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Platform signals return of the longer-term rates

Story by: Nicola Culley

A long-term fixed mortgage range has been launched by Platform.

The Co-operative Bank's intermediary lender is aiming to exploit falling rates and an increasing consumer appetite for longer-term deals.

Lee Gladwell, business development director of Platform, said: "Fixed mortgages have picked up significantly in recent months as rates have become more competitive with tracker products.

"However, these historically low long-term rates maybe never be seen again and there is only one direction for them to move."

There is a choice of a 10-year, seven-year, four-year and two-year fixed rate and a two-year tracker with a range of LTV from 65 per cent to 80 per cent.

Mr Gladwell said: "We believe these are great products for clients that would benefit from the security provided from a longer-term fix."

The fixed rates at 65 per cent LTV range from 3.34 per cent to 4.99 per cent and from 3.44 to 5.09 per cent for 70 per cent LTV.

Mr Gladwell said: "The new seven-year deal has been launched as we believe a gap exists in the market between five and 10 years."

Products with 75 per cent and 80 per cent LTV have rates of 3.64 to 5.39 per cent and 4.74 per cent to 5.69 per cent respectively.

Heather Sonnet, chartered financial planner for Norfolk-based IFA Almary Green

Investments Ltd, said: "It is great to see a return of longer-term fixed rates as usually they give better value for money than short-term fixed-rates."

Mr Gladwell said the new seven-year deal has been launched because Platform believed there was a gap in the market between five and 10 years.

Martyn Smith, head of mortgage products for L&G, said "With one MPC member voting for a rate increase at June's meeting it is a clear reminder that they only have one way to go.

"These new longer term rates are very well-timed."

The seven and 10-year range will enable the intermediary build a long-term relationship with their client, said Dev Malle, sales and marketing director for Personal Touch FS.

Ms Sonnet said that her only negative comment would be that the rates at the higher LTV-end are a bit high for the current climate.

The two-year tracker has rates ranging from 2.59 to 4.39 per cent with the same LTV range.

"Interestingly the trackers are competitive too. I also like the fact that for remortgages they come with the free legals and a free valuation fee," said Ms Sonnet.

The 10 and seven-year have arrangement fees of £1495 and £995 for the tracker and other fixed rates in the range.

All the products come with free valuation and there are free standard legal fees available for remortgages.

"The fees are a bit high but the rates are competitive and provide stability over the longer term so it can be tolerated," said Ms Sonnet. "Overall the range looks good."