



dwello

mortgages

Mortgages Snapshot
January 2024

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 January 2024.

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

- The interest rates for an 85% Loan-to-Value purchase remain unchanged in January, **with the lowest rate standing at 5.37% as the market holds pending further base rate movements.**
- The interest rates for an 85% Loan-to-Value remortgage **continue to steadily drop with the lowest rate at 3.1% in January 2024.**
- Residential transaction volumes continue to decrease, with the count of transactions in the UK standing at **85,235 in December 2023. This represents a 2% decline compared to November 2023.**
- Average new seller asking prices drop by **1.9% (£6,966) in December to £355,177.** Prices usually fall in December due to seasonal factors, but this drop is bigger than the previous **20-year average of 1.5% as sellers seek 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.**
- First time buyers represented **26% of Q3-23 lending, an increase from 23% in Q1-23.**

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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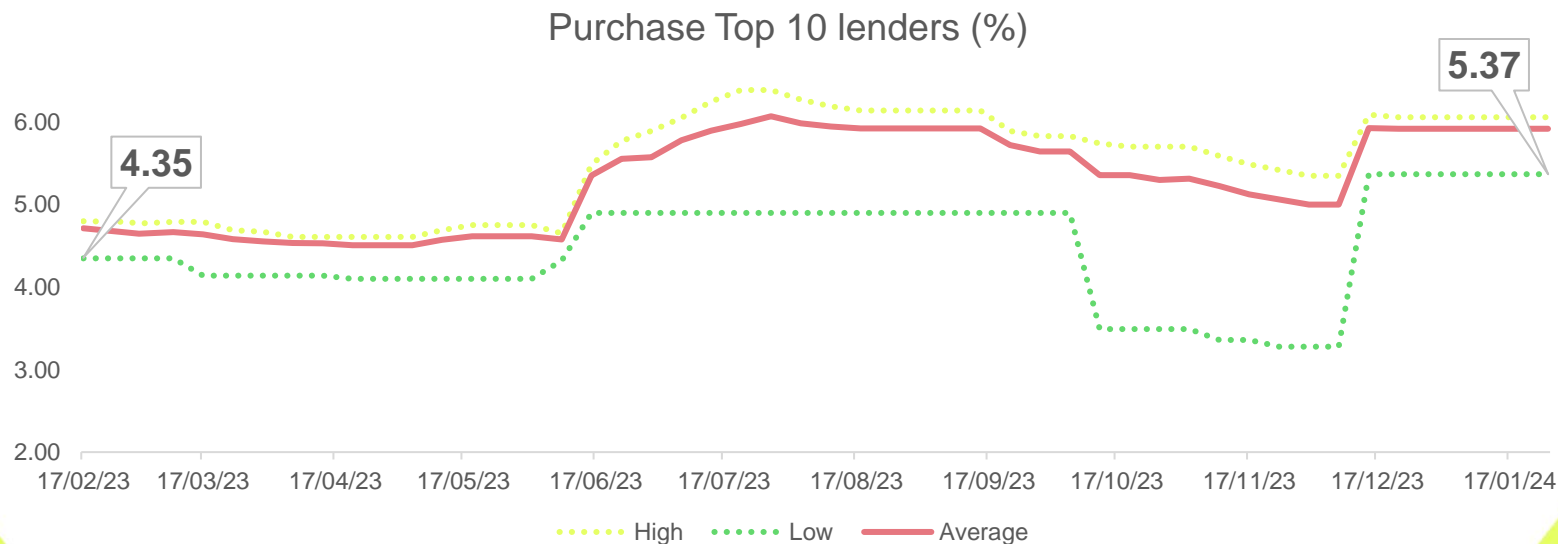


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Dwello – Mortgage Rate Index (85% LTV Purchase)

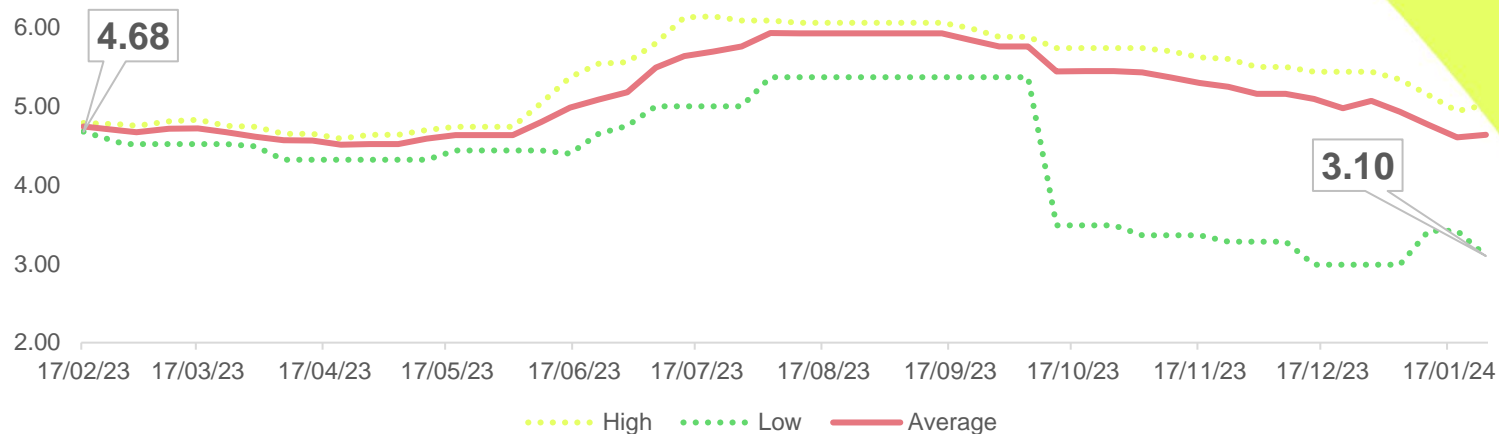
“The interest rates for an 85% Loan-to-Value purchase remain unchanged in January, with the lowest rate standing at 5.37% as the market holds pending further base rate movements.”



Dwello – Mortgage Rate Index (85% LTV Remortgage)

“The interest rates for an 85% Loan-to-Value remortgage continue to steadily drop with the lowest rate at 3.1% in January 2024.”

Remortgage Top 10 lenders



Lookout 2024

The challenges are still persistent as we look into 2024 with hopes of a recovering market. With higher house prices still controlling the market, despite a slight cooling in the last three months of 2023, house prices in the UK remain near record highs.

This means even with a mortgage, the total cost of buying a property can be a significant hurdle for first-timers. The cost of living struggles are still soaring high with inflation and energy bills are squeezing household budgets, making it harder for many to save for a deposit or afford monthly mortgage repayments. With all these factors, there is still reason for optimism as the new year is unfolding. Despite those challenges, there's still significant demand from first-time buyers to enter the property market.

This is driven by factors of low unemployment, government schemes like Help to Buy, and a desire for home-ownership stability. Affordability from lenders are returning to more manageable margins, offering more flexible mortgage products, such as higher loan-to-value (LTV) mortgages and government-backed schemes, to cater to first-time buyers with smaller deposits.

Nathan Blissett early indications for 2024 show similar trends from the beginning of 2023. For example, data from Twenty7tec shows that January was the busiest ever start to a new year for mortgage searches, suggesting sustained interest from potential buyers.

Hopefully this vein of interest in new purchases and product availability continues through the first quarter of this year to solidify the confidence in the market.

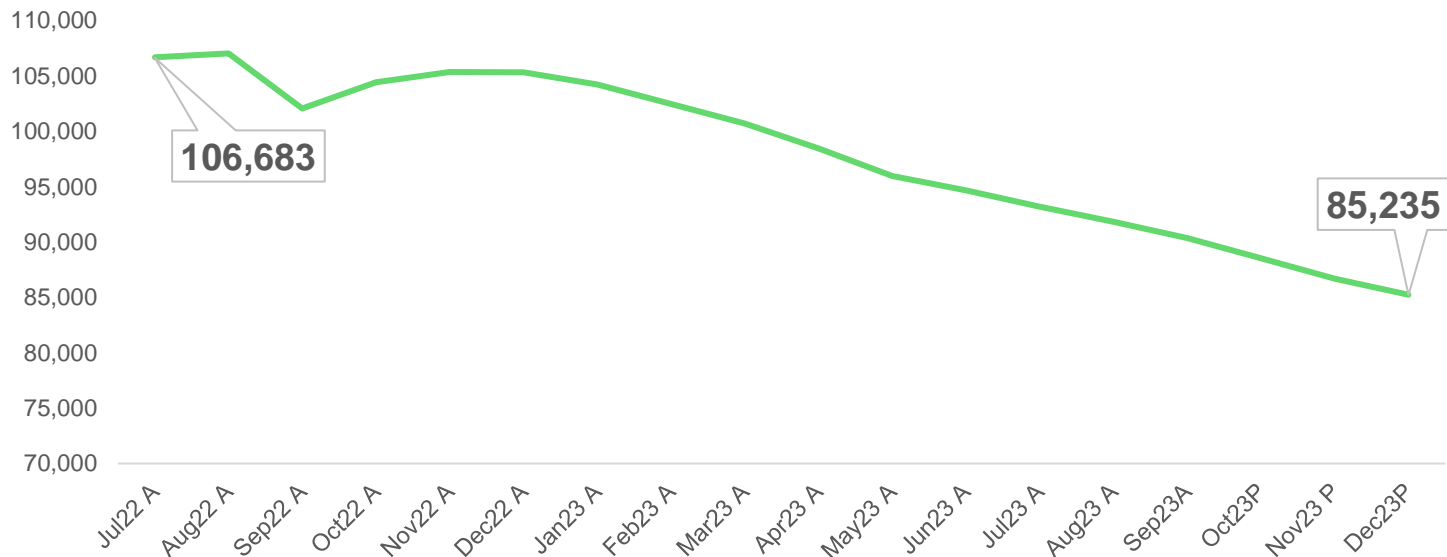
It's likely that the market will remain competitive, with first-time buyers needing to be resourceful and flexible to navigate the challenges and secure their place on the property ladder.



Residential transaction volumes

“Residential transaction volumes continue to decrease, with the count of transactions in the UK standing at 85,235 in December 2023. This represents a 2% decline compared to November 2023.”

LTM Residential property transactions completed in the UK



Residential transaction prices

”Average new seller asking prices drop by 1.9% (£6,966) in December to £355,177. Prices usually fall in December due to seasonal factors, but this drop is bigger than the previous 20-year average of 1.5% as sellers get more competitive.”

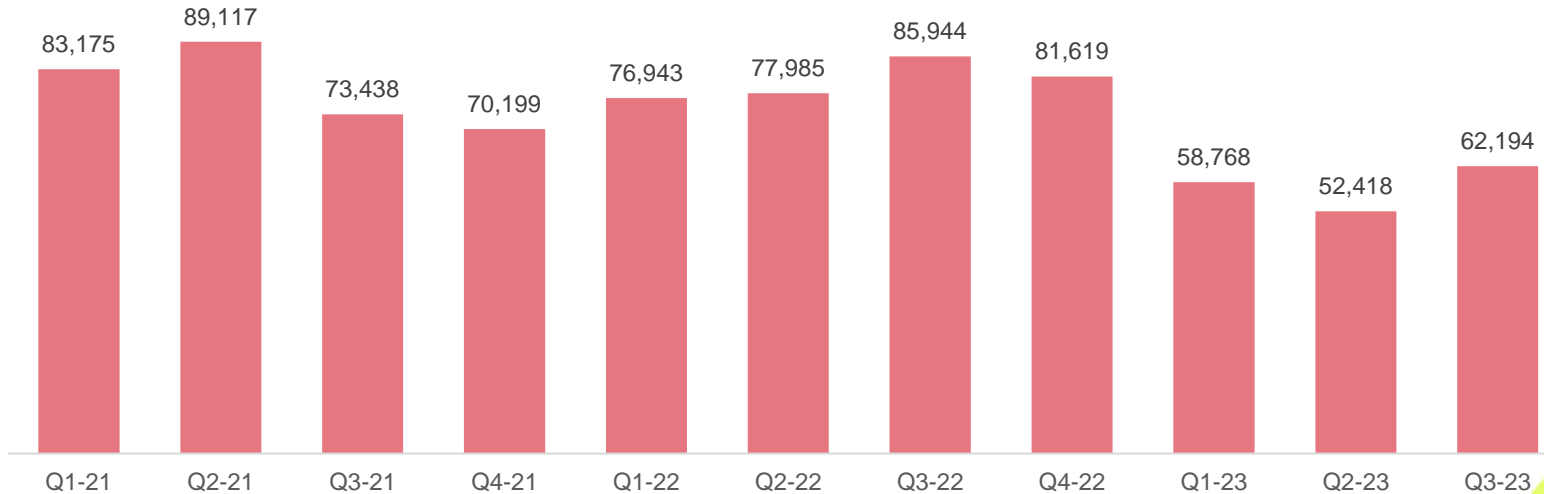
Average price vs. average asking price (Rightmove)



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)





The Martin Lewis Money Show

Did you watch the Martin Lewis Money Show Live housing special? What were your biggest takeaways?

Martin was very clear about the importance of getting advice - advice from a professional qualified mortgage specialist.

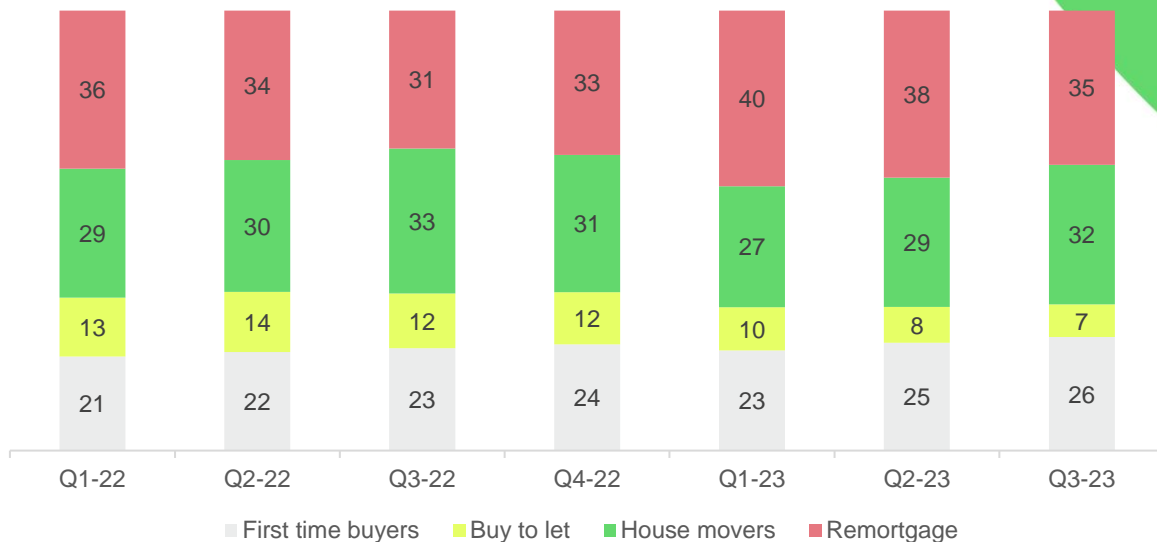
Mortgage brokers know stuff that we cannot get. They have information about the acceptance criteria which is not available to the general public." Martin Lewis, January 2024.
We have been busy taking calls today from new clients and existing clients on the back of the show - it may have answered some questions and sparked some more questions too.

Whether you are a first time buyer or looking to find a bigger home for your growing family, downsize ready for retirement or your fixed rate is coming to the end or has already ended and you are on the SVR - whatever your situation we can help.

Purpose of loans

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Purpose of loans (%)





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