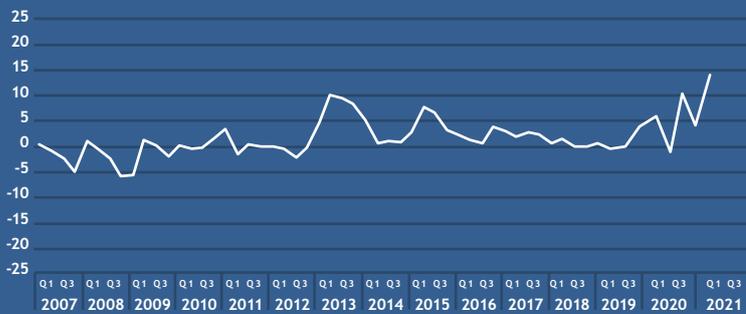


# LMS Remortgage Healthcheck Index

## Overall healthcheck index



# 64.4

## Q1 2021 Remortgage Healthcheck Index



### 69.4

Remortgage Approvals



The Remortgage Approvals indicator surged by 12.9 points to stand at 69.4.



### 59.6

Borrowing Costs



The Borrowing Costs indicator improved by 18.4 points in Q1 to 59.6, the highest value since Q1 2020.



### 74.7

Homeowner Equity



The Homeowner Equity indicator recorded a marginal increase in the first quarter of the year, rising by 0.8 points to stand at 74.7.



### 59.1

Consumer Sentiment



The Borrower Sentiment indicator recorded a second consecutive increase in Q1 2021, rising by 1.8 points to 59.1, a new all-time high.



Nick Chadbourne,  
CEO at LMS, comments:

“Q1’s remortgage market was particularly strong, showing growth in all indicators and with the overall score hitting its highest value since Q2 2015, one year before the Brexit referendum which caused widespread uncertainty in the housing market.

“The strong Borrowing Costs means lenders are passing their reduced borrowing costs to borrowers, signalling a positive outlook for the future as lenders fight for market share and borrowers feel the benefits. Concurrently, rising house prices drive positive scores in Homeowner Equity and while approval numbers have plateaued

since the beginning of the lockdown in Q2 2020, lenders are continuing to test the waters with larger loans, pushing the Remortgage Approvals indicator up.

“Looking ahead to the rest of Q2 2021, the extension of government support schemes will continue to fuel house price growth across the majority of England and Wales, supporting Remortgage Approvals, driving up the Homeowner Equity score and contributing to healthy Borrower Sentiment, signalling a continued healthy remortgage market for the remainder of H1.”

## Methodology

Each of our four key indicators is scored between 0 and 100, with scores between 40 and 60 considered a neutral outlook, a score below 40 is considered negative and score over 60 a positive outlook for the industry. The overall index is the weighted average of each indicator score.