

## permanent tsb cuts mortgage rates for new customers by between 0.36% and 0.42%

**“These new rates show that permanent tsb is bringing real competition to the mortgage market” – Richard Kelly Head of Mortgages**

**EMBARGO 00.01am Monday 5<sup>th</sup> January 2015.** permanent tsb bank has announced a series of interest rate cuts for new mortgage customers, effective next Monday, 12<sup>th</sup> January. The new rates will make permanent tsb one of the most competitive mortgage providers in a number of key market segments.

Following the cut, permanent tsb’s managed variable rate for new mortgage customers will be **3.76%** (variable) APR\* – down 0.36% on the current managed variable rate where the loan is 50% or less of the value of the house. The managed variable rate for customers whose loan is between 70% and 80% of the value of the house will see a cut of 0.42% to an APR of 4.07%.

Speaking today, **Richard Kelly, Head of Mortgages at permanent tsb bank**, said that the new rates highlighted permanent tsb’s position as a strong competitive force in the mortgage market; “We have grown our market share to 13% over the past two years and we are determined to continue that momentum into 2015. These new rates show that permanent tsb is bringing real competition to the mortgage market and we will continue to provide mortgage credit to those customers who demonstrate affordability and are credit worthy.”

permanent tsb charges different interest rates for new and existing managed variable rate customers depending on the size of the mortgage relative to the value of the house bought (known as Loan to Value Mortgages). The bank sets different variable rates depending on whether the mortgage is up to 50% the value of the house or between 50% and 60% of the value of the house and so on up till between 80% and 90% of the value of the house.

The new rates that will apply for these different categories for Residential Customers are as follows:

	<b>New Rate</b>	Old Rate	<b>New APR</b>	Old APR	<b>A DROP OF</b>
Loan to Value Managed Variable Rate <= 50% LTV	<b>3.70%</b>	4.05%	<b>3.76%</b>	4.12%	<b>0.36%</b>
Loan to Value Managed Variable Rate > 50% <60%LTV	<b>3.80%</b>	4.15%	<b>3.87%</b>	4.23%	<b>0.36%</b>

Loan to Value Managed Variable Rate > 60% <70% LTV	<b>3.90%</b>	4.25%	<b>3.97%</b>	4.33%	<b>0.36%</b>
Loan to Value Managed Variable Rate >70% < 80% LTV	<b>4.00%</b>	4.40%	<b>4.07%</b>	4.49%	<b>0.42%</b>
Loan to Value Managed Variable Rate >80% <90% LTV	<b>4.20%</b>	4.59%	<b>4.28%</b>	4.69%	<b>0.41%</b>

**Warning: The cost of your monthly repayments may increase.**

The cuts announced today will also apply to existing customers with a Managed Variable Rate (MVR) loan. Rates for existing customers with tracker, fixed rate or Standard Variable Rate (SVR) mortgages will remain unchanged.

#### **Cuts to fixed rate mortgages for new residential customers:**

The bank has also announced a series of cuts to its fixed rate mortgages for new residential customers complimented with a wider variety of fixed rate options to choose from. For instance, the bank will make 4 and 5 year fixed rate terms available to new mortgage customers whereas currently fixed terms are only available for 1, 2 and 3 year terms. The rates applied will vary depending on the size of the loan related to the value of the house. For example, the **2 year new business fixed rate** is 3.85% (fixed) APR where the loan is 60% or less of the value of the house or the **5 year new business fixed rate** is 3.90% (fixed) APR where the loan is 60% or less of the value of the house.

**Warning: You may have to pay charges if you pay off a fixed-rate loan early.**

#### **Cuts of up to 0.5% to Managed Variable Rate (MVR) mortgages for new and existing Buy-To-Let customers:**

In addition, the bank, will also cut rates for new and existing Resident & Non Resident Buy-to-Let customers. Key rates include 4.91% (variable) APR where the LTV is up to 50%; 5.06% (variable) APR where the LTV is between 50% and 60%; and 5.17% (variable) APR where the LTV is between 60% and 75%. These are APR variable rate reductions of 0.47%, 0.47% and 0.52% respectively on the rates currently available for these products. The maximum LTV for a Non-Resident Buy-to-Let customer is 70%.

\*Annual percentage rate of charge

## Notes to the editor

Lending criteria, terms, conditions and other restrictions apply. Initial credit approval is provided on request prior to letter of approval, where property has not been identified or a valuation has not been provided. Security and insurance required. Applicants must be aged 18 years or over. The maximum Loan to value (LTV) for a First Time Buyer & Mover customer is 90%. Lending levels are subject to a total monthly repayment commitment typically not exceeding 35% of disposable income; percentage will vary depending on individual circumstances. The monthly repayment on a 20 year Loan to Value Managed Variable Rate greater than 80% LTV and less than or equal to 90% LTV mortgage of €100,000 (Annual Percentage Rate of 4.7%) is €637.51. If interest rates increase by 1% an additional €55.47 would be payable per month. Rates correct as at 31/12/2014 but are subject to change. Calls may be recorded. **permanent tsb** p.l.c. is regulated by the Central Bank of Ireland

**Warning: If you do not keep up your repayments you may lose your home.**

**Issued on behalf of permanent tsb by Gordon MRM**

[ptsb@gordonmrm.ie](mailto:ptsb@gordonmrm.ie)

Ray Gordon 087 2417373