

## Product guide

# Flexi Payment Term Lifetime Mortgage



more2life work hard to develop and create product features which empower our customers, by giving flexibility and control over your lifetime mortgage.

	Flexi Payment Term Lifetime Mortgage
<b>Age range</b>	Minimum age is 55, maximum age is 62 (+364 days). In the case of joint borrowers, the LTV is based on the age of the youngest borrower
<b>Loan amount</b>	Loan amounts are calculated based on the LTV tables
<b>Payment term</b>	The maximum age at the end of the mandatory payment period is 66. In the case of joint borrowers, the mandatory payment period is based on the age of the oldest borrower
<b>Mandatory payments</b>	Yes
<b>Affordability assessment</b>	Yes
<b>Minimum property value</b>	£125,000 (£150,000 for ex-local authority houses and bungalows)
<b>Maximum property value</b>	£2,000,000 in England, or £1,000,000 in Wales and mainland Scotland
<b>Arrangement fee</b>	Arrangement fee of £999 – can be added/deducted from the loan
<b>Voluntary overpayments</b>	Yes – in addition to mandatory payments. Up to 10% of total cash advanced in each 12 month period. Minimum repayment of £50, maximum of 12 repayments in each 12 month period.
<b>Downsizing early repayment charge exemption</b>	Yes – after an initial period of 5 years
<b>Fixed early repayment charges</b>	Yes, 10% in year 1, 9% in year 2, 8% in year 3, 7% in year 4, 6% in year 5, 5% in year 6, 4% in year 7, 3% in year 8, 2% in year 9, 1% in years 10–15, and 0% from year 16 onwards
<b>Exemption of early repayment charges on death/admission into long-term care of joint applicant</b>	Yes – within 3 years of the death of or admission into long-term care of the first borrower





## How does it work?

**A Flexi Payment Term Lifetime Mortgage is a loan secured against your home. Equity release will reduce the value of your estate and may affect your entitlement to means-tested benefits.**

This is a lifetime mortgage with mandatory payments required for a defined period of time. Mandatory payments are fully tested against credit and affordability. Once the mandatory payments have ended, the product operates as a standard roll-up lifetime mortgage, which typically is not repaid until the last remaining applicant passes away or moves into long-term care.

**Your home is at risk if you do not keep up with mandatory payments. A Flexi Payment Term Lifetime Mortgage may result in limited or no property equity remaining and will reduce your financial options in the future.**



## Voluntary overpayments

In addition to mandatory payments you can choose to make overpayments of up to 10% of the total cash advanced within each 12 month period without incurring any early repayment charges, starting from the day the loan completes.

When making a regular or ad-hoc overpayment during the repayment period, the default option is to keep the mandatory payment amount the same meaning the repayment period is shortened. There is also the option to reduce the mandatory payment amount and keep the repayment period the same.

A maximum of 12 payments can be made in each 12 month period and each payment must be a minimum of £50.

Repayments made outside of these conditions may incur early repayment charges.



## Fixed early repayment charges

If any early repayment charges are applicable, they will always be at a known cost – see table for details. This could be if the loan is repaid in full within the first 15 years of the loan completing, or if partial repayments greater than 10% of the total cash advanced are made in each 12 month period.

Should you proceed with more2life, any charges which may be applicable, will be outlined in your Key Facts Illustration and Offer documentation.



## Downsizing protection

Moving home in the future may be necessary due to a decline in health, or difficulty in maintaining the home. If your new home meets our lending criteria at the time, the loan can simply port to your new home.

However, if your new home does not meet our lending criteria at the time, the loan can be repaid in full without incurring any early repayment charges, as long as the move occurs after a minimum of 5 years from the start date of your loan.





## Exemption from early repayment charges on death/admission into long-term care of joint applicant

In joint cases, the remaining borrower can repay the loan in full without incurring any early repayment charges within a period of 3 years of the death or admission into long-term care of the first borrower.

For more information



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**more2life**  
the later life lender

**For more information, please speak to a specialist equity release adviser.**  
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