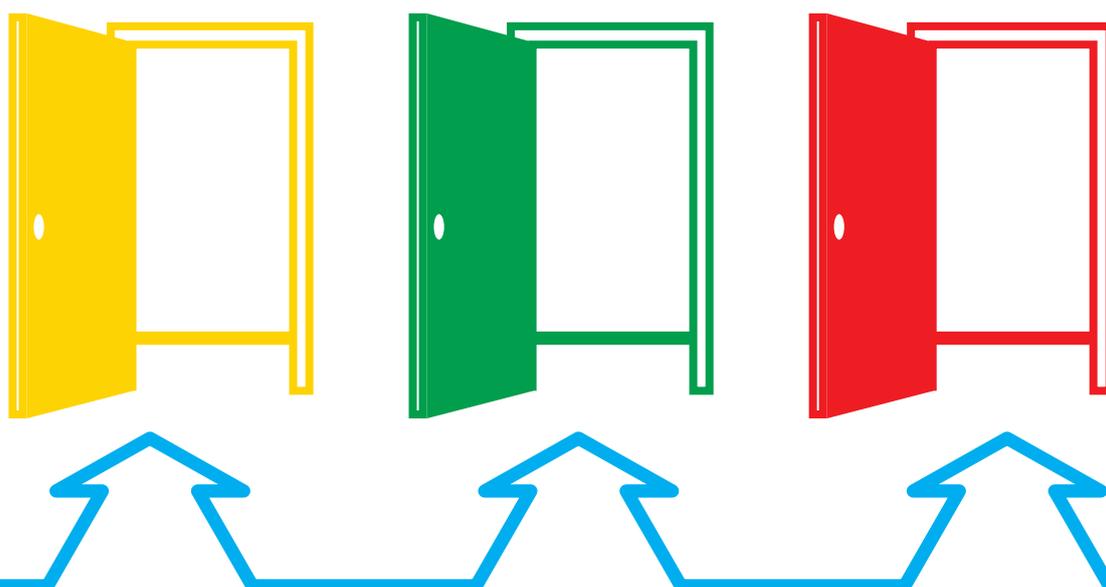


Which lifetime mortgage is right for my client?

A comparison guide



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.

Our Lifetime Mortgage Range

At Legal & General our customers are at the heart of what we do, meaning our products are designed to suit a wide range of needs. That's why we have three different types of lifetime mortgage. While a lifetime mortgage is a loan secured against your client's home, it can help give them security and peace of mind during retirement, whether they want to stay in their own home, are thinking about moving, or want to use part of the value of their home for an inheritance.

They all come with standard features that allow your clients to:



Release tax-free cash from their home



Take their lifetime mortgage with them when they move



Retain ownership of, and stay in their own home



Select optional inheritance protection, as a lifetime mortgage will reduce inheritance



Enjoy fixed interest rates



No affordability checks



Repay the loan only when the last borrower dies or moves out and into long-term care



Feel reassured thanks to our No Negative Equity Guarantee

In addition to the great features above, each product has its own benefits. Below is a summary to help you understand the key differences between our three products.

Flexible Lifetime Mortgage

Our Flexible Lifetime Mortgage lets your client release some of the money tied up in their home as a cash lump sum, or in smaller amounts as and when they need it, with no need to make monthly payments.



It could suit clients who:

Might be asset-rich but cash-poor. They want a lump sum to help fund their retirement lifestyle, but have no need for extra monthly income.



Lump sum with option to borrow more in the future

Clients can release their funds as a lump sum. If the full amount isn't taken upfront, they can borrow more from their drawdown facility in the future.



Make partial payments

Clients can make optional partial payments with no Early Repayment Charge.



Suitable for larger purchases

This could be used for home improvements, helping with deposits for a first home, or even a holiday of a lifetime.

Optional Payment Lifetime Mortgage

Our Optional Payment Lifetime Mortgage lets your client release some of the money tied up in their home. They can pay some or all of the monthly interest, which can reduce the overall cost of the loan.

It could suit clients who:

Have some regular income, but need a lump sum to clear their current interest-only mortgage, which is coming to an end. It could also suit clients who wish to manage the interest roll-up on their lifetime mortgage, by making monthly interest payments.



A lump sum with the option to pay some or all of the monthly interest

Clients can make monthly interest payments to reduce the overall cost of the loan. They can also choose how much they want to pay and for how long, when they apply.

Clients have the flexibility to borrow more in the future, if they choose not to take the full amount available to them upfront.



Pay monthly by Direct Debit

It's easy for clients to make regular payments by Direct Debit each month.

However, if their circumstances change, they can stop making interest payments at any time. Once stopped, payments can't be restarted.



This could be ideal for those coming to the end of their interest-only mortgage

This could be suitable for clients looking to repay their interest-only mortgage, while still managing interest roll-up.

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Income Lifetime Mortgage

Our Income Lifetime Mortgage lets your client release some of the money tied up in their home to provide a regular monthly income over a fixed term, with no need to make monthly payments. The monthly amount to be paid, the interest rate and the income term are all fixed at the outset.

It could suit clients with:

Low-to-moderate incomes, who want the certainty of a regular monthly income to let them enjoy their retirement more. It could help them maintain their standard of living in retirement. This can be used to fund regular activities and little luxuries, like treats for the grandchildren, nights at the theatre or meals out.



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 term options: 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 their early, more active years.

The term is fixed from the outset and cannot be extended.



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.

Our Lifetime Mortgages at a glance

To give you a quick overview of each product and help you compare them with ease, we've created the table below. If you have any other questions, please do get in touch.

	Flexible Lifetime Mortgage	Optional Payment Lifetime Mortgage	Income Lifetime Mortgage
A tax-free lump sum	✓ A minimum loan of £10,000	✓ A minimum loan of £10,000	✓ A minimum initial loan of £2,500
A tax-free initial loan followed by a regular monthly income for a fixed term			✓
The ability to stop taking monthly income at any time with no fee			✓
Drawdown available	✓	✓	
Pay some or all of the monthly interest by Direct Debit		✓	
Compound interest	✓	✓ By paying some or all of the monthly interest, your client can reduce the overall cost of the lifetime mortgage	✓ Compound interest is reduced as funds are released in monthly amounts, rather than as a single upfront sum
Stop making monthly interest payments at any time		✓	
Optional partial repayments available	✓	✓ Can only be made once your client has stopped making the monthly interest payments	✓ Can only be made once your client has stopped taking the monthly income
Release tax-free cash from their home	✓	✓	✓
Stay in and continue to own their home	✓	✓	✓
No Negative Equity Guarantee	✓	✓	✓
Fixed interest rates	✓	✓	✓
No affordability checks	✓	✓	✓
Transfer mortgage when they move home	✓	✓	✓
Inheritance Protection (this optional extra allows your client to protect part of the value of their home for inheritance)	✓	✓	✓
May affect means-tested benefits	✓	✓	✓

To find out more or speak to your dedicated account manager

 Call **03330 048444**
 Email enquiries@landghomefinance.com
 Visit legallandgeneral.com/adviser/ltm-comparison

Call charges will vary. Calls may be recorded and monitored. Lines open Monday to Friday, 8.30am to 5.30pm. 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.

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