



Latest Property News: Mortgage Market Review is now in place – 26/04/14.

The MMR was a comprehensive review of the mortgage market, which started with a Discussion Paper in 2009 and culminated in a Policy Statement and final rules in October 2012, with an implementation date – 26/04/14.

27 April 2014

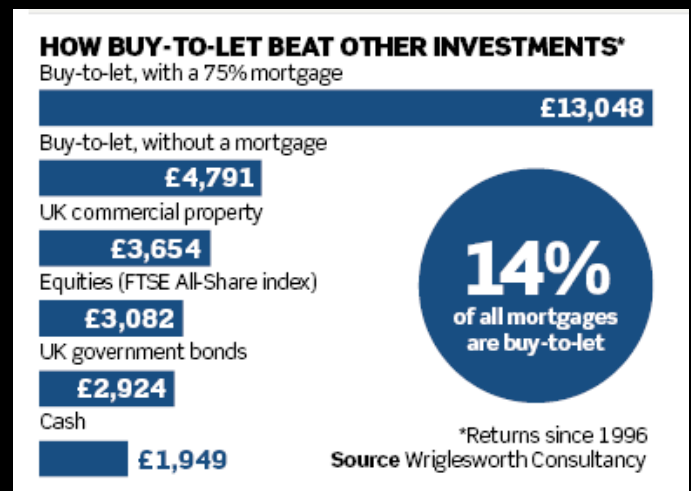
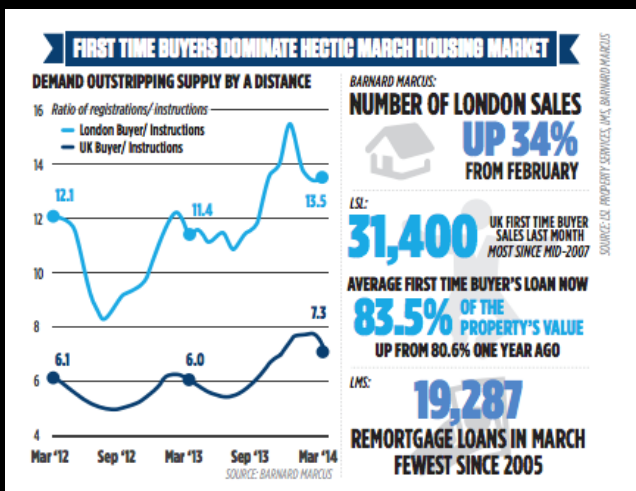
Mortgage Market Review #MMR The MMR came into stark focus last week and implemented over the weekend, requiring a more detailed approach by both Lenders and Mortgagees. The long term advantages, that of ensuring affordability and mitigating the Mortgagee are blatant, with a curio of more 5 Year Fixed Rate Deals (@MortgageStart), evident on the market, which has the potential to stabilise the sector, moving forward. However, the introduction of the #MMR will lead to a 4 – 8 week lag in the market, while Borrowers embrace the new requirements. Further, some Re-Mortgagees may find they cannot recommit and become stuck with a product. This lag in the pipeline for both Mortgages and Property sales has the potential to turn into a rout and destabilise the sector.

Residential Market ^{^9.8%pa}

City A.M. Reported that MARCH was a boom month for the housing market, with the number of transactions up by 34% February.

B2L Market ^{^11.0%pa}

The Telegraph reported that the B2L Market accounts for 14% of all mortgages and returns this year are currently at 16%, the best form of investment.



Projections HM Land Registry Housing Data is released this week, which should reinforce the ONS / Halifax & Nationwide HPI's of c9.8%pa increases, with London leading the way. The effects of #MMR will not appear until next month, when the suspected 4 – 8 week lag will take hold. Will B2L Investors, who are not overarched by these new rules, make hay and swoop on prime properties?