

# Equity Release Market ends 2024 on the up!

More than 15,000 Customers Active in One  
Quarter for the First time in over a Year

Total Lending Rose for Third Successive Quarter

## Overall market data for Q4 2024

This table shows the latest available data on customer numbers and lending activity, alongside the preceding quarter and the same quarter last year. The data provides the most comprehensive picture of activity encompassing all providers and advice firms.

Overall activity	Q4 2023	Q3 2024	Q4 2024	Quarterly change	Annual change
Total lending	£535m	£615m	£622m	+1%	+16%
Total customers	13,651	14,281	15,073	+6%	+10%
New customers	5,292	5,370	5,361	0%	+1%
Returning drawdown customers	7,314	7,796	8,301	+6%	+13%
Further advance customers	1,045	1,115	1,411	+27%	+35%

The final quarter of 2024 saw more than 15,000 customers active in the market for the first time since Q3 2023, either agreeing new plans, taking drawdowns from agreed reserves or agreeing further advances (extensions) on existing plans.

Total lending also rose for a third successive quarter to £622m, up by 16% from £525m Q4 2023. It meant that total annual lending for 2024 reached £2.3bn, compared with £2.6bn the previous year.

Comparing year on year, we saw double digit increases across the board, apart from new customer numbers which recorded a more modest 1% increase.

Average loan sizes	Q3 2023	Q3 2024	Q4 2024	Quarterly change	Annual change
Lump sum	£100,978	£111,618	£115,243	+3%	+14%
Initial drawdown	£62,198	£69,952	£70,926	+1%	+14%
Drawdown reserve	£40,962	£49,747	£56,565	+14%	+38%
Returning drawdown	£11,782	£13,337	£11,426	-14%	+1%
Lump sum further advance	£28,001	£28,570	£31,699	+11%	+13%
DD initial further advance	£24,385	£25,759	£25,700	0%	+6%
DD further advance reserve	£9,680	£10,030	£6,881	-31%	-29%

Average new loan sizes increased for lump sum and drawdown lifetime mortgages in Q4 2024 on both a quarterly and annual basis. This suggests that consumer confidence is continuing to strengthen, with interest rates having eased slightly.

Returning drawdown customers took noticeably smaller amounts in Q4 on average than in Q3 (-14%) although year-on-year, average returning drawdown amounts were broadly unchanged.

## Equity release customer numbers

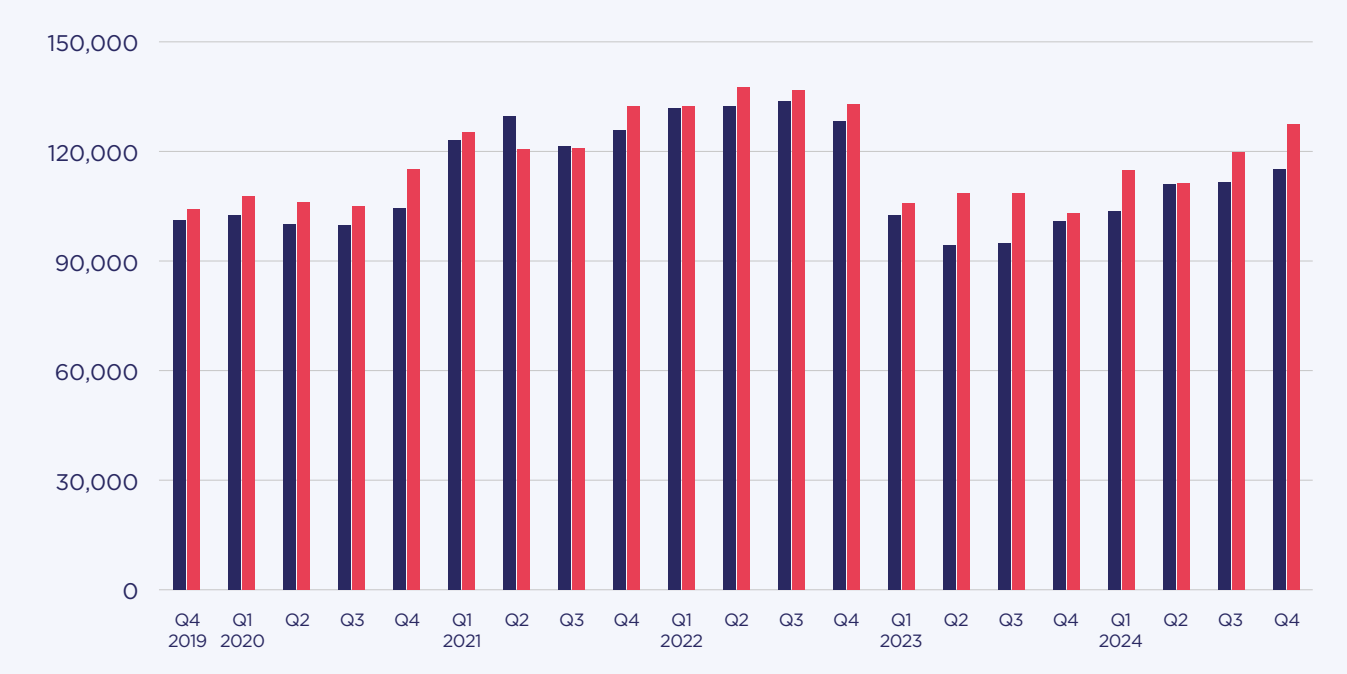
The chart below shows the total number of **new customers**, which includes lumpsum and drawdown customers, as well as the number of **returning drawdown customers** and the number of **existing customers taking further advances**.



The data shows new customer numbers remained stable in Q4 after a relatively slow start to 2024 in the first quarter. The number of returning drawdown customers has continued its steady rise, while heightened interest from existing customers in taking further advances has continued albeit at a lower level than seen in early 2023.

### Average new loan sizes

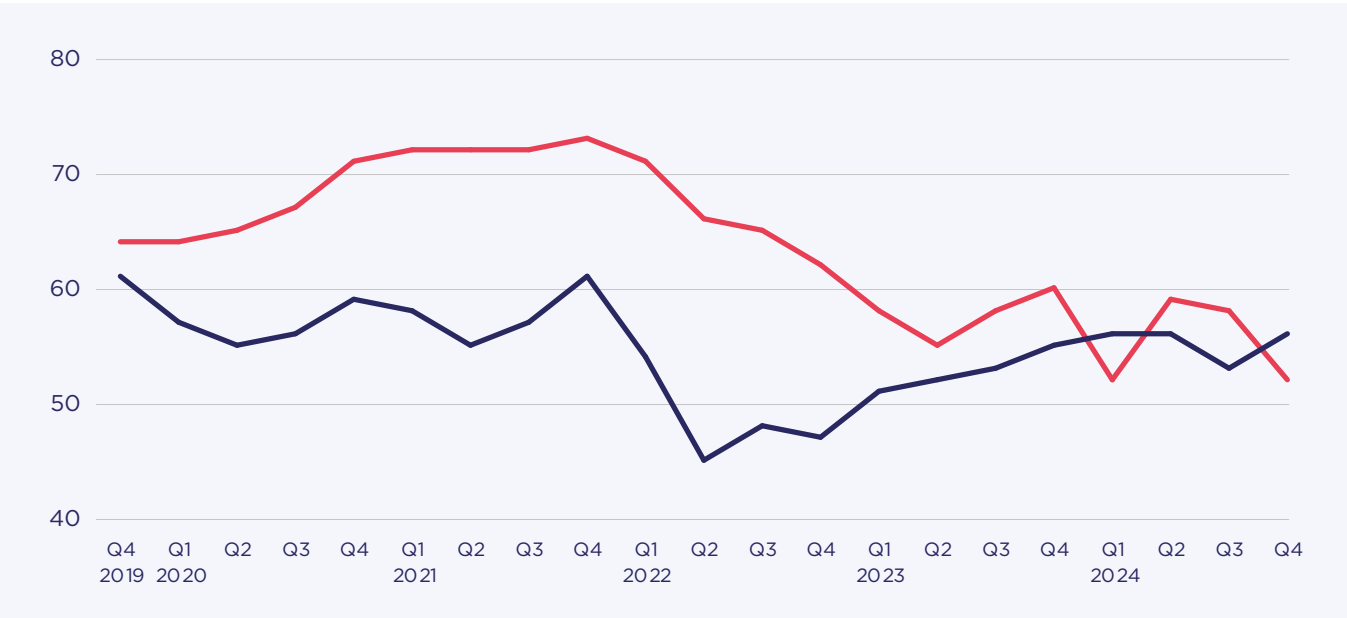
The following table shows the average **new lump sum** against the average **new drawdown**. The latter includes the initial loan and reserve facility.



Average new loan sizes increased in Q4 2024 to the highest level seen in the last two years. Loan sizes dipped noticeably after the ill-fated ‘mini-Budget’ of late 2022, but have steadily recovered over the course of 2023 and 2024 as interest rates have eased and consumer confidence has returned.

### Product preferences

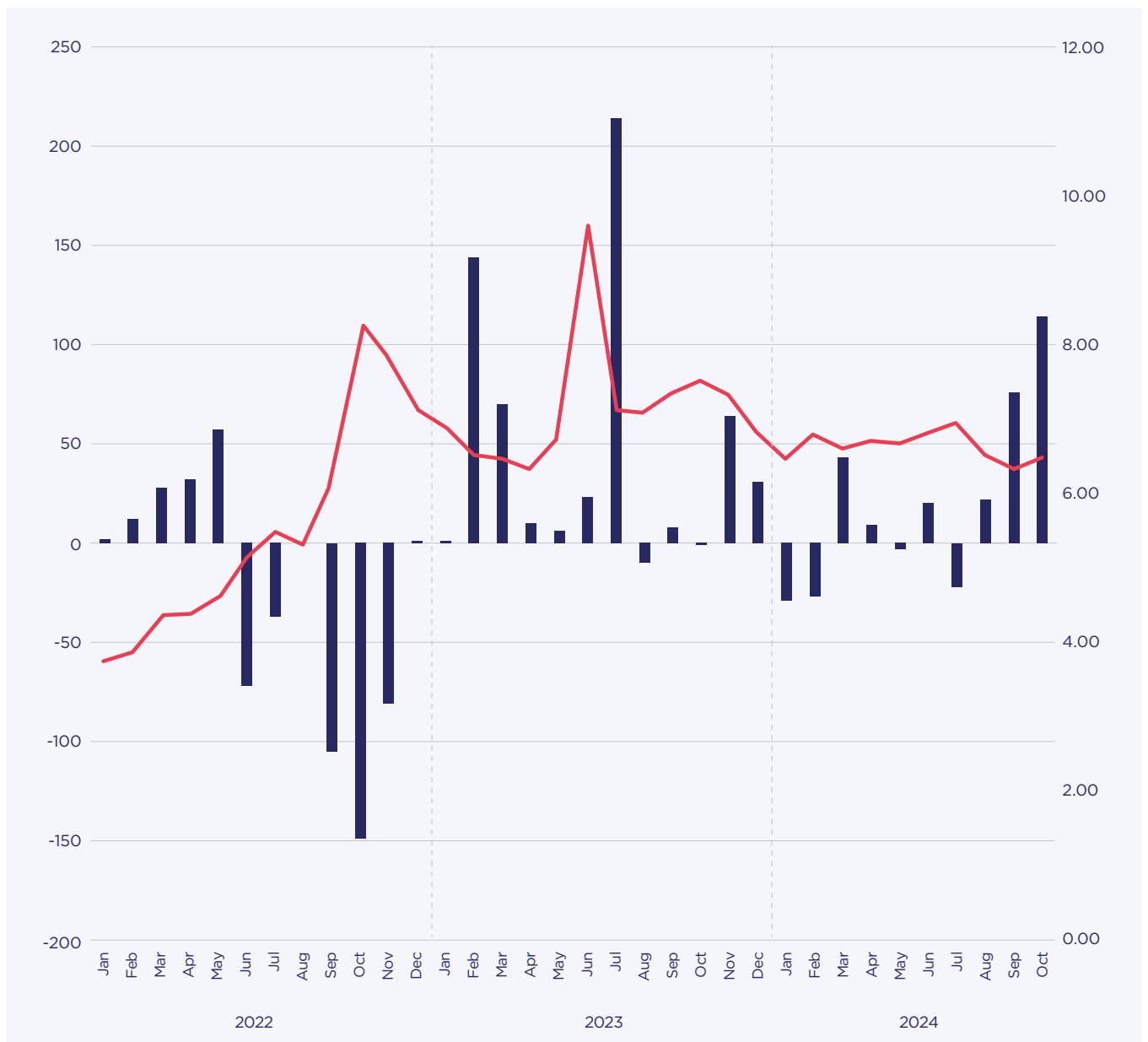
The chart below shows the percentage of the **new customers choosing drawdown plans** and the **percentage of the average loan taken up front**.



The percentage of new plans agreed with drawdown facilities bounced back to 56% in Q4, consistent with the levels seen earlier in 2024. New drawdown customers are continuing to take smaller percentages of their total loans up-front – between 50% and 60% during 2024 – compared with 70%+ during 2021 and early 2022. This suggests customers are continuing to hold out for potential rate cuts which would mean they could borrow at lower rates when taking subsequent drawdowns at a later date.

### Product availability and rates

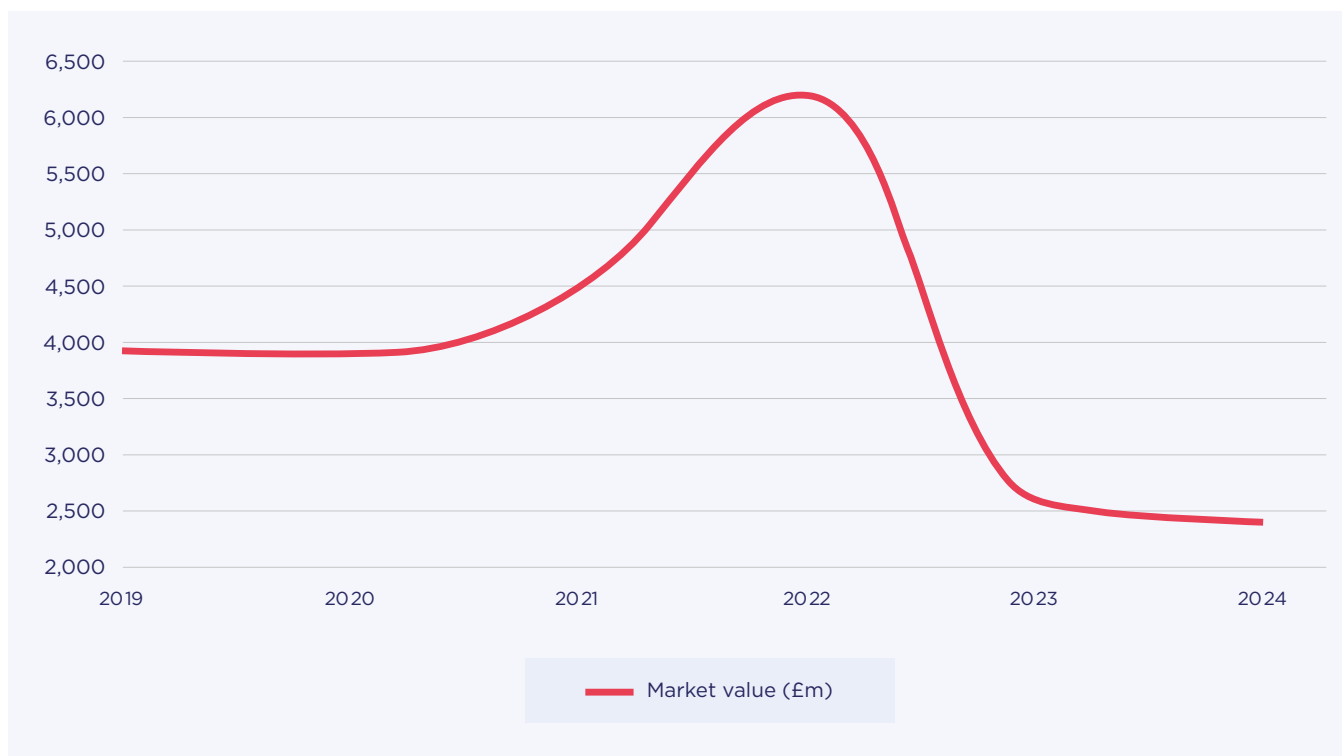
The table below shows the **monthly change in the number of available products** against the **average APR of new products launched**. This data is provided by Advise Wise.



The number of available products increase steadily, with 114 more products launched than withdrawn during October 2024. Average rates of new products launched started Q4 2024 at 6.47%, moderately lower than the average seen over the summer and down by a whole percentage point (6.47% vs. 7.48%) year-on-year.

## Total annual lending

The graph below charts the total annual lending for the last five years when growth across the entire mortgage industry declined abruptly following the 2022 mini budget.



To read the press notice visit [www.equityreleasecouncil.com/information-hub](http://www.equityreleasecouncil.com/information-hub)

**About the data:** The Council's market data is compiled from actual whole-of-market returns and is in no part estimated, making it the UK's definitive equity release data. All data has been collated by the Council, unless otherwise stated.

**About the product:** Equity release allows older people to access the wealth in their homes, without necessarily having to sell or move. Lifetime mortgages make up more than 99% of the market. They enable people to borrow against their homes without making repayments unless they choose to. The loan and interest, or part thereof, is paid when the customer dies or goes into long term care.

**About the Council:** The Council is the representative trade body for the UK equity release market. Its members pledge to go above statutory regulation and plans that meet its standards come with five product safeguards: no negative equity guarantee; fixed or capped rates for life; the right to port, the right to make overpayments, and; secure tenure for life. These safeguards are underpinned by mandatory independent legal advice which ensures the customer understands the risks and implications of the plan and is free from duress.

**For more information** visit [www.equityreleasecouncil.com](http://www.equityreleasecouncil.com);  
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