

Demand for mortgages is rising and will continue for the course of 2024, according to brokers surveyed by the Family Building Society.

The demand is across most types of mortgages, notably re-mortgaging as fixed deals come to an end and new home purchases. The majority of brokers have also seen an increase in product transfers.

Two-year fixed mortgages are proving more popular than those set for a five-year term. Nearly three quarters of the brokers surveyed (74%) said there had been a big rise in 2-year applications in the last six months as homebuyers fear missing out on speculation that interest rate cuts leading to lower mortgage repayments.

The applicants were a mixture of people moving house, those remortgaging and first-time buyers. The cost of living and rising rents are among the main forces driving the demand as well as a worry that mortgage costs might still rise before starting to fall.

Three quarters of the brokers surveyed said that applications from first time buyers especially younger borrowers remain high, including more than half supported financially by family members.

Commenting on the findings Alistair Nimmo, Director of Marketing at Family Building Society, said:

"It is clear from our survey that brokers see high mortgage demand continuing and fears of a property crash have been exaggerated. The survey also highlighted the desire of younger people to get the housing ladder is as strong as ever. As one broker commented '*As soon as young people realise that they pay rent towards someone else's asset, they want to buy their own home.*' However, as our survey shows, many first-time buyers continue to need parental help to take that first step on the housing ladder".

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About Family Building Society

The Family Building Society, launched in July 2014, is a trading name of National Counties Building Society.

1. National Counties Building Society is the UK's eleventh largest building society, with over 60,000 members and £2.5bn of assets. Operating from its head office in Epsom, Surrey, the Society employs approximately 180 people and offers a range of competitive savings and mortgage products throughout the UK.
2. National Counties Building Society is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.
3. Eligible deposits with Family Building Society are protected up to a total of £85,000 by the Financial Services Compensation Scheme, the UK's deposit guarantee scheme.