



Market Activity

The return to work after the summer holiday break, combined with a lack of new instructions to estate agents has slowed the Jersey market noticeably, although people remain keen to sell and to buy, so transactions will likely continue regardless.

There is however still a pipeline of transactions for purchases that were agreed in the summer, that will keep lenders, valuers and lawyers very busy for some weeks to come.

First Time Buyers

First Time Buyers remain a priority to the new Housing Minister who has now formed the Strategic Housing Partnership Board, so as to focus all involved parties, in a positive move to improve the situation for them.

Scrolling through the pages of one of the local websites, for property that is most likely to fall into the First Time Buyer category, there are currently 113 houses and flats on the market in the price range up to £500,000. Assuming a minimum deposit of £25,000, potential buyers would likely need a gross joint income of £79,000 to be able to buy at this level.

Fortunately, First Time Buyers are very well placed at the moment with a 100% guarantor mortgage currently available, and no less than six different 95% mortgage products to choose from.

On a broader front, the number of mortgage providers has further increased recently which is great news for borrowers, who now have access to greatly improved lending criteria, income multiples and mortgage products, to the extent that seeking advice from a mortgage broker is now even more important than ever before.

Best Rates For October

Our pick of the best interest rates this month.

60%	2 year Fixed	0.99%
60%	5 year Fixed	1.29%
60%	7 year Fixed	1.49%
75%	2 year Tracker	0.99%
85%	2 year Tracker	1.34%
85%	2 year Fixed	1.39%
85%	5 year Fixed	1.73%
80%	10 year fixed	2.50%
90%	2 year Tracker	1.94%
90%	2 year Fixed	1.89%
90%	5 year Fixed	2.04%
95%	2 year Fixed	3.79%
95%	5 year Fixed	3.89%
100%	5 year fixed	4.24%
60%	BTL 2 year Fixed	1.39%
60%	BTL 5 year Fixed	2.08%

Rates correct as at 04/10/2021 BTL = Buy to let mortgage

Base Rate

Since Base Rate fell to 0.10% last year, there have been very small margins between the best mortgage rates available in the local market. This has meant that the emphasis when selecting a lender is now less rate driven and more focused upon the different lending criteria.

Analysts are suggesting that Base Rate increases are likely to become a major issue, following a month end review of the economy by the Bank of England. It is possible that we will see as many as three Base Rate rises next year, in an attempt to stop inflation running out of control, after the economy bounced back faster than expected in the second quarter of 2021. The expectation is now that Base Rate will have returned to its pre-pandemic level of 0.75% by the end of 2022.

If you would like to know how much you could borrow, or to find out more about how we can help you with your specific mortgage requirements, please contact our offices to arrange a free initial consultation on 789830 or email info@mortgageshop.je.



the mortgage shop

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