Your guide to a Further Advance

This guide explains what you need to consider and the process involved.

Easier to read information

Please call us on 03330 048 444 if you are visually impaired and would like this document in Braille, large print, audio tape or CD.

What is a Further Advance?

A Further Advance is way of releasing more money from the equity in your home by taking an additional loan.

If your lifetime mortgage was taken as a single lump sum, or if you've fully used your Drawdown Facility, you may be able to apply for a Further Advance. This will depend on factors such as whether your property's value has increased and if you meet our lending criteria at the time of your application.

You can only apply for a Further Advance when:

- You've had your lifetime mortgage for 12 months or more.
- You've taken all the money in your Drawdown Facility (if you had one).
- There is enough equity in your home to qualify.
- You need a minimum of £5000.
- You've discussed your current and future financial needs with your adviser.

How much could I take?

You can use our online enquiry form to find out if you may be eligible for a Further Advance.

Scan the QR code or visit **legalandgeneral.com/further-advance-enquiry**

It only takes five minutes to complete. We'll need an estimate of your home's value and your email address.

Alternatively, call our Customer Services team on **03330 048 444**, with your Offer of Loan to hand.

Inheritance protection

If you chose Inheritance Protection with your existing lifetime mortgage, you can reduce or remove it to increase the amount available through a Further Advance. Inheritance Protection secures a percentage of the net sale proceeds of your home for your beneficiaries when you pass away.

Reducing or removing Inheritance Protection may increase the amount you can borrow, but it could also reduce the amount your beneficiaries receive. It's important to discuss this with your financial adviser.

Financial Advice

Borrowing more money on your lifetime mortgage is a long term financial commitment and you can only apply for a Further Advance through a financial adviser. They'll explain the benefits, risks and costs involved.

A Further Advance isn't guaranteed. It's secured against your home and depends on our lending criteria at the time you apply. This may differ from when you first took out your lifetime mortgage.

Your financial adviser will confirm if you're eligible. If you are, they'll provide you with a Key Facts Illustration (KFI) and submit the application on your behalf.

Your application is subject to an independent valuation of your home. If your application isn't approved, it won't affect your existing lifetime mortgage but the valuation fee will not be refunded.

You can use the financial adviser you chose when you first took out your lifetime mortgage. Alternatively, you can find a qualified financial adviser through the Equity Release Council's website at **equityreleasecouncil.com**

Things to consider

You can only apply for a Further Advance through your financial adviser, and there may be a charge for this. The application takes 3–4 weeks to complete and in most cases you won't need a solicitor.

The amount of your Further Advance is based on an independent surveyor's valuation of your home. This is different to an estate agent's valuation, and may be lower in value.

The interest rate is based on the interest rates at the time you apply and may be different to your initial loan. You'll also need to consider any additional costs when applying, including the Valuation and Arrangement fees (please see your Tariff of Charges).

A Further Advance is paid in a lump sum with no Drawdown Facility. You might be able to take another in the future but you'd have to follow the same advice and application process.

How to apply for a Further Advance

Speak to your Financial Adviser

You must speak to an adviser to consider your options and decide if a Further Advance is right for you.

What should your adviser do?
Your adviser will explain the benefits, risks and other options that may be available to you. They can also check if you qualify for a Further Advance.

Understand the facts

If you want to take a Further Advance, tell your adviser and provide the information they need to make an application.

What should your adviser do?
Your adviser will confirm you're eligible, prepare your application and talk you through a Key Facts Illustration. This gives personalised details about the Further Advance that may be available to you, the costs and implications. This will help you decide if a Further Advance is right for you.

Application & Valuation

If there's anything you don't understand, make sure you ask your adviser to explain before they submit your application.

At this point you'll need to call us to pay for the cost of a new valuation by debit or credit card.

Our independent surveyors will then arrange a visit to carry out the valuation.

What should your adviser do?
Your adviser will answer any questions you have, then complete and send us your Further Advance application.

Further Advance Offer

Based on the valuation, our team will process your application and send you a Further Advance Offer of Loan and acceptance form.

If you have any questions, discuss them with your adviser.

When you're ready, simply sign and return the document to us. If you've chosen to send the documents by email they can be signed online via a secure platform and emailed back to us.

What should your adviser do?
Your adviser will be there to answer any questions you may have.

We'll send them a copy of your Further Advance Offer of Loan to keep them informed so they can support you.

Completion

When we receive your signed acceptance form, we'll send you a confirmation letter and pay the Further Advance into your bank account.

What should your adviser do?
Copies of the confirmation letter will be sent to your adviser for information purposes.

Frequently asked questions

Can I take a Further Advance when moving to a new property?

You can apply for a Further Advance if you need additional funds to move home. Your application must complete at the same time as moving, so you'll need to speak to your financial adviser first.

Our calculation is subject to our lending criteria at the time, so we'll look at a range of factors when checking if a Further Advance is available for that property.

Can I make Optional Partial Repayments on my Further Advance?

If you have an Interest Roll Up Lifetime Mortgage you'll be able to make Optional Partial Repayments on the total amount you've borrowed.

If you have an Optional Payment Lifetime Mortgage, you must stop making monthly interest payments before any Optional Partial Repayments can be made.

You should contact us before making an Optional Partial Repayment. We'll send you an illustration of the impact it will have on your lifetime mortgage and details of how to make the payment if you wish to proceed.

I have an Optional Payment Lifetime Mortgage; will my Monthly Interest Payments change?

Whether your Monthly Interest Payments change will depend on whether you choose to pay the interest on your Further Advance. Details of your payments will be included in your Further Advance Offer of Loan.

Remember, you can stop making Monthly Interest Payments at any time but once you stop, they can't be restarted.

Keeping in touch

For further information visit:
legalandgeneral.com/further-advance

Write to us at:
Customer Services, Legal & General Home Finance, PO Box 17225, Solihull, B91 9US

Call our Customer Services team on:

03330 048 444

Open 8.30am to 5.30pm Monday to Friday.

Call charges will vary. Calls may be monitored and recorded.

Email us at:
furtheradvances@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.

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