



# Lloyds TSB

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## **ONE IN THREE REMORTGAGERS WON'T BENEFIT FROM INTEREST RATE FALLS**

***- Lloyds TSB launches Track & Lock, a new flexible tracker with a fixed rate option***

A third of homeowners are ruling themselves out of benefiting from potential interest rate falls as they refuse to consider a tracker for their next mortgage deal.

In a survey of 1,000 homeowners due to remortgage before the end of year, Lloyds TSB Mortgages found that over 60 per cent believe interest rates will drop in the coming months. Despite this expectation, one in five is not prepared to trust their instinct for fear of being caught out by another rate rise.

To help give consumers the confidence to capitalise on potential interest rate drops, Lloyds TSB is launching *Track & Lock* – a new mortgage product that follows base rate but allows customers to lock into any Lloyds TSB fixed rate deal at any point, without incurring an early repayment charge. By combining the features of two popular products, *Track & Lock* removes the element of chance associated with a traditional tracker, enabling customers to reap the benefits of rate falls, safe in the knowledge they can lock into a fixed rate deal if interest rates begin to rise.

Alison Burns, director of network mortgage sales, Lloyds TSB comments:

“Having witnessed five rate rises in two years, it’s not surprising some consumers are reticent to take a gamble on rates not rising again. Currently just 15 per cent of homeowners have a tracker mortgage but as thousands face increased monthly repayments they need to consider all the remortgaging options available. By ruling out a tracker homeowners are missing out on the opportunity to capitalise on future rate drops. By introducing *Track & Lock* we hope to give customers the confidence to try out a tracker.”

**.../more**

## ONE IN THREE RE-MORTGAGERS WON'T BENEFIT FROM INTEREST RATE FALLS /...2

Rates on the *Track & Lock* product start from as little BBR + 0.24, currently 5.99, and fee free options are available.

Product	Rates	LTV	Application fee	Product fee	Early repayment charge
5 Year Tracker	5.99 (BBR + 0.24)	up to 90%	£99	£299	3%
5 Year Tracker	6.19 (BBR + 0.44)	up to 90%	£99	£0	3%

### Notes to editors:

- The *Track & Lock* product is available for loans between £25,000 and £1 million
- 3% ERC applies if you repay over 10% of the loan's balance in any one year or switch to another mortgage lender during the agreed fixed term.
- Research conducted between 24<sup>th</sup> September and 1<sup>st</sup> October 2007 by Ciao with 1000 homeowners due to remortgage by the end of the year.

### For more information:

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