



- Number of 75% and 95% LTV products drop by close to two-thirds as lenders respond to COVID-19 pandemic.
- Percentage drop in higher LTV products slightly less than for 75% LTV products.
- Product numbers back to end of 2017 levels.

Average first-time buyer house price



Deposit

75% LTV	Vs	95% LTV
£56,583		£11,317

Average Interest Rate

75% LTV	Vs	95% LTV
1.48%		3.04%

Mortgage products available on average house price



Average Fixed Monthly Payment

75% LTV	Vs	95% LTV
£677		£1,024

75% LTV	Vs	95% LTV
648		111

Average Fixed Annual Payment

75% LTV	Vs	95% LTV
£8,124		£12,288

Source: AmTrust Mortgage & Credit, Money Saving Expert, UK Finance, Bank of England
Figures in brackets – Q4 2019 LTV Tracker results.

*Based on an average first-time buyer house price of £226,331 (UK Finance – December 2019)

AmTrust Mortgage Loan to Value (LTV) Tracker

Patrick Bamford, Business Development Director at AmTrust Mortgage & Credit, commented:

"In a very true sense, these product numbers need to be looked at in isolation, because they differ so greatly to the overwhelming trend of the last 12 months, which has seen a concerted increase in product availability.

Now, we are in a very different environment. The COVID-19 pandemic hit fast, and it's completely understandable that lenders have had to react quickly, and many hundreds of products have been withdrawn, for borrowers fortunate to have a 25% deposit or those with a 5% deposit.

The slight saving grace for low-deposit borrowers is that their product choice has not dipped – in percentage terms – by quite the same amount, however we're still at an early stage and lenders will no doubt continue to react as the days pass and we get a greater understanding of how this crisis will play out.

However, it's still important to recognise for both first-time buyers and those seeking to remortgage, that the mortgage market remains open for business, products are still available, and especially where lenders can utilise automated, or desktop, valuations – rather than relying on physical inspections – cases are progressing to offer.

The lending community has needed to act fast – especially given the overwhelming demand for mortgage payment holidays – but it is testament to its resilience that first-time buyers can still access finance and, where the conditions allow, can still see their cases moving forward.

The industry should be applauded for this, however we must also recognise that market conditions might well get worse, before they get better."



Methodology

The AmTrust Mortgage LTV Tracker has been developed to analyze monthly, quarterly and annual data from the Treasury, the Bank of England and the UK Finance on product availability, mortgage rates and LTVs.



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