



PRESS RELEASE

HALIFAX MORTGAGE ENQUIRIES DOUBLE IN A MONTH AS BRITS LOOK TO MOVE POST LOCKDOWN

- **Halifax sees 100% uplift in new mortgage enquiries in June compared to May**
 - **New figures represent a 112%^[1] rise on last year**
- **Halifax shares top tips for households as 75% feel confident restarting mortgage payments after payment holiday**

30th June 2020: Halifax mortgage applications continue to rise seven weeks after the housing market reopened, with calls from potential homebuyers about new mortgages doubling compared to this time last month.

In June, mortgage applications^[2] from first time buyers almost doubled as Halifax saw a 96% increase from May as buyers look to step onto the housing ladder after months of lockdown. The bank has also seen a 150% increase in agreements in principle (AIPs) being completed digitally compared to last month^[3], demonstrating the nation's desire to quickly get back to their future housing plans.

East Anglia, the North West and the North are proving some of the most popular choices for those looking for a new home after lockdown, with mortgage applications already higher in these regions than pre-COVID 19 levels. This comes as new research from Halifax reveals that over half (57%) of workers, since working from home, now think that there is less need for people to live in a city and proximity to their office is no longer an important factor when purchasing a property (39%). Greater London and the South East are still the most sought-after regions for buying a home overall, however they have not returned to their pre-lockdown levels of popularity^[4].

Since the beginning of March, Halifax has granted over 300,000 mortgage payment holidays. Positively, 75% of households who took out mortgage payment holidays say that they feel confident to restart payments at the appropriate time.

Tom Martin, Mortgages Director, Halifax said: *"The initial boom in mortgage application enquiries when the housing market reopened in May was very much anticipated. As the high influx of calls continues throughout June, we're also beginning to see a clear shift in where people are now looking to buy homes, with the likes of East Anglia and the North West already more popular than before lockdown. This may reflect how people see their lifestyles changing after the pandemic, with greater flexibility to work from home and a desire for more outdoor space."*

^[1] Number of calls in June 2019 vs June 2020

^[2] Taken over the phone or video – excluding branch applications

^[3] Digital AIPs in the week commencing 8th June vs. week commencing 11th May

^[4] Comparing average applications from w/c 17th Feb- 16th March, to w/c 15th June, mortgage applications are up across East Anglia (4%), Northern (12%) and North West (4%). All other regions are yet to reach pre lockdown levels.

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“For those with existing mortgages, we’re also seeing more and more people move back to regular payments which is a positive sign after many took the opportunity for a little breathing space during this uncertain time.”

To help homeowners during this period, Halifax shares its top tips for customers restarting mortgage payments after a holiday.

Top Tips from Halifax on Mortgage Holidays

Restart payments if you can – *It is best to return to payments as soon as you feel able to. There is a temptation to continue the break on your mortgage payments to reduce monthly outgoings, however it’s important to remember that the amount you pay each month will go up after a payment holiday, as interest continues to accrue, to make up for the suspended payments. If you’re not able to restart payments, don’t worry as there will be advice your bank can offer you. We are always here to offer our customers guidance on next steps, to explore the options available and help them to navigate through any challenges they may face.*

Plan for both the short and long term – *When considering whether to extend your mortgage payment holiday, it’s important to assess both your current financial situation and think ahead into the future. In the short term, you will need to weigh up whether you have enough funds to cover the short term outgoings, and in the long term what the overall cost of borrowing will be. We understand this is an incredibly difficult situation and we’re here to help our customers talk through their financial concerns and help them to prioritise what matters most. By plotting out your expected income and outgoings on a monthly basis, this will help you to visualise when might be the best time to restart payments.*

Speak to friends and family – *A strong support network has never been more important, especially if you are experiencing financial difficulty. Talking about money with family and friends can help you see the bigger picture and learn from the experiences that others have been through.*

Use online resources to help– *As COVID 19 has affected many people across the UK, call centres will be busy. Online advice and support is readily available, including online calculators to ensure you can get insight on number pertinent to your situation. Changes to your mortgage, including requesting a part return to payment and extending mortgage holidays on buy-to-let properties can all be made online. If going online isn’t right for you, we have a team of expert advisors in call centers who are ready to do all they can to help.*

Ends

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Methodology

All figures, unless otherwise stated, are from YouGov Plc. Total sample size was 3,010 employed adults. Fieldwork was undertaken between 29th May – 3rd June 2020. The survey was carried out online. The figures have been weighted and are representative of British business size.

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