



Mortgages in Jersey

The Jersey Market

The market seems to have cooled slightly after the summer recess, although agents tell us that they are still busy, whilst potential buyers say there is a lack of choice, particularly in the First Time Buyer and home-mover sectors.

Demand remains high for the large residential developments that are currently under construction, or nearing completion in St. Helier, which can be bought off plan. These quality projects are helping to fill the gap for anybody looking to buy their first home, or to start an investment portfolio.

Best Rates* - Pick of the Bunch

(% loan to property value/price)

60%	Tracker	0.99%
60%	2 year fixed	1.14%
60%	5 year fixed	1.59%
60%	10 year fixed	2.39%
85%	Tracker	1.24%
85%	3 year fixed	1.74%
85%	5 year fixed	2.14%
90%	Tracker	1.84%
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%
60%	Interest Only variable	2.24%

* Rates correct at time of printing

This is the second month where there has been no change to our list of best rates, which is perhaps understandable, as the markets wait to see what happens after the Bank of England's meeting on the 2nd November. This meeting is of importance to us all, as it is widely expected that a decision might be made to increase the Base Rate to 0.50%.

It is uncertain when further increases might be made, as these will be governed by the UK Cost of Living, unemployment and, most significantly, Brexit.

The days of the tracker rate are now numbered, so a strong recommendation might be to choose a fixed rate if buying and to lock into a fixed rate now if you already have a mortgage which is on a tracker rate. At The Mortgage Shop, we have a wide range of fixed rate options available, from 2 years through to 10 years. With 2 year rates from 1.14% and 10 year rates from 2.39% don't leave it too late!

Delays in getting your purchase through court

The States have been sufficiently concerned about the time that it takes to purchase property in Jersey that a Scrutiny Panel has been set up to investigate the problem. With the number of transactions that are passed through the Royal Court each week, it is inevitable that delays will occur at times, or for the occasional transaction to fail.

Much of the problem lies with the unreasonable expectations of vendors, although a lot of the stress involved with a purchase can be removed by allowing two weeks to obtain your mortgage, two weeks for the valuation report to be prepared and the mortgage offer letter issued and two weeks for all of the legal work.

These three stages can usually be overlapped to save time, although it is always best to use six weeks as a guide.

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