



Legal & General Mortgage Club reveals the top mortgage searches in February 2021

- Advisers completed more searches for furlough-friendly mortgages than any other criteria point in February
- There was a 27% increase in searches for lenders that will consider borrowers who had missed a mortgage repayment between January and February.
- Overall search volumes increased by 8% compared with January, suggesting that activity in the mortgage market has remained strong in the opening months of 2021.

Advisers were sourcing furlough-friendly mortgages more than any other criteria in February, with more than 1,000 searches logged on Legal & General's SmartrCriteria. The tool, which helps advisers quickly determine suitable mortgage lenders for their clients, also showed that search volumes continued to rise, increasing by 8% between January and February. This follows a 69% increase in January and suggests that activity in the mortgage market has remained strong in the opening months of 2021.

While lockdown restrictions are set to be eased, around 4.7 million individuals remain reliant on the Government's furlough scheme. The continued focus of advisers on mortgages for furloughed borrowers follows a dramatic 230% rise in searches for these products between December 2020 and January 2021.

Legal & General's data also showed a 27% increase in searches for lenders that would consider borrowers who had missed a mortgage repayment, reflecting the growing cohort of mortgage borrowers who have seen their finances negatively impacted by the crisis.

Furthermore, the findings revealed that rising house prices, stoked by strong market demand, could also be placing pressure on buyers to seek out more affordable routes onto the ladder. SmartrCriteria tracked a 60% increase in searches for joint borrower-sole proprietor mortgages. The data follows an 8.5% increase in the UK's average house price last year, according to the Office for National Statistics.¹

SmartrCriteria was launched by Legal & General on January 14, 2019 and has over 8000 registered advisers. The service is free to use whether an adviser is a member of the Club, or not.

“The wide-ranging implications of COVID-19 are continuing to play out in the mortgage market and it's clear that advisers are playing a critical role for borrowers. Not only are many focusing their efforts on finding lenders that meet the needs of those with more complex financial circumstances, including those on furlough, but they are increasingly supporting others with more affordable routes onto the ladder too.

“SmartrCriteria is helping these intermediaries to efficiently source mortgages at a time where the market is incredibly busy and when a growing proportion of borrowers are needing specialist support. At Legal & General Mortgage Club we are committed to helping improve operational efficiency, and the continued development of tools like SmartrCriteria will support intermediaries in matching customers to products that best suit their needs.”

Clare Beardmore, Head of Mortgage Transformation and Operations, Legal & General Mortgage Club

¹ <https://www.ons.gov.uk/economy/inflationandpriceindices/bulletins/housepriceindex/december2020>

Notes to editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.1 trillion in total assets under management, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pension risk transfer, life insurance, workplace pensions and retirement income.

About Legal & General Mortgage Club

Legal & General Mortgage Club is one of the UK's largest and longest-running mortgage clubs, completing £667bn of mortgages since 1995. We are involved in nearly one in five of all mortgages in the UK, in addition to nearly one in three of all intermediated mortgages. The Mortgage Club prides itself on adding value to the adviser community by working closely with new and existing lenders to deliver great products, pricing and criteria. Our popular SmartrFit tool, which is free to advisers, combines an affordability calculator with lender criteria to provide accurate, quick results, to help make advisers jobs easier so they can spend time where it matters.

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

Further information [journalists only]

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