

Aviva Equity Release Lifetime Mortgages

At a glance

Aviva offers a choice of lifetime mortgages. A lifetime mortgage is a loan based on the value of a given property. There are no monthly repayments, interest builds up throughout the lifetime of the mortgage. The interest charged is calculated on the total of the amount borrowed and the interest already added. Your client's tax position and any means tested benefits may also be affected.

This document will give you the main details of our current products, highlight what the differences are and finally, give a brief overview to help you decide which product may be most suitable for a particular client.

The main features of the products are:

Lifestyle Flexible Option	Lifestyle Lump Sum Max
<ul style="list-style-type: none"> ■ Fixed interest rate. ■ Arrangement fee of £689. ■ Available from the age of 55. ■ Minimum total reserve £15,000 from which at least £10,000 must be taken as an initial loan. ■ Minimum property value of £75,000. 	<ul style="list-style-type: none"> ■ Fixed interest rate. ■ Arrangement fee of £689. ■ Available from the age of 55. ■ Minimum loan of £15,000. ■ Minimum property value of £75,000. ■ Enhanced Loan to Value rates may be available depending on the client's health and lifestyle

Product details

Details of our current interest rates and typical APRs can be found on our dedicated equity release website – www.aviva.co.uk/equity-release

The Mortgage	Lifestyle Flexible Option	Lifestyle Lump Sum Max
	Both are lifetime mortgages.	
Eligibility	Minimum age 55 (if joint, both must be at least 55). There is no maximum age.	
	Minimum property value of £75,000. The minimum total reserve is £15,000 from which at least £10,000 must be taken as an initial loan.	Minimum property value of £75,000 but minimum loan must be at least £15,000.
	No maximum property value.	
	The maximum loan/total reserve available is £600,000. Larger loans are considered on request.	
	Property must be in England, Wales, Scotland or Northern Ireland. Lending is restricted on retirement properties and flats and is not available in the Channel Islands or the Isle of Man.	
	Property must be main residence and must meet our property criteria.	
	If property is leasehold, the lease must have a minimum unexpired term of 160 years, minus the age of the younger borrower.	

Your client may be able to borrow a higher amount on the Lifestyle Lump Sum Max, depending on their health and lifestyle. To see if they are eligible they'll need to complete a health and lifestyle questionnaire as part of their application.

Loan to value (LTV)	Lifestyle Flexible Option		Lifestyle Lump Sum Max	
	Younger age	Maximum LTV	Younger age	Maximum LTV
	55	13%	55	19.5%
	56	14%	56	20.5%
	57	15%	57	21.5%
	58	16%	58	22.5%
	59	17%	59	23.5%
	60	18%	60	24.5%
	61	19%	61	25%
	62	20%	62	26%
	63	21%	63	27%
	64	22%	64	28%
	65	23.5%	65	29%
	66	25%	66	30%
	67	26.5%	67	31.5%
	68	28%	68	32.5%
	69	30.5%	69	33.5%
	70	32%	70	35%
	71	33%	71	36%
	72	34%	72	37%
	73	34.5%	73	38%
	74	35%	74	39%
	75	36%	75	40%
	76	37%	76	41.5%
	77	38%	77	43%
	78	39%	78	44%
	79	40%	79	45%
	80	41%	80	46%
	81	42%	81	47%
	82	43%	82	48%
	83	44%	83	49%
	84	45%	84	50%
	85	45%	85	51%
	86	45%	86	51%
	87	45%	87	51%
	88	45%	88	51%
	89	45%	89	51%
	90+	45%	90+	51%

Valuation fee	Estimated property value £	Valuation fee £
	75,000 – 100,000	165
	100,001 – 150,000	195
	150,001 – 200,000	235
	200,001 – 250,000	270
	250,001 – 300,000	295
	300,001 – 350,000	320
	350,001 – 400,000	345
	400,001 – 450,000	370
	450,001 – 500,000	395
	500,001 – 600,000	485
	600,001 – 700,000	565
	700,001 - 800,000	655
	800,001 - 900,000	745
	900,001 – 1,000,000	835
	Over 1,000,001	Available on request

	Lifestyle Flexible Option	Lifestyle Lump Sum Max
Arrangement fee	Fixed amount of £689. Further fees will apply to additional borrowing.	
Interest rate for initial loan	Fixed at application for a guaranteed period of 14 weeks. For further information, please refer to the interest rate flyer.	
Cash reserve	<p>Cash reserve is fixed at maximum LTV at the outset.</p> <p>The minimum amount that can be released at one time is £5,000. If the unused reserve is less than this amount it must all be taken when the next release is requested.</p> <p>There is no maximum number of releases that can be made – as long as there are sufficient funds left in the reserve.</p>	N/A
Legal fees	The customer is responsible for their own legal fees please see our tariff of charges booklet for more details.	
No negative equity guarantee	This is a feature of all our lifetime mortgage products.	
Additional borrowing	May be available in the future – subject to our lending criteria at that time, but availability is not guaranteed.	
Inheritance Guarantee	Taking out a lifetime mortgage will always reduce the inheritance your client leaves, with our inheritance guarantee option they can ensure something is left to their loved ones. The inheritance guarantee will reduce the amount they can borrow. The option is only available at the outset of the mortgage. It can be reduced or removed at any time at the clients request. Including an inheritance guarantee may affect the interest rate that is applied for each product. Please refer to interest rate flyer for current rates.	
Normal repayment	On death or the need to go into long-term care.	
Early repayment	Substantial early repayment charges may be payable if the loan is repaid for any reason other than death or the need to move into long-term care.	

