



9<sup>th</sup> April 2019

## **AIB introduces new competitive fixed rates to complement existing market leading variable rates for mortgages**

- **AIB uniquely offering Customers choice through highly competitive fixed and variable rate offerings**
- **AIB reduces all Mortgage Fixed Rates\* in response to growing customer demand for greater repayment certainty**
- **Introduces new market leading 10 year fixed rate offering longer term value and certainty**

Ireland's largest mortgage provider AIB, who already offer the lowest variable rates in the market, are introducing a range of highly competitive new fixed rates, from one year to ten years in order to offer customers real choice and support customers who are looking for repayment certainty and long-term security.

In addition to new lower rates on one, two, three, four, five, seven year fixed rates, AIB will introduce a new market leading ten year fixed rate offering at 3.30% as increasing numbers of consumers opt for longer term fixed rates in the Irish mortgage market.

Colin Hunt, CEO said "AIB backs our customers to achieve their dreams and ambitions. As the Mortgage market leader we are offering value and choice by introducing highly competitive fixed rate pricing, to complement our lowest variable offering in the market."

Tom Kinsella, Managing Director of AIB Homes also commented "At a time when some customers have told us they require certainty, we're evolving our mortgage pricing proposition to provide them with medium and long term propositions that give them security. These changes are consistent with our pledge to give AIB customers a fair mortgage and real choice."

AIB's Intermediary channel, Haven, has also introduced one, two, three, four and five year fixed rate reductions.

In addition to these fixed rate reductions, AIB's full mortgage proposition is now unique in the market offering customers:

- Fee free transaction banking once a customer is paying their mortgage through their AIB current account
- A mortgage decision at point of engagement
- 'MyMortgage App' where customers can upload documents and track their mortgage application
- 12 month Sanction in Principle
- Movement through the Variable Loan to Value bands
- Six months deferred start

**ENDS**

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#### Notes to Editors:

\*For owner occupier, primary dwelling home mortgage customers. Revised fixed rates come into effect from April 10<sup>th</sup> 2019 for all new customers and existing variable rate customers who wish to opt for a fixed rate. If an existing customer is already on a fixed rate and wants to avail of the new rates an early breakage cost may apply.

The changes included in this announcement apply to AIB customers in the Republic of Ireland only.

#### LTV Variable Interest Rate and SVR

Loan to Value (LTV) Variable Interest Rate: The LTV variable interest rate available depends on the LTV band (which must be supported by a valuation report). The LTV band is the percentage representing the difference between the loan amount and the value of the property. For example, if a customer has a mortgage of €80,000 on a property valued at €100,000, their LTV rate band would be 80%.

Private Dwelling House (PDH) Standard Variable Rate is held by existing owner occupier mortgage customers only and is known as "PDH SVR". Customers who availed of this rate at loan draw-down remain on this rate for the duration of the loan term, unless they request to switch to a PDH fixed interest rate or to our 'LTV' variable interest rate. It is also the default reversionary rate for customers rolling off a fixed rate if they chose not to re-fix or avail of a LTV rate at the end of their fixed rate period.

#### Summary of rate changes announced

##### AIB

Owner Occupier Fixed Rates	Current	New Effective from 10 April 2019	Reduction
1 Year Fixed	3.20%	3.15%	-0.05%
2 Year Fixed	3.20%	3.15%	-0.05%
3 Year Fixed	3.20%	2.85%	-0.35%
4 Year Fixed	3.30%	2.85%	-0.45%
5 Year Fixed	3.30%	2.85%	-0.45%
7 Year Fixed	3.50%	3.15%	-0.35%
10 Year Fixed	n.a.	3.30%	n.a.

Owner Occupier Variable Rates	
SVR	3.15%
LTV <50%	2.75%

LTV 50% - <80%	2.95%
LTV >80%	3.15%

## HAVEN

<b>Owner Occupier Fixed Rates</b>	<b>Current</b>	<b>New</b> Effective from 10 April 2019	<b>Reduction</b>
1 Year Fixed	3.20%	3.15%	-0.05%
2 Year Fixed	3.20%	3.15%	-0.05%
3 Year Fixed	3.20%	2.85%	-0.35%
4 Year Fixed	3.30%	2.85%	-0.45%
5 Year Fixed	3.30%	2.85%	-0.45%

<b>Owner Occupier Variable Rates</b>	
SVR	3.15%
LTV <50%	2.75%
LTV 50% - <80%	2.95%
LTV >80%	3.15%