



Lending into Retirement

2017 Update

In 2015 the BSA published its first report on *Lending into retirement*.

This update shows how the market has developed over the two years since.

With housing market affordability pressures, an ageing population and longer mortgage terms, older borrowers are becoming a larger part of the market.

We predict that the peaks of these demographic and economic trends are yet to come.

To find out more about how building societies do things differently, visit bsa.org.uk



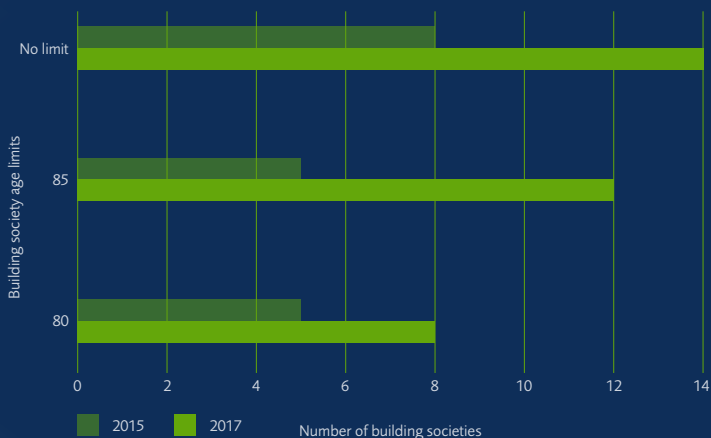
In the first half of 2017, building societies saw...

- 59,668 mortgages sold which will mature when borrower is 65 or older- a 45% increase compared to the first half of 2015
- 162% increase in mortgages maturing between ages 79-84 vs H1 2015
- 43% of new mortgages were for terms over 25 years in H1 2017

Source – UK Finance Regulated Mortgage Survey

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- In 2015, 18 building societies would lend into a borrower's 80s.
- In 2017, 34 building societies have an age limit of 80, 85, or no limit.



Also in H1 2017

- Building societies accounted for 42% of the market in regulated mortgage sales that will mature beyond a borrower's 76th birthday.

Source - FCA product sales data. Excluding Nationwide. Excluding lifetime sales.

"The over 65s currently hold around £20.1 billion of mortgage debt... by 2030, we project that this will have doubled to £39.9 billion"

BSA/ILC-UK *Lengthening the ladder* report

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