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Housing sales goes up when prices stay expensive by Jack Grayn

Article published on December 21st 2011 | Loans

A well-known building society has intimated that the people prefer buying home rather getting on rent in Britain and it has been directed by the price rise in rent. The buyers and landlords find it more convenient to get mortgages as credit for buying house since 2009. Director of e.surv, Richard Sexton has claimed that the company has finished more than one million mortgages over the last five years. He has said the market is coming with elasticity in the name of Eurozone crisis. The banks are concentrating on their buy-to-let investors, but it has been noticed that they have focused on first time buyers and it has resulted in the slackest mortgage situation. The first time buyers are getting ready to get high-loan-to-value loans. Bank of England base rate has been on 0.5pc for last 30 months and it has helped to support the sales of properties and houses.

Some estate agents such as LSL Properties service, Your Move and Reeds Rains have claimed that the sales have gone higher by 4.5pc and the properties became more pocket-friendly. Director David Newnes says that the stagnant home prices do not refer to the motionless property value. Zero price growth refers to more affordable house and it is a healthy piece of news that the real cost of houses get smaller when inflation stand on 5pc.

Council of Mortgage Lenders has said that the mortgage lending has gone up to 9.8pc in the month of October and has been rising for last three months and it has contributed about 4.5pc higher in transaction.

Chief economist of Nationwide Building Society of Robert Gardner is very surprised on such situation of property value. He adds that the prices have stayed unexpectedly resistant since the last twelve months but house prices still come classy on a number of metrics. Home prices are moving around 5 times regular income, with comparison to the long run average.

The house prices stays on 25pc higher than its long run values which seems unjustifiable until you think over the relation between demand and supply. While about 108,000 new homes have got their shape in England over the last one year, at the same time, about 240,000 new families were shaped. As a result, the debt cost stays below and the process endures to comfort, the prices could continue to be costly.

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Jack Grayn is financial advisor and work with us. He provides best knowledge to get finance in trouble. He writes articles on a 12 months bad credit loans. And he also provides his valuable views on a 1 year loans for bad credit and a 3 month loans for bad credit. Get more info about it visit:- http://www.12monthbadcreditloans.co.uk/

Article Keywords:
Finance, money and finance, finance news

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