

Written Submission 2.24

Mr C Dempster, Director – Future Finance

Dear Mr Millow,

Following the request to review and comment on the proposed Scheme I would make the following comments

As a purely local funder are active in both the mainstream mortgage, private mortgage area and we also provide personal loan to support the purchase of properties.

As a consequence we feel we are well placed to comment in this area of the market place.

The need for a support package to enable first time buyers to enter in the property market is unquestionable, and in general the proposal seems considered.

However I would be extremely cautious if the intention is for the states to administer this program.

As a commercial lender the current market is challenging and all credit application have to be extremely well underwritten and administrated cautiously throughout the life of the agreement.

You estimate 1% of the loan value is optimistic and 2% would be more realistic.

Also I would urge you to consider seeking external support in the administrative area of the proposal, there would be numerous advantages in the States using a third party to assist in the core process such as underwriting, collection of the repayments/interest charges and dealing with arrears etc.

I would be happy to offer any assistance/advice if you required,

Kind Regards

Craig Dempster

Director
Future Finance