

# LV= Equity Release

## Lifetime Mortgage Drawdown+ Product details

This is a lifetime mortgage. To understand the features and risks, ask for a personalised illustration. The actual rate available will depend on your client's circumstances.

### New loan fees

Application fees are not charged on new loans.

**If an application fee applies, we'll normally deduct it from the loan on completion.** Please note we do not offer a refund of fees if an application does not proceed. Valuations are honoured for six months. A re-valuation may be required should a case take longer than this to complete.

We instruct our own solicitor to do our legal work and, of course, will pay our own legal fees. Your client will need to instruct their own solicitor and will be responsible for all their costs.

### Starting loan

The minimum starting loan is £10k.

### Withdrawals

Minimum: £1,500

Frequency: On request, but not more than once each calendar month.

Withdrawals can be made at any time until the cash facility runs out. Access to withdrawals is not guaranteed and there are some circumstances where it may be reduced or removed. See our Terms and Conditions for further details.

The interest rate we will charge on withdrawals will be the new business rate available at the time the withdrawal is made. The rate will depend on the level of borrowing agreed up front.

For example, if your client chooses the Drawdown+ Standard 4 level, then future withdrawals will be on the Drawdown+ Standard 4 new business rate.

There are no additional fees for taking withdrawals.

### Fees summary

<b>Applications</b>	£0
<b>Application on moving home</b>	£595
<b>Application for a further advance</b>	£125
<b>Discharge</b>	£125
<b>Valuation fee</b>	Please see below

See our Tariff of Charges for more information on fees which may be applicable during the lifetime mortgage.



### Valuation fees

We don't charge for the initial valuation, but any re-valuations or additional borrowing valuations will be charged at the rates applicable at the time. Our current charges are detailed below.

Property value	Valuation fee
£100,000 - £150,000	£170
£150,001 - £200,000	£195
£200,001 - £250,000	£202
£250,001 - £500,000	£268
£500,001 - £700,000	£410
£700,001 - £900,000	£675
£900,001 - £1,100,000	£950
£1,100,001 - £1,250,000	£1,100
£1,250,001 - £2,000,000	£1,250
£2,000,001 - £2,500,000	£1,379
£2,500,001 - £3,000,000	£1,634





LTVs

Our table below shows the maximum cash reserve we'll provide based on the age of the youngest applicant and the maximum percentage of the property's value. There are seven levels for your clients to choose from, depending on their age and the maximum cash facility they require.

We don't currently lend on properties worth less than £100k or more than £3 million.

The maximum amount we will lend including any additional borrowing is £1.5 million (excludes any accrued interest).

Age of youngest applicant	Maximum of property value as a cash reserve facility (%)						
	Drawdown+ Super Lite	Drawdown+ Lite	Drawdown+ Standard 1	Drawdown+ Standard 2	Drawdown+ Standard 3	Drawdown+ Standard 4	Drawdown+ Max
55	7%	9%	12%	15%	17%	18%	20%
56	8%	10%	13%	16%	18%	19%	21%
57	9%	11%	14%	17%	19%	20%	22%
58	10%	12%	15%	18%	20%	21%	23%
59	11%	13%	16%	19%	21%	22%	24%
60	12%	14%	17%	20%	22%	23%	25%
61	13%	15%	18%	21%	23%	24%	26%
62	14%	16%	19%	22%	24%	25%	27%
63	15%	17%	20%	23%	25%	26%	28%
64	16%	18%	21%	24%	26%	27%	29%
65	17%	19%	22%	25%	27%	28%	30%
66	18%	20%	23%	26%	28%	29%	31%
67	19%	21%	24%	27%	29%	30%	32%
68	20%	22%	25%	28%	30%	31%	33%
69	21%	23%	26%	29%	31%	32%	34%
70	22%	24%	27%	30%	32%	33%	35%
71	23%	25%	28%	31%	33%	34%	36%
72	24%	26%	29%	32%	34%	35%	37%
73	25%	27%	30%	33%	35%	36%	38%
74	26%	28%	31%	34%	36%	37%	39%
75	27%	29%	32%	35%	37%	38%	40%
76	28%	30%	33%	36%	38%	39%	41%
77	29%	31%	34%	37%	39%	40%	42%
78	30%	32%	35%	38%	40%	41%	43%
79	31%	33%	36%	39%	41%	42%	44%
80	32%	34%	37%	40%	42%	43%	45%
81	33%	35%	38%	41%	43%	44%	46%
82	34%	36%	39%	42%	44%	45%	47%
83	35%	37%	40%	43%	45%	46%	48%
84	36%	38%	41%	44%	46%	47%	49%



## Early repayment charges

Our early repayment charges structure is outlined below.

Year	Early Repayment Charge
Years 1 - 5	5% of the loan amount repaid
Years 6 - 10	3% of the loan amount repaid
After 10 years	No early repayment charge

Early repayment charges do not apply if:

- The borrower moves house and transfers their mortgage to the new property
- A repayment is made more than 10 years after the completion date of the original loan
- The last surviving borrower dies
- The last surviving borrower moves permanently into long term care
- If the total debt is reduced or fully repaid using the money from an insurance company following damage to the property
- When one borrower (on a joint mortgage) passes away or moves into long term care and a repayment is made within 3 years of the date of death or move
- Up to 10% of the total amount of loan advances is repaid in line with our terms and conditions. Please ask for a personalised illustration or terms and conditions for further details
- The borrower fully repays after 5 years and moves to sheltered accommodation or a property that does not meet our lending criteria
- Where we no longer offer new Lifetime Mortgage Drawdown+ products and access to the cash facility is subsequently removed for all Drawdown+ customers and your client decides to fully repay their lifetime mortgage.

## Partial repayment

As soon as the loan completes, your client can make repayments of up to 10% of their starting loan plus any withdrawals they have made, without incurring an early repayment charge. This doesn't include any interest or additional borrowing.

Repayments must be at least £50 and there is no limit on the number of repayments which can be made each loan anniversary year as long as when combined they do not exceed the 10% allowance each mortgage year.

Please note the remaining loan needs to be £10k or more, after the repayment has been made.

## Repayments

The total amount the borrower owes including the rolled up interest must be repaid if:

- The last surviving borrower dies or goes into permanent residential care, or
- The borrower or borrowers move and the loan is not transferred to the new property.

The terms and conditions also require the borrower to keep their property adequately maintained, insured and keep to the terms and conditions of the mortgage. In extreme circumstances if a borrower doesn't do this we could ask for them to repay the outstanding amount. So it is important that anyone taking out a lifetime mortgage understands the importance of keeping to the terms and conditions of the loan.

## No negative equity guarantee

We guarantee that if the total debt is greater than the amount your client's property is sold for when the total debt is repaid, neither your client, nor their personal representative will be asked to make up the difference. We call this a 'no negative equity guarantee'. The no negative equity guarantee applies when the total debt is repaid from the sale of your client's property, for example it will apply if their property is sold when they die or go into long term care. If the guarantee is used, we'll pay for a professional valuation to be carried out so we can value your client's property before it's sold. We'll also need to agree the sale price is in line with market conditions at the time before we'll honour the guarantee. There may be circumstances when the no negative equity guarantee does not apply in full, e.g. where your client has breached their terms and conditions. For more information see our terms and conditions.

## Additional borrowing

The borrower can apply for additional borrowing at any time, once the original cash facility has been exhausted. There will be an application fee of £125 to pay and we will require a property valuation to be carried out. The minimum further advance is £2,000. Valuations will be charged at the rates applicable at the time. Our current charges are detailed in the 'Valuation Fees' table on page 1.

Additional borrowing will be in the form of a single loan amount and will not increase the cash facility available. Additional borrowing isn't guaranteed. The terms and conditions, including the interest rates that apply will depend on those applicable at the time. It may not be possible to release additional money in the future.

The borrower will also be responsible for all fees associated with additional borrowing.

## Other occupiers

If your client is living with their partner, civil partner or spouse, they'll both need to be named on the property deeds and in their lifetime mortgage application. If there are friends or relatives living in the property or children aged 17 or over who are not dependent on your client, they'll need to sign an occupancy waiver releasing their rights to the property. Permanent live-in carers may need to sign a waiver if there is no suitable contract in place.

Those who are incapable of signing a waiver through disability for example, may have an occupancy waiver signed by a suitable power of attorney. The attorney must not be an applicant for the loan. There must be no conflict of interest between the attorney and the occupant in the transaction.

Individuals under 17 do not need to sign a waiver of occupancy.

If your client has any tenants living with them, you'll need to contact us first before an application is submitted.

## Moving home

Provided the new property meets our lending criteria applicable at the time, if the borrower wants to move home, the loan can usually be transferred to another property. If the new property is worth less than the borrower's existing property then part of the existing loan may have to be paid back. If this happens, we won't charge an early repayment charge on the enforced loan repayment.

There will be an application fee of £595 to pay and we will require a valuation of the new property. The borrower will be responsible for paying their own legal fees and all other moving costs. Valuations will be charged at the rates applicable at the time.



## Anything else?



**LV.com/equityrelease**

or call our Equity Release Desk to discuss your client's requirements on



**0800 028 8974 (option 1)**

For textphone dial 18001 first. Opening hours: 8.30 am to 5.30pm Monday to Friday.

We will record and/or monitor your calls for training and audit purposes.

The Lifetime Mortgage Drawdown+ is offered and administered by LV Equity Release Limited.

If you'd like us to send you this document or any future correspondence in another format, such as Braille or large print, please just let us know.

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