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Statistical release

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Mortgage Lenders and Administrators Statistics for Q2 2015 (derived from the Mortgage Lenders & Administrators Return (MLAR))

Residential loan amounts outstanding

The overall value of the residential loan amounts outstanding in Q2 2015 was £1,271.7 billion, an increase of 0.8% compared with Q1 2015 and an increase of 1.8% over the past four quarters (see Table A).

Amounts outstanding on regulated loans were £1,004.8 billion, constituting 79% of the total in Q2 2015. This proportion has remained constant since Q4 2013. Non-regulated loans increased by £2.2 billion compared with Q1 2015 and by £3.1 billion compared with Q2 2014, to a level of £266.9 billion in Q2 2015.

The value of securitised amounts outstanding remained almost unchanged on the quarter, falling by £0.1 billion in Q2 2015 to £84.2 billion. Unsecuritised amounts outstanding (which exclude securitised assets) continued to increase from Q1 2015 by 0.9% to £1,187.5 billion in Q2 2015. The proportion of total amounts outstanding of securitised balances decreased for the eleventh consecutive quarter to 6.6% of total loans, the lowest level since the series began in 2007.

Table A: Securitised and unsecuritised residential loan balances

Regulated and non-regulated mortgages

£ billions

Not seasonally adjusted

	2012 Q2	2013 Q2	2014 Q2	Q3	Q4	2015 Q1	Q2
Regulated:							
Unsecuritised	853.4	876.5	913.7	925.2	931.3	937.4	945.7
Securitised	93.5	84.1	71.8	67.0	64.9	59.0	59.1
Subtotal	946.9	960.6	985.5	992.2	996.2	996.5	1,004.8
Non regulated:							
Unsecuritised	246.5	237.2	235.7	236.4	237.2	239.4	241.8
Securitised	30.0	31.9	28.0	27.0	26.1	25.3	25.1
Subtotal	276.6	269.1	263.8	263.4	263.4	264.7	266.9
Total: (Regulated + Non regulated):							
Unsecuritised	1,099.9	1,113.7	1,149.5	1,161.6	1,168.5	1,176.8	1,187.5
Securitised	123.6	116.0	99.8	94.1	91.1	84.3	84.2
Total	1,223.5	1,229.7	1,249.3	1,255.6	1,259.6	1,261.1	1,271.7

New business flows

Gross advances of £52.5 billion were recorded in Q2 2015. This was 15.1% higher compared with Q1 2015 and 1.9% higher than Q2 2014 (see Table B).

Net advances increased from £8.9 billion in Q2 2014 to £9.9 billion in Q2 2015.

New commitments increased from £47.2 billion in Q1 2015 to £59.3 billion in Q2 2015. Moreover, this was an increase of 11.0% compared with Q2 2014.

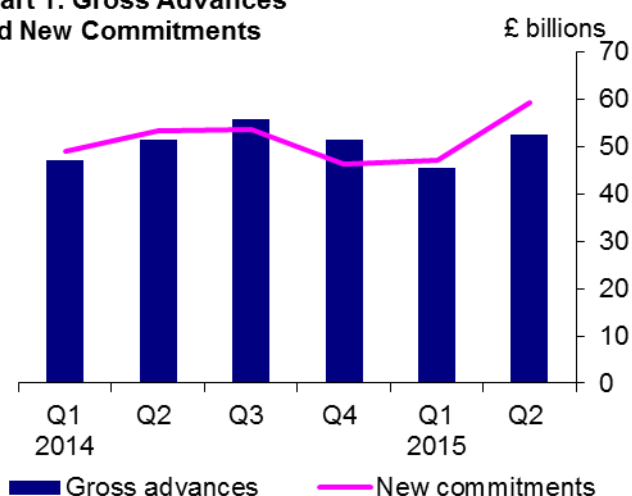
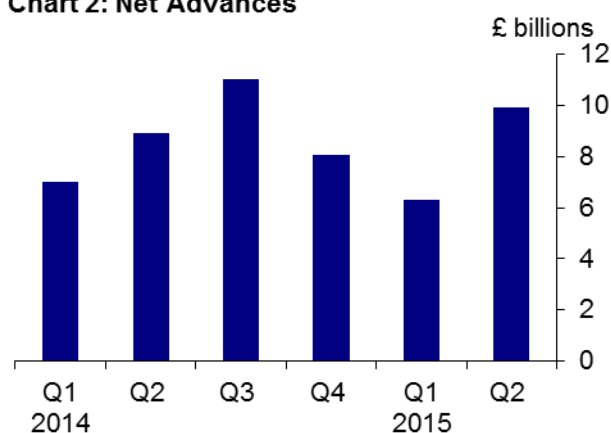
Table B: Unsecuritised residential loans to individuals flows and balances

Regulated and non-regulated mortgages

£ billions

Not seasonally adjusted

	2012 Q2	2013 Q2	2014 Q2	Q3	Q4	2015 Q1	Q2
Business flows							
Gross advances	36.9	41.7	51.5	55.9	51.3	45.6	52.5
Net advances	4.7	5.1	8.9	11.0	8.1	6.3	9.9
New commitments	39.8	47.5	53.4	53.6	46.3	47.2	59.3
Balances outstanding							
Loans (exc overdrafts)	1,099.9	1,113.7	1,149.5	1,161.6	1,168.5	1,176.8	1,187.5
Commitments	70.8	67.6	75.7	74.2	69.6	70.2	74.4

Chart 1: Gross Advances and New Commitments**Chart 2: Net Advances**

Lending characteristics of gross advances

Interest rate trends on residential lending

The proportion of gross advances at fixed rates increased from 77.6% in Q1 2015 to 78.9% in Q2 2015 (see Table C). The proportion of balances outstanding on fixed rate loans has increased by 1.5 percentage points since Q1 2015 to 44.1%.

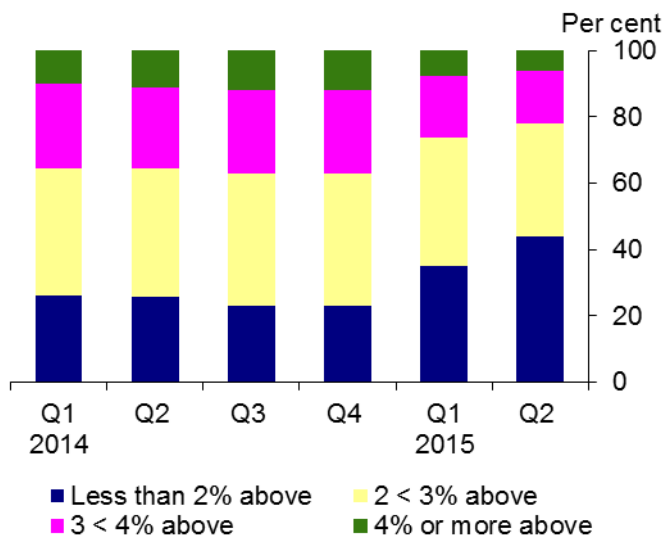
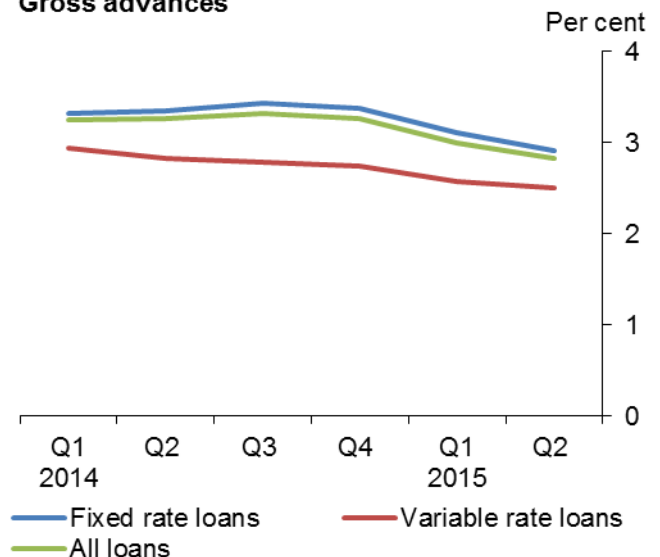
The overall average interest rate on gross advances decreased by 16bps in Q2 2015 to 2.83%, the lowest interest rate since the series began in 2007. Within this overall decrease in average rates, fixed rates fell by 20bps to 2.91% and variable rates fell by 8bps to 2.5%.

The overall average interest rate on total amounts outstanding decreased by 5bps to 3.17% in Q2 2015, the lowest since the series began in 2007. Within this overall decrease in average rates, the average of fixed rates fell by 11bps to 3.31% and the average of variable interest rates fell by 2bps to 3.05%.

Table C: Interest rates

Regulated and non-regulated mortgages
Per cent
Not seasonally adjusted

	2012 Q2	2013 Q2	2014 Q2	Q3	Q4	2015 Q1	Q2
Interest rate basis							
Percent of business at fixed rates							
Gross advances	56.4	75.3	82.0	82.6	82.2	77.6	78.9
Balances outstanding	27.9	29.3	37.1	39.3	41.3	42.6	44.1
Weighted average interest rates							
Gross advances							
Fixed rate loans	4.22	3.58	3.35	3.43	3.37	3.11	2.91
Variable rate loans	3.20	3.14	2.83	2.79	2.74	2.58	2.50
All loans	3.78	3.47	3.26	3.31	3.26	2.99	2.83
Balances outstanding							
Fixed rate loans							
Variable rate loans	4.65	4.22	3.63	3.54	3.48	3.42	3.31
All loans	3.46	3.43	3.30	3.28	3.25	3.22	3.17

Chart 3: Percentage of business above Bank Rate - Gross Advances**Chart 4: Weighted average interest rates - Gross advances****Breakdown by purpose of new lending (proportions of total residential loans to individuals)**

The proportion of residential lending for house purchase in Q2 2015 was 67.7%, approximately 1.5 percentage points higher than in Q1 2015 (see Table D). Within this the proportion of lending to first-time buyers increased on the quarter by 1.3 percentage points to 20.7%, the buy-to-let (BTL) proportion decreased from 16.8% to 15.8%, the proportion of other new lending decreased from 4.0% to 3.6% and the proportion for remortgaging decreased from 27.2% to 26.2%.

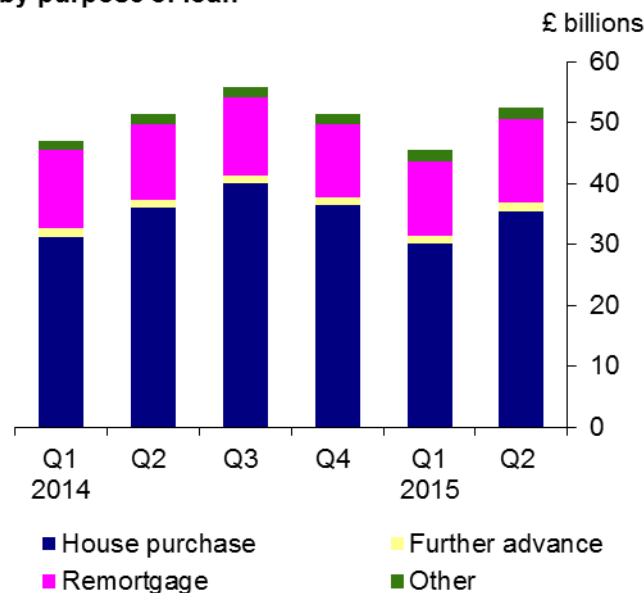
In value terms gross advances for house purchase were 1.7% lower than in Q2 2014 at £35.5 billion. New lending to first-time buyers was lower than a year ago by £0.6 billion at £10.8 billion, and other new lending was lower by £1.3 billion at £16.4 billion. These decreases were partially offset by higher advances for buy-to-let with £7.0 billion advanced in Q2 2014 compared to £8.3 billion in Q2 2015.

Advances for remortgaging were higher than a year ago at £12.4 billion in Q2 2014 compared to £13.7 billion in Q2 2015.

Table D: Unsecuritised residential loans to individuals by purpose of loan

Regulated and non-regulated mortgages
Not seasonally adjusted

By purpose of loan:	2012 Q2	2013 Q2	2014 Q2	Q3	Q4	2015 Q1	Q2
Advances							
Per cent							
House purchase:	62.4	65.0	70.1	71.8	71.0	66.2	67.7
Owner occupation:							
FTBs	16.5	19.1	22.1	21.7	21.8	19.4	20.7
Other	35.3	33.7	34.4	35.7	34.3	30.0	31.2
Buy to let	10.6	12.1	13.6	14.3	14.9	16.8	15.8
Further advance	3.4	3.0	2.5	2.2	2.4	2.6	2.5
Remortgage	30.9	28.3	24.1	23.0	23.7	27.2	26.2
Other	3.3	3.8	3.4	3.0	2.9	4.0	3.6
Amount (£ billions)							
House purchase:	23.0	27.1	36.1	40.1	36.4	30.1	35.5
Owner occupation:							
FTBs	6.1	8.0	11.4	12.1	11.2	8.9	10.8
Other	13.1	14.1	17.7	20.0	17.6	13.6	16.4
Buy to let	3.9	5.0	7.0	8.0	7.6	7.6	8.3
Further advance	1.3	1.2	1.3	1.2	1.2	1.2	1.3
Remortgage	11.4	11.8	12.4	12.9	12.2	12.4	13.7
Other	1.2	1.6	1.7	1.7	1.5	1.8	1.9
Total	36.9	41.6	51.5	55.9	51.3	45.6	52.5

Chart 5: Breakdown of gross advances by purpose of loan

The proportion of new commitments for house purchase increased from 62.6% in Q1 2015 to 65.9% in Q2 2015 (see Table E). The value of new commitments for house purchase increased by 4.8% over the past year, from £37.3 billion in Q2 2014 to £39.1 billion in Q2 2015.

New commitments for re-mortgaging as a proportion of total commitments decreased by 1.7 percentage points over the quarter to 29.8% in Q2 2015. In value terms, however, there was an increase over the past year of 30.1% – from £13.6 billion in Q2 2014 to £17.7 billion in Q2 2015.

Table E: New commitments by purpose of loan

Regulated and non-regulated mortgages
Not seasonally adjusted

By purpose of loan:	2012 Q2	2013 Q2	2014 Q2	Q3	Q4	2015 Q1	Q2
New commitments in quarter							
Per cent							
House purchase	64.6	67.1	69.8	68.7	65.3	62.6	65.9
Remortgage	28.9	27.5	25.4	26.6	29.8	31.5	29.8
Other (inc further advances)	6.6	5.5	4.8	4.6	4.8	5.9	4.3
Amount (£ billions)							
House purchase	25.7	31.9	37.3	36.9	30.2	29.6	39.1
Remortgage	11.5	13.1	13.6	14.3	13.8	14.9	17.7
Other (inc further advances)	2.6	2.6	2.6	2.5	2.2	2.8	2.6
Total	39.8	47.5	53.4	53.6	46.3	47.2	59.3

Lending criteria

The proportion of gross advances at a loan-to-value (LTV) of over 90% increased by 0.2 percentage points over the quarter to 3.5% in Q2 2015 (see Table F). The proportion of gross advances at a single income multiple of more than 4.00x increased by 0.2 percentage points to 9.3% in Q2 2015. The proportion of gross advances at joint income multiple of more than 3.00x increased by 2.5 percentage points since Q1 2015 to 27.2%.

The proportion of gross advances at both an LTV over 90% and loan-to-income multiple of over 3.5x for single income borrowers (or 2.75x for joint income borrowers) increased over the quarter by 0.2 percentage points to 2.3%.

Table F: Gross advances by income multiple and loan-to-value (LTV) ratios

Regulated and non-regulated mortgages
Percent of gross advances
Not seasonally adjusted

	2012 Q2	2013 Q2	2014 Q2	Q3	Q4	2015 Q1	Q2
Single income multiple:							
Less than 2.50	10.7	10.0	8.6	9.0	8.5	8.9	8.4
2.50 < 3.00	5.1	4.7	4.0	4.1	4.1	4.1	4.0
3.00 < 4.00	11.6	11.1	10.3	10.2	10.3	9.8	9.8
4.00 or over	10.2	10.2	11.9	10.8	9.7	9.1	9.3
Other	11.4	12.1	13.2	13.4	14.2	15.9	14.1
Total on Single income	48.9	48.1	48.1	47.5	46.7	47.7	45.7
Joint income multiple:							
Less than 2.00	10.0	9.4	7.5	7.7	8.8	9.6	9.2
2.00 < 2.50	7.4	7.4	6.5	7.0	7.4	7.3	7.2
2.50 < 3.00	9.5	9.2	7.8	8.0	9.5	9.0	9.2
3.00 or over	23.0	24.8	28.8	28.6	26.2	24.7	27.2
Other	1.2	1.1	1.3	1.2	1.4	1.6	1.6
Total on Joint income	51.1	51.9	51.9	52.5	53.3	52.3	54.3
LTV							
< = 75%	67.3	65.2	64.6	64.2	64.7	67.6	66.1
Over 75 < = 90%	30.3	32.3	30.9	31.5	31.6	29.1	30.5
Over 90 < = 95%	1.8	2.0	4.1	3.9	3.4	2.9	3.2
Over 95%	0.6	0.5	0.4	0.3	0.3	0.4	0.3
LTV (Over 90%) and Loan-to-income multiple > 3.5/2.75*	1.3	1.6	3.3	3.1	2.5	2.1	2.3

* Single income: 3.50 x or more; joint income 2.75 x or more

Arrears and possessions

The number of new arrears cases in Q2 2015 was 20,800 (see Table G). This was 5.5% lower than in Q1 2015 and was the lowest since the series began in 2007.

The amount of new arrears also experienced a 2.5% decline over the past quarter and stood at £39 million. This is a drop of 15.2% compared with Q2 2014.

The total number of loan accounts with reportable arrears continued to decrease - from 212,140 in Q1 2015 to 211,652 in Q2 2015, a reduction of 0.2% and the lowest since the series began in 2007. The balances in arrears as a percentage of total loan balances also decreased for the eleventh quarter in succession to 1.5%, the lowest since the series began in 2007.

The performance of loans in arrears – payments received as a percentage of payments due – decreased to 61.61% in Q2 2015, the fourth consecutive decrease since the series peak of 63.16% in Q2 2014.

Table G: Arrears

Regulated and non-regulated mortgages

Not seasonally adjusted

Loans in Arrears	2012 Q2	2013 Q2	2014 Q2	Q3	Q4	2015 Q1	Q2
New cases in the quarter (i.e. moving into 1.5 < 2.5% band)							
Number of loan accounts	34,456	32,516	24,770	24,146	22,920	22,001	20,800
Amount of arrears (£ millions)	67	61	46	44	42	40	39
Balance outstanding (£ millions)	3,598	3,286	2,490	2,394	2,241	2,158	2,097
Arrears cases at end of quarter							
Number of loan accounts	296,484	292,178	240,487	230,219	219,751	212,140	211,652
Amount of arrears (£ millions)	1,765	1,718	1,563	1,458	1,373	1,369	1,383
Balance outstanding (£ millions)	29,927	28,472	23,233	21,732	20,485	19,721	19,106
Balances as % of total loan balances (per cent)	2.45	2.32	1.86	1.73	1.63	1.56	1.50
Performance of arrears cases in Qtr (per cent)	56.05	60.50	63.16	63.13	62.89	62.02	61.61
Arrears cases by severity							
Balances on cases in arrears as per cent of total loan balances							
1.5 < 2.5% in arrears	0.76	0.72	0.58	0.54	0.51	0.49	0.46
2.5 < 5.0% in arrears	0.80	0.77	0.60	0.56	0.53	0.51	0.49
5 % or more in arrears	0.71	0.69	0.57	0.53	0.50	0.49	0.49
In possession	0.18	0.14	0.11	0.10	0.09	0.07	0.06
Total	2.45	2.32	1.86	1.73	1.63	1.56	1.50
Number of cases in arrears as per cent of total number of loans							
1.5 < 2.5% in arrears	0.56	0.58	0.49	0.47	0.46	0.44	0.42
2.5 < 5.0% in arrears	0.61	0.63	0.53	0.50	0.49	0.48	0.46
5 % or more in arrears	0.71	0.76	0.66	0.64	0.62	0.61	0.65
In possession	0.10	0.08	0.07	0.07	0.06	0.05	0.04
Total	1.98	2.06	1.76	1.69	1.62	1.58	1.57

New possession cases totalled 2,674 in Q2 2015 – a reduction of 15.9% from Q1 2015 (see Table H). Sales of possession cases were down 21.6% from 4,755 in Q1 2015 to 3,726 in Q2 2015.

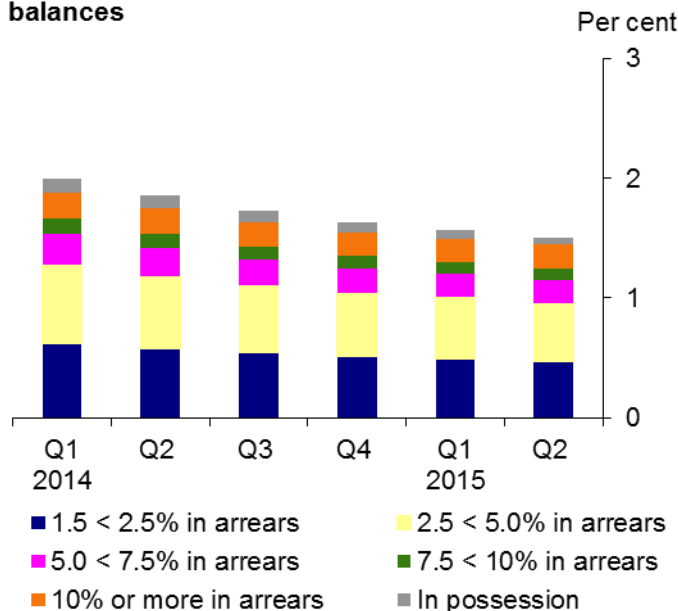
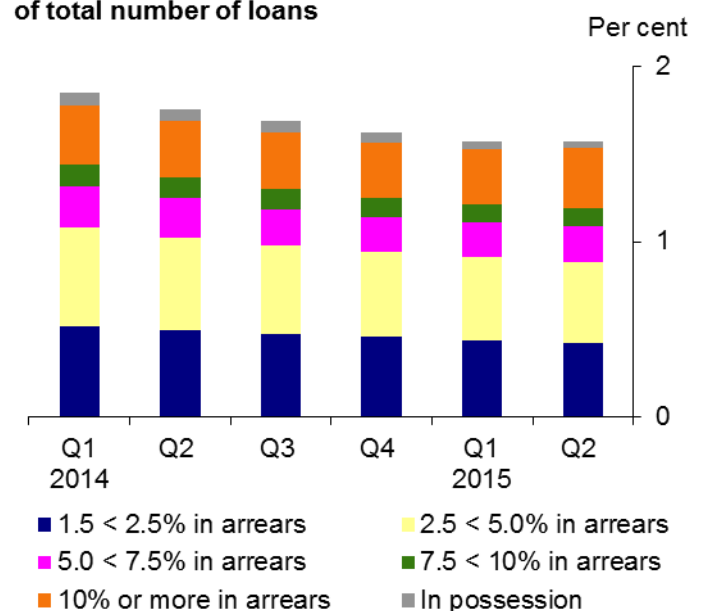
As possession sales outstripped new possessions, the stock of possession cases remaining unsold decreased from 6,454 in Q1 2015 to 5,265 in Q2 2015, the lowest since the series began in 2007.

A total of £22 million of arrears on 5,403 accounts were capitalised in Q2 2015, a decrease of 18.5% from Q1 2015.

Table H: Possessions

Regulated and non-regulated mortgages
Not seasonally adjusted

Possession cases: movements & stocks	2012 Q2	2013 Q2	2014 Q2	Q3	Q4	2015 Q1	Q2
	New possessions	8,695	7,795	5,728	5,161	4,166	3,179
Possession sales	9,089	8,506	6,183	5,816	5,599	4,755	3,726
Stocks of possessions at end quarter	14,953	12,034	9,733	9,080	7,777	6,454	5,265
Capitalisations of arrears cases							
Number in quarter	7,868	7,556	6,907	7,029	6,697	6,659	5,403
Arrears capitalised in quarter (£ millions)	27	27	27	27	27	27	22
Balance outstanding at end quarter (£ millions)	813	810	763	797	750	760	627

Chart 6: Balance on cases in arrears as % total loan balances**Chart 7: Number of cases in arrears as a proportion of total number of loans****About these data:**

As noted in the March 2013 [article](#), with effect from June 2013, this Bank of England and FCA Statistical Release on Mortgage Lenders and Administrators Statistics replaced the Statistics on Mortgage Lending release previously published by the FSA. There is some overlap in the data covered in this release and with the Bank of England releases on [Money and Credit](#) and on [Effective Interest Rates](#), and also with statistics published by [the Council of Mortgage Lenders](#). It should be appreciated that differences in reporting populations, definitions and seasonal adjustment will affect any direct comparisons of data series reported across these releases. For a comparison of the Bank of England's published statistical and regulatory data collections, please refer to the December 2014 [article](#).

Due to revisions to the data by reporters, previous figures may be restated from quarter to quarter.

Further information can be found in the MLAR explanatory notes, available at <http://www.bankofengland.co.uk/statistics/Pages/iadb/notesiadb/mlar.aspx>.

If you have any queries with regards to these data please contact either the Bank/PRA (email MLAR@bankofengland.co.uk or call 020 7601 5478) or FCA (email mlarstatistics@fca.org.uk) as required.

Technical notes

General

- 1 Around 300 regulated mortgage lenders and administrators are required to submit a Mortgage Lenders & Administrators Return (MLAR) each quarter, providing data on their mortgage lending activities and covering both regulated and non-regulated residential lending. Following the creation of the Bank of England Prudential Regulation Authority (PRA) and of the Financial Conduct Authority (FCA) on 1 April 2013, these mortgage lending statistics are compiled and published jointly by the two regulators.
- 2 Please note that tables in this release are summaries of more detailed data tables available at <http://www.bankofengland.co.uk/pru/Pages/regulatorydata/mlar/2015/jun.aspx>. The linkages between these information sets in each case are:

Release Table	Underpinning Data
A	Table 1.11
B	Table 1.21
C	Table 1.22
D	Table 1.33
E	Table 1.33
F	Table 1.31
G	Table 1.7
H	Table 1.7

Regulated and non-regulated loans

- 3 A regulated loan is a loan to an individual, secured by a first charge on residential property, and where the property is for the use of the borrower or a close relative.
- 4 A non-regulated loan for MLAR purposes is all other mortgage lending to individuals that is not regulated. It includes buy-to-let lending, second charge lending and, in some cases, further advances on loans that were originally taken out before regulation came into effect on 31 October 2004.
- 5 All mortgage loans extended before 31 October 2004 are classified as non-regulated. This means that there will be a gradual shift over time in numbers and amounts outstanding from the non-regulated to regulated mortgage lending categories, as older mortgages are paid off or are subject to re-mortgaging. Flows of non-regulated mortgage lending have been modest compared with regulated mortgage lending since that date.

Securitisations

- 6 Some lenders parcel up loans into a special purpose vehicle (SPV), and create Loan Notes secured on the parcel of loans ("securitisation"). They sell the Notes to third party investors; thereby raising funding that broadly matches the loans, with the risks attached to the loans passing from the lender to the Note holders.
- 7 Additional guidance has been given on the classification of securitised loans where that security has subsequently been used as collateral for Bank of England liquidity schemes, such as the Special Liquidity Scheme. For more details see <http://www.fca.org.uk/firms/systems-reporting/gabriel/help/mla>. In such circumstances the risks attaching to the performance of the underlying pool of loans remains with the lender and no risk transfer has taken place to the Bank of England; these loans should therefore be reported on the MLAR as un-securitised loans. Due to this, there has been some reclassification between the securitised and un-securitised portfolios. This affects the series in tables 1.4 and 1.6 in particular.

New business volumes

- 8 Data are collected on three prime measures for the unsecuritised loan book:
 - Gross advances: the amount of new loans to borrowers.

- Net advances: the amount of gross advances less borrower repayments (including normal periodic repayments on capital repayment loans; repayment of existing loans at time of re-mortgage or house move etc.).

- New commitments: the amount of new lending that a lender has agreed to advance in coming months to house movers, re-mortgagers, first time buyers, and those seeking a further advance.

Lending criteria

- 9 The two main measures within the dataset of lending criteria are loan-to-value (LTV, the loan as a percentage of the value of the property) and income multiple (the loan advance as a multiple of income, defined as the borrower's main income, pre-tax). Income multiple calculations are reported separately for single income and for joint income loan applications.
- 10 Another characteristic of new lending is information about whether a borrower had an impaired credit history at the time of the new loan application. The MLAR definition of an impaired credit history includes borrowers with any of the following: arrears of three months or more on a previous loan in the last two years; county court judgment (CCJ) over £500 in the last three years; or being subject to a bankruptcy order or IVA at any time in the last three years.

Interest rate analysis

- 11 MLAR classifies mortgage lending by fixed or variable rate basis, and collects data on average interest rate margins defined as the margin of the interest rate over the Bank of England Bank Rate (BBR). Fixed rate includes all products subject to a fixed interest rate for a stated period or subject to a cap or collar arrangement, but not variable rate products subject to annual review payment arrangements. Variable interest rates cover all other interest bases, including those at a premium or discount to an administered rate.
- 12 Weighted average interest rates are calculated by weighting the relevant nominal interest rates applying over the quarter by amounts outstanding at the previous reporting date, by individual products.

Arrears and possessions

- 13 Arrears are defined as instances when any contractual payments, of capital, interest fees or other charges, are overdue at the reporting date. Arrears reported in the MLAR data relate only to loans where the amount of actual arrears is 1.5% or more of the borrower's current loan balance. For example, if the loan balance is £100,000 arrears in respect of the loan will only be captured in MLAR once they have reached £1,500 or more.
- 14 For accounts in arrears, a temporary concession is defined as an agreement with the borrower whereby the monthly payments are either suspended or less than they would be on a fully commercial basis. A formal arrangement is defined as either an agreement to capitalise all or part of past arrears or an agreement to make increased monthly payments to reduce some or all of the existing arrears. Amounts in arrears subject to temporary concessions continue to be classified as arrears. Amounts in arrears subject to capitalisation arrangements are reported as arrears until the criteria for 'fully performing loans' are met, which include that the revised schedule of loan repayments has been met for at least six months.
- 15 Information on accounts with temporary concessions or formal arrangements relates only to those cases which have arrears over the reportable threshold. There may be other types of forbearance in place for some borrowers which are not captured in these figures as they are either not yet in arrears, or the arrears are not sufficiently large to be reportable.
- 16 Data are collected on the performance of loans in arrears. Performance is measured as payments received in the quarter expressed as a percentage of payments due (i.e. under normal commercial terms to fully service the mortgage debt).
- 17 For accounts in arrears, data on capitalisations are also collected and published. Capitalisations are defined as formal arrangements to add all, or part of, a borrower's arrears to the amount of outstanding principal.
- 18 A 'possession' relates to any method by which, in an arrears case, the lender takes the secured property into their possession (including by a court Possession Order, or by voluntary surrender by the borrower). This also

includes cases where Receivers of Rent have been appointed. MLAR possessions data relate to individual loan accounts in possession.

Arrears as a percentage of balances approach

- 19 The 1.5% threshold used in the “arrears as a percentage of balances approach” was adopted to replace an earlier 2.5% threshold that had been used in analysis of building society arrears from the early 1990s.
- 20 For ease of comparison, sub-totals for a 2.5% threshold as well as for the 1.5% threshold are presented in the Detailed Tables on arrears. More detail is available in the Frequently Asked Questions (FAQs) relating to the MLAR on the FCA website at <http://www.fca.org.uk/firms/systems-reporting/gabriel/help/mla>.

Loan accounts in arrears

- 21 It should be noted that numbers of loan accounts in arrears, which is the basis on which these data are reported in the MLAR statistics, need not equate to the number of borrowers in arrears. Numbers of individual loan accounts in arrears will include arrears rising on:
 - First charge loans;
 - Second and subsequent charge loans (where the borrower takes an extra loan from another lender); and
 - Some further advance loans (cases where the first charge lender establishes a further advance on the original mortgage as a separate loan account, but is unable to combine the two accounts for MLAR reporting purposes).
- 22 As a result, arrears numbers on the MLAR are reported on a different basis from, and are materially higher than, the corresponding data published by the Council for Mortgage Lenders (CML) on numbers of first charge mortgages in arrears. A second, more significant, difference between these datasets which adds to this effect is the use of a higher percentage of balances threshold for arrears, 2.5% in the case of CML data, compared with 1.5% in the case of MLAR data.

Loan accounts in possession

- 23 This number does not represent the number of borrowers that have been subject to possession. It represents the number of individual loan accounts in possession, and covers possessions arising on:
 - First charge loans
 - Second and subsequent charge loans (where the borrower takes an extra loan from another lender)
- 24 In practice however, where a borrower has first and second charge loans with separate lenders, it will not always be the case that both lenders report their loan accounts as a possession. MLAR possession figures also include cases where a Receiver of Rent has been appointed.