

90% of Consumers Choosing Fixed Rate Mortgages



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A number of factors have contributed to this. Firstly, it's widely recognised that we are at or near the bottom of the interest rate cycle. Base rate could only fall by another 0.5% at most and in the May meeting of the Bank of England, base rate was held for the second month in a row. Consumers are looking to secure a fixed rate deal whilst rates are at their lowest. Best Buy Mortgages are available under 3% fixed for 2 years and under 5% fixed for 5 years. These [fixed rate mortgage deals](#) compare favourably with historical rates linked to lenders' standard variable rates (SVR).

Secondly there is widespread concern that when rates start to rise, they will rise sharply and so monthly repayments on mortgages linked to Bank of England Base Rate or a lender's SVR will increase significantly over a short period of time. Securing a good fixed rate deal now will mitigate that risk.

Thirdly there is limited availability of mortgages for those with relatively small deposits (15% of house value or less) and so consumers in this situation are grabbing fixed rate mortgages whilst they still can.

Finally, as house prices have fallen, consumers have found that the value of their mortgage relative to the value of their home has increased. As the [best fixed rate mortgage deals](#) are available below 75% loan to value (ltv) it is sensible for consumers to fix their mortgage rate in case their property value falls further and the best mortgage deals are no longer available to them.

Potential borrowers wanting to secure a fixed rate mortgage deal can see the range of leading deals currently available at www.lcplc.co.uk/bestbuys .For more information and no-fee advice, borrowers can call free on 0800 373300 or request a call back.

Notes to editors:
London and Country Mortgages Ltd is the country's leading whole of market no-fee mortgage broker and submitted over £4bn of mortgages to over 70 lenders in 2008. For more information visit our website [London & Country Mortgages](http://www.lcplc.co.uk)

L&C is a Climate Neutral company and for the last seven years has invested in climate friendly projects and tree-planting to help offset its emissions and those of its customers.

L&C has won numerous awards including:

Best Mortgage IFA/Adviser of the Year – Money Marketing, 2004, 2005, 2006 and 2008

Best Technology Adviser – Money Marketing 2007

Best Mortgage Broker outside London – Mortgage Strategy, 2004 and 2005

Best National Broker – Mortgage Introducer 2005, 2006 and 2007

Best Overall Broker – Mortgage Introducer 2005

Overall broker of the year – Pink Home Loans, 2006 and 2007

Top 100 company in the Sunday Times Fast Track 100 for 2004 and 2005

Business of the Year – The Bath Business Awards 2005

Growth Strategy of the Year – National Business Awards (Wales and West) 2008

Business Leader (Broker) – British Mortgage Awards - 2008

Online Mortgage IFA of the Year – Financial Adviser - 2008

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