



IMLA member survey

The mortgage market in 2013

About the Intermediary Mortgage Lenders Association

- IMLA is a mortgage lender trade association established in the 1980's to represent the interests of those lenders who originate the majority of their business from mortgage intermediaries
- IMLA has 21 members who between them conduct more than 80% of the lending in the intermediary sector
- Members include banks, building societies and specialist lenders
- Business models include retail funded, wholesale funded, private capital and those that rely on the asset backed finance model
- IMLA has a democratically elected board and chairman and all members are entitled to attend regular meetings
- All members pay the same annual subscription and all have a single vote
- IMLA maintains a close alliance with the CML and works with a wide range of other trade associations, government departments and the FSA
- The current chairman is John Heron and the executive director is Peter Williams



About the IMLA survey

- IMLA regularly consults members on mortgage market issues
- Research amongst members and intermediary partners is conducted to better inform IMLA policy positions
- This particular survey is designed to reflect member's views on the housing and mortgage market over the next twelve months
- IMLA representatives are mortgage practitioners with a wealth of experience of trading day to day in the mortgage market
- The results of the survey are the aggregate IMLA view and do not necessarily reflect the views of any individual members
- This survey was conducted in May 2012



The world in 2013

- Since the previous survey IMLA members views have only changed marginally and the next twelve months are expected to be challenging:
- IMLA members expect growth to continue to be sluggish with GDP falling to 0.55% with views varying from 0% to 1.25%. Whilst the average view is lower than the last survey (0.91%) the range of views was more positive (-2% to +1.5%)
- Members are expecting inflation to fall to an average view of 2.57%, slightly lower than the previous view of 2.79%, the range of views varied from 1.75% to 4%
- Members expect unemployment levels to remain high with average view being 8.6% in 12 months time
- 73% of members thought Bank Base rate would be at 0.5% in 12 months time

THE MORTGAGE MARKET

imla

The mortgage market in 2012

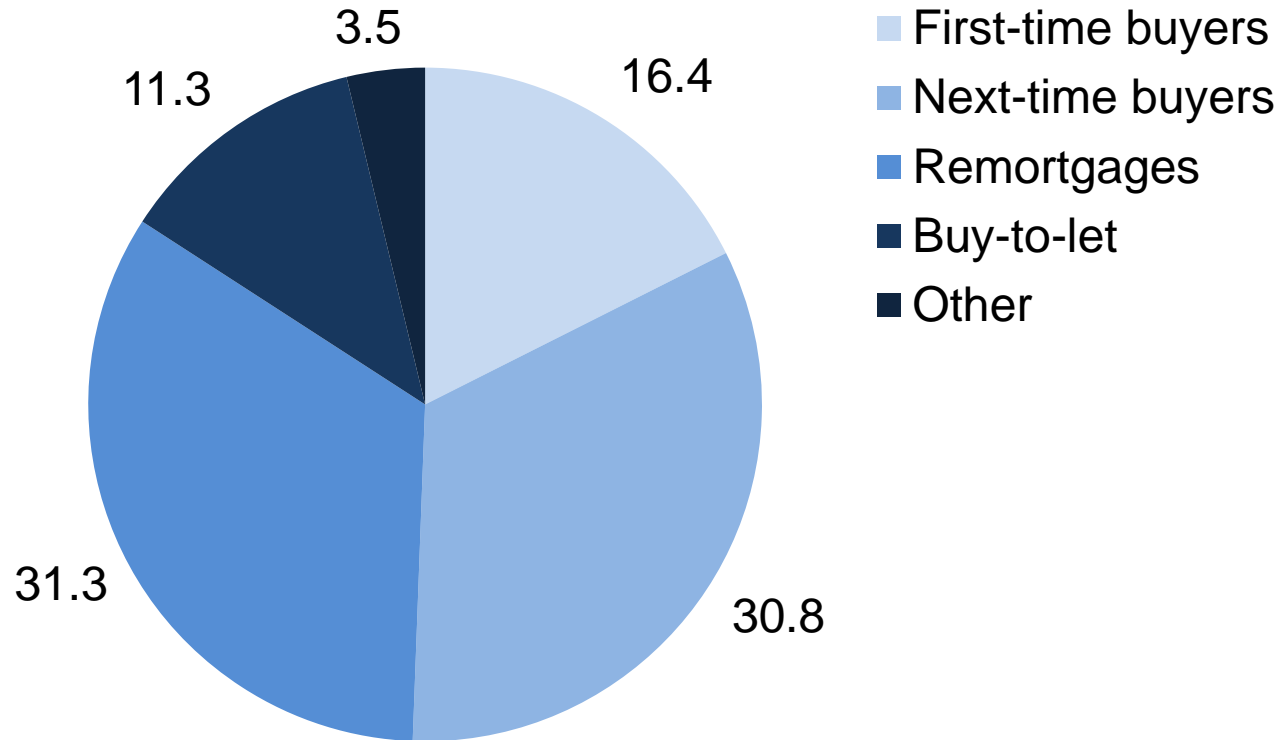
- Lenders expect gross mortgage lending in 2012 to be no more than £131bn, lower than the £141bn in 2011 but a slight increase to their previous suggestion of £130bn in 2012
- Buy-to-let lending is expected to be £15.1bn in 2012 up on the 2011 total of £14bn
- 80% of lenders expect a slight increase in mortgage market arrears by the end of 2012, with 3 month + arrears at an average of 2%

House prices

- Over the next twelve months IMLA members expect house prices to remain static, with almost half expecting the average price to be £160,000

Market share

- Overall mortgage lending accounted for by business type by the end of 2012



Intermediary market share

- In twelve months time IMLA members expect the highest proportion of intermediary business to be in buy-to-let
- IMLA members expect lowest proportion of intermediary business to be first-time buyers

