



RESEARCH

in association with

Association of



Mortgage Intermediaries

AMI Toplines

TCF reporting

May 2008

mortgage  
intermediary  
**census**

**The comprehensive  
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## Introduction

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Mortgage Intermediary Census provides a unique source of insights to the attitudes and behaviours of mortgage intermediaries

- In May 2008 the AMI question focused on:
  - TCF culture within firms and their success in meeting the MI deadline
  - Proportion of mortgage business which is interest-only
- 221 advisers participated in the study and fieldwork was undertaken between 14<sup>th</sup> and 23<sup>rd</sup> May 2008
- Where questions were consistent, results are compared to the March and April surveys
  - where 214 advisers participated in March 2008
  - and 243 advisers participated in April 2008

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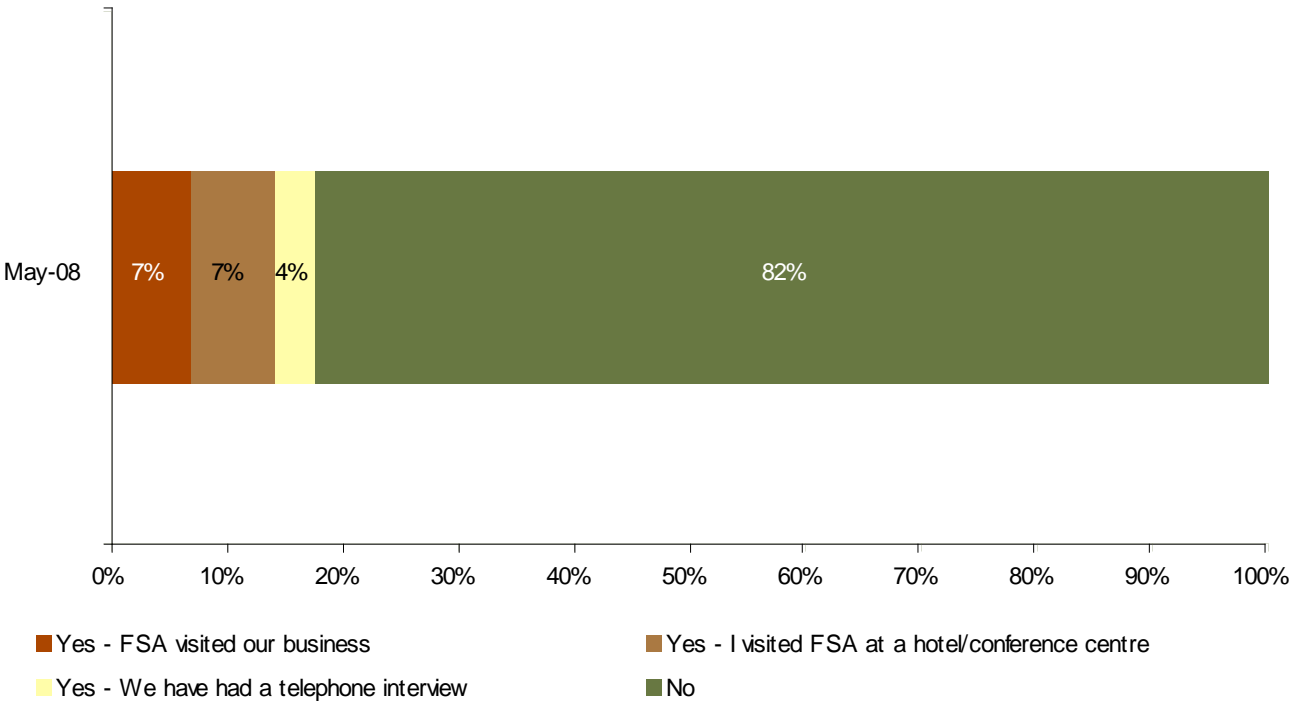
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## Whether had contact from FSA for TCF assessment

Less than 2 in 10 brokers have had any contact from the FSA with regards to TCF assessment

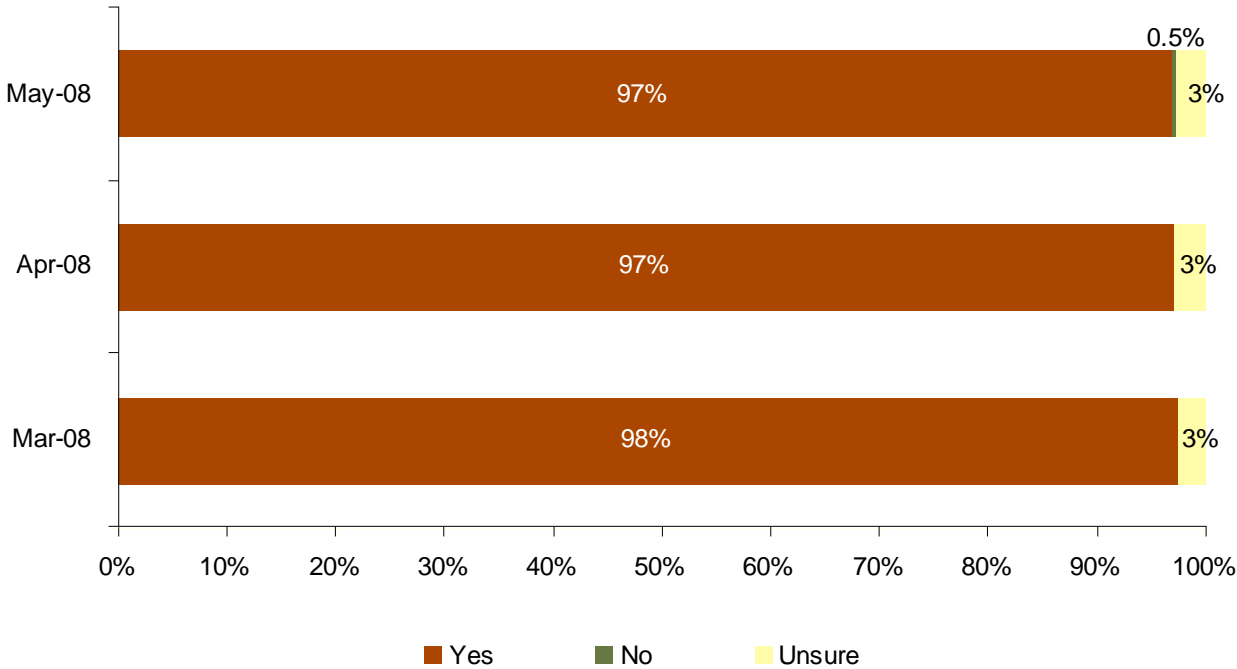


Base: All Respondents: May 2008 (221); **First asked in May 2008**  
Q1 – Have you had any contact from FSA in their TCF assessment work?



## TCF culture in the business

Majority believe that their business has a TCF culture. These results are consistent with the previous two waves

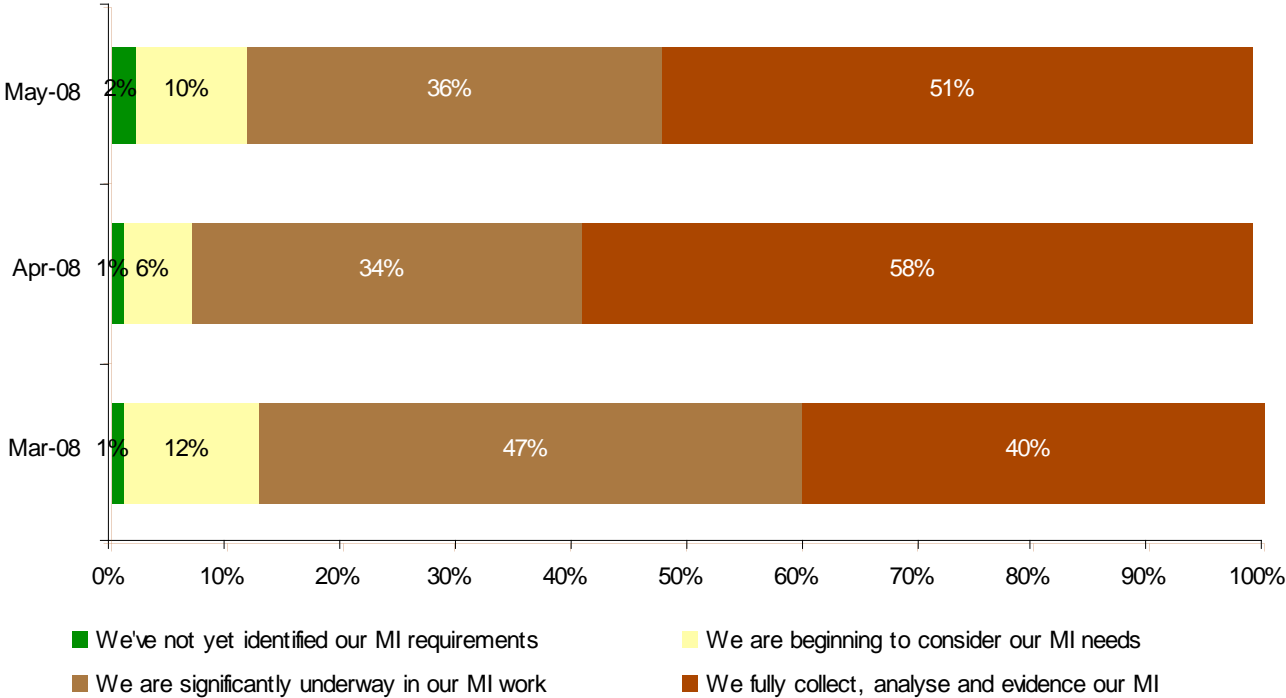


Base: All Respondents: March 2008: (214); April 2008 (243); May 2008 (221)  
Q2 – Do you think your business has a TCF culture?



## Meeting TCF deadlines: State of play

Just over half said they fully collect, analyse and evidence their MI, which is less than last wave but still showing an increase when compared to March



Base: All Respondents: March 2008 (214); April 2008 (243); May 2008 (221)  
 Q3 – In terms of gathering Management Information (MI) to evidence TCF, how prepared is your firm?

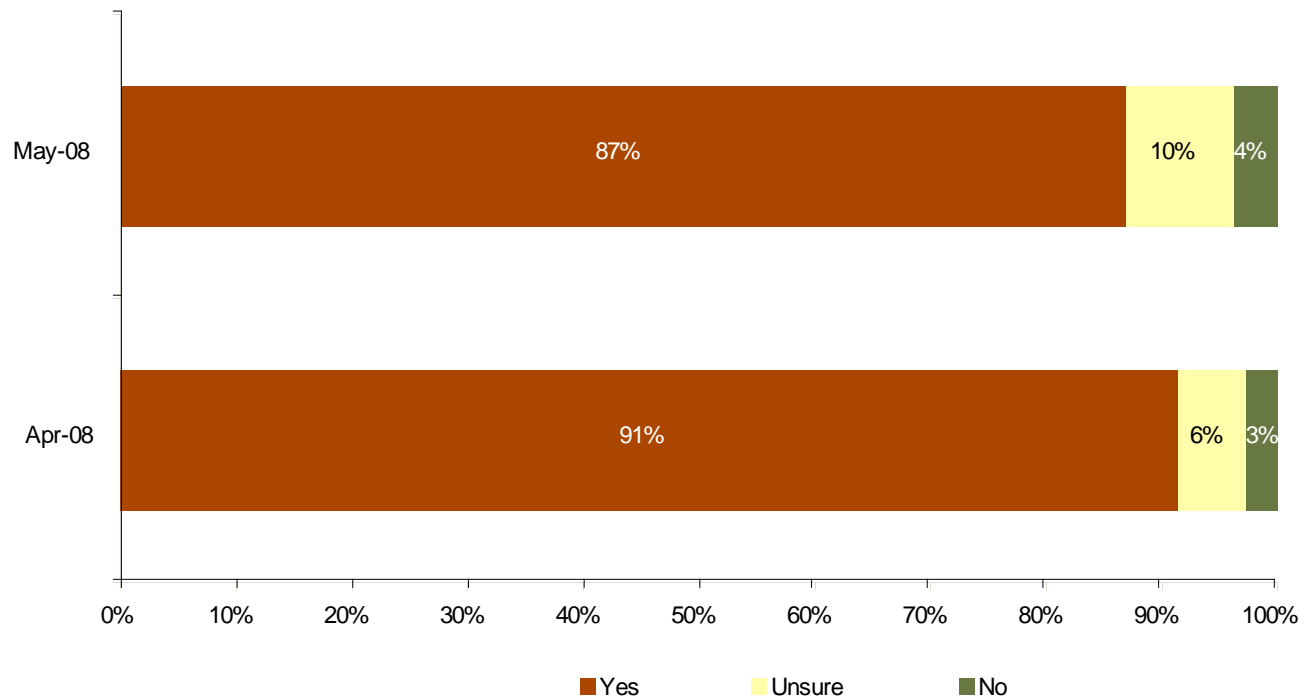
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## Success of meeting 31<sup>st</sup> March deadline

As in April, the majority believe that their firm has successfully met the FSA's 31st March deadline to have appropriate TCF MI in place



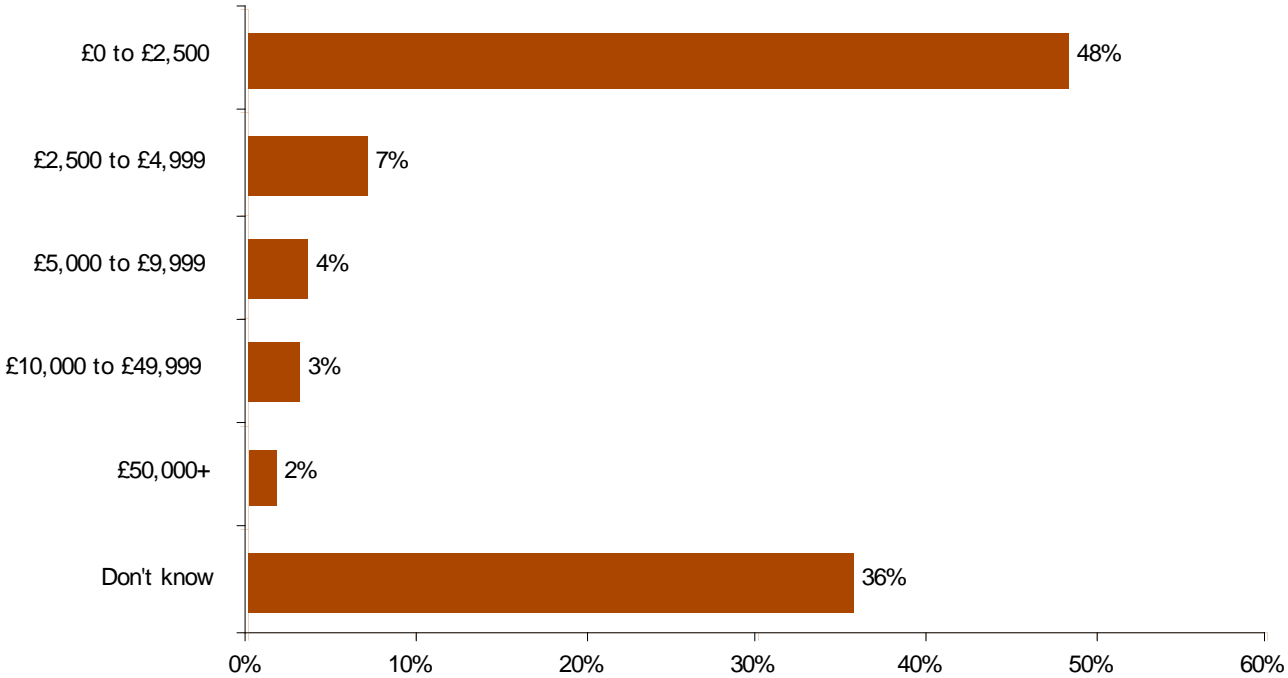
Base: All Respondents: April 2008 (243); May 2008 (221)

Q4 – Do you think your firm has successfully met the FSA's 31st March deadline to have appropriate management information in place to test whether you are treating your customers fairly?



## Amount spent on TCF in last 3 years

Overall, over a third do not know how much their firm has spent on embedding TCF since the initiative began, while almost half say under £2,500 – which is three quarters of those that gave a response



Base: All Respondents: May 2008 (221)  
Q5 – FSA has required all firms to engage with TCF since the initiative began 3 years ago. Approximately how much has your firm spent on embedding TCF over this period?

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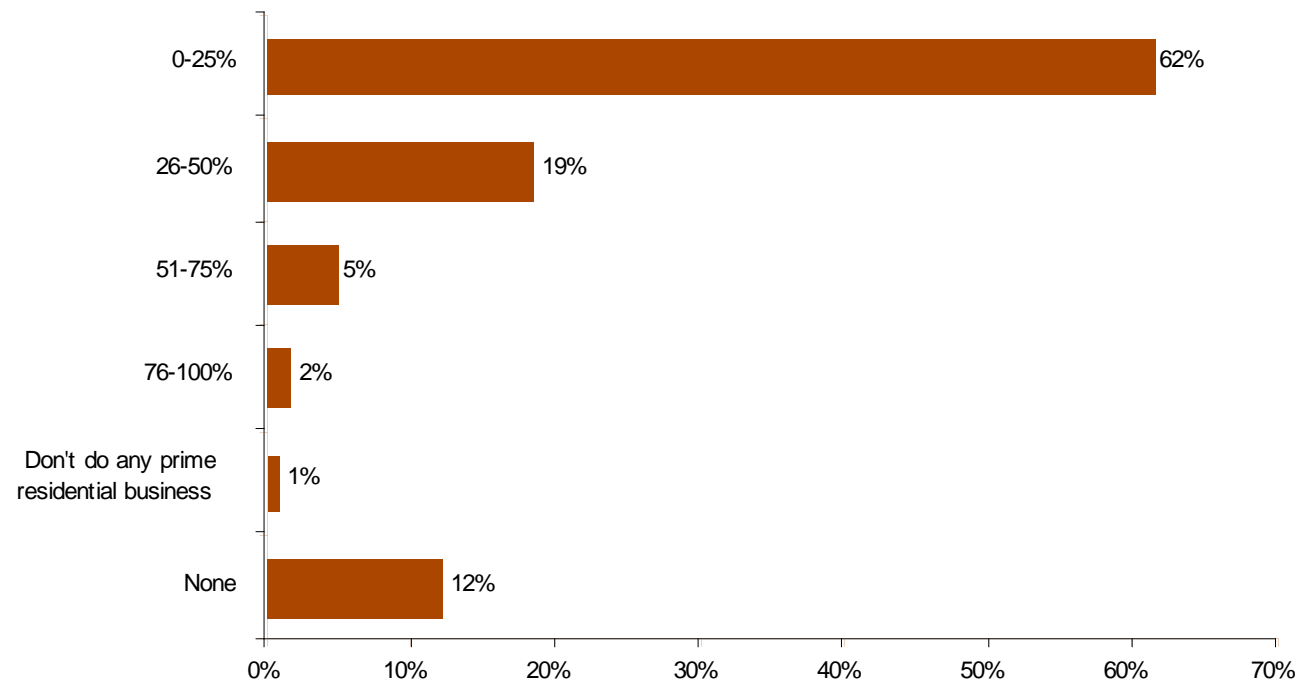


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## Interest-only Prime residential businesses

Over 6 out of 10 brokers say that 25% or less of their prime residential business is interest-only, with a further 2 in 10 saying interest only accounts for 26-50%



Base: All Respondents: May 2008 (221)

Q6 – How much of your prime residential business is interest-only without a formal free-standing repayment vehicle such as endowment, ISA or pension? Please include business where the applicant anticipates downsizing, swapping to repayment at a later date or selling the property.

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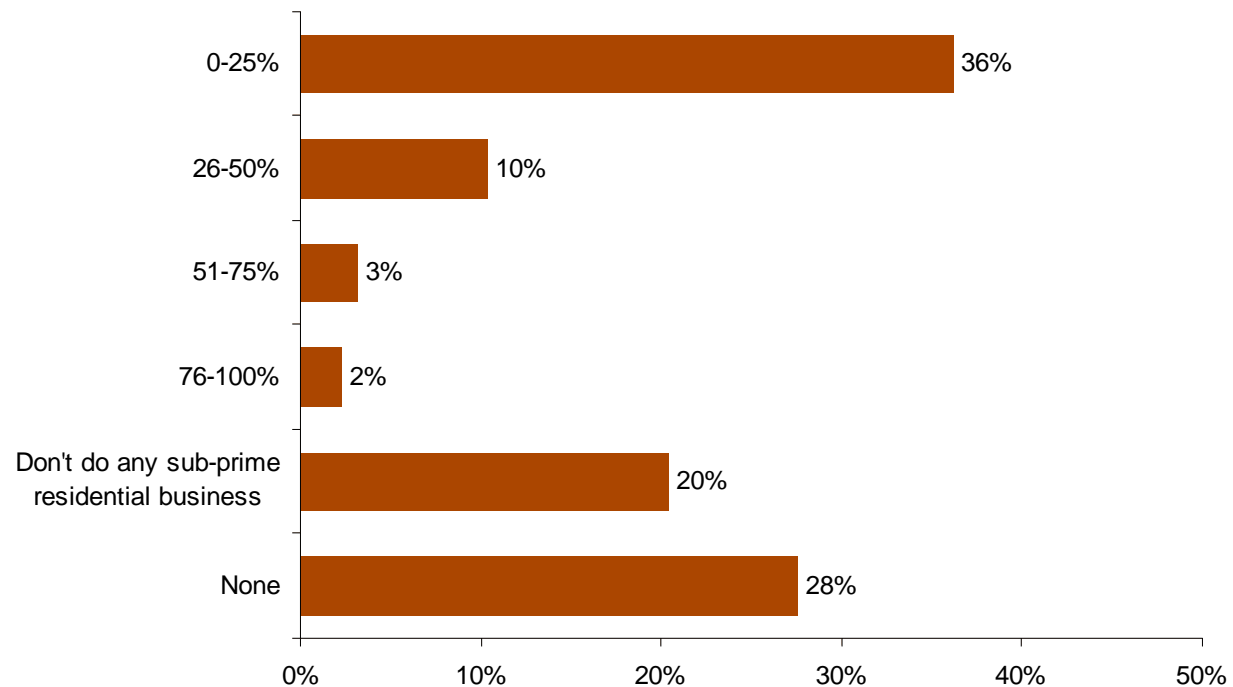


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## Interest-only Sub-prime residential business

1 in 5 do not do any sub-prime business, with over a quarter saying that none of their sub-prime business is on an interest only basis and over a third saying it accounts for up to 25%



Base: All Respondents: May 2008 (221); First asked in May 2008

Q7 – How much of your sub-prime residential business is interest-only without a formal free-standing repayment vehicle such as endowment, ISA or pension? Please include business where the applicant anticipates downsizing, swapping to repayment at a later date or selling the property.

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## **Contacts**

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