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## Mortgage price wars continue as more lenders slash rates

The latest move by Metro Bank will delight first-time buyers and homeowners looking to move as well as those looking to refinance.



The current mortgage price war shows little sign of abating after Metro Bank became the latest lender to offer new deals yesterday with a headline rate of 4.99% for a 2-year fixed rate switch product up to 80% LTV.

The move will delight prospective first-time buyers and homeowners looking to move as well as those looking to refinance and came hot on the heels of high street lenders NatWest and HSBC which had both announced rate cuts earlier in the week.

### FIXED RATE RANGES

NatWest made cuts across its fixed rate ranges for purchases, remortgages, product transfers, buy-to-let and even green deals and was its second price change in January.

And HSBC cut its residential mortgage rates and increased its cashback incentive for first-time buyer customers at 95% LTV from £250, £350 and £500 across its 2-year fixed, 3-year fixed and 5-year fixed rates to £750, £750 and £1,000.



Sofia Jones, Penny House

And elsewhere specialist finance lender MT Finance reduced buy-to-let mortgage rates on every one of its 16 buy-to-let products by up to 1% with the lender now offering rates from 4.65% for 2-year fixed standard residential buy-to-let products.

Sofia Jones, Mortgage and Insurance Adviser at Penny House, says: "It's great to see Metro catching up with other lenders. Product transfer rates for existing clients have dropped from 6.19% to 4.79%. This in itself will save one of my clients £35,200 over two years in interest alone. The rate cuts we're seeing now are having a hugely positive impact on people's finances."

### FAIR CHUNK

And Gary Bush, Financial Adviser at The MortgageShop.com, adds: "To see Metro Bank reducing their rates by a fair chunk demonstrates the feelings of lenders at the moment."

"The mortgage rate price war rages on. It's clear from their lack of activity that Nabornwide are tactically withdrawing from the market at the moment having dipped their toes in too deep in the later stages of 2023."

He adds: "There is no point releasing rate decreases that send your processing levels into a tailspin."

"Sadly a large number of existing clients, and those who already have a mortgage offer in place, who are looking for a downward tweak, may well have to be patient for the time being in tying up those transactions."



Gary Bush, The MortgageShop.com

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