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INCREASING HOUSE PRICES OFFER THE CHANCE TO MAKE SIGNIFICANT INTEREST SAVINGS

*** Re-mortgaging homeowners can take advantage of fee free products and lower loan to value deals and save ***

Rising house prices over recent years now offer homeowners the opportunity to save thousands of pounds in interest according to latest research by HSBC. Mortgaged homeowners who have seen the value of their properties rise can also benefit from the equity in their home rising. By re-mortgaging at a lower loan to value, they can lower their borrowing rate and make significant savings.

Those in London can expect to benefit the most from the improved equity in their home as prices have risen 23.6% in just two years. However, with the exception of the north east, homeowners across all regions of England and Wales have seen the equity in their homes rise over the last 24 months.

	North East	Wales	North West	South West	East Mids	West Mids	East	South East	London	Eng & Wales
Av. house price + / - Apr 12 to Apr 14	-1.7%	+1.4%	+1.5%	+4.3%	+6.2%	+6.8%	+8.8%	+9.5%	+23.6%	+7.8%

Based on Land Registry House price data. April to April data used as it is the most recent available.

In addition, by factoring in capital repayments homeowners are even more likely to be able to switch to a lower loan to value bracket upon re-mortgaging. The average mortgage agreed in April 2012 was for £124,989, so a typical homeowner with a capital repayment mortgage would have paid down a further 5.1%* of their loan over the following two years.

Potential savings

Loan Size	Monthly payment based on average new mortgage rate in April 2012 - 3.63%	Monthly payment after switching to 'best buy' 75% LTV Tracker at: 2.49%	Saving over two years	Monthly payment after switching to 'best buy' 60% LTV Tracker at: 1.99%	Saving over two years
£100,000	£508	£452	£1,344	£429	£1,896
£150,000	£761	£678	£1,992	£643	£2,832
£250,000	£1,269	£1,130	£3,336	£1,072	£4,728
£350,000	£1,777	£1,582	£4,680	£1,501	£6,624

Assumes a 25 year term starting in April 2012

Peter Dockar, head of mortgages at HSBC commented: "We are seeing an increase in the number of customers switching deals, with four in ten using their improved equity to reduce their mortgage payment too. With mortgage rates climbing as a base rate increase appears

ever closer, it looks like this will be the last chance for many homeowners to access these. We are going to remove the fee off of all of our mortgage products to give as many customers as possible the chance to re-mortgage now.”

This offer will be available to all customers: remortgagers, first time buyers and homemovers. HSBC will also pay the legal costs involved in transferring the mortgage from their existing lender**.

Peter Dockar, Head of Mortgages at HSBC, said: ‘Homeowners are telling us that they are looking for a low cost way to move to a better value mortgage to help with their monthly budgets.

‘Our fee free deals allow them to reduce monthly outgoings with minimal hassle and cost. Borrowers with a lender which charges no exit fee can switch to a lower rate at no cost at all.’

To apply customers can visit [hsbc.co.uk](https://www.hsbc.co.uk), call 0800 169 6333 or visit a branch.

Fee-free means:

- No booking fee
- No standard valuation fee
- No completion fee

HSBC tracker rates available from

MAX LTV	% ABOVE BASE RATE	CURRENT RATE PAYABLE	APR	MAX LOAN SIZE
60%	1.89%	2.39%	2.4%	n/a
70%	2.19%	2.69%	2.7%	n/a
80%	2.49%	2.99%	3.0%	n/a
85%	3.49%	3.99%	4.1%	£400K
90%	4.19%	4.69%	4.8%	£400K

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HSBC will cover the cost of one standard valuation where this is required by HSBC as part of the mortgage application. In addition, for homeowners wanting a straight forward transfer from another lender, HSBC also pays the standard legal costs.

- Ends -

For further information please contact:

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Notes to editors:

* based on the average interest rate for a new mortgage being 3.63% at the time and a 25 year mortgage.

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