

# Finding the buying process confusing?

Time to pop in for that chat...

## The Best Rates...

### Best Rates - Pick of the Bunch

(% loan to property value/price)

60%	Tracker	1.44%
60%	2 year fixed	1.54%
60%	5 year fixed	1.92%
60%	10 year fixed	2.49%
85%	Tracker	1.82%
85%	3 year fixed	2.04%
85%	5 year fixed	2.25%
90%	Tracker	2.09%
90%	5 year fixed	2.39%
95%	2 year fixed	3.09%
95%	5 year fixed	3.49%
100%	5 year fixed	4.74%
60%	BTL 2 year fixed	1.69%
60%	BTL 5 year fixed	2.49%

\*Rates correct at time of printing  
BTL = Buy to let mortgage.

## Mortgages in Jersey

**60% of the leading rates in our Best Rates chart have changed this month, with six of these nudging Up whilst two have fallen. In all cases, the moves have been no more than 20 basis points, and should not be any cause for concern, as they would appear to be the result of lenders continuing to jockey for position in a competitive market.**

This year has broken many records with property prices increasing at a fast pace, and motivated buyers willing to pay the asking price to secure a property in a marketplace where there has been lack of supply. Demand fell away in September, although there has been a noticeable increase in activity again in October which suggests that this will continue through to year end.

It is quite surprising how we are regularly told by clients that having been marketing their property without success for the past six months, by then changing estate agents, a sale was agreed, at the asking price, within a week or two.

### Stamp duty – increase in concession

The States Assembly will soon be debating the 2019 budget which proposes greater concessions for First Time Buyers (FTBs) in respect of the Stamp Duty charged on Freehold and Flying Freehold purchases and the Land Transfer Tax which is applied to Share Transfers.

For every transaction that takes place in Jersey, the States benefit by imposing a tax on the value of the property and, if a mortgage is involved, by taxing the value of the borrowing as well.

A First Time Buyer is a person who has neither owned nor inherited property anywhere in the world, and who will currently benefit from generous concessions if purchasing below £300,000, with the reduction falling away until a ceiling of £450,000 is reached.

### The Proposal

If approved, the ceiling up to which FTBs can claim the concession will be increased to £500,000 on a property

transaction, whilst the tax on mortgages will be reduced on purchases up to £600,000 in value.

Any reductions that will help First Time Buyers in a rising market such as we are witnessing in Jersey have to be commended, although it is currently unclear just how many prospective home owners will be affected by these changes, as many struggle to find a deposit to buy at £450,000, let alone at the new ceiling of £500,000.

### Who Pays For This

If approved, the proposals recommend an increase of 0.5% on the Stamp Duty and Land Transfer tax that is paid on all non-First Time Buyer transactions.

**TO BE ADDED TO OUR MONTHLY BULLETIN LIST, PLEASE SEND YOUR REQUEST TO :**

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Your home is at risk if you do not keep up with repayments on a mortgage or other loans secured on it

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