

Legal & General Home Finance introduces Downsizing Protection on lifetime mortgages

- *The new Downsizing Protection feature is available to new and existing customers once they have had their lifetime mortgage for five or more years*
- *Customers will be able to repay their loan in full and without any charges if their new property doesn't meet Legal & General's lending criteria*

Legal & General Home Finance has introduced a Downsizing Protection feature across its lifetime mortgage range for customers who choose to move home in later life. New and existing customers will have the option to repay their loan in full and without an Early Repayment Charge if their new property doesn't meet Legal & General's lending criteria. The feature will be available once customers have had their lifetime mortgage for five or more years.

The introduction of Downsizing Protection is part of Legal & General's commitment to providing equity release customers with more flexibility. The lender has already taken a number of key steps since entering the lifetime mortgage market to provide more choice and support to customers, including the launch of innovative new products such as its [Optional Payment Lifetime Mortgage](#), which allows monthly interest repayments, and its [Income Lifetime Mortgage](#), which pays out as a monthly fixed income rather than a lump sum.

“Choosing a lifetime mortgage is a long-term commitment that needs careful consideration, but at Legal & General we recognise that retirement is no longer a once-and-done decision. Changing circumstances in retirement could mean having to move home in later life, and consumers want solutions that can adapt as their plans change.

At Legal & General, we've listened to feedback from our customers and adviser partners. We're a lender that is committed to offering a range of flexible solutions that can meet the needs of modern retirement and we're pleased to offer this Downsizing Protection feature across our lifetime mortgage range for customers who have held their lifetime mortgage for five years or more.”

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The information contained in this press release is intended solely for journalists and should not be relied upon by private investors or any other persons to make financial decisions.

Notes to Editors

A lifetime mortgage is a loan secured against the client's home. The amount that can be borrowed depends on a client's age, the value and suitability of their home and whether they are applying jointly or as an individual. Dependent on the type of lifetime mortgage chosen, the client receives a cash lump sum, smaller amounts as and when required, or a regular monthly income. Interest is added to the amount they owe each month, which means we charge interest on the loan plus any interest already added. The lifetime mortgage is usually repaid from the sale of the property when the client(s) dies or leaves the property for long term care. There may be cheaper ways to borrow money.

If the client decides that they want to move home but don't want to transfer their lifetime mortgage or, if they choose to repay their lifetime mortgage for any other reason, they may still have to pay an Early Repayment Charge.

ABOUT LEGAL & GENERAL

Established in 1836, Legal & General is one of the UK's leading financial services groups and a major global investor, with international businesses in the US, Europe, Middle East and Asia. With over £1.1 trillion in total assets under management at 30 June 2019, we are the UK's largest investment manager for corporate pension schemes and a UK market leader in pensions de-risking, life insurance, workplace pensions and retirement income. We have also invested over £22 billion in direct investments such as homes, urban regeneration, clean energy and small business finance.

Legal & General Home Finance Limited is a wholly owned subsidiary of Legal & General Group plc. Registered in England and Wales number 04896447.

Registered office: One Coleman Street, London EC2R 5AA.

Legal & General Home Finance Limited is authorised and regulated by the Financial Conduct Authority.

About Legal & General Retail Retirement

Legal & General Retail Retirement (LGRR)'s mission is to help its customers lead longer, healthier, happier lives. We believe everyone should be able to have a 'more colourful retirement'.

The Division comprises the Group's individual annuity, lifetime mortgage and care solutions businesses - it has more than half a million customers and circa £20 billion of assets under administration.

In H1 2019, LGRR wrote £497 million of annuity premiums and issued £489 million of lifetime mortgages.

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