

GE Money returns to mortgage market

Mortgage Solutions | 16 Nov 2009 | 09:00

GE Money Home Lending (GEMHL) has relaunched into the purchase market through its igroup brand.

At the Mortgage Business Expo last week, GEMHL, which was one of the largest sub-prime lenders before leaving the purchase market last year, said it took the decision as it wanted to focus on both remortgages and purchases. A limited group of distributors have been selected to launch the range.

The products include a one-year discount product at 4.99% with a £995 fee, along with a two-year fixed rate at 5.59% with a £1495 fee and a three-year fixed rate at 6.04% with a £1995 fee. The loans will be up to 70% LTV and are for properties with a value of up to £500,000.

Mark Snape, sales director at GEMHL, said: "We wanted to go back into the purchase market because we recognise there is a shift in the market to purchases and we wanted to position ourselves to capitalise on that."

Aaron Strutt, communications manager at broker Trinity Financial Group, said the entrance of the new lender should introduce more competition to the market.

He noted: "It is good to see lenders coming back into the market, because more pressure will be put on other banks to lower rates. I believe that the rates are too high for the products to be widely popular."