



**dwello**  
mortgages

**Mortgages Snapshot**  
December 2023

# Snapshot Summary

December 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 December 2023.

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

- Following the Bank of England's decision in December to maintain the base rate, for an 85% Loan-to-Value (LTV), **with the lowest rate available now 5.37%.**
- With an 85% Loan-to-Value (LTV), following the Bank of England's decision in December to maintain the base rate, there has been a consistent and overall **decline in average remortgage rates, reaching as low as 2.99%.**
- In November 2023, the count of residential transactions in the UK stood at **86,638, marking a 19% decrease compared to July 2022.**
- Average new seller asking prices reduced by **1.7% this month to £362,143, as Christmas approaches and sellers continue to reduce prices in a bid to attract buyers.**
- The value of gross **mortgage advances increased by 18.6% from the previous quarter to £62.2 billion, the first increase since Q3-22, but remained 27.6% lower than a year earlier.**
- A notable additional **5% drop in variable rates compared to fixed rates suggests that individuals anticipate minimal interest rate fluctuations** in the upcoming months, prompting them to forego waiting for further declines.

# 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.



WhatsApp  
07714 597 081



Email  
[info@dwelldomortgages.co.uk](mailto:info@dwelldomortgages.co.uk)



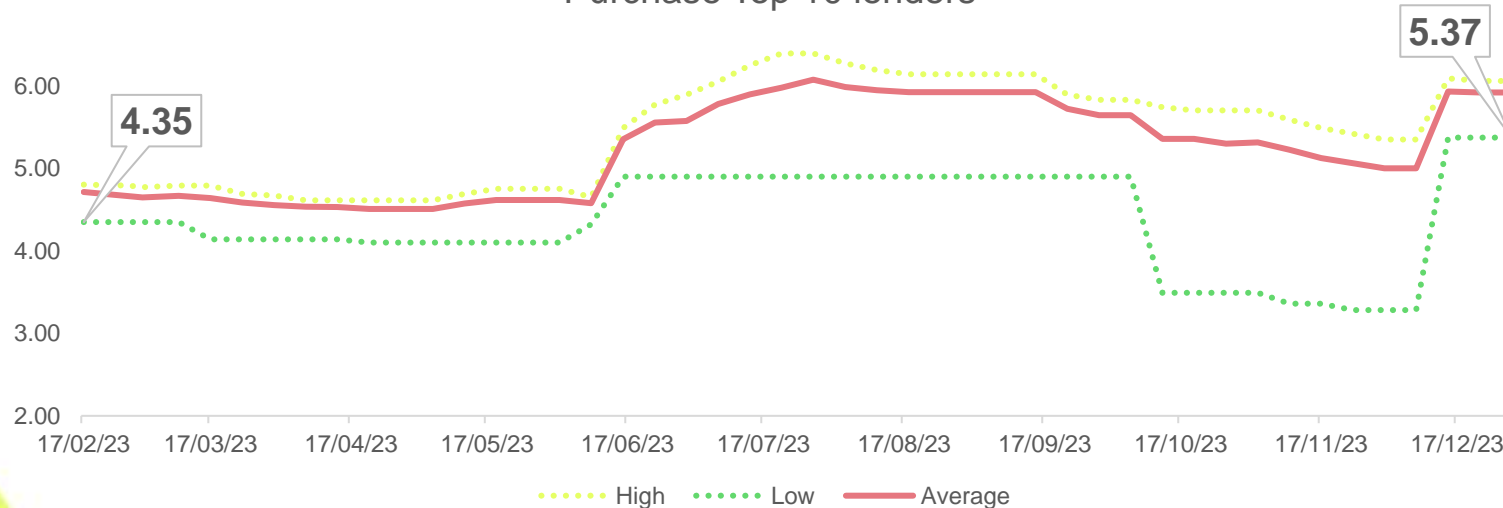
Phone  
0333 533 0051



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

“Following the Bank of England's decision in December to maintain the base rate, for an 85% Loan-to-Value (LTV), with the lowest rate available now 5.37%.”

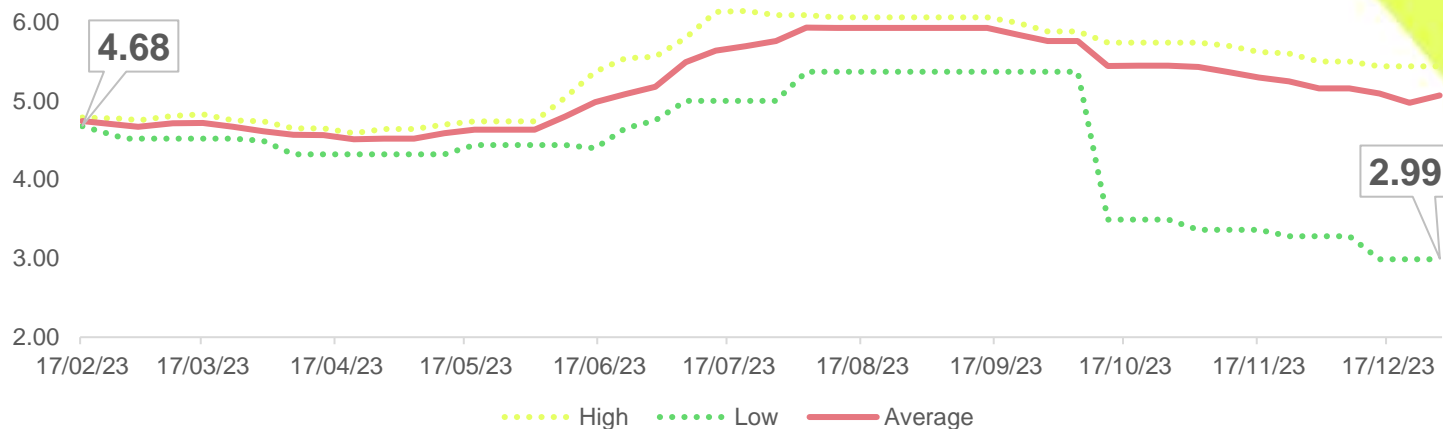
Purchase Top 10 lenders



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

“With an 85% Loan-to-Value (LTV), following the Bank of England's decision in December to maintain the base rate, there has been a consistent and overall decline in average remortgage rates, reaching as low as 2.99%.”

Remortgage Top 10 lenders







# The Mortgage Guarantee Scheme has been extended.

Nathan Blissett welcomed the extension of the Mortgage Guarantee Scheme which supports the availability of 95% Loan-to-Value mortgage products.

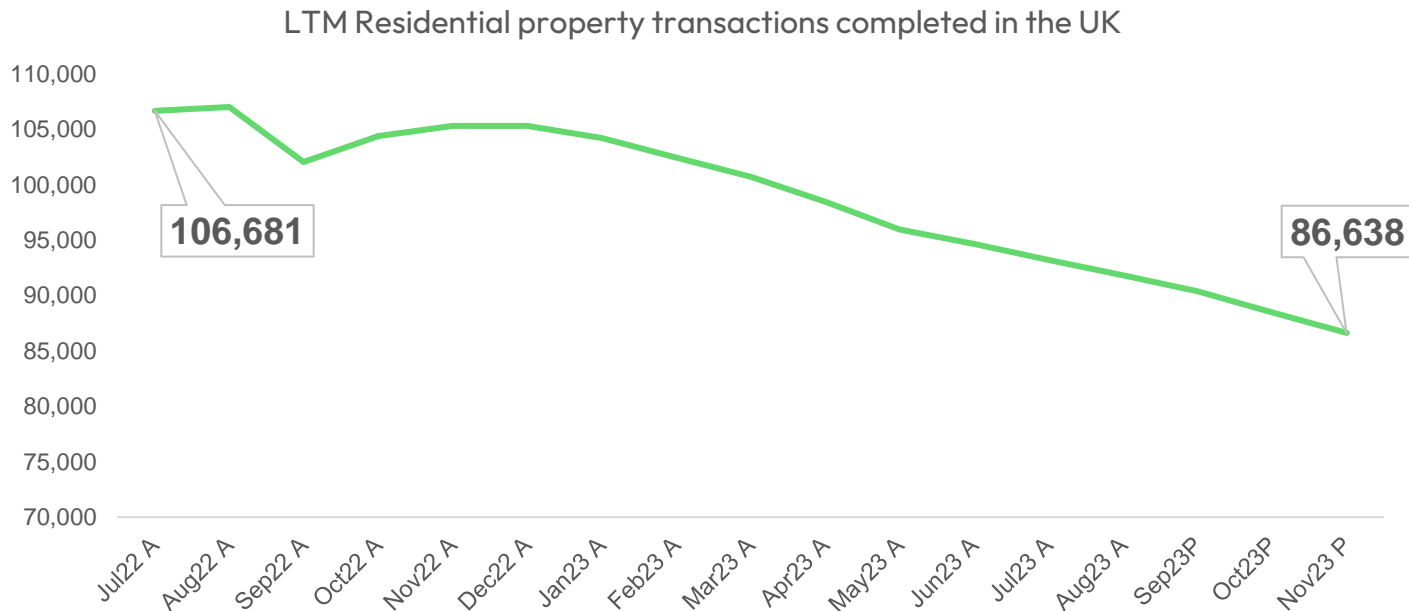
Even though it wasn't highlighted in the Commons as one of the 110 Autumn Statement measures, we are very pleased to read that the Mortgage Guarantee Scheme will be extended beyond December 31st 2023 which was when it was due to end.

This scheme, which has already proved helpful to so many, will now run for a further 18 months to help prospective borrowers to get onto the property ladder. The 5% deposit means more people will be able to access mortgage products which they may not have been able to access from January 1st 2024 if this scheme had not been extended.

There are still challenges ahead in the property market but this is certainly good news for buyers.

# Residential transaction volumes

“In November 2023, the count of residential transactions in the UK stood at 86,638, marking a 19% decrease compared to July 2022.”



# Residential transaction prices

“Average new seller asking prices reduced 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)





# 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.

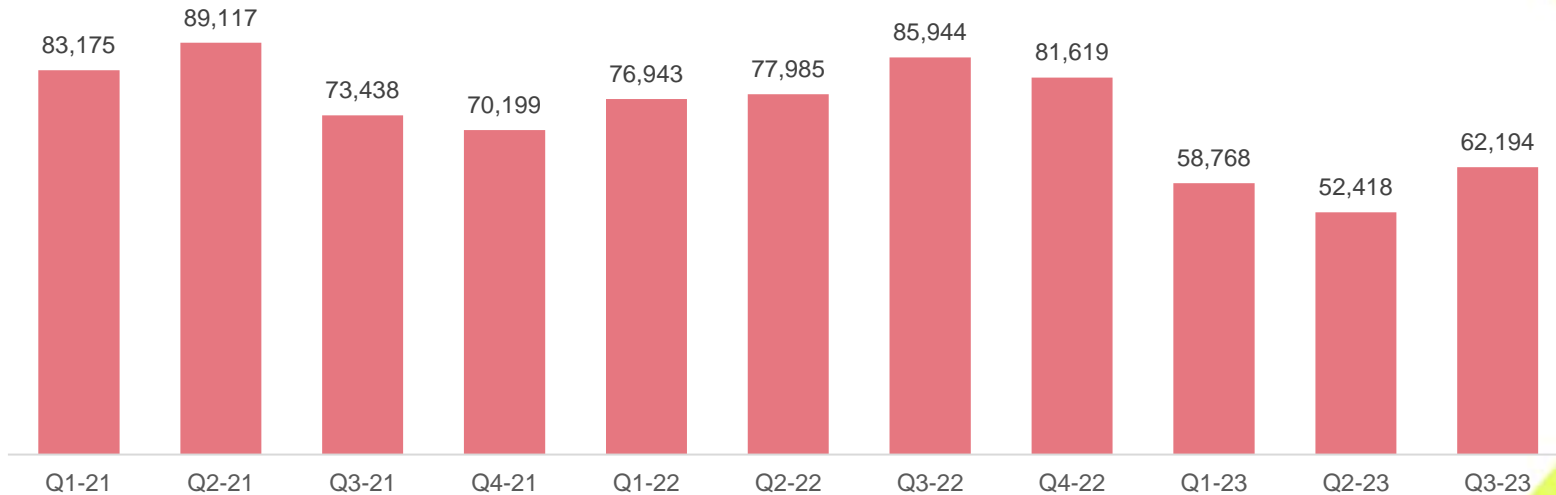
Andrew Wishart, senior property economist at consultancy Capital Economics said: "This data confirmed that house prices are indeed rising, suggesting that the high cost of borrowing alone is not sufficient to trigger the leg down in house prices we predicted. With anyone currently in the position to 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

“The value of gross mortgage advances increased by 18.6% from the previous quarter to £62.2 billion, the first increase since Q3-22, but remained 27.6% lower than a year earlier.”

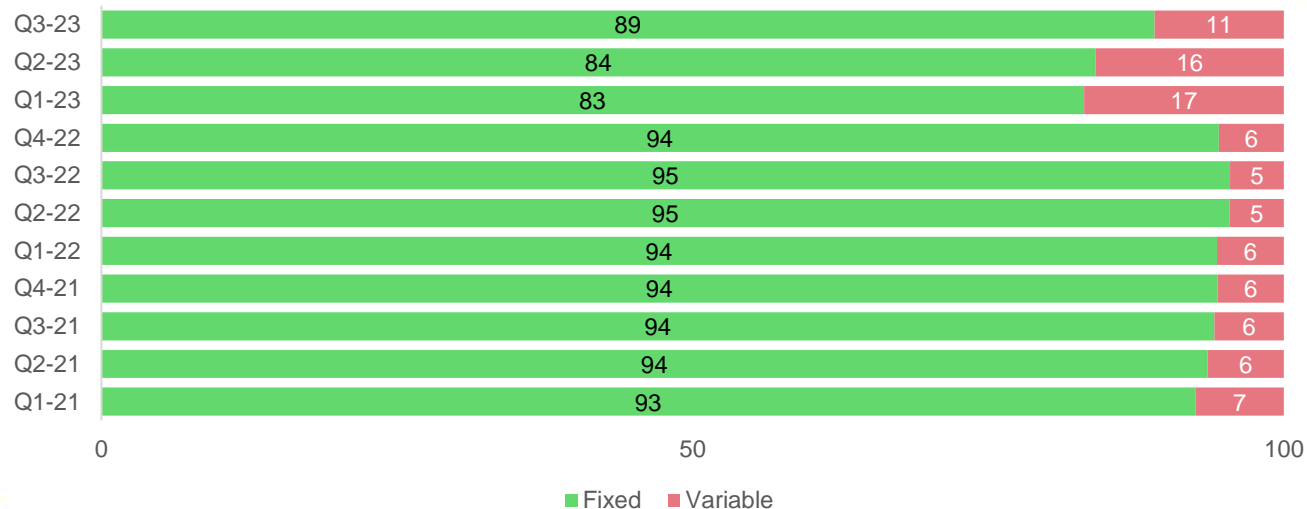
Mortgage value gross (£'000m)



## Fixed vs variable

“A notable additional 5% drop in variable rates compared to fixed rates suggests that individuals anticipate minimal interest rate fluctuations in the upcoming months, prompting them to forego waiting for further declines.”

Fixed Rate vs. Variable in %





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WhatsApp  
**07714 597 081**



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