



Legal & General Home Finance announces colourful changes to lifetime mortgages

- Following feedback from advisers, Legal & General Home Finance has made a number of changes to its Flexible and Optional Payment lifetime mortgages
- The update includes two products with new loan-to-value (LTV) ratios and rate reductions of up to 0.21%
- The retirement lender has also changed the way it identifies different LTVs on products, replacing old names with colours – reflecting the colourful modern retirement

Legal & General Home Finance has today announced an update to its lifetime mortgage offering that includes two products with new LTV bands and a fresh way of identifying LTV levels with colours that reflect how no two retirements are the same. The changes are in response to feedback from advisers and provide even more options to help them offer a tailored solution for their clients' retirement needs.

The two additional lifetime mortgages with new LTV bands include a Flexible drawdown option and an addition to the retirement lender's innovative Optional Payment Lifetime Mortgage (OPLM) range. OPLM was launched by Legal & General last year, giving customers the opportunity to unlock housing equity but continue to make monthly interest repayments in retirement.

As a result of the new LTV bands and following broker feedback, Legal & General has also ended the pilot that saw the company offer slightly reduced interest rates to customers outside of London and the South East. In place of the pilot, Legal & General has reduced rates across its range of lifetime mortgages for all new customers by up to 0.21%. The move means that there will now be a single range of reduced interest rates, regardless of a customer's location.

The new rates will be offered automatically to customers whose applications have been submitted but who have not yet received an offer. For advisers whose clients have received an offer and who want to benefit from the latest reduction, Legal & General has also created a simplified process which allows brokers to request a new offer for clients quickly and easily.

“At Legal & General we're committed to helping customers enjoy the retirement they've always wanted, whatever their plans may be. Today's retirement is far more diverse than the stereotypes would have us believe and consumers want options that are tailored to the life they want to lead when they retire. We think that a crucial part of that process is giving advisers the choice, tools and support they want and need.

These latest changes we've made today are absolutely part of that approach and come in direct response to feedback from intermediaries. It's something that I believe shows we're a lender not just leading the market, but one that is willing to listen and make changes to help consumers to get the most out of later life.”

Steve Ellis, CEO, Legal & General Home Finance

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The information contained in this press release is intended solely for journalists and should not be relied upon by private investors or any other persons to make financial decisions.

Notes to Editors

A lifetime mortgage is a loan secured against the client's home. The amount that can be borrowed depends on a client's age, the value and suitability of their home and whether they are applying jointly or as an individual. Dependent on the type of lifetime mortgage chosen, the client receives a cash lump sum, smaller amounts as and when required, or a regular monthly income. Interest is added to the amount they owe each month, which means we charge interest on the loan plus any interest already added. The lifetime mortgage is usually repaid from the sale of the property when the client(s) dies or leaves the property for long term care. There may be cheaper ways to borrow money.

About Legal & General

The Legal & General Group, established in 1836, is one of the UK's leading financial services companies. As at 30 June 2018, we had over 9.5 million customers in the UK for our life assurance, pensions, investments and general insurance plans.

Legal & General Home Finance Limited is a wholly owned subsidiary of Legal & General Group plc. Registered in England and Wales number 04896447.

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Legal & General Home Finance Limited is authorised and regulated by the Financial Conduct Authority.

Further information

Note: Call charges may vary

Deborah Goodier, PR and Communications Director

+44 07974 982329

Deborah.Goodier@landg.com

Nick Seymour, Rostrum Agency

+44 07551 129 500

lgr@rostrum.agency