

A stabilising market is good news

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Nationwide has been busy during the past few weeks. It has shot back to the top of the best buy tables with a five-year fixed rate at 4.39% and has introduced a 50% LTV band.

While this offers some customers a saving it also takes LTV bandings to extreme levels.

Getting borrowers to put down 50% of the property value is a big ask. But I understand that Coventry Building Society has been taking a large amount of enquiries at this level and there is demand, so I can see the logic.

Nationwide is also offering mortgages over £2m. It argues that the mortgage market has settled to a level where it is comfortable enough to lend millions to one person.

Other high street lenders are not so keen to offer such large mortgages, but private banks are eager to do this kind of business so it is nice to give them a bit more competition.

Traditional lenders coming out and saying that the mortgage market is becoming more normal can only be a good thing for brokers.