

For immediate release
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REMORTGAGE AND REAP THE REWARDS

- **Over 1.8 million people have never reviewed their mortgage**
- **Over 8.5 million people do not know their mortgage interest rate**

Research findings announced today by GMAC-RFC, the UK's 15th largest lender, shows that 11% of borrowers, equivalent to over 1.8 million people, have never reviewed their mortgage at all, rising to over a quarter in the over 65s surveyed. Whilst recent figures from the Council of Mortgage Lenders show that 38% of all lending in 2002 was for remortgaging, GMAC-RFC's figures show that this is accounted for by just a small number of people remortgaging regularly.

GMAC-RFC's research goes on to reveal that 51% of borrowers, equivalent to over 8.5 million people across Britain, do not know the current rate of interest on their mortgage.

Gina Collman, Head of Corporate Communications at GMAC-RFC, says: "Just because a mortgage seemed a good deal when you took it out does not mean it still remains to be so. New rates and deals are becoming available all the time and in these times of recession, remortgaging can be a quick and efficient way of saving money. Why pay more than you need to in interest when there are much better rates available?"

Borrowers surveyed in East Anglia were most likely to regularly review their mortgage – 58% have done so in the last year. Those surveyed in the North East were most likely to never review their mortgage – 18%. People with children are far more likely to review their mortgage than those without – they are perhaps more likely to be on a tighter budget.

The findings also showed differences in age groups and gender. Over a quarter of over 65s surveyed have never reviewed their mortgage at all, whilst a staggering 60% of 25 to 34 year olds have reviewed their mortgage in the last 12 months demonstrating that people are becoming more financially aware and that attitudes are changing – mortgages, like jobs are no longer for life.

Men are more likely to review their mortgage than women, and people with children are far more likely to review their mortgage than those without – they are perhaps more likely to be keeping an eye on their finances.

Example of possible savings:

The average mortgage loan in the UK is £84,000 (Council of Mortgage Lenders).

Based on this amount, and on a property valued at £150,000, a repayment mortgage of 20 years would be:

5.75%* (SVR) - repayments would be £402.50 per month

3.49%** (assumed new business rate) – repayments would be £245.00 per month

= a saving of £157.50 per month.

*currently offered by Cheltenham & Gloucester; Lloyds TSB Scotland;

** currently offered by GMAC-RFC

(repayment figures include capital and interest)

- ENDS -

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NOTES TO EDITORS

GMAC-RFC commissioned a telephone omnibus survey in January 2003, which was carried out by Taylor Nelson-Sofres. Just under 2000 people were interviewed.

GMAC-RFC

GMAC-RFC, a wholly owned subsidiary of GMAC Financial Services, is a leading private issuer of mortgage-backed securities and home equity loan asset-backed securities, and the No. 1 warehouse lender in the United States. The company leverages its strengths in securitisation, lending and investment to offer a broad portfolio of innovative capital solutions. The company is headquartered in Minneapolis and operates in the United States, Europe and Latin America. www.gmacrfc.com

In the UK, GMAC-RFC is an all-status lender which advances mortgages under the GMAC Residential Funding brand. It specialises in creating and trading mortgage assets through securitisation, and portfolio sales and acquisitions. GMAC Residential Funding originated a total of £1.8 billion in mortgage loans in 2001 and is predicting £2.5 billion for 2002. www.gmacrfc.co.uk

GMAC-RFC, with a total market share of 1.1%, is now ranked as the UK's 15th largest lender (up from 23rd position a year ago) by gross mortgage lending according to figures published by the Council of Mortgage Lenders. Its position as the No.1 sub-prime lender is measured by gross advances on a first charge basis to MCCB registered brokers on 2001 year lending figures.