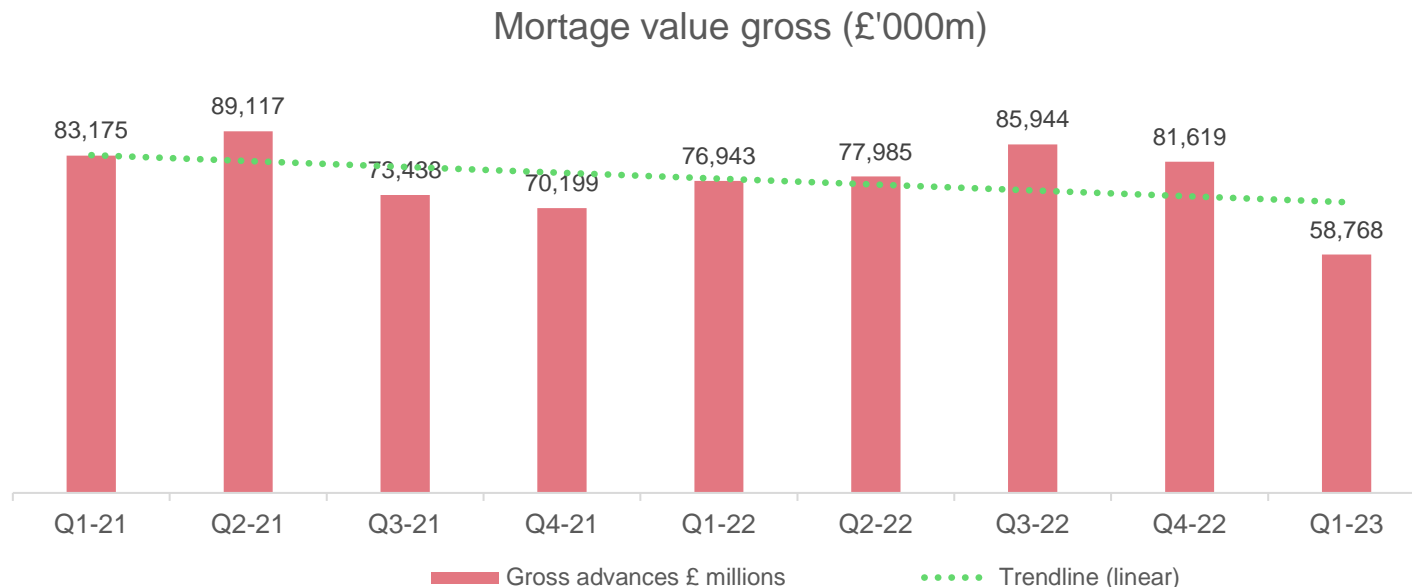
"This seems to be a plaster over a crack in terms of delaying a serious and defining decision making process, but if it allows the consumer more time and breathing space to make an informed decision then it should be looked at as a positive."

"The lenders that have agreed to this represent approximately 90% of the mortgage market, only applying to residential mortgages, so BTL landlords are still some way from finding affordable alternative solutions."



Mortgage Value Gross

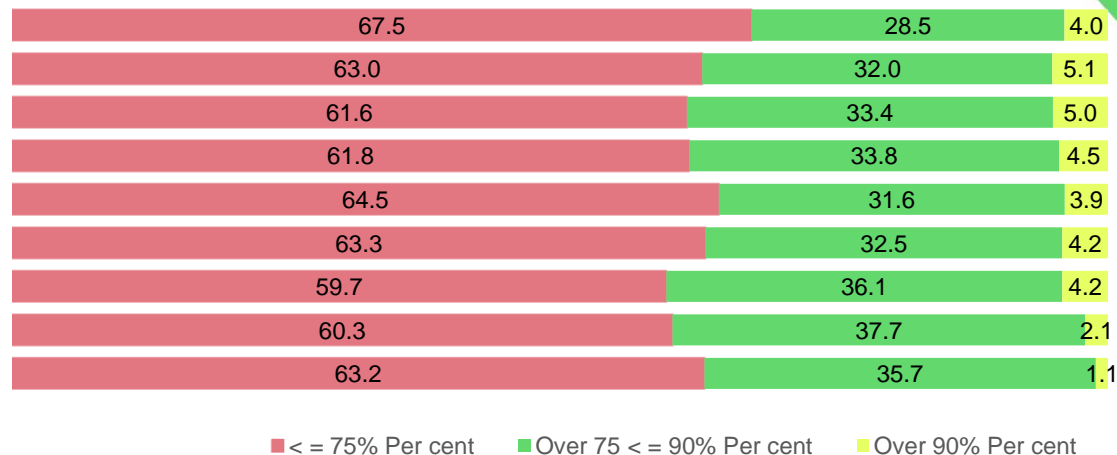
“The value of gross mortgage advances in 2023 Q1 was £58.8 billion, which was £22.9 billion lower than the previous quarter, and 23.6% lower than in 2022 Q1. This was the lowest observed since 2020 Q2.”



Loan to Value (LTV)

“A decrease in <75% LTV mortgages, as the purchasers increase their deposits level to access lower rates.”

Loan to Value (LTV) (Q1-21 to Q1-23)





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