



Rate cuts 'must feed through to lower mortgages'

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Yesterday's base rate cut and the government's aid package for the banking sector must now feed through into lower mortgage rates to have a real impact on the property market, it has been stated.

Commenting on the measures taken yesterday by the Bank of England and Chancellor Alistair Darling, chief executive officer of Chesterton estate agents Robin Bartlett said: "The rate cuts must be fed through to current mortgage holders. The lending doors must also be opened to new buyers and to those needing to remortgage."

Should this occur, those seeking to mortgage or remortgage may find matters much easier and costs lower than has been the case in recent months.

Giving his reaction to the news yesterday, Neil Young, chief executive at property portfolio management firm Young Group, pointed out that those with tracker mortgages are already sure to benefit.

He said that for this group the Bank of England's announcement was "just the good news they've been waiting for."

The cut was the first time the UK base rate had been lowered by more than 0.25 per cent since November 2001.