

MORTGAGE MARKET REPORT

Analysis from Twenty7Tec

TWENTY7TEC



KEY FINDINGS - MARCH 2021

69%*

Purchases as a proportion of the mortgage market in March 2021 (remortgages = 30%)
*Excluding product transfers

26.7%

The rise in standard residential mortgage search volumes during March 2021 v February 2021.

23.7%

Rise in volume of fixed rate mortgage searches in March 2021 compared to February 2021

24.5%

The rise in the number of mortgage searches in March 2021 for properties valued at over £1m

20.8%

First time buyers made up almost 21% of the mortgage searches in March 2021.

4.9s

We produced an ESIS mortgage document once every 4.9s on average on our busiest day in March 2021

24

In March 2021, we had our 24 busiest days ever for creating mortgage documents.

1m+

During March 2021, we processed our millionth ESIS or EoR document a week earlier than the year prior.

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A SPECIAL FOCUS ON
LTV 90%+ PRODUCTS
AND ACTIVITY

MARCH 2021 CEO STATEMENT



March 2021

March 2021 continued the upward trends that we have all experienced over recent months. An extension of the UK stamp duty relief scheme, the promise of a guaranteed 95%+ LTV market and increasing confidence in the market, in vaccines and in life beyond our homes have all combined to sustain growth in our market.

Is there any respite on the horizon? It doesn't look as if things will slow down for a few weeks yet, although the stamp duty relief ending on the £250k-£500k range will dampen demand a little.

James Tucker
CEO, Twenty7Tec

WHAT DID DEMAND LOOK LIKE IN MARCH 2021?

"March 2021 volumes hit new highs for mortgages searches - our best ever monthly figures at Twenty7Tec.

"The market also moved further to purchase (as opposed to remo). Purchase now represents almost 70% of the market - almost a mirror image of 12 months ago.

"First Time Buyers grew as a proportion of searches in the market as more 90%+ and 95%+ products became available. More 95%+ products are available from 1 April under the Government's guarantee scheme."

Phil Bailey, Twenty7Tec

March searches

Purchase	Remortgage	Searches	Purchase %	Remo %	FTB as a percentage
1,064,391	477,270	1,541,661	69.04%	30.96%	20.83%
↑ 30.6%	↑ 10.4%	↑ 23.6%			

February searches

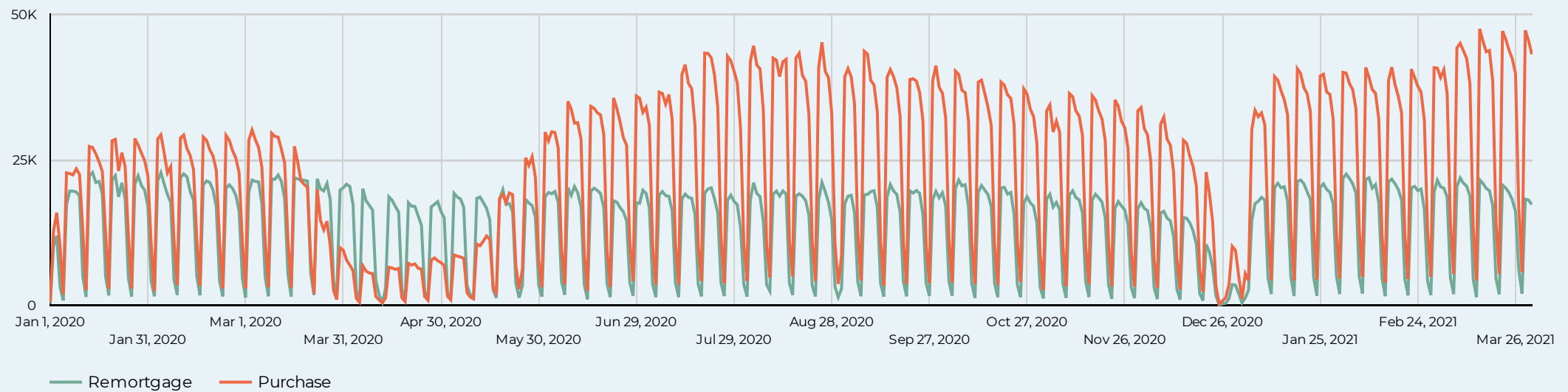
Purchase	Remortgage	Searches	Purchase %	Remo %	FTB as a percentage
815,232	432,421	1,247,653	65.34%	34.66%	19.69%
↑ 10.2%	↑ 11.8%	↑ 10.7%			

January searches

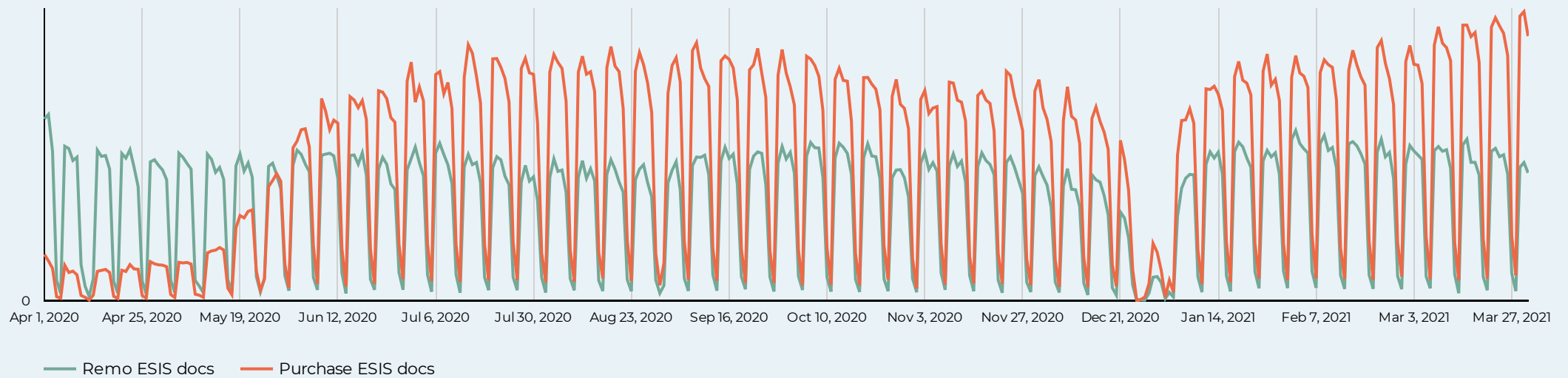
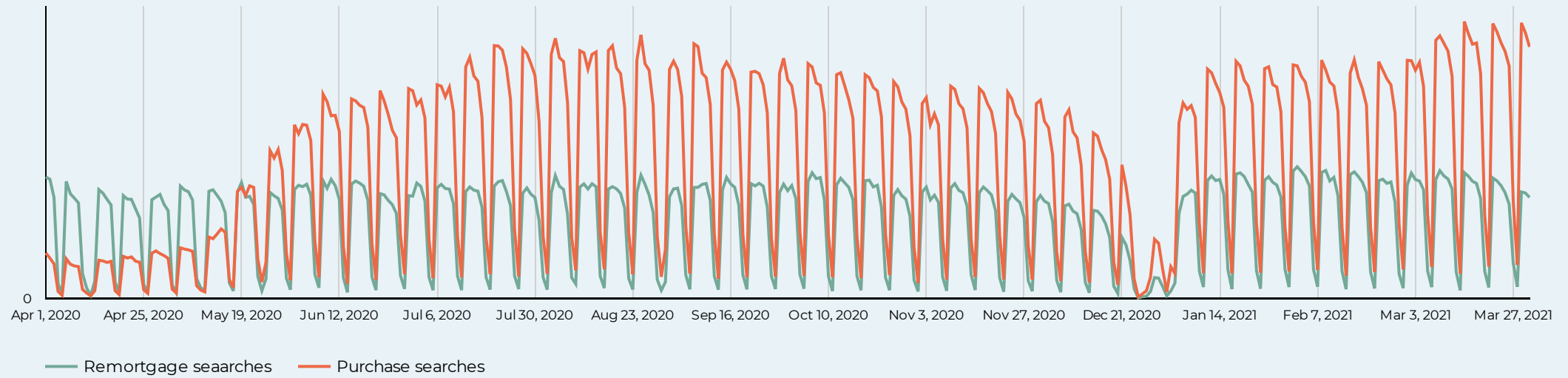
Purchase	Remortgage	Searches	Purchase %	Remo %	FTB as a percentage
794,750	416,302	1,211,052	65.62%	34.38%	20.18%
↓ -13.2%	↓ -5.0%	↓ -10.6%			

WHERE WAS THE DEMAND IN THE MARCH 2021 MARKET?

Mortgage Type	January searches	February searches	March searches ▾	Monthly difference
1. Standard Residential	836321	852807	1080779	26.73%
2. Buy To Let	213200	227465	261934	15.15%
3. Standard (inc. Shared Equity / Help to Buy)	61696	62248	73882	18.69%
4. Shared Equity / Help to Buy	32742	34475	44104	27.93%
5. Shared Ownership	36167	37880	40807	7.73%
6. Let To Buy	16930	17770	23234	30.75%
7. Secured Loan	5936	5928	6905	16.48%
8. Right To Buy	5246	6093	6646	9.08%



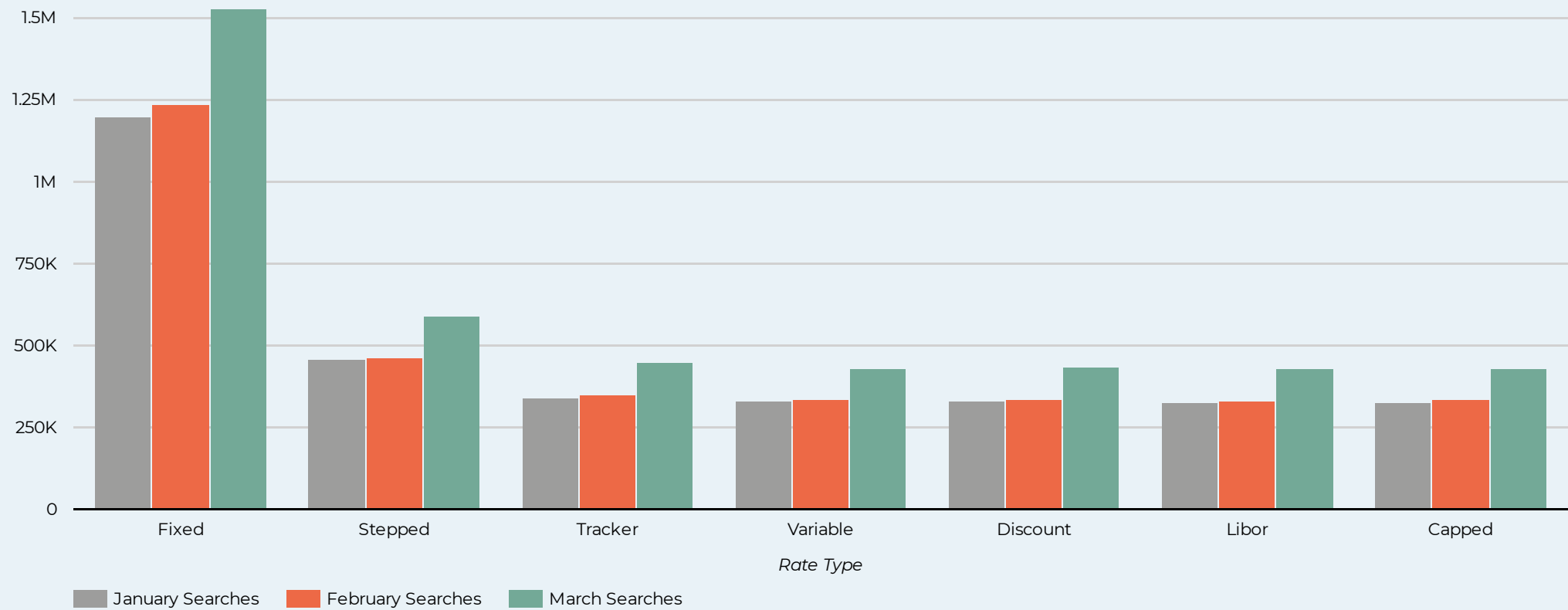
SEARCHES V DOCUMENTS IN THE MARCH 2021 MARKET



SEARCHES PER DOCUMENT IN THE YEAR TO MARCH 2021 (7-DAY ROLLING BASIS)



SEARCHES BY MORTGAGE PRODUCT TYPE JANUARY TO MARCH 2021



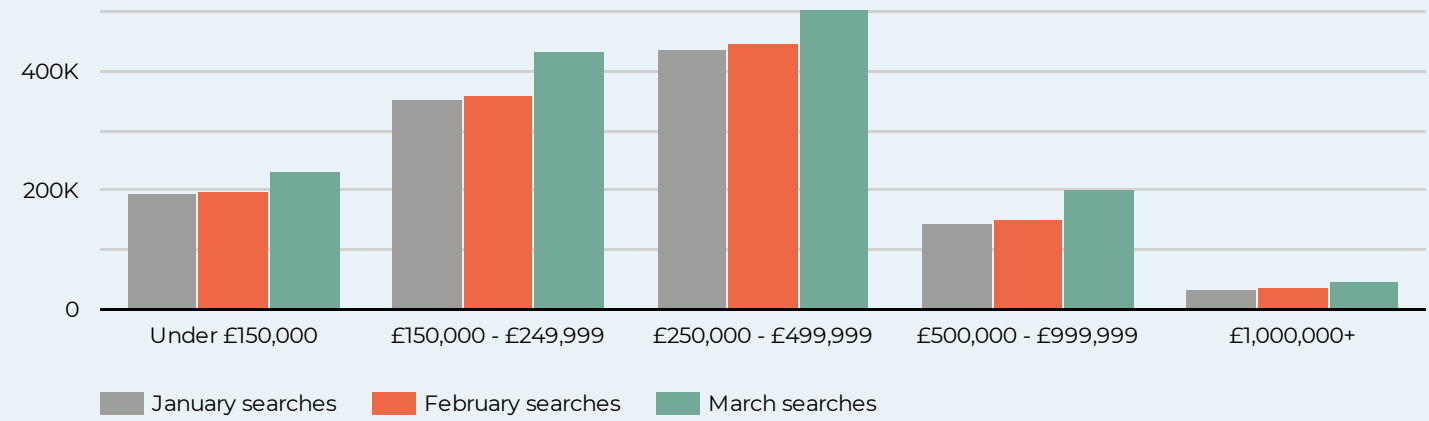
HOW DID MARCH 2021 SPLIT BY PROPERTY VALUE?

"Properties across all price ranges saw an increase in mortgage searches with 20% growth in all searches over £150,000

The hottest part of the market was in the £500k-£999k range where there was a leap of almost one-third in mortgage searches."

Phil Bailey, Twenty7Tec

Property searches by value – January to March inclusive:



Breakdown:

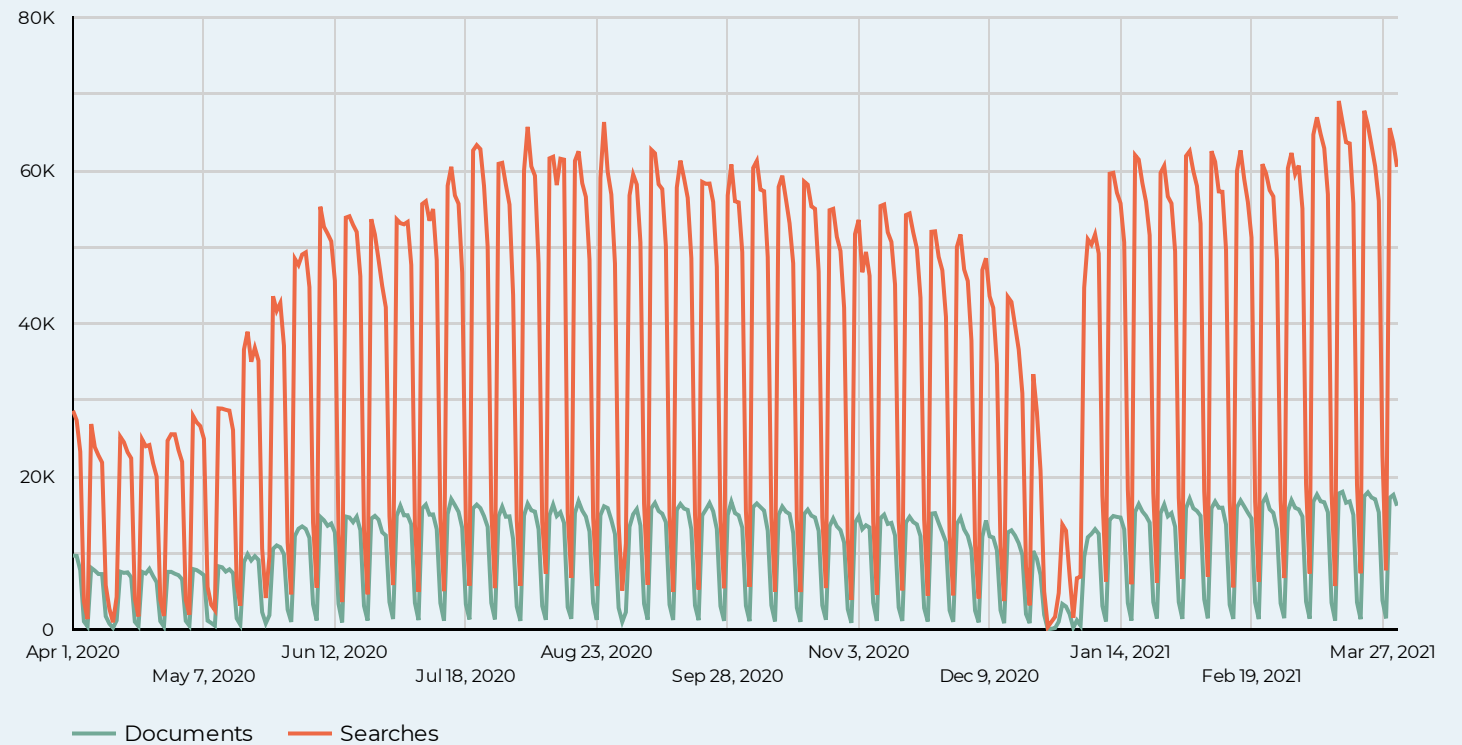
Property Valuation	January searches	February searches	March search...	February to March
Under £150,000	193,151	196,910	231,481	17.56%
£150,000 - £249,999	352,857	359,536	431,902	20.13%
£250,000 - £499,999	436,440	447,950	557,253	24.40%
£500,000 - £999,999	145,438	151,975	200,118	31.68%
£1,000,000+	33,216	36,616	45,590	24.51%

SEARCHES AND DOCUMENTS PAST 12 MONTHS

"Documents prepared in March 2021 reached new highs as did the searches that drove them.

"On our busiest day, we produced a mortgage document once every 4.9s"

Niki Cooke, Twenty7Tec

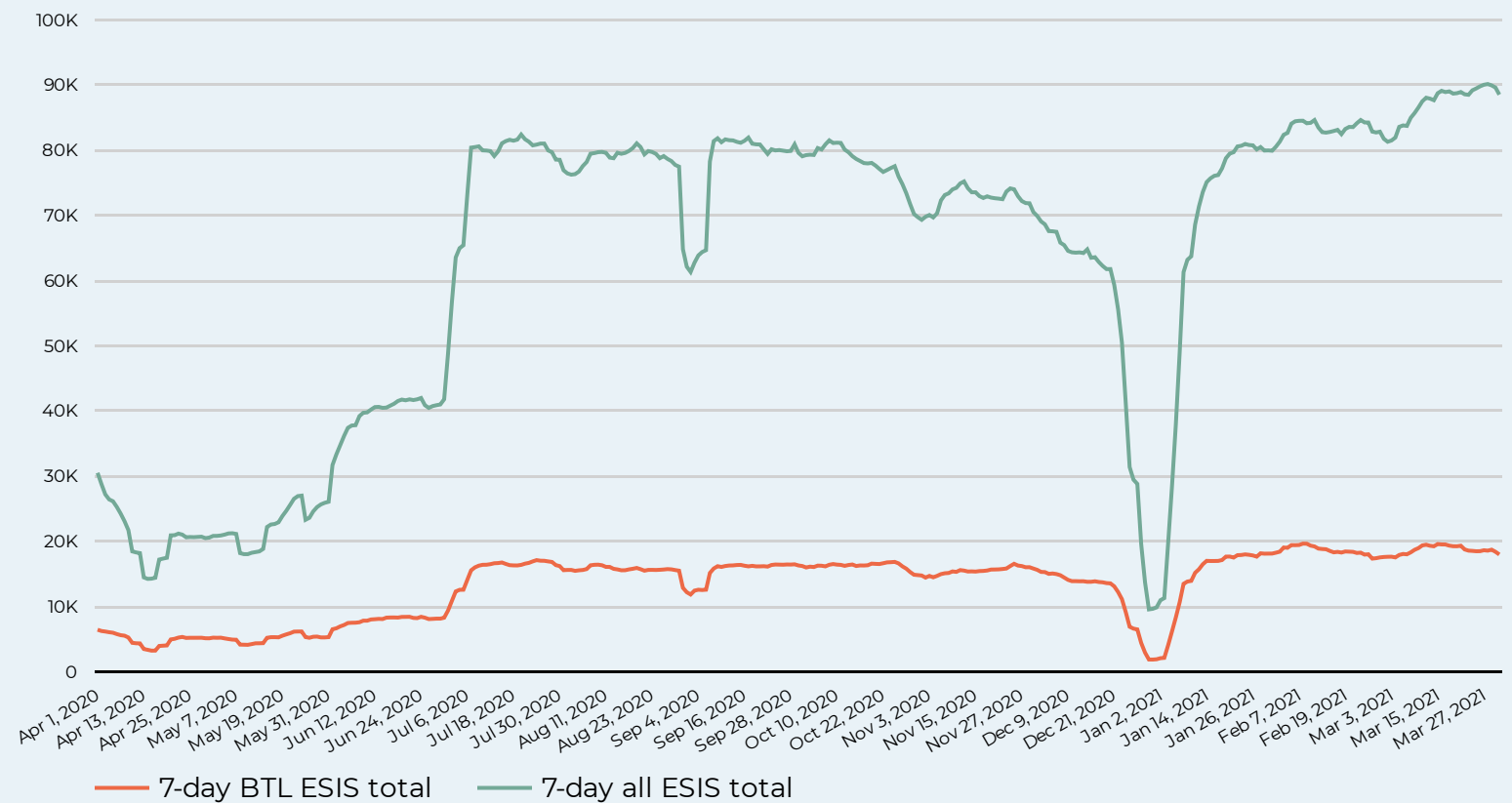


7-DAY AVERAGE ESIS DOCUMENTS YTD (ALL AND BTL)

"During March 2021, we had our 24 busiest days ever for creating ESIS documents on a seven-day rolling basis.

"If it felt busy, that's because it **was** exceptionally busy."

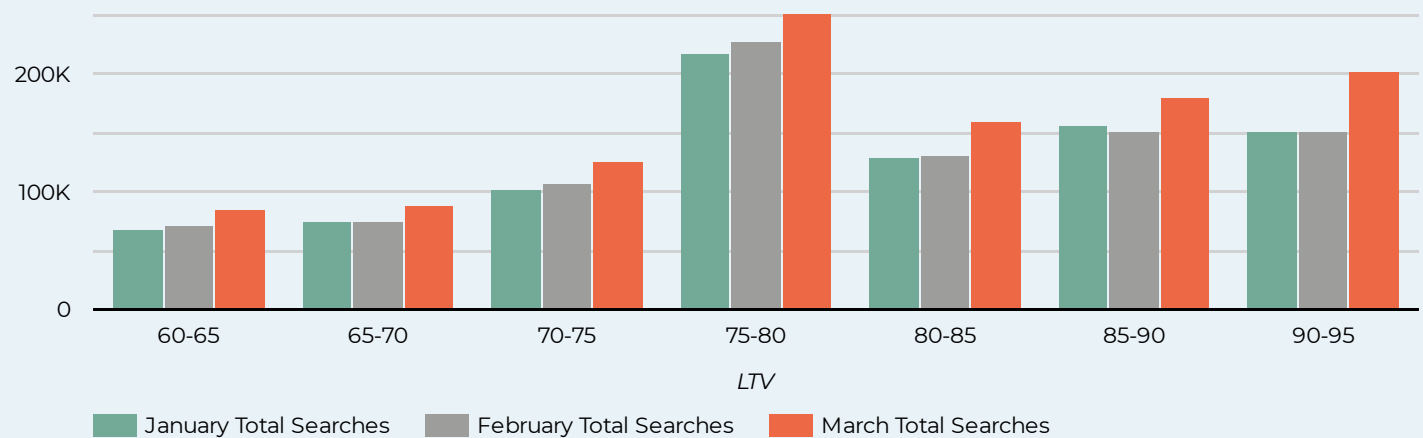
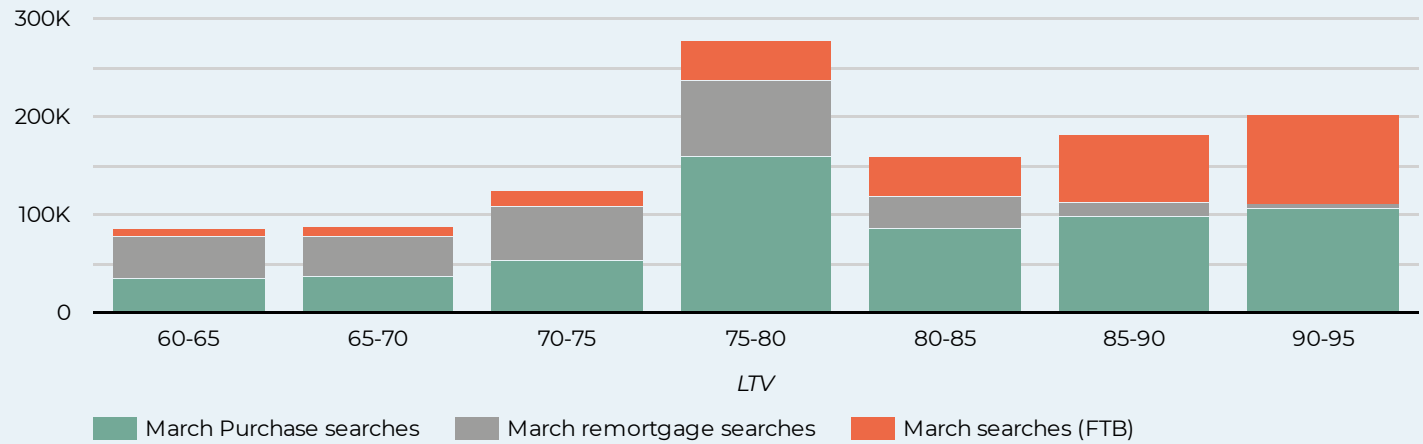
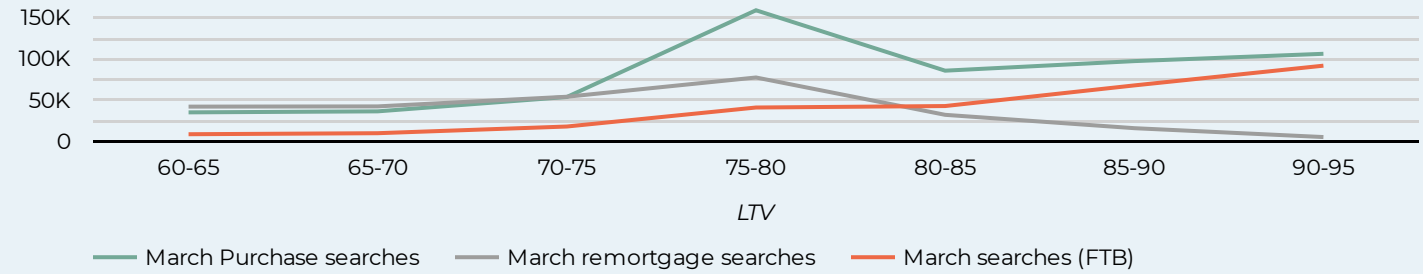
Niki Cooke, Twenty7Tec



WHAT PRODUCTS ARE APPLICANTS SEARCHING FOR?

"The volume of searches grew in every LTV range during March 2021. The most marked change was in the 95% range which now outranks the 90% market for volume."

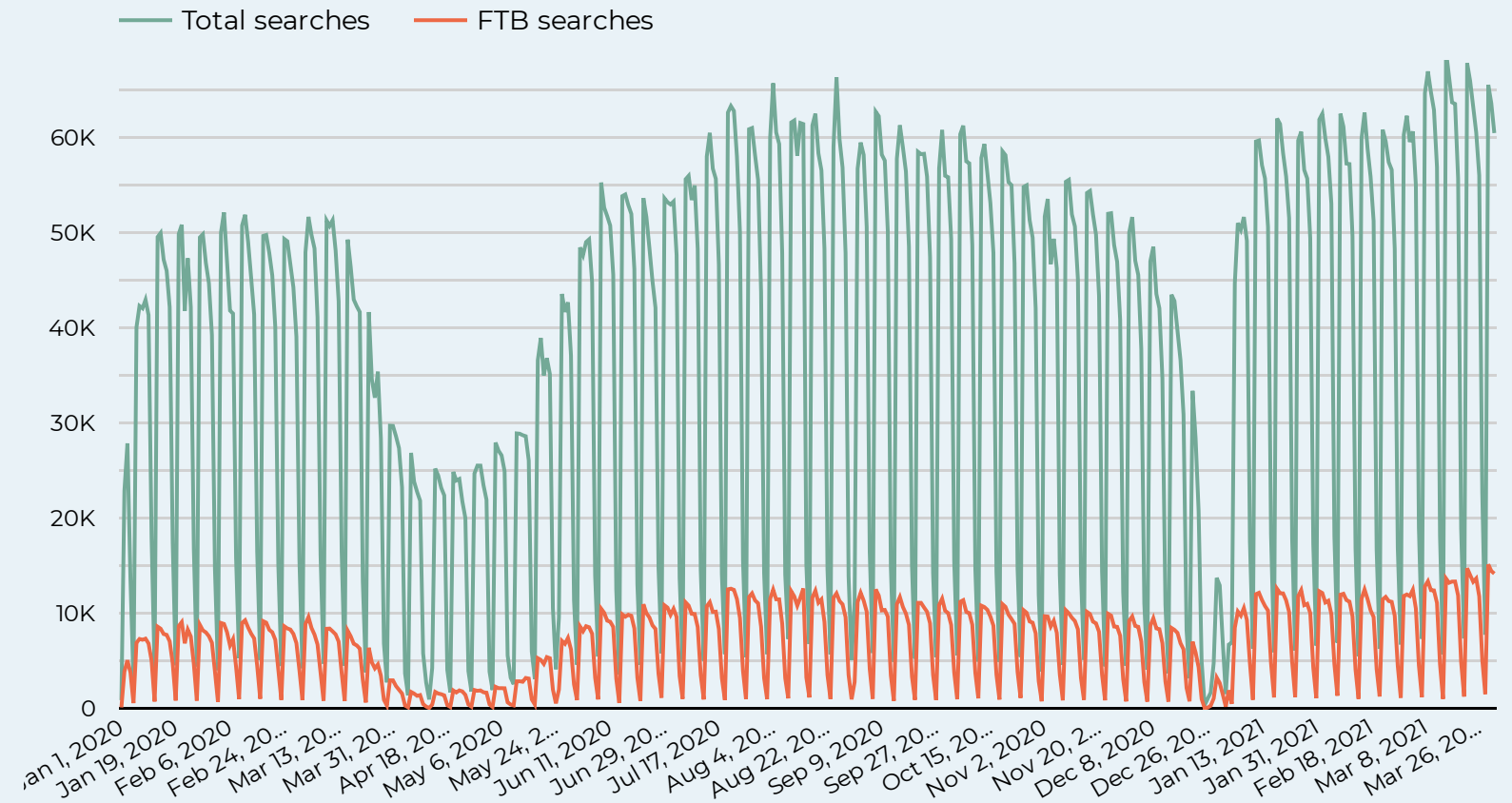
Niki Cooke, Twenty7Tec



THE NEED FOR AN ACTIVE FTB MARKET

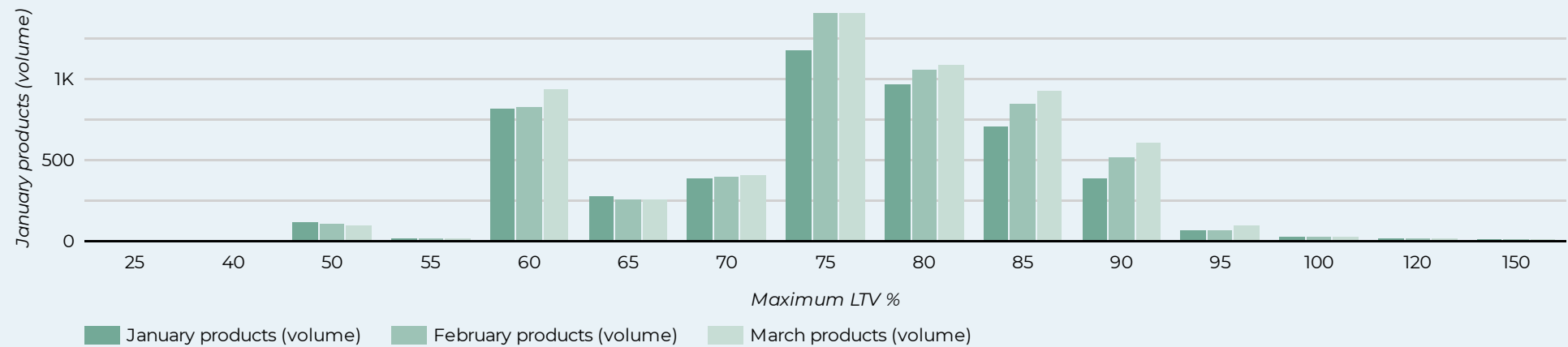
"The volume of First Time Buyers searches has increased steadily over recent months. They also make up an increasing ratio of the market - currently at 20.8% of all searches."

Nathan Reilly, Twenty7Tec



PRODUCT HEATMAPS AS AT END MARCH 2021

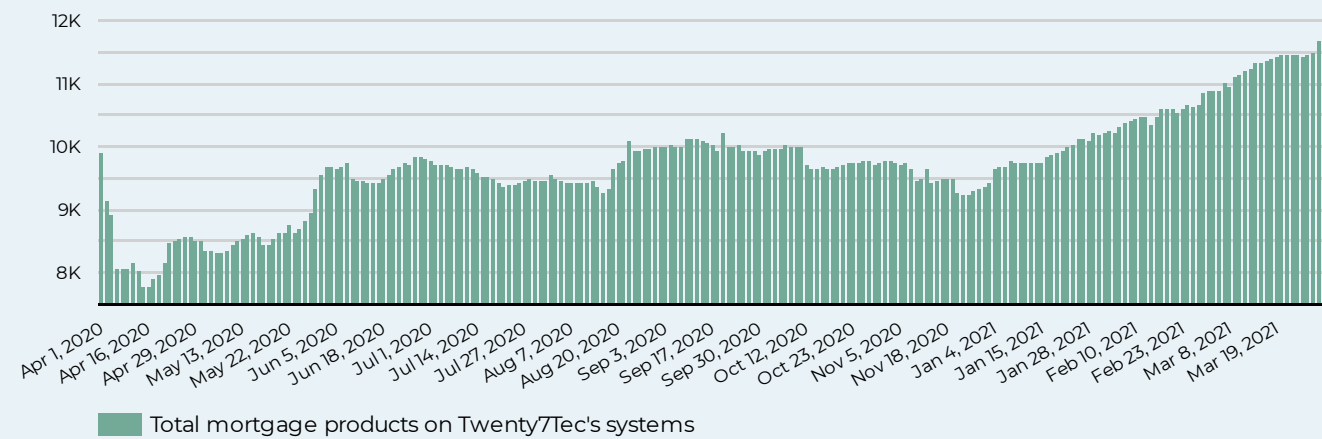
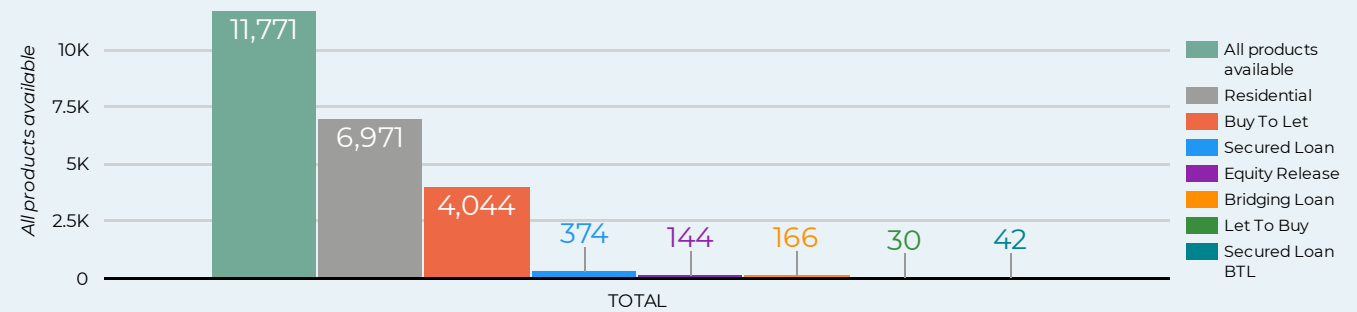
LTV ^	March Purchase searches	March searches (FTB)	March remortgage searches	March Total Searches
60-65	34,967	8,438	41,938	85,343
65-70	36,202	9,675	42,223	88,100
70-75	53,644	17,790	53,935	125,369
75-80	158,903	40,862	77,303	277,068
80-85	85,571	42,639	31,985	160,195
85-90	97,179	67,693	15,778	180,650
90-95	106,066	91,654	4,989	202,709



PRODUCTS AVAILABLE ON TWENTY7TEC SYSTEM AS AT MARCH 2021

"March 2021 saw the volume of mortgage products available climb back over 11,000 for the first time in a year. In April, with the Government scheme in place, this will likely exceed 12,000."

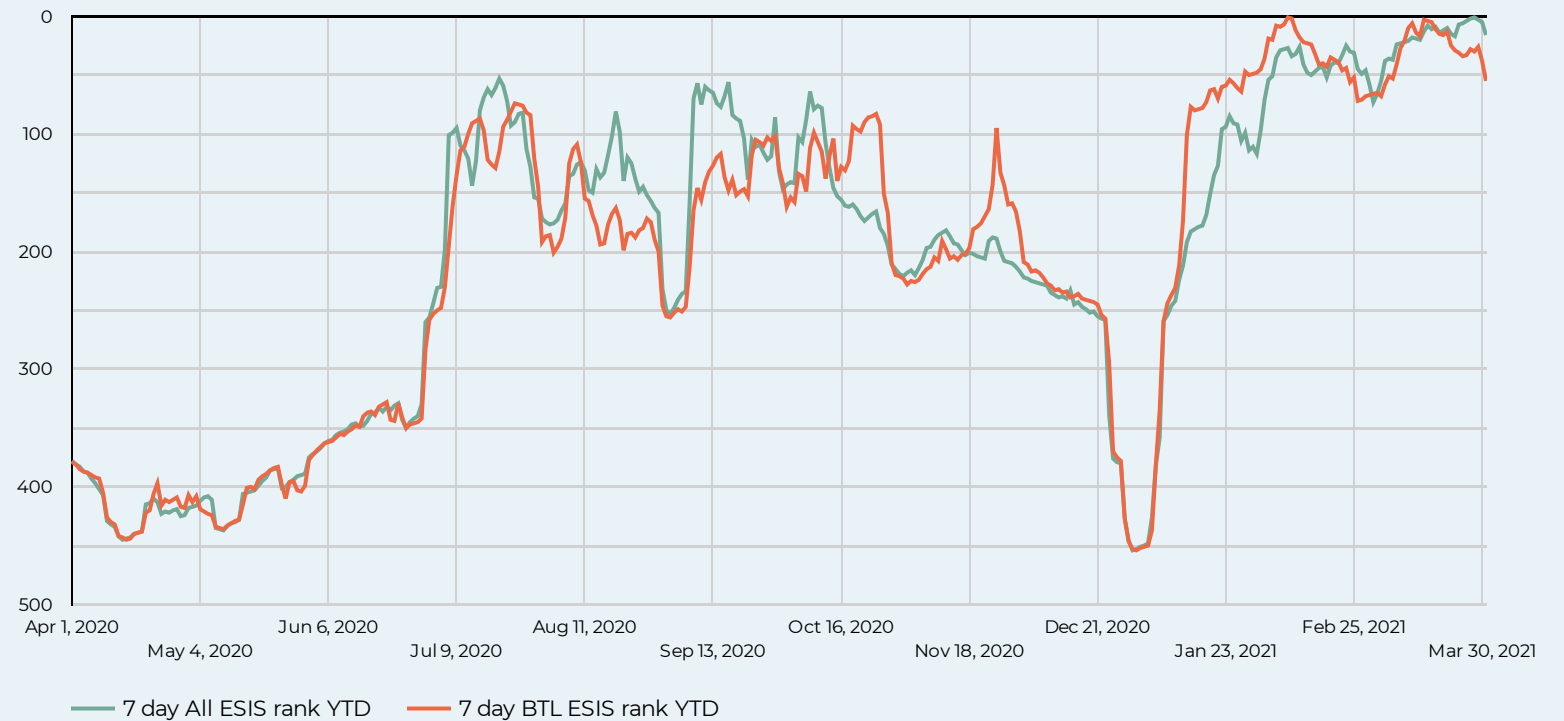
Nathan Reilly, Twenty7Tec



ESIS DOCUMENTS – BUSIEST WEEKS SINCE 1 APRIL 2020

"The volume of ESIS documents for Buy To Let dropped slightly nearer March month end as the market shifted focus slightly towards purchase and first time buyers."

Niki Cooke, Twenty7Tec



HOW ARE SEARCHES DISTRIBUTED ACROSS LTV RANGES?

"In March 2021, the mortgage market shifted slightly towards the top end of LTV ranges as more products become available at 90%+ and 95%+"

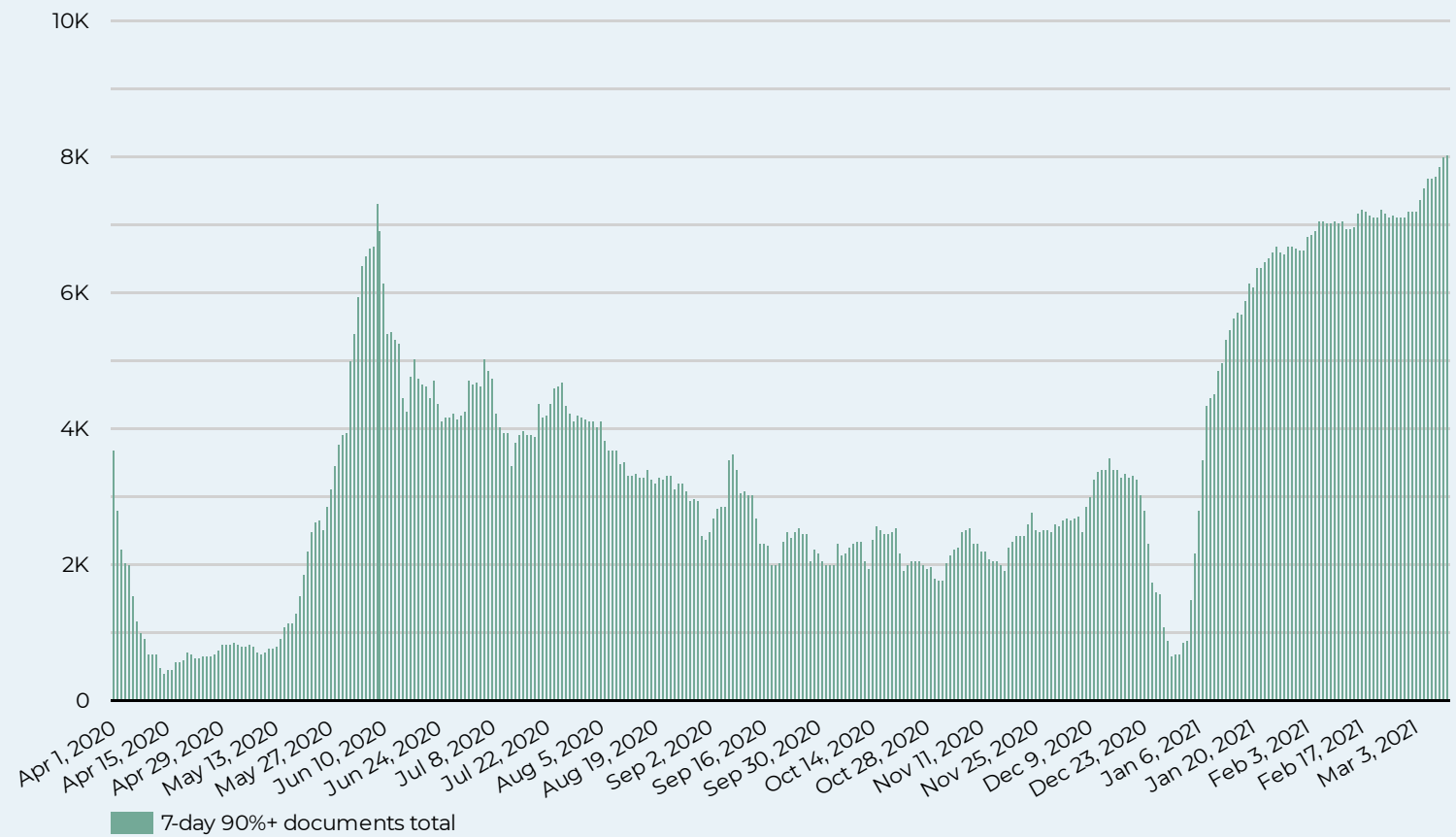
Nathan Reilly, Twenty7Tec

	Maximum LTV %	% of Total March Products	% of Total February Products
1.	25	0.00%	0.00%
2.	40	0.08%	0.09%
3.	50	1.69%	1.99%
4.	55	0.30%	0.29%
5.	60	15.55%	14.79%
6.	65	4.35%	4.66%
7.	70	6.86%	7.18%
8.	75	24.64%	25.22%
9.	80	18.20%	19.00%
10.	85	15.50%	15.19%
11.	90	10.10%	9.24%
12.	95	1.65%	1.24%

WHAT IS THE VOLUME OF 90%+ LTV DOCS PREPARED YTD?

"The 90%+ market shifted momentum in latter March 2021 - a trend that will continue in April 2021, no doubt."

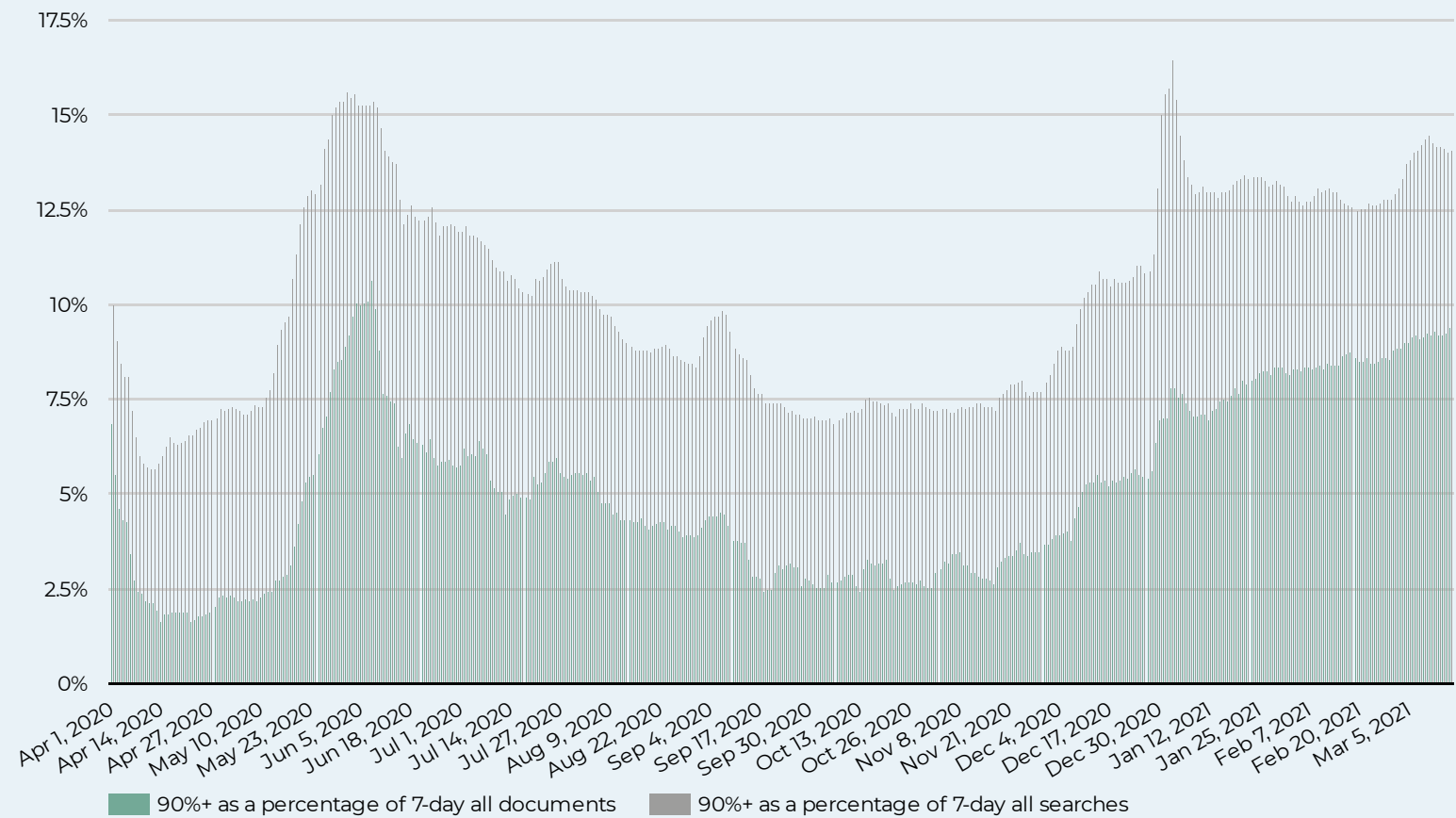
Nathan Reilly, Twenty7Tec



WHAT PERCENTAGE OF ALL DOCS/SEARCHES DO THE 90%+ RANGE MAKE UP ON A 7-DAY ROLLING AVERAGE?

"The 90%+ tranche of the market forms an increasing percentage of all searches and all documents, hitting peaks not seen since June 2020."

Phil Bailey, Twenty7Tec



WHAT IS THE VOLUME OF ALL DOCUMENTS PREPARED YTD?

