



FOR ADVISERS

Apex & Apex Interest Reward

Your guide to our high LTV & interest reward product



This document is intended for intermediaries only and is not approved for use with consumers.



Welcome to more2life; the later life lender

Our mission is to help over-55s live their later life with freedom and peace of mind. We're committed to achieving this by providing financial solutions that meet your clients' unique wants and needs to help them live the later life they deserve.

Who is more2life?

more2life is one of the UK's largest equity release lenders. Our focus is, and always will be, helping people aged 55 or over release tax-free cash from their homes safely and responsibly so they can live a better retirement.



Here are just some of the awards we've won



Best Lender Website











Best Equity Release Service



Welcome to more2life	3
Our lifetime mortgages	4
Apex	5
Apex Interest Reward	6
Core4 features	8
Further protections	9
FAQs	10

Our range of lifetime mortgages

At more2life, we have the broadest range of lifetime mortgages in the market. Whether your client is looking for a max release, or securing a market-leading rate is most important, we're confident we'll have a plan to suit their needs.

 <p>Apex Our highest LTV lifetime mortgage for customers aged 55–84 LTVs up to 52%</p>	 <p>Capital 5 Star Rated by Defaqto LTVs up to 55%</p>
 <p>Flexi Low, personalised interest rates LTVs up to 48%</p>	 <p>Flexi PTLM Higher LTVs and lower borrowing costs LTVs up to 39.5% (age 63)</p>
 <p>Maxi Identical lump sum and drawdown rates LTVs up to 49.5%</p>	 <p>Maxi Zero ERC The only lifetime mortgage with zero ERCs LTVs up to 49.5%</p>
 <p>Tailored Up to 5% cashback options available LTVs up to 50.5%</p>	 <p>Tailored Enhanced Medical and lifestyle enhanced LTVs LTVs up to 54%</p>

Although we provide the broadest range of lifetime mortgages, this guide focuses only on Apex. If you'd like more information about any of our other plans, speak with a member of our expert team today. You'll find the contact details on the back of this brochure.

Apex

Apex is our highest LTV lifetime mortgage for customers aged 55–84. With market-leading LTVs up to 52% and the shortest fixed ERCs in the market – just four years – it's designed to help your clients secure a better customer outcome.

Plan overview	
Age range	55–84
Max LTV	52%
ERC period	4 years
Repayment limit before ERC	10% of initial loan amount each year
Does this plan meet Equity Release Council standards?	Yes

Lowest on the market

5 Star Rated by Defaqto

Our Apex lifetime mortgage has received a 5 Star Rating by Defaqto, meaning it comes with a comprehensive level of features and benefits and provides one of the highest quality offerings on the market.



Get rewarded for making repayments

With Apex, your client can secure an **interest rate discount of up to 0.75%** for committing to making regular payments. Turn overleaf to find out more.

Apex Interest Reward

Apex Interest Reward is a feature of our Apex lifetime mortgage that could help your client save thousands over the life of their plan.

How does it work?

By committing to making payments for a 15-year payment term, your client will be rewarded with an interest rate discount of up to 0.75% for the same period.

This combination of interest rate discount and serving some or all of the interest will help them significantly reduce their total cost of borrowing; meaning they could have more property value to pass on to their estate when their plan ends.

To ensure your Apex Interest Reward recommendation is the right one, it's crucial to confirm your client is willing and able to make payments for the entirety of the payment term. You can find out more about missed payments on page 11.

How much could my client save with Apex Interest Reward?

Ahead of taking out a plan, your client commits to paying 25%, 50% or 75% of the interest each month for 15 years. The percentage of interest paid will then determine the discount they receive.

Interest paid		Discount received
75%	>	0.75%
50%	>	0.55%
25%	>	0.30%

Apex Interest Reward also allows your client to make overpayments from day one. For the first four years of their plan, they can repay up to 10% of the initial loan amount each year without facing any early repayment charges, in addition to their pre-agreed interest payments. This could help your customer further reduce their total cost of borrowing and allow them to pass on more to their estate.

After four years have passed, your client is then able to pay the loan off in full without facing any early repayment charges.

What happens after the payment term?

After the payment term has ended, the interest rate discount from your client's Apex Interest Reward plan is removed, but they can continue to make regular payments or repay the loan in full without an early repayment charge if they wish.

After 15 years, your client can choose to stop making payments altogether if they wish. As Apex Interest Reward is a lifetime mortgage, they can do so in the knowledge that they'll retain full ownership of their home and can never leave any equity-release-related debt to their loved ones thanks to the no negative equity guarantee. Find out more about our lifetime mortgage protections on pages 8 and 9.

What happens if my client stops making payments?

We only recommend distributing this plan if you believe the monthly payments are sustainable for your client's 15-year payment term. However, if your customer's circumstances change and they miss up to the value of three months' payments, their interest rate discount will be removed. As a result, this will increase their total cost of borrowing.

But as Apex Interest Reward is a lifetime mortgage that meets Equity Release Council standards, **your client's home will never be at risk of repossession.** They'll retain full ownership of the property and can continue to live there for as long as they wish. Find out more about our lifetime mortgage protections on pages 8 and 9.

CASE STUDY EXAMPLE

Victoria is coming to the end of her interest-only mortgage and is looking for a way to meet her financial needs while still enjoying her newfound freedom in later life.

While now passed retirement age, Victoria still works part-time, so is willing and able to make payments where possible to help reduce her cost of borrowing. After speaking with her equity release adviser, Ms Nixon learns she can secure a reduced interest rate of up to 0.75% with more2life's Apex Interest Reward plan by committing to monthly payments.



Victoria Nixon
70-year-old
Divorced
Pharmacy Technician
Bristol

	Apex Interest Reward			Interest roll-up product
Interest paid	75%	50%	25%	0%
Loan amount	£100,000	£100,000	£100,000	£100,000
Interest rate (MER)	8.56%	8.56%	8.56%	8.56%
Discount (MER)	0.75%	0.55%	0.30%	—
Interest rate after discount (MER)	7.81%	8.01%	8.26%	—
Monthly payment	£488	£334	£172	—
Payment term (years)	15	15	15	—
Total value of payments	£87,862	£60,075	£30,975	—
Balance after 15 years	£155,408	£215,506	£282,845	£359,463
Saving vs making no repayments	£116,193	£83,882	£45,643	—
Gross saving	£204,055	£143,957	£76,618	—
Net saving	£116,193	£83,882	£45,643	—

Core:4 features

Our Apex and Apex Interest Reward plans come with our Core:4 features as standard, ensuring your clients remain protected throughout the life of their lifetime mortgage.



Partial repayments

With our Apex Interest Reward product, your client commits to the interest for 15 years. In return, they can secure an interest rate discount of up to 0.75%. Your client is also able to make overpayments of up to 10% of the initial loan amount without an early repayment charge during each of the first four years to reduce their borrowing costs further. Read more about Apex Interest Reward on page 6.

With our Apex lifetime mortgage, your client can make partial repayments to help reduce their total cost of borrowing. They won't incur an early repayment charge on their partial repayments providing they remain below the annual amount permitted.



Fixed early repayment charges

All Apex and Apex Interest Reward lifetime mortgages come with fixed early repayment charges, so your client always knows what they'll owe if they choose to redeem the loan early.



Early repayment charge exemption upon death or entry into long-term care

Apex and Apex Interest Reward joint plans come with an early repayment charge exemption designed to make death or entry into long-term care of a partner a little easier. When the first borrower passes away or goes into long-term care, the remaining borrower can repay the loan in part or in full within three years without incurring an early repayment charge.



Downsizing protection

Should your client decide to downsize in the future, and their new property meets our product criteria, they can port their Apex or Apex Interest Reward lifetime mortgage onto their new home. However, if it doesn't, our downsizing protection feature allows them to repay the loan in full without incurring any early repayment charges, as long as the move occurs a minimum of four years after taking out the loan.

Further protections

Alongside our Core:4 features, all our lifetime mortgages meet Equity Release Council standards. That means...



...your client will never owe more than their home's value

No matter how much interest accrues on your client's lifetime mortgage, they'll never owe more than their home's worth thanks to the no negative equity guarantee. That means they can never pass on any equity-release-related debt to their loved ones.

...your client has the right to stay in their home for life

Even if your client chooses to stop making payments at any point during their Apex Interest Reward payment term, or picks a plan where payments are optional, they'll always retain ownership of their home and have the right to stay in it for the rest of their life.

...your client will always know their rate, and it's fixed for life

With all our plans, your client will always know their interest rate before going ahead, and those rates are fixed for the entirety of their plan. Your client's Apex Interest Reward offer will include both their discounted and non-discounted interest rate.



Apex Interest Reward FAQs

Cost of borrowing

When creating KFIs, will the cost of borrowing reflect the contractual payments across the whole term?

Yes, the total cost of borrowing will display the outstanding balance taking into account the committed contractual payment term, plus any compound interest thereafter. For example, if the term is 20 years, the total cost of borrowing will reflect the 15-year payment term and the five years after.

At the annual anniversary of the loan, do you recalculate the interest payment amount if the baseline loan has reduced due to partial overpayments?

No, the committed monthly interest payment will remain the same regardless of any partial overpayments. Where the customer is servicing 25%, 50% or 75% of the interest, the overpayment will be used to offset any unpaid interest.

Making payments

Does the 10% voluntary overpayment run in addition to the contractual payments the customer is committing to?

Yes, in addition to customers making contractual interest payments, they can also repay up to 10% of the initial loan amount ERC-free in a 12-month period, if they wish.

Can the customer change the percentage of interest repayments and/or the term, or is it set at the outset?

The percentage of interest served will remain in place for the 15-year payment term.

After completion, when will the first payment be taken?

The first payment will be collected by direct debit one month after the completion date. This is confirmed in the welcome letter, which the customer will receive at completion.

Is there a minimum amount re: interest payment, or is it a percentage of the interest?

The minimum payment limit is 25% of the interest accrued. There's no minimum monetary amount.

Missed payments

A plan holder can miss up to the value of three months' payments with Apex Interest Reward without losing their interest rate discount.

If a customer breaches the missed payments allowance and the discounted rate is removed, will they move onto the prevailing rate or the rate at the time of completion?

The interest rate at completion minus the discount will be applied, not the prevailing rate.

What if a customer continually misses two or three months, and pays it back every time? Is there a limit to how many times they can make up these payments throughout the term?

As long as the shortfall doesn't exceed the value of three months' payments, the customer can fluctuate below this without penalty. In the following example, while the plan holder has missed six payments, the value of the missed payments only exceeded three months' worth in month eight. At this point, the discount is removed. ✓

Will missed payments go against the customer's credit score?

No, missed payments don't impact a customer's credit score.

If the customer also chooses to make partial overpayments, can these be put towards the contractual interest payments to retain the discount if they can't afford to make payments?

No, any overpayments made in the form of partial overpayments will not contribute to the contractual interest payments needed to maintain the discounted interest rate.

When would the non-discounted rate be applied?

The interest rate will only revert to the non-discounted rate if the customer missed payments greater than the value of three months' payments or at the end of the four-year payment term.

If a customer passes away or moves into long-term care before the payment term ends, will the reduced interest rate remain intact?

Yes, in the event the last remaining customer passes away or goes into long-term care before the payment term ends, the discounted interest rate will still apply until the loan is repaid.



If you have any other questions you'd like answered, please call or email our Adviser Support Team today:

03454 500 151

info@more2life.co.uk

Month	Expected payment	Payment received	Payment shortfall
1	£200	£0	£200
2	£200	£0	£400
3	£200	£0	£600
4	£200	£800	£0
5	£200	£0	£200
6	£200	£0	£400
7	£200	£0	£600
8	£200	£199	£601



For more information

 **03454 500 151**

 **info@more2life.co.uk**

 **[more2life.co.uk](https://www.more2life.co.uk)**

**This document is intended for intermediaries only
and is not approved for use with customers.**

more2life Ltd is authorised and regulated by the Financial Conduct Authority.
Registered in England No 5390268. Registered office: Baines House, 4 Midgery Court,
Fulwood, Preston, Lancashire PR2 9ZH. CH291 (09/24). © more2life Ltd 2024