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STABILITY SEEKERS: SEVEN IN TEN HOUSE-HUNTERS WILLING TO CONSIDER FIXING MORTGAGE FOR 10 YEARS

- *Men much more likely to commit to the long term than women*
 - *Top reasons for fixing are financial stability and security*
- *HSBC launches market leading 10 year fixed rate mortgage at 2.79%*

Seven in ten house-hunters (72 per cent) would consider fixing their mortgage for 10 years as a way of providing certainty on financial outgoings, according to new research commissioned by HSBC.

The research, which marks the launch of HSBC's new 10 year fixed rate mortgage at 2.79% today, also revealed that millennials are most likely to seek mortgage stability with almost 8 in 10 (78 per cent) willing to consider fixing for 10 years, followed by Londoners (71 per cent), those in the North East (62 per cent) and Yorkshire & Humberside (51 per cent).

The findings also show:

- One quarter more men (56 per cent) than women (45 per cent) would consider committing to a long-term relationship with a mortgage and fixing for 10 years;
- Nearly half of Brits (45 per cent) cited the stability and security of knowing how much they have to pay each month as the top reason for considering fixing their mortgage rate for 10 years;
- One third (34 per cent) feel uncertain about how mortgage rates may change in the future

Top reasons for wanting to fix a mortgage for 10 years
1. Stability and security (45 per cent)
2. Makes budgeting easier (43 per cent)
3. Financial peace of mind (41 per cent)
4. Reducing stress (35 per cent)
5. Uncertain about mortgage rates changing in the future (34 per cent)
6. Would feel secure as I don't know what will be doing in 10 years (26 per cent) and convenience (26 per cent)
7. To focus on more important things (23 per cent)
8. Previous experience of mortgage rate increases (22 per cent) and avoiding having to do the required administration (22 per cent)
9. It would be helpful in applying for other financial products (18 per cent)

10. Due to recent increases in stamp duty and not wanting to risk mortgage rates going up (11 per cent)

Tracie Pearce, HSBC's Head of Mortgages in the UK said: "Ten years might seem like a lifetime away, yet our research shows that we like to plan ahead and are currently looking for security. Fixing a mortgage rate for the long term offers customers certainty that their mortgage repayments will not increase over that period.

"Our commitment to offering value to our customers can be seen with our 2 year fixed rate at 0.99%, our 5 year fixed rate at 1.99% and now our new 10 year fixed rate at 2.79%. Fixing a mortgage now can give homeowners important peace of mind, and the new 10 year products offer the assurance that their mortgage rate won't change regardless of what else might happen with the economy or what the Bank of England Base Rate does."

The research also found that in 10 years' time:

- Half of Britons believe they will still have the same current account (49 per cent)
- Two in five (41 per cent) expect to have the same mobile number
- One quarter (24 per cent) will still have the same hairstyle
- Seven in ten still believe they will have the same partner (72 per cent)
- Almost 3 in 10 (28 per cent) will be working in the same company.

Despite 10 years seeming a long way off to many, proving how quickly time flies, a quarter of people can correctly recall the biggest selling pop song, 'Crazy' by Gnarlz Barkley (25 per cent) and the biggest selling film, 'Pirates of the Caribbean: Dead Man's Chest' (21 per cent) from 10 years ago.

Available from today, the HSBC 10 year fixed mortgage is a market leading rate of 2.79%, which is available for purchases and remortgages for up to 70% LTV. There is no product fee.

10 year fixed rate mortgage features:

- Interest rate: 2.79% up to 70% LTV, 2.99% up to 80% LTV
- Product fee: None
- Overpayments: Yes, up to 10% of the mortgage balance per annum
- Free standard valuation fees for both purchases and remortgages
- Free standard legal fees for remortgages



5 year fixed rate mortgage features:

- Interest rate: 1.99% for mortgages up to 60% LTV
- Product fee: £999 (£749 for Premier and Advance customers)
- Overpayments: Yes, up to 10% of the mortgage balance per annum
- Maximum loan size: £500,000

2 year fixed rate mortgage features:

- Interest rate: 0.99%
- Product fee: £1,499
- Loan To Value: 65%
- Overpayments: Yes, up to a maximum of 10% of the mortgage balance per annum.
- Maximum loan size: £500,000

For more information, please visit www.hsbc.co.uk/mortgages

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Notes to Editors

Online research carried out by Opinium between 24th and 31st May 2016, polling over 1,500 UK homeowners and current house-hunters.

For the latest updates, visit the **HSBC UK newsroom**: <http://www.about.hsbc.co.uk/news-and-media>

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HSBC Bank plc

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