

dwello
mortgages

Mortgages Snapshot
May 2024

Snapshot Summary

May 2024

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 May 2024.

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

- In **May 2024, the top 10 lenders continued to offer similar 85% LTV purchase mortgage rates around 4.90%**, with little variation, maintaining a stable and competitive market. Rates have remained largely unchanged over the past 3 months, as we eagerly await a base rate drop.
- 85% LTV remortgage rates have been stable, with the attractive **low rate holding steady at 3.55% as of May 2024**.
- The estimate of the number of UK **residential transactions in April 2024 on an LTM basis is 83,459, -23.7% lower than March 2022**.
- March 2024 witnessed the **first notable increase in the average housing asking price since August 2023**. This rise could potentially be attributed to initial indications of an improving economic climate.
- The value of gross mortgage advances decreased by 13.4% from the previous quarter to **£54.0 billion, and was 33.8% lower than a year earlier**.
- In Q4-23, 85% of mortgages were on a fixed rate, representing a **4 percentage point decrease compared to Q3-23**.

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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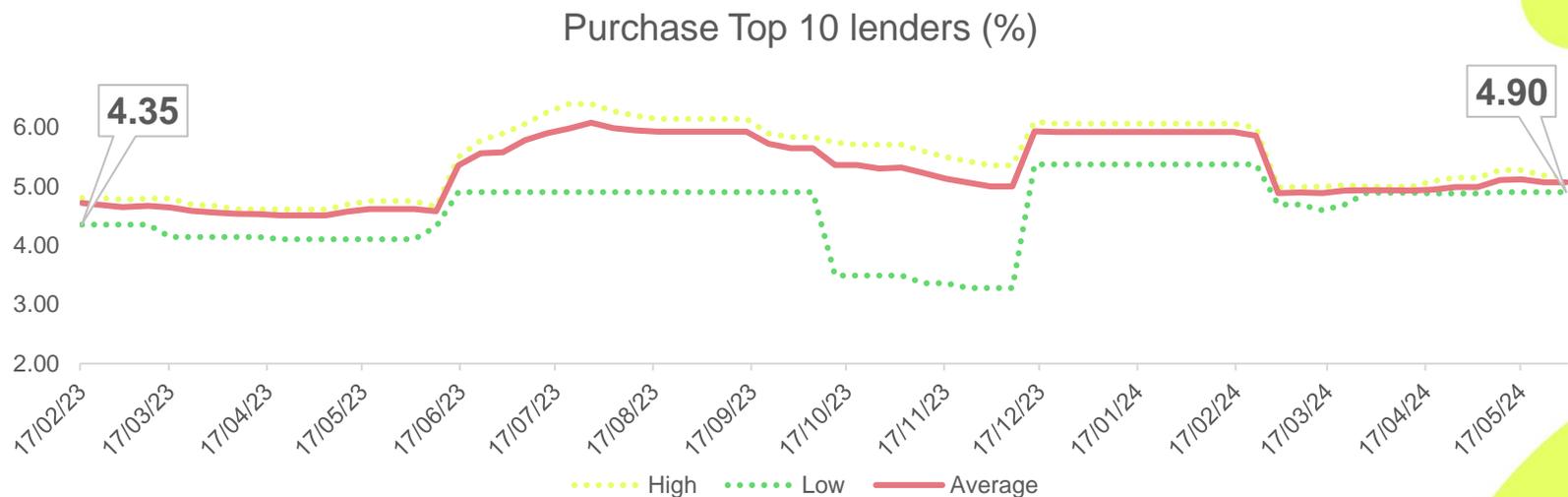


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Dwello – Mortgage Rate Index (85% LTV Purchase)

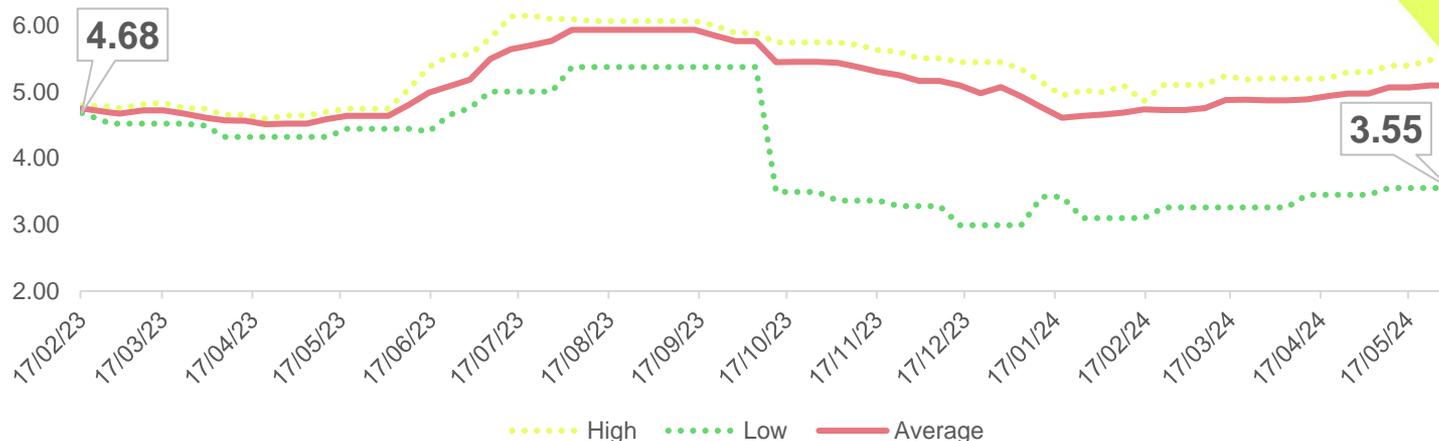
“In May 2024, the top 10 lenders continued to offer similar 85% LTV purchase mortgage rates around 4.90%, with little variation, maintaining a stable and competitive market. Rates have remained largely unchanged over the past 3 months, as we eagerly await a base rate drop.”



Dwello – Mortgage Rate Index (85% LTV Remortgage)

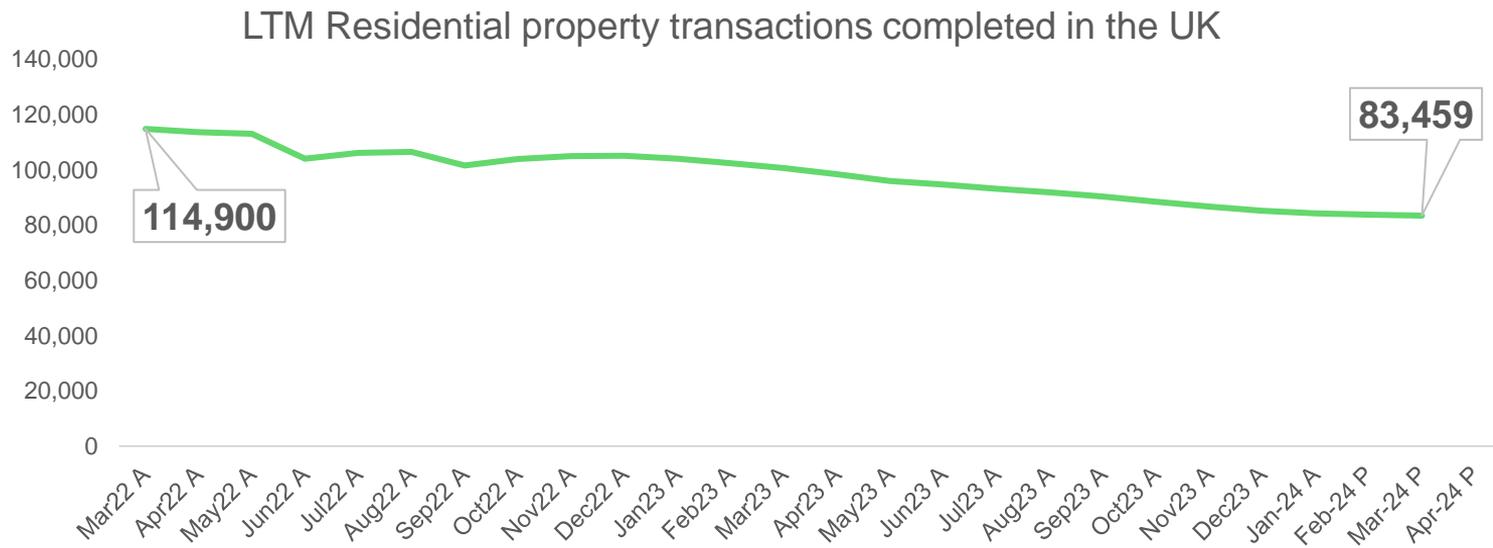
"85% LTV remortgage rates have been stable, with the attractive low rate holding steady at 3.55% as of May 2024."

Remortgage Top 10 lenders (%)



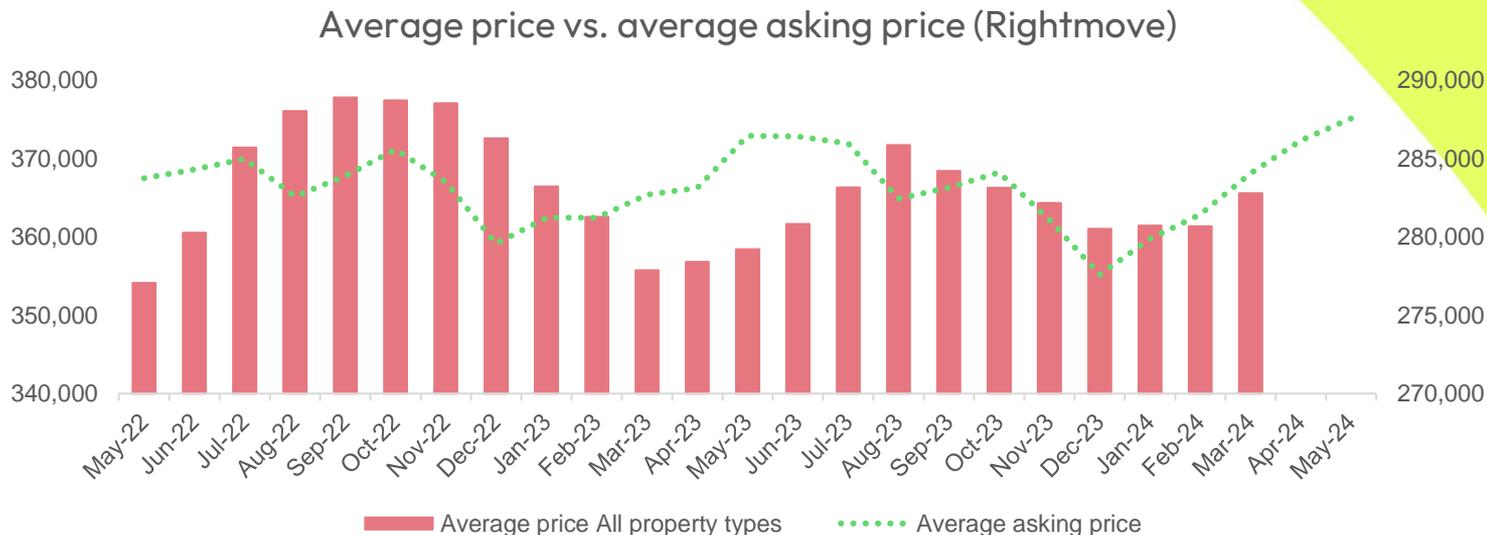
Residential transaction volumes

“The estimate of the number of UK residential transactions in April 2024 on an LTM basis is 83,459, -23.7% lower than March 2022.”



Residential transaction prices

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Mortgage Value Gross

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Mortgage value gross (£'000m)





It's a first-time buyer's market in 2024

With lighter evenings and hopefully better weather, things are also looking brighter on the mortgage front for first-time buyers (FTBs) in 2024. After a challenging 2023 with high mortgage rates, falling interest rates are the main driver for increased demand. Experts predict rates to decrease throughout 2024, reaching around 4% by year-end, making monthly payments more manageable for FTBs.

Property prices are also showing improvement, with potential price adjustments suggesting some softening. Zoopla even suggests an average £20,000 discount on properties typically targeted by FTBs, leading to a more attractive entry point with affordable housing in greater supply.

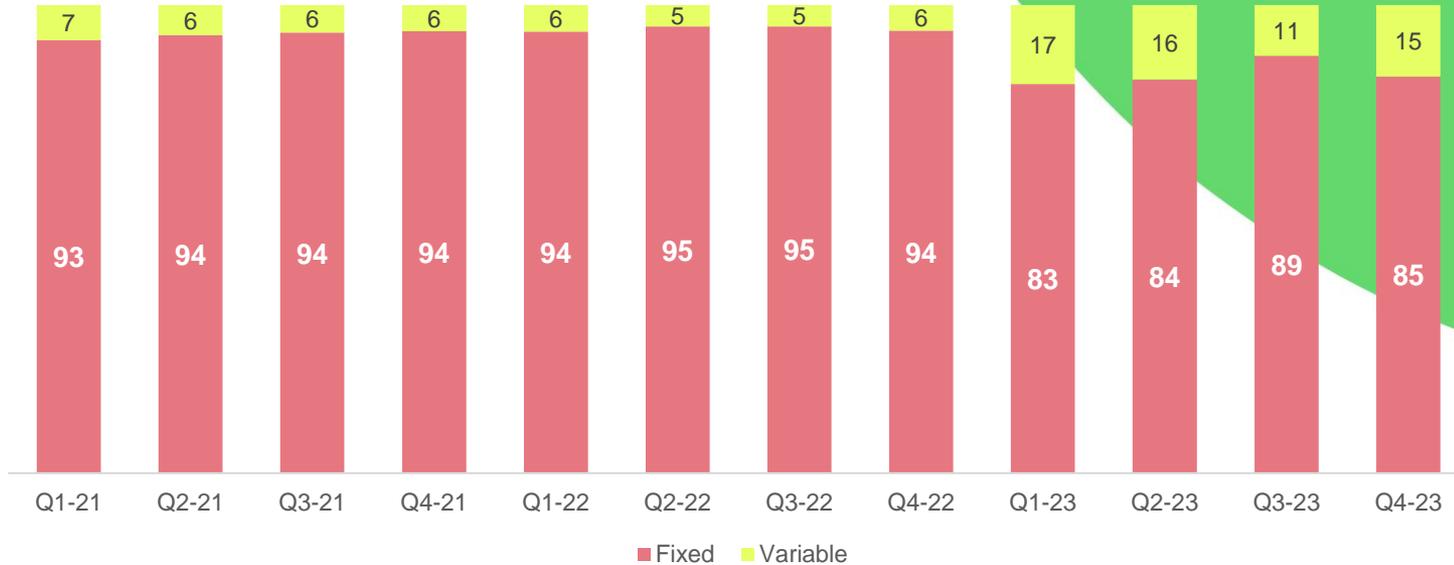
New products, like Yorkshire Building Society's 99% mortgage, allow applicants to secure lending with a minimum £5,000 deposit on properties up to £500,000, subject to certain conditions. FTBs also benefit from quicker completions due to not having a property to sell and exemption from Stamp Duty on properties valued at £425,000 or less, as long as they intend to live in the property as their main residence.

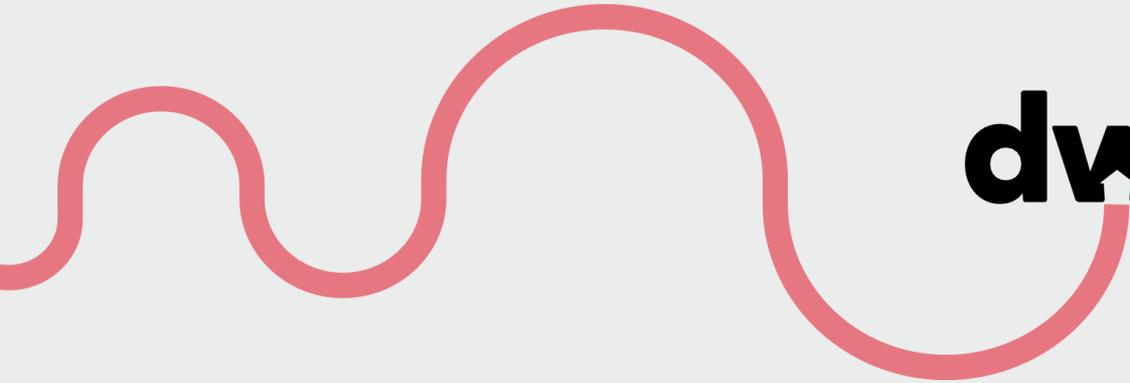
2024 presents diverse and promising scenarios for FTBs in the mortgage market. However, staying informed about market trends, being strategic, and having a solid financial plan remain key to success.

Fixed Rated vs. Variable in %

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Fixed Rated vs. Variable in %





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