

Legal & General Home Finance improves repayment flexibility on lifetime mortgages

- Legal & General Home Finance has enhanced its Optional Partial Repayments feature on its Flexible Lifetime Mortgage to drive even greater payment flexibility across its product range
- New customers are now able to make up to 12 repayments each year, up from four, and make repayments by Standing Order

Legal & General Home Finance will allow new Flexible Lifetime Mortgage customers to make up to 12 partial repayments each year, as part of its commitment to make its product range as flexible as possible. Partial repayments of up to 10% of the total amount borrowed over a year will be allowed penalty free and repayments can also now be made by Standing Order.

The move, in response to evolving customer needs and adviser feedback, allows new customers to reduce the cost of borrowing throughout the lifetime of the loan and gives customers the option to stop and restart payments without contacting Legal & General.

Legal & General is always looking to innovate to provide more choice and flexibility. The business was the first to bring Optional Payment Lifetime Mortgages (OPLM) to market; allowing customers to pay some, or all, of the monthly interest. Today's announcement takes this commitment one step further to better serve individual needs.

The change follows a series of new features and product developments including an extension of the Offer Validity period to 90 days earlier this year to add an extra layer of reassurance to customers, and a reduction to the minimum drawdown amount to £1,000 to provide further flexibility.

“We’re always looking for ways to drive greater flexibility and help customers manage their interest payments in a way that best suits their financial needs. As inflation continues to put a strain on finances, we’re taking active steps to ensure our customers are in the best position for later life.”

Andrew Gilbert, Product Director at Legal & General Home Finance

-ENDS-

Notes to editors

About Legal & General

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with over £1.2 trillion in total assets under management* of which a third is international. We also provide powerful asset origination capabilities. Together, these underpin our leading retirement and protection solutions: we are a leading international player in pension risk transfer, in UK and US life insurance, and in UK workplace pensions and retirement income. Through inclusive capitalism, we aim to build a better society by investing in long-term assets that benefit everyone.

**at 31 Dec 2022*

About Legal & General Retail

Legal & General Retail helps create brighter financial futures for all our customers. The division covers the savings, protection and retirement needs of our c.13 million retail policyholders and workplace members.

In 2022, we had total individual annuity sales of £954 million, and issued £632 million of Lifetime Mortgages and Retirement Interest Only Mortgages. Our Workplace pension platform served 4.9 million members, while our Protection businesses gave peace of mind to more than 6.3 million UK life insurance, 1.8 million group and 1.5 million US customers, taking in £3.1 billion of gross written premiums.

Further information

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