

Freestyle® Lifetime Mortgage

Borrowing limits and conditions



This is a lifetime mortgage. To understand the features and risks, ask for a personal illustration.

Depending on your age, we will advance a certain percentage of the value of your home, subject to eligibility. This is known as "Loan to Value" (LTV). The mortgage is secured over the property by way of a first charge. The following table will help you calculate the amount that you could borrow.

Minimum Age of Younger Applicant	Minimum Loan Amount	Maximum LTV Available	Minimum Property Value
60	£25,001	17%	£147,065
61	£25,001	18%	£138,895
62	£25,001	19%	£131,585
63	£25,001	20%	£125,005
64	£25,001	21%	£119,053
65	£25,001	22%	£113,641
66	£25,001	23%	£108,700
67	£25,001	24%	£104,172
68	£25,001	25%	£100,004
69	£25,001	26%	£96,158
70	£25,001	27%	£92,597
71	£25,001	28%	£89,290
72	£25,001	29%	£86,211
73	£25,001	30%	£83,337
74	£25,001	31%	£80,649
75	£25,001	32%	£78,129
76	£25,001	33%	£75,761
77	£25,001	34%	£73,533
78	£25,001	35%	£71,432
79	£25,001	36%	£69,448
80	£25,001	37%	£67,571
81	£25,001	38%	£65,793
82	£25,001	40%	£62,503
83	£25,001	41%	£60,979
84	£25,001	43%	£58,142
85	£25,001	44%	£56,821
86	£25,001	46%	£54,350
87	£25,001	47%	£53,194
88	£25,001	49%	£51,023
89+	£25,001	50%	£50,002

Loan to Value tiers correct as at 8 April 2008, subject to change. For the latest Loan to Value tiers please contact your financial adviser or call 0845 609 0254.

Further borrowing

If, after five years, you want to borrow more money, we'll need to reassess your situation. Your home will be revalued and assessed against the Loan to Value that applies to your age group. The interest rate for further borrowing will be set at the time you apply.

A fee applies for this feature but will only be charged if the application is successful. You can repeat this process every five years. Further borrowing will mean an increase in the mortgage secured over the property. All applications for further advances must go through an intermediary and the minimum drawdown is £5,000.

Example

Peter is aged 72 and his home is valued at £150,000. He borrows £35,000 using our Freestyle Lifetime Mortgage. If after ten years Peter wants to borrow more money, he would need to have his home reassessed by Standard Life Bank. As the table below shows, if his home had grown in value at 5% per year, it would be worth £244,334. His age would then be 82 so we could lend him up to 40% of the home's value minus the outstanding balance. That potentially amounts to a further £34,240.67 cash lump sum.

Example

John and Margaret are aged 70 and 65. Their home is valued at £180,000. We are able to lend them 22% of their home's value – the Loan to Value band which applies to people aged 65. So initially, they have £39,600 available to borrow. If they decide they only need £25,001, they are left with a Cash Reserve of £14,599 which they can access later. That means if, within the first five years, they want to borrow extra cash, they are able to access up to £14,599 from their Cash Reserve. The minimum advance is £5,000 each time.

	House value (assuming growth at 5% each year)	Amount owed (at a fixed rate of 6.83%). The overall cost for comparison is 7.1% APR.	Percentage of house value
	£150,000	£35,000.00	23%
Year 2	£165,375	£39,656.36	24%
Year 4	£182,326	£44,609.35	24%
Year 6	£201,014	£50,178.70	25%
Year 8	£221,618	£56,444.63	25%
Year 10	£244,334	£63,493.00	26%

This is an example only and gives no guide to how much the value of your client's home will actually change, or the rate at which they/you will be charged. Tables and examples correct as at 8 April 2008, subject to change. Illustration based on 20 year term.

For customers with hearing or speech difficulties – please call our Textphone facility direct on 0845 601 2346.

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