

For immediate release

9 November 2001

C&G LAUNCHES NEW RANGE OF LOWER-PRICED FIXED AND CAPPED-RATE MORTGAGES

Cheltenham & Gloucester, the UK's third largest residential mortgage lender is launching a new lower-priced range of fixed and capped-rate mortgages to replace its previous range announced on 25 September 2001.

Heading the changes is a mortgage fixed at 4.69% for one year. In addition, its two, three, five and seven year offers have also been re-priced and customers can now fix their mortgages at between 4.99% and 5.99%. The re-introduction of a four-year capped-rate mortgage offering rates of 5.79% and 6.09% completes the range (see notes to editors for full rates and APRs). Early repayment charges will be restricted to the length of the fixed-rate period.

In addition to the rate changes that take place on 12 November, C&G will also waive all administration fees for remortgage cases submitted by the end of the year.

Nick Hale, C&G's sales director commented, 'With base rates at their lowest level for approaching 50 years many people feel that there is little room for further reductions – so now is a good time to secure a low rate for a guaranteed period. This new range of fixed rates is among the lowest that C&G has ever offered. I believe they will more/

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encourage first-time buyers, be welcomed by existing borrowers and provide a real financial 'hedge' against the economic uncertainty of these times.

'Coupled with these attractive rates we have also waived application fees for remortgage business. This initiative will prove popular with intermediaries as well as with borrowers seeking a more competitive mortgage deal.

'Combined with our no strings policy, the lack of mortgage indemnity guarantee premiums and our overall product flexibility – there can be no better time to take a C&G mortgage.'

ENDS

Notes to Editors

1. New fixed and capped-rate offers (available from 12 November 2001)

Fixed rate period	LTV of 90% or less	LTV of 90% - 95%
1 year	4.69% (6.1% APR)	4.99% (6.1% APR)
2 Year	4.99% (6.0% APR)	5.29% (6.1% APR)
3 Year	5.29% (6.0% APR)	5.59% (6.1% APR)
5 Year	5.49% (6.0% APR)	5.79% (6.1% APR)
7 Year	5.69% (6.1% APR)	5.99% (6.2% APR)
4 Year Capped	5.79% (6.1% APR)	6.09% (6.2% APR)

2. Where repayment charges apply they are calculated as a percentage of the amount repaid. The highest percentage applies to repayments in year one, reducing by 1% annually to 1% in the final year.

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Example:

A borrower with a three-year fixed-rate loan would be charged 3% of the amount repaid if redeemed in year one, 2% in year two and 1% in year three.

However, customers can repay up to 10% of the loan balance each year without incurring a charge.

3. The fixed rate periods end as follows;
 One-year Fixed – 31 March 2003
 Two-year Fixed – 31 March 2004
 Three-year Fixed – 31 March 2005
 Five-year Fixed – 28 February 2007
 Seven-year Fixed – 31 March 2009
 Four-year Capped – 31 March 2006
4. To benefit from any of the new fixed or capped-rate deals, the customer's loan must start by 30 April 2002.
5. C&G Discount Mortgage offers

	Offer available	ERC applicable
LTV of 90% or less	3.5% off for the first year followed by 2% off for the second year	Year 1 = 3.5% of amount repaid Year 2 = 3.5% Year 3 = 2.5% Year 4 = 1.5% Year 5 = 0.5%
	1.5% off for the first year followed by 1% off for the following four years	No early repayment charges
LTV of 90% - 95%	2% off for the first year followed by 1% off for the second year	Year 1 = 2% of amount repaid Year 2 = 2% Year 3 = 1% Year 4 = 1% Year 5 = 0.5%
	1% off for the first three years	No early repayment charges

6. C&G Tracker Mortgage offers

	Offer available	ERC applicable
LTV of 90% or less	base rate + 0.75%	No early repayment charges
LTV of 90% - 95%	base rate + 1.25%	No early repayment charges

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7. The administration charge on the mortgages shown above is £199 and payment can be made by cash, cheque, debit or credit card. The charge is waived, however, for remortgage customers who submit an application before the end of the year, existing Lloyds TSB mortgage customers moving home, and customers arranging their mortgage over the Internet.
8. C&G's Standard Variable Mortgage Rate is 5.95%.
9. Remortgage customers can also take advantage of C&G's in-house free legals offer or receive a contribution of £150 if they wish to use their own solicitor. (This offer does not include Scotland where a separate offer is in place due to the different legal process.)

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