

Monthly Remortgage Snapshot

January 2025



Key performance metrics*



31%

Instructions increased by 31% in January



1%

1% less remortgages were completed in January



49%

The overall cancellation rate increased by 49%



0%

Pipeline stayed the same as the previous month

Fast facts

£288.18

average monthly payment increase for those who remortgaged in January.

39%

of borrowers increased their loan size in January.

45%

of those who remortgaged took out a 5-year fixed rate product, the most popular product last month.

30%

said their main aim when remortgaging was to lower monthly payments.

Remortgage loan sizes

Change in loan size reported by borrowers



39% increased their total loan size



36% saw no change in their total loan size



25% reduced their total loan size



Average loan increase post remortgage:
£21,195



Average loan decrease post remortgage:
£13,763

Monthly loan repayments

Change in monthly loan repayments reported by borrowers



59% increased their monthly remortgage repayments



12% saw no change in their monthly remortgage repayments



29% reduced their monthly remortgage repayments



Average monthly repayment increase:
£288.18



Average monthly repayment decrease:
£354.13

Regional trends

The average remortgage loan amount in London was £348,258 while the average for the rest of the UK stood at £168,603 making remortgage loan amounts 107% higher in London than in the rest of the country.

The longest previous mortgage length was found in the North East at 82.19 months (6.85 years), while the shortest was in East Anglia at 67.87 months (5.66 years), making the longest previous mortgage term 21% longer than the shortest.

Average remortgage amount	£201,888 (-4%)
Average length of previous mortgage (months)	71.48 (5%)



As 2025 is getting into full flow will it be the year of the remortgage?



Nick Chadbourne, CEO, LMS

It certainly seems that way so far.

The remortgage stats for December and Jan followed the usual trends with instructions slowing and conveyancers using the new year as an opportunity to clear the pipeline, hence the variation in cancellations.

However, we know that 2025 is set to experience the highest number of product expiries since the pandemic. And it's the pandemic (and Liz Truss) we have to thank for such a bumper year. Think back to 2020 when stamp duty changes had everyone moving to the country; these people took out 5-year deals. Then later, in 2023, we experienced a jump in rates due to Ms Truss, which made 2-year fixed rates the way to go. Now, in 2025, we will see both the 5-year and 2-year deals expire, resulting in a double bumper year!

Thankfully, since the pandemic, we have further embraced automation, implementing it, along with levels of resilience, into our remortgage processing. So, lenders can confidently get on with connecting with customers while knowing that the process is just as slick in the background.

What else will 2025 bring? Well, there have already been many surprises, and we are only in February! From Smart data announcements, AI U-turns by our government, and the US apparently in their "move fast and break things" era, I think it's fair to say that 2025 may well be the year for remortgages, but also one that will continue to be full of surprises.

Borrower expectations for interest rate increases

49%

Within the next year

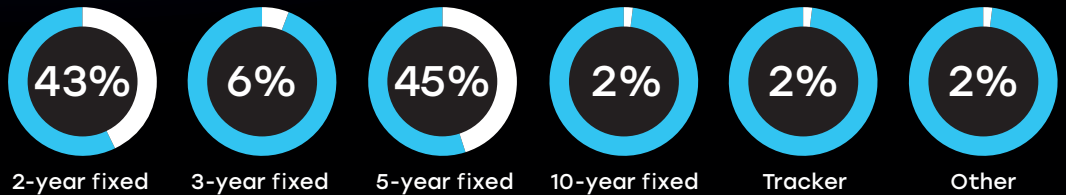
17%

More than a year away

34%

No expectation for a rate increase

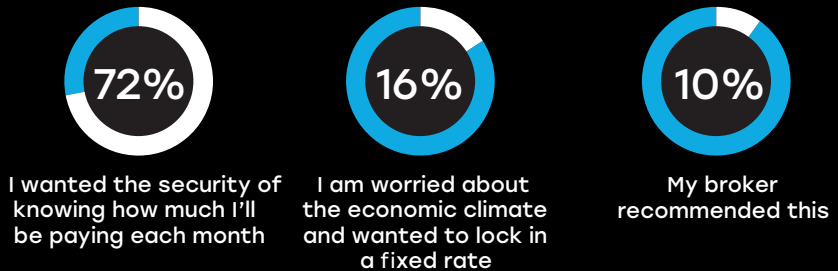
Product purchasing



Primary goal when remortgaging



Fixed-rate remortgage motivations



Methodology - LMS' UK remortgage lending estimates are forecasts based on our up-to-date internal conveyancing data covering thousands of remortgage completion transactions.