



AToM brokers believe crisis is not over

Latest research by mortgage distributor, All Types of Mortgages (AToM), shows that 78% of mortgage brokers believe that the current crisis created by poor underwriting and pricing strategies in the US will continue to have repercussions and result in higher rates for UK borrowers.

The research shows that brokers believe the recent market turmoil will result in several changes within the UK market. 78% thought that more lenders will close their sub-prime operations; 87% believed the FSA will look more closely at sub-prime and 56% of brokers thought there would be consolidation amongst packagers.

Furthermore, the research also showed that brokers are concerned about the effect the sub-prime crisis may have on their business. 48% thought there would be a reduction in sub-prime proc fees and 48% believed that brokers may be forced out of business.

Dale Jannels, sales and marketing director, AToM said: "Our research highlights the belief shared amongst the majority of brokers that the current market uncertainty may have a profound effect on everyone involved in the mortgage industry.

"I personally believe that there will be a flight to quality; within the packager market this will mean that companies with a larger panel will likely fair best."

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