

Freestyle® Lifetime Mortgage

Key Features and Benefits



For Intermediary use only. If you are not an Intermediary please contact your Intermediary for advice.

Secure your share of a growing market

The Freestyle Lifetime Mortgage from Standard Life Bank is designed for clients who would like to use one of their biggest assets, their home, to help enhance their lifestyle or provide for their retirement. This lifetime mortgage is a secured loan, providing a tax-free lump sum with nothing to pay until it is redeemed. For the right client, our Freestyle Lifetime Mortgage could help provide a better standard of living, giving you the opportunity to enhance your business portfolio.

Key Features and Benefits

Minimum age 60	The minimum age of the younger applicant is 60.
Borrow 17% to 50%	We will lend your clients between 17% and 50% of the value of their home depending on their age.
Tax free lump sum	Loans from £25,001 to £250,000 depending on age of client and value of property.
No monthly payments	Interest is rolled up for the lifetime of the loan therefore there are no monthly repayments. The loan is repaid – either when the client dies or moves into long term care.
Fixed rate of interest	Interest is fixed for the lifetime of the loan at 6.83%. The overall cost for comparison is 7.1% APR for the lifetime of the mortgage. Interest is calculated on a daily basis and applied to the loan annually in arrears on the anniversary of completion. Please note that, if applied monthly, the fixed rate of 6.83% would be equivalent to 6.63%.
No negative equity guarantee	Your client will never owe more than the market value of their home.
Early repayment	An early repayment charge applies during the early repayment period – the first 10 years of the loan. From the 30th of July 2007, no further discharge fees are applicable. Any discharge fee set prior to this date will be stated in the relevant contract.
Cash Reserve	Clients can withdraw from this facility at any time during the first five years of the mortgage (minimum of £5,000 each time). Further advances taken within this five year period (and the interest charged on them) are added to the outstanding balance. Capital outstanding will increase and therefore interest payable will also increase. The interest rate for each withdrawal will be fixed when the money is released. All applications must go through a Financial Adviser. No fee applies for this facility.
Further Borrowing	Further borrowing is possible after five years through a Financial Adviser. Only one advance is possible every five years. Capital outstanding will increase and therefore interest payable will also increase. The interest rate for each withdrawal will be fixed when the money is released. There is a £99 fee payable if your clients' application is successful. This fee can be added to the lifetime mortgage. This will further increase the outstanding capital. Minimum withdrawal is £5,000. Loan is secured against the property.
Portable	Your client can take the loan with them to other approved properties on sale of existing property (subject to lending criteria). If your client moves to a property with a lower market value part repayment may be required, however no early repayment charges will apply.
SHIP member	Our Freestyle Lifetime Mortgage is fully compliant with SHIP (Safe Home Income Plans) guidelines.

Simple Telephone Application

Call our dedicated lifetime mortgage team on 0845 609 0254. No credit or health checks are required as part of the application process. If you haven't already, you must register with us as a distributor of the Freestyle Lifetime Mortgage by calling 0845 609 0254.

Ask us about how we can help grow your business. Speak to your local Account Manager or call Sales Operations on 0131 246 0090. Or to place business call 0845 609 0254.

For more information on our products and services visit www.standardlifebank.com/adviser

If you have hearing or speech difficulties – please call our Textphone facility direct on 0845 601 2346. For a copy of this information in Braille, large print or audio format, please call 0845 845 8450.