



## After several weeks of reduced activity in the Jersey property market, things are picking up speed again at most levels although the First Time Buyer sector doesn't seem to be as busy, due probably to a lack of new stock coming onto the market.

The area which has become most active is property in the range of £850,000/£900,000 up to £1.5m and beyond. Our team at The Mortgage Shop has seen a noticeable spike in the level of enquiries for higher value mortgages.

There are still a considerable number of saleable properties that are remaining on agents' books for longer than is the current norm. It is apparent that buyers are being sufficiently astute in identifying property that is overpriced and avoiding those where the vendors are unwilling to negotiate.

### MORTGAGE INTEREST RATES

Looking at our chart, it is noticeable that not a single rate change has occurred during the past month, which is a clear indication that lenders are waiting to see what happens as the continuing saga of Brexit slowly and painstakingly unfolds on the European stage. Mark Carney, the Governor of the Bank of England is also retiring (for certain this time!) at year end and there will be a lot of speculation over what will happen to interest rates following his departure..

Since increasing Base Rate in August 2018, the Bank of England has had to delay any decision on an increase given the threat of a chaotic Brexit and the resultant uncertainty clouding the UK's economic outlook.

The Bank of England's Monetary Policy Committee met on 2nd May for their monthly review of Base Rate, resulting in the usual debate about when inflation will rise or fall. Also covering unemployment levels in the UK, which currently stands at a record 3.5% - remember that Mark Carney said he would increase rates when the figure fell to 7% several years ago. Then went back on his word!

In summary, the market is predicting that Base Rate will not be put up for two and a half years, with the rate not reaching 1% until the final quarter of 2021. The Bank on the other hand is probably going along with this line of thinking, but warns that they could be pressing ahead with base rate increases if it were not for the current uncertainty over Brexit.

Recent statistics produced by mortgage lenders in the UK suggest that 5-year fixed rates are now chosen by 45% of all borrowers. They are certainly the most popular option for new borrowers in Jersey, as is also the case with the many existing borrowers whose fixed rates are now coming up for review.

So why not pop in to see us at The Mortgage Shop – It could be worth the effort with 90% loan to value (LTV) mortgage rates varying from 2.29% to 3.99% and 60% LTV rates varying from 1.5% to 2.7%

## The Best Rates...

Our Best Rates chart this month hasn't seen any changes.

Pick of the Bunch  
(% loan to property value/price)

60%	Tracker	1.49%
60%	2 year fixed	1.50%
60%	5 year fixed	1.81%
60%	10 year fixed	2.59%
85%	Tracker	1.69%
85%	3 year fixed	1.99%
85%	5 year fixed	2.09%
90%	Tracker	2.09%
90%	2 year fixed	1.89%
90%	5 year fixed	2.29%
95%	2 year fixed	2.89%
95%	5 year fixed	3.49%
100%	5 year fixed	4.74%
60%	BTL 2 year fixed	1.65%
60%	BTL 5 year fixed	2.15%

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



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