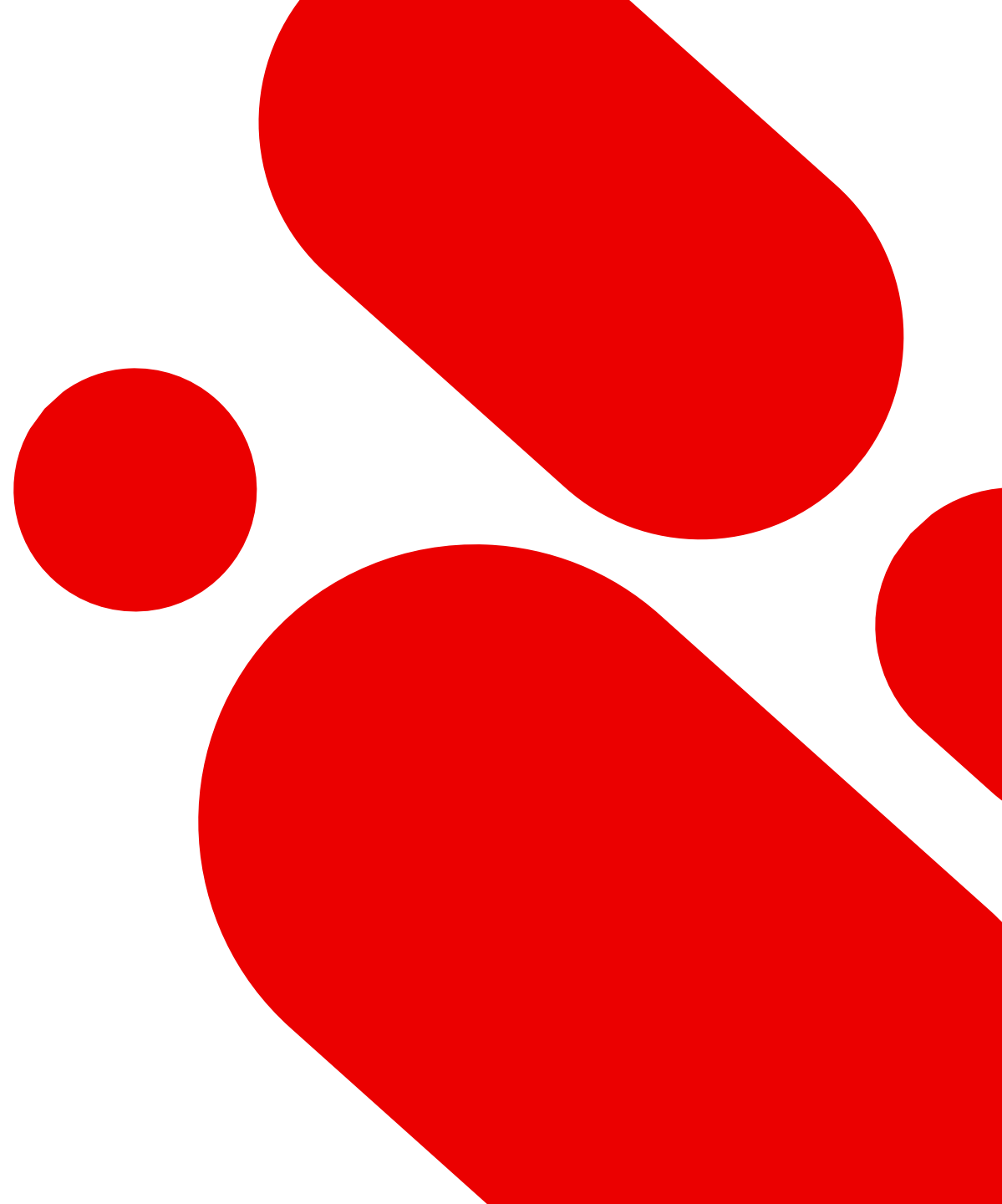




# Intermediary Mortgage Market Tracker Q3 2024

Prepared for the Intermediary Mortgage Lenders  
Association (IMLA)



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01

# BACKGROUND & METHODOLOGY

# Background & methodology

The Intermediary Mortgage Lenders Association (IMLA) launched the Mortgage Market Tracker in November 2015. The Tracker uses data provided by BVA BDRC's Project Mercury. Project Mercury is a continuous monitor of intermediary lender marketing effectiveness and broker sentiment, launched in 2007.

Existing business confidence questions on the survey are supplemented by additional questions measuring the conversion of Decision In Principle (DIP) to completion. This report contains the results for Q3 2024 (fieldwork conducted in September 2024).



## Who?

Mortgage Intermediaries – advise customers on which lender to use, 24+ mortgages pa, not tied wholly to one lender, GB based. Sample sourced from Autus



## How?

Quarterly telephone interviews (last month of the quarter) average interview c.30 minutes. Fieldwork by PRS (our sister company)



## How many?

Total of 100. Achieved sample weighted by firm size, region & type to be representative of the Autus universe



02

# EXECUTIVE SUMMARY

# Q3 2024 Executive summary



The typical intermediary placed **92 cases in the previous 12 months** - this reflects a -4 decrease vs. last quarter. In 2024, BoE data shows the overall market strengthening to reach in Q3 the highest level since 2022



Intermediary confidence seems to dip slightly after the election, but is **overall at a better level than in the past 2 years.** 'Mortgage industry' goes down by -3, while 'Intermediary sector' is down -5



The average number of **DIPs in the last 3 months decreases in Q3 by -6, now at 27.** However conversion from DIP to completion sees a minor increase of +3% to 39%.



**App to completion conversion is stable this quarter.** It yields a typical pool of 10 client completions.



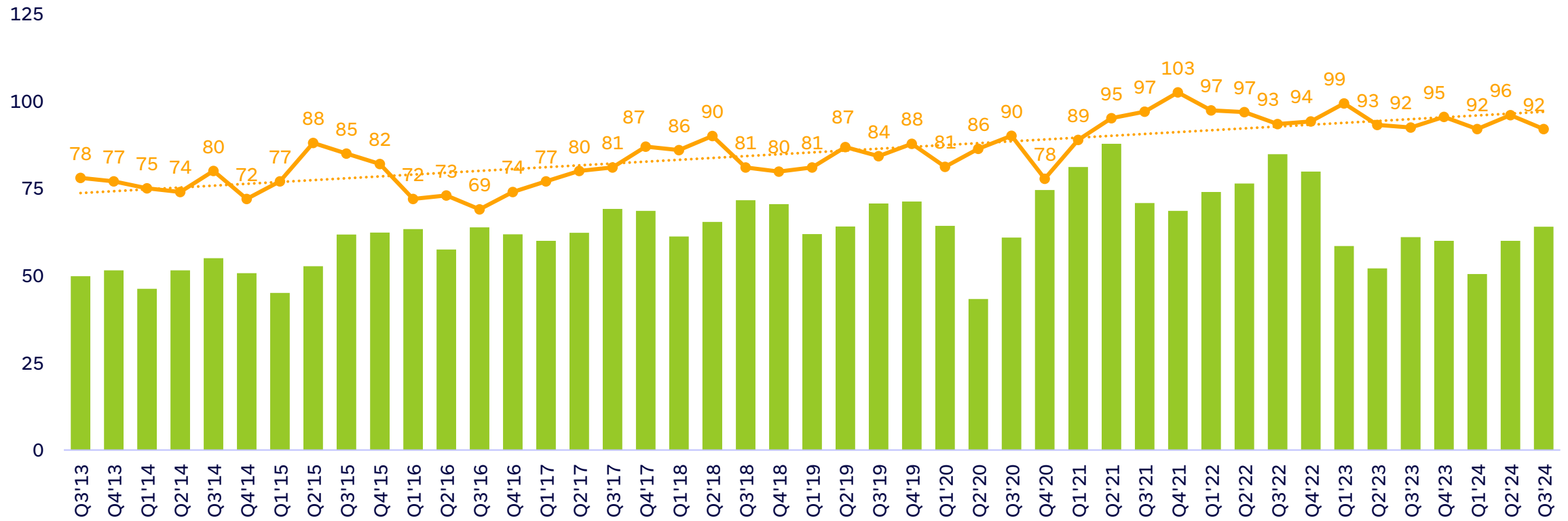
03

# BUSINESS VOLUMES AND CONFIDENCE

# Claimed volume of mortgage cases, per year and gross lending

Business levels are broadly being maintained. The average claimed number of mortgages placed per year by intermediaries was off slightly at 92 in Q3 24 (from 96 in Q2), with the median unchanged at 75. The average for mortgage brokers is 96 cases (-6), for IFAs 68 (stable). In 2024, BoE data shows the overall market strengthening to reach in Q3 the highest level since 2022

■ £bn Gross secured lending per qr (Source Bank of England)  
—●— Average no. of cases per year



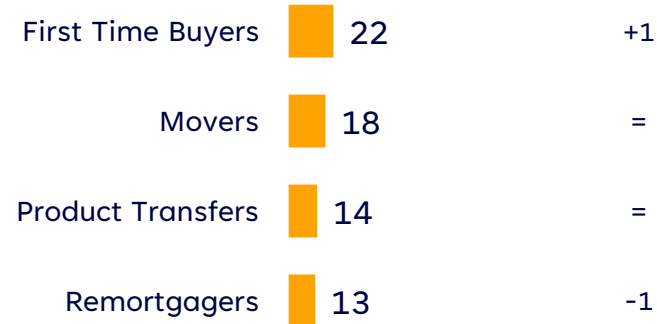
Q.S4 Including residential, Buy-to-Let and specialist mortgages, how many mortgages have you personally placed in the last 12 months?  
 Base: All respondents (299)



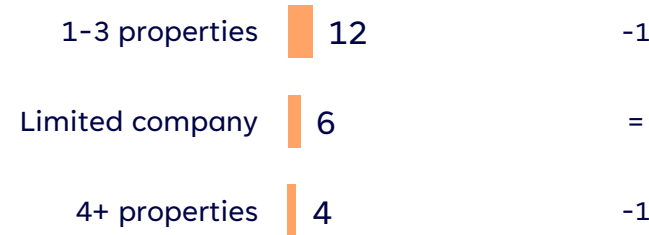
# Share of mortgage business handled

In volume terms, there is little change in business mix. Residential lending makes up about two-thirds of intermediaries' business, BTL just under a quarter and specialist lending about a tenth. Q3 24 sees a slightly lower share of BTL deals, offset by a slightly higher share of residential deals

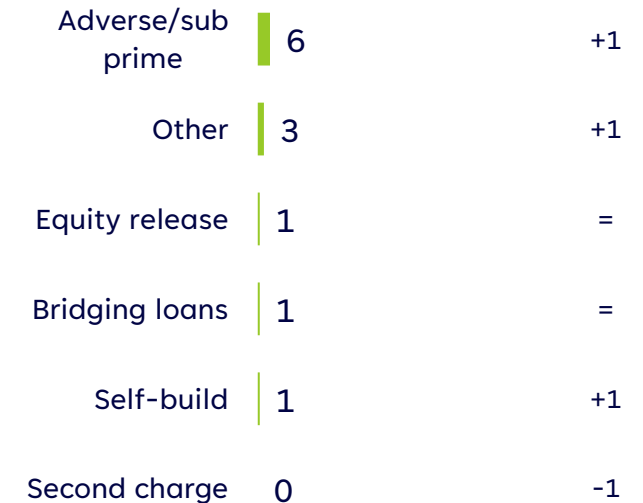
## Residential (%)



## BTL (%)



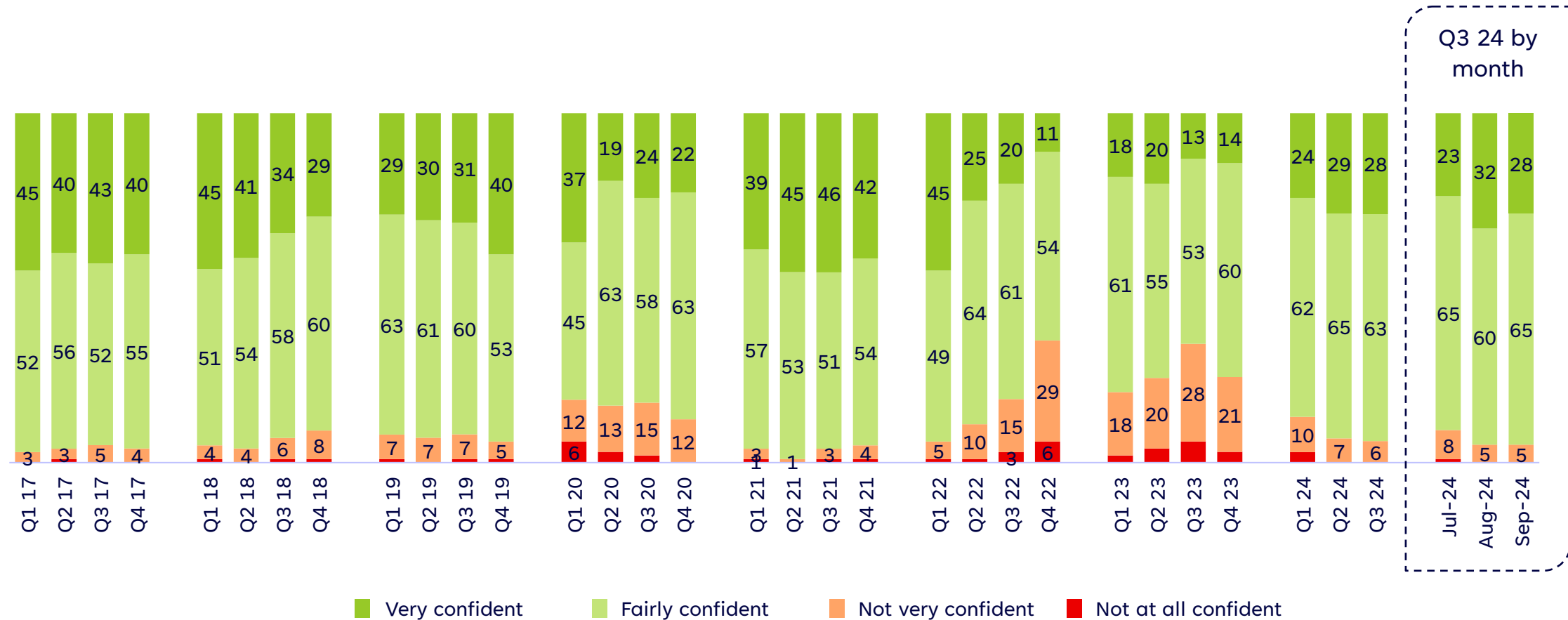
## Specialist (%)



QA1. For every 10 mortgages that you arrange, how many are [RESIDENTIAL/BTL/SPECIALIST] mortgages?, QA2. For every 10 residential mortgages you arrange how many are for [RESI OPTIONS], QA5. Out of every 10 BTL mortgages you arrange for clients, how many are [BTL OPTIONS], QA7. For every 10 specialist mortgages you arrange how many would be [SPECIALIST OPTIONS]  
 Base: All respondents (299)

# Confidence in outlook for mortgage industry

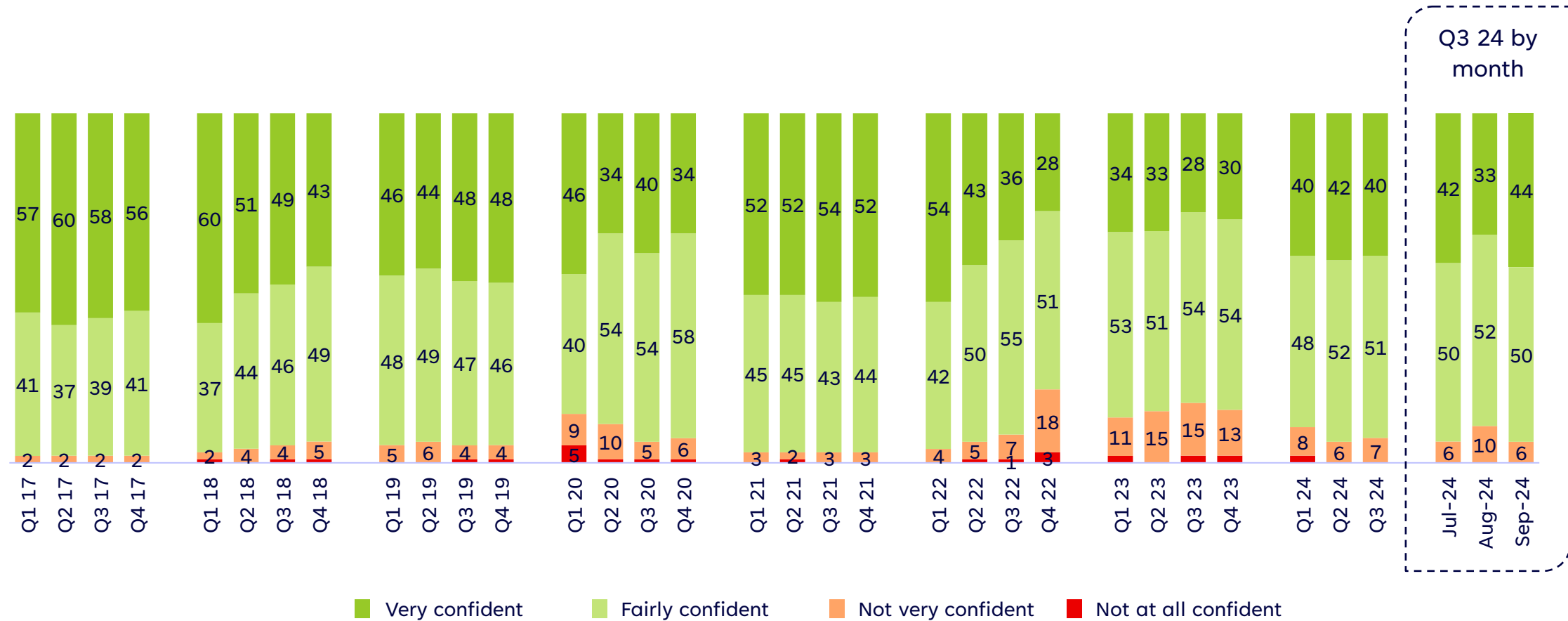
Confidence in the outlook for the mortgage industry stabilised in Q3 24, remaining at about the level seen in Q2 22. There were no clear monthly trends within Q3, a slight improvement in August falling away in September.



QH1a. Currently, how confident do you feel about the business outlook for the mortgage industry?  
Base: All respondents (299)

# Confidence in outlook for intermediary sector

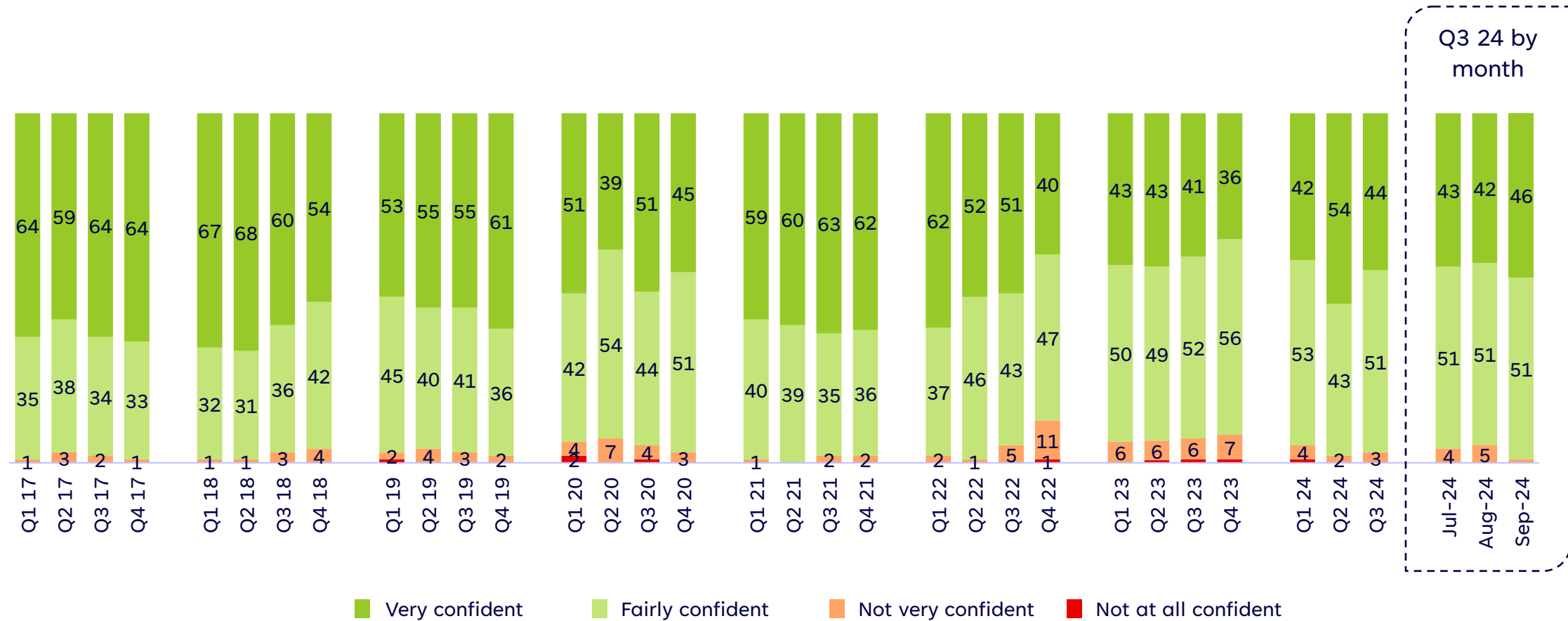
Confidence in the outlook for the intermediary sector was stable in Q3 24 overall. A dip in August recovered in September. Confidence is now very similar to the level seen in Q2 22. Confidence for the intermediary sector remains higher than for the overall mortgage industry



QH1b. And how confident do you feel about the business outlook for the intermediary sector of the mortgage industry?  
Base: All respondents (299)

# Confidence in outlook for their own business

Confidence in the outlook for one's own business fell in Q3 24 after a sharp upturn in Q2, returning to the levels seen in Q1 24. Confidence was up a little in September but there were no strong monthly trends during Q3. Confidence in one's own business remains above confidence in the intermediary sector, but currently not by much

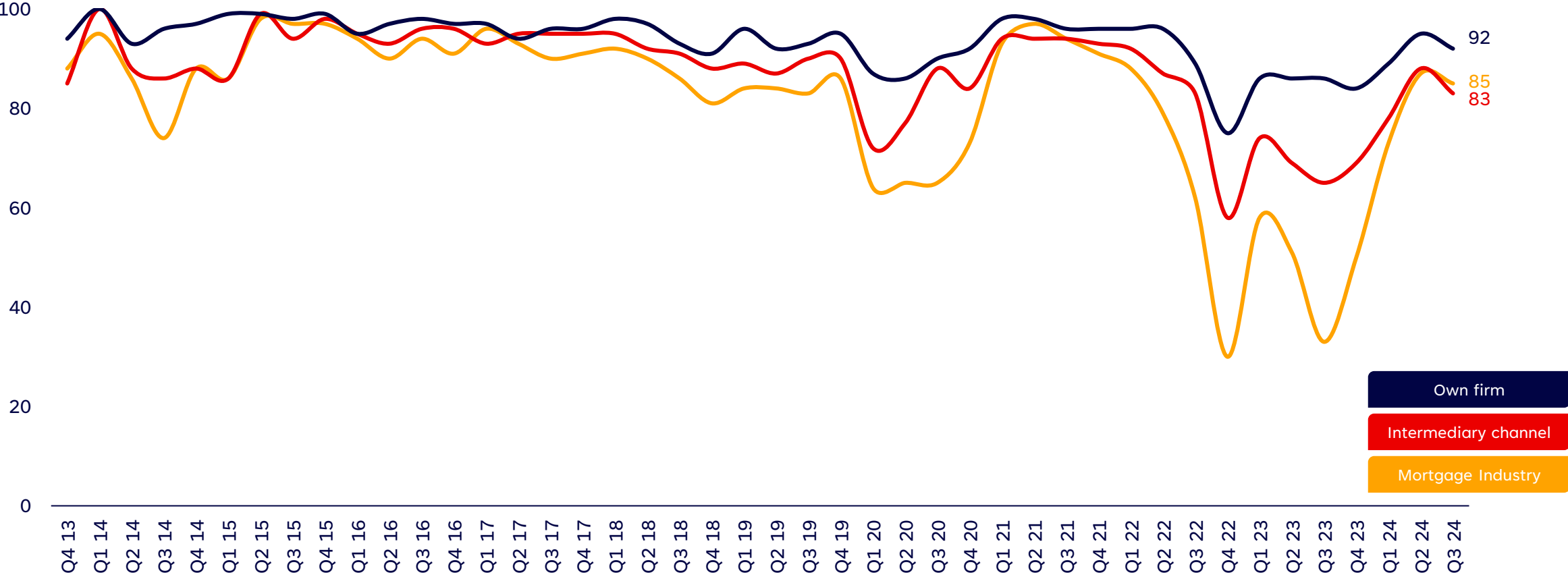


QH1c. And how confident do you feel about the business outlook for your own firm?  
Base: All respondents (299)

# Net\* intermediary confidence trends

Net score trends for all three measures show confidence tailing off slightly in Q3 24, following a strong recovery since Q4 23. Confidence levels remain below long-term norms

\*Net confident = very / fairly confident minus not very / not at all confident



QH1a. Currently, how confident do you feel about the business outlook for the mortgage industry?  
 QH1b. And how confident do you feel about the business outlook for the intermediary sector of the mortgage industry?  
 QH1c. And how confident do you feel about the business outlook for your own firm?  
 Base: All respondents (299)

# Reasons for felt level of confidence in one's own business

Examples of verbatim responses from intermediaries

“

## Recent rate cuts

*I think because of the rate reductions. It's encouraging people to look at their mortgages a little more now. I believe the intermediary market will do quite well.*

**(Very confident)**

“

## Strong client bank

*For us, we have a client bank of faithful customers. Obviously, we're knowledgeable, so we're safe.*

**(Fairly confident)**

“

## Mortgage market picking up

*We're growing as a team, we've got stability back in the market - and I feel like everything is moving in the right direction, at the right time.*

**(Very confident)**

“

## Experience in the industry

*I have been doing business for 25 years. I have seen the ups and downs before: the current market trend is not my first rodeo.*

**(Fairly confident)**

“

## Concerns surrounding new government

*I don't think the new government has much hope for the nation. Low confidence in the market.*

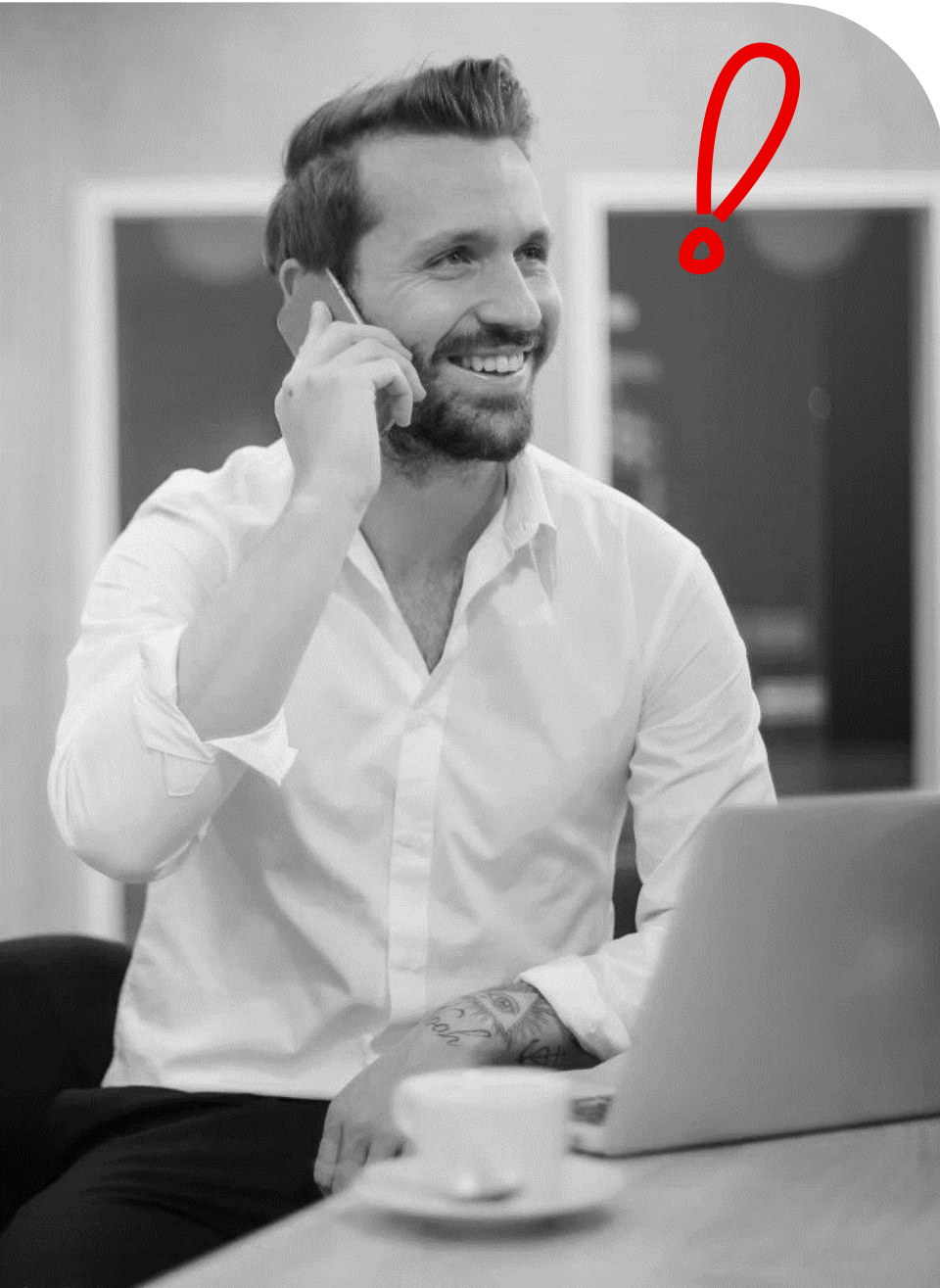
**(Not very confident)**

“

## Concerns surrounding new government

*Government is destroying the economy, and the rates are going crazy.*

**(Not very confident)**

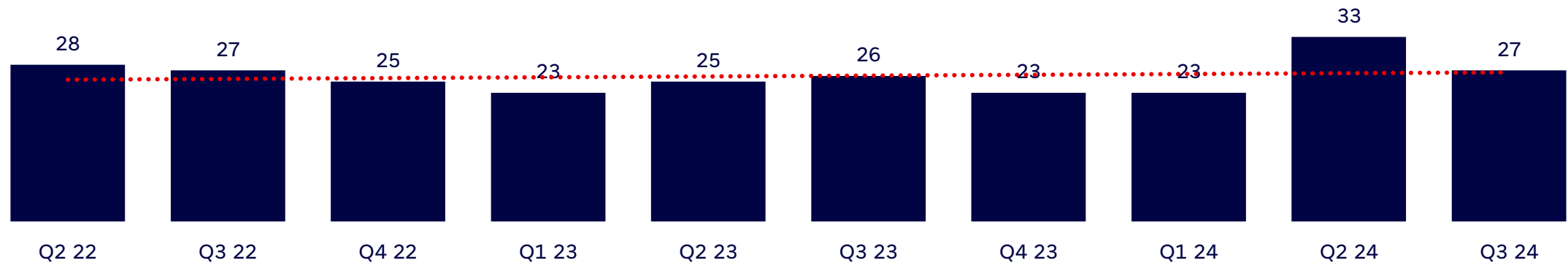


04

# BUSINESS FLOW

# Average number of DIPs in last 3 months

The average number of DIPs dealt with decreases -6 to 27, more in line with previous years.



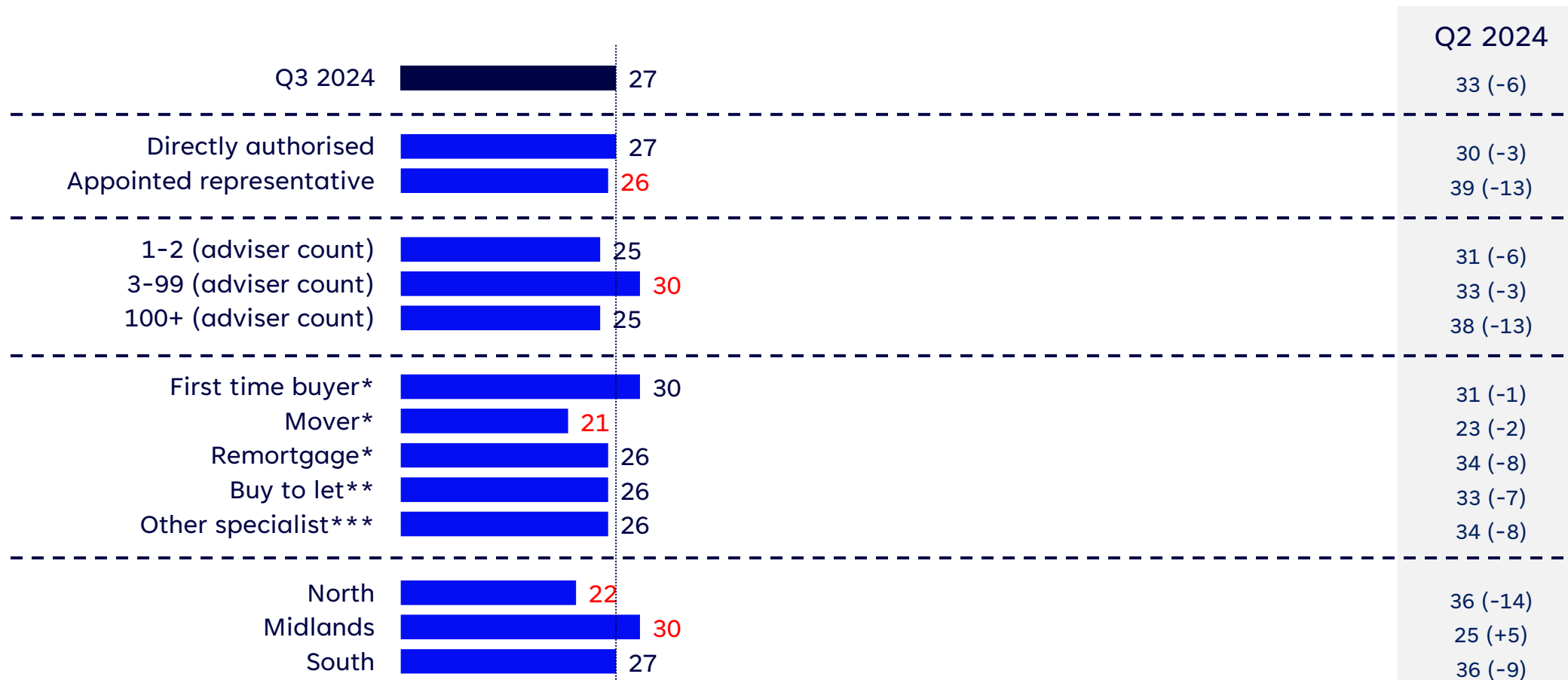
QHX1. In the last 3 months, approximately how many DIPs have you dealt with personally?

Base: All September respondents (100)



# Average number of DIPs – By business

There are decreases across all categories, however the largest one are in the North (-14), among ARs (-13) and in companies with 100+ advisors (-13).

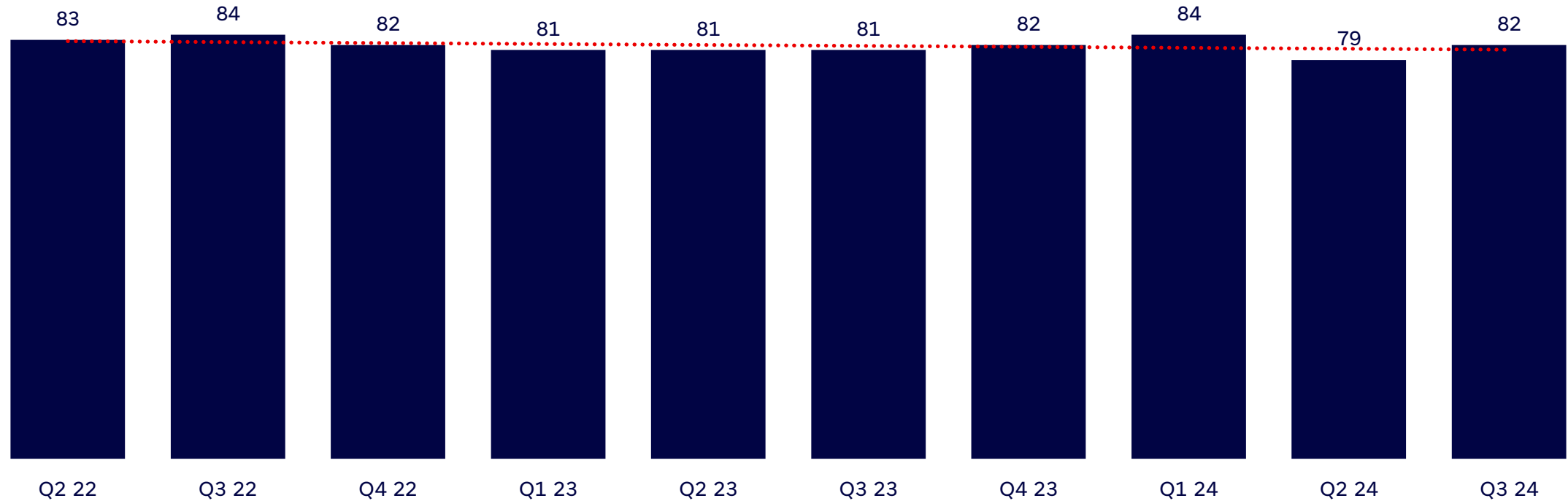


QHX1. In the last 3 months, approximately how many DIPs have you dealt with personally?  
Base: All September respondents (100)

\* At least 4 out of every 10 residential mortgages placed  
 \*\* At least 2 out of 10 mortgaged placed  
 \*\*\* Any mortgages placed  
 RED = low sample size (<30)

# DIPs resulting in a DIP accept (%)

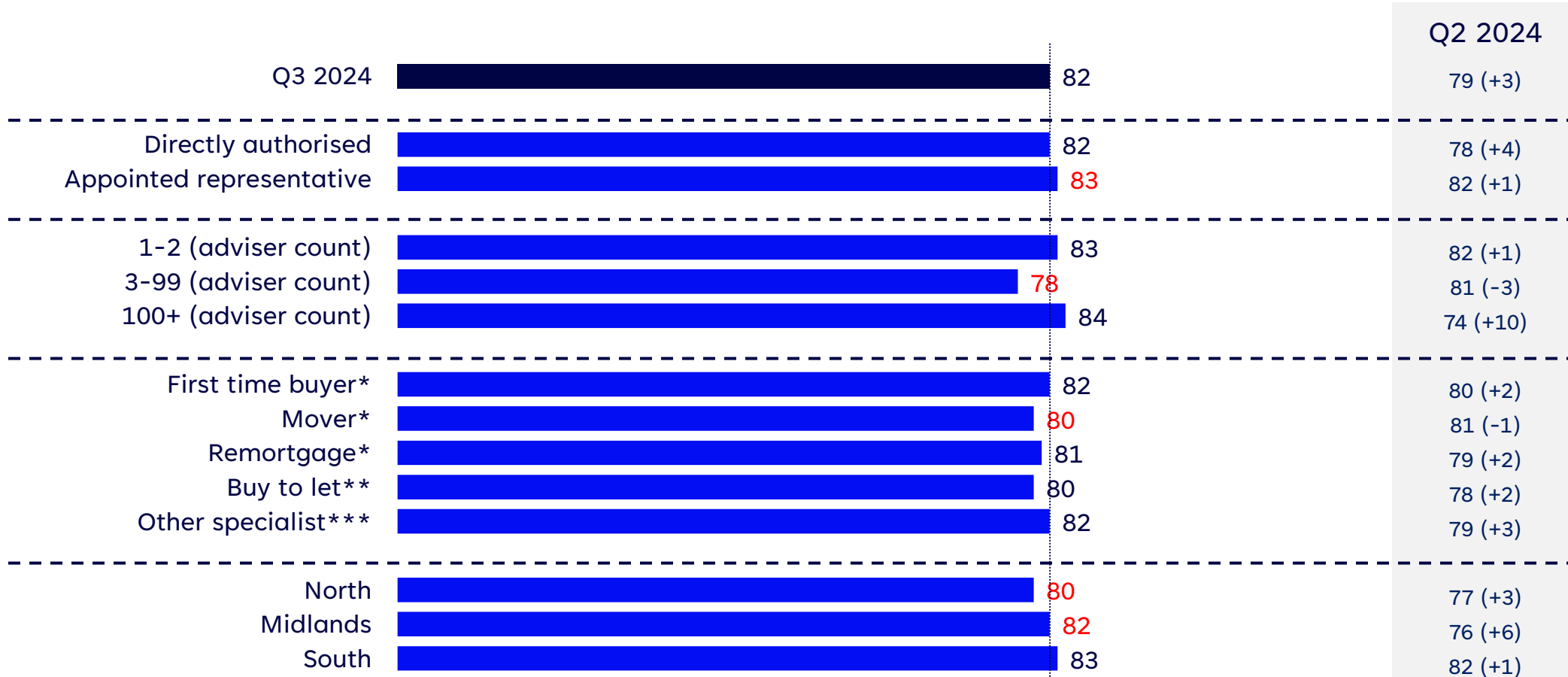
The proportion of DIPs resulting in a DIP accept increases to 82, more in line with previous years.



QHX2. In the last 3 months, what proportion of these DIPs have resulted in a DIP accept?  
Base: All September respondents (100)

# DIPs resulting in a DIP accept (%) – By business

The increase is driven by those with 100+ advisors (+10), and the Midlands (+6).

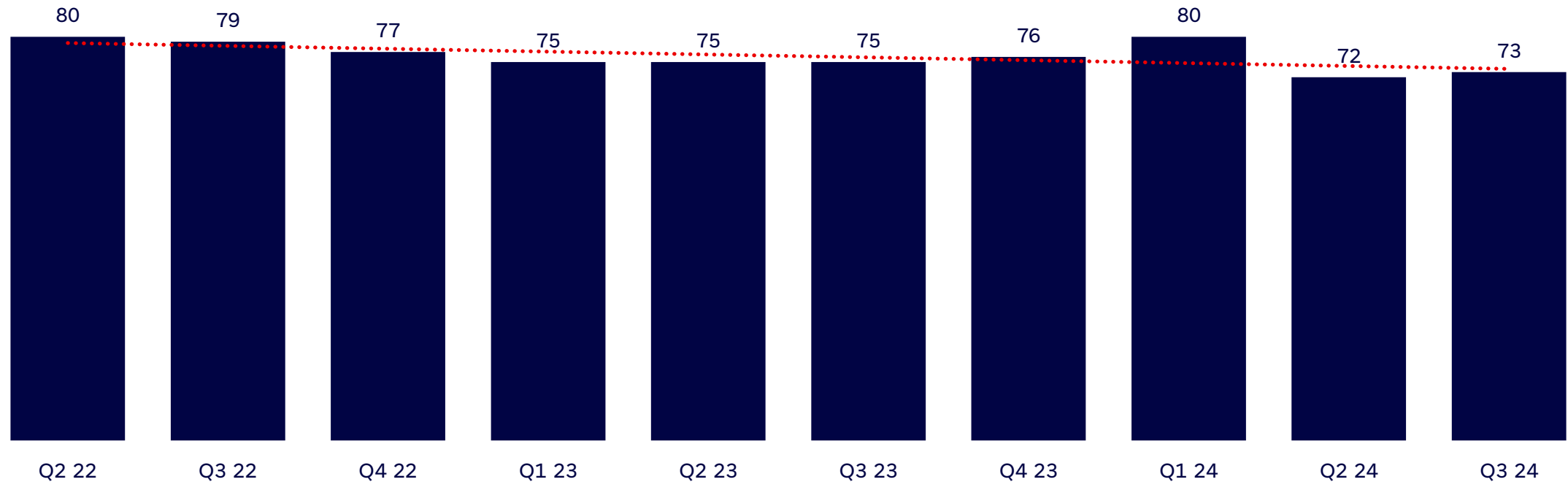


QHX2. In the last 3 months, what proportion of these DIPs have resulted in a DIP accept?  
Base: All September respondents (100)

\* At least 4 out of every 10 residential mortgages placed  
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# DIP accepts resulting in a full application (%)

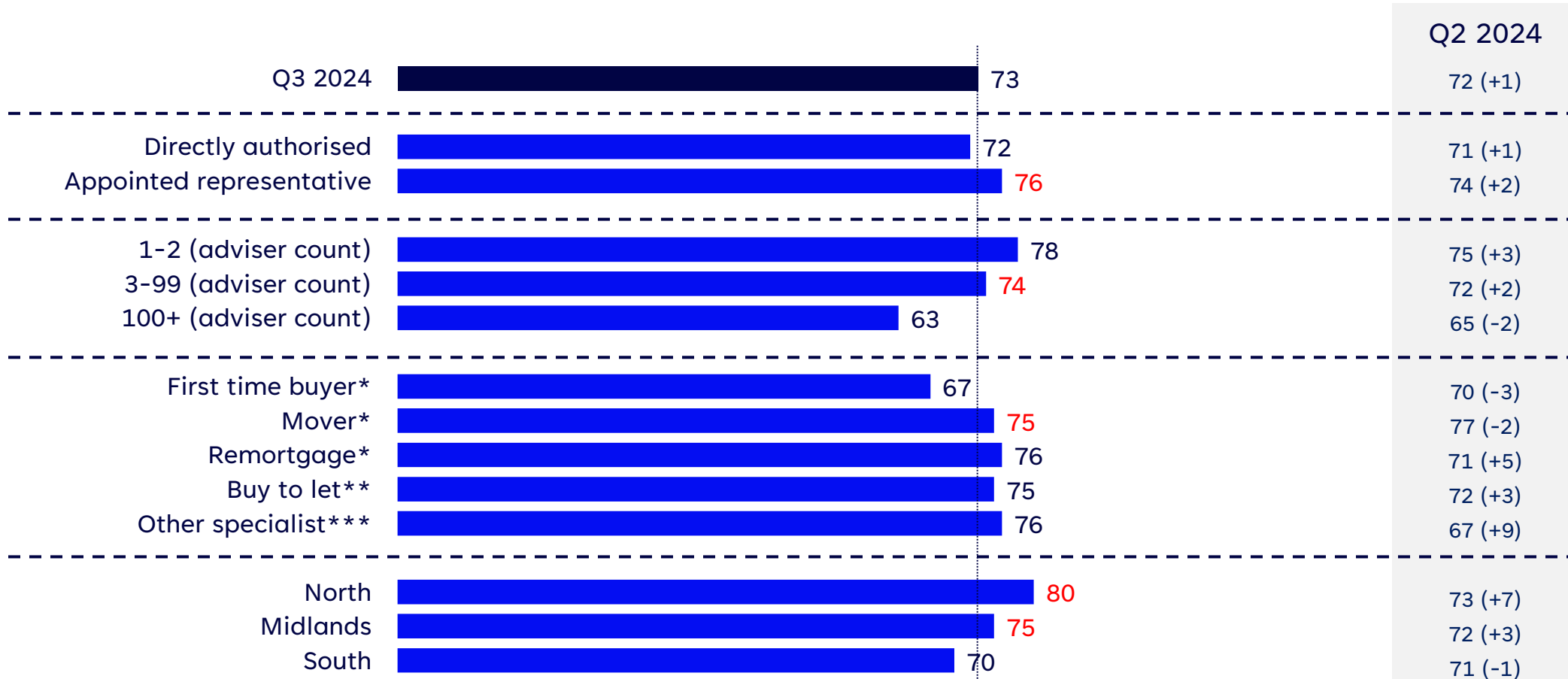
The proportion of DIP accepts resulting in a full application is stable at 73 – however the trend in the last 2 years is going down.



QH3. In the last 3 months, what proportion of these DIP accepts have led to a full mortgage application?  
Base: All September respondents (100)

# DIP accepts resulting in a full application (%) – By business

There are changes across the board, +9 for those placing Specialist cases, +7 in the North, as well as some minor decreases.

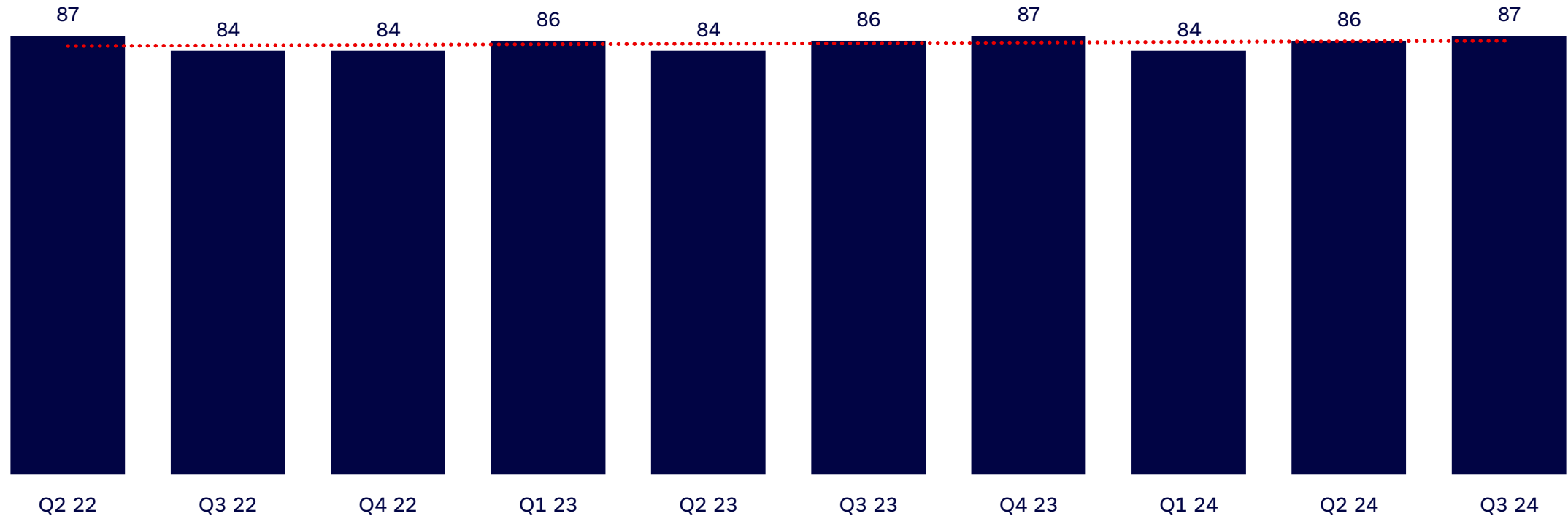


QH3. In the last 3 months, what proportion of these DIP accepts have led to a full mortgage application?  
Base: All September respondents (100)

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# Full applications resulting in an offer (%)

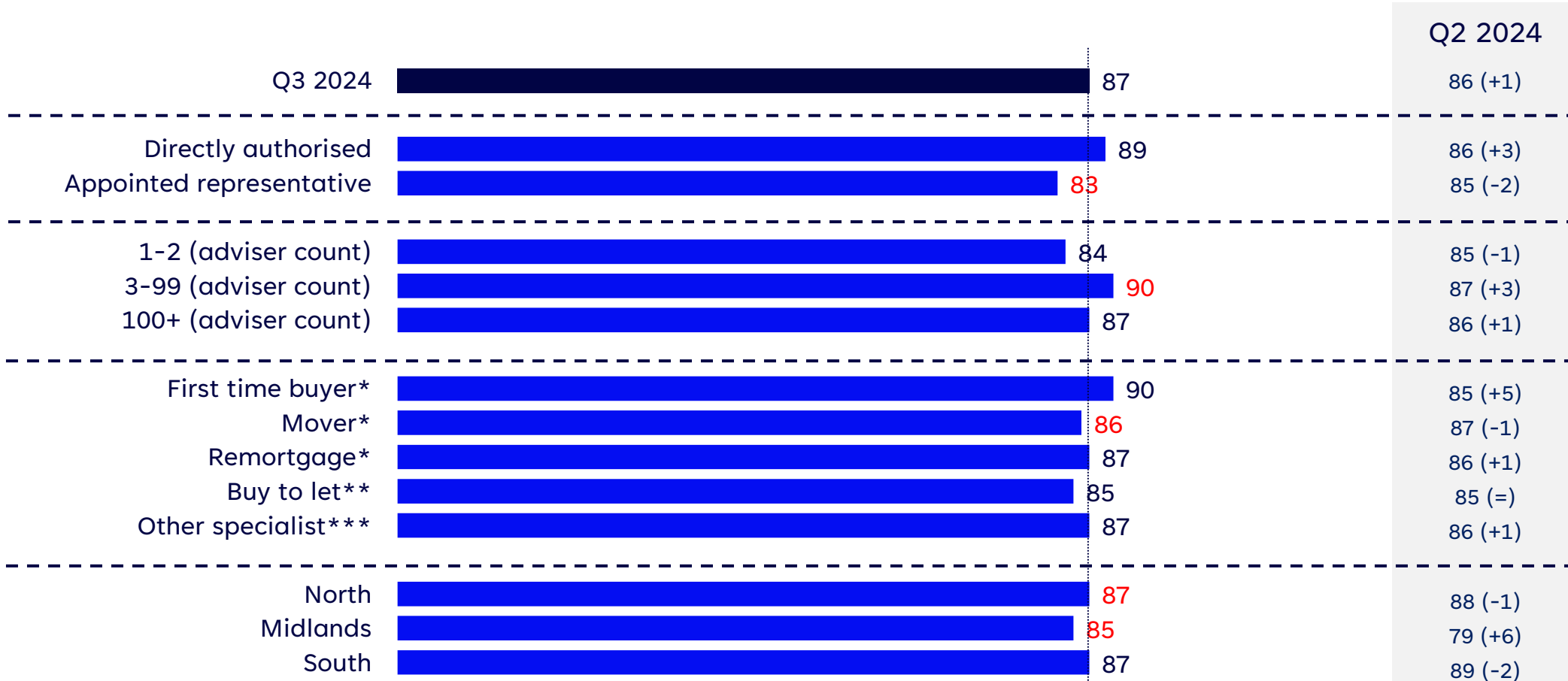
The proportion of full applications resulting in an offer is also stable, and is has been for some time.



QH4. In the last 3 months, what proportion of your full applications have led to an offer?  
Base: All September respondents (100)

# Full applications resulting in an offer (%) – By business

There are mixed trends at a regional level, with higher conversion rates in the Midlands (+6), and slightly lower in the South (-2).

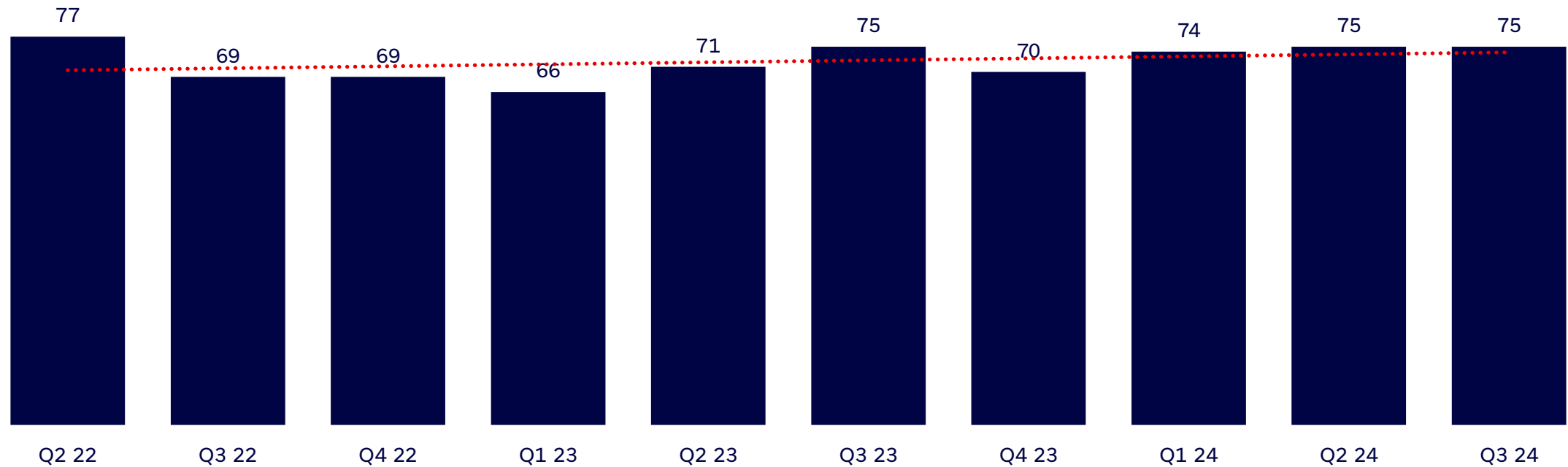


\* At least 4 out of every 10 residential mortgages placed  
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 \*\*\* Any mortgages placed  
 RED = low sample size (<30)

QH4. In the last 3 months, what proportion of your full applications have led to an offer?  
 Base: All September respondents (100)

# Offers resulting in a completion (%)

The conversion from offer to completion remains relatively stable in September.

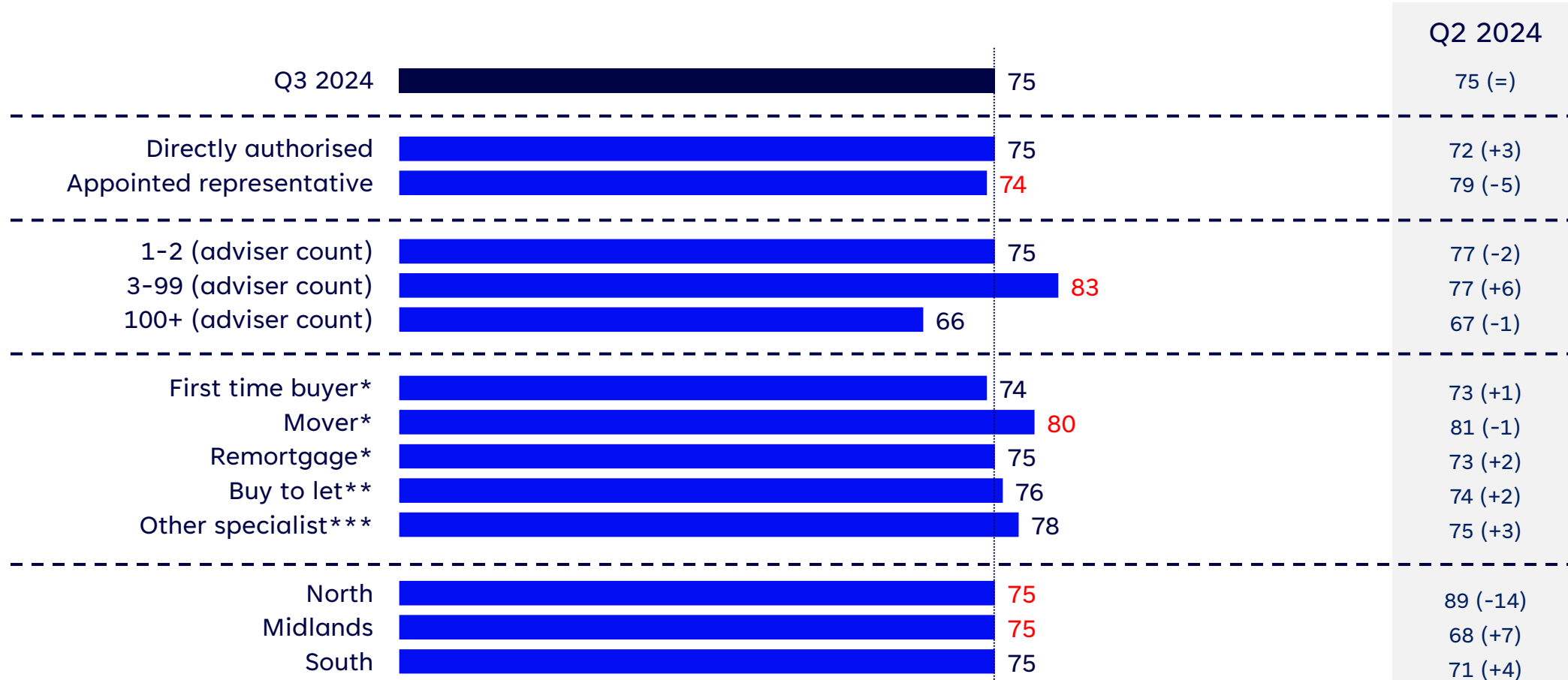


QH5. And in the last 3 months, what proportion of your client's mortgage offers have led to a completion?  
Base: All September respondents (100)



# Offers resulting in a completion (%) – By business

Again there are mixed regional trends – higher conversion rates in the Midlands (+7), and South (+4), but lower in the North (-14).

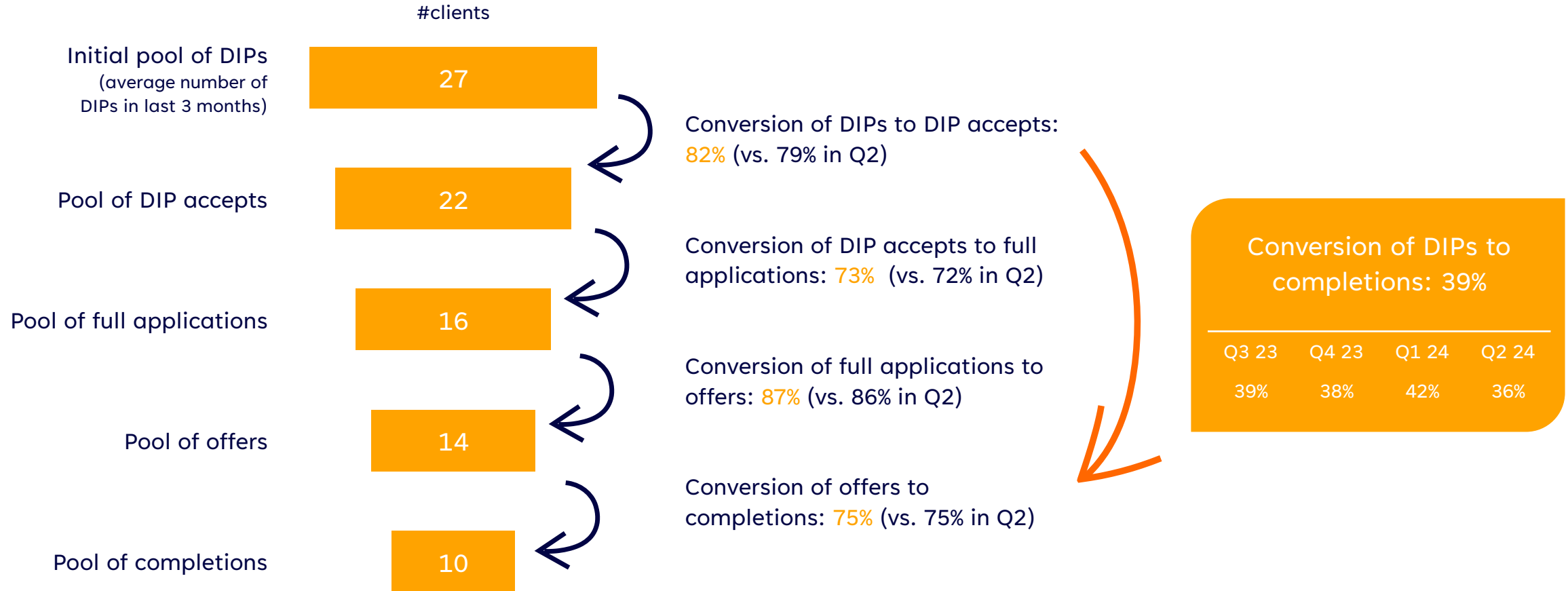


QH5. And in the last 3 months, what proportion of your client's mortgage offers have led to a completion?  
Base: All September respondents (100)

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# Conversion from DIP to completion

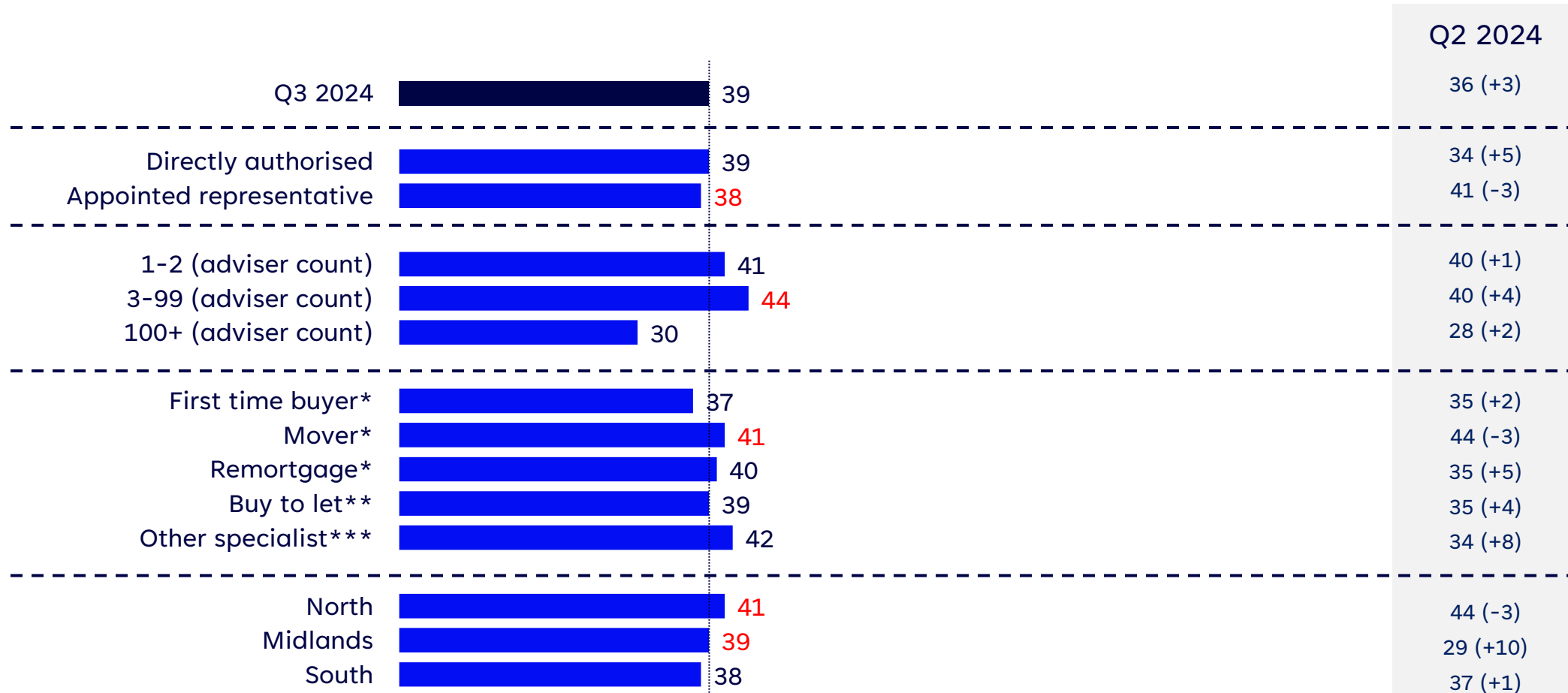
The funnel conversion has stabilised at 39%, after a fall of -6% last quarter.



QHX1. In the last 3 months, approximately how many DIPs have you dealt with personally?  
 QHX2. In the last 3 months, what proportion of these DIPs have resulted in a DIP accept?  
 QH3. In the last 3 months, what proportion of these DIP accepts have led to a full mortgage application?  
 QH4. In the last 3 months, what proportion of your full applications have led to an offer?  
 QH5. And in the last 3 months, what proportion of your client's mortgage offers have led to a completion?  
 Base: All September respondents (100)

# Conversion from DIP to completion (%) – By business

The largest increase is in the Midlands (+10), followed by those placing Specialist mortgages (+8).

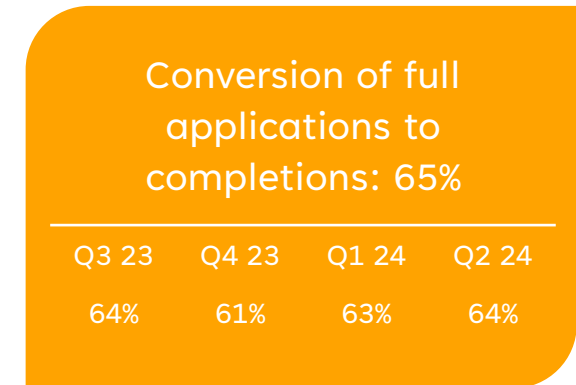
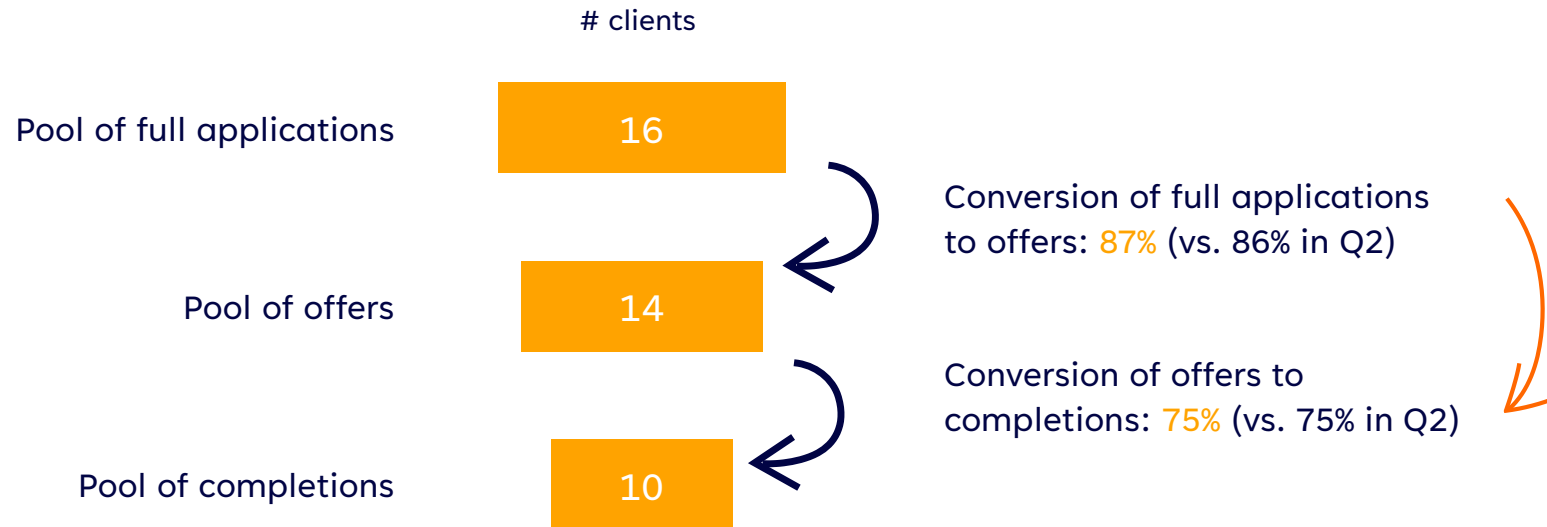


QHX1. In the last 3 months, approximately how many DIPs have you dealt with personally?  
 QHX2. In the last 3 months, what proportion of these DIPs have resulted in a DIP accept?  
 QH3. In the last 3 months, what proportion of these DIP accepts have led to a full mortgage application?  
 QH4. In the last 3 months, what proportion of your full applications have led to an offer?  
 QH5. And in the last 3 months, what proportion of your client's mortgage offers have led to a completion?  
 Base: All September respondents (100)

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# Conversion from full application to completion

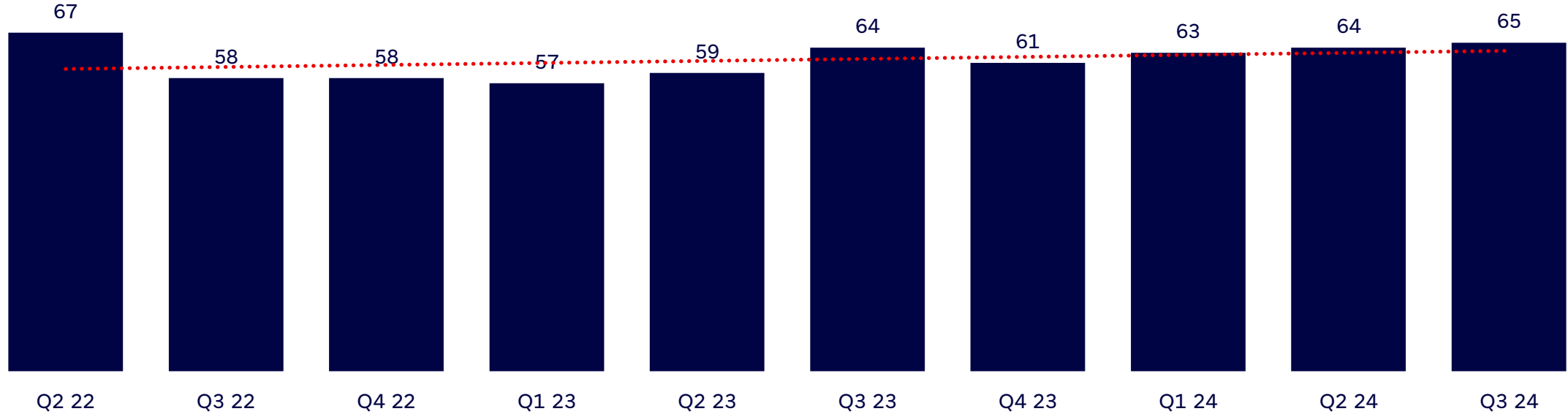
The score is stable for yet another quarter.



QH3. In the last 3 months, what proportion of these DIP accepts have led to a full mortgage application?  
QH4. In the last 3 months, what proportion of your full applications have led to an offer?  
QH5. And in the last 3 months, what proportion of your client's mortgage offers have led to a completion?  
Base: All September respondents (100)

# Conversion from full application to completion (%)

There is no real quarter on quarter change, however the longer term trend is slowly inching upwards.



QH3. In the last 3 months, what proportion of these DIP accepts have led to a full mortgage application?

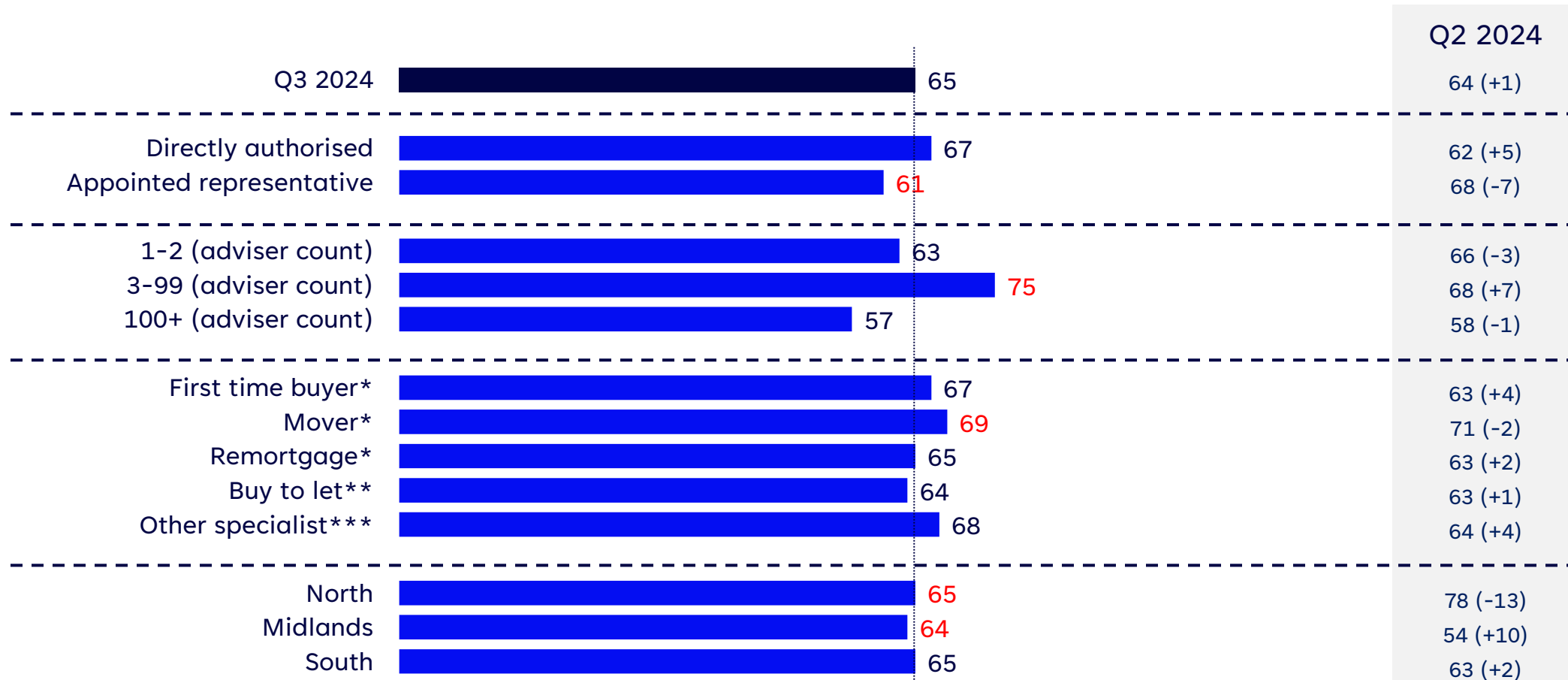
QH4. In the last 3 months, what proportion of your full applications have led to an offer?

QH5. And in the last 3 months, what proportion of your client's mortgage offers have led to a completion?

Base: All September respondents (100)

# Conversion from full application to completion (%) – By business

Regionally, the funnel is stronger in the Midlands (+10), but weaker in the North (-13).



QH3. In the last 3 months, what proportion of these DIP accepts have led to a full mortgage application?  
 QH4. In the last 3 months, what proportion of your full applications have led to an offer?  
 QH5. And in the last 3 months, what proportion of your client's mortgage offers have led to a completion?  
 Base: All September respondents (100)

\* At least 4 out of every 10 residential mortgages placed  
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# Any questions



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