



Industry insights

A year in reflection and what's to come

During 2021 we have seen a continuous, rapid change in the way we live and work. The aftermath of Brexit and the ongoing challenges of Covid-19 have been felt by us all, no one has escaped.

There's been considerable demand for mortgages due to people moving to more rural locations to avoid Covid; we've financed home improvements as we're spending more time living and working there; plus lending uptake has been fuelled by the stamp duty holiday, all making 2021 a bumper year for the mortgage industry. The scene is now set for 2022 and what I believe will be another profitable 12 months for brokers and the lenders who serve them.

2021 – THE DETAIL

As widely reported, this past year has been one of the most successful in recent times from a lending perspective. The value of gross mortgage advances in 2021 Q2 was £89.0 billion, just over double the amount seen in 2020 Q2, and the highest level since 2007 Q3*. People wanted to move house or finance alterations to their homes. My take is the ideal property was suddenly visualised differently, largely due to the pandemic.

As our mortgage applications testify, estate agents saw a surge in interest for rural dwellings that could accommodate a home office and provide a lifestyle with fresh air and open countryside. Advances in technology and the introduction of widespread, nationwide superfast broadband allowed us to work from anywhere. That being said we also saw strong demand for BTL applications, still within city centres. With the lack of social housing availability, the private rental sector has continued to thrive and we also saw landlords look to adapt their portfolios by delving into the holiday let market.

These influences and the stamp duty holiday, originally brought in to maintain the housing market during the pandemic, allowed the mortgage market to boom.



BROKER INTERACTION

2021 was a challenging year from an operational perspective. Mortgage enquiries were coming into lenders thick and fast, however it became more challenging to communicate with brokers and their customers due to the restrictions imposed. Zoom, Teams and other forms of digital communication were a godsend and helped us all to get mortgage applications across the line and approved.

As restrictions lifted, allowing brokers to go back to the Office in some cases, we enjoyed more face-to-face contact. With new strains of the virus coming to light however, we accept that future interaction could be predominantly online. The Harpenden team will adapt and make it work, that's what we do!

CREATING A GREAT SERVICE

The lenders and brokers that have adjusted quickly and modified their approach to changing conditions are the ones that have succeeded in these difficult times. It's been important to listen to customers and provide what's needed.

We are continually reviewing our products and services based on broker feedback – 2022 will be an exciting year for the Society as we adapt products to serve you better. We've made key appointments to expand the team; our processes and underwriting capability are under constant review as is our use of technology, all with a view to ensuring you and your customers experience a great service.



THE FUTURE IS BRIGHT

With Covid-19 rarely being away from the headlines, social and economic uncertainty is likely to remain in 2022. Times are changing and a flexible approach is needed. Choosing the right lending partner will be crucial to creating positive outcomes for you and your customers. I'm excited for the year ahead.



WE WANT TO SAY 'YES'

As we head into a new year the Harpenden team will continue to be there for you. We recognise that each application is different, depending on the type of property or your customers' financial circumstances. We take an individual approach to every mortgage application recognising that 'one size' doesn't fit all.

You can save time and effort by coming to a specialist lender like Harpenden first. Every application coming to us undergoes an individual assessment whether it be an employed customer, self-employed or someone with a complex income source. Later Life Lending; Buy to Let, Joint Borrower Sole Proprietor; Self Build; Holiday Lets or standard Residential mortgages are all products in our lending portfolio and we have experts in the team, experienced in these specialisms, to offer support.



Emily Smith

Emily Smith, Head of Marketing & Distribution,
Harpenden Building Society



We individually assess and approach applications.



We offer a manual underwriting process.



A flexible view on merits of all cases - we're very accommodating.



We provide clear, fair and transparent charges for all cases.



Many types of income are considered when assessing affordability.