

Buy to Let Mortgage Product Index

January 2017

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 January 2017

Number of buy to let products: 1,147

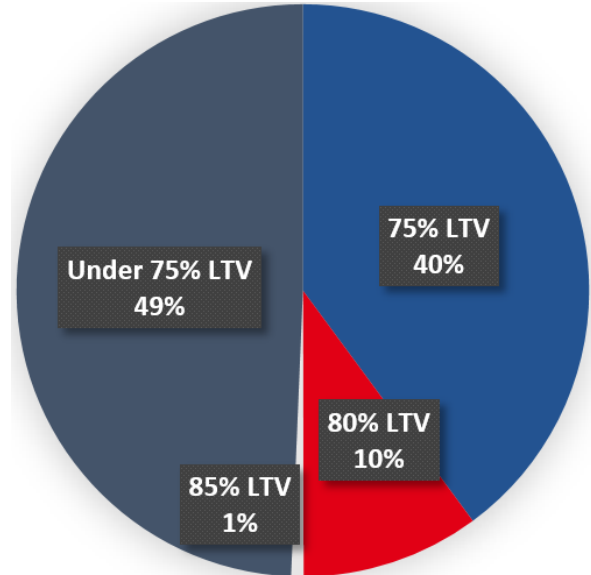
Number of buy to let lenders: 36

The end of December and the beginning of January saw the usual dip in the number of products available at this time of year. Product numbers then grew steadily throughout January but failed to meet December's overall average of 1,233.

January saw Vida Homeloans enter the market as a new lender, bringing the total number of lenders in the buy to let sector to 36.

LTVs

The split of products by loan to value threshold remained fairly steady month on month. Only 80% LTV products lost out to 75% LTV products which increased in proportion by just 1% point.



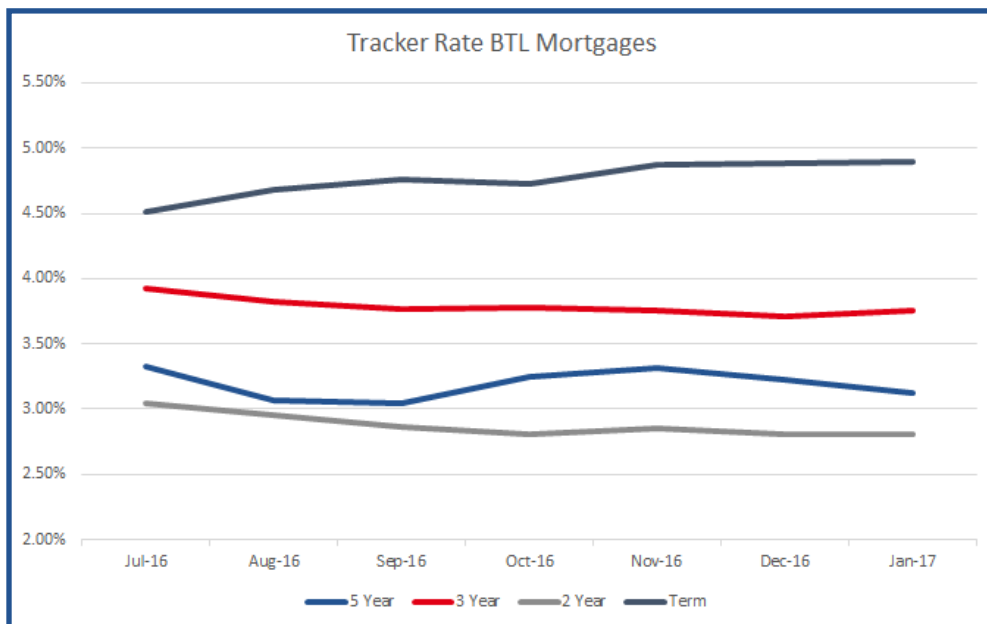
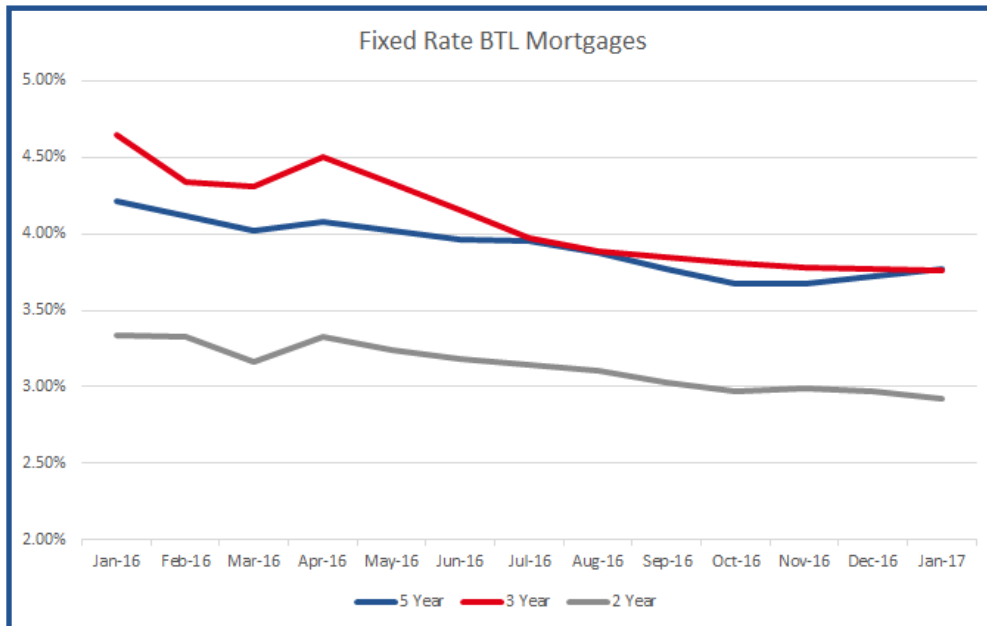
Rates

Five year fixed rates continue to creep up in price and are now back to the level they last reached in September 2016 (when they were still coming down in price). In contrast, both two and three year fixed rates continue to fall steadily in price overall, albeit by small, incremental amounts. On average, five year tracker rates remain cheaper than their three year counterparts, and two year trackers held in price month on month.

Fixed Rate Buy to Let Mortgages		
Term	December	January
Average 5 year	3.72%	3.77% (+0.05)
Average 3 year	3.77%	3.76% (- 0.01)
Average 2 year	2.97%	2.92% (- 0.05)

Tracker Rate Buy to Let Mortgages		
Term	December	January
Average 5 year	3.22%	3.12% (- 0.10)
Average 3 year	3.71%	3.76% (+0.05)
Average 2 year	2.81%	2.81% (- 0.00)
Average Term Tracker	4.88%	4.90% (+0.02)

Rates cont/d...



Data source

Mortgage Flow, the proprietary buy to let mortgage sourcing system owned and managed by Mortgages for Business. Each lender on the system is carefully selected for its contribution to the buy to let sector. Lenders tracked include market leading, mainstream providers, the challenger banks and the specialists which cater for full-time landlords with complex borrowing requirements.

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