



MortgageTek - Making Homeownership Dreams Come True!

Newsletter No. 4 – November 2023

Dear Valued Client

We hope this newsletter finds you well. There have been great responses to our first few publications. In this edition: interest rates, property and buy-to-let.

1. Lenders are competing to cut rates.

Better than expected inflation figures in August have led the Bank of England's Monetary Policy Committee deciding in September to keep the base rate at the current level of 5.25%, the first time there hasn't been tinkering with that key indicator since 2021!

War in the Middle East means that oil prices will once again be on an upward trajectory fuelling inflation and leading to a hold back in reductions in interest rates. Nationwide BS are advertising 5 and 10 year fixed rates starting below 5%. Maybe borrow at the latest levels while you can.

2. Property prices

House prices have fallen by around 5% annually for two consecutive months now. Sellers were forced to discount average asking prices for homes by 4.2% in September, the highest level since 2019.

Rightmove say the market is catching up on lost pandemic holidays leading to a bigger than expected summer lull. Though they still expect an autumn bounce.

3. Buy-to-let!

Landlords are leaving the buy-to-let market. Interest payments on a BTL mortgage of £150,000 would have been around £300 per month in January 2022. Now the interest on the same loan has more than doubled to £640 per month! This has driven BTL landlords out of the sector. There are therefore bargains to be had in the all areas of the market. Taking a long term view this could be the time to invest.

4. Examples of our recent successes

In addition to the usual residential and buy to let mortgages we support our clients with more complex needs such as a second charge loan for a client with Seline Finance to provide short term lending for an immediate need.

We successfully completed on a bridge for a property developer with MT Finance for a residential ground up development project.

5. Do let us know your thoughts

Thank you for your continued support and trust in MortgageTek. If you have any questions or need assistance, please don't hesitate to contact us. We look forward to helping you achieve your homeownership dreams!

Best regards,

Mo Khan Founder & Mortgage Broker, MortgageTek Limited. www.mortgage-tek.co.uk
Contact: 020 3827 8558, mo@mortgage-tek.co.uk

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