

The Jersey Market

There is evidence that the high level of activity that we saw at the beginning of the year and indeed throughout the first quarter has slowed down since Easter. This is giving all those professional businesses involved in the process some time to manage transactions and get their paperwork in order, so it's not such a bad thing! However, keenly-priced property still seems to be "flying off the shelf" as soon as it is released onto the open market.

Whilst asking prices are frequently being achieved, there is still scope to negotiate a modest discount in certain cases, particularly for those buyers who have already sought advice on their mortgage and obtained Approval in Principle, have their deposit in the bank, or have found a buyer for their existing property.

For those people, particularly First Time Buyers, who are perhaps putting down a deposit to secure an apartment, due for release in the next year or so, then it is vitally important to check how much you can borrow before parting with a holding deposit – better to be safe than sorry!

Best Rates - Pick of the Bunch

(% loan to property value/price)

60%	Tracker	1.18%
60%	2 year fixed	1.14%*
60%	5 year fixed	1.70%
85%	Tracker	1.84%
85%	3 year fixed	1.89%
85%	5 year fixed	2.24%
90%	Tracker	2.50%
90%	5 year fixed	2.74%
100%	5 year fixed	4.74%
60%	BTL 2 year fixed	1.69%
60%	BTL 5 year fixed	2.49%

* Just reduced from 1.39!
Rates correct at time of printing



Mortgages in Jersey

Three of the rates in our chart have fallen this week, due more to market forces in the UK rather than any influence from the Bank of England. In what has become a settled lending climate, more of our clients are now preferring to choose a tracker rate for several years rather than the security of a longer term fixed rate, which is a move away from the trend that we have seen for some months, where everybody was insisting on taking five year fixes. Recent claims in the national media that interest rates are likely to rise in the mid 2020's might be correct, although they might also be totally wrong – economists have got interest rate predictions spectacularly wrong since the start of the financial crisis and there is no reason to believe that the current forecasts will be any more accurate.

Cash to spare?

If you have surplus funds available, perhaps from an inheritance, or the sale of a property, why not consider becoming a landlord? We can help you with Buy to Let mortgages in the Channel Islands and in the UK mainland. With interest rates starting from 1.69%, with prices still very competitive and evidence of demand for quality rental property, now might be an ideal opportunity to start building your portfolio!

TO BE ADDED TO OUR MONTHLY BULLETIN LIST, PLEASE SEND YOUR REQUEST TO: kerrie@mortgageshop.je

for all the moves you make...



the mortgage shop

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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