

Mortgages 2 hours ago

## Coventry for Intermediaries announces imminent product closure



New products will be launched on July 19 (Chris Ratcliffe/Bloomberg)

By **Tom Dunstan**



Coventry for Intermediaries will be closing products at 8pm on Tuesday July 18, the lender has announced.

In line with the lenders' commitment to provide brokers with two days' notice of product closures, yesterday (July 17) it announced the closure of its products ahead of the launch of new products at 8am on Wednesday July 19.

These changes include increasing all fixed new business rates, withdrawing all fixed new business rates at 80 per cent LTV, and a temporary withdrawal of

remortgage cashback options on offset, interest-only, and offset interest-only.

Changes are also expected to Coventry's buy-to-let products, such as an increase to all fixed BTL and portfolio BTL new business rates at 65 per cent LTV.

A withdrawal of all fixed BTL and portfolio BTL new business rates at 75 per cent LTV is also expected, though there will be no changes to existing customer only rates.

Speaking on the announcement, Mather and Murray Financial independent financial adviser, Samuel Mather-Holgate said: "It's like they know something's coming.

"Withdrawing higher loan-to-value products indicates the uncertainty Coventry is feeling in the current climate."

Mather-Holgate added that this might be followed by other lenders also withdrawing their products, especially if the next inflation print "doesn't drop substantially".

A similar sentiment was expressed by Large Mortgage Loans founder and CEO, Paul Welch, who said: "A worrying sign of what's to come is the notice of product withdrawals from some lenders, indicating that they're bracing for impact on Wednesday when inflation data is announced."

The decision to provide advanced notice was praised by brokers, such as by Yellow Brick Mortgages managing director, Stephen Perkins, who said: "Coventry Building Society continues to show itself as the shining light of mortgage lenders.

"Giving 48 hours' notice of pending product changes, allowing brokers to manage clients' expectations and ensuring rates are secured.

"All whilst other lenders cannot commit to even 24 hours' notice, with many withdrawing rates with little to no notice."

*tom.dunstan@ft.com*