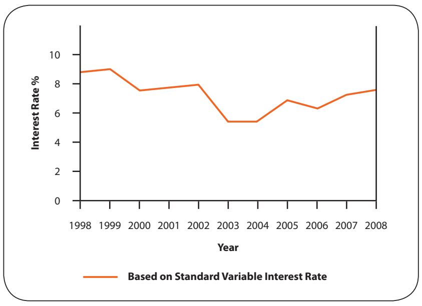
Mortgage schemes explained

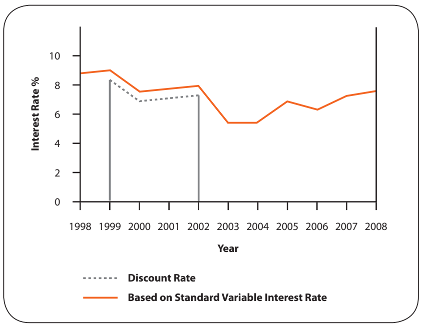


Standard Variable Rate

* You always pay the lender's current rate – no hidden extra charges
* You may benefit from rate reductions if lender reduces rates
* You are unlikely to have any arrangement fees or early repayment charges

but

* You may find budgeting difficult
* You are not protected from rate increases

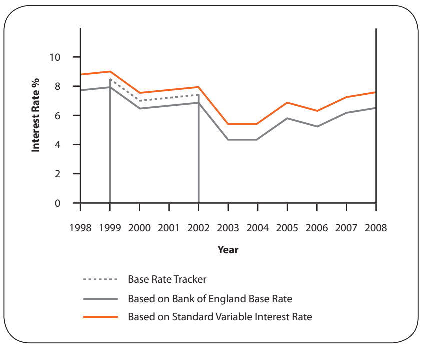


Discount*

* Offers a true saving on lender's Standard Variable Rate – no hidden extra charges
* You may benefit from rate reductions if lender reduces rates

but

* You may have to pay an arrangement fee
* You may have early repayment charges
* You may find budgeting difficult
* You are not protected from rate increases

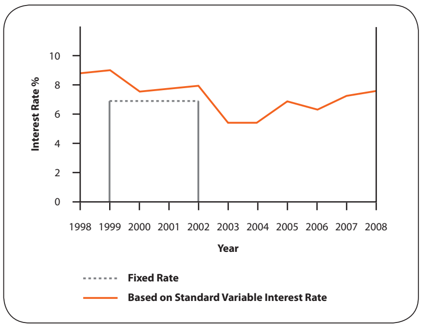


Base Rate Tracker*

* Rate charged will be certain percentage above or below the Bank of England Base Rate, for a specified period of time
* Payments more accurately reflect underlying interest rates of the time
* You may benefit from immediate rate reductions if Bank of England reduces rates

but

* You may have to pay an arrangement fee
* You may have early repayment charges
* You may find budgeting difficult
* You are not protected from rate increases
* Immediately follows base rate increases

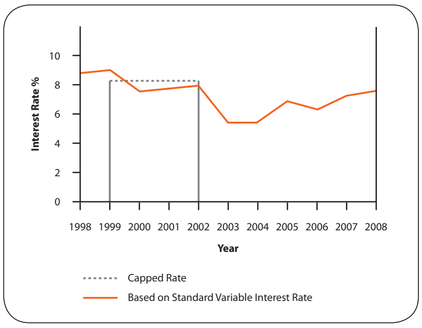


Fixed*

* Helps you budget – exact cost known
* You are protected from rate increases (during fixed period)

but

* You may have to pay an arrangement fee
* You have early repayment charges
* You will not benefit from rate reductions (during fixed period)



Capped*

* Helps you budget – maximum cost known
* You may benefit from rate reductions below capped rate

but

* You may have to pay an arrangement fee
* You may have early repayment charges
* Usually higher rate of interest than a comparable fixed rate

*** Payment shock may apply (an increase in the payment on an adjustable rate mortgage that may surprise the borrower at the end of an incentive period).**