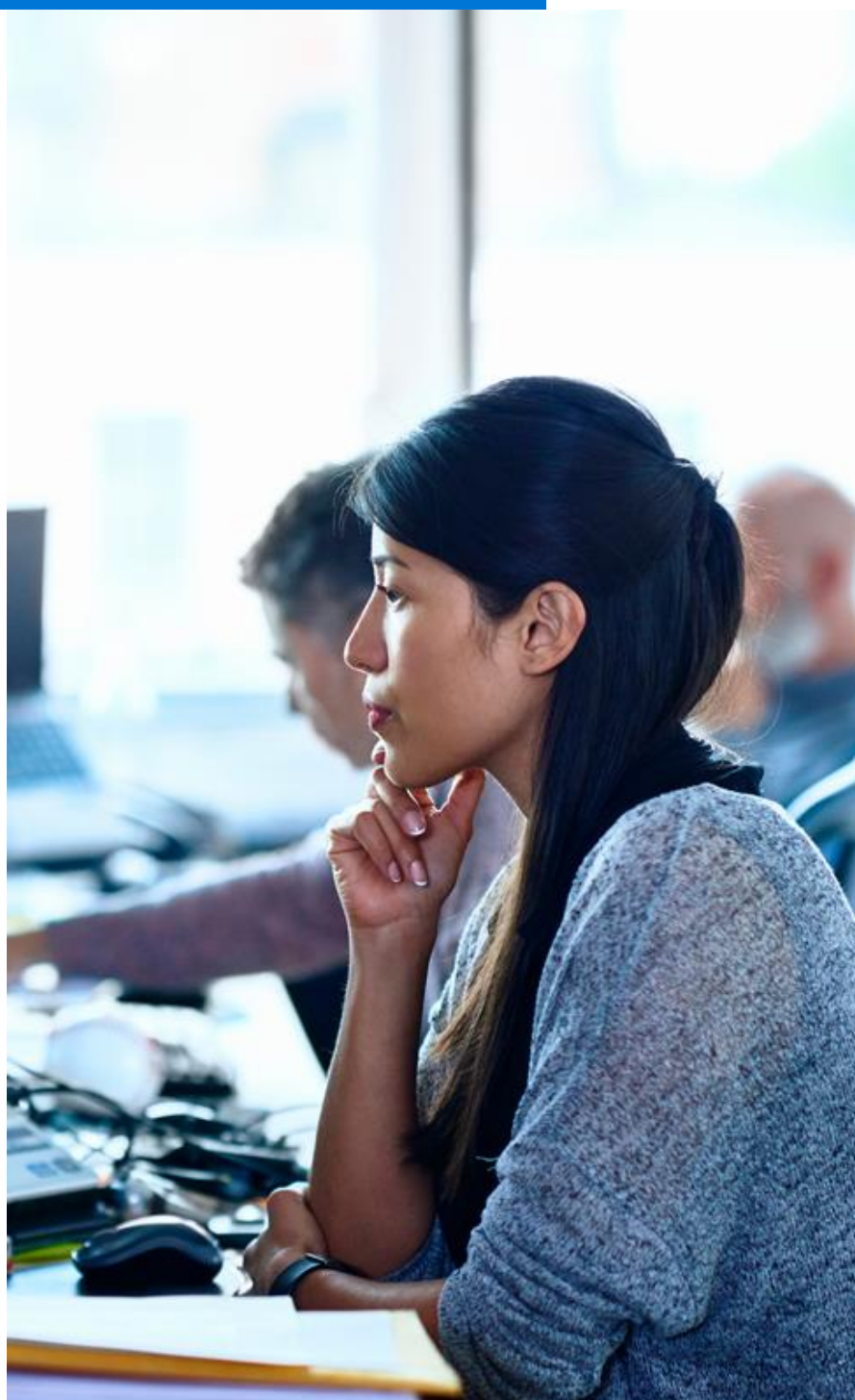




Legal & General Home Finance Target Markets





Our target market includes, in all circumstances, customers who:

Flexible Lifetime Mortgage	Optional Payment Lifetime Mortgage	Retirement Interest Only Mortgage
<ul style="list-style-type: none"> • Are single or joint applicants, aged 55 or over. • Have a main residence property of standard. construction worth at least £70,000 (£100,000 for flats, maisonettes and ex-local authority). • Live in England, Wales or Mainland Scotland (not Northern Ireland). • Are of any tax status. • Are of any health status. • Are of all levels of financial understanding. • Are willing to take financial and legal advice and are willing to pay the upfront costs to take out a lifetime mortgage. • Have explored and rejected other forms of borrowing and downsizing. 	<ul style="list-style-type: none"> • Are single or joint applicants, aged 55 or over. • Have a main residence property of standard construction worth at least £70,000 (£100,000 for flats, maisonettes and ex-local authority). • Live in England, Wales or Mainland Scotland (not Northern Ireland). • Are of any tax status. • Are of any health status. • Are of all levels of financial understanding. • Are willing to take financial and legal advice and are willing to pay the upfront costs to take out a lifetime mortgage. • Have explored and rejected other forms of borrowing and downsizing. 	<ul style="list-style-type: none"> • Are single or joint applicants, aged 55 or over. • Have a main residence property of standard construction worth at least £70,000 (£100,000 for flats, maisonettes and ex local authority). • Live in England, Wales or Mainland Scotland (not Northern Ireland). • Are of any tax status. • Are of any health status. • Are of all levels of financial understanding. • Are willing to take financial advice and are willing to pay the upfront costs to take out a retirement interest only mortgage.

In addition, all customers must:

Flexible Lifetime Mortgage	Optional Payment Lifetime Mortgage	Retirement Interest Only Mortgage
<ul style="list-style-type: none"> • Understand the impact that compounding interest will have on their remaining equity. And that this will reduce the value of their estate. • Understand that they're accepting an interest rate which is fixed for the life of the mortgage and won't go down, even if interest rates fall in the future. 	<ul style="list-style-type: none"> • Understand the impact that compounding interest will have on their remaining equity. And from the point that it accrues, the value of their estate will reduce. • Understand that they're accepting an interest rate which is fixed for the life of the mortgage and won't go down, even if interest rates fall in the future. 	<ul style="list-style-type: none"> • N/A



Customers falling into the target market include those who:

Flexible Lifetime Mortgage	Optional Payment Lifetime Mortgage	Retirement Interest Only Mortgage
<ul style="list-style-type: none"> • Are property asset rich, but cash poor, meaning the customer has limited income available and have no ability to commit to regular payments. But recognise that they can make Optional Partial Repayments to reduce the roll up of interest. • Have limited or uncertain income, meaning they are unable to service a more traditional mortgage or service short term lending (unable to pass affordability assessments), and want to make essential changes beyond their available means. • Are looking to pay off their outstanding mortgages or debts. • Need support for everyday living costs. • Are looking to make essential lifestyle and home improvements. • Are in need of funds for their domiciliary care needs. • Are using the money for gifting. • Are wealthy customers considering their holistic retirement planning. • Are wanting to make significant purchases such as a new vehicle, holidays, property (taking into consideration the personal circumstances of the customer and the time interest will roll-up on the loan). 	<ul style="list-style-type: none"> • Have some available income, and therefore expect to make regular payments to service some, or all, of the monthly interest for at least a proportion of the mortgage. • Are wanting to reduce the effects of interest roll up by making monthly interest payments. • Are interest-only mortgage customers looking to pay off their IO mortgage balance with the funds released from the lifetime mortgage and don't have the income to qualify under a residential mortgage affordability assessment. • Would like the certainty of fixed monthly payments, and value the guarantee that should they, at any time, not be able to afford the monthly interest payments that they can convert to interest roll-up and remain in their home. • Are looking to make essential lifestyle and home improvements. • Are using the money for gifting. • Are wealthy customers considering their holistic retirement planning. • Are wanting to make significant purchases such as a new vehicle, holidays, property (taking into consideration the personal circumstances of the customer and the time interest will roll-up on the loan or the cost of servicing interest payments in the interim). 	<ul style="list-style-type: none"> • Are still working or are retired and have sufficient income / pension income to afford the monthly interest payments. • Have a need for borrowing in later life either to pay off an existing interest-only mortgage or who wish to release equity in their property. • Require the certainty of an interest rate fixed for the life of the mortgage. • Require the certainty of a regular monthly mortgage payment to pay the interest owed in line with their past mortgage experience.



The product may not be suitable for customers:

Flexible Lifetime Mortgage	Optional Payment Lifetime Mortgage	Retirement Interest Only Mortgage
<ul style="list-style-type: none"> • Who are able to access alternative borrowing solutions. • Who do not want to reduce the equity in the property and ultimately the value of their estate to pass on. • Who are in receipt of means tested benefits that could be affected by taking this product. • Who are using the product for discretionary spending early in retirement where discretionary spending may have a greater impact on the total loan amount over time. • Who may want to use their equity for further investment and not for personal use; the return on their investment could be considerably lower than the interest charged on a compounding basis on the lifetime mortgage. 	<ul style="list-style-type: none"> • Who are able to access alternative borrowing solutions. • Who are in receipt of means tested benefits that could be affected by taking this product. • Who are using the product for discretionary spending early in retirement where discretionary spending may have a greater impact on the total loan amount over time (depending on how much interest is paid, and for how long). • Who may want to use this equity for further investment and not for personal use; the return on their investment could be considerably lower than the interest charged on a compounding basis on the lifetime mortgage. 	<ul style="list-style-type: none"> • Who are in receipt of means tested benefit(s). • Who have savings that they can use instead. • Who cannot prove a reliable income pre / in retirement. • Who claim benefits that supplement their income.