

Another year comes to a close and Christmas is looming. I sincerely hope that this newsletter finds you all well and in good shape (physically as well as financially!). Whilst I can't help you on the first part I most certainly can on the second...



A recent quote from the **Association of Mortgage Intermediaries** stated that: '49% of consumers who purchased a mortgage on a direct basis did so from their own bank/building society without considering any other option. A further 39% contacted no more than three lenders. These behaviour patterns significantly reduce the likelihood of finding the most appropriate or competitive mortgage for the individual's own circumstances.

Between April 2006 and September 2007, 92% of all intermediary sales were sold on an advised basis, compared with only 40% of all direct sales. Thus, consumers purchasing a product via the intermediary channel are more than twice as likely to have received advice as those purchasing on a direct basis.' Source AMI October 2009.

It concerns me that a lot of consumers think that arranging a mortgage is a straightforward transaction (along the lines of buying a replacement sofa). What worries me more is that they trust their bank to do it for them, often without getting a second opinion or being concerned that they aren't getting a fully advised service (which means that they have less comeback should things go wrong).

**Other news is a mixed bag** and not overly cheery... The housing market continues to show signs of stagnation after mortgage approvals dropped once again in October. Weak demand from homebuyers is keeping house prices under downward pressure, according to

the latest research from Hometrack... **Falling supply** of new property in the rental market coupled with increased demand led to a rise in rent in the three month period to the end of October. Figures from the Royal Institute of Chartered Surveyors (RICS) show... **The consumer credit** market has continued to struggle, as new figures show that lending fell by 6% in September. Figures from the Finance & Leasing Association (FLA) have revealed the UK's high streets were hit hardest by the slump, as credit and store card spending fell by 8% and 22% respectively... **closer to home and slightly better news**

**The number of mortgage products has grown significantly over the last year**, figures from Moneyfacts Group have revealed. Those with a **20% deposit** have seen the number of mortgages available to them **increase** from 153 to 384 over the last 12 months – a rise of 151%. In addition, the **85% LTV** has expanded rapidly with 470 mortgage products in this tier today, compared with 254 a year ago. The **90% LTV** tier – a common choice for first time buyers – has also seen numbers rise. There are currently 204 such mortgages, up from 116 in December 2009, although the rates charged on these deals remain high.

Mortgage products in the **75% LTV** are plentiful and numbers have risen from 586 to 895 in the last year, **over the same period, rates have fallen, with the average** two (4.40%), three (5.01%) and five year fixed rates (5.29%) **all**



**standing at the lowest level seen since Moneyfacts records began in 1988.** Despite this, latest figures from the Bank of England show that for the sixth month in a row mortgage approval numbers fell. This is partly due to historically low variable rates and clients sitting on them instead of remortgaging, **although this trend is beginning to reverse.**

**On that point, if you are worried that the potential for interest rate increases is becoming more likely and would rather jump onto a decent fixed rate now, then call me.**

Anything else, as ever call me too, it's always nice to get a call! And you are never wasting my time so don't hold back...

**Stuart**



**W**ell another year is almost over. The turkeys have gone from the farm nearby (I am told they go somewhere warm for Christmas!), and with the recent cold spell (early December) we may even have a white Christmas!

Since July, Emily has had her 6th birthday and we had nineteen 4 to 6 year olds in our living room to celebrate (I've still got the ringing in my ears).

Lucy's coming along well at school, although seems to have a lot of boys that she is friends with (any ideas on a suitable 'vetting' procedure would be welcomed!). Emily can now add and subtract (I guess pocket money will be 'negotiated' soon) and is helping her sister with the same too.

Life as a parent has its worries too, for example the girls have more make-up in their bags when we go out than their mother does...

Other news, 2 chickens leave us (if you know what I mean) and 6 new ones arrive... eggs now being sold at £1.50 a dozen for any takers 'cos I'm running out of egg recipes. They now have a new home we like to call 'Cluckingham Palace' too.

The girls are very excited about Christmas this year, convinced it is their own grandad that is actually Santa Claus (well he has a long beard and an Apple Laptop like the advert). It's hard explaining why he will be able to be with us on Christmas day and still deliver all those toys to their school friends too, guess we should make the effort to keep the charade going while we can.

*Anyway there follows a bit of Christmas cheer!*

**The following questions were set in last year's GCSE examination in England. These are genuine answers from 16 year olds, not very bright, but entertaining, 16 year olds.**

**Q.** Name the four seasons?

**A.** Salt, pepper, mustard and vinegar

**Q.** What guarantees may a mortgage company insist on?

**A.** If you are buying a house they will insist that you are well endowed

**Q.** What happens to your body as you age?

**A.** When you get old, so do your bowels and you get intercontinental

**Q.** How can you delay milk turning sour

**A.** Keep it in the cow

A farmer wants to know how many sheep he has in his field, so he asks his border collie to count them. The dog runs into the field, counts them and runs back to the farmer. The farmer says, "How many?" The dog says, "40". The farmer is surprised and says, "How can there be 40 - I only bought 38!" The dog says, "I rounded them up".

What do you call a chicken with a shell suit?

An egg!

#### As a reminder of the services we offer:

- Independent mortgage advice
- Independent insurance advice including:
  - Life Assurance
  - Critical Illness
  - Accident and Sickness
  - Unemployment
  - Income Protection
  - Private Medical Insurance
- Buildings and contents insurance
- We can recommend Conveyancer, Solicitor and EPC provider
- IFA services including pensions and investments
- Loans - secured and unsecured APRs dependent on term, amount and circumstances. Quotes on request
- Will service
- Commercial and business enquires
- Debt management and IVA advice
- Credit file service
- Buy and rent back schemes



**I'm going to go rob a bank tomorrow.**

I plan on dressing up in a clown wig and make up and only wearing a thong and nipple tassels.

I'll carry a goat and a can of fluorescent paint in one arm and, while in the bank, I'm going to ride the goat around their banking hall whilst throwing the paint over the walls, all the time ripping up pages of a phonebook and swearing my head off.

After getting the money, I'll leave a 'deposit' on the floor and then escape in a van shaped like a giant pink pig. Let's see Crimewatch stage a reconstruction of that.

**This year, rather than sending you all a Christmas card, we will be making a charitable donation to the British Heart Foundation and Cancer Research again**

**Thank you for your continued custom. Merry Christmas to all! Stuart & Sharon Brown**

**FOR ANY FINANCIAL ADVICE  
PLEASE CONTACT US ON**

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