

# MORTGAGE MARKET REPORT

*Analysis from Twenty7Tec*

TWENTY7TEC



## KEY FINDINGS - SEPTEMBER 2021

# 38.4%\*

Remortgages as a proportion of the mortgage market in September 2021 (purchases (excluding product transfers) = 61.6%)

# #3

September was the third busiest month for mortgage searches

# 8%

Rise in mortgage searches for properties valued at over £1m.

# Ninth

September was the lowest ranking month for first time buyers as a percentage of all mortgage searches in 2021 and 14th out of the last 16 months.

# 18.8%

First time buyers as a percentage of all mortgage searches in September 2021.

# 8 of 10

The eight busiest days for remortgaging docs created in the past year were in September 2021.

# Tues

Tuesdays are normally the busiest of the week for First Time Buyers - but not in September, when their activity was spread more evenly across the week.

# 3.86%

The 95%+ LTV searches market share - down from recent highs of 7.06% in April 2021 when the 95% scheme came into force.

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A SPECIAL FOCUS ON  
LTV 90%+ PRODUCTS  
AND ACTIVITY

**September 2021**  
CEO STATEMENT



## September 2021

Life after the stamp duty relief starts here. This is the new normal: a legacy 95% guarantee scheme, but much else has returned to pre-pandemic market set up.

The story of the month from September was that Buy To Let is back and Remortgaging is also heading toward its long-term norm (40:60 of remo:purchase).

Perhaps October will see the usual pre-Christmas rush? We'll report as soon as we know next month.

**James Tucker**  
CEO, Twenty7Tec

## WHAT DID DEMAND LOOK LIKE IN SEPTEMBER 2021?

"September is traditionally the beginning of the busiest 10 weeks of the mortgage market's year. This year, however, it only ranks as the third busiest month for searches due to the volumes in March and April seeking to hit stamp duty headlines. "The end of the month saw the end of the lower stamp duty relief (up to £250k) so we are now operating in the 'new normal' market."

Niki Cooke, Twenty7Tec

### September searches

Purchase	Remortgage	Searches	Purchase %	Remo %	FTB as a percentage
773,339	481,693	1,255,032	61.62%	38.38%	18.81%
↑ 4.5%	↑ 10.0%	↑ 6.6%			

### August searches

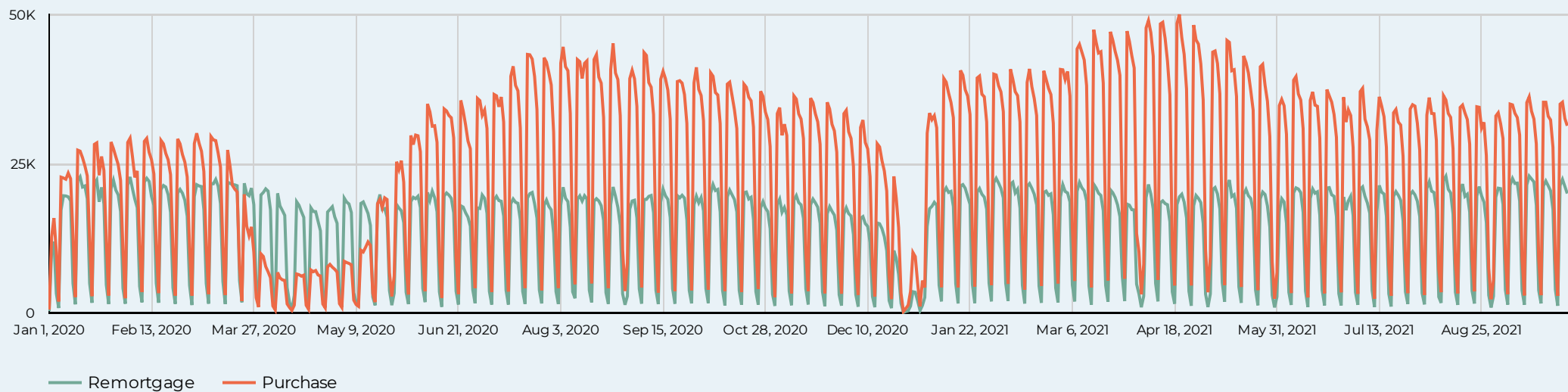
Purchase	Remortgage	Searches	Purchase %	Remo %	FTB as a percentage
739,736	437,817	1,177,553	62.82%	37.18%	19.51%
↓ -3.6%	↓ -0.2%	↓ -2.4%			

### July searches

Purchase	Remortgage	Searches	Purchase %	Remo %	FTB as a percentage
767,571	438,614	1,206,185	63.64%	36.36%	19.45%
↓ -6.6%	↓ -0.4%	↓ -4.4%			

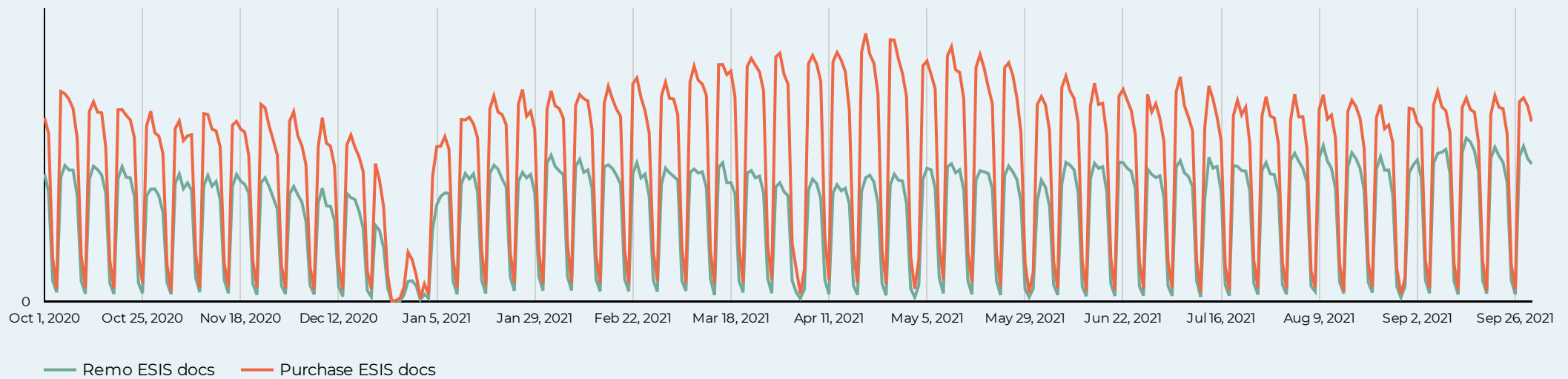
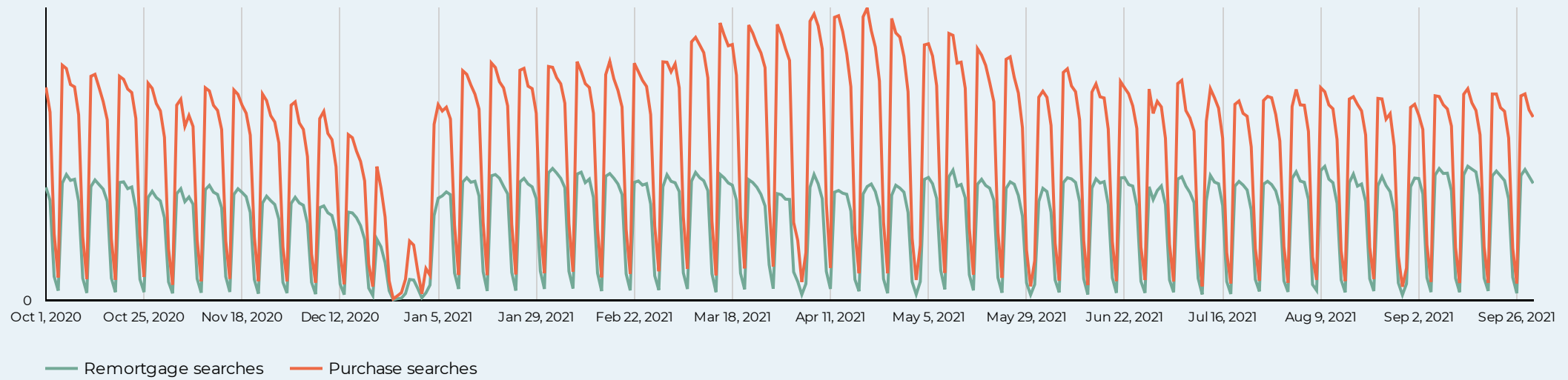
# WHERE WAS THE DEMAND IN THE SEPTEMBER 2021 MARKET?

Mortgage Type	July searches	August searches	September searches	September monthly difference
1. Standard Residential	856140	844383	890875	5.51%
2. Standard (inc. Shared Equity / Help to Buy)	53355	50012	54461	8.90%
3. Shared Ownership	35658	33341	34977	4.91%
4. Shared Equity / Help to Buy	21355	22515	21500	-4.51%
5. Self Build	1019	889	1063	19.57%





# SEARCHES V DOCUMENTS IN THE SEPTEMBER 2021 MARKET



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



# SEARCHES BY MORTGAGE PRODUCT TYPE MAY TO SEPTEMBER 2021



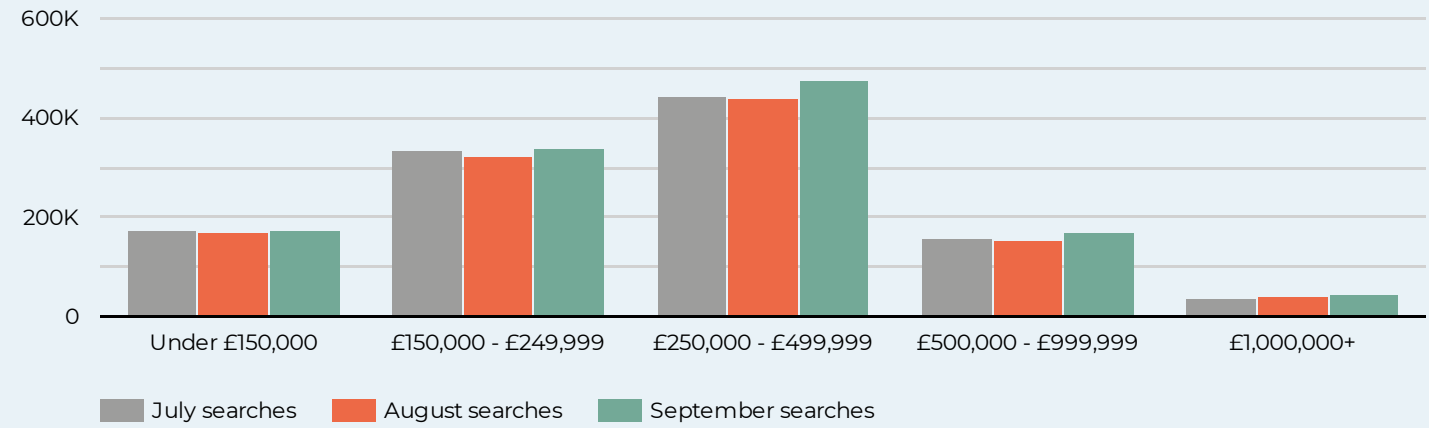


## HOW DID SEPTEMBER 2021 SPLIT BY PROPERTY VALUE?

"The drop in search volumes below the £250,000 mark was offset by the rise in searches in September 2021 for all ranges above £250,000. £1m+ properties in particular saw a larger than market leap forward of 8.76%."

James Tucker, Twenty7Tec

### Property searches by value – July to September inclusive:



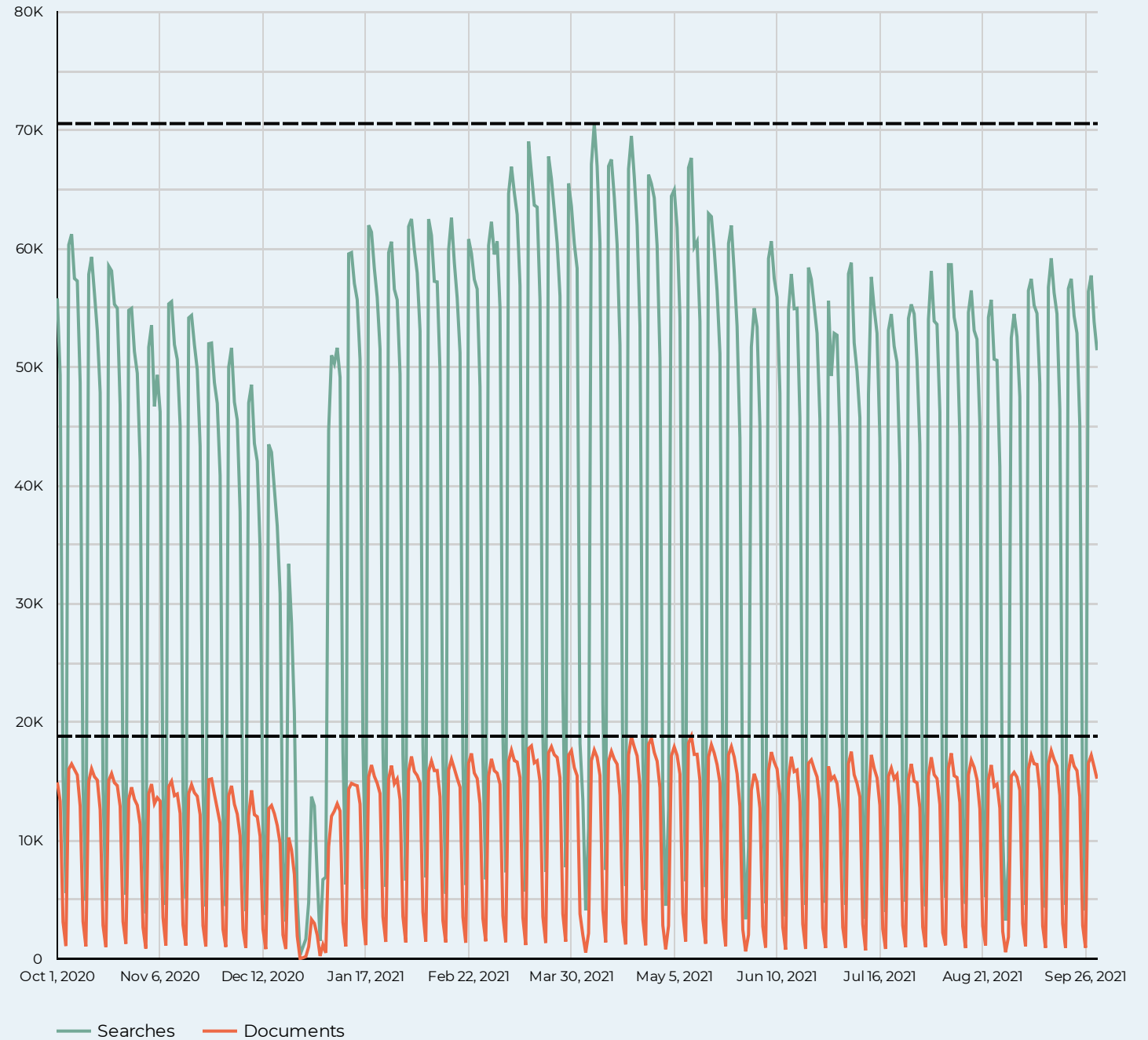
### Breakdown:

Property Valuation	July searches	August search...	Septembe...	August to Sept...
Under £150,000	171,744	168,354	172,359	-4.17%
£150,000 - £249,999	333,741	322,477	337,619	-2.00%
£250,000 - £499,999	443,410	438,829	474,186	1.15%
£500,000 - £999,999	158,932	154,531	170,475	3.27%
£1,000,000+	38,067	38,322	44,525	8.76%

# SEARCHES AND DOCUMENTS PAST 12 MONTHS

"Mortgage searches remain well below their March peak, whereas ESIS documents produced are much closer to their May highs. The shift from purchase to remortgages has reduced the overall volume of searches per document produced."

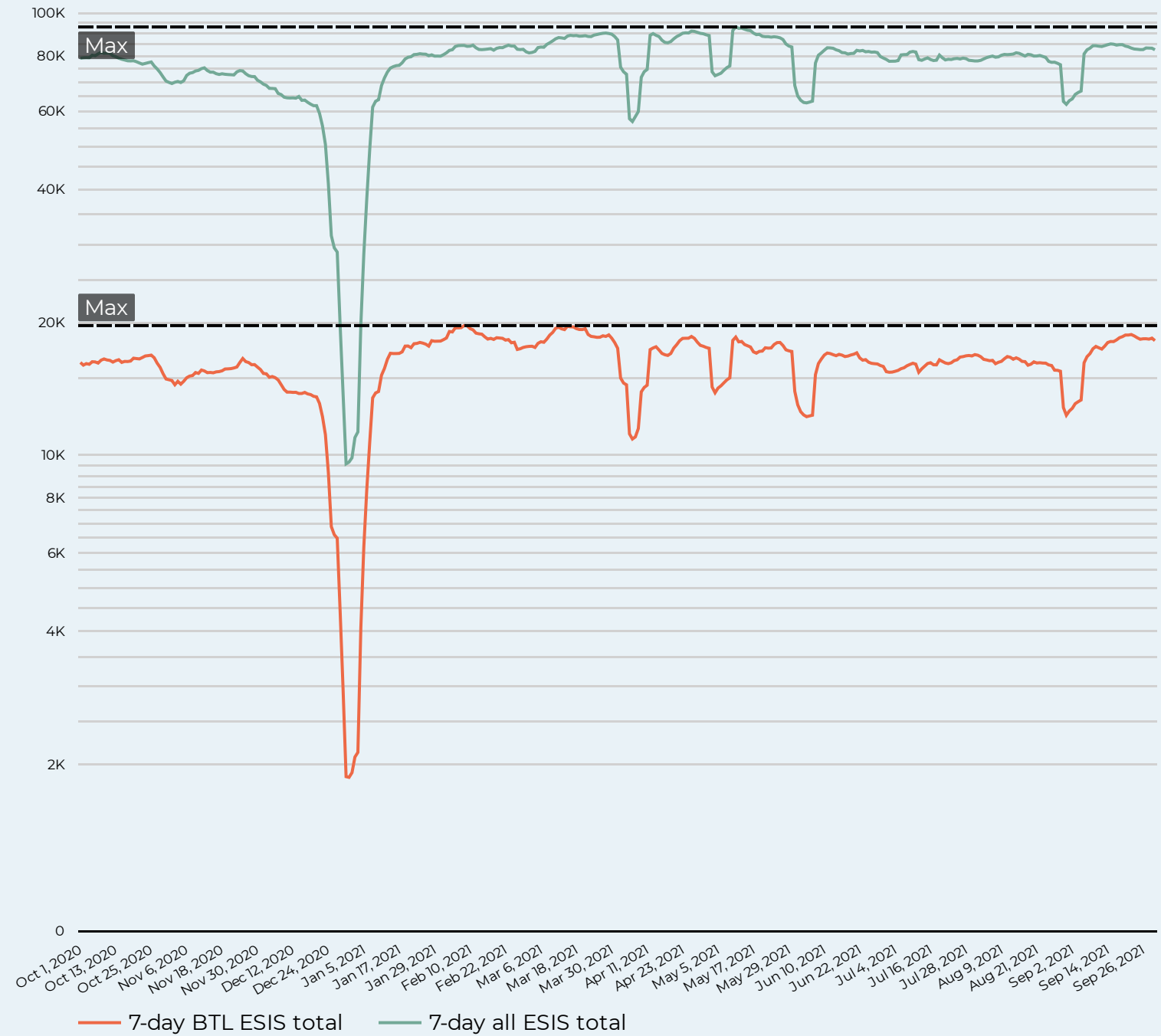
**Niki Cooke, Twenty7Tec**



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

"September was markedly busier than August for BTL ESIS documents produced - closing in on the February and March peaks."

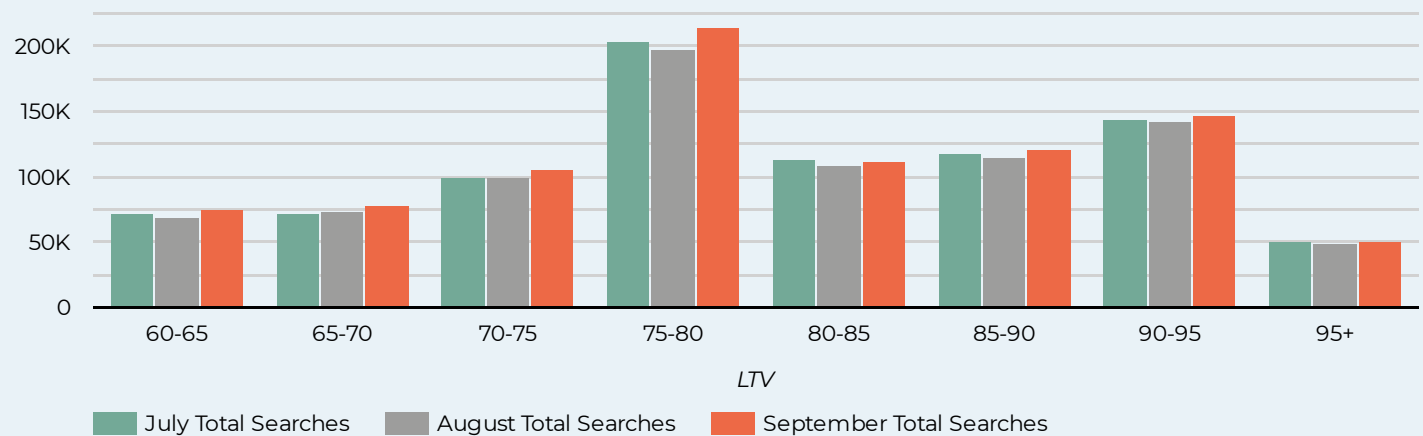
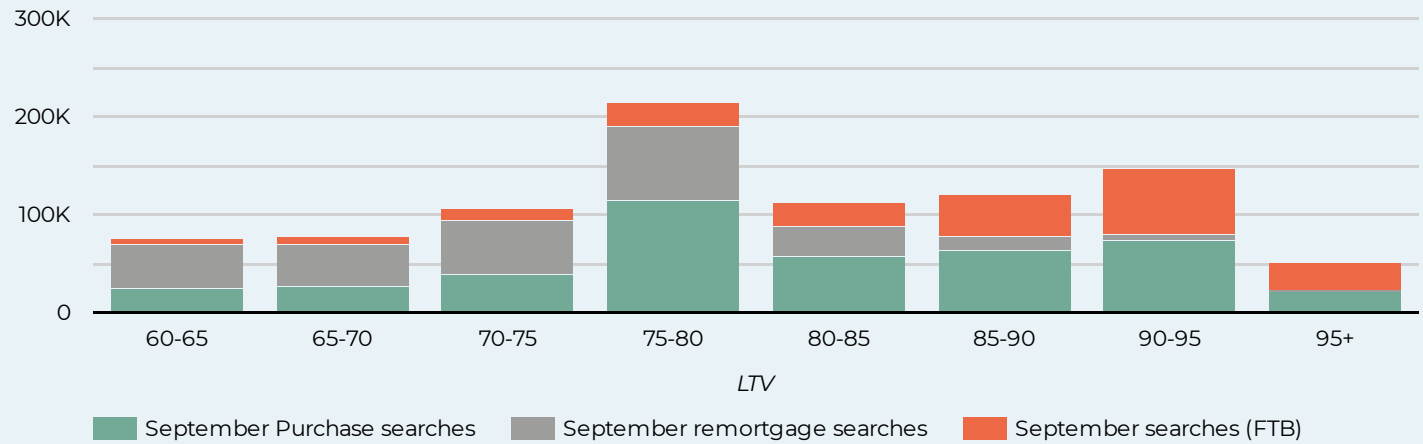
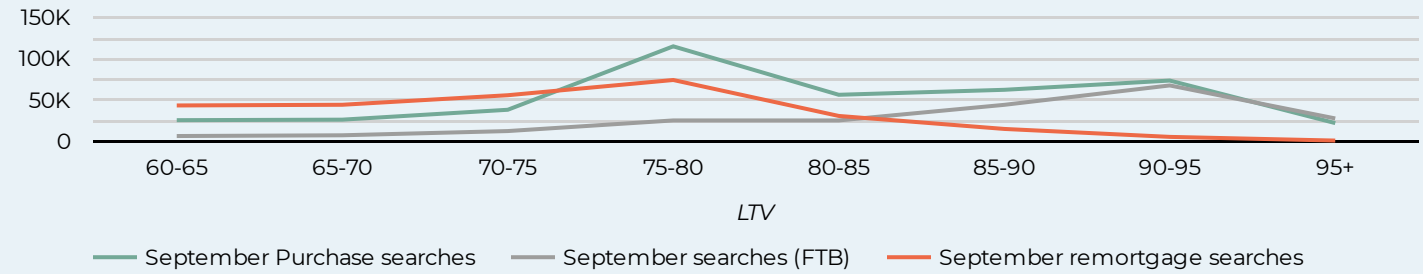
Niki Cooke, Twenty7Tec



# WHAT PRODUCTS ARE APPLICANTS SEARCHING FOR?

"September saw a rise across across all LTV ranges for search volumes."

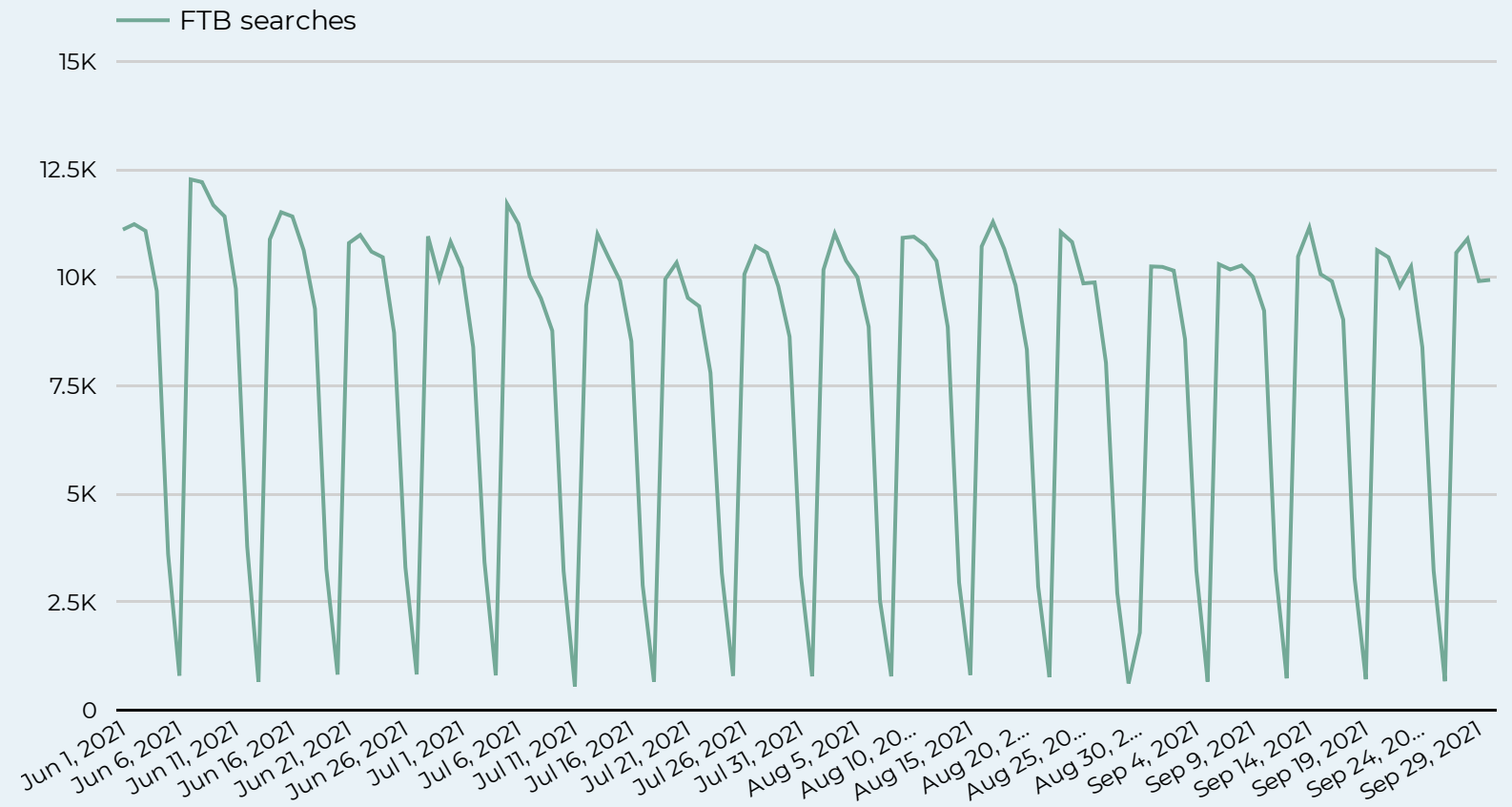
Niki Cooke, Twenty7Tec



# THE NEED FOR AN ACTIVE FTB MARKET

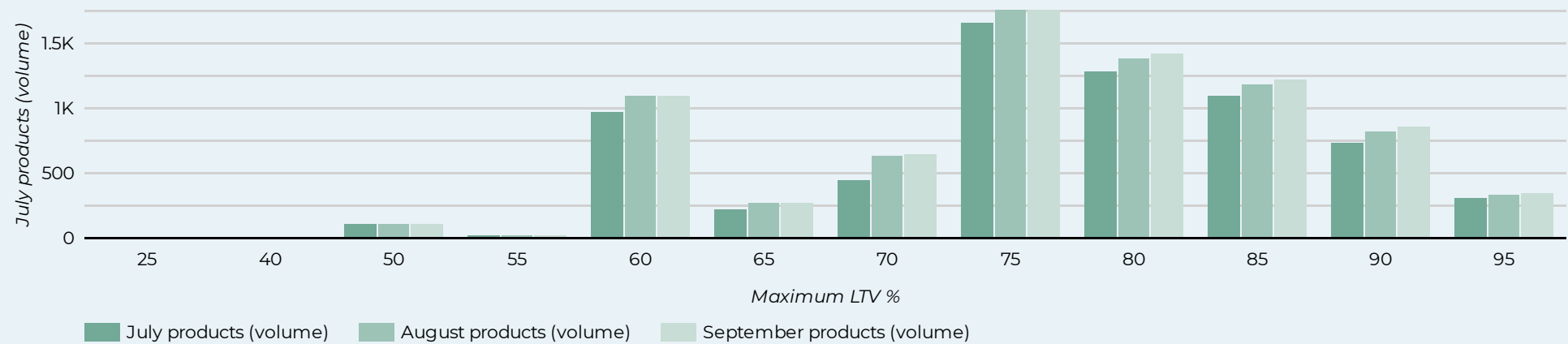
"We saw a drop in first time buyer searches in early September compared to August. But it picked up again in the second half of the month"

Niki Cooke, Twenty7Tec



# PRODUCT HEATMAPS AS AT END SEPTEMBER 2021

LTV ^	September Purchase searches	September searches (FTB)	September remortgage searches	September Total Searches
60-65	25,495	6,247	43,359	75,101
65-70	26,114	7,150	44,184	77,448
70-75	38,122	12,278	55,772	106,172
75-80	115,132	25,186	74,253	214,571
80-85	56,312	25,180	30,632	112,124
85-90	62,353	44,111	14,856	121,320
90-95	73,576	67,655	5,214	146,445
95+	21,929	27,597	736	50,262

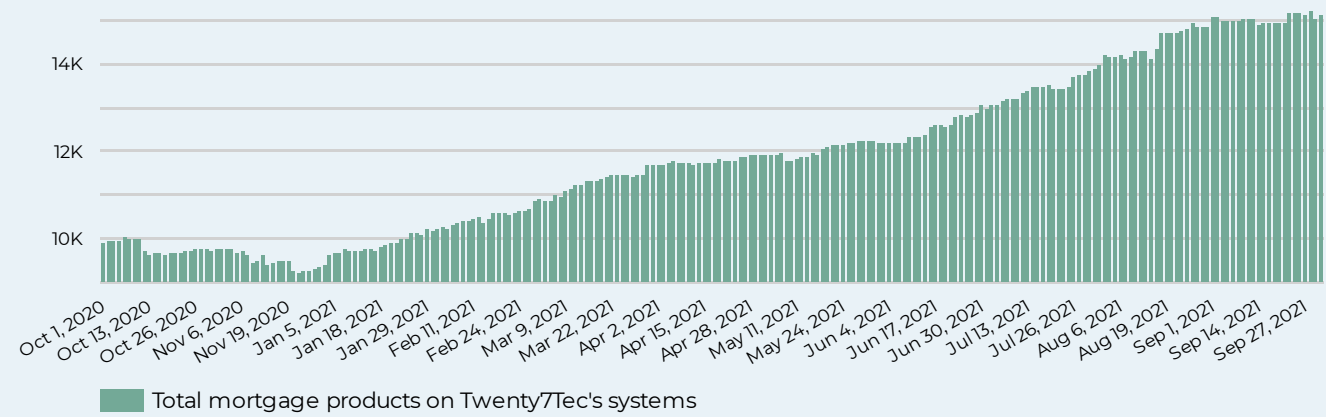
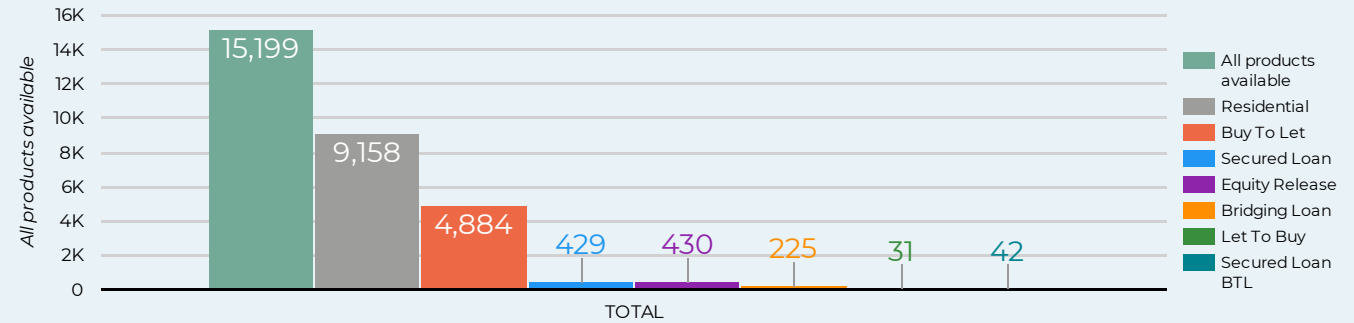




# PRODUCTS AVAILABLE ON TWENTY7TEC SYSTEM AS AT SEPTEMBER 2021

"September normally signals an uptick in mortgage search activity. On 1 September alone, we saw 250 additional products launch on the market."

Nathan Reilly, Twenty7Tec

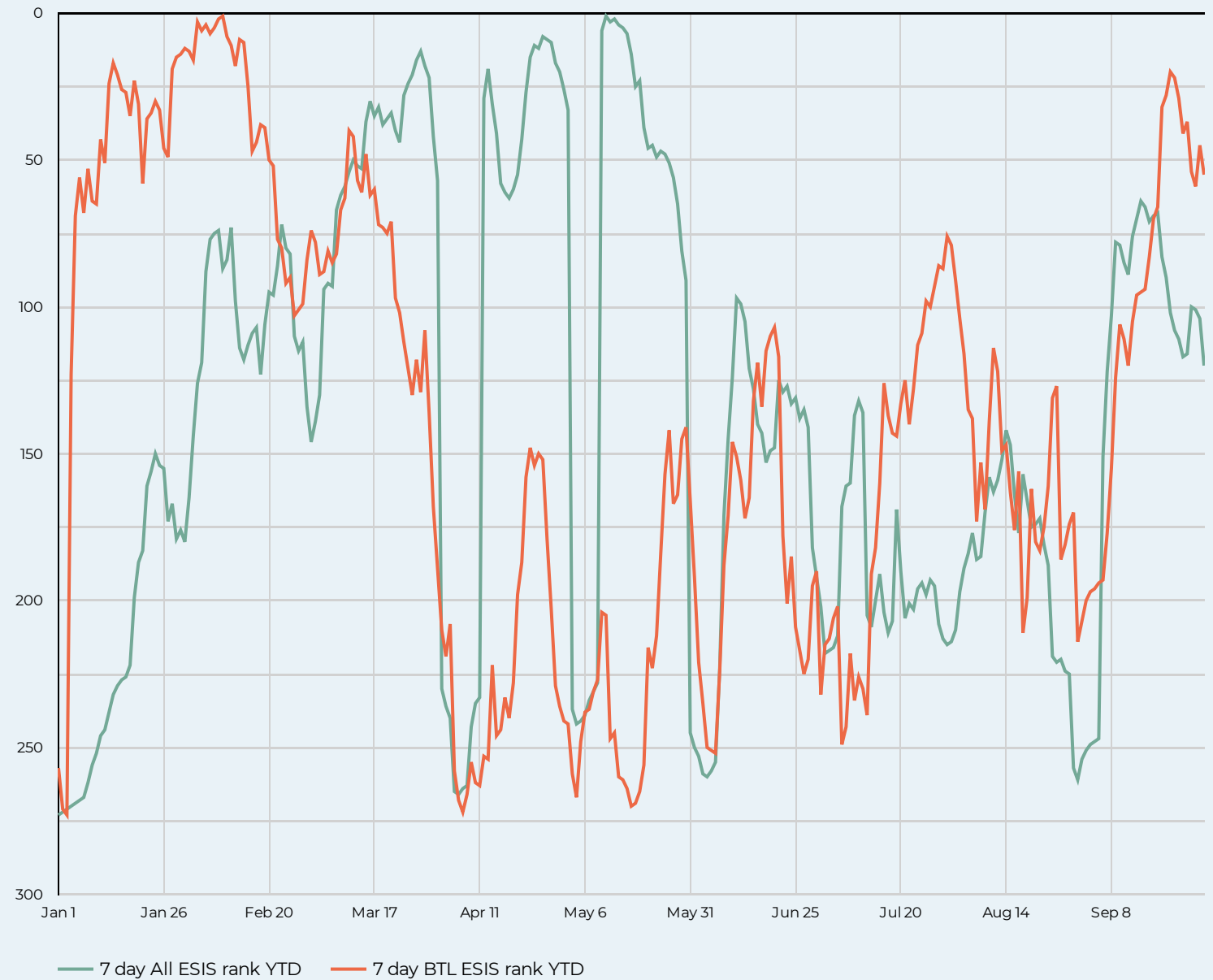


# ESIS DOCUMENTS – BUSIEST WEEKS SINCE 1 JAN 2021

"This graph maps activity on a seven-day rolling basis for ESIS documents produced (both the total and Buy To Let).

"BTL came out of the doldrums and September - particularly the second half, - saw some of the busiest days for BTL documents produced for six months."

**Niki Cooke, Twenty7Tec**



## HOW ARE PRODUCTS DISTRIBUTED ACROSS LTV RANGES?

"There are increasing numbers of products now in the 80%+ max LTV range, demonstrating increased lender confidence in the market."

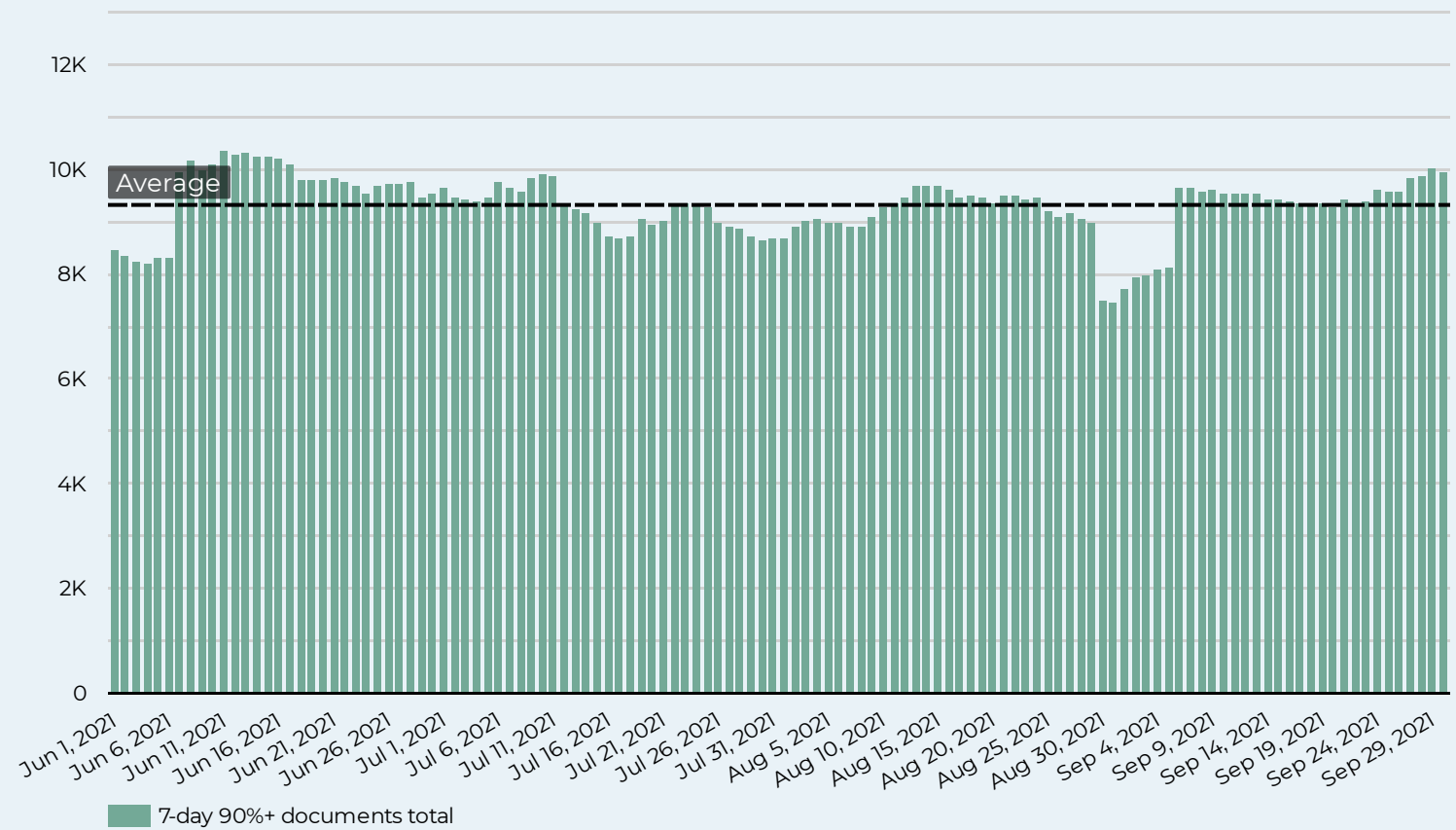
**Nathan Reilly, Twenty7Tec**

Maximum LTV %	% of Total August Products	% of Total September Products
25	0.00%	0.00%
40	0.06%	0.06%
50	1.38%	1.43%
55	0.27%	0.27%
60	14.14%	13.90%
65	3.50%	3.43%
70	8.17%	8.28%
75	23.68%	23.05%
80	17.87%	18.01%
85	15.31%	15.43%
90	10.60%	10.98%
95	4.36%	4.50%

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

"The volume of ESIS documents prepared on a 7-day rolling basis in September was consistently ahead of the quarterly average."

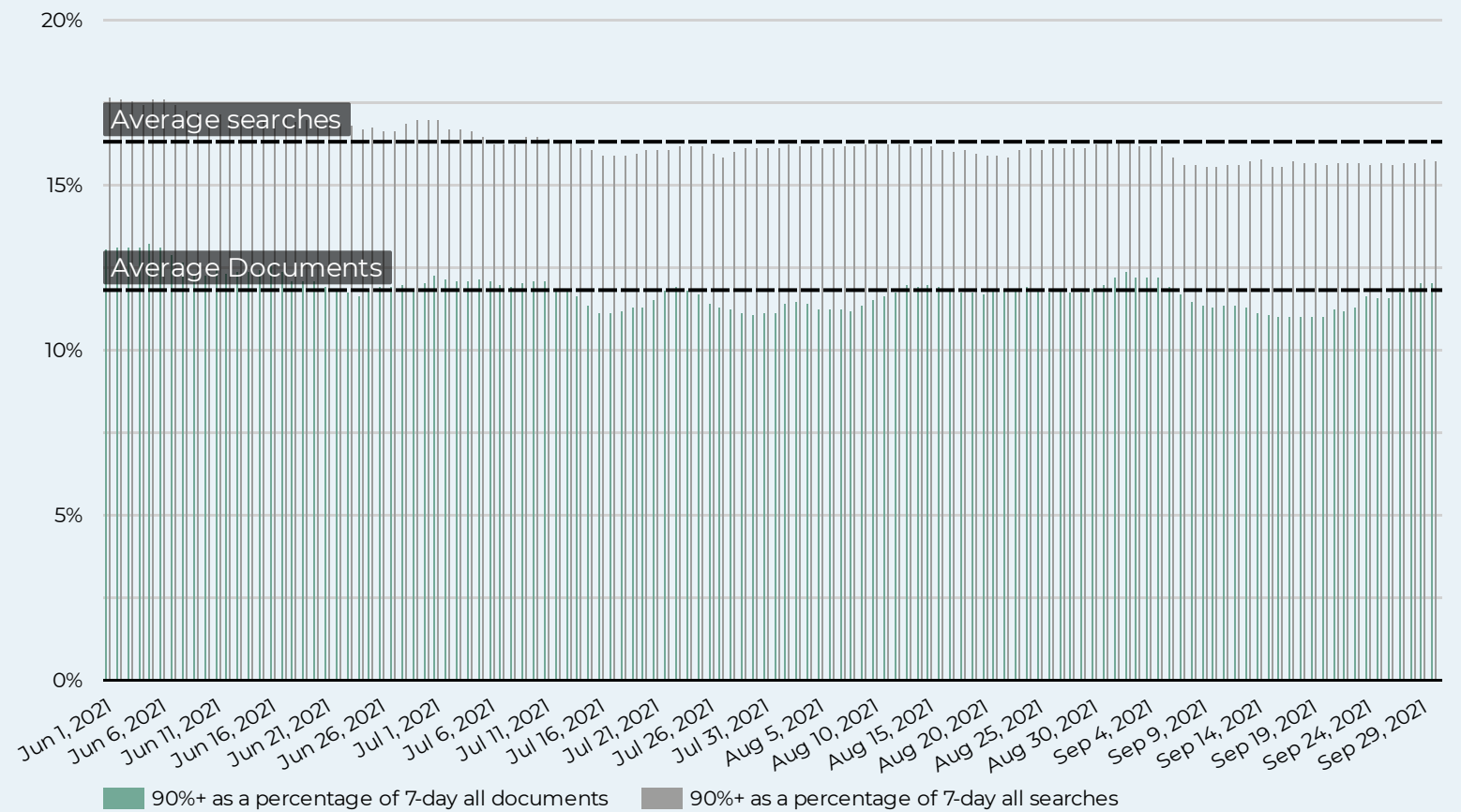
**Niki Cooke, Twenty7Tec**



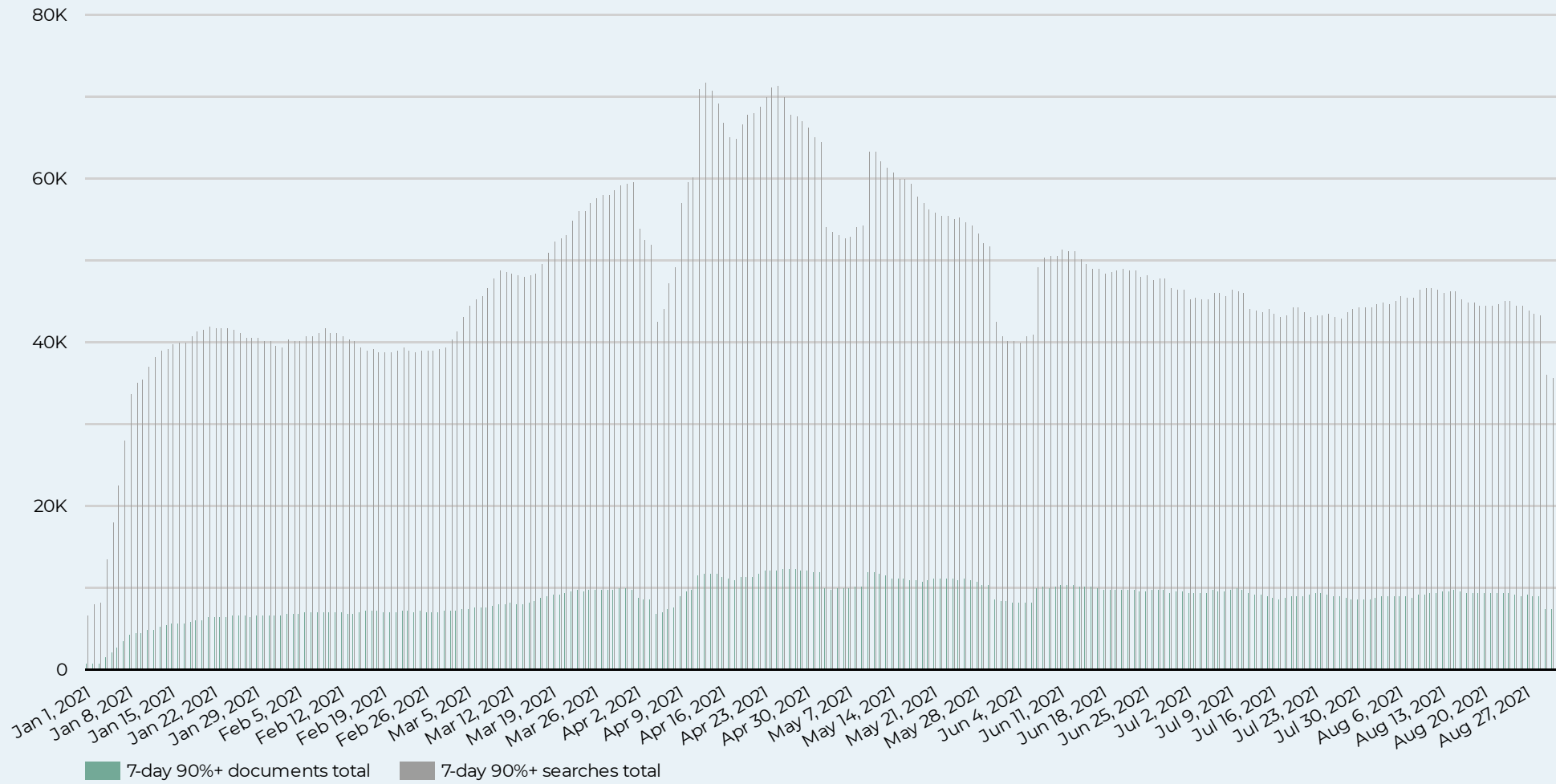
# WHAT PERCENTAGE OF ALL DOCS/SEARCHES DO THE 90%+ RANGE MAKE UP ON A 7-DAY ROLLING AVERAGE?

"The volume of 90%+ searches dropped below YTD averages in September, whilst document volumes remained there or thereabouts."

Niki Cooke, Twenty7Tec



# WHAT IS THE VOLUME OF ALL 90%+ DOCUMENTS PREPARED YTD?





# 95%-100% MORTGAGE SEARCHES IN JULY, AUGUST AND SEPTEMBER 2021 COMPARED TO 0-95% PRODUCT SEARCHES

