



THIS WEEKS
BEST RATES

CHRISTMAS
BONUS...

PREDICTION FOR
NEXT YEAR

Newsletter

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Christmas Bonus...Read on...

"The BoE's decision to cut interest rates will, according to The Times, mean an early Christmas present for around 3.6m homeowners in the UK. Borrowers with tracker mortgages will make immediate savings and the paper said that the typical borrower has seen repayments fall by £375 per month since October.

Along with cheaper petrol prices, many households will now find themselves with more spending power – something the Chancellor is hoping everyone is going to do to help avoid a deep recession. But what might be good news for one is not necessarily so for all. The corollary of cheaper mortgages is of course lower savings rates and, as The Financial Times noted, the latest rate cut will be a blow to savers who have seen rates fall sharply in recent weeks. The situation could about to become worse too. The Times said that Lord Mandelson will put pressure on the UK's banks to pass on in full the recent interest rate cut – Gordon Brown is said to be increasingly frustrated at the banks' refusal to pass on cheaper borrowing costs for homeowners and businesses."

This weeks best rates can be summarised as follows:

First time buyers

95% LTV – 6.39% Fixed rate with £799 arrangement fee
95% LTV – 6.55% Fixed rate with £499 arrangement fee
90% LTV – 6.09% Fixed rate with no arrangement fee to pay

Re – mortgages

60% LTV – 3.64% Tracker rates with £799 arrangement fee
60% LTV – 4.49% Fixed rate with £995 arrangement fee
75% LTV – 4.69% Fixed rate with £999 arrangement fee
80% LTV – 5.99% Tracker rate with £999 arrangement fee

BTL

75% LTV – 5.69% with 2.5% arrangement fee at 125% payrate
75% LTV – 5.89% with 2.5% arrangement fee at 125% payrate
85% LTV – 7.54% with £599 arrangement fee at 100% payrate

Self Cert mortgages

75% LTV – 6.19% Fixed rate with 1.5% arrangement fee

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Prediction for next year...

We are optimistic that the falling Libor rate and BBR will be passed on to consumers. There is still a prediction that the BBR will drop to at least 1% (not such good news for savers). It is very likely to stay around the 1 – 2% till end of next year and then we might see rates beginning to creep up again. This is only our view and please do not take this as advice. For any financial advice, please get in touch with your Financial Adviser or Mortgage Broker.

** If anybody has a mortgage with Halifax, their product transfer rates are very competitive. Call us now for the latest rates and see if you can have more money in your pocket!*

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