

SUPPORTING UK HOMEOWNERS

LLOYDS
BANKING
GROUP



- **We are an industry leader in our support for first time buyers:**

- in 2010, we helped more than 50,000 people buy their first home
- we extended new lending of more than £5 billion to first time buyers during the year
- we approve eight out of ten first time buyer applications
- first time buyers represented 23 per cent of our gross new lending for 2010*

- **Despite falling demand, Lloyds Banking Group continues to support UK homeowners.** We extended gross mortgage lending of £30 billion (including remortgages) in 2010, including more than £5 billion in new lending to first time buyers and £11 billion in new lending to home movers

- **Mortgage application approval rates remain consistently high.** We continue to approve eight out of ten mortgage applications

- **We support key Government initiatives,** including the Homeowner Mortgage Support Scheme, Mortgage Rescue Scheme and Support for Mortgage Interest scheme. We are an industry leader in our support for shared equity and shared-ownership schemes and have launched new products in support of the new FirstBuy scheme

- **Mortgage applications continue to fall.** Lloyds Banking Group saw demand volume fall by 11 per cent in 2010, compared to 2009

- **Mortgage customers are continuing to pay down their debt.** Regular capital repayments on mortgage lending were four per cent higher in 2010 than 2009 and were 21 per cent higher than repayments in the year before the credit crunch (2006). While a proportion of the increase will have been as a result of falling interest rates during the period, the extent of the rise suggests some increase in regular mortgage repayments**

We extended gross mortgage lending of **£30 billion** (including remortgages) to UK homeowners in 2010

During 2010 we provided **one in five** new mortgages in the UK

We helped over **50,000** people purchase their first home in 2010

SUPPORTING OUR CUSTOMERS THROUGH THE CYCLE

We offer a range of innovative, market-leading products and services:

- Lloyds TSB's Lend a Hand mortgage offers unique support to those struggling to gather a deposit. Borrowers can secure a mortgage with a deposit of just five per cent, but can access rates only available to borrowers with a significantly bigger down-payment. This is because their funds are backed up with the savings of a helper, such as a parent, grandparent
- The Local Lend a Hand mortgage scheme launched in March 2011, and the first local authority going live in July 2011. The scheme draws on the support of the local authority to allow borrowers to purchase with a five per cent deposit.
- We recognise that a significant number of mortgage customers are meeting their repayments, but are unable to move as they are in negative equity. We have launched an equity support scheme to help these existing customers move home
- We are implementing new customer service technology to offer our customers a more comprehensive interview process and provide faster mortgage decisions
- Halifax has launched four new First Time Buyer Pledges to support and guide new homeowners as they take their first steps onto the property ladder. The promises are in response to a comprehensive report of First Time Buyers and their views in the market.

* Based on gross new lending (excluding remortgages) of £24bn during the year
** (Bank of England, Monetary and Financial Statistics table A5.5, not seasonally adjusted)