



Legal & General Home Finance enhances PTLM accessibility for borrowers in retirement

- Legal & General has removed the requirement for one borrower to be employed when applying for PTLM – making the product more accessible to borrowers
- The change reinforces the provider's commitment to listening to adviser feedback to deliver better customer outcomes

Legal & General Home Finance has enhanced its Payment Term Lifetime Mortgage (PTLM) offering to make the product more accessible to borrowers whose needs are not always being met in the current retirement lending market.

This move, in response to adviser feedback, removes the requirement for one borrower to be in full-time employment. To meet the minimum eligibility criteria for the PTLM product, borrowers who are no longer in employment must have a sustainable income, whether that be through pensions, maintenance payments, rental income or income from secure investments.

These changes can benefit borrowers who are unable to get a term extension on their interest only residential mortgages or other interest only mortgages, as well as helping those looking to fund home improvements, gift loved ones, or buy a property to meet their individual needs. PTLM provides the customer with their last mortgage – a one and done solution that removes the need to take out more than one mortgage in future.

The launch of PTLM is one of a number of innovations Legal & General Home Finance has introduced in recent months. The product also helps borrowers access property wealth earlier – from 50, rather than 55 – and offers a tax-free cash lump sum in return for fixed monthly interest repayments up until retirement or age 75, whichever comes first. If they are already retired, the payment term can last up to the oldest borrower's 75th birthday. PTLM customers can borrow up to 69.9% LTV – substantially higher than LTVs in Legal & General's existing later life mortgage range¹.

Legal & General Home Finance is committed to listening to adviser feedback and delivering changes that meet customers' diverse needs. This is reflected in a recent adviser survey, which showed that a third of respondents considered Legal & General to be the best lifetime mortgage provider in the market.

Lorna Shah, Managing Director, Legal & General Retail Retirement: "We are always listening to adviser feedback to ensure the best outcomes for people looking to benefit from accessing their property wealth. That's why we're improving the accessibility of our PTLM product for borrowers in retirement, whose individual needs are not currently being well served in the existing market.

"While not suitable for everyone, lifetime mortgage solutions can be an important consideration as part of a holistic approach to financial planning. For homeowners weighing up their choices, it's worth speaking to a mortgage broker or financial adviser to be clear about all the options available to them."

-ENDS-

¹Legal & General internal data

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 £1.2 trillion in total assets under management² of which 40% is international. We have a unique and highly synergistic business model, which continues to drive strong returns. Legal & General provides powerful asset origination and management capabilities directly to clients, which also 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. Our purpose is to improve the lives of our customers and create value for our shareholders. Through inclusive capitalism, we are investing in long-term assets, such as real estate and infrastructure, that can help build a better society for the future.

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.14 million retail policyholders and workplace members. In 2023, we had total individual annuity sales of £1,431 million, and issued £299 million of Lifetime Mortgages and Retirement Interest Only Mortgages. Our Workplace pension platform served 5.2 million members, while our Protection businesses gave peace of mind to several million direct, group and US customers, taking in £1,991 million of UK and \$1,584 million of US gross written premiums.

Further information

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²Data as at 31 December 2023