**Press Release**

**UNDER EMBARGO UNTIL THURSDAY 17th August 2017**

**Value of bridging loans written by ASTL members exceeds £3billion for the first time**

Figures on the size of the bridging market show no sign of any slowdown – instead they continue to gather pace. The figures for Q2 2017 are compiled by the ASTL’s auditors from its bridging lender members. The magic figure of £3billion of loans written in a year has finally been exceeded; up from £2.8billion for the year ended 31 June 2016.

Results for the quarter were excellent, showing sustained positive growth.  The quarter saw record highs for loans written of £875 million while applications received totalled £4.9 billion. Total loan books have bounced back, with a rise of 5.8% compared to 31 March and 10.6% up on 30 June 2016, but the pattern remains erratic.

The value of loans written increased 12.1% on Q1 2017 and up a remarkable 17.8% on Q1 2016. Annual growth in loans written, comparing the year ending June 2017 to June 2016, showed a more modest 6.7% growth, but that’s not to be sneezed at in these tougher times.

The pace of increase in applications has increased a whopping 39.6% compared to the same quarter a year ago, while the figures for the year ending June 2017 show an even greater increase of 56.6% compared to year ended June 2016. Only the quarter-on-quarter application figures showed a minimal increase.

All this shows that the bridging industry remains in rude health.

Benson Hersch, CEO of the ASTL says, “The increase in positivity shown by members in a recent sentiment survey seems to be reflected in the latest figures. It remains to be seen how the ebb and flow of Brexit negotiations will affect the sector, but the market remains good for the time being. Barring unexpected jolts to the economy, I expect a period of consolidation ahead, especially with the increasing likelihood of interest rate rises.”

These figures are taken from the responses from ASTL members, which include most of the key lenders in the bridging market.

**Highlighted trends:**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Quarter ended**  **30 Jun 2017 compared to Quarter ended**  **31 Mar 2017** |  | **Quarter ended**  **30 Jun 2017 compared to Quarter ended**  **30 Jun 2016** |  | **Year ended**  **30 Jun 2017 compared to Year ended**  **30 Jun 2016** |
|  |  |  |  |  |  |
| **Loans written (£)** | **+12.1%** |  | **+ 17.8%** |  | **+6.7%** |
|  |  |  |  |  |  |
| **Loan book (£)\*** | **+5.8%\*** |  | **+10.6%\*** |  | **+10.6%\*** |
|  |  |  |  |  |  |
| **Applications (£)** | **+0.9%** |  | **+39.6%** |  | **+56.6%** |
|  |  |  |  |  |  |
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