

Tesco Bank Cuts Mortgage Rates

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Tesco Bank is to help more customers make their property dreams a reality by cutting the mortgage rate on a number of products. The bank now offers some of the most competitive 2, 3 year and 5 year fixed rate and 2 year tracker mortgages on the market, including some of its lowest ever rates, after cutting rates by up to 0.8 percentage points. The bank has also introduced a new 90% LTV 2 year tracker rate for the first time.

The new mortgage products include:

- 1.29% for the 2 year fixed 60% LTV with £800 product fee (plus £195 non-refundable booking fee)
- 2.29% for the 3 year fixed 75% LTV with no product fee (plus £195 non-refundable booking fee)
- 2.89% for the 3 year fixed 85% LTV with no product fee (plus £195 non-refundable booking fee)
- 3.79% for the 5 year fixed 90% LTV with £800 product fee (plus £195 non-refundable booking fee)
- 2.60% for the 2 year tracker at 90% LTV with £300 product fee (plus £195 non-refundable booking fee)

Tesco Bank mortgages continue to offer great value while also rewarding customers with Clubcard points as they repay their mortgage, collecting one point for every £4 on their monthly repayments*. Customers also have the flexibility to make regular or lump sum overpayments of up to 20% of the outstanding balance per annum during the initial rate period, without having to pay an Early Repayment Charge.

David McCreadie, Managing Director, Banking at Tesco Bank, commented:

"We want to make it easier for customers to make a move on the property ladder. Our new mortgage products offer some of the most competitive rates available, and the introduction of our new 90% LTV 2 year tracker rate widens the options available to customers.

"Tesco Bank mortgages provide customers with great value and award-winning customer service, with the added bonus of Clubcard points on their repayments."

Tesco Bank recently won the Best Overall Personal Finance Provider and the Best Direct Mortgage Provider at the 2015 Moneynet Awards.

Tesco Bank mortgage products are straightforward and rewarding:

- They provide customers with the flexibility to make regular or lump sum overpayments of up to 20% of the outstanding balance each year during the initial rate period, without having to pay an Early Repayment Charge.
- Customers can apply for up to two payment holidays per year**.
- Those remortgaging will benefit from free standard legal fees and the first standard valuation.

*BoE is Bank of England

All products will move onto the Tesco Bank Standard Variable Rate (currently 4.24%) at the end of the initial fixed or tracker rate period. Early Repayment Charges may apply during the initial fixed or tracker rate period.

-ENDS-

For more information and media enquires please contact:

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Notes to editors:

*Points are not collected on any fees or charges paid separately from monthly payments.

Points are also collected on overpayments, but not on any overpayment made to pay off the mortgage in full. Clubcard points will be received within 6 weeks of payment. The Clubcard scheme is administered by Tesco Stores. Tesco Stores is responsible for fulfilling the points.

** A payment holiday allows the customer to miss a single monthly payment. A maximum of 6 can be taken over the life of the mortgage. Conditions apply.

About Tesco Bank Mortgages

- Tesco Bank mortgages are available online or by phone, 0845 055 0607, between 8am-9pm Monday to Friday, 9am – 4pm Saturday, from our UK-based customer service team.
- Tesco Bank mortgage products may be withdrawn or changed at any time.
- All Tesco Bank mortgages are subject to a non-refundable booking fee and a product fee may apply depending on the product selected.
- Subject to status and lending criteria

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