

Buy to Let Mortgage Product Index

December 2016

This index tracks the number of lenders and the number and types of buy to let mortgage products available each month in the UK mortgage market.

Average data for December 2016

Number of buy to let products: 1,233

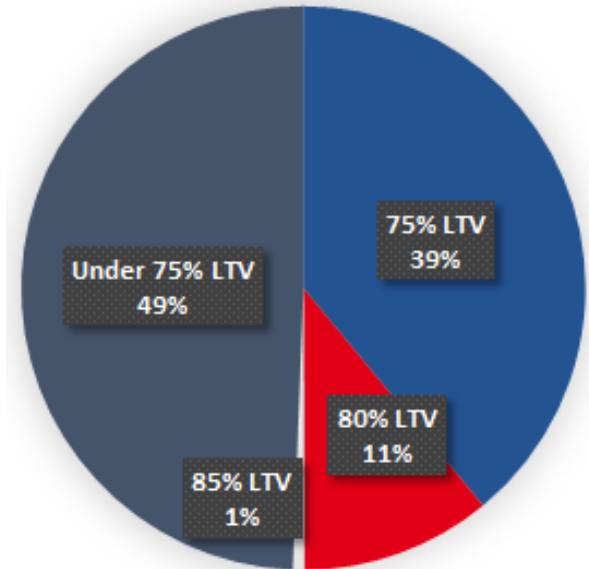
Number of buy to let lenders: 35

The average number of buy to let products in the market rose to a peak in the first half of December, before a sharp decline brought the monthly average back down below November and into line with the figures from October.

This month saw The Family Building Society enter the market as a new lender, bringing the total number of lenders in the sector to 35.

LTVs

Products available below 75% LTV (loan to value) fell 1% to 49% of total, while products available at 80% LTV rose 1% to 11% of total. 75% LTV products continue to make up 39% of those available while there are still only eight products available at 85% LTV, just 1% of all products.



Rates

Fixed rate mortgage pricing adjusted in favour of shorter-term loans, similarly to the changes to variable rates seen in November. Average variable rates dropped noticeably across all terms, most significantly including a 0.09% fall in average 5 year tracker rates, with the reduction being due to the withdrawal of several high LTV (and consequently higher interest) products in preparation for new offerings in the New Year.

Fixed Rate Buy to Let Mortgages		
Term	November	December
Average 5 year	3.67%	3.72% (+0.05)
Average 3 year	3.78%	3.77% (- 0.01)
Average 2 year	2.99%	2.97% (- 0.02)

Tracker Rate Buy to Let Mortgages		
Term	November	December
Average 5 year	3.31%	3.22% (- 0.09)
Average 3 year	3.76%	3.71% (- 0.05)
Average 2 year	2.85%	2.81% (- 0.04)

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