

## Mortgages - UK - March 2016

Report Price: £1750.00 | \$2834.04 | €2223.04

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“As the population ages and many can only arrange a mortgage later in life, lenders must prepare to adapt to change in terms of market dynamics and customer profile. Removing barriers to purchase is set to characterise the market over the coming years.”

– Patrick Ross, Financial Services Analyst

### This report looks at the following areas:

- Mortgage lending must adapt to meet an aging population
- Customers could be exposed by changes in interest rates
- Do mortgages and mobile technology really mix?

In 2015, lenders and intermediaries were able to better coordinate their approach to the market following the upheaval caused by the Mortgage Market Review (MMR) in the previous year. The MMR represented the greatest regulatory change for more than a decade, meaning that lenders had to devote a large share of their resources to coming to terms with the new environment. Lenders have also started to work more flexibly within the more closely regulated market, using transitional arrangements to help borrowers that are effectively trapped by stricter lending criteria. Lenders will need to go a step further to keep the market accessible for key demographics, particularly the growing proportion of older people looking to borrow into retirement. Low interest rates have produced some great value deals, but not everyone has access to these and this mismatch could have the potential to slow growth in lending.

This report analyses the residential mortgage market, covering the impact of the regulatory upheaval, the outlook for gross mortgage lending and the changing shape of product distribution. Mintel's consumer research looks at product ownership in the context of the interest rate environment as well as attitudes towards products and providers.

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### DID YOU KNOW?

This report is part of a series of reports, produced to provide you with a more holistic view of this market

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### The Market – What You Need to Know

Gross mortgage lending to build momentum in 2016

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A third of people hold a mortgage on their main home

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- Low interest rates encourage uptake of fixed rate mortgages
- Online research is a crucial starting point for many
- Delivering the flexibility customers want is a challenge for lenders
- Interest in overpayment indicates growing confidence
- 39% of renters don't think they'll ever be able to afford their own home

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