



**dwello**  
mortgages

**Mortgages Snapshot**  
November 2023

# Snapshot Summary

## November 2023

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 November 2023.

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

- Given an 85% Loan-to-Value (LTV), subsequent to the Bank of England's decision in November to keep the base rate unchanged, there has been a continuous decrease **in average purchase rates, dropping to as low as 3.28%.**
- Given an 85% Loan-to-Value (LTV), subsequent to the Bank of England's decision in November to keep the base rate unchanged, there has been a continuous decrease in **average remortgages rates, dropping to as low as 3.28%.**
- The number of UK residential transactions in **October 2023 is 88,573, 15% lower than October 2022 and 2% lower than September 2023.**
- Average new seller asking prices drop by **1.7% this month to £362,143, as Christmas approaches and sellers continue to reduce prices in a bid to attract buyers.**
- In the second quarter of 2023, the gross mortgage advances amounted to £52.4 billion. This figure reflects a decrease of **£6.3 billion compared to the preceding quarter and a substantial 32.8% decline from the second quarter of 2022.**
- There is a noticeable trend towards variable mortgages, with individuals delaying fixed-rate options **in anticipation of potential reductions in interest 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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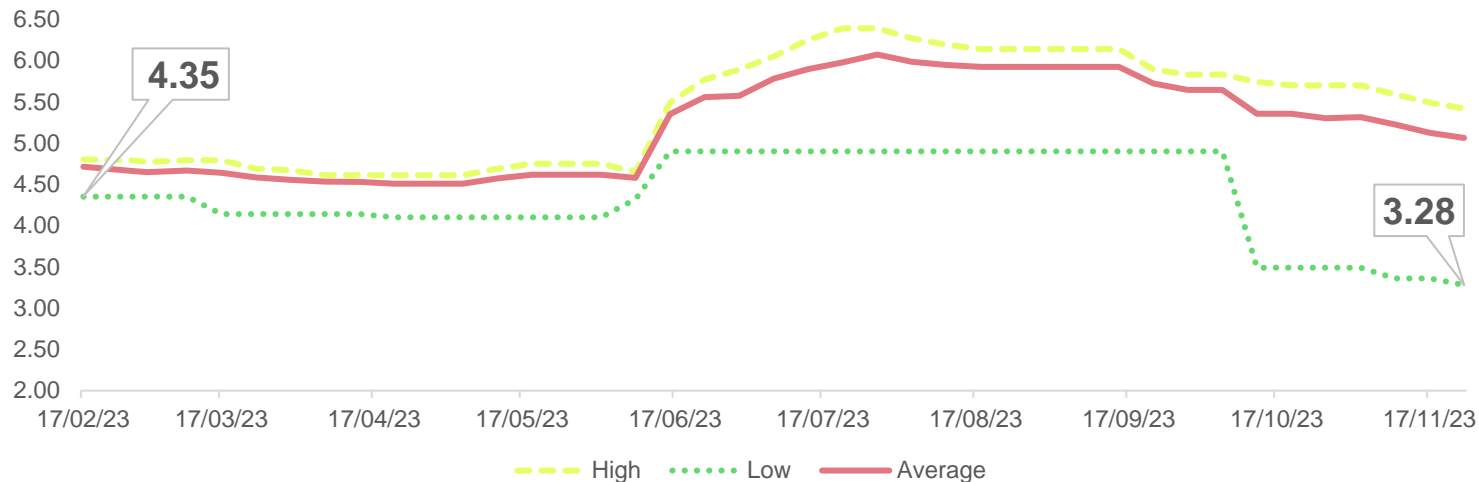
Phone  
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## Dwello – Mortgage Rate Index (85% LTV Purchase)

“Given an 85% Loan-to-Value (LTV), subsequent to the Bank of England's decision in November to keep the base rate unchanged, there has been a continuous decrease in average purchase rates, dropping to as low as 3.28%.”

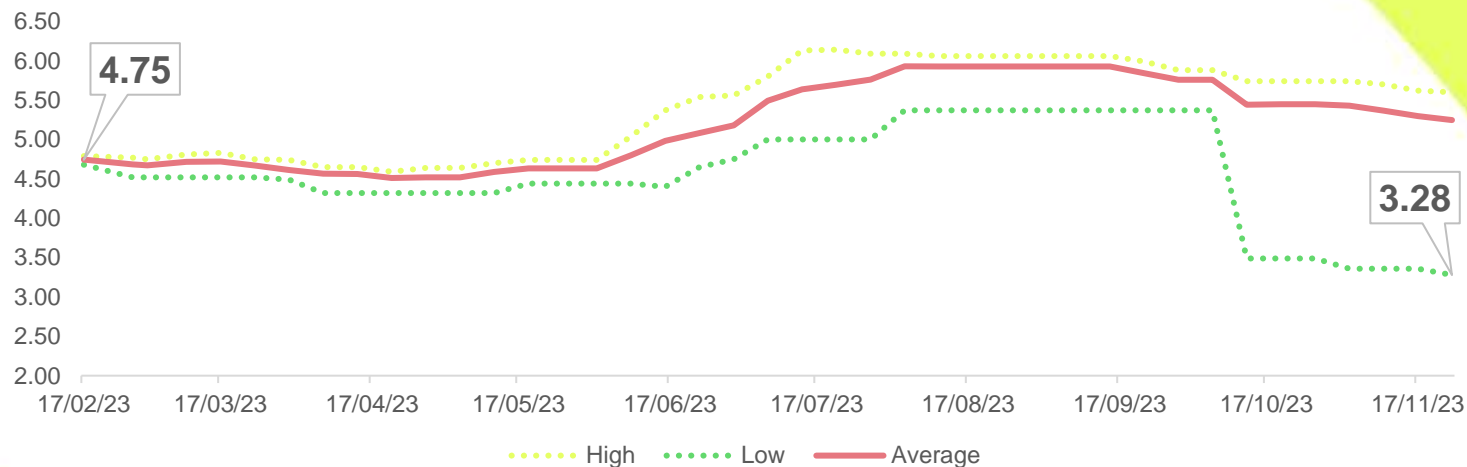
Purchase Top 10 lenders



## Dwello – Mortgage Rate Index (85% LTV Remortgage)

“Given an 85% Loan-to-Value (LTV), subsequent to the Bank of England's decision in November to keep the base rate unchanged, there has been a continuous decrease in average remortgages rates, dropping to as low as 3.28%.”

Remortgage Top 10 lenders





# Market shift in Buy to Let

The market has finally shifted, and not a moment too soon as landlords can now apply with confidence that their applications will be accepted and better yet... they will hopefully make some profits from their BTL investments.

Lender's affordability thresholds have now returned to a position where rental income can sustain the property repayments. This is in part to the catching up of the rental market as a whole to the "new normal" of 2023 inflation.

With higher rents being achieved and slightly lower interest rates over the last two months of this year we have found enough wiggle room to get the most vanilla of cases across the line.

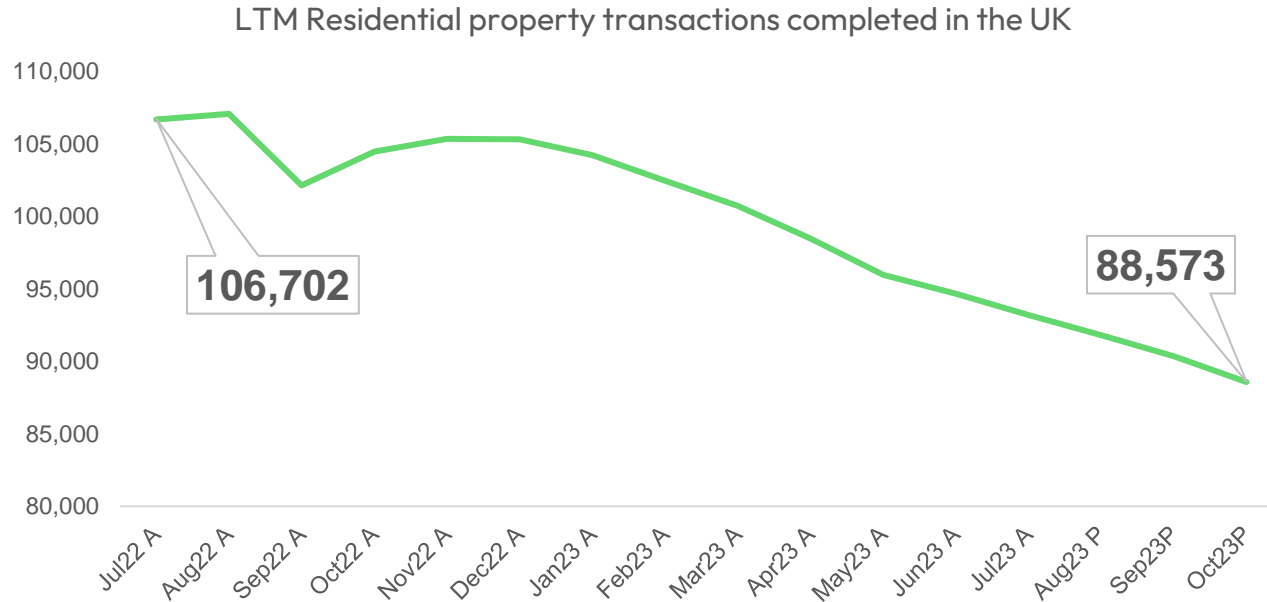
A stark contrast from April to September of this year where lender pulled all of the products to then, reintroduce products, pricing everyone out of the market including the more recent product innovation that included eye watering application fees of 3% to secure a product on in 3.99% interest rate.

LendInvest is currently offering the cheapest rate based on a £100,000 mortgage at 75% LTV this would mean a product fee of £5,674 at application to be payable.

The numbers just didn't add up for landlords this year, which has shown the majority remain on their variable rate for the foreseeable future, until points like this slowly trend towards their financial favour in the next 1-2 years."

# Residential transaction volumes

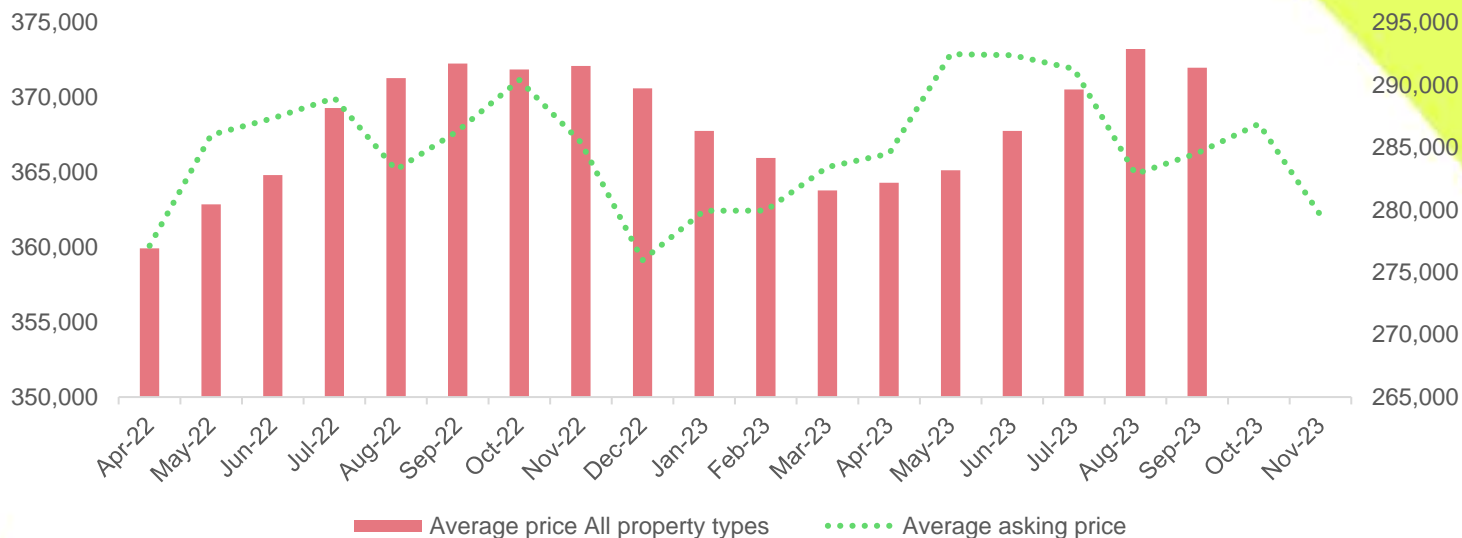
“The number of UK residential transactions in October 2023 is 88,573, 15% lower than October 2022 and 2% lower than September 2023”



# Residential transaction prices

“Average new seller asking prices drop by 1.7% this month to £362,143, as Christmas approaches and sellers continue to reduce prices in a bid to attract buyers.”

Average price vs. average asking price (rightmove)



— Average price All property types      ..... Average asking price



# UK House Prices Increase - Yes really!

With every facet of the financial market going up, down left and right a comforting realisation to current homeowners looking to remortgage or sell is that their house has gone up in value for the first time in six months.

At the end of October, we saw a rise of 1.1% across the UK with Halifax calculating that this takes the average property value to £281,974.

This information seems to bode well for anyone in a position to sell as we have witnessed a mass exodus of sellers on the market, which is driving up the low stock level's overall price for potential bidders.

Kim Kinnaird, director of Halifax Mortgages, said: "Prospective sellers appear to be taking a cautious attitude, leading to a low supply of homes for sale."

The economics of supply and demand are in full effect, but we expect to see these inflated prices decrease over the next few months and into the start of 2024 with interest rates finally levelling off and banks' mortgage rates subsiding.

For context the increase is welcome but compared to October last year we are still 3.2% worse off in terms of price difference. With that being said, the market for buying and selling is still a vibrant one.

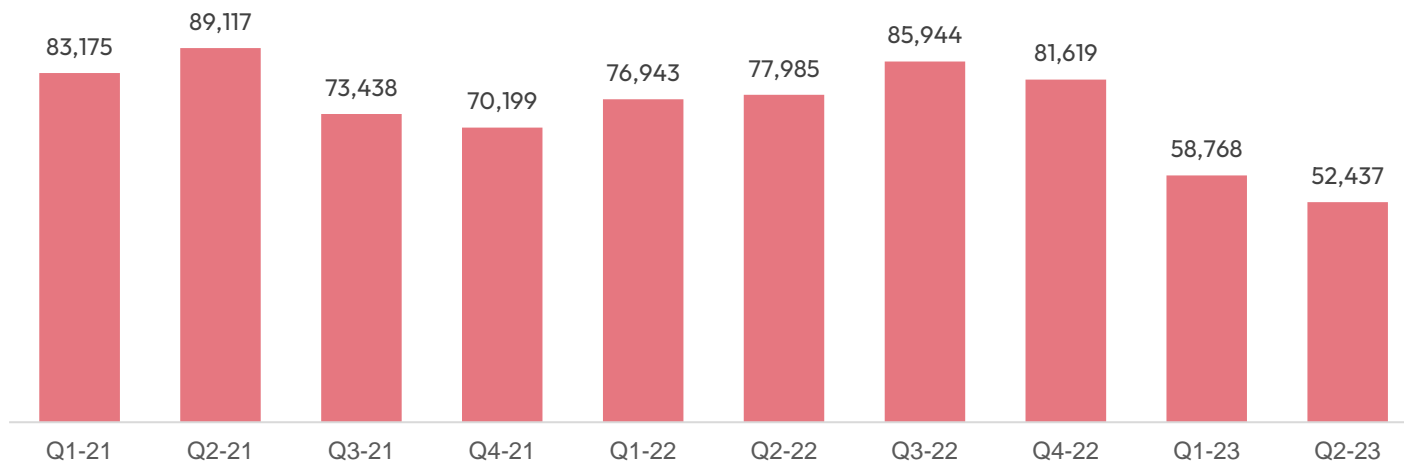
Andrew Wishart, senior property economist at consultancy Capital Economics said: "This data confirmed that house prices are indeed rising, suggesting that the high cost of borrowing alone is not sufficient to trigger the leg down in house prices we predicted. With anyone currently in the position to sell, I would advise caution in accepting offers lower than the current market value as you have the upper hand in current negotiations. If you are looking to remortgage, now would be a great time to get a valuation done on the property to obtain the most amount of equity shares available and possibly allowing you to secure a cheaper mortgage rate based on your LTV."



## Mortgage Value Gross

“In the second quarter of 2023, the gross mortgage advances amounted to £52.4 billion. This figure reflects a decrease of £6.3 billion compared to the preceding quarter and a substantial 32.8% decline from the second quarter of 2022.”

Mortgage value gross (£'000m)



## Fixed vs variable

“There is a noticeable trend towards variable mortgages, with individuals delaying fixed-rate options in anticipation of potential reductions in interest rates.”

Fixed Rated vs. Variable in %





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