

Press release – 20th February 2009

team estate agents join forces in call for Government mortgage guarantees

Local estate agent members of Westcountry **team** are this week joining forces with the other members of the UK-wide Association, to back the Association's call to the Chancellor of the Exchequer, urging him to introduce a new Government-backed mortgage indemnity guarantee scheme that would give real help to first-time buyers.

“One of the biggest problems facing the housing market at the moment is the chronic unwillingness of lenders to offer the kind of high loan-to-value mortgages that most first time buyers need,” says Steve Moir, new chairman of Westcountry **team**. “With prices falling and repossession rising, lenders have become acutely risk-averse. They're worried they may be left with a huge shortfall if borrowers default, and the properties concerned have to be force-sold. By effectively insuring lenders against any such losses, an updated version of the mortgage indemnity guarantee would solve this problem at a stroke, and help bring back the first time buyers that the market desperately needs.”

Basically a form of mortgage protection for lenders, mortgage indemnity guarantees, or MIGs, used to be common practice, but they fell out of favour during the last property recession, when soaring claims caused the private-sector insurers underwriting them to get cold feet.

Now, following the penning of an open letter by the Association to the Chancellor of the Exchequer on the subject, **team** agents all over the country are lobbying their MPs calling for the reintroduction of MIGs – but in an improved version, where the Government acts as the ultimate guarantor.

“In recent months, the authorities have proved perfectly willing to provide guarantees – not to mention vast amounts of actual cash – to help bail out the banks,” says Steve. “By creating new home-owning opportunities for thousands of frustrated first time buyers, without necessarily committing large funds to the purpose, a Government-backed MIG mechanism would inject much-needed new life into the housing market at minimal cost.”

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Westcountry **team** provides valuable support to its members. For further information, contact Joanna Marshall on 01395 233750.

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Digital images are available from bubblepr@mac.com



Notes to editors:

Westcountry **team** is part of **team** Association, the largest organisation for independent estate agents in the UK, with hundreds of members. Westcountry **team** covers Cornwall, Devon and West Dorset, and consists of 70+ members at this time, all of which work together to sell property for clients, and are actively committed to their nominated charity, Macmillan Cancer Support. **team**'s 'blue sky' image, with transparent team logo on a blue sky background reflects the association's and each individual agent's commitment to providing a clear, transparent service to their clients and conducting business in a straightforward, honest and professional way.

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