



8th October 2013

HSBC confirms participation in Help to Buy scheme

HSBC confirms that it will participate in HM Treasury's Help to Buy scheme, extending its current range of mortgages to include 90% to 95% Loan To Value ('LTV').

High LTV lending funding

HSBC has made close to £5bn available for mortgages above 75% LTV in 2013 and plans to allocate a similar amount in 2014.

Affordability:

All HSBC mortgage borrowers are currently assessed for affordability at an interest rate significantly in excess of the Bank of England base rate. In order to further protect our customers opting for a 90% to 95% LTV mortgage, HSBC will ask them to acknowledge a repayment illustration, which will provide a helpful indication of what their increased monthly mortgage payment would be when interest rates rise.

Antonio Simoes, CEO of HSBC in the UK said:

"We want to support our home owning and home buying customers and recognise that particularly for first time buyers, building the necessary deposit can be a real challenge. HSBC already offers some of the most competitive higher LTV mortgages in the market and currently promise to beat or match rates from our high street competitors at 90% LTV. By participating in Help to Buy, we will go further and offer mortgages up to 95% LTV."

All 90-95% LTV mortgages will only be sold on an advised basis in the bank's branch network, and, in line with all HSBC mortgages, will not be offered through mortgage brokers. HSBC believes this direct approach ensures that it is able to provide the right products and great value to its customers.

HSBC's policy of no interest-only lending on mortgages above 75% LTV means that our Help to Buy mortgages will be available on a capital repayment basis only.

HSBC is planning to offer Help to Buy mortgages between 90% and 95% LTV later this year.

- ends -

For further information please contact:

James Thorpe – 020 7992 1433

jamesthorpe@hsbc.com

or

Charles Clarke – 020 7991 8805

charleswclarke@hsbc.com

Notes to editor

Relevant mortgage lending statistics for HSBC in the UK:

- Gross new mortgage lending in 2012 - £16.4bn
- Approved £5bn to UK first-time buyer (FTBs) in 2012
- New approvals market share in 2012 – 13.6%
- HSBC helped 177,000 borrowers including 40,500 FTBs in 2012

* HSBC's 'High Street Specials' range will match on sale rates with booking fees of up to £999 at 90% loan to value (LTV) offered by Barclays, Woolwich, Halifax, Lloyds TSB, Nationwide, NatWest, Royal Bank of Scotland, Santander and excludes any of their subsidiaries or other trading names. This represents 81% of the total mortgage market. Offer applies to like for like comparisons and rates available at the point of application. The maximum loan size is £400,000. House purchases only. The promotion will run until 3rd November 2013.

For the latest updates, visit the **UK Press Office social media newsroom:**

<http://www.hsbc.co.uk/newsroom>

http://twitter.com/hsbc_uk_press

HSBC Bank plc

HSBC serves 16.1 million customers in the UK and employs approximately 47,000 people. In the UK, HSBC offers a complete range of personal, premier and private banking services including [bank accounts](#) and [mortgages](#). It also provides commercial banking for small to medium businesses and corporate and institutional banking services. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc.

The HSBC Group

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 6,600 offices in 80 countries and territories in Europe, the Asia-Pacific region, North and Latin America, and the Middle East and North Africa. With assets of US\$2,645bn at 30 June 2013, the HSBC Group is one of the world's largest banking and financial services organisations.