

# Budget 2021: Mortgage expert comments on the new mortgage guarantee scheme

Submitted by: KIS Finance

Thursday, 4 March 2021

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Chancellor of the Exchequer, Rishi Sunak, has announced a new government-backed mortgage guarantee scheme in his Spring Budget as another approach to help more people onto the property ladder

Several of the country's largest banks have already agreed to implement this in the next month.

Holly Andrews, Managing Director of KIS finance (<https://www.kisbridgingloans.co.uk/>) and mortgage expert, says:

“Alongside the Stamp Duty holiday extension and the Help to Buy equity loan scheme, the new mortgage guarantee scheme will go a long way in helping first-time buyers get onto the property ladder. Having to pull together a 10% - 20% deposit has made home ownership more of a dream than a reality for a lot of young people over the last few years.

For those with little in the way of a deposit, finding high loan to value mortgages has been nearly impossible over the last year. 95% mortgages practically disappeared in 2020 because of the Coronavirus pandemic as lenders pulled these loans from the market because of their high-risk nature. This new scheme aims to bring these loans back to the market as the ‘government guarantee’ element removes the risk from the lenders.

With 95% mortgages now set to make a comeback within the next month, this will make home ownership a very realistic goal for first-time buyers. Unlike the Help to Buy equity loan scheme, it is not restricted to first-time buyers or new-build properties only, so the scheme will also aid current home-owners to move up the property ladder and buy higher priced properties.

A scheme that benefits both lenders and customers is very welcomed news and will restore people's confidence in the housing market.”

About KIS Finance:

KIS Finance is an independent finance broker specialising in bridging loans, development finance, commercial mortgages, equity release and residential mortgages.

Our experienced team has considerable financial knowledge gained over many years of working across different areas of the finance sector.

Our specific areas of expertise include:

-All areas of personal and consumer finance including mortgages, loans, money-saving and financial management.

-Commercial and property related finance.

-Financial scams and fraud awareness.

If you would like any further comments on this then don't hesitate to get in touch.

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