



7<sup>th</sup> August 2015

## **AIB, EBS and Haven reduce mortgage interest rates again for both new and existing Owner Occupier mortgage customers**

- **Reduction of 0.25% in AIB, EBS and Haven variable rates applies to all Owner Occupier mortgages**
- **Standard Variable Rate (SVR) now 3.65% (AIB), 3.70% (EBS) and 3.72% (Haven)**
- **Reduced AIB & Haven Loan-to-Value (LTV) based variable rates from 3.35% and EBS from 3.30%**

AIB Group today (Friday 7<sup>th</sup> August) announces a cut of 0.25% in its Standard Variable Rate and Loan to Value mortgage rates across AIB, EBS and Haven for its owner occupier customers. This is the third rate reduction in ten months and will apply to new and existing customers with effect from 1<sup>st</sup> October, 2015.

AIB's Chief Executive, Bernard Byrne, said, "We are confirming the latest reduction in mortgage interest rates in tandem with the bank's announcement of its Half-Yearly Financial Results that strongly reflect our improved financial performance. We committed to keep mortgage rates under constant review and to reduce these rates for both new and existing customers if and when AIB's funding conditions allowed. Fortunately, we are again in a position to do so today."

The latest move benefits approx. 156,000 mortgage account holders, leading to very significant annual savings. As an example, Owner Occupier customers with a €200,000 mortgage on a 25 year term will save an additional €325 per annum following this announcement. The combined annual savings from the three reductions announced by AIB in the last 10 months is €988 for AIB, and €1,166 for EBS/ Haven on an annualised basis.

Customers may also choose to move to the Banks' 1 year fixed rate option at 3.50%. For existing SVR customers this will result in an additional saving of €193 per annum. The Bank continues to offer competitively priced fixed rates of 3.50% for 1 year, 3.65% for three years, and 3.80% for a five years fixed.

New and existing Owner Occupier customers will benefit from the 0.25% reduction across all AIB, EBS and Haven SVR and LTV rates.

**-See also tables below-**

### **Further information from AIB Press Office:**

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**Notes to Editors:**

1. Revised variable rates come in to effect from October 1<sup>st</sup>2015 for new and existing customers.
2. This reduction is not linked to the European Central Bank base interest rate and will therefore not apply to tracker mortgage holders.
3. There are no changes to AIB's range of existing competitively priced fixed rates.
4. The revised rates apply to 'Owner Occupier' or 'Primary Dwelling Home' mortgages.
5. Individual SVR Customers will be advised of the changes in writing.
6. The changes included in this announcement apply to the Republic of Ireland only (AIB, EBS and Haven)
7. EBS and Haven form part of AIB Group.

<b>Customer Impact - SVR reduction</b>				
<b>SVR €200k Mortgage</b>	<b>20 Years</b>	<b>25 Years</b>	<b>30 Years</b>	<b>35 Years</b>
<b>Monthly Saving</b>	€25.86	€27.06	€28.22	€29.34
<b>Annual Saving</b>	€310.32	€324.72	€338.64	€352.08
(Monthly repayments sum over term of the mortgage)				

<b>Customer Impact - SVR customer moving to fixed</b>				
<b>€200k Mortgage</b>	<b>20 Years</b>	<b>25 Years</b>	<b>30 Years</b>	<b>35 Years</b>
<b>Monthly Saving</b>	€15.38	€16.06	€16.72	€17.36
<b>Annual Saving</b>	€184.56	€192.72	€200.64	€208.32
(Monthly repayments sum over fixed period)				

**Summary of variable changes announced:**

<b>Mortgage Rates October 2015</b>	<b>AIB</b>			<b>HAVEN</b>			<b>EBS</b>		
	<b>Current</b>	<b>New</b>	<b>Reduction</b>	<b>Current</b>	<b>New</b>	<b>Reduction</b>	<b>Current</b>	<b>New</b>	<b>Reduction</b>
<b>Owner Occupier</b>									
<b>Standard Variable Rate (SVR)</b>	3.90%	3.65%	0.25%	3.97%	3.72%	0.25%	3.95%	3.70%	0.25%
<b>LTV Variable:</b>									
<b>LTV &lt;=50%</b>	3.60%	3.35%	0.25%	3.60%	3.35%	0.25%	3.55%	3.30%	0.25%
<b>LTV &gt;50% &lt;=80%</b>	3.80%	3.55%	0.25%	3.80%	3.55%	0.25%	3.75%	3.50%	0.25%
<b>LTV &gt;80%</b>	4.00%	3.75%	0.25%	4.00%	3.75%	0.25%	3.95%	3.70%	0.25%

**-Ends-**