

PRESS RELEASE:

FOR IMMEDIATE RELEASE

Bank of England Cuts Interest Rates to 5.25% so will it make a difference to the housing market?

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Today the Bank of England have announced a further 0.25% interest rate cut in the hope of preventing the UK economy from falling into recession within the next 2 years.

House prices remained unchanged in January 2008, compared to December 2007, and still growing at a rate of 4.5%, making the average home valued at just over £197,000 according to recent Halifax figures. It is hoped that this rate cut will stimulate growth in the UK economy, although with inflation at 2.1% and higher than the government's target of 2%, it is likely this will be a delicate game of cat and mouse and we will not see the drastic cuts that the US Federal Reserve have taken in the US.

With all these figures, differences in opinion and reports from financial institutions, what is the man/lady in the street expected to make of all this and the impact upon their home? Simon Himsworth of wefindhomes.co.uk thinks that it's all about being realistic about people's home moving and home buying expectations. "There is no doubt that the UK's housing market has changed over the last 12 months or so. It's currently a buyers market which is great news for our clients, but it can be bad news if they have a property to sell and are not advised appropriately. In a fragile market like today's it's even more important that people sell and buy at the right price, and with such abundance of choice on the market, that they ensure they dress their property to sell." Simon goes on to explain, "You will always find examples of houses that sell within days and equally, those that take many months to sell. The trick, and it is a trick and not always a science, is to ensure you have agents truly working with you – and we believe that's both in terms of buying and selling to help you move swiftly and sensibly."

So will the bank's cut in interest rates really help the UK's housing market in general? Clearly it will help those with unfixed mortgages and reduce their monthly payments,

but the experts at wefindhomes don't think it will stimulate significant house price growth this year. Simon's view on the house prices remains the same; "it's unlikely that we'll see house price growth above 4.5% in 2008 – or I would be very surprised to see that. I think the interest rate cut will help to maintain this level, rather than stimulate any additional growth above this. More likely, the value of peoples homes in general terms will remain stable – some say "flat" – but in my opinion that's a reference to those in the housing market for the short term. Most people are in the market as a result of their main home and therefore for the long term. And for that reason, today really isn't that bad a time to sell or buy and you will still gain over the longer term."

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Notes for Editors:

Please only use quotations and factual information provided. For more information on the content of this press release, please contact:

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About wefindhomes:

Wefindhomes are residential property home search agents, commercial PRINCE 2 Project Managers and are Domestic Energy Assessors, deliverers of Domestic Energy Assessments, known as Energy Performance Certificates (EPCs).

Wefindhomes home search service helps property buyers with busy lifestyles to save time and money by providing a dedicated professional to search for their ideal home and remove much of the stress associated with moving home.

For more information, please visit www.wefindhomes.co.uk