

North Devon Conservatives

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North Devon House Repossessions

The latest statistics on people losing their homes have demonstrated a startling result for North Devon.

Rural North Devon has seen the number of mortgage repossessions increase by 85% in the last three months of 2008 compared with an average increase for the rest of England and Wales of only 14%.

Whilst thankfully the total numbers involved remain low, it is an awful problem for those afflicted by the difficulties being caused by the credit crunch and at the same time, demonstrates how we need to do more to encourage business and jobs to move to North Devon because over the last two decades, we have slipped-back significantly when considering overall poverty levels when counting the number of households with employed adults within them.

However, local campaigner and financial adviser, Philip Milton, wonders if there is an additional problem in that over the last few years, a number of cases have come before him where mortgage requests have succeeded after having been made on fabricated and embellished income statistics, particularly through a few commission-incentivised mortgage brokers who have concentrated on the 'sub-prime' market place. One of the consequences of this would be that these borrowers are the first to fall on hard times because they have borrowed far more than ever they could afford and on inflated house valuation levels which are now seen as being very challenging indeed.

Says Philip:

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“If you believe that you have fallen foul of misleading mortgage advice and that this is causing you financial challenges then please raise the matter. Mortgage advisers have very stringent regulations to which to adhere and encouraging fraudulent applications is not one of them and indeed, mortgage applicants have been jailed in extreme cases, let alone mortgage advisers being struck-off. There is a difference between inadvertent omission and a very spurious application on “self certification” grounds for an applicant who never should have been granted funds in the first place because it was simply creating a more inevitable problem for the future.

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