

20 August 2007

### **SCOTTISH WIDOWS BANK LAUNCHES KEY WORKER MORTGAGE**

- 102% loan to value with no higher lending charge
- Enhanced income multipliers available

Scottish Widows Bank today announces that it is extending its first time buyer range by launching a Key Worker Mortgage. The product, which will offer an alternative to the Government's Open Market Homebuy scheme, will give Key Workers the opportunity to buy their own home outright, rather than just part owning it. It will also offer homebuyers the choice to buy with 102% (Loan to Value), which will help those who find it difficult to save for a deposit.

The Bank will offer enhanced income multipliers of up to 5 x salary for a single applicant and 5 x + 1 or 4.5 x joint salaries\*. This is designed to help bridge the gap between average house prices and earnings ratio for the Key Workers sector, which has increased rapidly over the last five years.

#### **Richard Clark, Head of Product Development and Marketing at Scottish Widows Bank, comments:**

“Getting onto the property ladder is an uphill struggle for first time buyers and it isn't getting any easier, particularly for Key Workers who often don't earn enough to even contemplate being able to buy close to the area where they work. We have launched this product to offer Key Workers an alternative to the existing Government scheme. With the Government recently announcing that they will not be putting any new money into the Open Market Homebuy scheme, we believe that our product will offer a genuine solution for Key Workers, including the opportunity to own 100% of their property.”

#### **Product details:**

- Max LTV 102%
- 100% ownership
- Min age is 21, Max age is 40
- Available for first time buyers and people upsizing/remortgaging
- Flexible underwriting – taking long-term overtime and shift allowances into account
- Choice of rates available including 2,3 and 5 year fixed, stepped fixed rates and a base rate tracker
- Offset facility available

**YOUR HOME IS AT RISK IF YOU DO NOT KEEP UP REPAYMENTS ON A MORTGAGE OR OTHER LOAN SECURED ON IT.**

Scottish Widows Bank plc, Company Number 154554, Registered in Scotland having its Registered Office at: PO Box 12757, 67 Morrison Street, Edinburgh EH3 8YJ. Scottish Widows Bank acts as an Introducer only to the Scottish Widows and Lloyds TSB Marketing Group, members of which are authorised and regulated by the Financial Services Authority, (FSA Reg.No.191517).

**Richard Clark, Head of Product Development and Marketing at Scottish Widows Bank, continues:**

“We are launching this product to offer Key Workers a real chance of getting their foot on the property ladder. We are confident that we have developed a flexible solution that will give first time buyers the helping hand they need.”

**ENDS**

Key Workers offered the scheme:

- Police officer (not civilian)
- Fire Service
- Prison Office
- NHS:
  - Nurses
  - Midwives
  - Paramedics
  - Ambulance staff
  - Medical radiographers
  - Medical & Dental Technicians
  - Physiotherapists
  - Occupational Therapists
  - Speech / Language Therapist

Military Service lowest acceptable ranking:

- Sub Lieutenant (Royal Navy)
- Lieutenant, 2<sup>nd</sup> Lieutenant (Royal Marine)
- Lieutenant, 2<sup>nd</sup> Lieutenant (Army)
- Flying Officer, Pilot Officer (RAF)

**NOTES TO EDITORS**

\*Income Multipliers available:

Single basis

<b>Minimum Income</b>	<b>Income Multiple</b>	<b>Rates Available</b>
No minimum	3.5	All fixed and discounted
£25,000 + and applicant on a high performance development scheme	5	All fixed and discounted
£25,0000 +	4	All fixed and discounted
£25,0000 +	5	5 year fixed and 5 year stepped fixed rates only
£50,000 +	5	All fixed and discounted

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Joint basis

Minimum Income	Income Multiple	Rates Available
No minimum	4 x + 1 x second applicant Or 3 x joint	All fixed and discounted
£25,000 + and key worker on a high performance development scheme	5 x + 1 x second applicant or 3.5 x joint	All fixed and discounted
£50,000 + and key worker on a high performance development scheme	5 x + 1 x second applicant or 4.5 joint	All fixed and discounted
£25,000 +	5 x + 1 x second applicant or 3.5 x joint	5 year fixed and 5 year stepped fixed rates only
£50,000 +	5 x + 1 x second applicant or 4.5 joint	5 year fixed and 5 year stepped fixed rates only

Please note that the above multipliers are available subject to affordability. Overtime and bonuses will be taken into consideration when paid on a sustained basis.

Scottish Widows Bank has a range of mortgage products specifically designed to cater for graduates and first time buyers:

- 102% Graduate Mortgage, with or without guarantor option
- 110% Professional Mortgage
- Choice of fixed, discount or tracker rates

For further information, please contact –

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**Scottish Widows news releases appear on our website at [www.scottishwidows.co.uk](http://www.scottishwidows.co.uk)**

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