



Press Release

Tuesday 4th February 2014

Magellan lowers cost of credit repair range with rates starting from just 5.42%

Magellan Homeloans, the specialist lender which launched into the UK intermediary market in August last year, has passed on lower cost of funding to more closely target the credit repair market.

Rates on the new range start from just 5.42% and are available immediately. Full information, including a downloadable product guide, is available at www.magellanhomeloans.co.uk

Mark Snape, Managing Director Lending at Magellan Homeloans, said: “It became apparent to me when I joined the business earlier this year that brokers were confusing Magellan with the type of sub-prime lenders that exited the market prior to the credit crunch.

“Having worked in that market for many years, I was aware that the type of business which used to be written by those lenders was very different to the business Magellan is targeting today. I therefore felt there was a need to change the focus of our products.

“Magellan is a credit repair lender. Although we’ll take into consideration significant historical adverse credit histories, we don’t lend to anyone with outstanding credit issues incurred in the past 12 months, which makes us not only different to sub-prime lenders of yesteryear, but also near prime lenders today.

“Our range is targeting borrowers who have suffered one-off life events such as redundancy, divorce, or long-term illness which led to financial difficulties.

However, they have got their finances back on-track and now deserve a second chance.”

Mark Snape continued: “The new lower mortgage rates, along with changes to the way we assess affordability, means that more applicants will now have access to competitively priced mortgage funding. We have also made a number of criteria changes, including raising the maximum LTV to 75% for borrowers in debt management plans and allowing our fees to be added above our maximum LTVs.

“Having spoken to a number of intermediary partners, it is clear they are enthusiastic about these changes. They have also confirmed there is a significant market for our proposition and are very positive about our new range and the prospects for the year ahead.”

Magellan Homeloans will consider mortgage applications from borrowers who can explain and document the reasons for their financial difficulties and can demonstrate they have not incurred any new adverse credit during the last 12 months. Magellan doesn't use credit scoring, preferring instead to assess applications based on their own merits.

Magellan's products are available via our panel of leading mortgage networks: Sesame, Intrinsic, IN Partnership, Pink Home Loans, First Complete, Homeloan Partnership, Mortgage Advice Bureau, The Whitechurch Network and Stonebridge.

For further information about Magellan Homeloans' products and services, brokers should initially contact one of the distribution partners listed above or go to www.magellanhomeloans.co.uk

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Notes to Editors

About Magellan Homeloans

Magellan Homeloans is a new lender providing residential mortgages for borrowers needing to repair their credit record but who have been, in the short-term, disenfranchised from the mainstream market.

Magellan Homeloans is a trading style of Mars Capital Finance Limited, which is a wholly owned subsidiary of Mars Acquisition Limited. Mars Acquisition Limited is majority owned by its management and funds managed by Oaktree Capital Management, L.P.

Mars Capital Finance Limited is authorised and regulated by the Financial Conduct Authority. The company was founded in 2008 by the management team with the purpose of acquiring and managing portfolios of residential mortgages.

With their extensive experience of mortgage lending and managing credit-impaired mortgage assets, the executive management team recognise that thousands of borrowers have been locked-out of the UK mortgage market due to life events which caused them to temporarily lose control of their finances. However, many borrowers have learnt a salutary lesson and have taken positive steps to get their finances back on track but, despite being able to demonstrate affordability, remain unable to obtain mortgage finance.

It is this group of borrowers that Magellan Homeloans is seeking to reach.