



# Monthly Remortgage Snapshot

## Key performance metrics



**24%**

Instructions increased by 24% in June



**0.2%**

0.2% more remortgages completed in June



**6.79%**

The overall cancellation rate decreased by 0.81%



**8%**

Pipeline cases increased by 8% month on month

## Fast facts

**£292.64**

average monthly payment increase for those who remortgaged in June

**48%**

of borrowers increased their loan size in June

**46%**

of those who remortgaged took out a 5-year fixed rate product, the most popular product in June

**26%**

said their main aim when remortgaging was to lower their monthly payments, the most popular response

## Remortgage loan sizes

Change in loan size reported by borrowers



- 48% increased their total loan size
- 31% saw no change in their total loan size
- 21% reduced their total loan size



Average loan increase post remortgage: **£19,403.22**



Average loan decrease post remortgage: **£14,690.01**

## Monthly loan repayments

Change in monthly loan repayments reported by borrowers



- 69% increased their monthly remortgage repayments
- 7% saw no change in their monthly remortgage repayments
- 24% reduced their monthly remortgage repayments



Average monthly repayment increase: **£292.64**

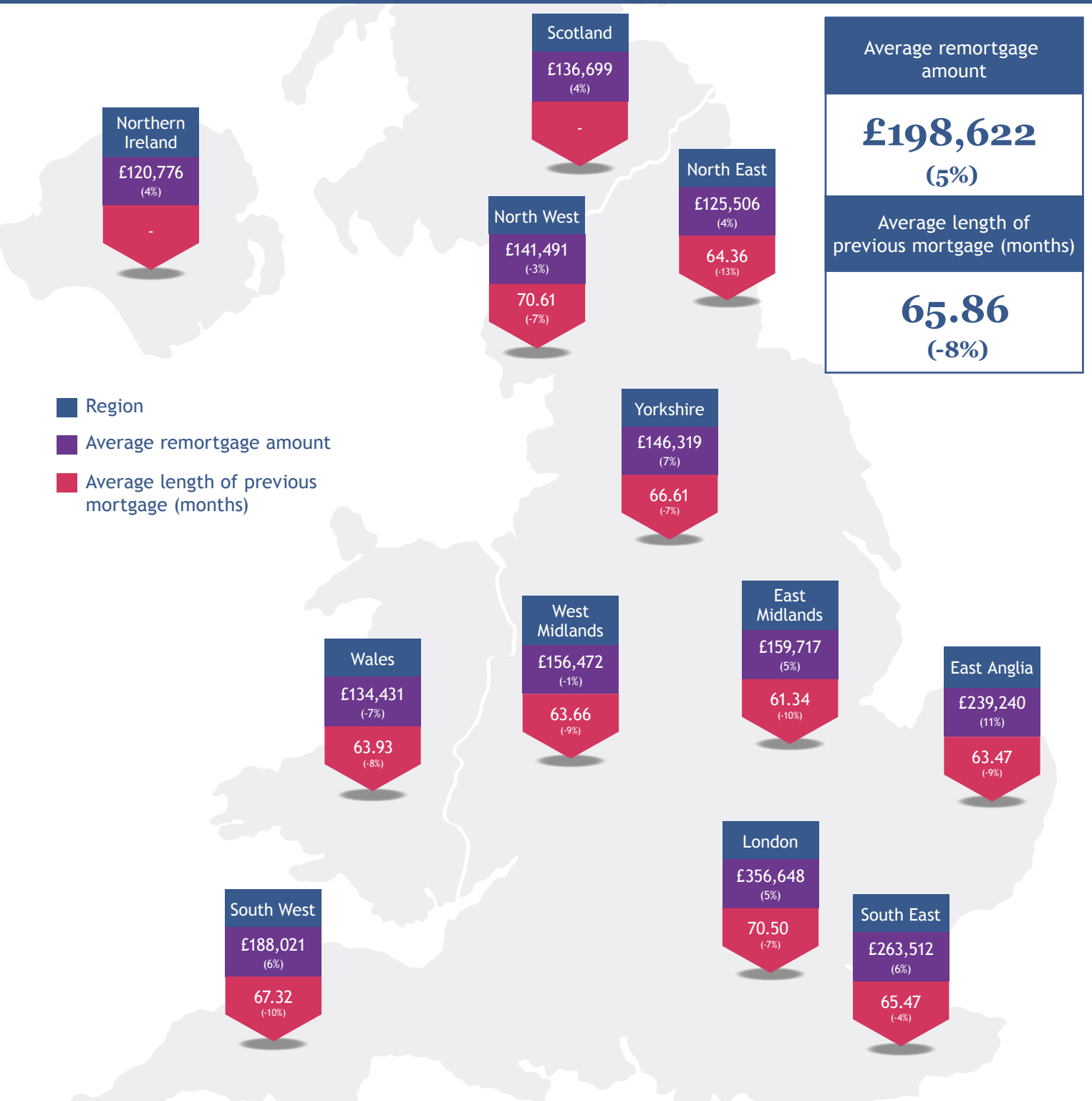


Average monthly repayment decrease: **£358.97**

# Regional trends

The average remortgage loan amount in London and the South East was £310,080 while the average for the rest of the UK stood at £154,867, putting remortgage loan amounts almost 100% higher in London and the South East than the rest of the UK.

The longest previous mortgage length was found in North West at 70.61 months (5.88 years) and the shortest was in the East Midlands at 61.34 months (5.11 years), putting the longest previous mortgage term 15.10% longer than the shortest.





Nick Chadbourne, CEO, LMS

## “Help of a broker critical for borrowers heading into H2” - LMS

“Since it’s the end of the second quarter, June always sees a spike in remortgage completions. Instructions also rose because borrowers are now confident that rates won’t be falling in the foreseeable future, so they are looking to secure a product now before they potentially increase along with the expected base rate trajectory.

We will see this trend continue into H2 with over half a million borrowers nearing the end of their current mortgage term.

The challenge is affordability - even with stress tests a thing of the past, banks will be wrestling with this, especially as the Consumer Duty comes into effect. Rising rates create challenges for banks looking to onboard new customers - products continue to change rapidly and many continue to opt for product transfers. However, shopping around with the help of a broker is critical in such an environment so borrowers would be well advised to do so to get the best possible deal.”

Interest rate rise expectations

**85.44%**

Within the next year

**4%**

More than a year away

**10%**

No expectation for an interest rate rise

### Product purchasing



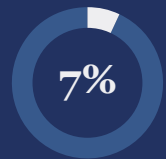
5-year fixed



2-year fixed



10-year fixed

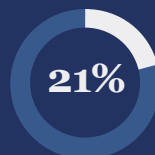


Tracker

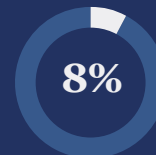
### Fixed-rate purchase motivations



security over monthly payments

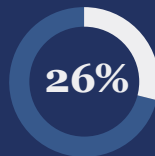


worried about the economy and wanted to lock in a fixed rate now

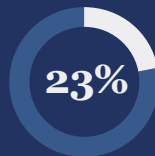


broker recommendation

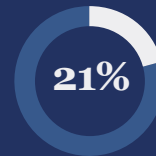
### Primary goal when remortgaging



to lower monthly payments



to release equity in your property (i.e. borrow more money)



to lock in a good deal now/give yourself longer-term security

### Methodology

LMS’ UK remortgage lending estimates are forecasts based on LMS’ up to date internal conveyancing data and remortgage lending figures provided by UK Finance. Together these two datasets cover many thousands of remortgage completion transactions. LMS (Legal Marketing Services) is one of the UK’s largest providers of outsourced property services, including conveyancing, remortgage and IT services. The LMS system is based on the company’s unique STARS (Servicer Tracking & Reporting System) technology which manages transactions electronically on-line to ensure speed, cost efficiency and quality of service.