

Mounting energy bills prompt 34% uptick in searches for eco-friendly homes in July alone, reveals Legal & General Mortgage Club

- Following the recent rise in UK energy bills, searches for mortgages that consider EPC ratings increased by 34% in July alone
 - Searches for mortgages for second homes also up by 17%
- Overseas buyers continue to buoy the market, with searches on behalf of expatriates or EU citizens climbing by 25%

Borrowers consider green mortgages amidst mounting energy bills

In July, searches for mortgages which consider a property's EPC rating grew by 34%, according to new data from Legal & General's SmartrCriteria tool. The news comes as UK gas and electricity prices continue to soar, causing widespread concern.

Overseas buyers retain key role in UK housing market

Elsewhere, brokers continue to see high demand from overseas buyers. To this end, searches for expatriates or EU citizens in the UK rocketed by 25% in July. This was mirrored by a 14% increase in searches for borrowers with foreign income.

As in June, most searches were also made on behalf of applicants with a visa. Searches for expatriates that aren't based in the UK also rose by just under a fifth (17%).

Second homes, retirement properties, and Help to Buy also prove popular

Demand for niche products also remained high in July, with searches for buyers looking to purchase retirement properties and second homes climbing by 26% and 17% respectively. With Help to Buy drawing to a close in spring 2023, searches for those looking to purchase a home under the scheme rose by 18%.

The data also confirms that family members continue to play a crucial role in supporting first-time buyers. As such, 'joint borrower sole proprietor' was the sixth most popular criteria point in July.

"It's reassuring to see the market retain its momentum despite wider economic pressure. In some areas, such as the overseas market, demand is even rising. This includes an increasing number of expatriates and EU citizens seeking UK mortgages.

"This month's data also shows that some buyers are considering eco-friendly products and making greener choices. We are still very much in the early stages of the green revolution, but it seems safe to assume that rising energy bills have prompted more buyers to consider the financial benefits of opting for greener homes. While volumes remain low for now, brokers and lenders have a key part to play in raising awareness of green products and educating borrowers about EPCs, retrofitting, and other associated factors."

Kevin Roberts, Director of Mortgage Services, Legal & General

-ENDS-

Notes to editors

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Legal & General Retail helps protect lives and futures of our customers; the division covers the savings, protection and retirement needs of our c12 million retail policyholders and workplace members. In 2021, we wrote £957 million of annuity premiums, and issued £848 million of Lifetime Mortgages and Retirement Interest Only Mortgages. Our Workplace pension platform served 4.4 million members, while in the UK we paid out a total of £1,133.8 million in insurance claims.

<https://www.legalandgeneral.com/adviser/mortgage-club/>

Further information [journalists only]

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