

Bridging offers chain-break to compete in challenging market

Unless you spent the past 18 months on a desert island then you should have been an extremely busy mortgage broker during that time. The high levels of demand in the property market that were enjoyed in late-2020 and 2021 were fuelled by the stamp duty holiday, the race for space and changing buyer priorities.

However, with that surge having now subsided, a re-calibration of the supply and demand of property in the UK is anticipated for 2022; shifts which will undoubtedly present challenges to both mortgage brokers and prospective purchasers who want to secure their dream properties.

Dwindling housing stock

The recent *Property and Homemover End of Year Report*, published by TwentyCi, revealed there were 6% fewer properties put up for sale in 2021.

This was in part due to the stamp duty holiday ending, but also the scarcity of particular property types that matched the changing needs of buyers, which substantially slowed stock coming to market.

The impacts have clearly been felt by mortgage brokers. In Crystal Specialist Finance's report, *Mortgage Broking in the Post Pandemic World*, 31% of brokers said lack of housing stock was their biggest challenge.

This is an issue which looks to be compounded in 2022 as interest rates rise again to tame inflation and hard-pressed buyers continue to be squeezed by the cost-of-living crisis - all factors which may lead to a sluggish market.

Chain-breaking to remain competitive

This year looks to remain a sellers' market in many parts of the UK, with competition across most property types. With this brings the need for speed and agility when securing the most desirable properties in your client's sights.



It's no surprise then that mortgage brokers have been turning to bridging finance to help propel their clients ahead of the stiff competition.

Bridging is a versatile financial solution with many applications in the mortgage market, but over the past couple of years it has maintained its popularity for dealing with chain-breaks, where it provides a great degree of flexibility. This has ensured countless brokers and buyers have been able to pull deals from the brink, turning a situation which could be a disaster into one where the buyer is at an advantage.

For example, it can facilitate a move before a client has sold their existing home, so there are no red lights impeding their route. It also means buyers can be in a stronger position than their rival buyers, and also be on same level as cash buyers, even making it sometimes possible to get money off the asking price.

This is only possible because of the rapid decision-making processes that bridging lenders employ; it means applications can be turned around quickly, with funds often released within a week.

I expect bridging finance to continue its popularity throughout 2022, as it offers a handy tool and attractive proposition for buyers looking to rescue their delayed properties from collapse.

Having bridging finance in your broker toolbox can make all the difference, but it's also vital to ensure you're securing the very best rates.

Working with a specialist finance expert means you can access exclusive products with the UK's best lenders, but also leverage their experience to speed up decision times and ensure an application is processed right first time.

With 2022 looking to be a different year for the market than 2021, and with the *Property and Homemover End of Year Report* warning that, on average, there is now only approximately two months' property stock available across the UK, it's imperative that mortgage brokers have additional tools such as bridging finance available to ensure they remain competitive in challenging market conditions.

Want to learn more about how bridging can help your client? Get a quick quote at [Crystal Specialist Finance](#) today or speak to one of our experts on [01827 301 070](tel:01827301070).



About Crystal Specialist Finance

[Crystal Specialist Finance](#) are a multi-award-winning specialist distributor, excelling in Bridging, Commercial and Development Finance, including Complex Buy to Lets and Second Charge Loans.

With a marketing leading reputation for customer service and fast, effective completions, they guarantee to beat any like-for-like quote on non-regulated bridging finance and offer competitive proc, in addition to no up-front fees.