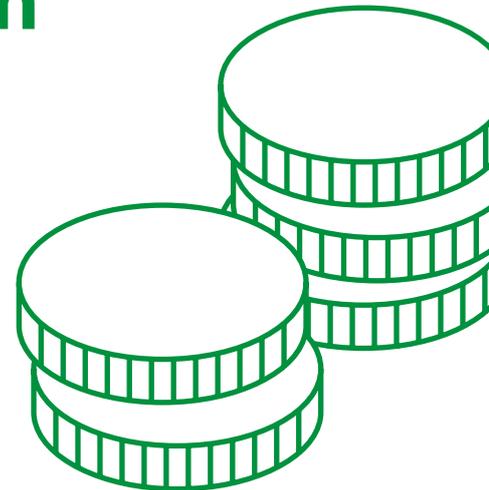
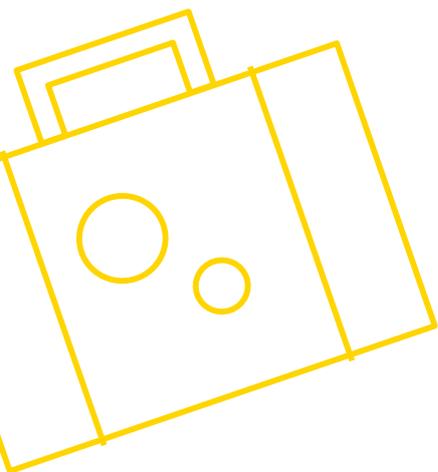


Our new **Income Lifetime Mortgage**
A fixed term monthly income

For clients who
just want a nice night out
just want a weekend away
just want to treat the grandkids
just want a little extra cash
every month



This is not a consumer advertisement. It is intended for professional advisers and should not be relied upon by private customers or any other persons.


**Legal &
General**

What's an Income Lifetime Mortgage?

We're adding to our award-winning lifetime mortgage range, by introducing a new way to release equity.

Our Income Lifetime Mortgage is still a loan secured against your client's home, but instead of offering a

lump sum, it offers a tax-free initial loan followed by a regular monthly income for a fixed term. It's designed as an additional income, to help clients maintain their standard of living in retirement and do more of the things they enjoy.

In summary, it offers:



Fixed monthly income

A fixed amount agreed at the outset, which is paid automatically into your client's bank account each month for their chosen term.

Your client can stop the payment at any time with no fee, but once stopped, income cannot be restarted.

There's also an initial minimum loan of £2,500.



Fixed income terms: 10, 15, 20 or 25 years

Choose a term that works best for your client. It could work as a bridge until they retire, as a longer-term income top-up in retirement or just as a shorter-term boost for the early, more active years.



Fixed interest rate

Research shows that clients value certainty, particularly when it comes to interest rates. So your client can be reassured that the interest rate is fixed for the life of the loan.

Important criteria

1

Only for those **age 55+**

2

They must live in their own home with **a small mortgage/no mortgage**

3

They want to release a minimum of **£200** a month

4

They want a minimum initial loan of **£2,500** at the outset

5

The property must be worth **£100,000+** (or £150,000 for ex-council, ex-housing association or ex-Ministry of Defence properties)

6

They must live in **England, Wales** or mainland **Scotland**

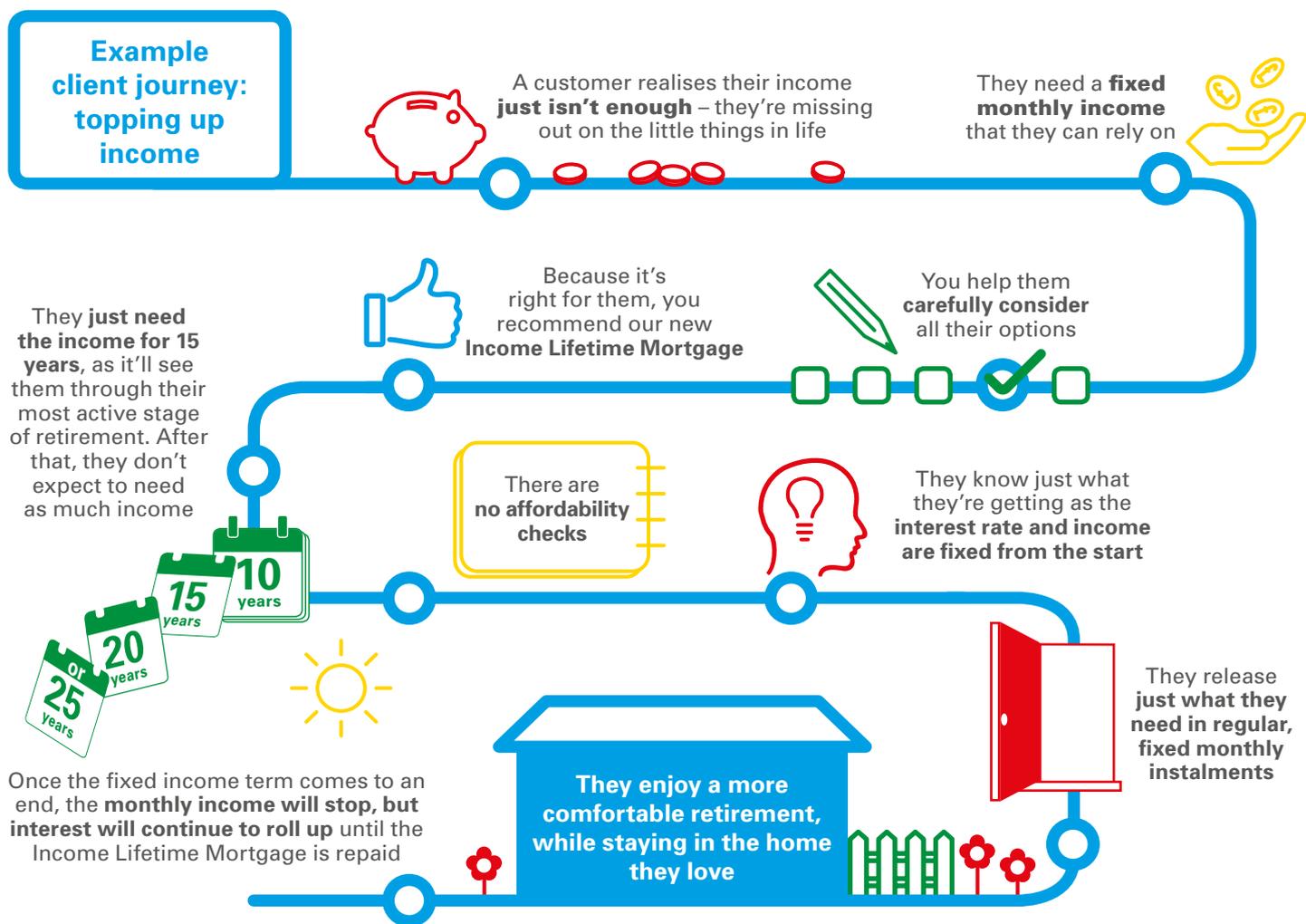
How it fits into retirement journeys

When considering which product is right for your clients, of course every little detail has to be taken into account, including their financial circumstances and existing pension pots.

There are a number of ways to address an income gap in retirement, for example using drawdown or

a fixed term annuity. An Income Lifetime Mortgage could form part of that conversation with your client.

It may be that your client already receives a state pension, fixed term annuity or drawdown. An Income Lifetime Mortgage is another way to provide an additional income in retirement.



Commission

As this product is arranged slightly differently to other lifetime mortgage products, it does mean commission also changes:

- A commission payment will be made on the initial loan amount.
- Subsequent commission payments will be made monthly, based on the monthly income selected by your client.
- Your commission therefore is spread over the term of the fixed income, adding an income stream and additional value to your business over time.
- There's also no minimum commission amount, though there is a cap set at £10,000.
- Remember, you're free to charge a separate fee over and above the commission payable.
- Commission will be based on your standard rate at the time of completion.

Points to remember

- Your clients can **stay in** and **continue to own their home**.
- The interest rate and monthly amount are fixed from the start and can't be altered, **giving your clients certainty** and helping them feel in control.
- Clients can choose a **fixed income term of 10, 15, 20 or 25 years**.
- Clients receive a fixed amount which is **paid automatically each month**.
- In addition to the monthly income, there is an **initial loan amount**. The minimum is £2,500 and the maximum is 10% of the total loan amount.
- The money received is **tax-free**.
- The **interest rate is fixed for the life of the loan**. The loan is only repaid when the last surviving borrower dies or moves out of their home and into long-term care.
- The **effect of compound interest is reduced** as funds are released in monthly amounts, rather than as a single upfront sum.
- Interest is added to the amount your client owes each month. The **amount owed will increase quickly over time**, reducing the equity left in the house and any potential inheritance.
- At the end of the income term the income will stop and **interest will continue to roll up** until the loan is repaid.
- Our **No Negative Equity Guarantee** means your clients or their estate will never owe more than the amount the property is sold for. Subject to terms and conditions.
- Income can be **stopped at any time** with no fee (though once stopped, income can't be restarted).
- Inflation may **reduce the spending power** of your client's money over time.
- Any **means-tested benefits** your client collects may be affected. For more information, please refer to our State Benefits guide found at legalandgeneral.com/adviser/incomeLTM

Help your clients enjoy the little things in life, by topping up their monthly income.

To find out more or speak to your dedicated account manager



Call: **03330 048444**

Call charges will vary. We may record and monitor calls.



Email: **enquiries@landghomefinance.com**

If you're contacting us by email, please remember not to send any personal, financial or banking information, because email is not a secure method of communication.



Visit: **legalandgeneral.com/adviser/incomeLTM**