



WINSTANLEY  
MORTGAGE SERVICES

# Mortgage & Protection news

The newsletter from Winstanley Mortgage Services Ltd

The positive environment of the early 2026 mortgage market has been massively disrupted by the US/Israeli war with Iran.

» Aside from the obvious outcomes, the primary economic driver of the conflict has been the inflation shock triggered by the rise in crude oil prices.

This has also had ramifications for stock markets throughout the world and other economic indicators, such as Swap rates.

## Swap rates

These are a key influence on the pricing of **fixed rate mortgages**, with rate moves often being mirrored by lender deals a few weeks later. Up until the start of the war (28 February) rates were on a downward trajectory since the beginning of the last quarter of 2025. The war dramatically changed the direction of travel, with massive rises in swap rates, and lenders following suite by pulling deals and repricing upwards.

*(Source: Chatham Financial, 1 April 2026)*

## Consider locking in a deal?

Prior to the conflict, many borrowers were looking to the initial months of 2026 as a time to implement decisions that were possibly put on hold until they knew the outcome of last November's Budget.



With the added impact of current world events, borrowers, who are within six months from the end of their fixed rate mortgage period, should consider locking in a new deal.

Whilst many deals have already been priced upwards - the short-term trajectory may well continue in that direction.

Once a new deal rate is in place, we can then take a view over the next few months, should the conflict end, and the economic climate returns to the more positive environment of early 2026.

If so, this may then deliver the option of

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## FIXED DEALS coming to an end

A sizeable **1.8m homeowners** will be **looking to remortgage in 2026**, as their fixed-rate deal period comes to an end. This equates to around 21% of all outstanding residential mortgages.

Additionally, there are around **290,000 buy-to-let loans** that will

also come to fruition in 2026. *(Source: UK Finance, December 2025)*

For those that are coming off 5-year fixed rate deals, there may be a shock, although it may still be beneficial to lock in a rate now. As for those coming off 2-year deals, similar rates may be on offer.

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**Welcome....** to this newsletter, which covers what we believe are some of the key issues of the moment that affect mortgage, protection and insurance products - and sets out how **we may help you**.

■ Winstanley Mortgage Services Ltd is authorised and regulated by the Financial Conduct Authority.

■ **Your home may be repossessed if you do not keep up repayments on your mortgage.**

# The Path Ahead (contd)

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switching to a better rate, ahead of the new deal period commencing.

## Bank of England Base Rate

There have been a number of reductions over the last year or so, although, due to world events, there was no reduction at the March meeting. The next rate-setting meeting will be at the end of April.

## Professional advice is key

To help make sense of your options, it's important to **seek advice**.

As it stands, at the time of writing (early April), the 'average' fixed rates for a 2-, or 5-year deal currently stand around a high 5%, but better rates in the realms of a mid or high '4' may be on offer. Although the lowest rates generally apply to loans of 60%, or less, against the value of the property.

(Source: [moneyfactscompare.co.uk](https://moneyfactscompare.co.uk), 1 April 2026)

## Positive developments

It's not all bad, as after a difficult few years, 2026 was starting to offer a more optimistic outlook.

The industry regulator, the Financial Conduct Authority, has helped to create an environment that has enabled some **relaxation in the affordability criteria**, which could mean that borrowers may be able to borrow more (or borrow at all).

Alongside this relaxation, there are also **improved loan-to-income deals**, which may offer up to five, six or seven times income!



Both elements will certainly help those struggling to obtain the mortgage they need, and enable others to borrow more - to secure the home they want, or to improve the one they have.

## More tailored needs

Some mortgage applications may be fairly straightforward, but others can be **more complex** - such as the borrowing needs of the **self-employed**. For this group, and for others, the issues may only become apparent, once we start talking through your situation, and understand what you require.

In fact, the more complex cases are a

key reason why potential borrowers turn to us.

This is because **we also have relationships with Specialist lenders**, who may provide the solution, if the High Street lenders are not a viable, or suitable option.

**Please get in touch to hear more.**

**You may have to pay an early repayment charge to your existing lender if you remortgage.**

■ **Your property may be repossessed if you do not keep up repayments on your mortgage.**

## ...MARKET FACTS...

### Base Rate

Remains at

# 3.75%

The 9-person committee voted unanimously to keep the rate at this level.

(Source: Bank of England, 19 March 2026)

### Inflation

Annual CPI inflation figure is

# 3.0%

The Bank of England target figure is 2%.

(Source: Office for National Statistics, CPI, 25 March 2026)

### Property prices

Average annual UK Property price rose by

# 2.2%

to £277,186

(Source: Nationwide, House Price Index, March 2026)

### Mortgages

Average 2-year Fixed Rate

# 5.84%

Average 5-year Fixed Rate

# 5.75%

(Source: [moneyfactscompare.co.uk](https://moneyfactscompare.co.uk), 1 April 2026)



According to research, only 46% of **First-Time Buyers** were successful in securing a mortgage.

(Source: Shawbrook, Home-A-loan 2025 report, November 2025)

# First-Time Buyer **ADVICE**

» However, the same research showed that only around 22% (of the 2,010 surveyed) used a mortgage adviser to apply for a mortgage, which is way below the market-wide 91% who are expected to turn to brokers, such as us, in 2026. (Source: IMLA, June 2025)

## Adviser Help

And, amongst those who did use a broker, the levels of satisfaction were overwhelmingly high:

- 97% said that brokers helped them to identify the right lender.
- 97% valued their specialist knowledge.
- 95% credited them with simplifying paperwork and admin.

Outside of this survey, we also understand where your mortgage application may fail - such as **missed payments**, a **volatile income stream**, **spending on the wrong things**, and a **bad credit score** (see checkmyfile.com). From here we can look at how to best tackle these issues, along with meeting the **affordability criteria**.

## Affordability & Income Multiples

With regard to affordability, the strict borrowing criteria may have become **less strict**, as the industry regulator, the Financial Conduct Authority, is supportive of loosening up the rules.

Elsewhere, the income multiple rule has also **been relaxed**. The rules state that only 15% of new loans can exceed 4.5 times salary, but the applicable threshold has been lifted from £100m of lending to £150m - which specifically benefits around 80 smaller lenders. Within that 15%, there are some deals, in the overall marketplace, where the loan to income sits at five, six, or even seven times!

## Building up, or securing a Deposit

This is often the main stumbling block, and could be viewed as a two-speed market.

The average First-Time Buyer deposit from those that are **unassisted** is **£60,741** (in itself, a sizeable amount). The comparable average deposit for those that have benefited from **assistance** (such as the Bank of Mum & Dad + Grandparents) is **£118,073** - which equates to 37% of the average purchase price, thereby opening up the better deals. Understandably, the deposit required does vary massively throughout the UK. For example, the average

unassisted deposit for the North East of England is £29,918.

(Source: UK Finance, Trends in the Economy and Lending, May 2025)

However, **don't be daunted**, if you feel that saving a sizeable deposit might be a problem for you. An alternative option is to consider deals that require a 5% deposit (or less). With the added benefit that it may get you onto the property ladder sooner.

## Talk to us

The whole mortgage application process may come across as being quite complex, time-consuming, and possibly confusing. Additionally, most of you will lead very busy lives, and this process might be seen as an added problem, if handled alone.

**That's where we come in. And if this is of interest, then please get in touch to find out more.**

■ **Your home may be repossessed if you do not keep up repayments on your mortgage.**

## Budget support...

There was very little within the November 2025 Budget that was directly targeted at helping First-Time Buyers.

- No positive changes to Stamp Duty (which is applicable in England and N. Ireland).
- No major referencing to the 1.5m new homes that are projected to be built in the 5-year period of this Government, aside from the OBR saying that this will largely occur from 2027-28.
- However, it was stated that the Government will publish a consultation document in early 2026 on the implementation of a simpler ISA product to support First-Time Buyers who want to build up a deposit.

# Is it all uphill?

**Landlords** have been hit hard over the last few years, from both **Budget** taxes and **Regulatory** changes.

» Whilst landlords may be happy that the floated idea of charging National Insurance on their rental income didn't come to fruition back in November, but other initiatives did.

One example is that **the rate of income tax from property income will increase by two percentage points from April 2027**. It's a move that the Office for Budget Responsibility (OBR) said will hit landlords in the pocket and force rents up.

This comes on top of previous initiatives from the Government, such as changes to Mortgage Interest Relief, and increasing Stamp Duty charges.

The culmination of all of this, may mean that some landlords might consider leaving the marketplace, which will simply further fuel the demand for rental properties. Those remaining, may adapt in numerous ways, and are monitoring (or already responding to) developments such as the **Renters' Rights Act** - which will start coming into force from 1 May 2026 - and future **EPC targets**.

Also, the continuous tax hits, will probably make more landlords, who own the property in their own name, consider the **Limited Company** route. Additionally, it may also drive some landlords to



consider alternative strategies, to secure higher-yield tenancies, such as student rentals, or Houses in Multiple Occupation (HMOs).

## We're here for YOU...

Whatever route you plan to take, we can be there for you. And, on the upside, **buy-to-let loan deals** have become cheaper in recent months. For example, the average buy-to-let rate on a 2-year fix stands at **5.44%**. Back in July 2023, the average rate hit a **recent high of 6.97%**. (Source: *moneyfactscompare.co.uk*, 1 April 2026)

So, if you're coming off a fixed rate deal, or simply want to have a chat about future financing options, then please do get in touch.

**There is no guarantee that it will be possible to arrange continuous letting of the property, nor that the rental income will be sufficient to meet the costs of the mortgage.**

**The value of your Buy-to-Let property and income from it can go down as well as up. You may also require advice on the legal and tax issues.**

**The Financial Conduct Authority does not regulate legal and taxation advice, and most Buy-to-Let mortgages.**

**HM Revenue & Customs practice and the law relating to taxation are complex and subject to individual circumstances and changes which cannot be foreseen.**

**You may have to pay an early repayment charge to your existing lender if you remortgage.**

## LIMITED COMPANY STATUS

■ A reflection of the adaptability of landlords is the sizeable growth in those opting for Limited Company status, with almost 450,000 companies now in play.

(Source: *Hamptons report, February 2026*)

■ Hamptons estimate that around 75% of all new buy-to-let purchases go into a company structure.

■ The higher-rate taxpayers have been particularly motivated by it, as the regulatory rules limit the mortgage finance that you could offset against your individual income. The Limited Company route may help mitigate those tax changes.

■ However, it won't be the most suitable option for all, so do speak to your accountant and solicitor regarding tax issues, and property structures.

**And we're there to give an overview, and to assist with sourcing suitable deals.**

■ **Your property may be repossessed if you do not keep up repayments on your mortgage.**

**There may be a fee for arranging a mortgage and the precise amount will depend on your circumstances. This will typically be £495.**

■ The contents of this newsletter are believed to be correct at the date of publication (April 2026).

■ Every care is taken that the information in the *Mortgage & Protection News* publication is accurate at the time of going to press. However, all information and figures are subject to change and you should always make enquiries and check details and, where necessary, seek legal advice before entering into any transaction.

■ The information in this newsletter is of a general nature. You should seek professional advice tailored to your needs and circumstances before making any decisions.

■ We do hope that the newsletter is of interest to you, however, please inform us if you no longer wish to receive it.