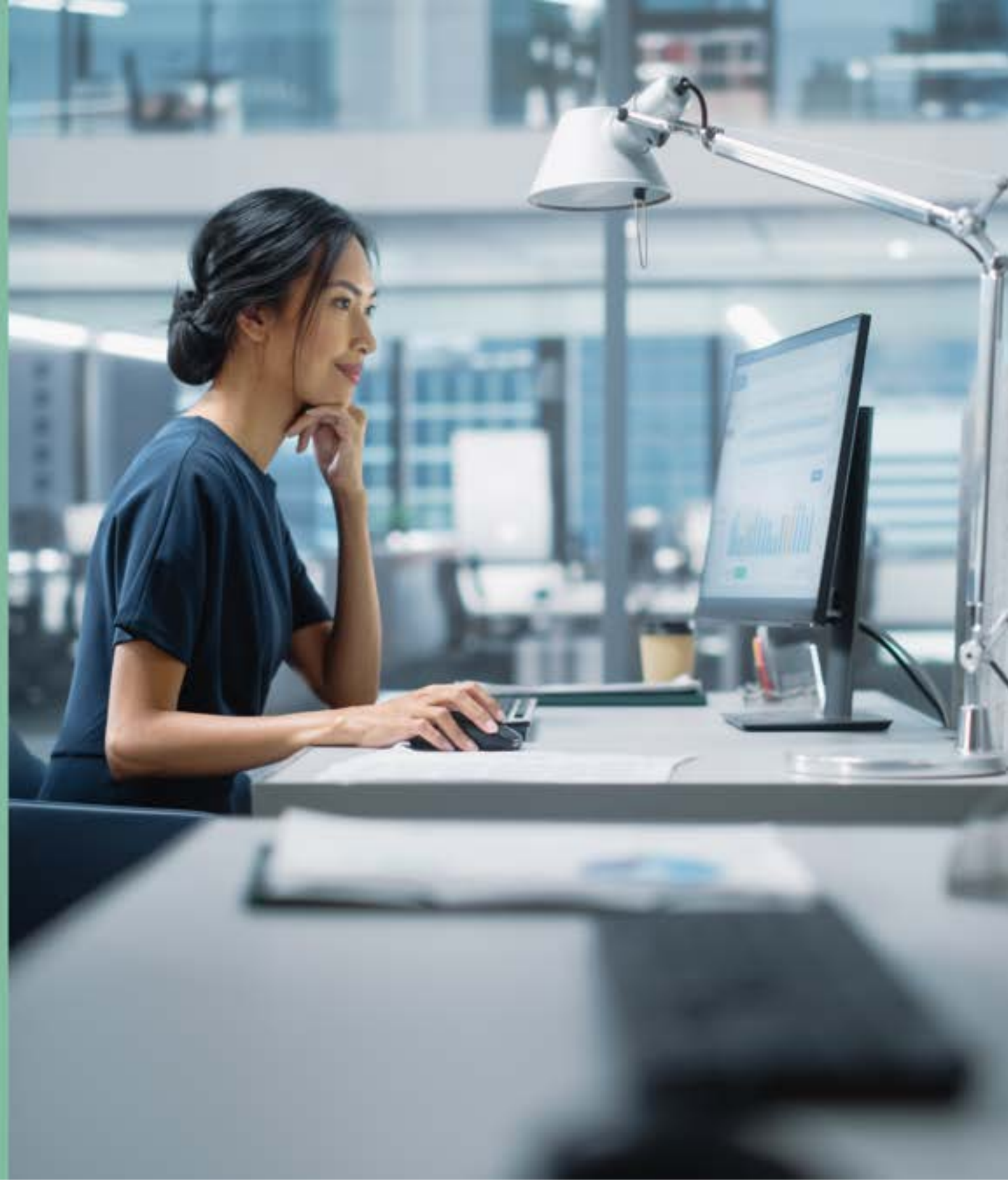


Monthly Mortgage Market Report

ACTIVITY IN MAY 2023

Analysis from Twenty7tec





MAY 2023 KEY FINDINGS

53:47*

The purchase v remortgage balance in May 2023 (*excluding product transfers).

7.9%

In May 2023, we saw a rise in purchase mortgages.

11.1%

... and we also saw a double digit rise drop in the volume of remortgage searches.

7.7%

The rise in mortgage search volumes by First Time Buyers in May 2023.

-8.3%

Total product availability saw its largest month-on-month drop since Autumn last year.

10.4%

May saw a 10.4% rise in mortgage searches for fixed products after April's major drop..

15,609

At the end of May 2023, there were 15,609 products available.

500k+

There was a double digit rise in mortgage searches for all properties over £500k in value.

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MAY 2023

CEO STATEMENT

MORE BANK HOLIDAY BUMPS

The three bank holidays in May 2023 depressed what would otherwise have been a stellar month for mortgages searches and a great month for the creation of ESIS documents.

There were 8.3% fewer products in the market than in the prior month, so increased activity was also being driven through fewer channels.

Looking forwards, we expect greater activity levels around the Bank of England rate decision on 22 June.

Maybe June will provide a smoother ride than May? Let's see.

A handwritten signature in black ink that reads "James L. Tucker".

James Tucker
CEO - Twenty7tec



WHAT DID DEMAND LOOK LIKE IN MAY 2023?

"The market for mortgage searches in May was almost 10% busier than April despite having three bank holidays. "

Nathan Reilly, Twenty7tec

MAY 2023



Purchase
774,268
↑ 7.9%



Remortgage
677,334
↑ 11.1%



Searches
1,451,602
↑ 9.4%



Purchase %
53.34%



Remortgage %
46.66%



FTB as %
18.08%

APRIL 2023



Purchase
717,446
↓ -18.3%



Remortgage
609,485
↓ -25.4%



Searches
1,326,931
↓ -21.7%



Purchase %
54.05%



Remortgage %
45.95%



FTB as %
18.34%

FIRST TIME BUYERS - LONDON AND NATIONWIDE

LONDON FTB



Searches
9,832
↑ 1.6%



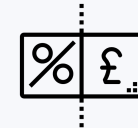
Average Property Valuation
£479,982
↑ 1.4%



Average Loan Required
£319,674
↑ 3.5%



Average Combined Income
£88,017
↑ 4.3%



Average Loan To Value
75.00%
↑ 1.4%

NATIONWIDE FTB



Searches
296,664
↑ 7.7%



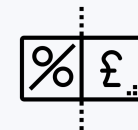
Average Property Valuation
£285,027
↓ -0.5%



Average Loan Required
£216,863
↓ -0.3%



Average Combined Income
£61,094
↑ 2.1%



Average Loan To Value
81.00%
0.0%

PURCHASE VS REMORTGAGE

PURCHASE



Searches
860,743
↑ 8.0%



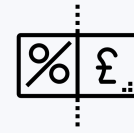
Average Property Valuation
£357,141
↑ 0.7%



Average Loan Required
£251,081
↑ 0.6%



Average Combined Income
£68,714
↑ 2.2%



Average Loan To Value
75.00%
↑ 1.4%

REMORTGAGE



Searches
723,555
↑ 11.1%



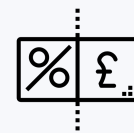
Average Property Valuation
£417,062
↑ 2.5%



Average Loan Required
£219,035
↑ 2.4%



Average Combined Income
£73,561
↑ 0.1%



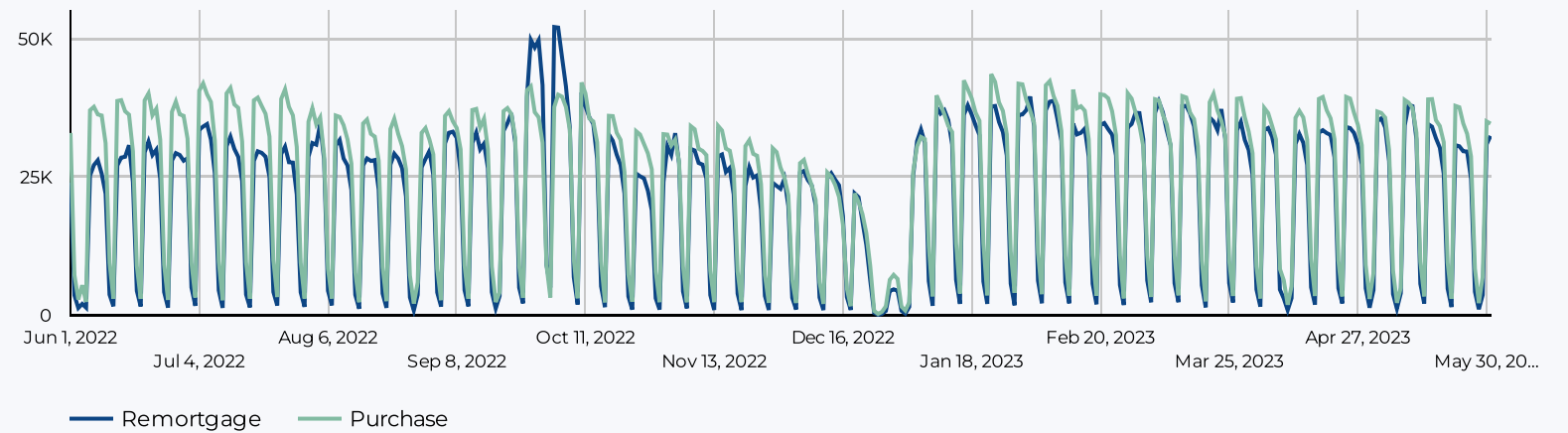
Average Loan To Value
57.00%
0.0%

WHERE WAS THE DEMAND IN THE MAY 2023 MARKET?

Searches by Type

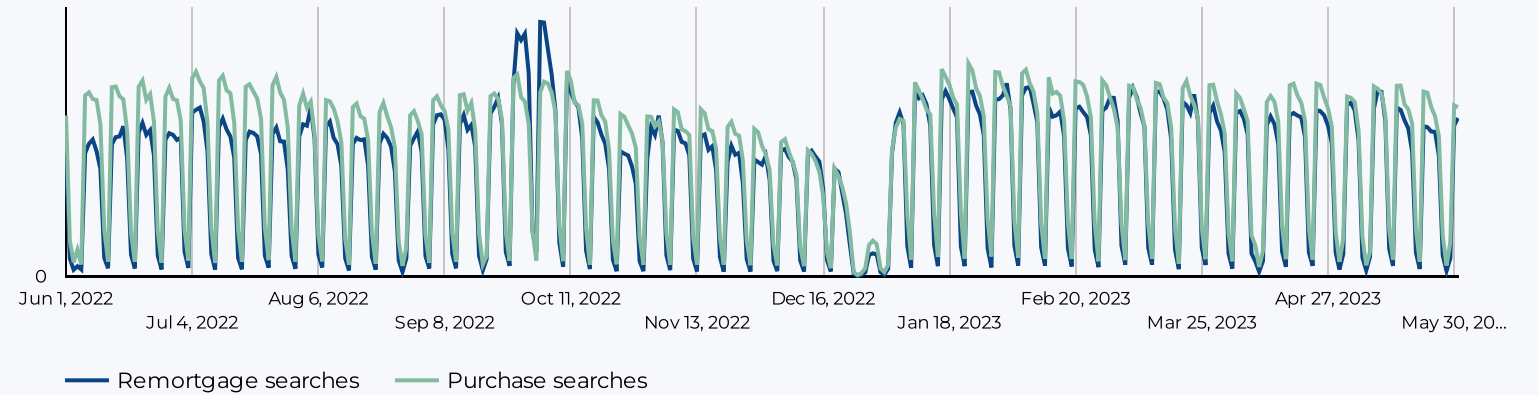
Mortgage Type ▾	April 2023 searches	May 2023 searches	May 2023 monthly difference
1. Standard Residential	1078386	1181750	9.59%
2. Standard (inc. Shared Equity / Help to Buy)	22144	25329	14.38%
3. Shared Ownership	41880	45671	9.05%
4. Shared Equity / Help to Buy	6834	7447	8.97%
5. Self Build	1205	1420	17.84%

Mortgages vs Remortgage Rate

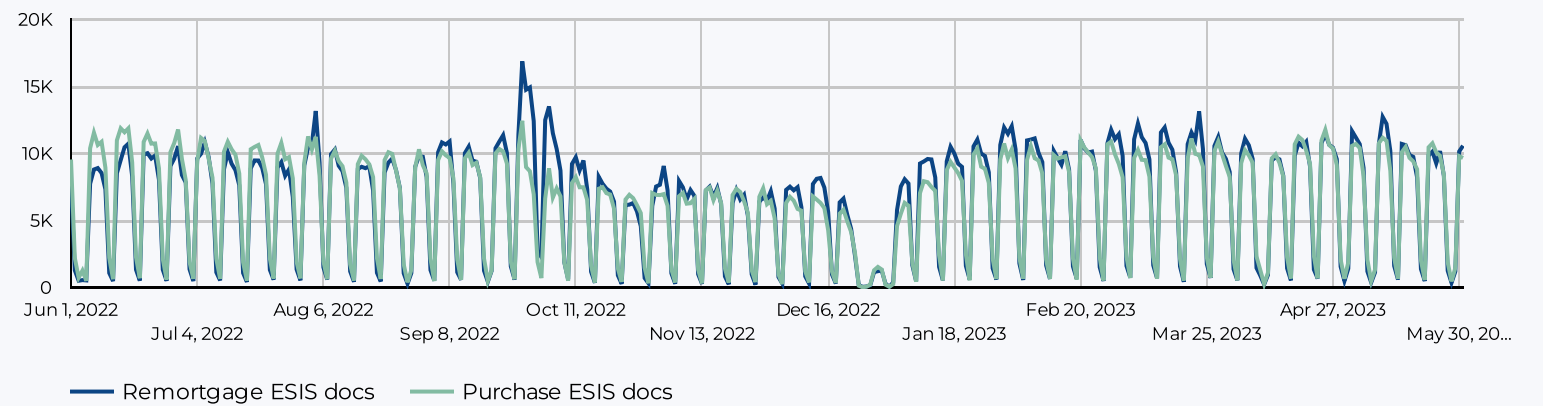


SEARCHES VS DOCUMENTS
IN THE MAY 2023 MARKET

Purchase v Remortgage searches for the past 12 months

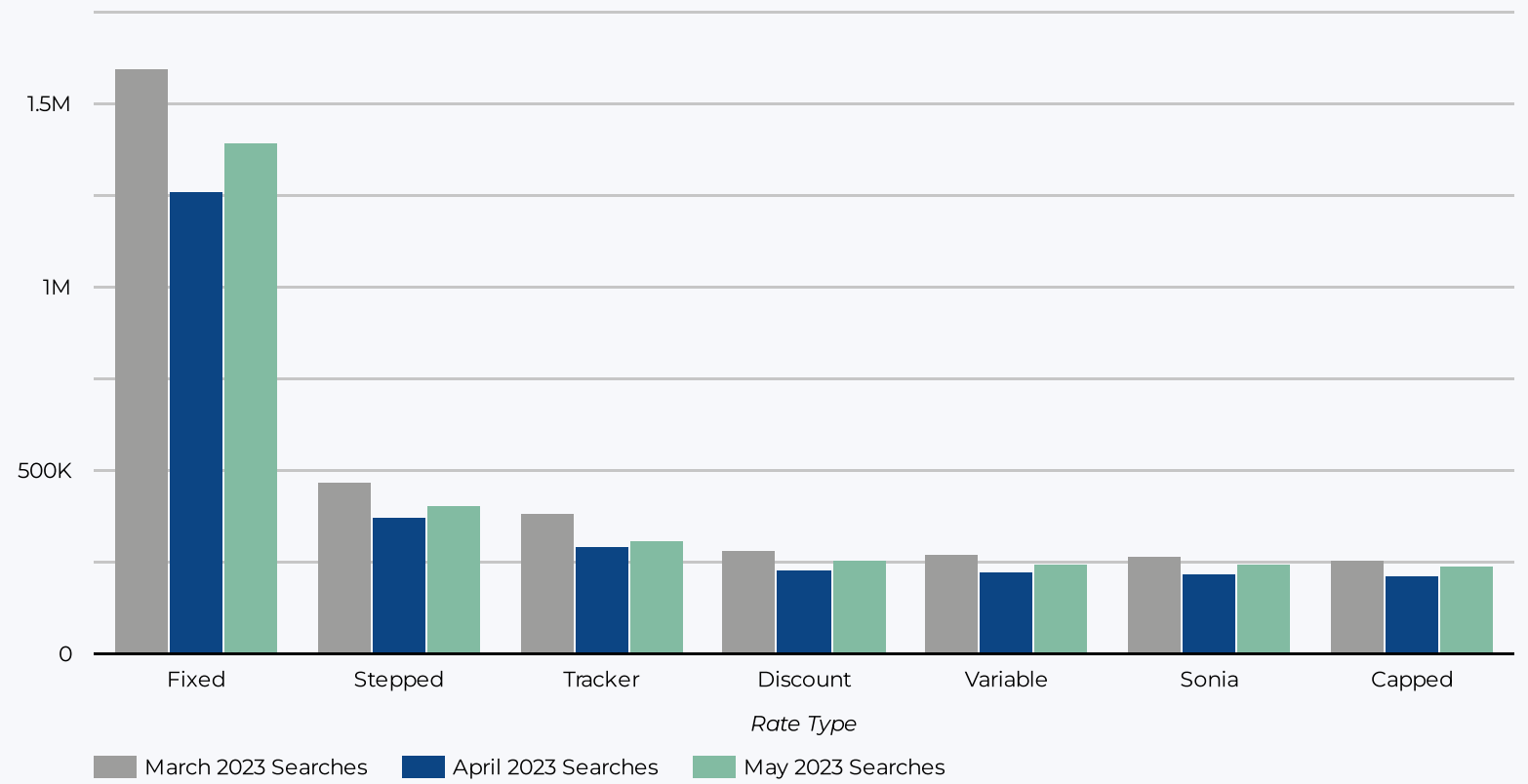


Purchase v Remortgage ESIS documents for the past 12 months



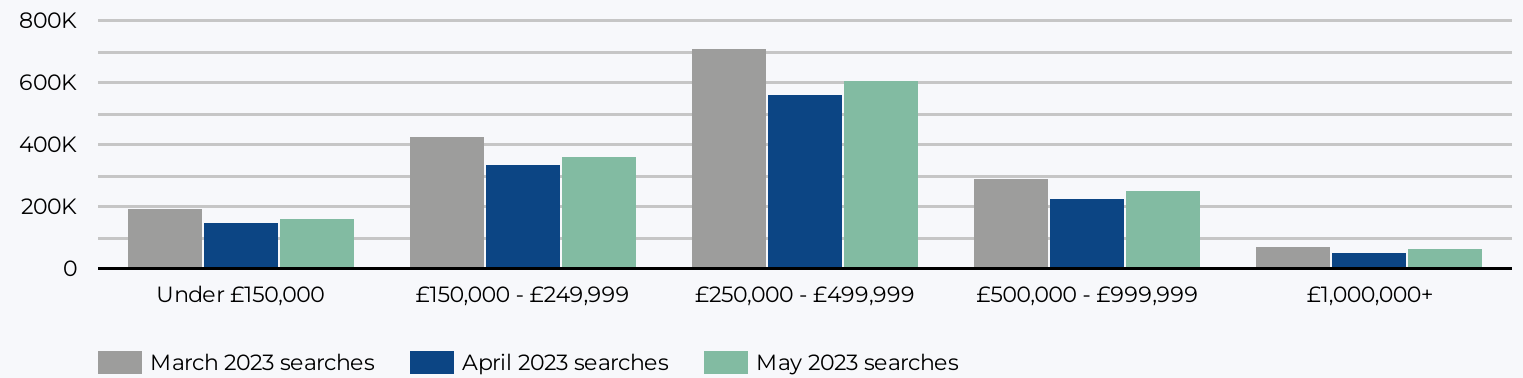
SEARCHES BY MORTGAGE PRODUCT TYPE IN THE PAST QUARTER

Searches per product type this quarter



SEARCHES BY VALUE IN THE MAY 2023 MARKET

Searches by Value

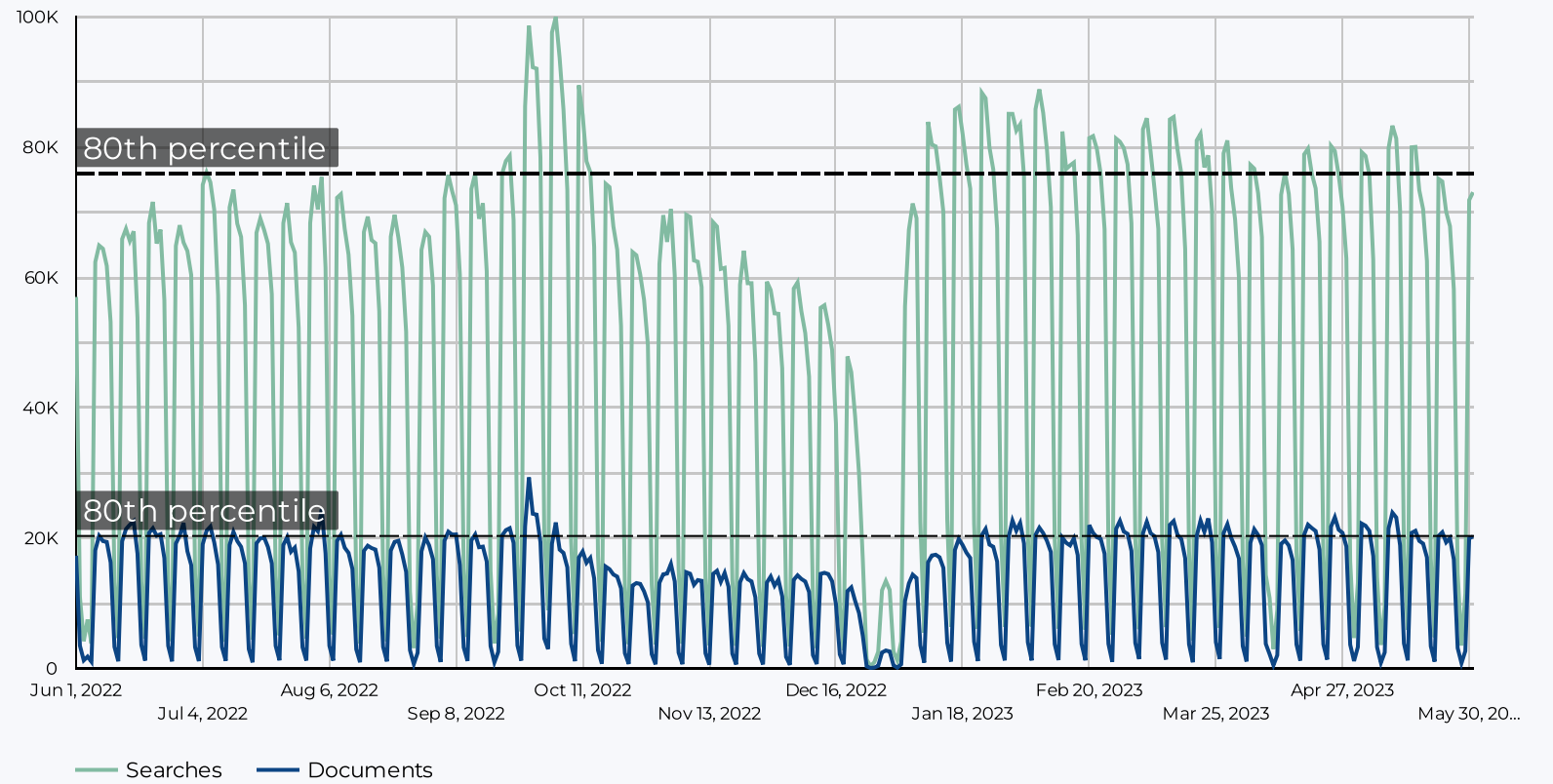


Mortgages vs Remortgage Rate

Property Valuation	April 2023 searches	May 2023 searches	April 2023 to May 2023
Under £150,000	151,527	163,516	7.91%
£150,000 - £249,999	336,175	364,269	8.36%
£250,000 - £499,999	559,224	606,251	8.41%
£500,000 - £999,999	223,524	253,020	13.2%
£1,000,000+	54,548	62,268	14.15%

LAST 12 MONTHS' SEARCHES AND DOCUMENTS

How many mortgage searches and ESIS documents are produced each day?

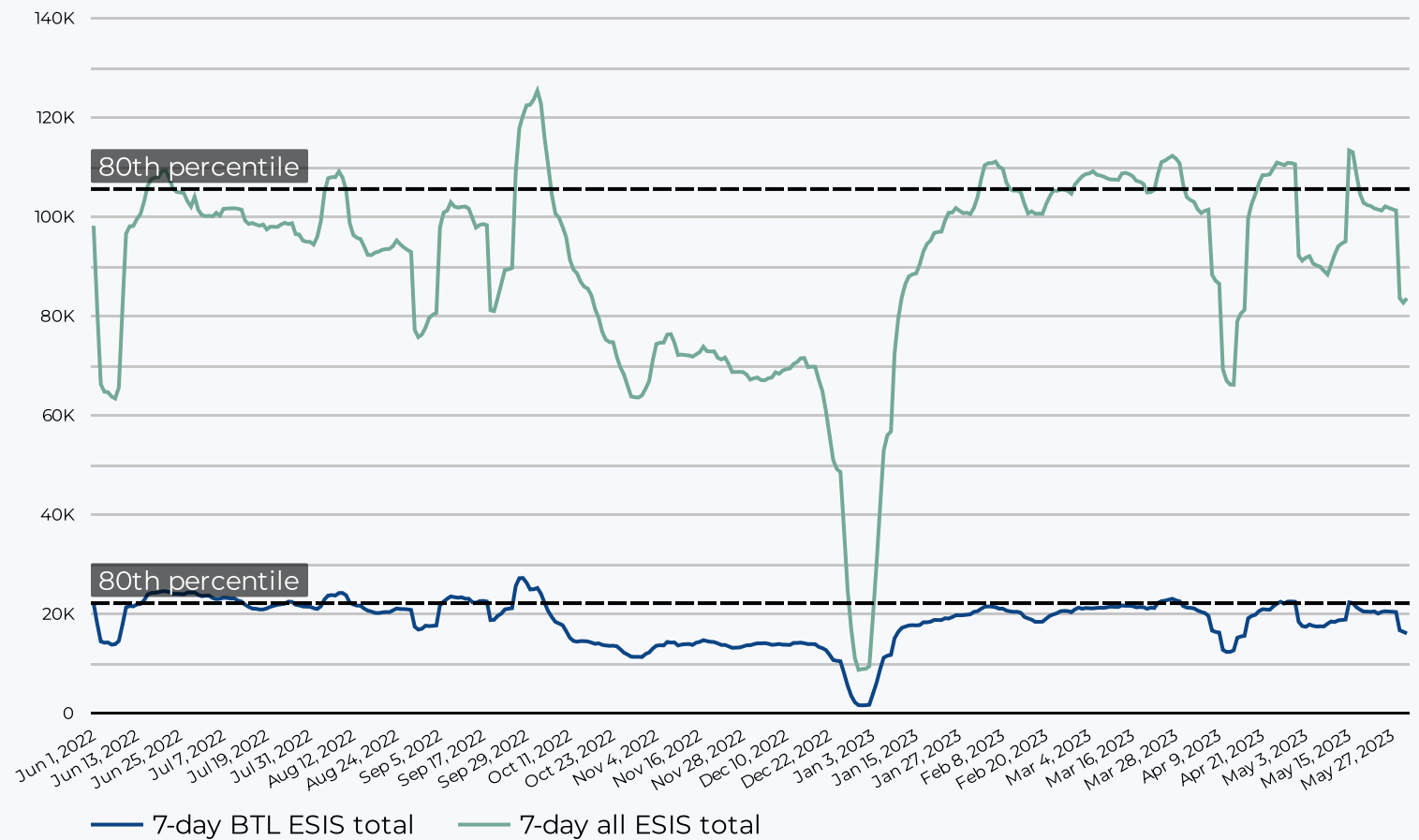


7-DAY AVERAGE ESIS DOCUMENTS PAST 12 MONTHS (ALL AND BTL)

"The holidays in May hit the Buy To Let market more than the standard residential purchase market. There was a tail off in activity at month end for both BTL mortgage searches and BTL ESIS documents created."

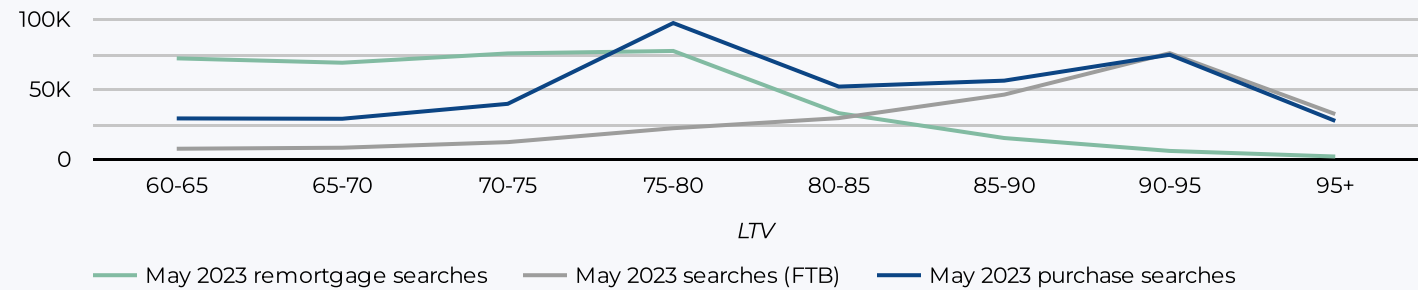
Megha Srivastava, Twenty7tec

ESIS documents produced past 12 months (All and BTL)

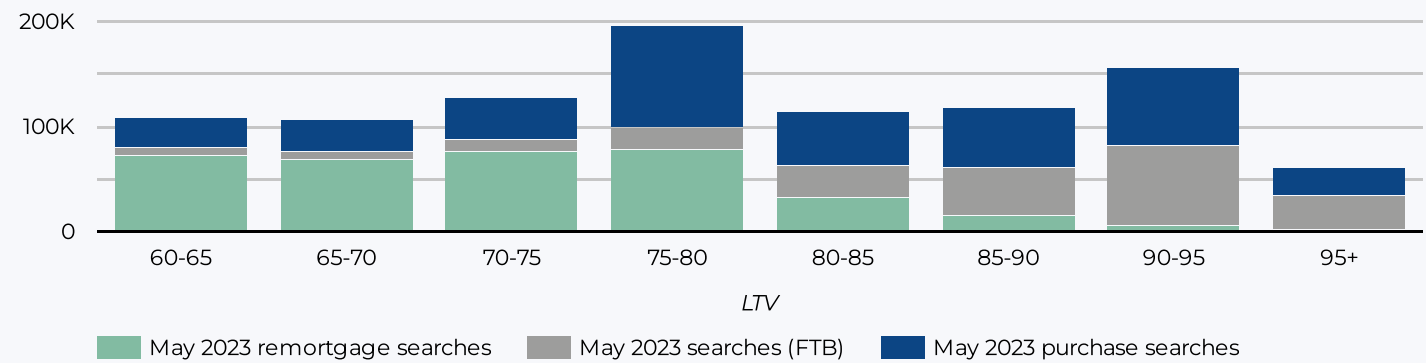


WHAT PRODUCTS ARE APPLICANTS SEARCHING FOR?

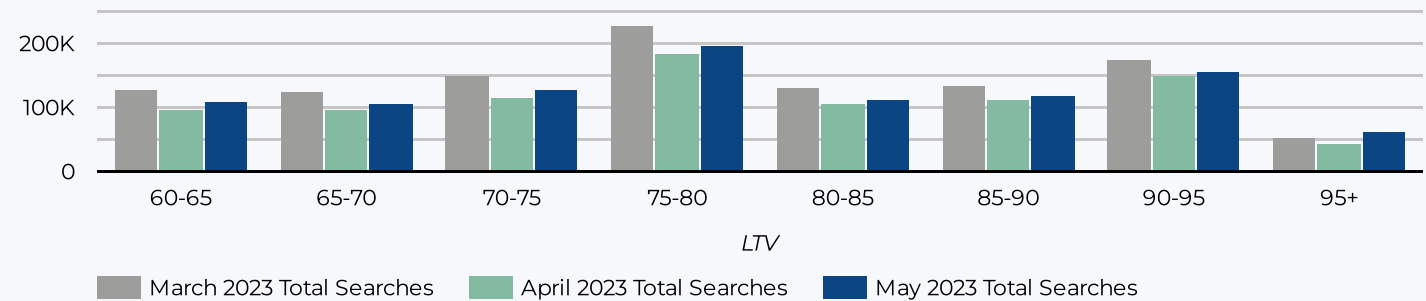
Mortgage searches by max LTV



Mortgage searches by max LTV - stacked



Total mortgage searches by max LTV

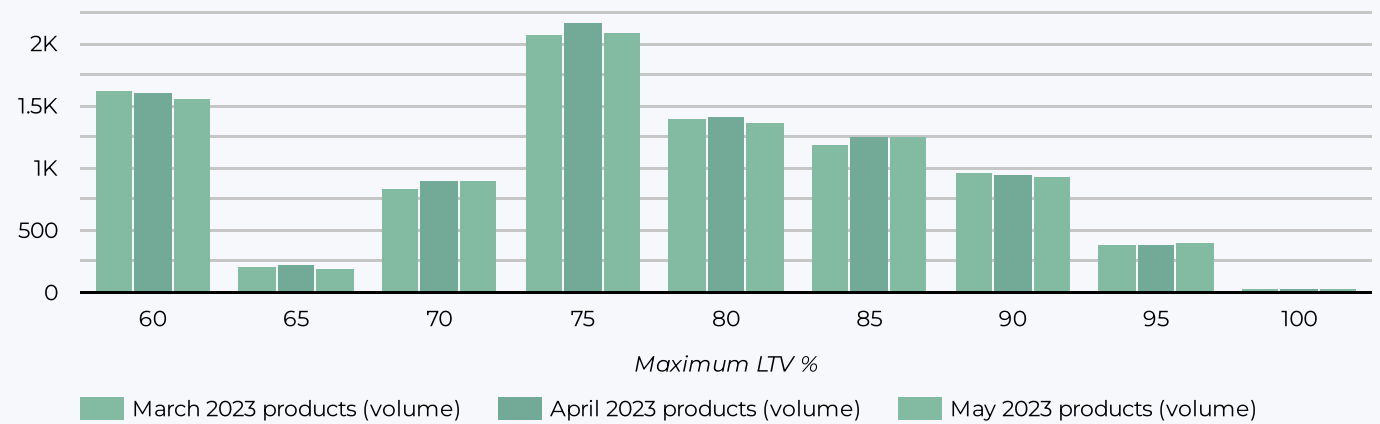


PRODUCT HEATMAPS AS AT END MAY 2023

Mortgage searches split by LTV ranges and buyer types

LTV ^	May 2023 purchase searches	May 2023 searches (FTB)	May 2023 remortgage searches	May 2023 Total Searches
60-65	29,094	7,449	71,981	108,524
65-70	28,854	8,177	68,858	105,889
70-75	39,516	12,168	75,504	127,188
75-80	97,200	22,096	77,273	196,569
80-85	51,814	29,303	32,851	113,968
85-90	56,061	46,092	15,095	117,248
90-95	74,575	75,687	5,887	156,149
95+	27,326	32,190	1,890	61,406

Products available at max LTV ranges for the past quarter



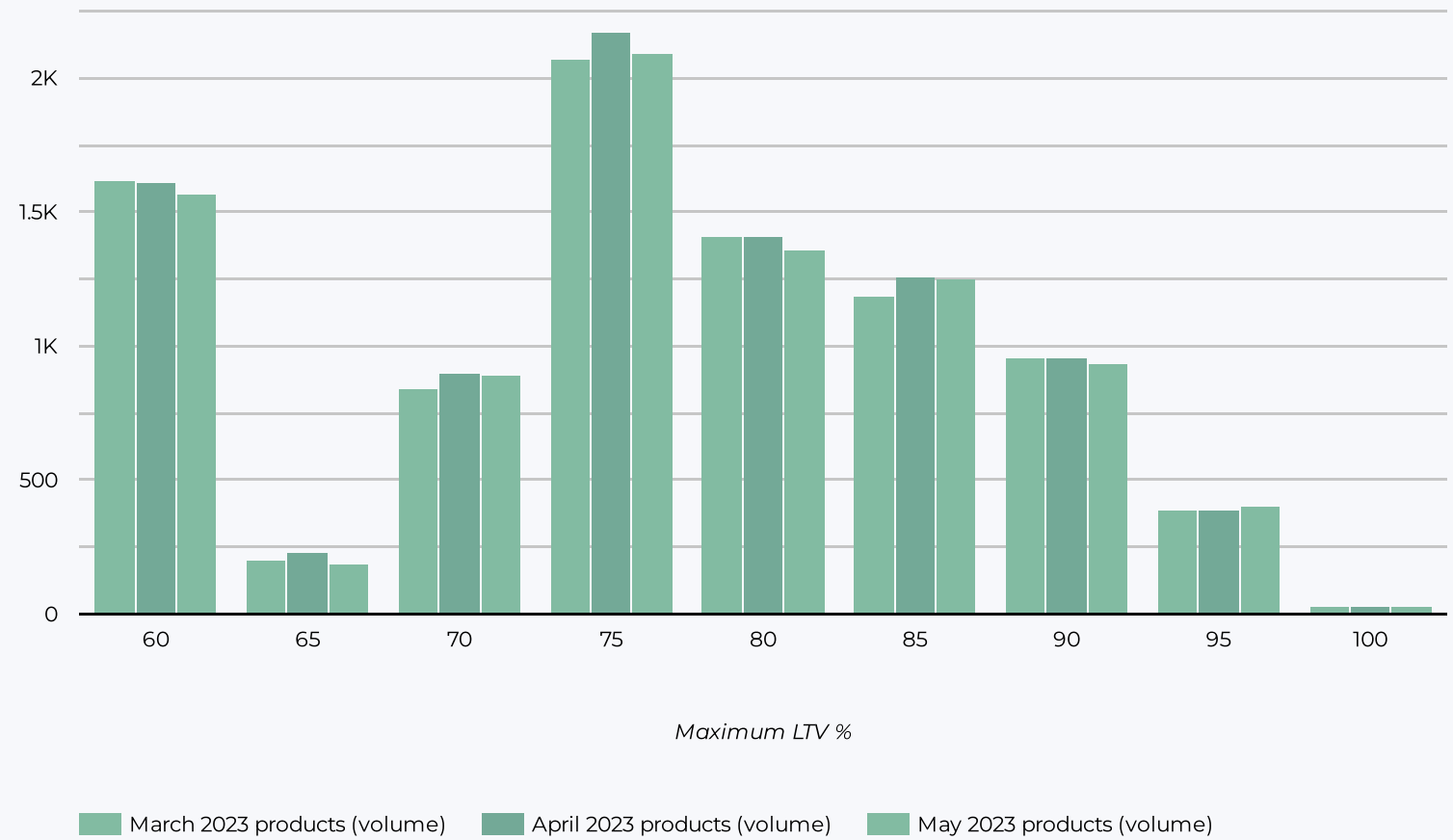
PRODUCTS AVAILABLE
ON TWENTY7TEC SYSTEM AS
AT END MAY 2023

Mortgage product availability over the past 12 months



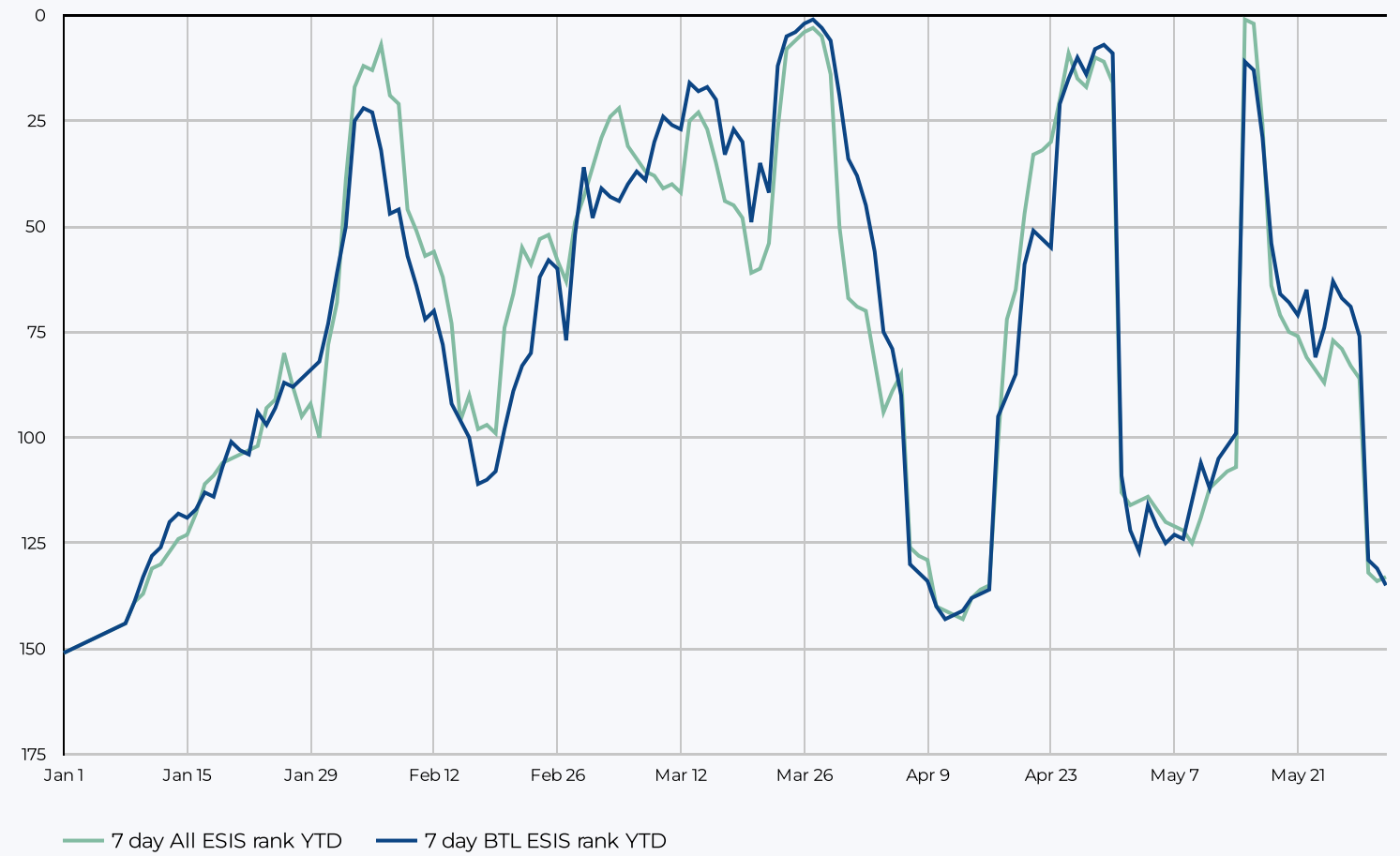
HOW MANY PRODUCTS ARE AVAILABLE AT EACH MAX LTV?

Product availability split by max LTV



ESIS DOCUMENTS – BUSIEST DAYS YTD

Busiest days of the year for producing ESIS documents



HOW ARE PRODUCTS DISTRIBUTED ACROSS LTV RANGES?

Proportion of total products in the market by maximum LTV

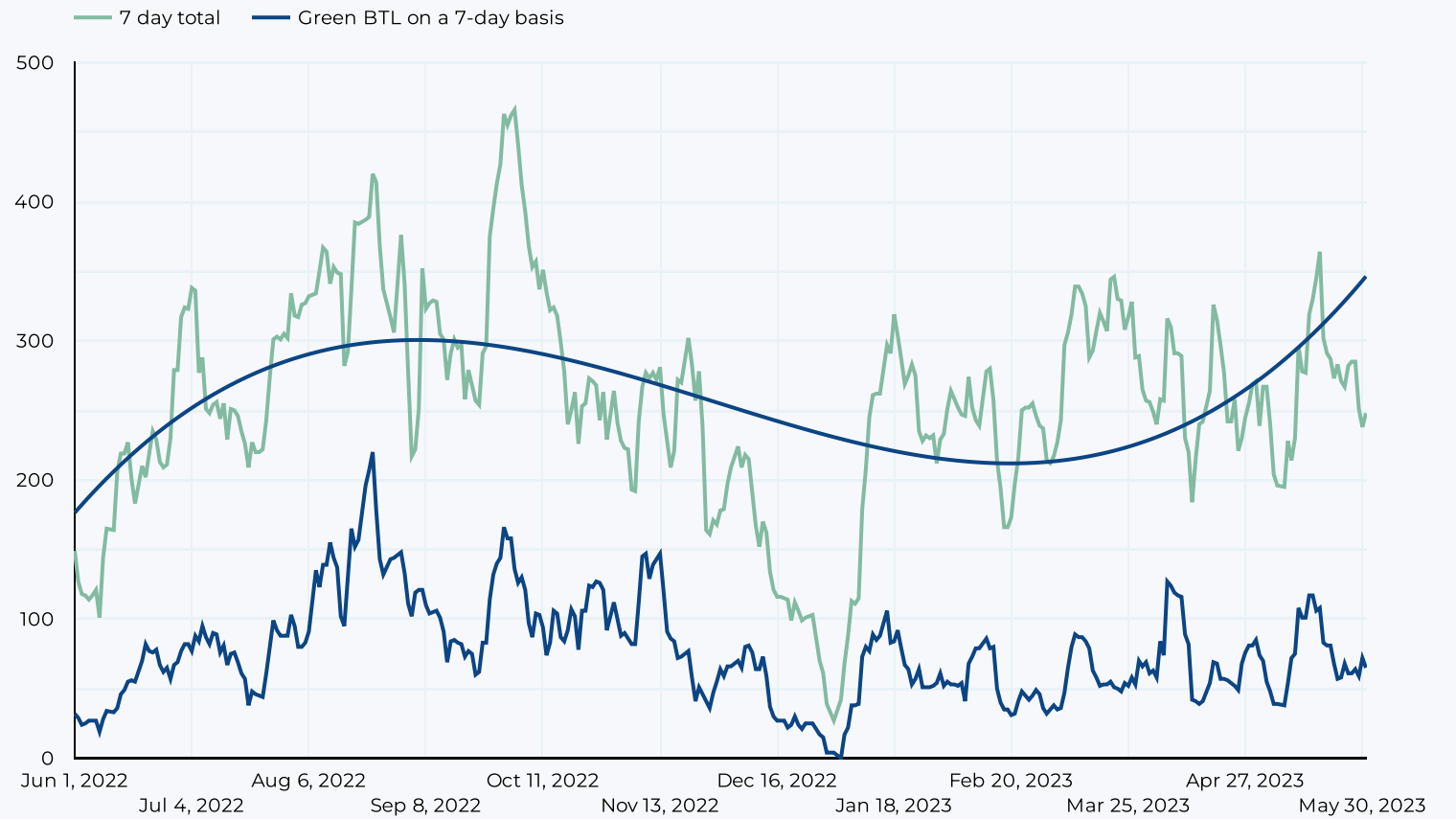
Maximum LTV %	May 2023 products (...)	% of Total May 2023 Products
25	1	0.01%
40	1	0.01%
50	89	1.00%
55	22	0.25%
60	1,565	17.64%
65	185	2.09%
70	894	10.08%
75	2,092	23.58%
80	1,360	15.33%
85	1,254	14.14%
90	938	10.57%
95	399	4.50%

ARE PEOPLE LOOKING FOR GREEN MORTGAGES?

"Green mortgage searches continue to rumble along but maybe have not taken off as we might have expected based on last year's growth."

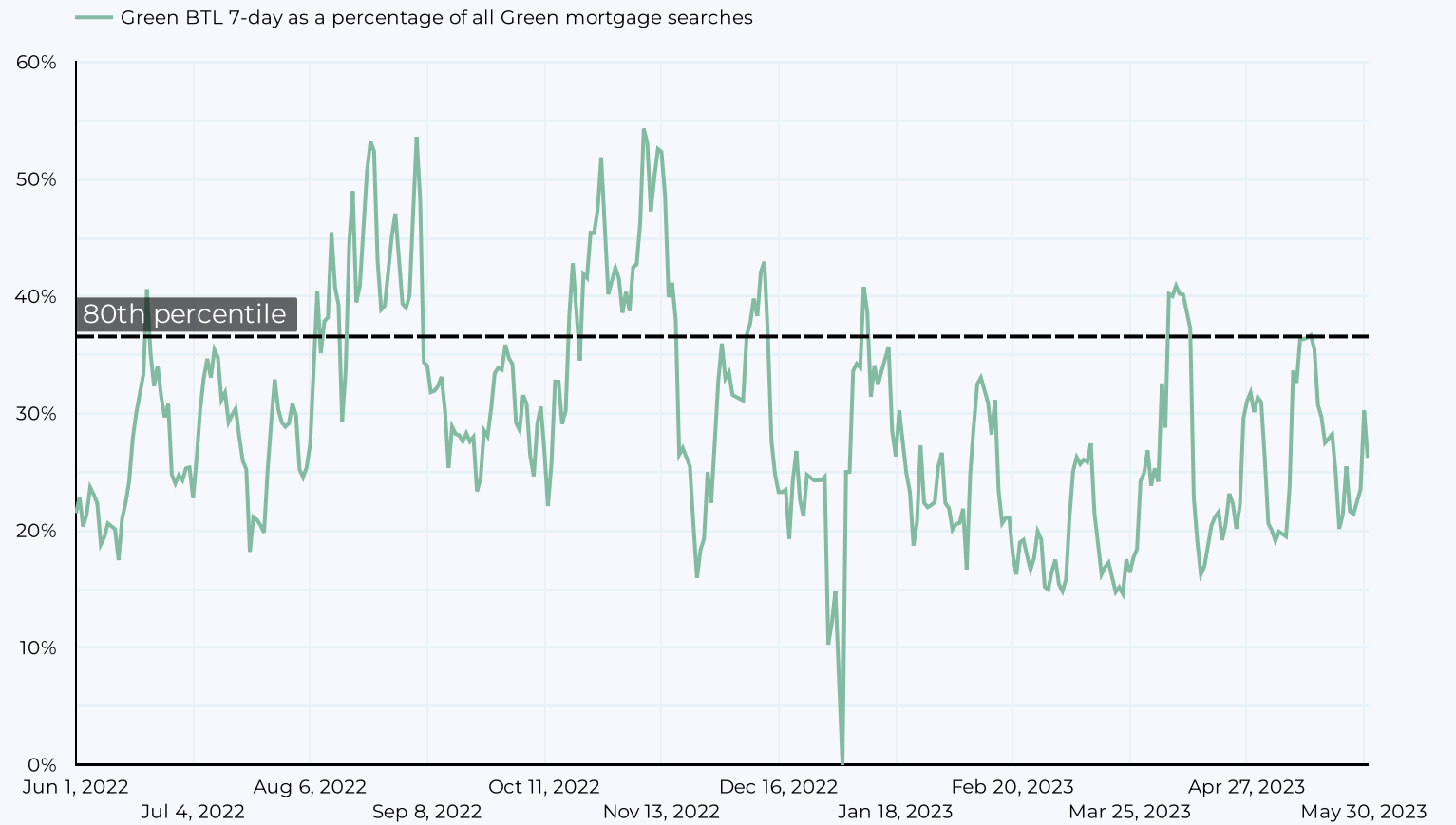
Nathan Reilly, Twenty7tec

Demand for Green mortgages on a 7-day rolling basis



GREEN LANDLORD / BTL AS
A PERCENTAGE OF ALL
GREEN MORTGAGES

Demand for green BTL mortgages on a 7-day rolling basis



SELF EMPLOYED MORTGAGE SEARCHES PAST 12 MONTHS

"Mid May saw a peak in self-employed mortgage searches outpacing even January's high point."

Nathan Reilly, Twenty7tec

Self employed mortgage searches past 12 months

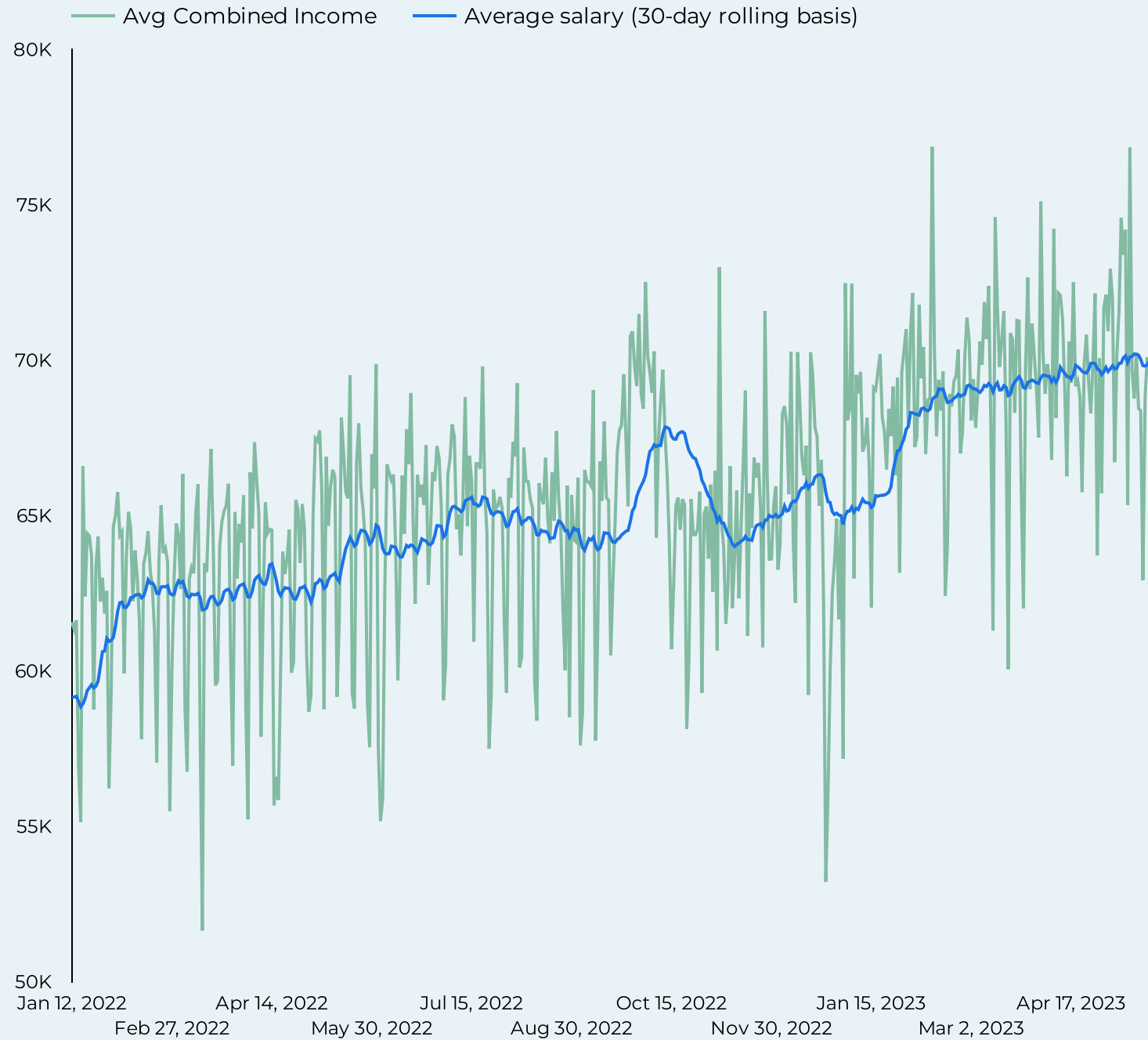


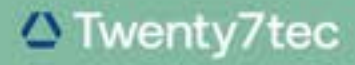
CRITERIA SEARCHES IN MAY 2023

Here are the top ten most commonly requested criteria searches on our systems from May 2023:

1. Can applicants with satisfied Defaults be considered and what is acceptable?
2. Can applications from Non EU, EEA Non UK Foreign Nationals be accepted and under what conditions?
3. Is an application for joint borrowers, where only one will be the legal owner be acceptable and under what circumstances?
4. Can applicants on a VISA be considered and what are the acceptable requirements?
5. What is the acceptable Maximum Age for applicants at the end of the mortgage term?
6. Can Applicants with fewer than 3 years UK residency be considered?
7. Are Self Employed applicants with 1 Year's Accounts acceptable?
8. Can applicants with unsatisfied / outstanding Defaults be considered and what is acceptable?
9. Can an application for a Holiday Let be accepted?
10. Are arrears or missed payments on Credit Cards / Store Cards / Mail Order catalogues considered?

COMBINED SALARIES FOR MORTGAGE SEARCHES YTD





Our methodology

Suite A
7th Floor, Avalon
Oxford Road
Bournemouth BH8 8EZ

enquiries@twenty7tec.com
01202 553 457

