

Flexible Lifetime Mortgage – At a glance



For intermediary use only

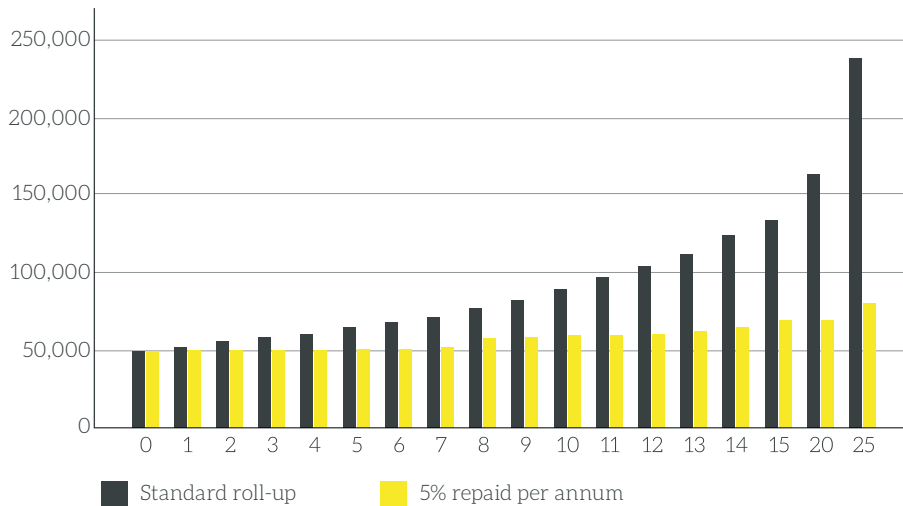
The Hodge Lifetime Flexible Lifetime Mortgage has been designed to provide customers with an initial cash sum plus further optional cash withdrawals as required. The Flexible Lifetime Mortgage is available exclusively through intermediaries and has been designed to offer flexibility as circumstances change.

Applicants	
Age eligibility (youngest applicant)	Minimum: 60 Maximum: 85
Property eligibility	Minimum value: £100,000 Maximum value: £1,000,000
Maximum loan	LTV: 20% - 45% depending on youngest age Maximum advance: £500,000
Product	
Initial cash sum available	Minimum: £15,000 (plus £5,000 Cash Withdrawal Option)
Cash Withdrawal Option	Cash Withdrawal Option = Maximum loan to value minus initial cash sum provided that initial cash sum is at least 10% of total This is not a guaranteed loan If Hodge Lifetime remove the Cash Withdrawal Option no early repayment charge would subsequently apply if the loan is repaid in full
Further draws	Minimum £1,000 per cash withdrawal Applications can be made at any time
Fee for further withdrawals	Nil
Arrangement fee	£595
Early repayment charge	Minimum early repayment charge = Nil Maximum early repayment charge = 25% of capital repaid For full details see our 'early repayment charge' factsheet available at www.hodgelifetime.co.uk
Additional features	
Flexible Repayment Option	After the 1st anniversary of the plan, up to: <ul style="list-style-type: none"> • 10% of initial cash sum; plus • 10% of withdrawals made using Cash Withdrawal Option can be repaid each year with no early repayment charge <p>Up to 2 repayments can be made each year, and each repayment must be a minimum of £500</p>
Downsizing Protection	Your customer will not incur an early repayment charge if, after the first 5 years, they repay the loan in full as a result of selling their home and moving. If moving home and redeeming within the first 5 years, a sliding scale charge only will apply of 5% in year 1 to 1% in year 5.

This is a Lifetime Mortgage. To understand the features and risks, ask for a personalised illustration.

The value of the Flexible Repayment Option

Using the Flexible Repayment Option (FRO), the example below shows the effect on the total amount owing of repaying £2,500 (5% of the initial loan amount) annually after the first anniversary of taking out a £50,000 lifetime mortgage. Up to 10% of the initial cash sum plus further withdrawals can be repaid yearly without an early repayment charge. This example is based on a monthly interest rate of 6.13%, the overall cost for comparison is 6.5% APR. The actual rate available will depend on your client's circumstances. Ask for a personalised illustration.



By repaying 5% of the initial loan amount every year after the first anniversary, the total amount owed after 10 years will be **£58,689**. This is **£33,420** lower than if no repayments were made. A calculator is available allowing you to model examples and the effect of making repayments at www.hodgelifetime.co.uk/frocalculator.

About Us

Doing the right thing is what we aim to do in all areas of our business – it guides our decisions.

Take Hodge Lifetime for example, a business dedicated to the retirement market since 1965. Since that time we've nurtured a great depth of experience and developed a very strong and solid reputation for looking after our customers while being at the forefront of innovation in our core retirement lending markets. This means that you can trust us to do right by you.

We do the right thing with regard to having a social responsibility too. The Hodge Foundation, a charity

supporting the welfare, medical, academic and educational areas owns over 75% of our business. This drives us, knowing that by helping our customers to achieve their goals, we are also helping good causes that are important to us.



Get in touch

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